

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

In re: EPIC! CREATIONS, INC., <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 24-11161 (BLS) (Jointly Administered)
Claudia Z. Springer, Chapter 11 Trustee, Plaintiff vs. Stripe, Inc. Wells Fargo Bank, National Association Whitehat Education Technology LLC John Does 1-100 Defendants	Adv. Pro. No. 24-50142 (BLS) (Jointly Administered) Adv. D.I. 1, 2, 9 and 14

**CERTIFICATE OF COUNSEL REGARDING ORDER AND STIPULATION BETWEEN
THE CHAPTER 11 TRUSTEE AND STRIPE, INC. RESOLVING THE
PRELIMINARY INJUNCTION AGAINST STRIPE, INC.**

The undersigned counsel to Claudia Z. Springer, not individually but solely as the chapter 11 trustee (the “Trustee”) of the above-captioned debtors (the “Debtors”), hereby certifies as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Epic! Creations, Inc. (9113); Neuron Fuel, Inc. (8758); and Tangible Play, Inc. (9331).



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1. On June 4, 2024, (the “Petition Date”), GLAS and certain other lenders under the Credit Agreement (each a “Petitioning Lender Creditor” and collectively, the “Petitioning Lender Creditors”) filed an involuntary chapter 11 petition against each Debtor. [D.I. 1].²

2. On October 8, 2024, the Trustee commenced an adversary proceeding against the above-captioned Defendants by filing the complaint for *Temporary Restraining Order Preliminary and Permanent Injunctive Relief, and Avoidance and Recovery Under 11 U.S.C. §§ 549 and 550* [Adv. D.I. 1] (the “Adversary Proceeding”).

3. On October 8, 2024, the Trustee filed the *Trustee’s Motion for Entry of Temporary Restraining Order and Preliminary Injunction* [Adv. D.I. 2] (the “Motion”) against Defendants.

4. On October 9, 2024, the Court Granted the Motion with respect to the relief related to a temporary restraining order, and a hearing will be held on October 22, 2024 to consider the entry of a preliminary injunction. [Adv. D.I. 9]

5. On October 18, 2024, Stripe, Inc. filed its *Objection and Answering Brief of Stripe Inc. to Chapter 11 Trustee’s Motion for Entry of Temporary Restraining Order*. [Adv. D.I. 14].

6. The Trustee and Stripe, Inc. have engaged in good-faith discussions regarding the resolution of the preliminary injunction requested in the Motion with respect to Stripe, Inc. and have accordingly resolved their disputes regarding the Motion, subject to order of the Court, on the terms set forth in the stipulation (the “Stipulation”), attached as **Exhibit 1** to the proposed form of order (the “Proposed Order”), attached hereto as **Exhibit A**.

WHEREFORE, counsel to the Trustee respectfully requests that the Court enter the Proposed Order approving the Stipulation at its earliest convenience.

² Citations for docket entries in the underlying bankruptcy proceeding will be [D.I. _]; citations for docket entries for the Adversary Proceeding will be [Adv. D.I. _].

Dated: October 24, 2024
Wilmington, Delaware

PASHMAN STEIN WALDER HAYDEN, P.C.

/s/ Alexis R. Gambale

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Proposed Counsel to the Trustee

EXHIBIT A

Proposed Order

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

<p>In re:</p> <p>EPIC! CREATIONS, INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 11</p> <p>Case No. 24-11161 (BLS)</p> <p>(Jointly Administered)</p>
<p>Claudia Z. Springer, Chapter 11 Trustee,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>Stripe, Inc.;</p> <p>Wells Fargo Bank, National Association;</p> <p>Whitehat Education Technology LLC; and</p> <p>John Does 1-100;</p> <p style="text-align: center;">Defendants.</p>	<p>Adv. Pro. No. 24-50142 (BLS)</p> <p>Adv. D.I. _____</p>

**ORDER APPROVING STIPULATION BETWEEN THE CHAPTER 11 TRUSTEE
AND STRIPE, INC. RESOLVING THE PRELIMINARY
INJUNCTION AGAINST STRIPE, INC.**

Upon consideration of the stipulation (the “Stipulation”)² between and among Claudia Z. Springer, solely in her capacity as the chapter 11 trustee (the “Trustee”) of the above-captioned debtors (the “Debtors”), and Stripe, Inc. (“Stripe”) in resolving the Trustee’s Request for Preliminary Injunction Against Stripe, Inc., a copy of which is attached hereto as **Exhibit 1**; and having determined that the Court has jurisdiction to consider this matter in accordance with 28

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Epic! Creations, Inc. (9113); Neuron Fuel, Inc. (8758); and Tangible Play, Inc. (9331).

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

U.S.C. §§ 157 and 1334 and the Amended Standing Order; and having determined that the Stipulation is in the best interest of the Debtors, their estates, and its creditors; and after due deliberation and sufficient cause appearing therefor:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Stipulation is hereby **APPROVED**.
2. Immediately upon the entry of this Order, the Stipulation shall become effective.
3. The Debtors and Stripe are authorized to take any and all actions reasonably necessary to implement and effectuate the terms of the Stipulation.
4. The TRO is vacated as to Stripe, only, effective upon entry of the Order.
5. Stripe's *Objection and Answering Brief of Stripe Inc. to Chapter 11 Trustee's Motion for Entry of Temporary Restraining Order* [Adv. D.I. 14] is resolved pursuant to the terms of the Stipulation and deemed withdrawn upon entry of this Order.
6. This Court retains jurisdiction over all matters arising from or related to the implementation or interpretation of this Order and the Stipulation.

EXHIBIT 1

Stipulation

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

<p>In re:</p> <p>EPIC! CREATIONS, INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 11</p> <p>Case No. 24-11161 (BLS)</p> <p>(Jointly Administered)</p>
<p>Claudia Z. Springer, Chapter 11 Trustee,</p> <p style="text-align: center;">Plaintiff,</p> <p>vs.</p> <p>Stripe, Inc.;</p> <p>Wells Fargo Bank, National Association;</p> <p>Whitehat Education Technology LLC; and</p> <p>John Does 1-100;</p> <p style="text-align: center;">Defendants.</p>	<p>Adv. Pro. No. 24-50142 (BLS)</p>

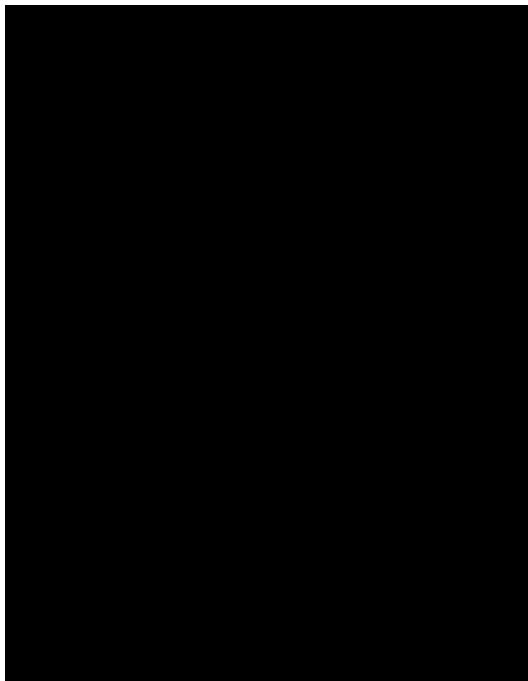
**STIPULATION RESOLVING TRUSTEE’S REQUEST FOR PRELIMINARY
INJUNCTION AGAINST STRIPE, INC.**

This stipulation (the “Stipulation”) is entered into between and among Claudia Z. Springer, not individually but solely as the chapter 11 trustee (the “Trustee”) of the above-captioned debtors (the “Debtors”), and Stripe, Inc. (“Stripe,” and together with the Trustee, the “Parties”), by and through their respective counsel. The Parties hereby stipulate as follows:

1. For purposes of this Stipulation, the following definitions shall apply:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Epic! Creations, Inc. (9113); Neuron Fuel, Inc. (8758); and Tangible Play, Inc. (9331).

- a. The term “Debtor Funds” shall mean any funds received by Stripe from any person (i) on account of goods or services sold by or of any Debtor; (ii) on account of any obligation owed to any Debtor; or (iii) that are otherwise determined by the Court or by agreement of Stripe and the Trustee as belonging to any Debtor.
- b. The term “Debtor Stripe Account(s)” means each account at Stripe that: (i) is held in the name of any Debtor, Whitehat Education Technology LLC (“Whitehat”); or Voizzit Technology Private Limited (“Voizzit”) or (ii) is otherwise determined by the Court or by agreement of Stripe and the Trustee as belonging to any Debtor, Whitehat, or Voizzit; *provided, however*, that upon notice by the Trustee to Stripe of additional Stripe Account(s), Stripe shall immediately freeze payouts from such accounts pending agreement or Court order as to whether such account(s) are Debtor Stripe Account(s)
- c. As of the date of this stipulation, the Debtor Stripe Accounts that Stripe and the Trustee are aware of are the following accounts:



d. If a dispute arises between Stripe, the Trustee, or anyone else concerning the definition or scope of “Debtor Funds” or “Debtor Stripe Accounts,” Stripe may freeze payouts with respect to such amounts or accounts without violating this order so long as Stripe, the Trustee, or another person or entity promptly seeks guidance from the Court, and further, as set forth in paragraph 1.b., upon notice by the Trustee to Stripe of additional Debtor Stripe Account(s), Stripe shall immediately freeze payouts from such accounts pending agreement between Stripe and the Trustee or Court order as to whether such account(s) are Debtor Stripe Account(s).

2. For the duration of the above-captioned chapter 11 cases, and pursuant to Federal Rule of Civil Procedure 65(b), as made applicable herein by Bankruptcy Rule 7065, Defendant Stripe, and Stripe’s employees and agents, shall be enjoined (i) from accepting, authorizing, or implementing any changes to, or access to, any Debtor Stripe Account or data pertaining to such account by any entity or person other than the Trustee (except, in the case of data pertaining to such account, through discovery, in response to subpoenas, or pursuant to Court order); and (ii) from transferring any Debtor Funds to any entity or person other than Stripe (but only to the extent permitted by paragraph 5 of this Stipulation) and the Trustee.

3. Stripe shall provide the Trustee with an invitation to create a user-profile account for each of the Debtor Accounts so that the Trustee may access account information available through Stripe’s dashboard to the same extent as access formerly provided to the Debtors. This Stipulation does not limit or affect the rights and obligations of the parties hereto to serve and respond to discovery in accordance with applicable law.

4. Stripe shall not take directions from any party with respect to the Debtor Stripe Accounts other than the administrators of the user-profile accounts created by the Trustee.

5. Stripe shall accept payment instructions from the Trustee with respect to each Debtor Stripe Account in the ordinary course of business and subject to the terms and conditions of Stripe's agreements with the Debtors. Stripe may net and recoup fees, refund claims, chargebacks, and other amounts that are deducted from settlements in the ordinary course of business and, to cover future claims and in accordance with historical pre-bankruptcy practice, may also reserve a total aggregate amount (the "**Reserve Amount**") not to exceed a cap (the "**Reserve Cap**") equal to 25 percent of the total aggregate amount of all transactions processed within the immediately preceding 30 days; *provided, however*, that Stripe shall provide notice to the Trustee of such amounts through the user-profile accounts created by the Trustee and the Trustee reserves the right to object to any such fees, refund claims, chargebacks, or other amounts (in the case of an objection, the "**Disputed Funds**"), and nothing in this Stipulation shall be deemed to be the Trustee's agreement that Stripe is entitled to the Disputed Funds. The Reserve Cap equals \$580,443 as of October 21, 2024. If the Reserve Amount as of any day exceeds the Reserve Cap, Stripe shall promptly remit the difference to the Trustee. Within two (2) business days of the entry of this Order, Stripe shall remit to the Trustee no less than \$1,176,802.39, which reflects currently available funds and that portion of the Reserve Amount in excess of the Reserve Cap as of October 21, 2024.

6. Stripe shall request the return of transfers made out of a Debtor Stripe Account after June 4, 2024, to any person or entity other than the Debtors, Stripe, or the Trustee.

7. This Stipulation resolves the Trustee's claim for alleged violations of the automatic stay by Stripe asserted in her complaint dated October 8, 2024, which Count III is hereby dismissed without prejudice as to Stripe only and without an award of fees or costs to any party. The foregoing does not affect: (i) any party's right to assert claims and causes of action arising from

any breach of this Stipulation; (ii) the Trustee's prosecution of the remaining counts of the Complaint against Stripe or any other Defendant or the Trustee's ability to amend the complaint to add claims against Stripe or to file additional complaints or contested matters against Stripe or to assert defenses against any claims asserted by Stripe.

8. This Stipulation may be executed in any number of counterparts, and each such counterpart is to be deemed an original for all purposes, but all counterparts shall collectively constitute one agreement. Further, electronic signatures or transmissions of an originally signed document by facsimile or Adobe.pdf shall be as fully binding on the Parties as an original document.

9. The Bankruptcy Court shall retain exclusive jurisdiction with respect to implementation and enforcement of the terms of this Stipulation, and all Parties submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing this Stipulation.

10. Notice under this Order shall be provided to the Trustee to Claudia Springer (cspringer@novo-advisors.com), Jacob Grall (jgrall@novo-advisors.com), Catherine Steege (csteege@jenner.com), and Melissa Root (mroot@jenner.com), and to Stripe to Hugh McCullough (hughmccullough@dwt.com) and Suzanne Daigle (suzannedaigle@dwt.com).

PASHMAN STEIN WALDER HAYDEN, P.C.

/s/ Joseph C. Barsalona II

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STRIPE, INC

Signed by:



By: _____
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Title: Legal Counsel
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-and-

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