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<p><b>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION</b></p>			
<p>In re:</p> <p>DRIP MORE LLC,</p> <p>Debtor(s).</p>		<p>CASE NO.: 8:24-bk-11703-SC CHAPTER: 11</p>	
		<p><b>NOTICE OF SALE OF ESTATE PROPERTY***</b></p>	

<b>Sale Date:</b> 04/23/2025	<b>Time:</b> 1:30 pm
<b>Location:</b> United States Bankruptcy Court, Courtroom 5C, 411 West Fourth Street, Santa Ana, CA 92701	

**Type of Sale:** ☒ Public ☐ Private **Last date to file objections:** 04/09/2025

**Description of property to be sold:** Inventory, Office Furniture, Office Equipment, Machinery, Fixtures, Equipment, Licensed Trademarks, Owned Trademarks, dripmore.com Domain Name & Website (defined in futher detail as "Aquired Assets") in the attached Sale & Settlement Motion

**Terms and conditions of sale:** See attached Sale & Settlement Motion

**Proposed sale price: \$2,500,000.00**

**Overbid procedure (if any):** See attached Sale & Settlement Motion for the Bidding Procedures

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**If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:**

April 23, 2025 at 1:30 p.m.

United States Bankruptcy Court

411 West Fourth Street, Courtroom 5C

Santa Ana, CA 92701

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**Contact person for potential bidders (include name, address, telephone, fax and/or email address):**

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Date: 04/02/2025

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Chapter 11 Trustee  
7

8 **UNITED STATES BANKRUPTCY COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, SANTA ANA DIVISION**  
10

11 In re

12 **DRIP MORE LLC,**  
13 Debtor.

Case No. 8:24-bk-11703-SC

Chapter 11

**CHAPTER 7 TRUSTEE'S MOTION FOR  
ORDER:**

(1) **APPROVING SETTLEMENT AND  
COMPROMISE OF DISPUTES UNDER FED.  
R. BANKR. P. 9019 BY AND BETWEEN  
CHAPTER 7 TRUSTEE AND ADVERSARY  
DEFENDANTS;**

(2) **APPROVING THE SALE OF PROPERTY OF  
THE ESTATE FREE AND CLEAR OF ALL  
LIENS, CLAIMS AND ENCUMBRANCES  
PURSUANT TO 11 U.S.C. §§363(b)(1) AND (f),  
SUBJECT TO OVERBIDS, COMBINED  
WITH NOTICE OF BIDDING PROCEDURES  
AND REQUEST FOR APPROVAL OF THE  
BIDDING PROCEDURES UTILIZED; AND**

(3) **GRANTING RELATED RELIEF;**

**MEMORANDUM OF POINTS AND  
AUTHORITIES AND DECLARATION OF  
LYNDA T. BUI IN SUPPORT THEREOF**

**Hearing Date:**

Date: April 23, 2025

Time: 1:30 p.m.

Place: Courtroom 5C

411 West Fourth Street  
Santa Ana, California 92701

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1           **TO THE HONORABLE SCOTT C. CLARKSON, UNITED STATES**  
2 **BANKRUPTCY JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE AND ALL**  
3 **INTERESTED PARTIES:**

4           Lynda T. Bui (“Trustee”), the Chapter 11 trustee for the bankruptcy estate (“Estate”) of Drip  
5 More LLC (“Debtor”), brings this Motion for Order: (1) Approving Settlement and Compromise of  
6 Disputes Under Fed. R. Bankr. P. 9019 By and Between Chapter 11 Trustee and Adversary  
7 Defendants; (2) Approving the Sale of Property of the Estate Free and Clear of Liens, Claims and  
8 Encumbrances Pursuant to 11 U.S.C. §§ 363(b)(1) and (f), Subject to Overbids, Combined with  
9 Notice of Bidding Procedures and Request for Approval of the Bidding Procedures Utilized; and  
10 (3) Granting Related Relief (“Motion”). In support of the Motion, the Trustee respectfully  
11 represents as follows:

12                                   **I.       SUMMARY OF ARGUMENT<sup>1</sup>**

13           Through this Motion, the Trustee requests approval of the Settlement Agreement  
14 (“Settlement Agreement”) entered into between (1) the Trustee, (2) Harper Advance, LLC  
15 (“Harper” or “Buyer”), and (3) Modo, LLC (“Modo”), a true and correct copy of which is attached  
16 as **Exhibit 1** to the Declaration of Lynda T. Bui (“Bui Declaration”). The Settlement Agreement  
17 resolves all litigation related to the NY State Action, Adversary Proceeding, Harper Claim and  
18 Modo Claim (collectively, the “Litigation”). As set forth below, the Trustee believes the interests  
19 of the creditors and the Estate are best served if this Court approves the proposed Settlement  
20 Agreement under the four factors set forth by *A & C Properties*. The terms of the settlement provide  
21 for (1) dismissal of the NY State Action and Adversary Proceeding, (2) Harper and Modo to have  
22 allowed claims in the amount filed, and (3) releases as discussed below. The settlement will save  
23 the Estate the time and expense litigating both the NY State Action and Adversary Proceeding. The  
24 Trustee believes, based on her independent investigation and her sound business judgment, that the  
25 settlement regarding the Litigation is in the best interest of the Estate. Therefore, based on *A & C*

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28           <sup>1</sup> All capitalized terms are defined below.



1 *Properties*, and on the Trustee’s good business judgment, the Trustee respectfully requests the Court  
2 approve the Motion.

3 Through this Motion, the Trustee also requests approval of a sale of the Acquired Assets.  
4 The Trustee has received an offer from Harper to purchase the Acquired Assets for the price of \$2.5  
5 million (which is comprised of a cash payment of \$325,000.00 and a credit bid for \$2,275,000.00),  
6 subject to overbids. The Acquired Assets are being sold “as is, where is” with no representations  
7 whatsoever. Attached as **Exhibit 2** to the Bui Declaration is a true and correct copy of the Asset  
8 Purchase Agreement entered into between Harper and Trustee (“APA”). Through the sale, Harper  
9 has agreed to pay the Estate a cash payment of \$325,000.00, which shall be treated as a surcharge  
10 under 11 U.S.C. § 506(c), payable first to the Trustee and her professionals, next to any other  
11 administrative claimants, and the remainder to other creditors of the Debtor’s Estate. The APA also  
12 provides for Harper to move all the Core Business Property out of the Warehouse at its sole expense,  
13 allowing the Estate to turn over the Warehouse to the landlord and mitigate any additional  
14 administrative expenses. In the event the Purchase Price is increased by a successful overbid (\$2.51  
15 million or more), the Estate will receive twenty-five percent (25%) of the Purchase Price, providing  
16 an additional benefit to creditors.

## 17 **II. RELEVANT FACTS**

### 18 **A. Commencement of the Bankruptcy Case and the Debtor’s Business**

19 The Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on  
20 July 5, 2024 (“Petition Date”). The Debtor was formed in August 2016 as a California limited  
21 liability corporation. Brian Bereber is the Chief Executive Officer and sole managing member.

22 The Trustee is informed that the Debtor operates out of 1972 Essex Court, Redlands,  
23 California (“Warehouse”). It manufactures, sells and ships vape tobacco flavor products to  
24 distributors locally, nationally and internationally. The Debtor employs 20 full-time non-insider  
25 employees, 65% of whom have been with the company for over five years.

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1 The Trustee is informed that the Debtor does not have traditional receivables as the Debtor  
2 is substantially paid concurrently when a customer submits a purchase order (“PO”). The Debtor  
3 does not manufacture the product first and then invoice the customer when the product is delivered.  
4 The Debtor also does not have long-term contracts with any customers that require it to produce  
5 products for a specific price or amount in the future (i.e., accounts). The Debtor’s operation relies  
6 on customers to continually submit POs to generate revenue. When the Debtor receives payment  
7 with the PO, it buys the materials (representing the cost of goods sold) and then manufactures/ships  
8 the product to fulfill the PO. The net profit (gross revenue minus cost of goods sold) is then used to  
9 pay all operating expenses.

10 **B. Trustee’s Appointment**

11 On December 17, 2024, the Court entered the *Order (1) Granting the Motion of Harper*  
12 *Advance, LLC to Appoint Examiner and Sua Sponte Ordering the Appointment of a Chapter 11*  
13 *Trustee; and (2) Directing the United States Trustee to Appoint Chapter 11 Trustee* [Docket No.  
14 188]. By such order, the Court ordered a chapter 11 trustee shall be appointed in this case and  
15 directed the United States Trustee for the Central District of California, Region 16 (“U.S. Trustee”)  
16 to appoint a Chapter 11 Trustee in this case.

17 On December 19, 2024, the U.S. Trustee appointed Trustee as the Chapter 11 trustee in the  
18 above-captioned case. On December 19, 2024, the U.S. Trustee filed its Notice of Appointment of  
19 Chapter 11 Trustee [Docket No. 189].

20 On December 19, 2024, the U.S. Trustee filed its *Application for Order Approving*  
21 *Appointment of Chapter 11 Trustee and Fixing Bond* (“Application”) [Docket No. 191]. The Court  
22 approved the Application the same day [Docket No. 197].

23 On December 19, 2024, Trustee filed her *Acceptance of Appointment as Chapter 11 Trustee*  
24 [Docket No. 190].

25 **C. Trustee’s Operation of the Debtor’s Business**

26 On March 20, 2025, the Trustee had to make the difficult decision to shut down business  
27 operations of the Debtor. The Trustee let all of the employees go after their shifts were completed  
28 at 2:00 p.m. The Trustee has changed all locks at the Warehouse.

1 Despite the Trustee's best efforts, the business did not generate sufficient net profits to cover  
2 its ongoing expenses and generate enough funds to pay Chapter 11 administrative claims. The  
3 Trustee was advised by the Debtor's principal that the busy and lucrative months for the business  
4 started in February. Unfortunately, that was not the case for this February or March. Rather,  
5 February 2025 came in at half of the projected net profits and a fraction of the amount of business  
6 generated in 2024. Despite minimal overhead, there were no surplus funds at month-end. March  
7 was not trending anywhere close to projections when the Trustee made the difficult decision to shut  
8 down the business. Additionally, the departures of several key employees further strained  
9 operations and were an additional factor in the Trustee's decision to shut down the business.

10 Additionally, Harper's assertion that all assets were secured by its claim meant that all  
11 incoming funds were considered cash collateral. Since her appointment, the Trustee undertook a  
12 diligent effort to obtain a sale of the business as a going concern, engaging in outreach and  
13 discussions with potential buyers. Despite these efforts, no serious offer was received that would  
14 exceed the estimated amount of the secured claim. Ultimately, it finally became apparent that this  
15 case was likely administratively insolvent from the start, and given the current economic climate,  
16 the Trustee determined there was no realistic path to turn the business around and continue to  
17 operate.

18 **D. The New York Action and Relief From Stay**

19 Prior to the bankruptcy, on April 10, 2024, Harper commenced a lawsuit under Index No.  
20 606244/2024 in the Supreme Court of New York, Nassau County, (the "NY State Action"), against  
21 Debtor, its corporate affiliates Drip More, LP, Cali Co Pack, LLC, and Deadstock LLC (together,  
22 the "Corporate Entities"), and Debtor's and the Corporate Entities owner Brian Bereber  
23 ("Bereber").<sup>2</sup> The NY State Action is pending, and a motion for summary judgment by Harper as  
24 against the Debtor, Corporate Entities and Bereber is set for hearing on June 17, 2025.

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26  
27 <sup>2</sup> On July 12, 2024, Bereber filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the  
28 Bankruptcy Court, Case No. 24-11744 ("Bereber Bankruptcy"). On December 20, 2024, the Bereber  
Bankruptcy was converted to chapter 7. On December 23, 2024, Weneta Kosmala was appointed as chapter  
7 Trustee (the "Bereber Trustee") in the Bereber Bankruptcy.

1 After the Petition Date, on September 6, 2024, the Court entered the *Order Granting Motion*  
2 *for Relief from the Automatic Stay Under 11 U.S.C. § 362 (Action in Nonbankruptcy Forum)*  
3 [Docket No. 107] (“RFS Order”). The RFS Order granted Harper relief from the automatic stay  
4 under 11 U.S.C. § 362(d)(1) to proceed in the NY State Action against the Debtor, but only to  
5 judgment and not for purposes of collection.

6 On February 20, 2025, the Court entered the Order Denying the Debtor’s Motion for  
7 Reconsideration of Order Granting Relief from Stay for Harper Advance LLC to Proceed in Non-  
8 Bankruptcy Forum [Docket No. 268] (“Reconsideration Order”).

9 **E. Adversary Proceeding**

10 On August 27, 2024, Debtor initiated an adversary proceeding in the Bankruptcy Case, Adv.  
11 Case No. 24-01118 (the “Adversary Proceeding”) against Harper, Modo, Dov Hershberg, Josh  
12 Levine, Fundomate and Schmuel Schapiro (together, the “Adversary Defendants”). Motions to  
13 dismiss the Adversary Proceeding are fully briefed. The Adversary Proceeding has been stayed and  
14 hearing on the motions to dismiss continued by the Bankruptcy Court until May 7, 2025.

15 **F. Settlement Agreement**

16 Subject to Court approval, Trustee, Harper, and Modo (collectively, the “Parties”) desire to  
17 resolve the Litigation. Attached as **Exhibit 1** to the Bui Declaration is a true and correct copy of  
18 the Settlement Agreement. The substantive terms of the Settlement Agreement are as follows: (1)  
19 dismissal of the New York State Action as to the Debtor only, without prejudice; (2) dismissal of  
20 the Adversary Proceeding as to Adversary Defendants with prejudice; (3) allowance of the Harper  
21 Claim in the amount of \$9,432,349.16 and agreement that the Harper Claim is secured; (4)  
22 allowance of the Modo Claim in the amount of \$4,826,707.62 and agreement that the Modo Claim  
23 is secured; and (5) releases by the Parties. While a release is not being provided to the Debtor’s  
24 Estate in the traditional sense, under the terms of the Settlement Agreement, the Debtor is getting  
25 the functional equivalent of a release because Harper and Modo have effectively agreed to a partial  
26 subordination of their liens to allow the Estate to sell the Acquired Assets and the Excluded Assets.  
27 The foregoing is a summary only of the substantive terms. For the complete Settlement Agreement,  
28 please see **Exhibit 1** to the Bui Declaration.

1 **G. The Scheduled Assets**

2 On July 19, 2024, the Debtor filed its Schedules and Statement of Financial Affairs [Docket  
3 No. 36] ("Schedules"). On Part 5 of its Schedule A/B, the Debtor lists (1) raw materials totaling  
4 \$101,848.83, (2) discontinued packing totaling \$0.00, and (3) and e-liquids listed on an attached  
5 inventory list totaling \$109,199.48. On Part 7 of its Schedule A/B, the Debtor lists (1) office  
6 furniture – desks, chairs, tables, shelves – totaling \$4,000.00, (2) desks, rolling cart, office chairs  
7 totaling \$2,000.00, and (3) office equipment totaling \$10,680.00. Finally, on Part 8 of its Schedule  
8 A/B, the Debtor lists other machinery, fixtures, and equipment totaling \$94,723.79.

9 On Part 10 (Intangibles and intellectual property) of its Schedule A/B, the Debtor provides  
10 a list for (1) trademarks to which it is a licensee, (2) trademarks it owns, (3) dripmore.com domain  
11 name and website, and (4) goodwill.

12 **H. Sale of the Acquired Assets**

13 Subject to the terms of the APA, the Trustee agrees to cause Debtor to sell, assign, and  
14 transfer to Harper or its designee all of Debtor's right, title and interest in and to the Acquired Assets,  
15 which means (i) all intellectual property owned by Debtor, including without limitation all  
16 trademarks, trade names, service marks, trade dress, logos, copyrights, patents, domain names,  
17 social networking accounts and email addresses, worldwide ("Sold Intellectual Property"); (ii) all  
18 furniture, fixtures, machinery and equipment ("FFE"), inventory, raw materials, pack-aging and  
19 labels (all together, the "Core Business Property") located at the Warehouse as of March 28, 2025,  
20 (iii) all recipes, customer lists and information, vendor lists and information, and (iv) all other  
21 tangible or intangible property relating thereto. Acquired Assets does not include Excluded Assets.  
22 For clarity, and without limitation, Sold Intellectual Property includes all right, title and interest  
23 assigned to Debtor pursuant to that certain Trademark Assignment executed by Bereber on behalf  
24 of himself and Debtor on June 5, 2021. On or before Tuesday, April 8, 2025, the Trustee must  
25 remove any personal identifiable information, to the extent it exists.

26 For avoidance of doubt, and without limitation, Sold Intellectual Property includes:

27 i. All trademarks and tradenames owned or licensed by the Debtor listed on Debtor's  
28 Schedules, a copy of the relevant portion of the Schedules is attached as Exhibit 1 to the APA;

1           ii. All trademarks and tradenames owned or licensed by the Debtor listed on Adversary  
2 Proceeding Docket No. 87, except those that are explicitly listed as owned by Deadstock, LLC, a  
3 copy of which is attached as Exhibit 2 to the APA; and

4           iii. All right, title and interest assigned to Debtor pursuant to that certain Trademark  
5 Assignment executed by Bereber on behalf of himself and Debtor on June 5, 2021, a copy of which  
6 is attached as Exhibit 3 to the APA.

7           “Excluded Assets” means (i) any Intellectual Property solely relating to the business of  
8 Deadstock, LLC, (ii) any personal property that was stored at a location other than the Warehouse  
9 as of March 28, 2025, (iii) the vehicles that are the subject of the Trustee’s Notice of Sale of Estate  
10 Property [Docket No. 290], and (iv) any claims of the Estate against third parties, including but not  
11 limited to avoidance actions. On or before Tuesday, April 8, the Trustee will identify to Harper of  
12 any specific property that Trustee has actual knowledge of being owned by a third party. For  
13 avoidance of doubt, the Trustee can only sell assets that belong to the Debtor’s Estate. After the  
14 Move-out Deadline, third parties who assert that any Core Business Property belong to them must  
15 contact Harper directly to arrange for pickup of any items they prove is theirs.

16           As provided for in the APA, on the Effective Date, Harper shall pay \$325,000 in cash to the  
17 Trustee (the “Cash Payment”), for the benefit of the Debtor and the Debtor’s estate, unless there is  
18 a higher bidder for the Acquired Assets. Harper shall deposit the Cash Payment with the Trustee  
19 on or before April 8, 2025, which shall be held in trust pending the Effective Date.

20           Pursuant to Section 5 of the APA, Harper agrees that for purposes of the auction only, any  
21 credit bid based upon its secured liens against the Acquired Assets shall be limited for purposes of  
22 any overbid to \$2,500,000, which shall be inclusive of the Cash Payment (“Credit Bid Ceiling”).  
23 Modo agrees that for purposes of the auction only, it shall not credit bid at the auction. By way of  
24 example, if there are no qualifying bidders at the auction, then Harper pays the Cash Payment; if a  
25 qualifying bidder bids \$2,510,000 or more (“Overbid Cash”) and is the highest bid, Harper agrees  
26 not to credit bid, the qualifying bidder would be the winning bidder and acquire the Acquired Assets  
27 for the amount of the Overbid Cash, and the Cash Payment amount would be returned to Harper by  
28 the Trustee within seven (7) business days.

Pursuant to Section 6 of the APA, if there is Overbid Cash, the funds are divided 75% to Harper and 25% to the Debtor's Estate. The funds to Harper shall be paid directly to Harper at sale, and not flow through the Debtor's Estate.

Pursuant to Section 8 of the APA, other than Overbid Cash paid directly to Harper as provided in this Agreement, payment of any Harper and Modo distributions out of the Debtor's Estate shall be paid pro rata with unsecured creditors, to be calculated after netting out any distributions made to Harper of the Overbid Cash. Nothing under this accommodation by Harper and Modo, which is being made for the benefit of the Debtor's Estate and its unsecured creditors, shall be considered a waiver of Harper's or Modo's liens under any circumstance.

Finally, as provided in more detail in Section 14 of the APA, Harper will move all the Core Business Property out of the Warehouse at its sole expense by April 11, 2025.

The foregoing is a summary only of the substantive terms. For the complete APA, please see **Exhibit 2** to the Bui Declaration.

**I. Liens and Encumbrances Including Harper Claim and Modo Claim**

Pursuant to the Lien Search Certificate dated December 18, 2024 ("Lien Search") and attached to the Bui Declaration as **Exhibit 3**, two UCC Financing Statements were filed by Copperwood Capital LLC/LIQUIDUS FUNDING LLC and CT Corporation System on February 13, 2020 and April 30, 2020, respectively. The Debtor indicated in its *Emergency Motion for Authority to Use Cash Collateral on an Interim Basis* [Docket No. 4] that the underlying obligations were paid in full Pre-Petition.

Pursuant to the Lien Search, Harper filed (or was assigned) the following five (5) UCC Financing Statements: (1) UCC-1 financing statement filed by Harper with the California Secretary of State on July 16, 2020, filing number U200001068418; (2) UCC-1 financing statement filed by Harper with the California Secretary of State on July 16, 2020, filing number U200001068620; (3) UCC-1 financing statement filed by Fundomate Technologies, Inc. with the California Secretary of State on August 9, 2022, filing number U220217298738, and assigned to Harper on January 31, 2024, filing number U240008310419; (4) UCC-1 financing statement filed by Harper with the California Secretary of State on April 5, 2023, filing number U230024040517; and (5) UCC-1

1 financing statement filed by Harper with the California Secretary of State on April 5, 2023, filing  
2 number U230024041014.

3 Pursuant to the Lien Search, the Employment Development Department filed a Notice of  
4 State Tax Lien on November 27, 2023, filing number U230083455428 (“EDD Lien”).

5 Pursuant to the Lien Search, Modo filed one UCC-1 financing statement with the California  
6 Secretary of State on January 22, 2024, filing number U240005096320.

7 On October 30, 2024, Haper filed a proof of claim, appearing on the Claims Register as  
8 Claim 22-1, for a secured claim in the amount of \$9,432,349.16 (“Harper Claim”). The basis of the  
9 claim is the ten (10) separate merchant cash advance agreements (the “MCA Agreements”) the  
10 Debtor entered into with Harper. Attached to the Harper Claim is a copy of the Verified Complaint  
11 filed in the NY State Action and the five UCC-1 financing statements discussed above.

12 On October 30, 2024, Modo filed a proof of claim, appearing on the Claims Register as  
13 Claim 23-1, for a secured claim in the amount of \$4,826,707.62 (“Modo Claim”). The basis of the  
14 claim is a “Revenue Purchase Agreement.” Attached to the Modo Claim is a copy of that certain  
15 Revenue Purchase Agreement dated November 3, 2023 and the UCC-1 financing statement  
16 discussed above.

17 **J. Marketing of the Acquired Assets**

18 Prior to entering into the APA, the Trustee reached out to competitors in the vaping industry  
19 that she had identified as possible buyers. The Trustee received an oral offer for \$350,000.00 for  
20 the business from an unsecured creditor. The Trustee also received an offer of \$1 million for the  
21 intellectual property. The Trustee will provide notices to these potential buyers should they wish to  
22 participate in the Auction.

23 **K. Tax Consequences**

24 The Debtor is a limited liability company which is a pass-through tax entity such that any  
25 gain will flow through to the members of the Debtor and any taxes because of such gains will be  
26 reported on the members’ tax returns and paid by the members.

27 ///

28 ///



**L. Sale Information in Compliance with Local Bankruptcy Rule 6004-1(c)(3)**

The following chart provides information on the sale in compliance with Local Bankruptcy Rule (“LBR”) 6004-1(c)(3):

<b>LBR 6004-1(c)(3) Requirement</b>	<b>Information</b>
LBR 6004-1(c)(3)(A) Date, Time, and Place of hearing on the proposed sale:	Hearing Date and Time: April 23, 2025 at 1:30 p.m. Hearing Place: U.S. Bankruptcy Court, Courtroom 5C, 411 Fourth Street, Santa Ana, CA 92701-4593 VIA ZOOM
LBR 6004-1(c)(3)(B) Name and address of the proposed buyer:	Harper c/o Dov Hershberg Address: 516 N. Larchmont Blvd., Los Angeles, CA 9004
LBR 6004-1(c)(3)(C) Description of the property to be sold:	Debtor’s right, title and interest in and to the “Acquired Assets” which means (i) all intellectual property owned by Debtor’s Estate, including without limitation all trademarks, trade names, service marks, trade dress, logos, copyrights, patents, domain names, social networking accounts and email addresses, worldwide (“ <u>Sold Intellectual Property</u> ”); (ii) all furniture, fixtures, machinery and equipment (“ <u>FFE</u> ”), inventory, raw materials, packaging and labels (all together, the “ <u>Core Business Property</u> ”) located at 1720 Essex Court., Redlands, CA 92373 (the “ <u>Warehouse</u> ”) as of March 28, 2025, (iii) all recipes, customer lists and information, vendor lists and information, and (iv) all other tangible or intangible property relating thereto. Acquired Assets does not include Excluded Assets (defined in the APA).
LBR 6004-1(c)(3)(D) Terms and conditions of the proposed sale, including the price and all contingencies:	Buyer has offered \$2,500,000 (which is comprised of a cash payment of \$325,000.00 and a credit bid for \$2,275,000.00), subject to the Bidding Procedures set forth below. Buyer is purchasing the Acquired “AS IS” without warranties of any kind, expressed or implied, being given by the Trustee concerning the condition of the Acquired Assets or the quality of the title thereto, or any other matters relating to the Acquired Assets.
LBR 6004-1(c)(3)(E) Whether the proposed sale is free and clear of liens, claims or interests, or subject to them, and a description of all such liens, claims or interests:	Liens impacting the Acquired Assets are identified in the Lien Search and include Buyer’s liens. The sale of the Acquired Assets shall be free and clear of all liens, claims and encumbrances pursuant to Section 363(f)(1), (2), or (5).  To the extent there are disputed unresolved liens, such unresolved liens, if any, will attach to the proceeds of the sale in the same validity and priority as prior to the sale, pending agreement with the lienholder or further Court order.

LBR 6004-1(c)(3) Requirement	Information
LBR 6004-1(c)(3)(F) Whether the proposed sale is subject to higher and better bids:	The sale of the Acquired Assets is subject to the Bidding Procedures set forth below.
LBR 6004-1(c)(3)(G) Consideration to be received by the Estate, including estimated commissions, fees and other costs of sale:	Purchase price of \$2,500,000 (which is comprised of a cash payment of \$325,000.00 and a credit bid for \$2,275,000.00), or an amount as increased by successful overbid. There are no commissions, fees and/or other costs of sale. Estate will receive at least \$325,000.00. The sale price is subject to the Court approval.
LBR 6004-1(c)(3)(H) If authorization is sought to pay commission, the identity of the auctioneer, broker, or sales agent and the amount or percentage of the proposed commission to be paid:	No authorization is sought to pay a commission.
LBR 6004-1(c)(3)(I) A description of the estimated or possible tax consequences to the Estate, if known, and how any tax liability generated by the sale of the property will be paid:	The Debtor is a limited liability company which is a pass-through tax entity such that any gain will flow through to the members of the Debtor and any taxes because of such gains will be reported on the members' tax returns and paid by the members.
LBR 6004-1(c)(3)(J) Date which objection must be filed and served:	<b>Objections, if any, must be filed and served 14 days prior to the Hearing Date (or by April 9, 2025).</b>

**M. Notice of Auction and Bidding Procedures**

The Trustee has determined that, to ensure that the best and highest value is received for the Acquired Assets, the sale of the Acquired Assets should be subject to overbids. Accordingly, in order to obtain the highest and best offer, the sale of the Acquired Assets is subject to overbid at an auction to be conducted during the hearing on this Motion (the “Auction”). The Auction shall only be conducted if one or more Qualified Bids (defined below and other than the Agreement submitted by the Buyer) are timely received.

To be eligible to participate in the Auction at the hearing on this Motion, each offer, solicitation, or proposal (each, a “Bid”), and each individual or entity submitting such a Bid (each, a “Bidder”), must satisfy each of the following conditions; if all conditions are satisfied, the Bid will be a “Qualified Bid” and the Bidder will be a “Qualified Bidder”:

///

1           1.     Form. The Bid must: (a) be in writing; (b) disclose the identity of the individual or  
2     entity that will be bidding; and (c) be in the form of a duly authorized, executed, and non-contingent  
3     purchase agreement, together with all schedules, exhibits, and related documents thereto.

4           2.     Good Faith Deposit. The Bid must be accompanied by a cash deposit in the amount  
5     of \$325,000.00.

6           3.     Reimbursement Payment. The Bid must be accompanied by a Cashier's Check,  
7     payable to Harper, in the amount of Harper's cost for the Move-Out Accommodation.

8           4.     Overbid Payment. The Bid must be accompanied by a Cashier's Check, payable to  
9     the Trustee, in the minimum amount of the overbid (i.e., \$2,510,000) less the Good Faith Deposit.

10          5.     Same or Better Terms. The Bid must be on terms and conditions that are  
11     substantially the same or better than, not more burdensome in any material way than, and no more  
12     conditional than the terms of the APA ("Stalking Horse Bid") attached as **Exhibit 1** to the Bui  
13     Declaration. The Bid may not contain additional termination rights, covenants, financing or due  
14     diligence contingencies, or closing conditions, other than as may be included in the APA.

15          6.     "As-Is," "Where-Is Condition; No Warranties. The Bid must acknowledge that the  
16     Acquired Assets are being sold on an "as-is," "where-is" basis without warranties of any kind,  
17     expressed or implied, being given by the Trustee, concerning the condition of the Acquired Assets  
18     or the quality of title thereto, or any other matters relating to the Acquired Assets. The Bidder must  
19     represent and warrant that the Bidder is purchasing the Acquired Assets as a result of Bidder's  
20     investigations and is not buying the Acquired Assets pursuant to any representation made by the  
21     Trustee, or by any person or entity acting on their behalf. The Bidder must acknowledge that  
22     he/she/it has inspected the Acquired Assets and upon closing of escrow, the Bidder forever waives,  
23     for himself/herself/itself, their heirs, successors and assigns, all claims against the Debtor, its  
24     attorneys, agents and employees, Debtor's Estate, Lynda T. Bui as the Trustee and individually, the  
25     Trustee's general counsel, Shulman Bastian Friedman & Bui LLP, and the Trustee's agents and  
26     employees, arising or which might otherwise arise in the future concerning the Acquired Assets.

27          7.     Corporate Authority. If the party bidding is an entity, the Bid must include written  
28     evidence reasonably acceptable to Trustee demonstrating that the Bidder has full power and  
29     authority (including full corporate or other organizational power and authority) to consummate the  
30     proposed transaction contemplated by the Bid.

31          8.     Proof of Financial Ability to Perform. The Bid must provide evidence of having  
32     sufficient specifically committed funds to complete the transaction and such other documentation  
33     relevant to the Bidder's ability to qualify as the purchaser of the Acquired Assets and ability to close  
34     the sale and immediately and unconditionally pay the winning bid purchase price at close of escrow.  
35     To the extent that the Bid is not accompanied by evidence of the Bidder's capacity to consummate  
36     the transaction contemplated by the Bid with unrestricted and fully available cash, the Bid must  
37     include written evidence of a firm, irrevocable commitment for financing or other evidence of ability  
38     to consummate evidence of ability to consummate the proposed transaction, documented to the  
39     satisfaction of the Trustee, by the submission of recent financial documentation (audited, if  
40     available), that will allow the Trustee to make a reasonable determination as to the financial and  
41     other capabilities of the Bidder to close on the Acquired Assets.

42          9.     Irrevocable. The Bid must be irrevocable through the Auction; provided however,  
43     that if such Bid is accepted as the Successful Bid, First Backup Bid, or Second Backup Bid (each  
44     defined below), such Bid shall continue to remain irrevocable, subject to the terms and conditions  
45     of the Bidding Procedures.

46     ///

1           10. Bid Deadline. The Bid must be in writing and be received by Trustee or his counsel,  
2 Rika M. Kido (rkido@shulmanbastian.com), on or before 5:00 p.m. (California time) on or before  
3 **three (3) business days prior to the hearing on the Motion.**

4           11. Amount of Bid. Each Bid must bid an initial amount of at least \$10,000.00 over the  
5 Purchase Price, or \$2,510,000.00, plus the Reimbursable Expenses of (defined below) (“Baseline  
6 Bid”). Minimum bid increments thereafter shall be in the amount of \$10,000.00 or an amount  
7 acceptable to the Trustee. The Trustee has the sole and absolute discretion to determine which  
8 overbid is the best for the Estate and will seek approval of the Court of same.

9           12. Affirmative Statement. Each Bid shall be accompanied by an affirmative statement  
10 that (i) all Bidders submitting such Bid have and will continue to comply with the Bidding  
11 Procedures, and (ii) the Bidder acknowledges that he/she/it has knowingly and voluntarily submitted  
12 to the exclusive jurisdiction of the United States Bankruptcy Court for the Central District of  
13 California with respect to all matters related to the terms and conditions of the sale of the Acquired  
14 Assets.

15           13. Independent Buyer Declaration. Each Bid shall be accompanied by a declaration,  
16 signed under penalty of perjury by either the individual Bidder or an authorized representative of a  
17 non-individual Bidder with personal knowledge of the facts asserted, attesting to and providing the  
18 following:

- 19           • The full legal name or registered name of Bidder, inclusive of any *dba*, *fka*, trade  
20 name(s), or alias;
- 21           • If Bidder is a corporation, its state of incorporation, the address of its corporate  
22 headquarters, the names of its board members and the names of its shareholders;
- 23           • That Bidder does not have a relationship with the Trustee nor the Debtor and does  
24 not intend to have a relationship with the Debtor or the Trustee after the sale;
- 25           • That other than the purchase price for the Acquired Assets, there is no consideration  
26 contemplated to be transferred to the Trustee or the Debtor as part of the sale. The  
27 only consideration is the price being paid for the Acquired Assets;
- 28           • That Bidder has not colluded with any other potential buyers for the purchase of the  
Acquired Assets in an attempt to take unfair advantage of the other prospective  
buyers;
- That Bidder has not colluded with the Trustee or the Debtor regarding the purchase  
of the Acquired Assets in any way; and
- If prior to submitting an Independent Bidder Declaration, Bidder has ever had any  
contact, interaction(s), transaction(s), communication(s), personal dealing(s),  
business dealing(s), or the like with the Trustee or the Debtor, Bidder shall provide  
a detailed list of each occurrence – include the approximate date, time and nature of  
same.

1           14. Auction for Qualified Bidders. If there is at least one Qualified Bid for the Acquired  
2 Assets, at the hearing on the Motion an auction shall be conducted for the Acquired Assets to  
3 determine the highest or otherwise best Qualified Bid. Only Qualified Bidders may participate in  
4 the Auction. Prior to the Auction, the Trustee shall provide copies of all Qualified Bids to all  
5 Qualified Bidders at the same time. The auction shall be conducted as follows:

6 ///

- 1 • Manner in which the Auction Conducted. The auction will be held on April 23, 2025  
2 at 1:30 p.m., **California Time, Courtroom 5C, 411 West Fourth Street, Santa**  
3 **Ana, California VIA ZOOM**, or if rescheduled, upon telephonic notice to the Buyer  
4 and the parties having submitted overbids in order to allow all potential bidders the  
opportunity to overbid and purchase the Acquired Assets. The Court shall direct and  
preside over the Auction. Only Qualified Bidders (or their qualified representatives)  
will be entitled to make any Bids at the Auction.
- 5 • Bid Increments. Minimum bid increments during the auction shall be in the amount  
6 of \$10,000.00.
- 7 • Successful Bidder. The Auction shall continue until Seller determines in his  
8 reasonable business judgment that there is a highest or otherwise best Qualified Bid  
9 at the Auction (a “Successful Bid,” and each Bidder submitting such Successful Bid,  
10 a “Successful Bidder”). The Auction shall not close unless and until all Bidders who  
11 have submitted Qualified Bids have been given a reasonable opportunity, as  
determined by Seller, to submit an Overbid at the Auction to the then-existing  
Overbids. At the hearing on the Motion, Seller will seek entry of an order, inter alia,  
authorizing and approving the sale of the Acquired Assets to the Successful Bidder.  
The hearing on the Motion may be adjourned or rescheduled without notice other  
than by an announcement of the adjourned date at the hearing on the Sale Motion.
- 12 • First Backup Bidder. The entity/individual with the second highest or otherwise best  
13 Qualified Bid at the Auction, as determined by Seller, in the exercise of his business  
14 judgment, will be designated as the first backup bidder (the “First Backup Bidder”).  
15 The First Backup Bidder shall be required to keep its initial Bid (or, if the First  
16 Backup Bidder submitted one or more Overbids at the Auction, its final Overbid)  
17 (the “First Backup Bid”) open and irrevocable until the close of escrow on the Sale  
18 of the Acquired Assets with the Successful Bidder. In the event the Successful  
Bidder fails to close within ten (10) calendar days after entry of an order of the Court  
confirming the sale or other the time parameters approved by the Court (“Closing  
Deadline”), Seller shall retain the Successful Bidder’s Deposit and will be released  
from his obligation to sell the Acquired Assets to the Successful Bidder. Seller shall  
proceed to consummate the First Backup Bid with the First Backup Bidder.
- 19 • Second Backup Bidder. The entity/individual with the third highest or otherwise best  
20 Qualified Bid at the Auction, as determined by Seller, in the exercise of his business  
21 judgment, will be designated as the second backup bidder (the “Second Backup  
22 Bidder”). The Second Backup Bidder shall be required to keep its initial Bid (or, if  
23 the Second Backup Bidder submitted one or more Overbids at the Auction, its final  
24 Overbid) (the “Second Backup Bid”) open and irrevocable until the close of escrow  
25 on the Sale of the Acquired Assets with the Successful Bidder or, in the event the  
Successful Bidder failed to close on the sale of the Acquired Assets, the First Backup  
Bidder. In the event the First Backup Bidder fails to close on the sale of the Acquired  
Assets within ten (10) calendar days after the Closing Deadline or other the time  
parameters approved by the Court, Seller shall retain the First Backup Bidder’s  
Deposit and will be released from his obligation to sell the Acquired Assets to the  
First Backup Bidder. Seller shall proceed to consummate the Second Backup Bid  
with the Second Backup Bidder.

26 15. Modification of the Bidding Procedures. Trustee may modify the above Bidding  
27 Procedures in her reasonable business judgment.

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1 16. Successful Bidder Deposit. In the event the Successful Bidder fails to close on the  
2 sale of the Acquired Assets within the time parameters approved by the Court, the Trustee shall  
3 retain the Successful Bidder's Deposit and will be released from the obligation to sell the Acquired  
Assets to the Successful Bidder and the Trustee may then sell the Acquired Assets to the First  
Backup Bidder approved by the Court.

4 17. First Back-Up Bidder Deposit. In the event First Backup Bidder fails to close on the  
5 sale of the Acquired Assets within the time parameters approved by the Court, the Trustee shall  
6 retain the First Backup Bidder's Deposit and will be released from the obligation to sell the Acquired  
Assets to the First Backup Bidder and the Debtor may then sell the Acquired Assets to the Second  
Back-Up Bidder approved by the Court.

7 18. Return of Good Faith Deposit(s). The Good Faith Deposits of the Qualified Bidders  
8 shall be held by Trustee. The Good Faith Deposit of any Qualified Bidder that is neither the  
9 Successful Bidder nor the First Backup Bidder nor the Second Backup Bidder shall be returned to  
10 such Qualified Bidder not later than seven (7) business days following the entry of the Order  
11 approving this Motion. If the Successful Bidder timely closes on the Acquired Assets, its Good  
12 Faith Deposit shall be credited towards its purchase price. The Good Faith Deposit of the First  
13 Backup Bidder and Second Backup Bidder shall be returned to the First Backup Bidder and Second  
14 Backup Bidder not later than ten (10) calendar days after the Successful Bidder closes on the  
Acquired Assets. In the event the Successful Bidder fails to close on the sale of the Acquired Assets  
within the time parameters approved by the Court, the Good Faith Deposit of the First Backup  
Bidder shall be credited towards its purchase price. The Good Faith Deposit of the Second Backup  
Bidder shall be returned to the Second Backup Bidder not later than ten (10) calendar days after the  
First Backup Bidder closes on the Acquired Assets. In the event the First Backup Bidder fails to  
close on the sale of the Acquired Assets within the time parameters approved by the Court, the Good  
Faith Deposit of the Second Backup Bidder shall be credited towards its purchase price.

15 The Bidding Procedures will be provided to all creditors and any potential bidders or parties  
16 who have shown an interest in the Acquired Assets. The form Notice of Sale of Estate Property will  
17 be filed with the Court for posting on the Court's website under the link "Current Notices of Sales,"  
18 which affords notice to additional potential interested parties. Based on the foregoing, Trustee  
19 believes that under the circumstances of this case, the Acquired Assets will have been appropriately  
20 marketed for bidding.

### 21 **III. ARGUMENT**

#### 22 **A. Upon Approval by the Court, a Trustee May Compromise a Claim of the Estate.**

23 The power of the Court to review and approve settlements is expressly recognized in Federal  
24 Rule of Bankruptcy Procedure 9019(a), which provides:

25 On motion by the trustee and after notice and a hearing, the court may  
26 approve a compromise or settlement. Notice shall be given to  
27 creditors, the United States trustee, the debtor, and indenture trustees  
as provided in Rule 2002 and to any other entity as the court may  
direct.

28 ///

1 Thus, upon notice to the creditors, the United States Trustee, the debtors and indenture trustees, the  
2 trustee may compromise a claim of the estate. The approval of a compromise is a core proceeding  
3 under 28 U.S.C. § 157(b)(2)(A) and (O). *In re Carla Leather, Inc.*, 50 B.R. 764, 775 (S.D.N.Y.  
4 1985).

5 **B. The Bankruptcy Court May Approve a Compromise is Fair and Equitable.**

6 The purpose of a compromise agreement is to allow the parties to avoid the expenses and  
7 burdens associated with litigation. *Martin v. Kane (In re A & C Properties)*, 784 F.2d 1377, 1380-  
8 81 (9th Cir. 1986), *cert. denied sub nom, Martin v. Robinson*, 479 U.S. 854 (1986). The bankruptcy  
9 court has great latitude in approving compromise agreements as long as it finds that the compromise  
10 is fair and equitable. *Id.* at 1382; *see also, Woodson v. Fireman's Fund Ins. Co. (In re Woodson)*,  
11 839 F.2d 610, 620 (9th Cir. 1988). Generally, the benchmark in determining the propriety of a  
12 settlement is whether the settlement is in the best interests of the estate and its creditors. *In re*  
13 *Energy Cooperative, Inc.*, 886 F.2d 921, 927 (7th Cir. 1989). To be approved, the settlement need  
14 not represent the highest possible return to the estate, but merely must fall within the “range of  
15 reasonableness.” *In re Walsh Construction, Inc.*, 669 F.2d 1325, 1328 (9th Cir. 1992). In making  
16 this determination, the bankruptcy court need not conduct a trial or even a “mini trial” on the merits.  
17 *Id.*

18 In determining the fairness, reasonableness and adequacy of a proposed settlement, the Court  
19 must consider the following factors:

- 20 (a) The probability of success in the litigation; (b) the difficulties, if  
21 any, to be encountered in the matter of collection; (c) the complexity  
22 of the litigation involved, and the expense, inconvenience, and delay  
necessarily attending it; (d) the paramount interests of the creditors  
and a proper deference to their reasonable views in the premises.

23 *A & C Properties*, 784 F.2d at 1381; *Woodson*, 839 F.2d at 620. In other words, the Court must  
24 weigh certain factors in order to determine whether the compromise is in the best interests of the  
25 bankrupt estate. *A & C Properties*, 784 F.2d at 1382.

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1 The Trustee believes that based on the four factors under *A & C Properties*, the proposed  
2 settlement is in the best interest of the Estate. Without the Settlement Agreement, the Estate will  
3 have to litigate the Disputes, which will be expensive and will likely not result in a recovery for the  
4 Estate, particularly after the expenditure of substantial litigation costs, as more specifically provided  
5 below.

6 1. **The Probability of Success in Litigation.**

7 The probability of success element weighs in favor of approving the Settlement Agreement.  
8 Prior to the Trustee's appointment and even after choice of law issues were raised, the Court entered  
9 the RFS Order, allowing Harper to proceed with the NY State Action against the Debtor in New  
10 York and apply New York law. The New York forum and New York law are favorable to Harper's  
11 legal position. Regrettably, efforts to have the RFS Order reconsidered were not successful as the  
12 Court did not believe there were grounds to reconsider the RFS Order pursuant to its  
13 Reconsideration Order on February 20, 2025. The Trustee is then forced to litigate the issues  
14 regarding the MCA Agreements on two fronts (before the New York Supreme Court and this  
15 Bankruptcy Court). Further, the Estate does not have special counsel to assist in the litigation. Prior  
16 to the Petition Date, the Debtor filed an application to employ special counsel to pursue litigation  
17 related to the MCA Agreements. However, special counsel's employment has not been approved<sup>3</sup>,  
18 special counsel has not agreed to a contingency fee arrangement, which would now be necessary  
19 given the business is shut down and there is no cash flow.

20 This is not to say that the Trustee believes the door has closed on litigating the MCA  
21 Agreements before this Court or that California law applies as she believes she has a few additional  
22 options, including seeking injunctive relief within the confines of an adversary proceeding. Even if  
23 California law were applied, however, pursuant to Harper's *Brief in Compliance With Order Re*  
24 *Case Management and Preservation of Records* filed in the Adversary Proceeding on January 28,  
25 2025 [Adversary Proceeding, Docket No. 39] ("Harper's Brief"), Harper asserts that it has suffered

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27 

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<sup>3</sup> There is a continued hearing on the application to employ special counsel scheduled for April 23,  
28 2025 at 1:30 p.m. [Docket No. 293].



1 a “cash on cash” loss from February 2020 to January 2024 of \$2,309,334.85. *See* Exhibit 4 of  
2 Harper’s Brief. The Trustee is informed that the Debtor asserts that from 2022 to 2024 it owes  
3 Harper and Modo just \$42,225 and it owes Fundomate (assigned to Harper) \$1,336,358. Therefore,  
4 regardless of whether the MCA Agreements are viewed as sale agreements or loans (and thus subject  
5 to California usury laws), Harper and Modo do appear to have suffered a “cash on cash” loss.  
6 Proceeding with litigation of the MCA Agreements may result in a judgment in favor of the Estate  
7 after a court takes into account the damage Harper caused to the Debtor (revenue of \$22 million a  
8 year to almost nothing) and a possible avoidance claim against Harper and Modo for a large  
9 Employee Retention Credit that was turned over to them or their predecessor.

10 However, as discussed below, continuing to litigate the MCA Agreements is costly and  
11 risky. Therefore, this factor weighs in favor of settlement of the Litigation.

12 2. **Difficulties, if any, to be Encountered in the Matter of Collections.**

13 The difficulty of collection weighs in favor of settling. The Trustee believes that even if a  
14 judgment were obtained against Harper and Modo, collection efforts may prove just as challenging  
15 as they would be against any other private lender represented by capable counsel. Moreover,  
16 enforcing of any judgment may be costly and difficult, given Harper and Modo’s litigation history  
17 in this case.

18 3. **The Complexity of Litigation Involved, Expense, Inconvenience and Delay**  
19 **Necessarily Attending It.**

20 This factor weighs in favor of settlement and approval of the Settlement Agreement. With  
21 respect to the Litigation, the Trustee believes that a fair settlement is better than incurring significant  
22 litigation costs. If the Settlement Agreement is not approved, continuing the Litigation will be  
23 expensive and needlessly result in further increase in administrative expenses. In addition, there is  
24 no guarantee the Trustee will prevail. If the Trustee does not prevail, Harper will proceed with a  
25 UCC foreclosure sale of the Acquired Assets and the Estate will have incurred extensive fees and  
26 expenses with no benefit. Rather than delay the case and incur expenses or resources on the  
27 Litigation, the Trustee has determined that the settlement reached is fair and reasonable. Based  
28 thereon, the Trustee believes that the proposed Settlement Agreement is the most expedient and

1 cost-effective method for resolving the Litigation. Accordingly, this factor weighs in favor of  
2 settling.

3 4. **The Paramount Interest of the Creditors and the Proper Deference to the**  
4 **Reasonable Views.**

5 The Settlement Agreement should be approved as a means of preserving assets and  
6 enhancing the value of the Estate. The benefit of the Settlement Agreement far outweighs the risks  
7 and expenses of litigation. The expenses to continue the Litigation will likely exceed any potential  
8 benefit that might be achieved, while the Settlement Agreement results in the expedient resolution  
9 of the Litigation. The Settlement Agreement provides certainty and ceases the accrual of  
10 unnecessary expenses. The Settlement Agreement also resolves any litigation related to the Harper  
11 Claim and the Modo Claim. While a release is not being provided to the Debtor's Estate in the  
12 traditional sense, under the terms of the Settlement Agreement, the Debtor is getting the functional  
13 equivalent of a release because Harper and Modo have effectively agreed to a partial subordination  
14 of their liens to allow the Estate to sell the Acquired Assets and the Excluded Assets. In summary,  
15 the Settlement Agreement is based on Trustee's good business judgment employed to benefit the  
16 Estate and its creditors, and therefore approval of the Motion is proper. The Settlement Agreement  
17 resolves all the Litigation.

18 C. **The Court Has Authority to Include the Injunction Clause Provided for in the**  
19 **Settlement Agreement.**

20 The Court has the authority to approve the injunction clause proposed in the Section 2(a) of  
21 the Settlement Agreement under 11 U.S.C. § 105(a) which provides: "The court may issue any  
22 order, process, or judgment that is necessary or appropriate to carry out the provisions of this title."  
23 See 11 U.S.C. § 105. Section 105 of the Bankruptcy Code sets out the power of the bankruptcy  
24 court to fashion orders as necessary pursuant to the purposes of the Bankruptcy Code. *In re Khalil*  
25 *and Shahin Chinichian*, 784 F.2d 1440, 1443 (9th Cir. 1986). See, *Frasch v. Wilson*, 413 F.2d 69,  
26 72 (9th Cir. 1969). See also, *In re Lionel Corp.*, 722 F.2d 1063, 1069 (2d Cir. 1983) (bankruptcy  
27 judge must have substantial freedom to tailor his orders to meet differing circumstances).

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Consistent with the terms of the Settlement Agreement, the Trustee requests that the order approving the Settlement Agreement shall include and contain an injunction barring any person or entity from bringing or purporting to bring claims against the Harper Released Parties (as defined in the Settlement Agreement) that arise out of or are related to the claims being released by the Trustee in this Agreement. Further, the order approving this Agreement shall provide that the Bankruptcy Court shall reserve exclusive jurisdiction to enforce this injunction.

**D. There is a Good Business Reason for the Sale and the Sale is in the Best Interest of the Estate.**<sup>4</sup>

The Trustee, after notice and hearing, may sell property of the estate. 11 U.S.C. § 363(b). Courts will ordinarily approve a proposed sale if there is a good business reason for the sale and the sale is in the best interests of the estate. *In re Wilde Horse Enterprises, Inc.*, 136 B.R. 830, 841 (Bankr. C.D. Cal. 1991); *In re Lionel Corp.*, 722 F.2d 1063, 1069 (2d Cir. 1983). In this case, the sale of the Estate's interest in the Acquired Assets is anticipated to net the Estate approximately \$325,000.00. Given that the sale of Acquired Assets is subject to overbids, it is anticipated that the Trustee will receive the best and highest value for the Estate's interest in the Acquired Assets and therefore the Purchase Price is fair and reasonable. In the event the Purchase Price is increased by a successful overbid, the estimated net proceeds will increase, providing an additional benefit to creditors. Accordingly, there is a good business reason for the sale and the sale is in the best interests of the Estate.

**E. The Proposed Sale Should be Allowed Free and Clear of Liens.**

Bankruptcy Code Section 363(f) allows a trustee to sell property of the bankruptcy estate "free and clear of any interest in such property of an entity," if any one of the following five conditions is met:

- (1) applicable non-bankruptcy law permits a sale of such property free and clear of such interest;
- (2) such entity consents;

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<sup>4</sup> Although Local Bankruptcy Rule 6004-1(c)(2)(C) does not require that a memorandum of points and authorities be filed in support of sale motion, the Trustee is nevertheless submitting one.

(3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;

(4) such interest is in bona fide dispute; or

(5) such entity could be compelled, in a legal or equitable proceeding, to accept money satisfaction of such interest.

11 U.S.C. § 363(f); *see, e.g., Pinnacle Restaurant at Big Sky, LLC v. CH SP Acquisitions, LLC (In re of Spanish Peaks Holdings II, LLC)*, 862 F.3d 1148, 1153-54 (9th Cir. 2017).

Section 363(f) is written in the disjunctive and thus, only one of the enumerated conditions needs to be satisfied for Court approval to be appropriate. *See e.g., Citicorp Homeowners Services, Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (Bankr. E.D. Pa. 1988); *Mutual Life Ins. Co. of New York v. Red Oak Farms, Inc. (In re Red Oak Farms, Inc.)*, 36 B.R. 856, 858 (Bankr. W.D. Mo. 1984).

With respect to Harper and Modo's liens, they have consented to the sale of the Acquired Assets under 11 U.S.C. § 363(f)(2). Out of an abundance of caution, the Trustee proposes to sell the Acquired Assets under Section 363(f)(1) or Section 363(f)(5) with the lien to attach to the proceeds, if any.

In *Spanish Peaks Holdings II, LLC*, the Ninth Circuit Court of Appeals held that where state foreclosure law would eliminate a junior interest, Trustee may sell property free and clear of such interest pursuant to Section 363(f)(1). *Id.* at 900. Bankruptcy Courts have also found that the availability of foreclosure sales outside of bankruptcy represent a "legal or equitable proceeding", such that a bankruptcy trustee may thus sell a subject property free and clear of liens under Section 363(f)(5). *See In re Jolan, Inc.*, 403 B.R. 866, 869-870 (Bankr. W.D. Wash., 2009)(finding that "judicial and nonjudicial foreclosures in Washington operate to clear junior lienholders' interests, and their liens attach to proceeds in excess of the costs of sale and the obligation or judgment foreclosed.").

In this case, Harper could conduct a foreclosure sale on the Acquired Assets under Article 9 of the Uniform Commercial Code. *See* Cal. Com. Code §§ 9101-9907. In the event of a foreclosure sale, every junior interest in the Acquired Assets, including the EDD Lien and Modo's lien would be extinguished, notwithstanding the fact that the foreclosure sale price may or may not pay such

1 extinguished interests in full, or at all. In such a foreclosure, liens junior to Haper's liens would be  
2 forced to accept the distribution allowed by the foreclosure sale price, in full satisfaction of their  
3 released liens.

4 Accordingly, in order to ensure that the Trustee may close on the sale of the Acquired Assets,  
5 the Trustee requests authority to sell the Property free and clear of all liens, including but not limited  
6 to Harper's liens, the EDD Lien and Modo's lien, with any liens and interests against the Acquired  
7 Assets that are not released, paid in full, or otherwise resolved through prior to the close of the sale,  
8 if any, to attach to the sale proceeds with the same force, effect, validity, and priority as such liens  
9 or interests had with respect to the Acquired Assets prior to the sale, pending agreement with the  
10 lienholder or further Court order.

11 **F. The Court Has the Authority to Approve the Bidding Procedures**

12 Implementing the Bidding Procedures is an action outside of the ordinary course of the  
13 business. Section 363(b)(1) of the Bankruptcy Code provides that a trustee "after notice and hearing,  
14 may use, sell or lease, other than in the ordinary course of business, property of the estate." 11  
15 U.S.C. § 363(b)(1). Furthermore, under 11 U.S.C. § 105(a), "[t]he court may issue any order,  
16 process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11  
17 U.S.C. § 105(a). Thus, pursuant to Sections 363(b)(1) and 105(a) of the Bankruptcy Code, this  
18 Court may approve the Bidding Procedures, which will assist the Trustee to obtain the best possible  
19 price on the best possible terms for the Acquired Assets.

20 **G. The Court Has the Authority to Waive the Fourteen-Day Stay of Sale**

21 Federal Rule of Bankruptcy Procedure 6004(h) provides that "[a]n order authorizing the use,  
22 sale or lease of property other than cash collateral is stayed until the expiration of 14 days after entry  
23 of the order, unless the Court orders otherwise." Fed. Rule Bankr. P. 6004(h).

24 The Trustee desires to close the sale of the Estate's interest in the State Court Action and the  
25 Bristol Express Interest as soon as practicable after entry of an order approving the sale.  
26 Accordingly, the Trustee requests that the Court, in the discretion provided it under Federal Rule of  
27 Bankruptcy Procedure 6004(h), waive the fourteen (14) day stay requirement.

28 ///

1 **IV. CONCLUSION**

2 **WHEREFORE**, based upon the foregoing, the Trustee respectfully submits that good cause  
3 exists for granting the Motion and requests that the Court enter an order as follows:

4 1. Granting the Motion;

5 2. Approving the Settlement Agreement, a copy of which is attached as **Exhibit 1** to  
6 the Bui Declaration;

7 3. Authorizing the Trustee to execute any necessary documents to carry out the  
8 provisions as contemplated in the Settlement Agreement attached as **Exhibit 1** to the Bui  
9 Declaration;

10 4. Barring any person or entity from bringing or purporting to bring claims against the  
11 Harper Released Parties (as defined in the Settlement Agreement) that arise out of or are related to  
12 the claims being released by the Trustee in the Settlement Agreement. The Bankruptcy Court shall  
13 reserve exclusive jurisdiction to enforce this injunction;

14 5. Approving the Bidding Procedures set forth above for the sale of the Acquired  
15 Assets;

16 6. Authorizing the Trustee to sell the Acquired Assets pursuant to 11 U.S.C. §§ 363(b)  
17 and 363(f) on an as-is, where-is basis, without any warranties or representations, to the Buyer (or  
18 Successful Bidder) pursuant to the terms and conditions set forth in the APA attached as **Exhibit 2**  
19 to the Bui Declaration;

20 7. Authorizing the sale of the Acquired Assets free and clear of liens with liens not  
21 satisfied through the sale to attach to the sale proceeds in the same validity and priority as prior to  
22 the closing of the sale;

23 8. Authorizing the Trustee to sign any and all documents convenient and necessary in  
24 pursuit of the sale, including but not limited to any necessary documents contemplated by the APA  
25 attached as **Exhibit 2** to the Bui Declaration;

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# DECLARATION



**DECLARATION OF LYNDIA T. BUI**

I, Lyndia T. Bui, declare as follows:

1. I am the Chapter 11 Trustee for the bankruptcy estate of Drip More LLC (“Debtor”). Except as otherwise indicated, all statements in this Declaration are based on my personal knowledge, my review of relevant documents in the Debtor’s bankruptcy case, or my opinion based upon my experience and knowledge as a panel trustee for the Central District of California. If called as a witness, I could and would competently testify thereto.

2. I am familiar with the Debtor’s bankruptcy proceeding and I make this Declaration in support of my Motion for Order: (1) Approving Settlement and Compromise of Disputes Under Fed. R. Bankr. P. 9019 By and Between Chapter 11 Trustee and Adversary Defendants; (2) Approving the Sale of Property of the Estate Free and Clear of Liens, Claims and Encumbrances Pursuant to 11 U.S.C. §§ 363(b)(1) and (f), Subject to Overbids, Combined with Notice of Bidding Procedures and Request for Approval of the Bidding Procedures Utilized; and (3) Granting Related Relief (“Motion”). Unless otherwise noted, capitalized terms herein have the meaning as set forth in the Motion.

3. On March 20, 2025, I had to make the difficult decision to shut down business operations of the Debtor. I let all of the employees go after their shifts were completed at 2:00 p.m. I have changed all locks at the Warehouse.

4. Despite my best efforts, the business did not generate sufficient net profits to cover its ongoing expenses and generate enough funds to pay Chapter 11 administrative claims. I was advised by the Debtor’s principal that the busy and lucrative months for the business started in February. Unfortunately, that was not the case for this February or March. Rather, February 2025 came in at half of the projected net profits and a fraction of the amount of business generated in 2024. Despite minimal overhead, there were no surplus funds at month-end. March was not trending anywhere close to projections when I made the difficult decision to shut down the business. Additionally, the departures of several key employees further strained operations and were an additional factor in my decision to shut down the business.

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1           5.       Moreover, Harper's assertion that all assets were secured by its claim meant that all  
2 incoming funds were considered cash collateral. Since my appointment, I undertook a diligent effort  
3 to obtain a sale of the business as a going concern, engaging in outreach and discussions with  
4 potential buyers. Despite these efforts, no serious offer was received that would exceed the  
5 estimated amount of the secured claim. Ultimately, it finally became apparent that this case was  
6 likely administratively insolvent from the start, and given the current economic climate, I  
7 determined there was no realistic path to turn the business around and continue to operate.

8           6.       Through this Motion, I request approval of the Settlement Agreement, a true and  
9 correct copy of which is attached hereto as **Exhibit 1** (without the exhibits to the Settlement  
10 Agreement). I will file a fully executed copy of the Settlement Agreement, with all exhibits, upon  
11 receipt.

12           7.       Before entering into the Settlement Agreement, I reviewed the risks and benefits of  
13 pursuing the Litigation. I also reviewed the benefits to the Estate which would result from entering  
14 into the Settlement Agreement. For the reasons stated in the Motion and the accompanying Points  
15 and Authorities, and based on my business judgment, I believe it is in the best interest of the Estate  
16 to enter into the Settlement Agreement.

17           8.       I have received an offer to purchase the Acquired Assets from Harper or its assignee<sup>5</sup>  
18 (the "Buyer") for \$2.5 million (which is comprised of a cash payment of \$325,000.00 and a credit  
19 bid for \$2,275,000.00), subject to overbids. A true and correct copy of the APA is attached hereto  
20 as **Exhibit 2** (without the exhibits to the APA). I will file a fully executed copy of the APA, with  
21 all exhibits, upon receipt.

22           9.       Attached hereto as **Exhibit 3** is a true and correct copy of the Lien Search Certificate  
23 dated December 18, 2024.

24           10.      I have consulted with my accountant and I am informed that there will not be any tax  
25 consequences for the sale of the Acquired Assets.

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27

28 <sup>5</sup> Any assignee needs prior approval by me.

1 11. Prior to entering into the APA, I reached out to competitors in the vaping industry  
2 that she had identified as possible buyers. I received an oral offer for \$350,000.00 for the business  
3 from an unsecured creditor. I also received an offer of \$1 million for the intellectual property.

4 12. Through the sale, the sale of the Estate's interest in the Acquired Assets is anticipated  
5 to net the Estate approximately \$325,000.00.

6 13. I believe that good cause exists to grant the Motion, including the approval of the  
7 Bidding Procedures to ensure the Estate receives the highest and best offer for the Acquired Assets.

8 14. For the reasons set forth in the Motion and this Declaration, I respectfully request  
9 that the Court grant my Motion so that I do not lose this favorable business opportunity to provide  
10 a benefit to the Estate.

11 I declare under penalty of perjury under the laws of the United States of America that the  
12 foregoing is true and correct.

13 Executed on April 2, 2025, at Irvine, California.

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16 Lynda T. Bui  
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# EXHIBIT 1

## SETTLEMENT AGREEMENT

This Settlement Agreement (“**Agreement**”) is entered into as of April 2, 2025 by and between Harper Advance, LLC (“**Harper**”) and Modo, LLC (“**Modo**”), on the one hand and Lynda T. Bui, solely in her capacity as chapter 11 trustee of the estate (“**Estate**”) of Drip More LLC (“**Debtor**”) (Harper, Modo and Debtor hereinafter also referred to individually as a “**Party**” and collectively as “**Parties**”), as follows:

### RECITALS

**A.** On April 10, 2024, Harper commenced a lawsuit under Index No. 606244/2024 in the Supreme Court of New York, Nassau County, (the “**NY State Action**”), against Debtor, its corporate affiliates Drip More, LP, Cali Co Pack, LLC, and Deadstock LLC (together, the “**Corporate Entities**”), and Debtor’s and the Corporate Entities owner Brian Bereber (“**Bereber**”). The NY State Action is pending, and a motion for summary judgment by Harper as against the Debtor, Corporate Entities and Bereber is set for hearing on June 17, 2025.

**B.** On July 5, 2024, Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California (“**Bankruptcy Court**”), Case No. 24-11703 (“**Bankruptcy Case**”), creating the Debtor’s Estate.

**C.** On July 12, 2024, Bereber filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court, Case No. 24-11744 (“**Bereber Bankruptcy**”).

**D.** On August 27, 2024, Debtor initiated an adversary proceeding in the Bankruptcy Case, Adv. Case No. 24-01118 (the “**Adversary Proceeding**”) against Harper, Modo, Dov Hershberg (“**Hershberg**”), Josh Levine (“**Levine**”), Fundomate Technologies, Inc. (“**FTI**”), Fundomate, LLC (“**Fundomate**”) and Shmuel Shapiro (erroneously sued as Sam Shapiro, “**Shapiro**”) (Harper, Modo, Hershberg, Levine, FTI, Fundomate and Shapiro all together, the “**Adversary Defendants**”). Motions to dismiss the Adversary Proceeding are fully briefed. The Adversary Proceeding has been stayed and hearing on the motions to dismiss continued by the Bankruptcy Court until July 16, 2025.

**E.** On December 17, 2024, the Court entered the Order (1) Granting the Motion of Harper Advance, LLC to Appoint Examiner and Sua Sponte Ordering the Appointment of a Chapter 11 Trustee; and (2) Directing the United States Trustee to Appoint Chapter 11 Trustee [Docket No. 188].

**F.** On December 19, 2024, the U.S. Trustee appointed Lynda Bui as the Chapter 11 trustee (the “**Trustee**”) in the above-captioned case. On December 19, 2024, the U.S. Trustee filed its Notice of Appointment of Chapter 11 Trustee [Docket No. 189].

**G.** On December 19, 2024, the U.S. Trustee filed its Application for Order Approving Appointment of Chapter 11 Trustee and Fixing Bond (“**Application**”) [Docket No. 191]. The Court approved the Application the same day [Docket No. 197].

**H.** On December 19, 2024, Trustee filed her Acceptance of Appointment as Chapter 11 Trustee [Docket No. 190].

**I.** On December 20, 2024, the Bereber Bankruptcy was converted to chapter 7. On December 23, 2024, Weneta Kosmala was appointed as chapter 7 Trustee (the “**Bereber Trustee**”) in the Bereber Bankruptcy.

**J.** Debtor’s Estate and Harper mutually benefit from preserving Debtor’s bankruptcy estate assets by reaching the agreed resolution embodied in this Agreement.

**Now, Therefore**, in consideration of the mutual obligations and covenants hereinafter set forth, the Parties have agreed as follows:

## **AGREEMENT**

**1. Bankruptcy Court Approval.** This Agreement is conditioned upon and subject to entry of an order of the Bankruptcy Court approving the Agreement pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “**Order**”) and shall be effective upon the date the Order is entered (the “**Effective Date**”). If no Order is entered by May 1, 2025, this Agreement shall be null and void, and of no force or effect.

### **2. Releases.**

The following releases shall be effective on the Effective Date:

**(a) Release by Trustee on Behalf of Debtor’s Estate.** In exchange for the promises contained in this Agreement, the Trustee, on behalf of herself, her professionals and the Debtor’s Estate (all together, the “**Trustee Releasing Parties**”) release and forever discharge Harper, Modo, Hershberg, Levine, FTI, Fundomate and Shapiro (all together, the “**Harper Released Parties**”), and their spouses, affiliates, subsidiaries, divisions, predecessors, successors and assigns, managers, directors, officers, employees, shareholders, agents, representatives, attorneys and accountants, from any and all claims, causes of actions, liabilities, debts, damages and costs, whatsoever known and unknown, foreseen and unforeseen, fixed or contingent, which exist or may exist between them as of the Effective Date of this Agreement. In addition, the order approving this Agreement shall include and contain an injunction barring any person or entity from bringing or purporting to bring claims against the Harper Released Parties that arise out of or are related to the claims being released by the Trustee in this Agreement. Further, the order approving this Agreement shall provide that the Bankruptcy Court shall reserve exclusive jurisdiction to enforce this injunction.

**(b) Release by Harper and Modo.** In exchange for the promises contained in this Agreement, Harper Released Parties, on behalf of themselves, and all of their spouses, affiliates, subsidiaries, divisions, predecessors, successors and assigns, managers, directors, officers, employees, shareholders, agents, representatives, attorneys and accountants, release and forever discharge the Trustee and all of the Trustee’s professionals from any and all claims, causes of actions, liabilities, debts, damages and costs, whatsoever known and unknown, foreseen and unforeseen, fixed or contingent, which exist or may exist between them as of the Effective Date of this Agreement. For avoidance of doubt, and without limitation, Harper and Modo are not releasing any claims or liens against the Debtor, the Debtor’s Estate, Bereber or the Corporate Entities, provided, however that Harper and Modo agree that any distribution of funds by the Trustee to Harper or Modo out of the Debtor’s Estate is governed by Sections 7.iv. and 7.vi of this Agreement. Harper’s

claims and Modo's claims against the Debtor's Estate are as set forth in the Harper Claim and Modo Claim defined in Sections 5 and 6 of this Agreement, respectively.

**(c) Civil Code 1542 Waiver.** The Parties and any and all of the releasing parties identified above, and each of them, expressly waive all rights under section 1542 of the California Civil Code, and under any similar laws, as to unknown claims they may hold against any party being released by that party's respective releases identified in subsections (a) and (b) above. Section 1542 of the California Civil Code states:

**A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.**

**3. Dismissal of the New York State Action Without Prejudice.** Within 10 days of the Effective Date, the Parties shall file the necessary papers for the New York State Action to be dismissed as against Debtor only, without prejudice. For avoidance of doubt, no dismissal of the Corporate Entities or Bereber is contemplated by this Agreement. Harper shall be responsible for ensuring that the appropriate papers contemplated by this provision are prepared and filed, provided however that the Trustee shall cooperate with Harper and sign the appropriate papers on a timely basis.

**4. Dismissal of the Adversary Proceeding With Prejudice.** Within 10 days of the Effective Date, the Parties shall file the necessary papers for the Adversary Proceeding to be dismissed with prejudice. Trustee shall be responsible for ensuring that the appropriate papers contemplated by this provision are prepared and filed, provided however that Adversary Defendants shall cooperate with Trustee and sign the appropriate papers on a timely basis.

**5. Harper's Claim in the Bankruptcy Case.** The Parties agree Harper's Proof of Claim No. 22 in the amount of \$9,432,349.16 (the "**Harper Claim**") shall be allowed in its entirety. Further, the Parties agree that the Harper Claim is secured against substantially all of the assets of the Debtor and the Debtor's Estate and that such security interest is perfected pursuant to the following UCC-1 financing statements: UCC-1 financing statement filed by Harper with the California Secretary of State on July 16, 2020, filing number U200001068418, UCC-1 financing statement filed by Harper with the California Secretary of State on July 16, 2020, filing number U200001068620, UCC-1 financing statement filed by Fundomate Technologies, Inc. with the California Secretary of State on August 9, 2022, filing number U220217298738, and assigned to Harper on January 31, 2024, filing number U240008310419, UCC-1 financing statement filed by Harper with the California Secretary of State on April 5, 2023, filing number U230024040517, and UCC-1 financing statement filed by Harper with the California Secretary of State on April 5, 2023, filing number U230024041014.

**6. Modo's Claim in the Bankruptcy Case.** The Parties agree Modo's Proof of Claim No. 23 in the amount of \$4,826,707.62 (the "**Modo Claim**") shall be allowed in its entirety. Further, the Parties agree that the Modo Claim is secured against substantially all of the assets of the Debtor and the Debtor's estate and that such security interest is perfected pursuant to the following UCC-1 financing statement: UCC-1 financing statement filed by Modo with the California Secretary of State on January 22, 2024, filing number U240005096320.

7. **Asset Purchase Agreement.** In conjunction with and as a material term of this Agreement and in consideration thereof, Debtor and Harper are entering into an asset purchase agreement (the “*APA*”), the form of which is attached as **Exhibit A** hereto, for Debtor to sell and Harper to acquire as a stalking horse purchaser, subject to overbid as described below, substantially all of the Acquired Assets (defined below), and subject to the following material terms that are incorporated more fully into the APA.

i. **Acquired Assets.** The term “*Acquired Assets*” means the assets that shall be transferred to Harper or its designee pursuant to the APA, and shall include (i) all intellectual property owned by Debtor, including without limitation all trademarks, trade names, service marks, trade dress, logos, copyrights, patents, domain names, social networking accounts and email addresses, worldwide (“*Sold Intellectual Property*”); (ii) all furniture, fixtures, machinery and equipment (“*FFE*”), inventory, raw materials, packaging and labels (all together, the “*Core Business Property*”) located at 1720 Essex Court., Redlands, CA 92373 (the “*Warehouse*”) as of March 28, 2025, (iii) all recipes, customer lists and information, vendor lists and information, and (iv) all other tangible or intangible property relating thereto. Acquired Assets does not include Excluded Assets. For clarity, and without limitation, Sold Intellectual Property includes all right, title and interest assigned to Debtor pursuant to that certain Trademark Assignment executed by Bereber on behalf of himself and Debtor on June 5, 2021. On or before Tuesday, April 8, 2025, the Trustee must remove any personal identifiable information, to the extent it exists.

ii. **Excluded Assets.** The term “*Excluded Assets*” means (i) any intellectual property solely relating to the business of Deadstock, LLC, (ii) any personal property that was stored at a location other than the Warehouse as of March 28, 2025, and (iii) the vehicles that are the subject of the Trustee’s Notice of Sale of Estate Property [Docket No. 290], (iv) any claims against third parties, including but not limited to avoidance actions. On or before Tuesday, April 8, the Trustee will identify to Harper of any specific property that Trustee has actual knowledge of being owned by a third party. For avoidance of doubt, the Trustee can only sell assets that belong to the Debtor’s Estate. After the Move-out Deadline, third parties who assert that any Core Business Property belong to them must contact Harper directly to arrange for pickup of any items they prove is theirs.

iii. **Cash Payment, Credit Bid Limitation and Overbid.** On the Effective Date, Harper shall pay \$325,000 in cash to the Trustee (the “*Cash Payment*”), for the benefit of the Debtor and the Debtor’s estate, unless there is a higher bidder for the Acquired Assets. Harper shall deposit the Cash Payment with the Trustee on or before April 8, 2025, which shall be held in trust pending the Effective Date. Harper agrees that for purposes of the auction only, any credit bid based upon its secured liens against the Acquired Assets shall be limited for purposes of any overbid to \$2,500,000, which shall be inclusive of the Cash Payment (“*Credit Bid Ceiling*”). Modo agrees that for purposes of the auction only, it shall not credit bid at the auction. Bidding at the auction shall be in increments of \$10,000. By way of example, if there are no qualifying bidders at the auction, then Harper pays the Cash Payment; if a qualifying bidder bids \$2,510,000 or more (“*Overbid Cash*”) and is the highest bid, Harper agrees not to credit bid further, the qualifying bidder would be the winning bidder and acquire the Acquired Assets for the amount of the Overbid Cash, and the Cash Payment amount would be returned to Harper by the Trustee within 7 business days.



iv. **Division of Overbid Cash.** If there is Overbid Cash, the funds are divided 75% to Harper and 25% to the Debtor's Estate. The funds to Harper shall be paid directly to Harper at sale, and not flow through the Debtor's Estate.

v. **Distribution of Cash to Estate.** Because the Trustee and her professionals and paraprofessionals had to incur reasonable, necessary costs and expenses of preserving and/or disposing of Harper's collateral immediately upon her appointment, all cash paid to the Debtor's Estate shall be treated as a surcharge under 11 U.S.C. § 506(c), payable first to the Trustee and her professionals and paraprofessionals, next to any other administrative claimants, and the remainder to other creditors of the Debtor's Estate.

vi. **Additional Harper and Modo Distributions.** Other than Overbid Cash paid directly to Harper as provided in this Agreement, payment of any Harper and Modo distributions out of the Debtor's Estate shall be paid pro rata with unsecured creditors, to be calculated after netting out any distributions made to Harper of the Overbid Cash. Nothing under this accommodation by Harper and Modo, which is being made for the benefit of the Debtor's Estate and its unsecured creditors, shall be considered a waiver of Harper's or Modo's liens under any circumstance.

vii. **Free and Clear.** The Acquired Assets shall be sold free and clear of any liens, claims or interest in the Acquired Assets of an entity other than Debtor's Estate.

viii. **Good Faith Finding.** The sale under the APA shall include a good faith finding pursuant to 11 U.S.C. § 363(m) in Harper's favor.

ix. **Sale As Is, Where Is.** The Acquired Assets shall be sold "as is, where is" without any representations or warranty of any kind, including, but not limited to, any warranty of fitness or warranty for a particular purpose.

x. **Debtor Licenses.** On or before April 8, 2025, Trustee shall notify in writing the licensee of the Sublicense and Manufacturing Agreement dated as of May 3, 2024 by and between Debtor and Critical Point, LLC, that the license is terminated.

xi. **Trustee Support Agreement.** Harper and Modo will support (i) any decision by the Trustee to abandon any assets (other than the Acquired Assets) at Trustee's discretion; Abandonment will be by notice pursuant to LBR 6007-1(a)(2), provided, however, that such notice will include a request for stay relief under 11 USC 362(d) against the Debtor for Harper to foreclose on any abandoned assets and that if no timely objection and request for hearing is filed and served, the Trustee will lodge an order providing for the abandonment and the stay relief, (ii) the Trustee's position to either stay in Chapter 11 or convert to Chapter 7, whichever option the Trustee feels is most appropriate, provided that such conversion or dismissal does not take effect until after the Effective Date, and (iii) (a) the Trustee's FRBP 9019 motion to approve this Agreement, and (b) compromises with other creditors as appropriate.

xii. **Move Out Accommodation.** To immediately reduce further administrative expenses and as an additional benefit to the Debtor's Estate, Harper will move all of the Core Business Property out of the Warehouse by April 11, 2025 ("**Move-out Deadline**"). Harper

shall store the Core Business Property until the earlier of this Agreement and the APA being approved by the Bankruptcy Court or May 31, 2025. Harper is required to obtain insurance for both the move-out and storage. The move-out and storage, including costs of insurance, shall be at Harper's sole expense up until May 31, 2025, provided, however, that if another purchaser acquires the Core Business Property then purchaser shall be required to (i) reimburse Harper for Harper's costs for the move-out, storage and insurance, and (ii) take possession of the Core Business Property on or before May 31, 2025, at the purchaser's sole expense.

**8. Trademark and Other IP Assignments.** The Trustee agrees to execute any assignments or other required documents so as to effectuate the transfer of intellectual property pursuant to this Agreement and the APA. This provision shall survive notwithstanding any conversion of the case to chapter 7, dismissal or closure. This provision shall also apply to any successor trustee or designee of the Trustee for effectuating the assignments and executing other required documents.

**9. Governing Law.** All questions relating to the validity, interpretation, performance, and enforcement of this Agreement will be governed by and construed in accordance with the laws of the State of California, notwithstanding any conflict-of-interest provisions to the contrary, except where superseded by provisions of the United States Bankruptcy Code.

**10. Disputes.** Any dispute arising from or related to this Agreement or the interpretation thereof shall be presented to and decided by the Bankruptcy Court.

**11. Miscellaneous.**

i. **Construction.** Nothing in this Agreement shall be construed or interpreted to the disadvantage of any Party because the Party is deemed to have prepared, structured, drafted, or dictated the provision

ii. **Counterparts.** This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party (including by means of electronic delivery or facsimile), it being understood that the Parties need not sign the same counterpart. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in "portable document format" (".pdf") form or by DocuSign or similar verifiable electronic signature will have the same effect as physical delivery of the paper document bearing the original signature.

iii. **Entire Agreement.** This Agreement and the Exhibits attached hereto contains the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes any prior discussion, negotiation, term sheet, agreement, understanding or arrangement and there are no agreements, understandings, representations or warranties between the Parties other than those set forth or referred to in this Agreement or the Exhibits attached hereto.

iv. **Severability.** The invalidity of any portion of this Agreement shall not affect the validity, force or effect of the remaining portions hereof. If it is ever held that any restriction

hereunder is too broad to permit enforcement of such restriction to its fullest extent, such restriction shall be enforced to the maximum extent permitted by law.

v. **Notices.** All notices, consents, waivers, and other communications required or permitted by this Agreement shall be in writing and will be deemed given to a Party when sent by email with confirmation of transmission by the transmitting equipment in each case to the following email addresses (“**Notice**”). In addition, a hard copy of each Notice shall be sent by United States mail in each case to the following address and marked to the attention of the Person (by name or title) designated below, but the failure to mail such Notice shall not affect the timing or validity of a Notice that has been properly emailed. Each Party may change the email and postal address of that Party by Notice to each other Party pursuant to this Section. Notice shall be sent to:

**If to Drip More LLC:**

Lynda T. Bui, Chapter 11 Trustee  
Drip More, LLC  
100 Spectrum Center Drive, Suite 600  
Irvine, CA 92618  
LBui@shulmanbastian.com

with a copy to:

Rika M. Kido  
Shulman Bastian Friedman & Bui LLP  
100 Spectrum Center Drive, Suite 600  
Irvine, CA 92618  
rkido@shulmanbastian.com

**If to Harper or Modo:**

Dov Hershberg  
516 N. Larchmont Blvd.  
Los Angeles, CA 90004  
dh@harperadvance.com

with a copy to:

Leib M. Lerner  
ALSTON & BIRD  
350 South Grand Avenue  
Suite 5100  
Los Angeles, CA 90071  
leib.lerner@alston.com

vi. **Waiver.** Neither any failure nor any delay by any Party in exercising any right, power, or privilege under this Agreement will operate as a waiver of such right, power, or

privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege.

vii. **Further Documentation.** Each Party will execute and deliver such further instruments, agreements, contracts, and documents and do such further acts and things as may be reasonably required to carry out the intent and purpose of this Agreement, the APA, and the related agreements incorporated by reference herein.

viii. **Expenses.** Except as otherwise specifically provided in this Agreement, each Party will be responsible for his, her, or its own fees, costs, and other expenses incurred in the Bankruptcy Case, NY State Action and the Adversary, including but not limited to negotiating and preparing this Agreement and in closing and carrying out the transactions contemplated in this Agreement.

ix. **Parties in Interest.** Except as expressly provided in this Agreement, nothing in this Agreement is intended to confer upon any person or entity other than the Parties, their respective heirs, representatives, successors, and permitted assigns, any rights or remedies under or by reason of this Agreement.

x. **Amendment.** No modification, waiver, or discharge of this Agreement will be valid unless it is in writing and signed by the Party against whom the enforcement of the modification, waiver, or discharge is or may be sought.

xi. **Time of the Essence.** Time is of the essence in the performance of each obligation under this Agreement.

xii. **Survival.** All representations and agreements set forth in this Agreement will be deemed continuing and will survive the Effective Date.

xiii. **Effectiveness.** This Agreement is effective only when fully executed by all the Parties, and is effective as of the Effective Date.

xiv. **Recitals.** The background recitals set forth above are hereby incorporated into and made a part of this Agreement.

[signature pages follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth above.

**Harper Advance, LLC**

By: \_\_\_\_\_  
Dov Hershberg  
Manager

**Drip More LLC**

By: \_\_\_\_\_  
Lynda T. Bui, solely in her capacity as the  
Chapter 11 Trustee of Drip More LLC

**Modo, LLC**

By: \_\_\_\_\_  
Dov Hershberg  
Manager

ACKNOWLEDGED AND AGREED SOLELY AS TO SECTIONS 2 AND 4 OF THIS  
AGREEMENT

FUNDOMATE TECHNOLOGIES, INC.

By \_\_\_\_\_

Shmuel Shapiro, its President

FUNDOMATE, LLC

By: \_\_\_\_\_

Shmuel Shapiro, its Manager

\_\_\_\_\_

Shmuel Shapiro (erroneously sued by Debtor as Sam Shapiro), an individual

# **EXHIBIT 2**

## **ASSET PURCHASE AGREEMENT**

This Asset Purchase Agreement (“**Agreement**” or “**APA**”) is entered into as of April 2, 2025 by and between Harper Advance, LLC (“**Harper**” or “**Buyer**”), on the one hand, and Lynda T. Bui, solely in her capacity as chapter 11 trustee of the estate of Drip More LLC (“**Seller**”) (Buyer and Seller hereinafter also referred to individually as a “**Party**” and collectively as “**Parties**”), as follows:

### **RECITALS**

**A.** On April 10, 2024, Harper commenced a lawsuit under Index No. 606244/2024 in the Supreme Court of New York, Nassau County, (the “**NY State Action**”), against Drip More LLC (“**Debtor**”), its corporate affiliates Drip More, LP, Cali Co Pack, LLC, and Deadstock LLC (together, the “**Corporate Entities**”), and Debtor’s and the Corporate Entities owner Brian Bereber (“**Bereber**”). The NY State Action is pending, and a motion for summary judgment by Harper as against the Debtor, Corporate Entities and Bereber is set for hearing on June 17, 2025.

**B.** On July 5, 2024, Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California (“**Bankruptcy Court**”), Case No. 24-11703 (“**Bankruptcy Case**”), creating the Debtor’s Estate.

**C.** On July 12, 2024, Bereber filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court, Case No. 24-11744 (“**Bereber Bankruptcy**”).

**D.** On August 27, 2024, Debtor initiated an adversary proceeding in the Bankruptcy Case, Adv. Case No. 24-01118 (the “**Adversary Proceeding**”) against Harper, Modo, Dov Hershberg, Josh Levine, Fundomate and Shmuel Schapiro (erroneously sued as Sam Shapiro). Motions to dismiss the Adversary Proceeding are fully briefed. The Adversary Proceeding has been stayed and hearing on the motions to dismiss continued by the Bankruptcy Court until July 16, 2025.

**E.** On December 17, 2024, the Court entered the Order (1) Granting the Motion of Harper Advance, LLC to Appoint Examiner and Sua Sponte Ordering the Appointment of a Chapter 11 Trustee; and (2) Directing the United States Trustee to Appoint Chapter 11 Trustee [Docket No. 188].

**F.** On December 19, 2024, the U.S. Trustee appointed Lynda Bui as the Chapter 11 trustee (the “**Trustee**”) in the above-captioned case. On December 19, 2024, the U.S. Trustee filed its Notice of Appointment of Chapter 11 Trustee [Docket No. 189].

**G.** On December 19, 2024, the U.S. Trustee filed its Application for Order Approving Appointment of Chapter 11 Trustee and Fixing Bond (“**Application**”) [Docket No. 191]. The Court approved the Application the same day [Docket No. 197].

**H.** On December 19, 2024, Trustee filed her Acceptance of Appointment as Chapter 11 Trustee [Docket No. 190].

**I.** On December 20, 2024, the Bereber Bankruptcy was converted to chapter 7. On December 23, 2024, Weneta Kosmala was appointed as chapter 7 Trustee (the “**Bereber Trustee**”) in the Bereber Bankruptcy.

**J.** Buyer wishes to purchase, and Seller has agreed to sell, assign and transfer all of its right, title and interest in and to the Acquired Assets (defined below), free and clear of claims, liens or interests of any other party in accordance with section 363(f) of the Bankruptcy Code, subject to the approval of the Bankruptcy Court and the requirements for such a sale under the Bankruptcy Code.

**K.** Buyer and Seller are concurrently entering into a Settlement Agreement that incorporates this APA. The Parties mutually benefit from preserving Debtor's bankruptcy estate assets by reaching the agreed resolution embodied in the Settlement Agreement and this APA.

**Now, Therefore,** in consideration of the mutual obligations and covenants hereinafter set forth, the Parties have agreed as follows:

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, and subject to the approval of the Bankruptcy Court after notice to creditors and parties-in-interest in the Bankruptcy Case, the Parties hereby agree as follows:

1. **Incorporation of Recitals.** The recitals set forth above are incorporated herein as though fully set forth in this Agreement.

2. **Sale of Assets.** Subject to the terms of this Agreement, Seller agrees to cause Debtor's Estate to sell, assign, and transfer to Harper or its designee all of Debtor's Estate's right, title and interest in and to the Acquired Assets, which means (i) all intellectual property owned by Debtor's Estate, including without limitation all trademarks, trade names, service marks, trade dress, logos, copyrights, patents, domain names, social networking accounts and email addresses, worldwide ("***Sold Intellectual Property***"); (ii) all furniture, fixtures, machinery and equipment ("***FFE***"), inventory, raw materials, packaging and labels (all together, the "***Core Business Property***") located at 1720 Essex Court., Redlands, CA 92373 (the "***Warehouse***") as of March 28, 2025, (iii) all recipes, customer lists and information, vendor lists and information, and (iv) all other tangible or intangible property relating thereto. Acquired Assets does not include Excluded Assets. On or before Tuesday, April 8, 2025, the Trustee must remove any personal identifiable information, to the extent it exists.

For avoidance of doubt, and without limitation, Sold Intellectual Property includes:

- i. All trademarks and tradenames owned or licensed by the Debtor listed on Debtor's Schedule of Assets and Liabilities filed on July 19, 2024 [Doc. 36], a copy of the relevant portion of the Debtor's Schedule of Assets and Liabilities which is attached as **Exhibit 1** hereto;
- ii. All trademarks and tradenames owned or licensed by the Debtor listed on Adversary Proceeding Docket No. 87, except those that are explicitly listed as owned by Deadstock, LLC, a copy of which is attached as **Exhibit 2** hereto; and
- iii. All right, title and interest assigned to Debtor pursuant to that certain Trademark Assignment executed by Bereber on behalf of himself and Debtor on June 5, 2021, a



copy of which is attached as **Exhibit 3** hereto.

3. **Excluded Assets.** Excluded Assets means (i) any Intellectual Property solely relating to the business of Deadstock, LLC, (ii) any personal property that was stored at a location other than the Warehouse as of March 28, 2025, and (iii) the vehicles that are the subject of the Trustee's Notice of Sale of Estate Property [Docket No. 290], (iv) any claims against third parties, including but not limited to avoidance actions. On or before Tuesday, April 8, the Trustee will identify to Harper of any specific property that Trustee has actual knowledge of being owned by a third party. For avoidance of doubt, the Trustee can only sell assets that belong to the Debtor's Estate. After the Move-out Deadline, third parties who assert that any Core Business Property belong to them must contact Harper directly to arrange for pickup of any items they prove is theirs.

4. **Acquisition of Acquired Assets on the Effective Date.** Upon the entry of an order by the Bankruptcy Court approving this Agreement, Buyer agrees to accept the Acquired Assets and to assume all obligations, if any, relating thereto from the Effective Date and thereafter, including paying any outstanding title, registration or other charges necessary to cause transfer of title of any Intellectual Property.

5. **Cash Payment, Credit Bid Limitation and Overbid.** On the Effective Date, Harper shall pay \$325,000 in cash to the Trustee (the "**Cash Payment**"), for the benefit of the Debtor and the Debtor's estate, unless there is a higher bidder for the Acquired Assets. Harper shall deposit the Cash Payment with the Trustee on or before April 8, 2025, which shall be held in trust pending the Effective Date. Harper agrees that for purposes of the auction only, any credit bid based upon its secured liens against the Acquired Assets shall be limited for purposes of any overbid to \$2,500,000, which shall be inclusive of the Cash Payment ("**Credit Bid Ceiling**"). Modo agrees that for purposes of the auction only, it shall not credit bid at the auction. Bidding at the auction shall be in increments of \$10,000. By way of example, if there are no qualifying bidders at the auction, then Harper pays the Cash Payment; if a qualifying bidder bids \$2,510,000 or more ("**Overbid Cash**") and is the highest bid, Harper agrees not to credit bid, the qualifying bidder would be the winning bidder and acquire the Acquired Assets for the amount of the Overbid Cash, and the Cash Payment amount would be returned to Harper by the Trustee within seven (7) business days.

6. **Division of Overbid Cash.** If there is Overbid Cash, the funds are divided 75% to Harper and 25% to the Debtor's Estate. The funds to Harper shall be paid directly to Harper at sale, and not flow through the Debtor's Estate.

7. **Distribution of Cash to Estate.** Because the Trustee and her professionals and paraprofessionals had to incur reasonable, necessary costs and expenses of preserving and/or disposing of Harper's collateral immediately upon her appointment, all cash paid to the Debtor's Estate shall be treated as a surcharge under 11 USC 506(c), payable first to the Trustee and her professionals and paraprofessionals, next to any other administrative claimants, and the remainder to other creditors of the Debtor's Estate.

8. **Additional Harper and Modo Distributions.** Other than Overbid Cash paid directly to Harper as provided in this Agreement, payment of any Harper and Modo distributions out of the Debtor's Estate shall be paid pro rata with unsecured creditors, to be calculated after netting out any distributions made to Harper of the Overbid Cash. Nothing under this accommodation by Harper and

Modo, which is being made for the benefit of the Debtor's Estate and its unsecured creditors, shall be considered a waiver of Harper's or Modo's liens under any circumstance.

9. Free and Clear. The Acquired Assets shall be sold free and clear of any liens, claims or interest in the Acquired Assets of an entity other than Debtor's Estate.

10. Good Faith Finding. The sale under this APA shall include a good faith finding pursuant to 11 U.S.C. §363(m) in Harper's favor.

11. Sale As Is, Where Is. The Acquired Assets shall be sold "as is, where is" without any representations or warranty of any kind, including, but not limited to, any warranty of fitness or warranty for a particular purpose.

12. Debtor Licenses. On or before April 8, 2025, Trustee shall notify in writing the licensee of the Sublicense and Manufacturing Agreement dated as of May 3, 2024 by and between Debtor and Critical Point, LLC, that the license is terminated.

13. Trustee Support Agreement. Harper and Modo LLC will support (i) any decision by the Trustee to abandon any assets (other than the Acquired Assets) at Trustee's discretion; Abandonment will be by notice pursuant to LBR 6007-1(a)(2), provided, however, that such notice will include a request for stay relief under 11 USC 362(d) against the Debtor for Harper to foreclose on any abandoned assets and that if no timely objection and request for hearing is filed and served, the Trustee will lodge an order providing for the abandonment and the stay relief, (ii) the Trustee's position to either stay in Chapter 11 or convert to Chapter 7, whichever option the Trustee feels is most appropriate, provided that such conversion or dismissal does not take effect until after the Effective Date, and (iii) (a) the Trustee's FRBP 9019 motion to approve this Agreement, and (b) compromises with other creditors as appropriate.

14. Move Out Accommodation. To immediately reduce further administrative expenses and as an additional benefit to the Debtor's Estate, Harper will move all of the Core Business Property out of the Warehouse by April 11, 2025 ("**Move-out Deadline**"). Harper shall store the Core Business Property until the earlier of this Agreement and the APA being approved by the Bankruptcy Court or May 31, 2025. Harper is required to obtain insurance for both the move-out and storage. The move-out and storage, including costs of insurance, shall be at Harper's sole expense up until May 31, 2025, provided, however, that if another purchaser acquires the Core Business Property then purchaser shall be required to (i) reimburse Harper for Harper's costs for the move-out, storage and insurance, and (ii) take possession of the Core Business Property on or before May 31, 2025, at the purchaser's sole expense.

15. Sale Procedures/ Overbidding. The sale of the Acquired Assets shall be subject to overbid in accordance with the provisions set forth above. Overbidding may only be exercised by a qualified bidder. Any potential qualified bidders must: (a) provide to Seller a deposit in the amount of \$360,000 in the form of a Cashier's Check payable to Lynda Bui, Chapter 7 Trustee, not later than 3 business days prior to the hearing on the Trustee's Motion to approve the sale of the Assets ("**Overbid Deposit**"); (b) provide to Seller a Cashier's Check, payable to Lynda Bui, Chapter 7 Trustee, in the amount of at least the minimum amount of the Overbid Cash (i.e., \$2,510,000), less the Overbid Deposit; (c) provide to Harper a Cashier's Check, payable to Harper, in the amount of

Harper's costs for the Move-Out Accommodation, at or prior to the time of the hearing; (d) provide evidence of their financial qualification to the Trustee, satisfactory in the Trustee's sole discretion at or prior to the hearing on the motion to approve the sale; (e) execute an affirmation that they agree to be bound by the terms of this Agreement; (f) agree that their deposit shall be forfeited if they are the winning bidder but fail to close the sale; and (g) agree that Buyer or any other overbidder can be a back-up bidder if Buyer or such overbidder chooses. Failure to provide properly payable Cashier's Checks will absolutely disqualify a party from being able to bid on the Acquired Assets. Each subsequent overbid shall be in \$10,000 increments. If, following the overbid process, Buyer holds the winning bid but fails to close the sale, the Deposit shall become nonrefundable. The Trustee shall inform Buyer if any Overbid Deposit is made within 1 business day after its receipt. Buyer shall inform Trustee of its estimated cost of reimbursement within 1 business day after receiving such notice of a potential overbidder from the Trustee.

16. Closing. The closing of the transaction contemplated in this Agreement (the "**Closing**") shall occur promptly upon the Effective Date. If Buyer is the back-up bidder, it shall have an additional five (5) business days for closing as back-up bidder following the first business day that Seller notifies Buyer of overbidder's failure to close.

17. Deliveries at Closing and Post-Closing.

a. At the Closing, Buyer shall (i) authorize Seller to release the Cash Payment on deposit with Seller and apply it as the Cash Payment; and (ii) such other documents and instruments as may be reasonably required to consummate the purchase and sale of the Acquired Assets.

b. At the Closing, Seller shall deliver to Buyer (i) the Bill of Sale attached as **Exhibit 4** hereto (which shall be executed by Seller concurrently with this APA and delivered to Buyer's attorneys to be held in escrow subject to the Closing); and (ii) such other documents and instruments as may be reasonably required to consummate the purchase and sale of the Acquired Assets.

c. The Trustee agrees to execute any assignments or other required documents so as to effectuate the transfer of Intellectual Property pursuant to this APA. This provision shall survive notwithstanding any conversion of the Bankruptcy Case to chapter 7, dismissal or closure. This provision shall also apply to any successor trustee or designee of the Trustee for effectuating the assignments and executing other required documents.

18. Miscellaneous.

a. Construction. Nothing in this APA shall be construed or interpreted to the disadvantage of any Party because the Party is deemed to have prepared, structured, drafted, or dictated the provision

b. Counterparts. This APA may be executed in two or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party (including by means of electronic delivery or facsimile), it being understood that the Parties need not sign the same counterpart. Signatures to this Agreement transmitted by facsimile

transmission, by electronic mail in “portable document format” (“.pdf”) form or by DocuSign or similar verifiable electronic signature will have the same effect as physical delivery of the paper document bearing the original signature. Notwithstanding the above, the Bill of Sale must be executed by Seller and the “wet signature” original delivered to Buyer’s attorneys.

c. Entire Agreement. This APA and the Exhibits attached hereto contains the entire agreement between the Parties with respect to the subject matter of this APA and supersedes any prior discussion, negotiation, term sheet, agreement, understanding or arrangement and there are no agreements, understandings, representations or warranties between the Parties other than those set forth or referred to in this APA or the Exhibits attached hereto.

d. Severability. The invalidity of any portion of this APA shall not affect the validity, force or effect of the remaining portions hereof. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, such restriction shall be enforced to the maximum extent permitted by law.

e. Notices. All notices, consents, waivers, and other communications required or permitted by this Agreement shall be in writing and will be deemed given to a Party when sent by email with confirmation of transmission by the transmitting equipment in each case to the following email addresses (“Notice”). In addition, a hard copy of each Notice shall be sent by United States mail in each case to the following address and marked to the attention of the Person (by name or title) designated below, but the failure to mail such Notice shall not affect the timing or validity of a Notice that has been properly emailed. Each Party may change the email and postal address of that Party by Notice to each other Party pursuant to this Section. Notice shall be sent to:

If to Drip More LLC:  
Lynda T. Bui, Chapter 11 Trustee  
Drip More, LLC  
100 Spectrum Center Drive, Suite 600  
Irvine, CA 92618  
LBui@shulmanbastian.com

with a copy to:  
Rika M. Kido  
Shulman Bastian Friedman & Bui LLP  
100 Spectrum Center Drive, Suite 600  
Irvine, CA 92618  
rkido@shulmanbastian.com

If to Harper or Modo:  
Dov Hershberg  
516 N. Larchmont Blvd.  
Los Angeles, CA 90004  
dh@harperadvance.com

with a copy to:  
Leib M. Lerner  
ALSTON & BIRD  
350 South Grand Avenue  
Suite 5100  
Los Angeles, CA 90071  
leib.lerner@alston.com

f. Waiver. Neither any failure nor any delay by any Party in exercising any right, power, or privilege under this APA will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege.

g. Further Documentation. Each Party will execute and deliver such further instruments, agreements, contracts, and documents and do such further acts and things as may be reasonably required to carry out the intent and purpose of the Settlement Agreement, this APA, and the related agreements incorporated by reference herein.

h. Expenses. Except as otherwise specifically provided in this APA, each Party will be responsible for his, her, or its own fees, costs, and other expenses incurred in the Bankruptcy Case, NY State Action, the Adversary and the Settlement Agreement, including but not limited to negotiating and preparing this APA and in closing and carrying out the transactions contemplated in this APA.

i. Parties in Interest. Except as expressly provided in this APA, nothing in this APA is intended to confer upon any person or entity other than the Parties, their respective heirs, representatives, successors, and permitted assigns, any rights or remedies under or by reason of this APA.

j. Amendment. No modification, waiver, or discharge of this APA will be valid unless it is in writing and signed by the Party against whom the enforcement of the modification, waiver, or discharge is or may be sought.

k. Time of the Essence. Time is of the essence in the performance of each obligation under this Agreement.

l. Survival. All representations and agreements set forth in this APA will be deemed continuing and will survive the Effective Date.

m. Effectiveness. This APA is effective only when fully executed by all the Parties, and is effective as of the Effective Date.

n. Recitals. The background recitals set forth above are hereby incorporated into and made a part of this APA.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties hereto have caused this APA to be executed on the date first written above.

SELLER:

---

Lynda T. Bui, solely in her capacity  
as Chapter 11 Trustee of the bankruptcy  
estate of Drip More LLC

BUYER:

HARPER ADVANCE, LLC

---

Dov Hershberg, Manager

With consent to relevant provisions:

MODO, LLC

---

Dov Hershberg, Manager

**Exhibit 1**

Relevant Portion of the Debtor's Schedule of Assets and Liabilities

**Exhibit 2**

Trademarks and Tradenames owned or licensed by the Debtor listed on Adversary Proceeding  
Docket No. 87



**Exhibit 3**

Trademark Assignment dated June 5, 2021

**Exhibit 4**

Bill of Sale

# **EXHIBIT 3**



## Secretary of State

Business Programs Division

1500 11th Street, Sacramento, CA 95814

SHULMAN BASTIAN FRIEDMAN & BUI LLP  
LEONARD M. SHULMAN, ESQ.  
100 SPECTRUM CENTER DRIVE  
SUITE 600  
IRVINE, CA 92618

Request Date: 12/18/2024 6:38 AM  
Information  
Request No.: U240096663737  
Certification No.: 276245123

### LIEN SEARCH CERTIFICATE

The search results herein reflect only the specific information requested. The results of this Debtor search will not reflect variances of this name. If the Debtor is known under other personal names, trade names, business entities, or addresses, separate searches of these names will have to be requested and conducted. The Secretary of State, his officers and agents disclaim any and all liability for claims resulting from other filings on which the name of the Debtor can be found in any other form than which was requested.

#### Search Criteria:

Debtor Organization: DRIP MORE LLC  
Request Type: Lien Information Request (UCC 11)  
All Records On File (Lapsed and Unlapsed), List and All Copies

#### Lien Listing

<b>Lien File No.: 187682593665</b>	<b>Filed: 11/14/2018 05:51 AM</b>	<b>Lapse: 11/14/2028 11:59 PM</b>
Lien Type: Financing Statement		

Debtor(s): DRIP MORE LLC, 23740 SOUTH MAIN STREET, CARSON, CA 90745

Secured Party(s): CROWN EQUIPMENT CORPORATION, 44 S. WASHINGTON STREET, NEW BREMEN, OH 45869

#### ***Amendment - Continuation***

Amendment No.: U230061634927	Filed: 08/31/2023 04:30 AM
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#### ***Amendment - Termination***

Amendment No.: U240053305516	Filed: 07/01/2024 11:40 AM
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<b>Lien File No.: 197742278401</b>	<b>Filed: 10/23/2019 04:59 AM</b>	<b>Lapse: 10/23/2024 11:59 PM</b>
Lien Type: Financing Statement		

Debtor(s): DRIP MORE LP, 1110 PALMYRITA AVE, STE 120, RIVERSIDE, CA 92507

Secured Party(s): RAYMOND HANDLING SOLUTIONS, INC., 9939 NORWALK BLVD., SANTA FE SPRINGS, CA 90670

#### ***Amendment - Termination***

Amendment No.: U210072658224	Filed: 08/05/2021 07:38 AM
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#### ***System Amendment - Lapse***

Amendment No.: U240082728225	Filed: 10/24/2024 01:00 AM
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SHULMAN BASTIAN FRIEDMAN & BUI LLP  
LEONARD M. SHULMAN, ESQ.  
100 SPECTRUM CENTER DRIVE  
SUITE 600  
IRVINE, CA 92618

Request Date: 12/18/2024 6:38 AM  
Information  
Request No.: U240096663737  
Certification No.: 276245123

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Lien Listing

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**Lien File No.: 207759045594** **Filed: 01/23/2020 03:42 PM** **Lapse: 01/23/2025 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LLC, 1110 PALMYRITA AVENUE #120, RIVERSIDE, CA 92507  
DRIP MORE LP, 1110 PALMYRITA AVENUE #120, RIVERSIDE, CA 92507  
BRIAN BEREBER, 22939 HAWTHORNE BLVD, TORRANCE, CA 90505

Secured Party(s): SYNDIMATE 2017 LP, 300 CONTINENTAL BLVD, STE 410, LOS ANGELES, CA 90036

***Amendment - Termination***

Amendment No.: U210000072516 Filed: 12/04/2020 05:00 PM

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**Lien File No.: 207762445481** **Filed: 02/13/2020 02:08 PM** **Lapse: 02/13/2030 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): BRIAN BEREBER, 67 TURNSTONE, IRVINE, CA 92618  
DRIP MORE LLC, 1110 PALMYRITA AVE STE 120, RIVERSIDE, CA 92507

Secured Party(s): COPPERWOOD CAPITAL LLC, 800 N. SHORELINE BLVD., SUITE 1500 S., CORPUS  
CHRISTI, TX 78401

***Amendment - Continuation***

Amendment No.: U240094026624 Filed: 12/09/2024 09:06 AM

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**Lien File No.: 207775862266** **Filed: 04/30/2020 01:12 PM** **Lapse: 04/30/2025 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LLC, 1110 PALMYRITA AVE, RIVERSIDE, CA 92507  
BRIAN C BEREBER, 1110 PALMYRITA AVE, RIVERSIDE, CA 92507

Secured Party(s): C T CORPORATION SYSTEM, AS REPRESENTATIVE, 330 N BRAND BLVD, SUITE 700;  
ATTN: SPRS, GLENDALE, CA 91203

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**Lien File No.: U200001068418** **Filed: 07/16/2020 03:24 PM** **Lapse: 07/16/2025 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LLC, 1110 PALMYRITA AVE #120, RIVERSIDE, CA 92507

Secured Party(s): HARPER ADVANCE, LLC, 8484 WILSHIRE BLVD SUITE 630, BEVERLY HILLS, CA 90211

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**Lien File No.: U200001068620** **Filed: 07/16/2020 03:24 PM** **Lapse: 07/16/2025 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LP, 1110 PALMYRITA AVE #120, RIVERSIDE, CA 92507

Secured Party(s): HARPER ADVANCE, LLC, 8484 WILSHIRE BLVD SUITE 630, BEVERLY HILLS, CA 90211

SHULMAN BASTIAN FRIEDMAN & BUI LLP  
LEONARD M. SHULMAN, ESQ.  
100 SPECTRUM CENTER DRIVE  
SUITE 600  
IRVINE, CA 92618

Request Date: 12/18/2024 6:38 AM  
Information  
Request No.: U240096663737  
Certification No.: 276245123

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Lien Listing

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**Lien File No.: U200015420219** **Filed: 08/31/2020 01:29 PM** **Lapse: 08/31/2025 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LLC DBA DRIP MORE, 1110 PALMYRITA AVE STE 120, RIVERSIDE, CA 92507  
DRIP MORE LP, 1110 PALMYRITA AVE STE 120, RIVERSIDE, CA 92507  
BRIAN CHRISTOPHER BEREBER, 22939 HAWTHORNE BLVD, TORRENCE, CA 90505

Secured Party(s): CORPORATION SERVICE COMPANY, AS REPRESENTATIVE, P.O. BOX 2576  
UCCSPREP@CSCINFO.COM, SPRINGFIELD, IL 62708

***Amendment - Termination***

Amendment No.: U240053326621 Filed: 07/01/2024 12:58 PM

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**Lien File No.: U220217298738** **Filed: 08/09/2022 10:16 AM** **Lapse: 08/09/2027 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LLC, 1110 PALMYRITA AVE #120, RIVERSIDE, CA 92507  
DRIP MORE LP, 25978 BUSINESS CENTER DR, REDLANDS, CA 92374

Secured Party(s): FUNDOMATE TECHNOLOGIES, INC., 300 CONTINENTAL BLVD. STE. 410, EL SEGUNDO,  
CA 90245  
HARPER ADVANCE, LLC, 7162 BEVERLY BLVD., #204, LOS ANGELES, CA 90036

***Amendment - Assignment***

Amendment No.: U240008310419 Filed: 01/31/2024 09:25 AM

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**Lien File No.: U230024040517** **Filed: 04/05/2023 02:32 PM** **Lapse: 04/05/2028 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LP, 25978 BUSINESS CENTER DRIVE, REDLANDS, CA 92374

Secured Party(s): HARPER ADVANCE, LLC, 7162 BEVERLY BLVD., #204, LOS ANGELES, CA 90036

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**Lien File No.: U230024041014** **Filed: 04/05/2023 02:33 PM** **Lapse: 04/05/2028 11:59 PM**  
Lien Type: Financing Statement

Debtor(s): DRIP MORE LLC, 25978 BUSINESS CENTER DRIVE, REDLANDS, CA 92374

Secured Party(s): HARPER ADVANCE, LLC, 7162 BEVERLY BLVD., #204, LOS ANGELES, CA 90036

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**Lien File No.: U230083455428** **Filed: 11/27/2023 09:27 PM** **Lapse: 11/27/2033 11:59 PM**  
Lien Type: Notice of State Tax Lien

Debtor(s): DRIP MORE LP, 1110 PALMYRITA AVE, STE 120 RIVERSIDE, CA 925071723  
DRIP MORE, 1110 PALMYRITA AVE, STE 120 RIVERSIDE, CA 925071723  
DRIP MORE LLC, 1110 PALMYRITA AVE, STE 120 RIVERSIDE, CA 925071723

Secured Party(s): EMPLOYMENT DEVELOPMENT DEPARTMENT, 722 CAPITOL MALL, SACRAMENTO, CA  
95814

SHULMAN BASTIAN FRIEDMAN & BUI LLP  
LEONARD M. SHULMAN, ESQ.  
100 SPECTRUM CENTER DRIVE  
SUITE 600  
IRVINE, CA 92618

Request Date: 12/18/2024 6:38 AM  
Information  
Request No.: U240096663737  
Certification No.: 276245123

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Lien Listing

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**Lien File No.: U240005096320**

**Filed: 01/22/2024 04:19 PM**

**Lapse: 01/22/2029 11:59 PM**

**Lien Type: Financing Statement**

**Debtor(s):** DRIP MORE LLC, 25978 BUSINESS CENTER DRIVE, REDLANDS, CA 92374  
DRIP MORE LP, 25978 BUSINESS CENTER DRIVE, REDLANDS, CA 92374  
DEADSTOCK LLC, 25978 BUSINESS CENTER DRIVE, REDLANDS, CA 92374  
CALI CO PACK LLC, 25978 BUSINESS CENTER DRIVE, REDLANDS, CA 92374

**Secured Party(s):** MODO LLC, 7162 BEVERLY BOULEVARD #204, LOS ANGELES, CA 90036

Certification No.: 276245123

Page Count: 19

I, Shirley N. Weber, Ph.D., Secretary of State, do hereby certify that the above listing is a record of all presently active financing statements, tax liens, attachment liens and judgment liens, including any change documents relating to them, which name the referenced debtor, subject to any above-stated search qualifiers and are on file in my office as of 12/10/2024 11:59 PM.



**IN WITNESS WHEREOF**, I execute this  
certificate and affix the Great Seal of the  
State of California on December 18, 2024.

**Secretary of State**



**UCC FINANCING STATEMENT**

**FOLLOW INSTRUCTIONS**

<b>A. NAME &amp; PHONE OF CONTACT AT FILER (optional)</b> Lien Solutions 800-331-3282
<b>B. E-MAIL CONTACT AT FILER (optional)</b>  
<b>C. SEND ACKNOWLEDGMENT TO: (Name and Address)</b> Lien Solutions P.O. Box 29071 Glendale, CA 91209-9071 USA

**DOCUMENT NUMBER: 74895040002**  
**FILING NUMBER: 18-7682593665**  
**FILING DATE: 11/14/2018 05:51**

**IMAGE GENERATED ELECTRONICALLY FOR XML FILING  
 THE ABOVE SPACE IS FOR CA FILING OFFICE USE ONLY**

**1. DEBTOR'S NAME:** Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor Information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

<b>OR</b>	<b>1a. ORGANIZATION'S NAME</b> Drip More LLC			
	<b>1b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S)/INITIAL(S)</b>	<b>SUFFIX</b>
<b>1c. MAILING ADDRESS</b> 23740 South Main Street		<b>CITY</b> Carson	<b>STATE</b> CA	<b>POSTAL CODE</b> 90745
		<b>COUNTRY</b> USA		

**2. DEBTOR'S NAME:** Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor Information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

<b>OR</b>	<b>2a. ORGANIZATION'S NAME</b>			
	<b>2b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S)/INITIAL(S)</b>	<b>SUFFIX</b>
<b>2c. MAILING ADDRESS</b>		<b>CITY</b>	<b>STATE</b>	<b>POSTAL CODE</b>
		<b>COUNTRY</b>		

**3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY):** Provide only one Secured Party name (3a or 3b)

<b>OR</b>	<b>3a. ORGANIZATION'S NAME</b> Crown Equipment Corporation			
	<b>3b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S)/INITIAL(S)</b>	<b>SUFFIX</b>
<b>3c. MAILING ADDRESS</b> 44 S. Washington Street		<b>CITY</b> New Bremen	<b>STATE</b> OH	<b>POSTAL CODE</b> 45869
		<b>COUNTRY</b> USA		

**4. COLLATERAL:** This financing statement covers the following collateral:

All of Lessee's right, title, and interest in all equipment now or hereafter leased from Lessor by Lessee pursuant to any Master Lease Agreement between Lessor and Lessee, together with all schedules, exhibits, supplements, amendments, renewals, and modifications thereto, including but not limited to all material handling equipment, batteries, chargers, attachments, trucks, miscellaneous battery handling equipment and related equipment and all additions, accessions, substitutions, attachments, improvements and repairs thereto and therefor, whether currently existing or hereafter arising, and all proceeds thereof.

**5. Check only if applicable and check only one box:** Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

**6a. Check only if applicable and check only one box:**

☐ Public Finance Transaction ☐ Manufactured Home Transaction ☐ A Debtor is a Transmitting Utility

**6b. Check only if applicable and check only one box:**

☐ Agricultural Lien ☐ Non-UCC Filing

**7. ALTERNATIVE DESIGNATION (if applicable):** ☐ Lessee/Lessor ☐ Consignor/Consignor ☐ Seller/Buyer ☐ Bailor/Bailor ☐ Licensee/Licensee

**8. OPTIONAL FILER REFERENCE DATA:**

CA-0-67335206-56139491

**FILING OFFICE COPY**

EXHIBIT 3

U230061634927



**STATE OF CALIFORNIA**  
*Office of the Secretary of State*  
**UCC FINANCING STATEMENT AMENDMENT (UCC  
 3)**  
 California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File No.: U230061634927

Date Filed: 8/31/2023

## Submitter Information:

Contact Name	WOLTERS KLUWER LIEN SOLUTIONS
Organization Name	LIEN SOLUTIONS
Phone Number	800-331-3282
Email Address	uccfilingreturn@wolterskluwer.com
Address	P.O. BOX 29071 GLENDALE, CA 912099071

## Amendment Action Information:

Initial Financing Statement File Number	187682593665
Date Filed	11/14/2018
Amendment Action	Continuation

## Name of Secured Party of Record Authorizing This Amendment:

☐ If this Amendment is authorized by a Debtor, check this box and select the name of the Authorizing Debtor below.

Authorizing Secured Party Name	Crown Equipment Corporation
--------------------------------	-----------------------------

## Optional Filer Reference Information:

94844619

Certificate Verification No.: 276245123 Date: 12/18/2024

B2075-3320 08/31/2023 4:31 AM Received by California Secretary of State

U240053305516



**STATE OF CALIFORNIA**  
*Office of the Secretary of State*  
**UCC FINANCING STATEMENT AMENDMENT (UCC 3)**

California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 657-5448

For Office Use Only

**-FILED-**

File No.: U240053305516

Date Filed: 7/1/2024

## Submitter Information:

Contact Name	WOLTERS KLUWER LIEN SOLUTIONS
Organization Name	LIEN SOLUTIONS
Phone Number	800-331-3282
Email Address	uccfilingreturn@wolterskluwer.com
Address	P.O. BOX 29071 GLENDALE, CA 912099071

## Amendment Action Information:

Initial Financing Statement File Number	187682593665
Date Filed	11/14/2018
Amendment Action	Termination

## Name of Secured Party of Record Authorizing This Amendment:

☐ If this Amendment is authorized by a Debtor, check this box and select the name of the Authorizing Debtor below.

Authorizing Secured Party Name	Crown Equipment Corporation
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## Optional Filer Reference Information:

99576058

Certificate Verification No.: 276245123 Date: 12/18/2024

B2856-4533 07/01/2024 11:41 AM Received by California Secretary of State

**UCC FINANCING STATEMENT**

Main Document Page 68 of 85

**FOLLOW INSTRUCTIONS****A. NAME & PHONE OF CONTACT AT FILER (optional)**Lien Solutions  
800-331-3282**B. E-MAIL CONTACT AT FILER (optional)****C. SEND ACKNOWLEDGMENT TO: (Name and Address)**Lien Solutions  
P.O. Box 29071  
Glendale, CA 91209-9071  
USA**DOCUMENT NUMBER: 83016870002****FILING NUMBER: 19-7742278401****FILING DATE: 10/23/2019 04:59****IMAGE GENERATED ELECTRONICALLY FOR XML FILING  
THE ABOVE SPACE IS FOR CA FILING OFFICE USE ONLY****1. DEBTOR'S NAME:** Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

<b>OR</b>	<b>1a. ORGANIZATION'S NAME</b> DRIP MORE LP			
	<b>1b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S)/INITIAL(S)</b>	<b>SUFFIX</b>
<b>1c. MAILING ADDRESS</b> 1110 Palmyrita Ave, Ste 120		<b>CITY</b> Riverside	<b>STATE</b> CA	<b>POSTAL CODE</b> 92507
			<b>COUNTRY</b> USA	

**2. DEBTOR'S NAME:** Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

<b>OR</b>	<b>2a. ORGANIZATION'S NAME</b>			
	<b>2b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S)/INITIAL(S)</b>	<b>SUFFIX</b>
<b>2c. MAILING ADDRESS</b>		<b>CITY</b>	<b>STATE</b>	<b>POSTAL CODE</b>
				<b>COUNTRY</b>

**3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY):** Provide only one Secured Party name (3a or 3b)

<b>OR</b>	<b>3a. ORGANIZATION'S NAME</b> Raymond Handling Solutions, Inc.			
	<b>3b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S)/INITIAL(S)</b>	<b>SUFFIX</b>
<b>3c. MAILING ADDRESS</b> 9939 Norwalk Blvd.		<b>CITY</b> Santa Fe Springs	<b>STATE</b> CA	<b>POSTAL CODE</b> 90670
				<b>COUNTRY</b> USA

**4. COLLATERAL:** This financing statement covers the following collateral:

High Piled Storage Racking located at 1110 Palmyrita Ave, Ste 120, Riverside, CA 92507

**5. Check only if applicable and check only one box:** Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative**6a. Check only if applicable and check only one box:**☐ Public Finance Transaction ☐ Manufactured Home Transaction ☐ A Debtor is a Transmitting Utility**6b. Check only if applicable and check only one box:**☐ Agricultural Lien ☐ Non-UCC Filing**7. ALTERNATIVE DESIGNATION (if applicable):** ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailor/Bailor ☐ Licensee/Licenser**8. OPTIONAL FILER REFERENCE DATA:**

CA-0-72216987-57962870

**FILING OFFICE COPY**

EXHIBIT 3



**STATE OF CALIFORNIA**  
*Office of the Secretary of State*  
**UCC FINANCING STATEMENT AMENDMENT (UCC  
 3)**

California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File #: U210072658224

Date Filed: 8/5/2021

**Submitter Information:**

Contact Name	WOLTERS KLUWER LIEN SOLUTIONS
Organization Name	LIEN SOLUTIONS
Phone Number	800-331-3282
Email Address	uccfilingreturn@wolterskluwer.com
Address	P.O. BOX 29071 GLENDALE, CA 912099071

**Amendment Action Information:**

Initial Financing Statement File Number	197742278401
Date Filed	10/23/2019
Amendment Action	Termination

**Name of Secured Party of Record Authorizing This Amendment:**

☐ If this Amendment is authorized by a Debtor, check this box and select the name of the Authorizing Debtor below.

Authorizing Secured Party Name	Raymond Handling Solutions, Inc.
--------------------------------	----------------------------------

**Optional Filer Reference Information:**

81817165

Certificate Verification No.: 276245123 Date: 12/18/2024

B0418-1666 08/05/2021 7:39 AM Received by California Secretary of State

## FOLLOW INSTRUCTIONS

<b>A. NAME &amp; PHONE OF CONTACT AT FILER (optional)</b> Corporation Service Company 800-858-5294
<b>B. E-MAIL CONTACT AT FILER (optional)</b>
<b>C. SEND ACKNOWLEDGMENT TO: (Name and Address)</b> CORPORATION SERVICE COMPANY 801 ADLAI STEVENSON DRIVE Springfield, IL 62703-4261 USA

DOCUMENT NUMBER: 85575700002

FILING NUMBER: 20-7759045594

FILING DATE: 01/23/2020 15:42

IMAGE GENERATED ELECTRONICALLY FOR XML FILING  
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1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor Information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	1a. ORGANIZATION'S NAME Drip More LLC			
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S) INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 1110 Palmyrita Avenue #120		CITY Riverside	STATE CA	POSTAL CODE 92507
			COUNTRY USA	

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor Information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME Drip More LP			
	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S) INITIAL(S)	SUFFIX
2c. MAILING ADDRESS 1110 Palmyrita Avenue #120		CITY Riverside	STATE CA	POSTAL CODE 92507
			COUNTRY USA	

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME Syndimate 2017 LP			
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S) INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 300 Continental Blvd, Ste 410		CITY Los Angeles	STATE CA	POSTAL CODE 90036
			COUNTRY USA	

4. COLLATERAL: This financing statement covers the following collateral:  
Receivables- All Assets now owned or hereafter acquired & wherever located, including but not limited to, the following subcategories of assets: a. Accounts, including but not limited to, credit card receivables; b. Chattel Paper; c. Inventory; d. Equipment; e. Instruments, including but not limited to, Promissory Notes; f. Investment Property; g. Documents; h. Deposit Accounts; i. Letter of Credit Rights; j. General Intangibles; k. Supporting Obligations; and i. Letter of Credit Rights; j. General Intangibles; k. Supporting Obligations; and i. Proceeds and Products of the foregoing. NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR & SECURED PARTY, DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN. THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCES IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:  
☐ Public Finance Transaction ☐ Manufactured Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:  
☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessor/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailor/Bailor ☐ Licensee/Licensee

8. OPTIONAL FILER REFERENCE DATA:

[176321047]

For Office Use Only

**-FILED-**

File #: U210000072516

Date Filed: 12/4/2020

**UCC FINANCING STATEMENT AMENDMENT**

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC 1-800-858-5294	
B. E-MAIL CONTACT AT FILER (optional) SPRFiling@cscglobal.com	
C. SEND ACKNOWLEDGMENT TO: (Name and Address)  2010 02219 CSC 801 Adlai Stevenson Drive Springfield, IL 62703  Filed In: California (S.O.S.)	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER  
207759045594 01/23/2020

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed (for record)  
(or recorded) in the REAL ESTATE RECORDS  
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☒ **TERMINATION:** Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement
3. ☐ **ASSIGNMENT** (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9  
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8
4. ☐ **CONTINUATION:** Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☐ **PARTY INFORMATION CHANGE:**  
Check one of these two boxes: ☐ Debtor or ☐ Secured Party of record **AND** Check one of these three boxes to:  
☐ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c ☐ ADD name: Complete item 7a or 7b, and item 7c ☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. **CURRENT RECORD INFORMATION:** Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME Drip More LLC			
OR	6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7. **CHANGED OR ADDED INFORMATION:** Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME	
OR	7b. INDIVIDUAL'S SURNAME
INDIVIDUAL'S FIRST PERSONAL NAME	
INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX	

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
---------------------	------	-------	-------------	---------

8. ☐ **COLLATERAL CHANGE:** Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral  
Indicate collateral:

9. **NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT:** Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)  
If this is an Amendment authorized by a DEBTOR, check here ☒ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME Syndimate 2017 LP			
OR	9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

10. **OPTIONAL FILER REFERENCE DATA:** Debtor: Drip More LLC

2010 02219

B0354-5426 12/04/2020 5:00 PM Received by California Secretary of State

## UCC FINANCING STATEMENT AMENDMENT ADDENDUM

### FOLLOW INSTRUCTIONS

11. INITIAL FINANCING STATEMENT FILE NUMBER: Same as item 1a on Amendment form  
207759045594 01/23/2020

12. NAME OF PARTY AUTHORIZING THIS AMENDMENT: Same as item 9 on Amendment form

12a. ORGANIZATION'S NAME

Syndimate 2017 LP

OR

12b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

13. Name of DEBTOR on related financing statement (Name of a current Debtor of record required for indexing purposes only in some filing offices - see Instruction item 13): Provide only one Debtor name (13a or 13b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); see instructions if name does not fit

13a. ORGANIZATION'S NAME

OR

13b. INDIVIDUAL'S SURNAME

Bereber

FIRST PERSONAL NAME

Brian

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

14. ADDITIONAL SPACE FOR ITEM 8 (Collateral):

15. This FINANCING STATEMENT AMENDMENT:

☐ covers timber to be cut ☐ covers as-extracted collateral ☐ is filed as a fixture filing

16. Name and address of a RECORD OWNER of real estate described in item 17  
(if Debtor does not have a record interest):

17. Description of real estate:

18. MISCELLANEOUS:



**UCC FINANCING STATEMENT**

Main Document Page 73 of 85

**FOLLOW INSTRUCTIONS****A. NAME & PHONE OF CONTACT AT FILER (optional)**Corporation Service Company  
800-858-5294**B. E-MAIL CONTACT AT FILER (optional)****C. SEND ACKNOWLEDGMENT TO: (Name and Address)**CORPORATION SERVICE COMPANY  
801 ADLAI STEVENSON DRIVE  
Springfield, IL 62703-4261  
USA**DOCUMENT NUMBER: 86126420002****FILING NUMBER: 20-7762445481****FILING DATE: 02/13/2020 14:08****IMAGE GENERATED ELECTRONICALLY FOR XML FILING  
THE ABOVE SPACE IS FOR CA FILING OFFICE USE ONLY****1. DEBTOR'S NAME:** Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	1a. ORGANIZATION'S NAME Drip More LLC			
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 1110 Palmyrita Ave Ste 120		CITY Riverside	STATE CA	POSTAL CODE 92507
			COUNTRY USA	

**2. DEBTOR'S NAME:** Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME			
	2b. INDIVIDUAL'S SURNAME Bereber	FIRST PERSONAL NAME Brian	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS 67 Turnstone		CITY Irvine	STATE CA	POSTAL CODE 92618
			COUNTRY USA	

**3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY):** Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME Copperwood Capital LLC			
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 800 N. Shoreline Blvd., Suite 1500 S.		CITY Corpus Christi	STATE TX	POSTAL CODE 78401
			COUNTRY USA	

**4. COLLATERAL:** This financing statement covers the following collateral:

All accounts, all accounts receivable (past present and future) chattel paper, cash, deposit accounts, documents, equipment, general intangibles, instruments, inventory, or investment property, as those terms are defined in Article 9 of the Uniform Commercial Code (the "UCC"), now or hereafter owned or acquired by debtor; and all proceeds, as that term is defined in Article 9 of the UCC (the "Collateral") Notification is hereby given that Debtor and Guarantor have granted a negative pledge to Copperwood Capital LLC with respect to the collateral. Any subsequent lender or lienor may be tortuously interfering with Copperwood Capital's rights.

**5. Check only if applicable and check only one box:** Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative**6a. Check only if applicable and check only one box:**☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility**6b. Check only if applicable and check only one box:**☐ Agricultural Lien ☐ Non-UCC Filing**7. ALTERNATIVE DESIGNATION (if applicable):** ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailor/Bailor ☐ Licensee/Licensor**8. OPTIONAL FILER REFERENCE DATA:**

[177535026]

**FILING OFFICE COPY**

EXHIBIT 3

U240094026624



**STATE OF CALIFORNIA**  
*Office of the Secretary of State*  
**UCC FINANCING STATEMENT AMENDMENT (UCC  
3)**

California Secretary of State  
1500 11th Street  
Sacramento, California 95814  
(916) 657-5448

For Office Use Only

**-FILED-**

File No.: U240094026624

Date Filed: 12/9/2024

**Submitter Information:**

Contact Name	CORPORATION SERVICE COMPANY
Organization Name	CORPORATION SERVICE COMPANY
Phone Number	18008585294
Email Address	SPRFiling@cscglobal.com
Address	801 ADLAI STEVENSON DR SPRINGFIELD, IL 62703

**Amendment Action Information:**

Initial Financing Statement File Number	207762445481
Date Filed	02/13/2020
Amendment Action	Continuation

**Name of Secured Party of Record Authorizing This Amendment:**

☐ If this Amendment is authorized by a Debtor, check this box and select the name of the Authorizing Debtor below.

Authorizing Secured Party Name	Copperwood Capital LLC
--------------------------------	------------------------

**Optional Filer Reference Information:**

2992 71061

Certificate Verification No.: 276245123 Date: 12/18/2024

B3251-0597 12/09/2024 9:07 AM Received by California Secretary of State

**UCC FINANCING STATEMENT**

Main Document

Page 75 of 85

**FOLLOW INSTRUCTIONS****A. NAME & PHONE OF CONTACT AT FILER (optional)**

Lien Solutions  
800-331-3282

**B. E-MAIL CONTACT AT FILER (optional)****C. SEND ACKNOWLEDGMENT TO: (Name and Address)**

Lien Solutions  
P.O. Box 29071  
Glendale, CA 91209-9071  
USA

**DOCUMENT NUMBER: 88364350002****FILING NUMBER: 20-7775862266****FILING DATE: 04/30/2020 13:12**

**IMAGE GENERATED ELECTRONICALLY FOR XML FILING  
THE ABOVE SPACE IS FOR CA FILING OFFICE USE ONLY**

**1. DEBTOR'S NAME:** Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

<b>OR</b>	<b>1a. ORGANIZATION'S NAME</b> Drip More LLC			
	<b>1b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S) INITIAL(S)</b>	<b>SUFFIX</b>
<b>1c. MAILING ADDRESS</b> 1110 Palmyrita Ave		<b>CITY</b> Riverside	<b>STATE</b> CA	<b>POSTAL CODE</b> 92507
			<b>COUNTRY</b> USA	

**2. DEBTOR'S NAME:** Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

<b>OR</b>	<b>2a. ORGANIZATION'S NAME</b>			
	<b>2b. INDIVIDUAL'S SURNAME</b> Bereber	<b>FIRST PERSONAL NAME</b> Brian	<b>ADDITIONAL NAME(S) INITIAL(S)</b> C	<b>SUFFIX</b>
<b>2c. MAILING ADDRESS</b> 1110 Palmyrita Ave		<b>CITY</b> Riverside	<b>STATE</b> CA	<b>POSTAL CODE</b> 92507
			<b>COUNTRY</b> USA	

**3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY):** Provide only one Secured Party name (3a or 3b)

<b>OR</b>	<b>3a. ORGANIZATION'S NAME</b> C T Corporation System, as representative			
	<b>3b. INDIVIDUAL'S SURNAME</b>	<b>FIRST PERSONAL NAME</b>	<b>ADDITIONAL NAME(S) INITIAL(S)</b>	<b>SUFFIX</b>
<b>3c. MAILING ADDRESS</b> 330 N Brand Blvd, suite 700; Attn: SPRS		<b>CITY</b> Glendale	<b>STATE</b> CA	<b>POSTAL CODE</b> 91203
			<b>COUNTRY</b> USA	

**4. COLLATERAL:** This financing statement covers the following collateral:

All personal property of every kind and nature, including, without limitation, all accounts, contract rights, rights to the payment of money, insurance claims and proceeds, chattel paper, electric chattel paper, documents, instruments, securities and other investment property, deposit accounts, supporting obligations of every nature, and general intangibles, including without limitation, customer lists, and all books and records related thereto, and all recorded data of any kind and any nature, regardless of the medium of recording; together with, to the extent not listed above as the original collateral, all substitutions and replacements for and products of any of the foregoing property, and together with proceeds of any and all of the foregoing property

**5. Check only if applicable and check only one box:** Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

**6a. Check only if applicable and check only one box:**

☐ Public Finance Transaction ☐ Manufactured Home Transaction ☐ A Debtor is a Transmitting Utility

**6b. Check only if applicable and check only one box:**

☐ Agricultural Lien ☐ Non-UCC Filing

**7. ALTERNATIVE DESIGNATION (if applicable):** ☐ Lessee/Lessor ☐ Consignor/Consignor ☐ Seller/Buyer ☐ Bailor/Bailor ☐ Licensee/Licensor

**8. OPTIONAL FILER REFERENCE DATA:**

CA-0-74888329-59005582

**FILING OFFICE COPY**

EXHIBIT 3

U200001068418



**STATE OF CALIFORNIA**  
*Office of the Secretary of State, Alex Padilla*  
**UCC FINANCING STATEMENT (UCC 1)**  
California Secretary of State  
1500 11th Street  
Sacramento, California 95814  
(916) 653-3516

For Office Use Only

**-FILED-**

File #: U200001068418

Date Filed: 7/16/2020

**Submitter Information:**

Contact Name	CORPORATION SERVICE COMPANY
Organization Name	CORPORATION SERVICE COMPANY
Phone Number	18008585294
Email Address	SPRFiling@cscglobal.com
Address	801 ADLAI STEVENSON DR SPRINGFIELD, IL 62703

**Debtor Information:**

Debtor Name	Mailing Address
DRIP MORE LLC	1110 PALMYRITA AVE #120 RIVERSIDE, CA 92507

**Secured Party Information:**

Secured Party Name	Mailing Address
HARPER ADVANCE, LLC	8484 WILSHIRE BLVD SUITE 630 BEVERLY HILLS, CA 90211

**Indicate how documentation of Collateral is provided:**

Entered as Text

**Description:**

SECURED PARTY HAS A SECURITY INTEREST IN ALL OF DEBTOR'S FUTURE RECEIVABLES, INVENTORY, EQUIPMENT, GOODS, ACCOUNTS, INVESTMENT PROPERTY, AND OTHER PERSONAL PROPERTY AND ASSETS

**Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:**

Not Applicable

**Select an alternate Financing Statement type:**

**Select an additional alternate Financing Statement type:**

**Select an alternative Debtor/Secured Party designation for this Financing Statement:**

**Optional Filer Reference Information:**

1926 26509

Certificate Verification No.: 276245123 Date: 12/18/2024

B0300-7895 07/16/2020 4:06 PM Received by California Secretary of State

U200001068620



**STATE OF CALIFORNIA**  
*Office of the Secretary of State, Alex Padilla*  
**UCC FINANCING STATEMENT (UCC 1)**  
 California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File #: U200001068620

Date Filed: 7/16/2020

**Submitter Information:**

Contact Name	CORPORATION SERVICE COMPANY
Organization Name	CORPORATION SERVICE COMPANY
Phone Number	18008585294
Email Address	SPRFiling@cscglobal.com
Address	801 ADLAI STEVENSON DR SPRINGFIELD, IL 62703

**Debtor Information:**

Debtor Name	Mailing Address
DRIP MORE LP	1110 PALMYRITA AVE #120 RIVERSIDE, CA 92507

**Secured Party Information:**

Secured Party Name	Mailing Address
HARPER ADVANCE, LLC	8484 WILSHIRE BLVD SUITE 630 BEVERLY HILLS, CA 90211

**Indicate how documentation of Collateral is provided:**

Entered as Text

**Description:**

SECURED PARTY HAS A SECURITY INTEREST IN ALL OF DEBTOR'S FUTURE RECEIVABLES, INVENTORY, EQUIPMENT, GOODS, ACCOUNTS, INVESTMENT PROPERTY, AND OTHER PERSONAL PROPERTY AND ASSETS

**Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:**

Not Applicable

**Select an alternate Financing Statement type:****Select an additional alternate Financing Statement type:****Select an alternative Debtor/Secured Party designation for this Financing Statement:****Optional Filer Reference Information:**

1926 26551

Certificate Verification No.: 276245123 Date: 12/18/2024

B0300-7897 07/16/2020 4:06 PM Received by California Secretary of State



**STATE OF CALIFORNIA**  
**Office of the Secretary of State, Alex Padilla**  
**UCC FINANCING STATEMENT (UCC 1)**  
 California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File #: U200015420219

Date Filed: 8/31/2020

**Submitter Information:**

Contact Name CORPORATION SERVICE COMPANY  
 Organization Name CORPORATION SERVICE COMPANY  
 Phone Number 18008585294  
 Email Address SPRFiling@cscglobal.com  
 Address 801 ADLAI STEVENSON DR  
 SPRINGFIELD, IL 62703

**Debtor Information:**

Debtor Name	Mailing Address
DRIP MORE LLC DBA DRIP MORE	1110 PALMYRITA AVE STE 120 RIVERSIDE, CA 92507
DRIP MORE LP	1110 PALMYRITA AVE STE 120 RIVERSIDE, CA 92507
BRIAN CHRISTOPHER BEREBER	22939 HAWTHORNE BLVD TORRENCE, CA 90505

**Secured Party Information:**

Secured Party Name	Mailing Address
CORPORATION SERVICE COMPANY, AS REPRESENTATIVE	P.O. BOX 2576 UCCSPREP@CSCINFO.COM SPRINGFIELD, IL 62708

**Indicate how documentation of Collateral is provided:**

Entered as Text

**Description:**

Certain future receivables sold by said business as seller, and purchased by BizFund, LLC, as buyer, pursuant to that certain purchase and sale of future receivables agreement between seller and purchaser dated 08/26/2020 (the "agreement"). the sale of the future receivables pursuant to the agreement is intended by the parties thereto to be an outright sale of such future receivables and not intended to be, nor is it to be constructed as, a financing or an assignment for securing the obligations of the seller, this UCC financing statement is filed for notice purposes only.

**Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:**

Not Applicable

**Select an alternate Financing Statement type:****Select an additional alternate Financing Statement type:****Select an alternative Debtor/Secured Party designation for this Financing Statement:****Optional Filer Reference Information:**

1977 51152

Certificate Verification No.: 276245123 Date: 12/18/2024

B0320-5314 08/31/2020 1:30 PM Received by California Secretary of State



**STATE OF CALIFORNIA**  
**Office of the Secretary of State**  
**UCC FINANCING STATEMENT AMENDMENT (UCC**  
**3)**

California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 657-5448

For Office Use Only

**-FILED-**

File No.: U240053326621

Date Filed: 7/1/2024

**Submitter Information:**

Contact Name	CORPORATION SERVICE COMPANY
Organization Name	CORPORATION SERVICE COMPANY
Phone Number	18008585294
Email Address	SPRFiling@cscglobal.com
Address	801 ADLAI STEVENSON DR SPRINGFIELD, IL 62703

**Amendment Action Information:**

Initial Financing Statement File Number	U200015420219
Date Filed	08/31/2020
Amendment Action	Termination

**Name of Secured Party of Record Authorizing This Amendment:**

☐ If this Amendment is authorized by a Debtor, check this box and select the name of the Authorizing Debtor below.

Authorizing Secured Party Name	CORPORATION SERVICE COMPANY, AS REPRESENTATIVE
--------------------------------	---

**Optional Filer Reference Information:**

2869 61636

Certificate Verification No.: 276245123 Date: 12/18/2024

B2856-7226 07/01/2024 12:59 PM Received by California Secretary of State

U220217298738



**STATE OF CALIFORNIA**  
*Office of the Secretary of State*  
**UCC FINANCING STATEMENT (UCC 1)**  
California Secretary of State  
1500 11th Street  
Sacramento, California 95814  
(916) 653-3516

For Office Use Only

**-FILED-**

File No.: U220217298738

Date Filed: 8/9/2022

## Submitter Information:

Contact Name CORPORATION SERVICE COMPANY  
Organization Name CORPORATION SERVICE COMPANY  
Phone Number 18008585294  
Email Address SPRFiling@cscglobal.com  
Address 801 ADLAI STEVENSON DR  
SPRINGFIELD, IL 62703

## Debtor Information:

Debtor Name	Mailing Address
DRIP MORE LLC	1110 PALMYRITA AVE #120 RIVERSIDE, CA 92507
DRIP MORE LP	25978 BUSINESS CENTER DR REDLANDS, CA 92374

## Secured Party Information:

Secured Party Name	Mailing Address
FUNDOMATE TECHNOLOGIES, INC.	300 CONTINENTAL BLVD. STE. 410 EL SEGUNDO, CA 90245

Indicate how documentation of Collateral is provided:

Entered as Text

## Description:

Receivables- All Assets now owned or hereafter acquired & wherever located, including but not limited to, the following subcategories of assets: a. Accounts, including but not limited to, credit card receivables; b. Chattel Paper; c. Inventory; d. Equipment; e. Instruments, including but not limited to, Promissory Notes; f. Investment Property; g. Documents; h. Deposit Accounts; i. Letter of Credit Rights; j. General Intangibles; k. Supporting Obligations; and i. Letter of Credit Rights; j. General Intangibles; k. Supporting Obligations; and i. Proceeds and Products of the foregoing. NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR & SECURED PARTY, DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN. THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCES IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY

Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:

Not Applicable

Select an alternate Financing Statement type:

Select an additional alternate Financing Statement type:

Select an alternative Debtor/Secured Party designation for this Financing Statement:

Optional Filer Reference Information:

2373 48425

Certificate Verification No.: 276245123 Date: 12/18/2024

B0997-1616 08/09/2022 10:17 AM Received by California Secretary of State



U240008310419



**STATE OF CALIFORNIA**  
*Office of the Secretary of State*  
**UCC FINANCING STATEMENT AMENDMENT (UCC 3)**  
 California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File No.: U240008310419

Date Filed: 1/31/2024

<b>Submitter Information:</b>		
Contact Name		
Organization Name		
Phone Number		
Email Address		
Address		None
<b>Amendment Action Information:</b>		
Initial Financing Statement File Number		U220217298738
Date Filed		08/09/2022
Amendment Action		Assignment
<b>Secured Party Assignee:</b>		
Secured Party Name	Mailing Address	Assignee
HARPER ADVANCE, LLC	7162 BEVERLY BLVD., #204 LOS ANGELES, CA 90036	<input checked="" type="checkbox"/> Assignee
Indicate how documentation of Collateral is provided: Entered as Text		
<b>Description:</b> All assets of the Debtor, whether now existing or hereafter arising.		
<b>Name of Secured Party of Record Authorizing This Amendment:</b>		
<input type="checkbox"/> If this Amendment is authorized by a Debtor, check this box and select the name of the Authorizing Debtor below.		
Authorizing Secured Party Name		FUNDOMATE TECHNOLOGIES, INC.
<b>Optional Filer Reference Information:</b>		
<b>Miscellaneous Information:</b>		

Certificate Verification No.: 276245123 Date: 12/18/2024

B2459-7856 01/31/2024 9:38 AM Received by California Secretary of State

U230024040517



**STATE OF CALIFORNIA**  
**Office of the Secretary of State**  
**UCC FINANCING STATEMENT (UCC 1)**  
 California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File No.: U230024040517

Date Filed: 4/5/2023

## Submitter Information:

Contact Name: Dov Hershberg  
 Organization Name: Harper Advance, LLC  
 Phone Number:  
 Email Address:  
 Address: 7162 BEVERLY BLVD., #204  
 LOS ANGELES, CA 90036

## Debtor Information:

Debtor Name	Mailing Address
Drip More LP	25978 Business Center Drive Redlands, CA 92374

## Secured Party Information:

Secured Party Name	Mailing Address
Harper Advance, LLC	7162 BEVERLY BLVD., #204 LOS ANGELES, CA 90036

## Indicate how documentation of Collateral is provided:

Entered as Text

## Description:

All assets and accounts receivable of Drip More LP.

## Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:

Not Applicable

## Select an alternate Financing Statement type:

Not Applicable

## Select an additional alternate Financing Statement type:

Not Applicable

## Select an alternative Debtor/Secured Party designation for this Financing Statement:

Not Applicable

## Optional Filer Reference Information:

DJK Acquisition of Drip - CA, SOS

## Miscellaneous Information:

## Search to Reflect:

☐ Order a Search to Reflect

Certificate Verification No.: 276245123 Date: 12/18/2024

B1654-2359 04/05/2023 2:34 PM Received by California Secretary of State

U230024041014



**STATE OF CALIFORNIA**  
**Office of the Secretary of State**  
**UCC FINANCING STATEMENT (UCC 1)**

California Secretary of State  
 1500 11th Street  
 Sacramento, California 95814  
 (916) 653-3516

For Office Use Only

**-FILED-**

File No.: U230024041014

Date Filed: 4/5/2023

**Submitter Information:**

Contact Name: Dov Hershberg  
 Organization Name: Harper Advance, LLC  
 Phone Number:  
 Email Address:  
 Address: 7162 BEVERLY BLVD., #204  
 LOS ANGELES, CA 90036

**Debtor Information:**

Debtor Name	Mailing Address
Drip More LLC	25978 Business Center Drive Redlands, CA 92374

**Secured Party Information:**

Secured Party Name	Mailing Address
Harper Advance, LLC	7162 BEVERLY BLVD., #204 LOS ANGELES, CA 90036

**Indicate how documentation of Collateral is provided:**

Entered as Text

**Description:**

All assets and accounts receivable of Drip More LLC.

**Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:**

Not Applicable

**Select an alternate Financing Statement type:**

Not Applicable

**Select an additional alternate Financing Statement type:**

Not Applicable

**Select an alternative Debtor/Secured Party designation for this Financing Statement:**

Not Applicable

**Optional Filer Reference Information:**

DJK Acquisition of Drip - CA, SOS

**Miscellaneous Information:****Search to Reflect:**
☐ Order a Search to Reflect

Certificate Verification No.: 276245123 Date: 12/18/2024

B1654-2364 04/05/2023 2:34 PM Received by California Secretary of State

RECORDING REQUESTED BY:  
STATE OF CALIFORNIA  
EMPLOYMENT DEVELOPMENT DEPARTMENT  
1-888-745-3886

WHEN RECORDED MAIL TO:  
STATE OF CALIFORNIA  
EMPLOYMENT DEVELOPMENT DEPARTMENT  
LIEN GROUP, MIC 92G  
PO BOX 826880  
SACRAMENTO, CA 94280-0001

For Office Use Only

**-FILED-**

File No.: U230083455428

Date Filed: 11/27/2023

**NOTICE OF STATE TAX LIEN**

(Filed pursuant to Section 7171 of the Government Code)

DRIP MORE LP  
DRIP MORE  
DRIP MORE LLC  
1110 PALMYRITA AVE  
STE 120  
RIVERSIDE CA 92507-1723

Secretary of State

Letter ID. L0475672144

Certificate No. G002770522

TAX PERIOD	TAX	PENALTY	INTEREST	TOTAL
04/01/2022 to 12/31/2022	\$8,380.26	\$1,279.04	\$555.42	\$10,214.72

Interest calculated through 11/27/2023

The Director of the Employment Development Department hereby certifies the above is liable to the State of California for amounts due and required to be paid as determined under the provisions of the California Unemployment Insurance Code, the Revenue and Taxation Code, or both.

THE AMOUNT OF DELINQUENCY ABOVE SET FORTH SHALL BE A LIEN UPON ALL REAL OR PERSONAL PROPERTY AND RIGHTS TO SUCH PROPERTY, INCLUDING ALL AFTER-ACQUIRED PROPERTY AND RIGHTS TO PROPERTY BELONGING TO THE ABOVE NAMED.

Date: **11/27/2023**  
At Sacramento, California



The Director of the Employment Development Department has complied with all provisions of the California Unemployment Insurance Code in the computation and levy of the amount assessed and has caused this notice of lien to be issued by a duly authorized representative.

By

*O Dumanaka*

Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

U240005096320



**STATE OF CALIFORNIA**  
**Office of the Secretary of State**  
**UCC FINANCING STATEMENT (UCC 1)**  
California Secretary of State  
1500 11th Street  
Sacramento, California 95814  
(916) 653-3516

For Office Use Only

**-FILED-**

File No.: U240005096320

Date Filed: 1/22/2024

**Submitter Information:**

Contact Name CORPORATION SERVICE COMPANY  
Organization Name CORPORATION SERVICE COMPANY  
Phone Number 18008585294  
Email Address SPRFiling@cscglobal.com  
Address 801 ADLAI STEVENSON DR  
SPRINGFIELD, IL 62703

**Debtor Information:**

Debtor Name	Mailing Address
DRIP MORE LLC	25978 BUSINESS CENTER DRIVE REDLANDS, CA 92374
DRIP MORE LP	25978 BUSINESS CENTER DRIVE REDLANDS, CA 92374
DEADSTOCK LLC	25978 BUSINESS CENTER DRIVE REDLANDS, CA 92374
CALI CO PACK LLC	25978 BUSINESS CENTER DRIVE REDLANDS, CA 92374

**Secured Party Information:**

Secured Party Name	Mailing Address
MODO LLC	7162 BEVERLY BOULEVARD #204 LOS ANGELES, CA 90036

**Indicate how documentation of Collateral is provided:**

Entered as Text

**Description:**

SECURED PARTY HAS A SECURITY INTEREST IN ALL OF DEBTOR'S FUTURE RECEIVABLES, INVENTORY, EQUIPMENT, GOODS, ACCOUNTS, INVESTMENT PROPERTY, AND OTHER PERSONAL PROPERTY AND ASSETS

**Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:**

Not Applicable

**Select an alternate Financing Statement type:**

**Select an additional alternate Financing Statement type:**

**Select an alternative Debtor/Secured Party designation for this Financing Statement:**

**Optional Filer Reference Information:**

2742 89307

Certificate Verification No.: 276245123 Date: 12/18/2024

B2433-7570 01/22/2024 4:20 PM Received by California Secretary of State