

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

EPIC! CREATIONS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11161 (JTD)

(Jointly Administered)

**Proposed Objection Deadline: At the time of the
Hearing**

**Proposed Hearing Date: December 3, 2024, at 9 a.m.
ET**

Related D.I. Nos. 245, 244, 288, 295

**CHAPTER 11 TRUSTEE'S EMERGENCY MOTION FOR SANCTIONS
AGAINST VOIZZIT TECHNOLOGY PRIVATE, LTD., VOIZZIT
INFORMATION TECHNOLOGY LLC, VINAY RAVINDRA,
RAJENDRAN VELLAPATH, AND THINK & LEARN PRIVATE LTD.
FOR THEIR CONTINUING FAILURE TO COMPLY WITH THE AUTOMATIC STAY**

Plaintiff Claudia Z. Springer, Esq., in her capacity as Chapter 11 Trustee (the "Trustee") of the Estates of Epic! Creations, Inc. ("Epic"), Neuron Fuel, Inc. ("Neuron Fuel"), and Tangible Play, Inc. ("Tangible Play," together with Epic and Neuron Fuel, the "Debtors") in the above-captioned chapter 11 cases brings this emergency motion (the "Motion") seeking damages against Voizzit Technology Private, Ltd. ("Voizzit India"), Voizzit Information Technology LLC ("Voizzit UAE"), and Rajendran Vellapalath ("Vellapalath," and with Voizzit India and Voizzit UAE, the "Voizzit Respondents") and Vinay Ravindra ("Ravindra") and Think & Learn Private Ltd. ("T&L," and with Ravindra, the "T&L Respondents") for their continued and knowing violations of the automatic stay, and states:

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).



PRELIMINARY STATEMENT

1. On two separate occasions, in two different Orders, this Court has been compelled to unwind actions the Voizzit Respondents and the T&L Respondents have taken to exercise control over the Debtors' property in violation of the automatic stay. [See D.I. 276; Adv. 24-50233, D.I. 14.] In its November 12, 2024 Order, this Court even went so far as to enjoin the Voizzit Respondents and the T&L Respondents from further stay violations, ordering that: "[t]he Voizzit Entities and their affiliates, successors, assigns, agents, and related parties are expressly prohibited from taking or causing others to take any actions in violation of 11 U.S.C. § 362(a)...." [D.I. 276, ¶ 6 (the "Stay Order").] It also scheduled a hearing for November 21, 2024 to assess appropriate damages. [*Id.* ¶ 5.]

2. Apparently undeterred by the threat of damages, three days later on November 15, 2024, the Voizzit Respondents and the T&L Respondents once again engaged in a blatant stay violation by infiltrating Tangible Play's account with Cloudflare, Inc.'s web-hosting service. That infiltration ultimately allowed the Voizzit Respondents and the T&L Respondents to obtain complete control over Tangible Play's playosmo.com domain on November 17, 2024. Making this stay violation all the more egregious is the fact that on the very same day the Voizzit Respondents and the T&L Respondents infiltrated Tangible Play's Cloudflare account and seized control of the playosmo.com domain, the Voizzit Respondents told this Court in a filing that "Voizzit has no intentions of violating the automatic stay and now that it has obtained counsel will look to guidance from this Court before taking any potentially stay violating actions through the pendency of the Chapter 11 Cases." [D.I. 288, ¶ 43.] The Voizzit Respondents and the T&L Respondents knowing stay violation caused Tangible Play's website to crash, resulting in continuing harm to the Debtors'

estates, until the Trustee was able to retake control of the Tangible Play accounts and playosmo.com domain on November 21, 2024.

3. As the Voizzit Respondents' and the T&L Respondents' conduct demonstrates, only the most severe of sanctions will have any chance of deterring future misconduct. The Trustee therefore asks this Court to award damages for this latest violation of the automatic stay *and* the Stay Order, including punitive damages. She further asks that the hearing on the Motion be combined with the already continued damages hearing scheduled for December 3, 2024 in connection with the Apple stay violation. Combining the hearings to include a request for damages related to the Cloudflare stay violation is most efficient as the Court has already received the evidence of the Voizzit Respondents' and the T&L Respondents' latest stay violation during the November 21, 2024 hearing as part of the Trustee's evidence that the Voizzit Respondents and the T&L Respondents have acted in defiance of the automatic stay.

JURISDICTION AND VENUE

4. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b), and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A) and (O). Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, the Trustee consents to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent the consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

5. Venue is proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

6. The statutory and legal predicates for the relief sought herein are sections 105 or 362 of title 11 of the United States Code, Rules 2002, 9014, and 9020 of the Federal Rules of Bankruptcy Procedure, and Local Rules 2002-1(b), 4001-1, 4001-2, and 9013-1.

BACKGROUND

A. The Bankruptcy Filing and the Trustee's Appointment.

7. On June 4 and 5, 2024 (the "Petition Dates"), GLAS Trust Company LLC, in its capacity as administrative and collateral agent under that certain Credit and Guaranty Agreement dated November 24, 2021, and certain lenders under that Agreement (the "Petitioning Creditors") filed an involuntary chapter 11 petition against each Debtor. [D.I. 1].

8. On June 27, 2024, this Court entered an order directing joint administration of the Debtors' cases for procedural purposes. [D.I. 61].

9. On September 16, 2024 (the "Order for Relief Date"), this Court entered an order for relief in the Debtors' involuntary Chapter 11 Cases and directed the appointment of a chapter 11 trustee. [D.I. 147].

10. On September 23, 2024, the United States Trustee for Region 3 duly appointed Claudia Z. Springer as chapter 11 trustee of each Debtor's estate, subject to approval by the Court. [D.I. 152]. On October 7, 2024, this Court entered an order approving the appointment of the Trustee. [D.I. 180].

11. Immediately upon her appointment, the Trustee, with the support of her legal and financial advisors, among other steps, worked to familiarize herself with and stabilize the Debtors' businesses and operations, secure the Debtors' assets wherever located around the globe, identify reliable books and records, and assemble the information necessary to provide to this Court and other stakeholders.

B. The Stay Order.

12. On November 4, 2024, the Trustee filed an emergency motion to enforce the automatic stay (the “Stay Motion”) after discovering that the Voizzit Respondents and the T&L Respondents had violated the automatic stay by, among other things, transferring funds and essential data—including the Debtors’ applications on Apple’s App Store—from the Debtors’ estates to Voizzit India. [D.I. 244.] Specifically, on September 26, 2024, the former CEO of Epic and Tangible Play and the current chief content officer for T&L, Vinay Ravindra transferred the registered ownership of Epic’s application from Epic’s Apple account to Voizzit India’s Apple account. [See Tr. Exs. 2, 4, 5, 37, 42; J. Grall Decl. [D.I. 256].]² On October 14, 2024, all of Tangible Play’s Osmo applications were similarly transferred from Tangible Play’s Apple account to the same Voizzit India account with Apple. [*Id.*]

13. The Court held a hearing on the Stay Motion on November 12, 2024. Neither Mr. Ravindra nor T&L appeared at the November 12, 2024 hearing. The two Voizzit entities and Mr. Vellapalath, however, did appear and asked the Court to adjourn the hearing. They argued that an adjournment was appropriate because (i) they allegedly did not know about the Chapter 11 Cases when they took control of the Debtors’ applications, and (ii) they had changed the registered owners of the Debtors’ applications because the two Voizzit entities allegedly owned the Debtors and their intellectual property. [See D.I. 338 (“11/12/24 Tr.”) at 11-15, attached hereto as **Exhibit B**; see also D.I. 288, ¶ 53.] According to their counsel, the two Voizzit entities and Mr. Vellapalath believed themselves to “be the rightful legal owners of the Debtors” and were “operating in good faith” and should not be sanctioned for the stay violation. [*Id.*] Their counsel even argued that

² The Trustee Exhibits are the documents admitted into evidence at the November 21, 2024 hearing.

“the trustee may actually, again albeit unknowingly, I am not trying to ascribe any intent at this juncture, affirmatively interfering with the control and ownership of Voizzit.” (11/12/24 Tr. at 12.)

14. The Court denied the request for a continuance and found the automatic stay had been violated. The Court’s Stay Order found that the transfer of the registered ownership of the Debtors’ applications were void *ab initio*. [D.I. 276, ¶ 1.] The Court further ordered:

[t]he Voizzit Entities and their affiliates, successors, assigns, agents, and related parties ***are expressly prohibited from taking or causing others to take any actions in violation of 11 U.S.C. § 362(a)***, including any actions to assert ownership over the Debtors’ Apps or the funds collected from the sale of the Debtors’ Apps.

[*Id.* ¶6 (emphasis added).] The Court also scheduled a hearing for November 21, 2024 to assess appropriate damages. [*Id.* ¶5.]

15. On November 12, 2024, the Trustee caused Verita to serve the Stay Order in accordance with its terms by email and overnight mail to the Voizzit Respondents and T&L Respondents. [D.I. 310.]

C. The November 15-17 Stay Violations.

16. On November 15, 2024, the Voizzit Respondents responded to the Stay Motion, again seeking a continuance. [D.I. 288.] In asking for a continuance, they represented to the Court that “Voizzit has no intentions of violating the automatic stay and now that it has obtained counsel will look to guidance from this Court before taking any potentially stay violating actions through the pendency of the Chapter 11 Cases.” [*Id.* ¶ 43.]

17. Despite their representation, that very same day, and ***just three days after this Court’s Stay Order***, Mr. Ravindra, who serves as T&L’s Chief Content Officer, used his T&L email address (vinay@byjus.com) to access Tangible Play’s Cloudflare account. Once in the account, he granted access to the account to kavitha@indiafirst.com. (Tr. Exs. 43-47.) India First

is a Voizzit-related entity. [11/21 Tr. 81.] On November 17, 2024, kavitha@indiafirst.com transferred Tangible Play's playosmo.com domain out of Tangible Play's Cloudflare account to an account under the control of "kavitha@voizzit.com." (Tr. Exs. 43-47; 11/21 Tr. 82.)

18. The Cloudflare account hosts Tangible Play's playosmo.com website. As a result of these actions, the playosmo.com website crashed, resulting in a considerable number of schools that use Tangible Play's apps reaching out to complain about a lack of access to the Tangible Play programs. As a result of these complaints, the Trustee contacted Cloudflare to determine what was happening and, by working with Cloudflare, was able to regain control over the Tangible Play accounts and playosmo.com domain on November 21, 2024.

19. The evidence presented at the November 21 sanctions hearing established that all of the stay violations that preceded the November 12 Stay Order, including the Voizzit Respondents' and T&L Respondents' attempted misappropriation of the Debtors' Stripe, Google, Github, and Apple accounts as detailed in Jacob Grall's Supplemental Declaration [D.I. 318], were done with knowledge of the bankruptcy cases as part of a scheme to take control of the Debtors' businesses. [11/21 Tr. 37-43, 59.] A business associate of T&L, William Hailer, testified that T&L's strategy of falsely claiming the Debtors' businesses were owned by another entity not in bankruptcy so as to obtain control over the businesses was the "backup to the backup" of T&L's plan to retain control over the Debtors' businesses and assets notwithstanding the Debtors' bankruptcies. [*Id.* at 59.]

20. In light of the service of the Stay Order on all of the Respondents and the representations made in the Voizzit Respondents' November 15 filing, there is no question that all of these bad actors knew of the automatic stay when they infiltrated Tangible Play's Cloudflare account and took control of Tangible Play's website domain as part of a scheme to retain control

over the Debtors' businesses, making the stay violation willful and subject to sanctions under Third Circuit precedent. *See In re Atl. Bus. & Cmty. Corp.*, 901 F.2d 325, 329 (3rd Cir. 1990).

21. In fact, the evidence also established that the Voizzit Respondents and the T&L Respondents knew of the Debtors' pending bankruptcy cases long before the November 12, 2024 Stay Order. Mr. Ravindra—the person who used his prior position with the Debtors to access and transfer ownership of the Debtors' applications to the Voizzit entities—certainly knew about the Chapter 11 Cases, not just because of his title but also because he signed the engagement letter retaining bankruptcy counsel to defend against the involuntary petitions. [Tr. Exs. 13-16; 11/21 Tr. 72-73, 85-87.] T&L, which directed Mr. Ravindra, knew of the chapter 11 filings for the same reason, among others. [*Id.*] And despite the Voizzit Respondents' counsel's representations that the Voizzit Respondents did not know about the bankruptcy filing until they were served with the Stay Motion [*see* D.I. 288, ¶53], Mr. Hailer testified that during the week of October 12, 2024—***three weeks before the Stay Motion was served***—Mr. Vellapalath participated in a meeting with Mr. Hailer and T&L's principal Byju Raveendran during which the Debtors' bankruptcy cases were discussed [11/21 Tr. 41, 44-45, 67-70]. Mr. Hailer further testified that Mr. Raveendran told him that Mr. Vellapalath was his "partner" and described Mr. Vellapalath as his "brother." [11/21/24 Tr. 40.] The most plausible inference, indeed the only reasonable inference, from the totality of this evidence is that each and every one of the Voizzit Respondents knew of the bankruptcy on September 26, 2024 when Mr. Ravindra, a senior T&L executive, transferred Epic's application from Epic's Apple account to Voizzit India as part of a scheme to claim a non-debtor owned the Debtors' businesses and to frustrate and prevent the Trustee from administering the assets of the Debtors' estates and running a value-maximizing sale process for the benefit of all of the Debtors' stakeholders.

22. The timing of the attempted takeover of the Debtors' businesses also supports the conclusion that the Voizzit Respondents knew the Debtors were in bankruptcy and that they committed their multiple stay violations as part of a scheme to retain the Debtors' businesses and circumvent the Trustee's administration of the Debtors' estates. Although the Voizzit Respondents claim Voizzit has owned the Debtors since April 2024, curiously all of the attempted seizures of the Debtors' technology platforms and applications only took place starting on or around September 24, 2024, the day after the Trustee's appointment, and accelerated thereafter. [See D.I. 318, ¶¶15-25.]

23. The Voizzit Respondents' and the T&L Respondents' misappropriation of Tangible Play's website in violation of the automatic stay and the Stay Order damaged the Debtors' estates. In addition to the attorneys' and other fees incurred in connection with remedying this violation, Tangible Play was unable to sell any products through its website after it crashed and its goodwill with customers and its reputation in the market suffered after its website was down for several days. Based upon this harm and the brazen, non-stop nature of the stay violations, the Trustee seeks additional damages for the Cloudflare stay violation.

ARGUMENT

24. The Trustee seeks sanctions pursuant to 11 U.S.C. §363(k) and requests that these sanctions be entered during the hearing to be held on December 3, 2024.

25. Section 362(k)(1) of the Bankruptcy Code provides that "an individual injured by any willful violation of the [automatic] stay . . . shall recover actual damages, including costs and attorneys' fees, and, in appropriate circumstances, may recover punitive damages." 11 U.S.C. § 362(k)(1). In the Third Circuit, a corporate debtor has standing under section 362(k) of the Bankruptcy Code to recover damages for willful violations of the automatic stay. *See Atl. Bus. &*

Cnty. Corp., 901 F.2d at 329 (interpreting section 362(h) of the Bankruptcy Code, now recodified as section 362(k)). A party commits a willful violation of the stay when it engages in deliberate conduct with knowledge of the debtor's bankruptcy. *Id.* at 329; *In re Daniels*, 206 B.R. 444, 445 (Bankr. E.D. Mich. 1997). As the Third Circuit observed in *Atlantic Business & Community Corp.*:

A “willful violation” does not require a specific intent to violate the automatic stay. Rather, the statute provides for damages upon a finding that the defendant knew of the automatic stay and that the defendant's actions which violated the stay were intentional. Whether the party believes in good faith that it had a right to the property is not relevant to whether the act was “willful” or whether compensation must be awarded.

901 F.2d at 329 (*quoting In re Bloom*, 875 F.2d 224, 227 (9th Cir. 1989)).

26. When a party acts with actual notice of the bankruptcy, it is presumed to have violated the stay deliberately and is subject to strict liability under section 362(k). *See Daniels*, 206 B.R. at 445. Punitive damages under Section 362(k) of the Bankruptcy Code are warranted when, as here, a party “acted with actual knowledge that [they] were violating a federally protected right or with reckless disregard of whether [they] were doing so.” *In re Frankel*, 391 B.R. 266, 275 (Bankr. M.D. Pa. 2008) (*quoting In re Wagner*, 74 B.R. 898, 904 (Bankr. E.D. Pa. 1987)).

27. Punitive damages should be imposed when a party acts with “arrogant defiance” towards federal bankruptcy law by continuing to violate the stay with a clear understanding of its existence and effect. *See In re Dean*, 490 B.R. 662, 671 (Bankr. M.D. Pa. 2013); *In re Johnson*, 601 B.R. 365, 382 (Bankr. E.D. Pa. 2019); *In re Howard*, No. 2:10CV962, 2011 WL 578777, at *13 (W.D. Pa. Feb. 9, 2011); *In re Mullarkey*, 81 B.R. 280, 284 (Bankr. D.N.J. 1987) (finding that a creditor “arrogantly defied” the bankruptcy code on multiple occasions, resulting in a violation of the automatic stay and granting punitive damages against the creditor for his “egregious willful violations”).

28. Certainly by the time of the November 12 Stay Order (if not months earlier), there can be no question that all of the Respondents knew of the automatic stay and that by usurping control of yet another asset from the Debtors' estates—this time, Tangible Play's playosmo.com domain—all of the Respondents engaged in a willful and defiant stay violation. Accordingly, the Trustee requests that she be awarded her actual damages, including attorneys' fees and other fees, related to this most recent stay violation involving the Cloudflare accounts and website domains, as well as additional punitive damages.

29. Combining the hearing on the stay violation related to the Cloudflare stay violation with the continued hearing on the Apple stay violation is appropriate. The Court has already received the evidence of the Cloudflare violations in connection with determining sanctions related to the Apple stay violation and thus, all of the Respondents are on notice that the Trustee contends the stay was violated by their taking of the Tangible Play domain. Quickly addressing this latest stay violation, taken in defiance of this Court's Stay order, is therefore appropriate to make it clear to all of the Respondents that such conduct will not be tolerated by this Court and will be swiftly dealt with if it continues.

CONCLUSION

WHEREFORE the Trustee respectfully requests entry of the Proposed Order, substantially in the form annexed hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court may deem just and equitable.

[intentionally left blank]

Dated: November 26, 2024
Wilmington, Delaware

PASHMAN STEIN WALDER HAYDEN, P.C.

/s/ Alexis R. Gambale

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Exhibit A

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

In re:

EPIC! CREATIONS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11161 (JTD)

(Jointly Administered)

**JUDGMENT ORDER AWARDING ATTORNEYS' FEES AND OTHER DAMAGES IN
CONNECTION WITH THE CHAPTER 11 TRUSTEE'S EMERGENCY MOTION FOR
SANCTIONS AGAINST VOIZZIT TECHNOLOGY PRIVATE, LTD., VOIZZIT
INFORMATION TECHNOLOGY LLC, VINAY RAVINDRA,
RAJENDRAN VELLAPATH, AND THINK & LEARN PRIVATE LTD.
FOR THEIR CONTINUING FAILURE TO COMPLY WITH THE AUTOMATIC STAY**

Upon consideration of the *Chapter 11 Trustee's Emergency Motion for Sanctions Against Voizzit Technology Private, Ltd., Voizzit Information Technology LLC, Vinay Ravindra, Rajendran Vellapalath, and Think & Learn Private Ltd. for Their Continuing Failure to Comply With the Automatic Stay* (the "Emergency Motion") filed by Plaintiff Claudia Z. Springer, Esq., in her capacity as Chapter 11 Trustee (the "Trustee") of the Estates of Epic! Creations, Inc. ("Epic"); Neuron Fuel, Inc. ("Neuron Fuel"); and Tangible Play, Inc. ("Tangible Play," together with Epic and Neuron Fuel, the "Debtors"); and the Court having reviewed the Emergency Motion and the Exhibits thereto; and the Court having held a hearing on December [●], 2024 (the "Hearing"); and the Court having considered all evidence and argument presented at the Hearing; the Court finds and concludes that:

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b).

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).

B. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(A), (E), and (O).

C. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409(a).

D. Notice of the Motion was sufficient under the circumstances.

E. The Court entered the *Order Granting the Trustee's Emergency Motion for Entry of an Order (I) Enforcing the Automatic Stay, (II) Declaring Violations of the Automatic Stay to be Void Ab Initio, (III) Awarding Fees, Expenses, and Punitive Damages, and (IV) Granting Related Relief* [D.I. 276] (the "Stay Order") on November 12, 2024.

F. Following the entry of the Stay Order, Defendants Voizzit Technology Private Ltd, Voizzit Information Technology LLC, Vinay Ravindra, Rajendran Vellapalath, and Think & Learn Private Ltd. (the "Respondents") again violated the automatic stay, this time by infiltrating Debtor Tangible Play's Cloudflare account and taking control of its playosmo.com website domain.

G. The Respondents knowing stay violation caused Debtor Tangible Play's website to crash, resulting in continuing harm to the Tangible Play Estate, until the Trustee was able to retake control of the Tangible Play domain on November 21, 2024.

For the reasons stated on the record at the Hearing, it is hereby **DECLARED** and **ORDERED THAT** and **JUDGMENT IS HEREBY ENTERED:**

1. The Respondents are each jointly and severally liable to the Trustee for the fees and expenses she incurred in connection with prosecuting the Emergency Motion. Within thirty (30) days of the date of this Order, the Trustee shall submit a certification of her attorneys' fees and expenses to this Court, including any fees chargeable to the Estates by GLAS Trust Company LLC ("GLAS") on behalf of the lenders (each, an "Attorneys' Fees Certification") and after which the

Court will enter an Order granting judgment and directing payment of the fees and expenses set forth in the Attorneys' Fees Certification.

2. The Respondents are each jointly and severally liable to the Trustee for the following damages:

- a. \$15,000 in actual damages representing the damage to Debtor Tangible Play's estate as a result of the Respondents' actions and the crashing of the Tangible Play website; and
- b. \$[] in punitive damages.

3. The terms of this Order shall be immediately effective and enforceable upon entry.

4. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Exhibit B

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: . Chapter 11
EPIC! CREATIONS, INC., . Case No. 24-11161 (JTD)
et al., . (Jointly Administered)
. Courtroom No. 5
. 824 North Market Street
. Wilmington, Delaware 19801
Debtor. .
. Tuesday, November 12, 2024
. 10:00 a.m.
.

TRANSCRIPT OF HEARING
BEFORE THE HONORABLE JOHN T. DORSEY
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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MOTION:

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Agenda

Item 1: Trustee's Emergency Motion for Entry of
an Order (I) Enforcing the Automatic
Stay, (II) Declaring Violations of the
Automatic Stay to be Void Ab Initio,
(III) Awarding Fees, Expenses, and
Punitive Damages, and (IV) Granting
Related Relief
[D.I. 244, filed 11/4/2024]

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Court's Ruling:

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DECLARATIONS:

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1) Jacob Grall

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1 (Proceedings commenced at 10:08 a.m.)

2 THE COURT: Good morning, everyone. This is Judge
3 Dorsey. We're on the record in Epic! Creations, Case No. 24-
4 11161.

5 I will go ahead and turn it over to debtors
6 counsel to run the agenda -- excuse me, trustee's counsel.

7 MR. BARSALONA: Good morning, Your Honor. For the
8 record Joe Barsalona from Pashman Stein Walder Hayden, co-
9 counsel to the trustee.

10 We are going off of the third amended agenda that
11 we filed at Docket No. 268, Your Honor. We just have our
12 stay enforcement motion and with that I will hand it over to
13 Ms. Steege.

14 THE COURT: Okay.

15 MS. STEEGE: Good morning, Your Honor. Thank you
16 for hearing our emergency motion on shortened notice.

17 As set forth in our moving papers, bad actors
18 surrounding these debtors have bene engaged in a, what can
19 only be described as, systematic scheme to loot these
20 companies and prevent creditors from being paid. Before the
21 orders for relief were entered in violation of this Court's
22 303(f) order over \$3 million of the debtors revenues were
23 taken from these debtors and transferred to these bad actors.

24 Once the order for relief was entered and the
25 trustee was appointed, these bad actors began a game of catch

1 me if you can in an effort to retain control over the
2 revenues that they have been taking during the gap period.
3 Using their status as account administrators of the debtors
4 various internet platforms and the fact that very few of the
5 debtors employees were cooperating with the trustee and so
6 they had a head start advantage over the trustee.

7 These bad actors have systematically been changing
8 the names on various internet-based platforms and
9 applications, scrambling to stay one step ahead of the
10 trustee as she has investigated where the debtors IP and
11 revenue sources are located. Since her appointment these
12 transfers have primarily been to two entities: Voizzit
13 Technology Private Ltd., or Voizzit Information Technology
14 LLC.

15 So, in addition to the stay violations and other
16 misconduct by these bad actors that are detailed in Mr.
17 Grall's declaration at Paragraphs 19 through 23, we learned
18 late last night from Google's counsel that someone changed
19 the name on Epic's Google cloud accounts to Voizzit.com email
20 address. This change is significant because these accounts
21 contain the codes that allow the direct payments allowed
22 through the Google platform for the debtors products to be
23 funneled into the debtors stripe account and to the other
24 payment processing accounts that the debtor operates. Thus,
25 this appears to be, again, an effort to get into the source

1 codes to misdirect the debtors revenues and assert control
2 over the debtors property. So, the bad acts continue even as
3 we are before the Court seeking to enforce the automatic
4 stay.

5 So, that is our latest problem. We are working
6 with Google to solve it, but we may well be back before Your
7 Honor again with another stay violation if that becomes
8 necessary. This morning, however, we are here in connection
9 with two very specific violations of the automatic stay that
10 occurred on September 26th and October 14th. The relief we
11 are seeking is entry of an order enforcing the stay by
12 finding that these two stay violations were void ab initio
13 and should be treated as if they never occurred.

14 To put what happened in context of the timeline of
15 this case the U.S. Trustee appointed the trustee on September
16 23rd. On September 26th, just three days later, a bad actor,
17 whom we believe to be Vinra Ravindra (phonetic), used his
18 status as an administrator of Epic's! Apple app and changed
19 the name on that app to Voizzit Technology Private Ltd.

20 On October 14th we believe the same individual,
21 again using his status as an administrator, changed the name
22 on Tangible Play's Osmo's app with Apple to the same Voizzit
23 entity, Voizzit Technology Private Ltd. Mr. Raveendran is
24 our prime suspect here because one day after he changed the
25 names on Epic's! Apple app on September 27th, the stripe

1 account records show that he attempted to change the name on
2 the stripe account to Voizzit Information Technology LLC, a
3 different Voizzit entity.

4 According to the California Secretary of State,
5 Mr. Raveendran is the chief executive officer of Epic! And
6 Tangible play. He is also identified in public press reports
7 as the chief content officer for the debtors India based
8 parent Think and Learn Pte Ltd. Finally, he had the means
9 because the trustee has discovered one, she got into the
10 Apple accounts on October 31st that he was also an
11 administrator of these Apple accounts and he is, of the
12 administrators, the one party who had ignored the trustee's
13 requests to meet and share information.

14 While all this was happening to the accounts, the
15 trustee was negotiating an order with Apple to obtain status
16 as the sole administrator of the debtors Apple applications.
17 On October 30th, Your Honor entered an order giving her
18 control over those accounts and giving her that status.
19 Fortunately, because of the way Apple pays out money that is
20 collected and because of the negotiations that were ongoing,
21 no funds were sent to Voizzit from collections occurring
22 after the name changes on these accounts. Apple has assured
23 us that funds that are being collected on a daily basis here
24 are frozen and have not been distributed to Voizzit.

25 Parenthetically, as outlined in our motion, there

1 were two transfers out of these accounts after the trustee

2 was appointed to Voizzit Information Technology LLC, the

3 entity that was trying to get into the stripe account and

4 that will be the subject of a separate avoidance action.

5 These account name changes are very significant to this

6 estate because the portion of revenue that the debtor

7 receives from the Epic! Apple app, this is the app where

8 parents download the application and download materials for

9 their children to read and learn with.

10 That is a very significant source of the debtors

11 revenue stream, approximately a million dollars per month is

12 typically collected through that account and another, while

13 lesser on the Osmos account its more in the nature of about

14 \$15,000 a month. So, relief is necessary here for the

15 trustee to get access to those revenues which she budgeted as

16 receiving when she entered into the debtor-in-possession

17 financing that that would be cash collateral that would not

18 need to be borrowed in new loans from the debtors financing

19 parties. And without that revenue we may very well need to

20 increase the DIP loans and the like. So, that is why we are

21 seeking emergency relief.

22 It's also, I think, important on a more

23 fundamental level because as Your Honor knows from that

24 financing order there is some very aggressive milestones

25 aimed at the trustee stabilizing these businesses and getting

1 them ready for a 363 sale which we hope will occur in short
2 order in these cases, but we are not going to be able to get
3 to a 363 sale if we can't tell prospective parties that come
4 looking at the debtor that we have control over the IP and
5 the platforms that allow for payment to be made on the
6 debtors products. No one is going to want to buy a business
7 if it doesn't have control over its revenue sources and
8 distribution channels.

9 So, what we are asking the Court to do today is to
10 enforce the automatic stay by declaring that these two
11 account name changes are void, that they were void as of the
12 time that they were done. Under existing Third Circuit
13 precedent we point the Court to Constitution Bank v. Tubbs at
14 68 F.3d 685, it's a 1995 Third Circuit decision. There are
15 many others we cite at Paragraph 4 of our motion. Those
16 decisions make it clear that violations of the stay are
17 treated as if they never happened. It does not matter if the
18 party who engaged in them had knowledge of the bankruptcy or
19 not; although here we think there was knowledge for sure and
20 that the Court can enforce the automatic stay by finding that
21 these transfers were void as of the time they were made.

22 We would note, Your Honor, that this is a clear
23 violation of the automatic stay. These apps were in the
24 debtors name as of the petition date, as of the order for
25 relief date. Somebody acting on behalf of Voizzit Technology

1 Private Ltd., we think Mr. Raveendran but it doesn't really
2 matter much who did it. The fact is somebody went in and
3 changed the name on those accounts, attempted to change
4 control over those accounts. That is a violation of 362(a)(3)
5 of the Bankruptcy Code and, therefore, that change is void ab
6 initio and should be enforced by the Court.

7 We also are going to be asking, as part of the
8 relief, for a further hearing to assess damages against
9 Voizzit and whoever else was responsible for the stay
10 violation but we are not asking for that on an emergency
11 basis. That would be the subject, if Your Honor grants the
12 relief we are requesting, for a later hearing either at the
13 November 20th omnibus hearing or the December 18th omnibus
14 hearing, whichever hearing is appropriate and convenient from
15 the Court's perspective.

16 Given all of this misconduct here, we think not
17 only correcting the automatic stay today so that this debtor
18 can proceed to see if it can reorganize and maximize value
19 for creditors who have been denied payment, but that getting
20 sanctions is important because what has been occurring here
21 since the trustee's appointment has been a very blatant
22 effort to try to steal from these debtors the revenues that
23 support its business. We think that that needs to be
24 appropriately dealt with by the Court at a sanctions hearing.

25 In support of the motion and the facts I have just

1 recited, we would ask the Court to admit the declaration of
2 Jacob Grall, which we filed at Docket 256, along with the
3 exhibits attached to his declaration that lay out the facts
4 that I have just recited to the Court.

5 THE COURT: Thank you. Anyone else wish to be
6 heard?

7 Mr. Samis.

8 MR. SAMIS: Your Honor, good morning. Can you
9 hear me and see me, okay?

10 THE COURT: I can.

11 MR. SHANKER: Your Honor, apologies. May I go
12 after Ms. Steege. This is Ravi Shanker from Kirkland on
13 behalf of GLAS Trust Company.

14 THE COURT: Mr. Samis, who do you represent?

15 MR. SAMIS: I represent Voizzit, Your Honor, as of
16 this morning and I was actually appearing to request an
17 adjournment of the hearing and I can explain why. Our
18 understanding of the facts are very different from Ms.
19 Steege's at this juncture. So, I would like to make that
20 request because I think it would make this hearing more
21 efficient to the extent Your Honor agrees with me.

22 THE COURT: All right. Let me go ahead and hear
23 it.

24 MR. SAMIS: I appreciate it, Your Honor. So, Your
25 Honor, good morning. For the record Christopher Samis from

1 Potter Anderson & Corroon.

2 I am in the somewhat unenviable position of
3 appearing today at the hearing on behalf of Voizzit to
4 request an adjournment but I am also glad that I'm here
5 because I can offer some context as there appears to be a
6 much broader multi-faceted dispute that is in play. Albeit
7 perhaps unbeknownst to either party till now, but more
8 specifically I am now in possession of documents that purport
9 to show a September 2023 loan from Riju Ravindran, principle
10 at Voizzit, in the face amount of \$100 million and then a
11 subsequent assignment of that loan from Riju Ravindran to
12 Voizzit in December of 2023, and then a default notice and
13 foreclosure triggered by the initiation of an Indian
14 insolvency proceeding dated April 2024.

15 This foreclosure notice and default notice
16 purports to be effective as against the entire stock of
17 Epic!, Tangible Play, and seemingly all of the relevant IP.
18 All of this happened prior to the involuntary and prior to
19 the appointment of the trustee. So, critically, the trustee
20 may not be administering property of the estate at this
21 juncture and worse it may be seeking to sell it.

22 Indeed, the trustee may actually, again albeit
23 unknowingly, I am not trying to ascribe any intent at this
24 juncture, affirmatively interfering with the control and
25 ownership of Voizzit. This is grievously damaging Voizzit's

1 business and is also harmful to the children that are the end
2 users of the applications by potentially interfering with
3 their access.

4 To be clear, my client asserts it was unaware of
5 the US bankruptcy proceeding and its first notice of the
6 proceeding came in the form of the stay violation motion and
7 accompanying motion to shorten late -- an order on motion to
8 shorten late on November 7th. So, this has been quite a
9 shock to them.

10 Since that time, they have been actively seeking
11 to engage US counsel and were in the process of retaining a
12 firm up until Sunday evening when that firm discovered a
13 conflict. They then contacted me yesterday and I was engaged
14 around 7:20 a.m. this morning at which time I received the
15 documents that I just referenced.

16 Though I would note, as a matter of courtesy, I
17 did inform counsel last night that I would likely be
18 appearing, nevertheless my client has had no time to prepare
19 for a full evidentiary hearing, the hearing is being
20 conducted via Zoom which is less than ideal for witness
21 testimony, and we have had no opportunity to test the
22 evidence, produce our own or meaningfully reply.

23 Relief as serious as this demands adequate due
24 process and that is what we are seeking here. For this
25 reason alone, the hearing should be adjourned for 30 days to

1 give the parties time to assess the facts, work out a
2 briefing schedule, and deal with these issues in an efficient
3 and consolidate manner. I should also offer that we would be
4 willing to consider a status quo arrangement to stem the
5 issues while we are working on our way to an answer.

6 To be sure, Your Honor, Voizzit will likely seek a
7 determination of ownership, injunctive relief of its own,
8 damages and perhaps a dismissal of these cases. Beyond that,
9 Your Honor, there is another reason to adjourn this hearing.
10 In our view, the motion to shorten was improperly served
11 seemingly by the debtors -- seemingly by the trustee's own
12 admission.

13 On this point I refer Your Honor to Paragraph 7,
14 8, and 9 of the Rendeniya declaration which was filed at
15 Docket Item 259. These paragraphs describe the process for
16 service of a foreign individual in a UAE proceeding and then
17 reach the conclusion acknowledging that there is no official
18 procedure for service in the inverse situation that local
19 practice supports the proposition that the inverse of this
20 process would be acceptable to serve a UAE based party in a
21 US proceeding.

22 The key fact to focus on in this analysis, though,
23 is that email service is only permitted with the express
24 permission of a UAE Court authorizing service on the foreign
25 party. In the inverse of this situation, which they say they

1 are relying on, the Court passing on this would be Your
2 Honor. And with that I looked at the motion to shorten. They
3 never specifically requested that relief from you in
4 connection with the motion to shorten. Indeed, I am assuming
5 they probably discovered the practice after the fact given
6 the timing of the Rendeniya declaration.

7 So, tellingly, if you look at the order on the
8 pending motion now it actually does specifically call out
9 such relief at Paragraph 4. This wasn't present in the
10 motion to shorten. I think this is a procedural -- a serious
11 procedural flaw. The motion to shorten was improperly served
12 under UAE law and practice and should be voided providing
13 further grounds for the adjournment. As is stated, the
14 further remedy should be a directive to the parties to work
15 out a consensual briefing schedule that appropriately
16 resolves this matter in a coordinated way.

17 Your Honor, I have nothing further but I think
18 those two independent reasons are grounds enough to adjourn
19 this hearing for today.

20 THE COURT: Do you have some Court order saying
21 that Voizzit could change the name of these entities?

22 MR. SAMIS: Not in my possession as of yet, Your
23 Honor, but those are all things that I will be requesting.

24 THE COURT: All right. Well, the motion is
25 denied. I have no authority, that has been presented to me,

1 that Voizzit has any interest whatsoever in the case other
2 then trying to change the names of the IP and the funds that
3 were to receive in connection with that IP without any
4 authority, as far as I can tell, and haven't provided me with
5 any authority to that effect and there is harm to --

6 MR. SAMIS: Just to be clear --

7 THE COURT: Excuse me, Mr. Samis, I am not done.
8 And there is harm to the debtors here and the debtors are
9 before me. The debtors are who I have authority over. I am
10 going to act accordingly. So, your motion to stay is denied.

11 MR. SAMIS: Thank you, Your Honor. The only point
12 of clarification I would make is I don't think anybody is
13 alleging that Voizzit is the one that actually changed the
14 names. I think it's a third party.

15 THE COURT: Well, then that's even more reason not
16 to grant it because I've got some third party who nobody
17 knows who it is who has been changing names on issues that
18 belong to the debtors here. So, your motion, again, is
19 denied.

20 MR. SAMIS: I understand, Your Honor. We will
21 consult and decide what to do.

22 THE COURT: Mr. Shanker.

23 MR. SHANKER: Yes, Your Honor. Ravi Shanker from
24 Kirkland & Ellis on behalf of GLAS Trust Company.

25 Your Honor, I think I want to build off of the

1 context here that we have seen from Mr. Samis's comments
2 because there is a broader BYJU saga that is going on. I
3 appreciate Ms. Steege walking through the specific issues
4 today and when I look at the situation, Your Honor, it's a
5 situation I have now been living with for 20 plus months
6 personally and the misconduct, the secrecy, the idea that new
7 equity is showing up when these bankruptcy proceedings were
8 commenced by GLAS and the lenders in June of 2024 its hard
9 for me to wrap my mind around the level of misconduct because
10 we only see the tip of the iceberg.

11 What I would like to do, Your Honor, with the
12 Court's indulgence is broaden out the scope just a hair for
13 my presentation today and talk about the gravity of the
14 misconduct we have seen over the course of these involuntary
15 cases because I think, Your Honor, it's important to inform
16 both next steps with respect to this motion, with respect to
17 any defenses Mr. Samis, on behalf of Voizzit, raises, as well
18 as charting out what is the value maximizing path for these
19 debtors because I can tell you, Your Honor, from the lenders
20 perspective, from GLAS's perspective there is grave concern
21 about orchestrated crimes occurring to siphon out assets
22 after these specific debtors have been put into bankruptcy
23 and after the defenses of Voizzit or anyone else who has a
24 stake in these debtors were never raised during the course of
25 the involuntary petitions.

1 So, with the Court's indulgence and in typical
2 Kirkland fashion, Your Honor, I have prepared a few slides
3 and I would like to walk through those slides to give the
4 macro view if okay with the Court.

5 THE COURT: Sure.

6 MR. SHANKER: Your Honor, our trial tech, Jeremy
7 Young, if you wouldn't mind giving Mr. Young access.

8 THE COURT: You want to give access to Mr. Young?

9 MR. SHANKER: Yes, Your Honor.

10 THE COURT: Good to go.

11 MR. SHANKER: Jeremy, if we could pull up the
12 slide deck and start at slide 2.

13 MR. YOUNG: Sadly, I am unable to share.

14 THE COURT: Can you raise your hand, Mr. Young so
15 we can find you on the Zoom call and give you permission.

16 MR. YOUNG: I have done so, Your Honor. Thank
17 you.

18 THE COURT: Okay. All set.

19 MR. SHANKER: Thank you, Your Honor.

20 Your Honor, GLAS and the lenders commenced these
21 purportedly, after Voizzit foreclosed on the equity in these
22 debtors. So, these cases were commenced well after Voizzit's
23 purported equity stake in these debtors. At the time, Your
24 Honor, at the time of the bankruptcy petitions in June, our
25 investigator, Mike Gallo, had discovered millions of dollars

1 of fraudulent transfers out of these very debtors, Epic! to
2 be specific to affiliates.

3 In the Alpha case, Your Honor, if I can rewind you
4 back in time, we were beginning to get discovery and we had
5 just learned that the Camshaft LP interest, this was the
6 interest Alpha held on account of the \$533 million, that had
7 been moved out, Your Honor, after GLAS had exercised
8 remedies. Right after Tim Pohl was appointed, insiders moved
9 out the LP interest to frustrate and exercise the remedies.

10 So, when we commenced these cases, Your Honor, we
11 were procedurally buttoned up, we learned our lessons from
12 the past, and we weren't going to be fooled a second time. We
13 weren't going to let more money move out of the door. So, we
14 moved for relief and on the screen shot, Your Honor, is an
15 order the Court entered, a 303(f) order, it was a consent
16 order and it was prohibiting non-ordinary course transfers
17 including transfers to direct or indirect affiliates.

18 It was not contested, Your Honor, and I suspect
19 that Alpha and its equity holders, whether Think and Learn,
20 or Voizzit, or someone else, knew that given what happened in
21 Alpha that contesting the motion was not practical. On the
22 slide we called out two key provisions. We called our
23 Section 2, the no transfers to affiliates, none, there were
24 no exceptions, Your Honor. We also called out Section 3, the
25 debtors must make weekly disclosures of their bank accounts.

1 And Section 3 was just important to me as Section 2 because
2 it's the spirit of trust but verify. The verify was
3 important to me.

4 Next slide. Your Honor, every week I feel like I
5 learn about more misconduct happening in these cases and even
6 today from Ms. Steege's comment I learn about more misconduct
7 with respect to the Google account. In Mr. Grall's
8 declaration, this was at Docket 256, Paragraph 20, what we
9 learned last week, Your Honor, is that this Court's order,
10 the 303(f) order, was violated 22 separate times, 22 times,
11 its an incredible number of violations of a single Court
12 order and it continues the pattern that we are seeing in the
13 Alpha case and some of the misconduct that we are continuing
14 to see today.

15 I want to focus, Your Honor, on the three
16 highlighted cells. I mentioned Section 3 of the Court's
17 303(f) order, trust but verify. And the transfers that are
18 called out right here, Your Honor, these are from a Silicon
19 Valley bank account. The rest of the transfers are from a
20 Wells Fargo account. We never received the Wells Fargo
21 account. I didn't know that account existed. We only
22 received the transfers from the Wells Fargo account.

23 When we learned of these transfers, Your Honor, we
24 immediately flagged it for counsel for the then putative
25 debtors. And if we can go to the next slide, Jeremy. Your

1 Honor, I wrote one of those lengthy litigator emails that I
2 don't particularly enjoy writing and as Your Honor can see I
3 had a very late night on July 11th, but I was direct in my
4 email to DLA Piper, the debtors then counsel. I said that the
5 transfers were extremely troubling. I said that they violated
6 the 303(f) order. And in my closing argument, Your Honor, I
7 didn't mince words, I said we expect you have told your
8 clients in no uncertain terms of the legal consequences
9 arising for their ongoing actions, these transfers need to
10 stop immediately; they are unlawful.

11 We put the debtors on notice, Your Honor. And if
12 we go back a slide, Jeremy. Your Honor, I sent my email on
13 July 11th. The next day -- the same day \$196,000 is moved.
14 That is where we marked the arrow. The next day, Your Honor,
15 another \$100,000 is moved. Your Honor, I felt like I was
16 reliving, as I saw these transfers yesterday, the charade of
17 Riju Ravindran who Mr. Samis mentioned. I was reminded of
18 when he was sending emails to his brother, Byju, about the
19 \$533 million and yet their living in the same house the
20 entire time.

21 I want to call out two more transfers, Your Honor,
22 on this slide. September 10th, that is when we had a hearing
23 before Judge Shannon on the involuntary petitions and at the
24 end of that hearing Judge Shannon granted our involuntary
25 petitions and he appointed a trustee. In that same day, Your

1 Honor, \$1.3 million was being transferred out to affiliates.

2 Slide 5, Your Honor, it gets worse and this is the
3 misconduct we are now seeing that Ms. Steege eluded to in her
4 opening comments. The order for relief gets appointed on
5 September 16th. On September 17th half a million dollars is
6 moved out. On September 23rd Ms. Springer's appointment as
7 trustee is announced. There are then six more transfers,
8 Your Honor.

9 Its not that difficult to figure out. There is
10 some orchestrated attempt going on, Your Honor, after there
11 is a loss of control of these entities to siphon their
12 assets. It appears to be led by BYJU's, it may be led by
13 Voizzit as well. If we go to slide 6, Your Honor, this is a
14 letter that Pankaj Srivastava sent and filed on the Court's
15 docket on September 11th. Mr. Srivastava, that is a name
16 Your Honor may recall because ahead of the summary judgment
17 hearing in Alpha Mr. Srivastava also submitted a declaration
18 then. Mr. Srivastava, as putative resolution professional of
19 Think and Learn, asserting that these debtors remain under
20 Think and Learn's ownership, so inconsistent with Mr. Samis's
21 comments today, is asserting that the involuntary proceeding
22 should not move forward. He is saying there is a
23 contradiction with Indian law. We believe that contradiction
24 is incorrect but it's a bit besides the point, Your Honor,
25 when you had Delaware entities here and in any event Judge

1 Shannon entered the order for relief a few days later.

2 Your Honor, this was a delay tactic. It was the
3 same misconduct you saw in the Alpha case to try to put a
4 wrench into the proceedings going on here. It's the same
5 reason, Your Honor, why I suspect the Court denied the motion
6 for continuance that there are ongoing efforts to delay the
7 furtherance and the progress in these involuntary cases.

8 Slide 7. Under Mr. Srivastava's watch, Your
9 Honor, this is the timeline of what happened. Ms. Springer
10 is appointed on September 23rd. As soon as Ms. Springer is
11 appointed BYJU takes up source code, it takes its Apple apps,
12 its stripe accounts and when they're don't with Epic!, when
13 we see the (indiscernible) of September being over they move
14 on to Tangible Play. These are ad tech companies; their IP
15 is critical. And having lost control of these businesses,
16 whether it is Voizzit or Think and Learn I don't think the
17 identify particularly matters in the context of 362(a)(3),
18 the IP is being taken and I can only presume, Your Honor,
19 it's to relaunch these businesses down the road and to strip
20 these particular entities barren.

21 Your Honor, I appreciate you indulging me on the
22 macro view. I would like to focus on the micro view with
23 respect to the Apple apps for just a moment and then come to
24 my takeaways, Your Honor, for the Court's consideration with
25 respect to next steps.

1 Jeremy, if we can go to the next slide. Your
2 Honor, Voizzit is a new name in our saga and much like we did
3 when we heard the name Camshaft we investigated. These
4 pictures, Your Honor, were taken on Thursday. This is the
5 registered office of Voizzit in India, this is the purported
6 holder of Epic! and Tangible Play's Apple apps on the Apple
7 store. What you are seeing, Your Honor, on the left-hand
8 picture that is a ten-story residential flat in the state of
9 Kerala in South India and it reminds me of the type of the
10 flat my uncle lives in.

11 There are no Voizzit signs. Voizzit purportedly
12 is in Unit 1-C which we highlighted in the middle box. That
13 door, that is a picture on the far right, Your Honor. You
14 don't see a Voizzit sign, there is no office set up, there
15 are no employees, this a residential flat of a former
16 director of Voizzit. This is not a real office place. This
17 is not who should be on the Epic! app.

18 If we go to the next slide, we also, Your Honor,
19 pulled Voizzit's financials. This is Voizzit's latest
20 financials filed with Indian regulatory authorities and,
21 Jeremy, if we can blow up the first three rows in the table.
22 Your Honor, for fiscal year 2023 and fiscal year 2022 there
23 is no revenue, zero revenue done by Voizzit. In fiscal year
24 2023 expenses are \$24,000. That is the -- the unit here is
25 rupee. That is less than \$300, Your Honor. This is the

1 entity that has now received the apps on account of a
2 purported loan that Mr. Samis is referencing.

3 We read through these financials, Your Honor, as
4 of last March there was 1072.6 rupees in assets held by
5 Voizzit. That is about \$13 or as my son thinks about, about
6 two packs of Pokeman cards. That is the entire asset base of
7 this entity as of last March. And the best thing I guess I
8 can say, Your Honor, about everything I am seeing is I am
9 glad when I saw the pictures I didn't see another photo of an
10 IHOP because this is not a real operating enterprise.

11 Last slide, Your Honor. Your Honor, if you look
12 at the Alpha case and you look at this case, I can't help but
13 notice all of the same similarities. A BYJU loyalist,
14 whether its Riju Ravindran or Vina Ravindra (phonetic) in
15 breach of his fiduciary duties following an exercise of
16 remedies, moving critical assets to a company that is not a
17 real operating business, whether its Camshaft or Voizzit.
18 And all of this is being directed by folks abroad who are
19 trying to avoid the jurisdiction of this Court by raising
20 arguments around personal jurisdiction when personal
21 jurisdiction exists.

22 Jeremy, if we can take down the slides.

23 Your Honor, these are education companies. You
24 heard Mr. Samis invoke that that they're educational
25 companies on behalf of the children. Their social mission is

1 shaping future generations. And in another lifetime, Your
2 Honor, I took would have been a BYJU's customer but the first
3 lesson I ever learned wasn't math or science, it was about
4 integrity. What we are seeing here, Your Honor, from the
5 BYJU's enterprise is a complete breakdown in integrity. Byju
6 and Riju and the people in their orbit do not care about the
7 Court's orders, the trustee's powers or the automatic stay.

8 Every week I get a call from the Jenner team, the
9 trustee's counsel, about their latest discoveries and my
10 stomach drops, Your Honor. The conduct is brazen, its
11 unlawful, its non-stop and it stinks. The debtors and these
12 lenders, Your Honor, I would submit are victims of crime and
13 if there was ever a situation that warranted a referral to
14 the Department of Justice I would respectfully submit, Your
15 Honor, that the conduct we are seeing in these cases so
16 warrants.

17 Thank you, Your Honor.

18 THE COURT: Thank you, Mr. Shanker.

19 Anyone else wish to be heard? Ms. Steege.

20 MS. STEEGE: Your Honor, on behalf of the trustee
21 I don't know that you admitted Mr. Grall's declaration. I
22 don't think there is any objection to its admission.

23 THE COURT: Any objection?

24 (No verbal response)

25 THE COURT: Its admitted without objection.

1 (Grall declaration received into evidence)

2 THE COURT: Let me just put on the record too I
3 received this morning a letter from Mr. Srivastava, which was
4 directed just to me, and declared to be privileged and
5 confidential. Of course, that is not how the Court's in this
6 country operate. Its an inappropriate ex parte
7 communication. I am not taking the letter into account in any
8 way in connection with these proceedings and I will post this
9 letter on the docket so that everybody knows what this letter
10 says. So, I just wanted to put that on the record.

11 I am going to grant the motion. I think there
12 clearly is harm to the debtors here. These are US entities.
13 They are in a US bankruptcy proceeding. They are subject to
14 the protections of this Court. Information has been taken,
15 names have been changed without permission from the trustee
16 who has been appointed to oversee these cases, and there is
17 no reason to not declare that those actions were void ab
18 initio; therefore, they should be reversed immediately.

19 We have a form of order that was uploaded, is that
20 right, Ms. Steege?

21 MS. STEEGE: Yes, Your Honor, but there is going
22 to be an additional change to the order. In speaking with
23 Apple's counsel we have revised the order based on
24 conversations last night, but we probably over deleted.
25 Specifically, we had in the form of the order that was filed

1 this morning Paragraph 2 was shown as being stricken but in
2 point in fact Apple is asking that that paragraph continue to
3 remain in the order.

4 So, the only new addition to the order from the
5 order that was filed with the Court is language that was
6 added to the end of Paragraph 1 which simply states that any
7 entity that takes actions in reliance upon this order shall
8 have no liability to the extent that such actions are taken
9 at the written request of the trustee.

10 So, that is the one change and we will upload a
11 new form of order. We will, of course, circulate that to all
12 of the parties that are present here today.

13 THE COURT: Okay.

14 MR. BARSALONA: Your Honor, we will put it under
15 COC after the hearing so that is public as well.

16 THE COURT: Okay. That's fine. Thank you.

17 Anything else before we adjourn?

18 MS. STEEGE: No, Your Honor. Thank you very much.

19 THE COURT: Well, we do need to set a hearing, I
20 guess. The motion for sanctions --

21 MS. STEEGE: The order has it for November 20th,
22 Your Honor, if that is an acceptable date. That is the next
23 omnibus. The omnibus after that would be December 18th.

24 THE COURT: I am guessing this might be longer
25 then what would be required in an omnibus hearing which is

1 only supposed to be an hour long. So, maybe we need to find
2 another date. Contact Chambers and we will find a date and
3 we will go from there.

4 MS. STEEGE: Thank you, Your Honor. We will get
5 that inserted in the revised order.

6 THE COURT: Okay. Thank you very much. We are
7 adjourned.

8 (Proceedings concluded at 10:44 a.m.)

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CERTIFICATION

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter to the best of my knowledge and ability.

/s/ William J. Garling

November 12, 2024

William J. Garling, CET-543

Certified Court Transcriptionist

For Reliable