THE DEBTORS ARE NOT CURRENTLY SOLICITING VOTES ON A CHAPTER 11 PLAN. THIS DISCLOSURE STATEMENT REMAINS SUBJECT TO APPROVAL BY THE BANKRUPTCY COURT.

THE DEBTORS WILL SEEK APPROVAL OF THE DISCLOSURE STATEMENT AT A HEARING ON MAY 12, 2026, AT 2:00 P.M., PREVAILING EASTERN TIME.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
RELIZ TECHNOLOGY GROUP HOLDINGS INC., *et al.*,[1]	Case No. 26-10371 (TMH)
Debtors.	(Jointly Administered)

DISCLOSURE STATEMENT RELATING TO JOINT CHAPTER 11 PLAN OF RELIZ TECHNOLOGY GROUP HOLDINGS INC. AND ITS DEBTOR AFFILIATES

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[1] The Debtors in these chapter 11 cases, along with the last four digits of their respective federal tax identification numbers, are: Reliz Technology Group Holdings Inc. (6265); Reliz Technologies LLC (1968); Reliz LTD (N/A); and Reliz CI LTD (N/A). The Debtors' service address is 401 West Ontario St., Suite 400, Chicago, IL 60654.

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IMPORTANT INFORMATION REGARDING THIS DISCLOSURE STATEMENT

DISCLOSURE STATEMENT, DATED APRIL 7, 2026

SOLICITATION OF VOTES TO ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF RELIZ TECHNOLOGY GROUP HOLDINGS INC. AND ITS DEBTOR AFFILIATES

YOU ARE RECEIVING THIS DOCUMENT AND THE ACCOMPANYING MATERIALS BECAUSE AS OF THE VOTING RECORD DATE, YOU HELD A CLAIM AGAINST THE DEBTORS IN ONE OF THE FOLLOWING CLASSES AND THEREFORE YOU ARE ENTITLED TO VOTE ON THE PLAN:

VOTING CLASSES	NAME OF CLASS UNDER THE PLAN
5	Participating Customer Claims
6	Convenience Claims
7	General Unsecured Claims

DELIVERY OF BALLOTS

1. Ballots must be actually received by Kurtzman Carson Consultants, LLC d/b/a Verita Global. ("Verita" or the "Claims, Noticing, and Solicitation Agent") before the Voting Deadline (4:00 p.m., prevailing Eastern Time, on June 15, 2026).

2. Ballots may be returned by the following methods:

   a) in the enclosed pre-paid, pre-addressed return envelope;

   b) via first class mail, overnight courier, or hand delivery to the address set forth below; or

   c) via the Claims, Noticing, and Solicitation Agent's online voting portal, available at https://eballot.veritaglobal.net/BlockFills.

BlockFills Ballot Processing Center
c/o KCC dba Verita
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

If you have any questions on the procedures for voting on the Plan, as defined herein, please contact the Claims, Noticing, and Solicitation Agent by submitting an inquiry at https://VeritaGlobal.net/BlockFills/inquiry or by calling (866) 554-5810 (USA or Canada) or (781) 575-2032 (International).

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF RELIZ TECHNOLOGY GROUP HOLDINGS INC. AND ITS DEBTOR AFFILIATES. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN ARTICLE IX HEREIN. IN THE EVENT OF ANY INCONSISTENCIES BETWEEN THE PLAN AND THE DISCLOSURE STATEMENT, THE PLAN SHALL GOVERN.

THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN, AND THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN ANTICIPATED EVENTS IN THE DEBTORS' CHAPTER 11 CASES. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH ANTICIPATED EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN FOR ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

IN PREPARING THIS DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS AND ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS. WHILE THE DEBTORS BELIEVE THAT SUCH FINANCIAL INFORMATION FAIRLY REFLECTS THE FINANCIAL CONDITION OF THE DEBTORS AS OF THE DATE HEREOF AND THAT THE ASSUMPTIONS REGARDING FUTURE EVENTS REFLECT REASONABLE BUSINESS JUDGMENTS, NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND THEIR FUTURE RESULTS AND OPERATIONS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER. THE DEBTORS OR ANY OTHER AUTHORIZED PARTY MAY SEEK TO INVESTIGATE, FILE, AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO

AFFIRMATIVE DUTY TO DO SO AND EXPRESSLY DISCLAIM ANY DUTY TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE. HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS FILED. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION, OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE PLAN.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS OR INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, THOSE HOLDERS OF CLAIMS WHO VOTE TO REJECT THE PLAN, OR THOSE HOLDERS OF CLAIMS AND INTERESTS WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE RESTRUCTURING TRANSACTION CONTEMPLATED THEREBY.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED HEREIN AND SET FORTH IN ARTICLE IX OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED, OR IF CONFIRMED, THAT THE CONDITIONS REQUIRED TO BE SATISFIED FOR THE PLAN TO GO EFFECTIVE WILL BE SATISFIED (OR WAIVED).

YOU ARE ENCOURAGED TO READ THE PLAN AND THIS DISCLOSURE STATEMENT IN THEIR ENTIRETY, INCLUDING ARTICLE IX, ENTITLED "RISK FACTORS" BEFORE SUBMITTING YOUR BALLOT TO VOTE ON THE PLAN.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A GUARANTEE BY THE BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE PLAN.

SUMMARIES OF THE PLAN AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN. THE SUMMARIES OF THE FINANCIAL INFORMATION AND THE DOCUMENTS ANNEXED TO THIS DISCLOSURE STATEMENT OR OTHERWISE INCORPORATED HEREIN BY REFERENCE ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THOSE DOCUMENTS. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE OF THIS DISCLOSURE STATEMENT, AND THERE IS NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER SUCH DATE. EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR IN ACCORDANCE WITH APPLICABLE LAW, THE DEBTORS ARE UNDER NO DUTY TO UPDATE OR SUPPLEMENT THIS DISCLOSURE STATEMENT.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED FOR PURPOSES OF SOLICITING VOTES FOR THE ACCEPTANCES AND CONFIRMATION OF THE PLAN AND MAY NOT BE RELIED ON FOR ANY OTHER PURPOSE. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE DISCLOSURE STATEMENT AND THE PLAN, THE RELEVANT PROVISIONS OF THE PLAN WILL GOVERN.

SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS

NEITHER THIS DISCLOSURE STATEMENT NOR THE PLAN HAS BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR ANY STATE AUTHORITY. THE PLAN HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION, AND NEITHER THE SEC NOR ANY STATE SECURITIES COMMISSION HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR THE MERITS OF THE PLAN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS DISCLOSURE STATEMENT, NOTHING IN THIS DISCLOSURE STATEMENT CONSTITUTES A FINDING UNDER U.S. FEDERAL SECURITIES LAWS, FOREIGN SECURITIES LAWS OR ANY STATE SECURITIES LAWS AS TO WHETHER CRYPTOCURRENCY OR TRANSACTIONS INVOLVING CRYPTOCURRENCY ARE SECURITIES. THE SEC AND ITS STAFF HAVE TAKEN THE POSITION THAT CERTAIN CRYPTOCURRENCY ASSETS AND CERTAIN TRANSACTIONS INVOLVING CRYPTOCURRENCY ASSETS FALL WITHIN THE DEFINITION OF A "SECURITY" UNDER THE U.S. FEDERAL SECURITIES LAWS. THE DETERMINATION AS TO WHETHER A CRYPTOCURRENCY ASSET OR A TRANSACTION INVOLVING CRYPTOCURRENCY MAY CONSTITUTE A "SECURITY" UNDER APPLICABLE LAWS IS A DETERMINATION FOR THE SEC, APPLICABLE STATE AND FOREIGN REGULATORY AUTHORITIES, AND COURTS WITH PROPER JURISDICTION.

THIS DISCLOSURE STATEMENT CONTAINS "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. READERS ARE CAUTIONED THAT ANY FORWARD-LOOKING STATEMENTS IN THIS DISCLOSURE STATEMENT ARE BASED ON ASSUMPTIONS THAT ARE BELIEVED TO BE REASONABLE BUT ARE SUBJECT TO A WIDE RANGE OF RISKS, INCLUDING RISKS ASSOCIATED WITH THE FOLLOWING:

- **THE OVERALL HEALTH OF THE CRYPTOCURRENCY INDUSTRY;**
- **POPULARITY AND RATE OF ADOPTION OF CRYPTOCURRENCIES;**
- **THE DEBTORS' REGULATORY LICENSES;**
- **THE POTENTIAL ADOPTION OF NEW GOVERNMENTAL REGULATIONS;**
- **THE DEBTORS' TECHNOLOGY AND ABILITY TO ADAPT TO RAPID TECHNOLOGICAL CHANGE;**
- **THE RELIABILITY, STABILITY, PERFORMANCE AND SCALABILITY OF THE DEBTORS' INFRASTRUCTURE AND TECHNOLOGY;**
- **THE DEBTORS' FINANCIAL CONDITION, REVENUES, CASH FLOWS, AND EXPENSES;**
- **THE ADEQUACY OF THE DEBTORS' CAPITAL RESOURCES AND LIQUIDITY;**
- **THE INTEGRATION AND BENEFITS OF ASSET AND PROPERTY ACQUISITIONS OR THE EFFECTS OF ASSET AND PROPERTY ACQUISITIONS OR DISPOSITIONS ON THE DEBTORS' CASH POSITION AND LEVELS OF INDEBTEDNESS;**
- **GENERAL ECONOMIC AND BUSINESS CONDITIONS;**
- **EFFECTIVENESS OF THE DEBTORS' RISK MANAGEMENT ACTIVITIES;**
- **COUNTERPARTY CREDIT RISK;**

- **THE OUTCOME OF PENDING AND FUTURE LITIGATION;**
- **EXCHANGE RATE FLUCTUATIONS AND CRYPTOCURRENCY PRICE FLUCTUATIONS;**
- **PLANS, OBJECTIVES, AND EXPECTATIONS;**
- **RISKS IN CONNECTION WITH DISPOSITIONS; AND**
- **RISK OF INFORMATION TECHNOLOGY OR DATA SECURITY BREACHES OR OTHER CYBERATTACKS.**

STATEMENTS CONCERNING THESE AND OTHER MATTERS ARE NOT GUARANTEES OF THE DEBTORS' FUTURE PERFORMANCE. THERE ARE RISKS, UNCERTAINTIES, AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE DEBTORS' ACTUAL PERFORMANCE OR ACHIEVEMENTS TO BE DIFFERENT FROM THOSE THEY MAY PROJECT, AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE THE PROJECTIONS MADE HEREIN OTHER THAN AS REQUIRED BY APPLICABLE LAW. THESE RISKS, UNCERTAINTIES, AND FACTORS MAY INCLUDE THE FOLLOWING:

- **THE RISKS AND UNCERTAINTIES ASSOCIATED WITH THE CHAPTER 11 CASES;**
- **THE DEBTORS' ABILITY TO PURSUE THEIR BUSINESS STRATEGIES DURING THE CHAPTER 11 CASES;**
- **THE DEBTORS' ABILITY TO MAINTAIN COMPLIANCE WITH LAWS AND REGULATIONS OR THE INTERPRETATION OR APPLICATION OF SUCH LAWS THAT CURRENTLY APPLY OR MAY BECOME APPLICABLE TO THE DEBTORS' BUSINESS BOTH IN THE UNITED STATES AND INTERNATIONALLY;**
- **CHANGES TO A PARTICULAR CRYPTOCURRENCY ASSET'S OR PRODUCT OFFERING'S STATUS AS A "SECURITY" IN ANY RELEVANT JURISDICTION UNDER RELEVANT LAWS AND REGULATIONS OR REGULATORY INTERPRETATION THEREOF;**
- **THE DIVERSION OF MANAGEMENT'S ATTENTION AS A RESULT OF THE CHAPTER 11 CASES;**
- **INCREASED LEVELS OF EMPLOYEE ATTRITION AS A RESULT OF THE CHAPTER 11 CASES;**
- **CUSTOMER RESPONSES TO THE CHAPTER 11 CASES;**
- **THE IMPACT OF A PROTRACTED RESTRUCTURING ON THE DEBTORS' BUSINESS;**
- **THE DEBTORS' ABILITY TO CONFIRM OR CONSUMMATE THE PLAN;**
- **THE DEBTORS' INABILITY TO PREDICT THEIR LONG-TERM LIQUIDITY REQUIREMENTS AND THE ADEQUACY OF THEIR CAPITAL RESOURCES;**
- **THE AVAILABILITY OF CASH TO MAINTAIN THE DEBTORS' OPERATIONS AND FUND EMERGENCE COSTS;**
- **RISKS ASSOCIATED WITH WEAK OR UNCERTAIN GLOBAL ECONOMIC CONDITIONS AND THEIR IMPACT ON DEMAND FOR DIGITAL ASSETS;**

- **OTHER GENERAL ECONOMIC AND POLITICAL CONDITIONS IN THE UNITED STATES, INCLUDING THOSE RESULTING FROM RECESSIONS, POLITICAL EVENTS, ACTS OR THREATS OF TERRORISM, AND MILITARY CONFLICTS;**

- **INDUSTRY CONDITIONS, INCLUDING COMPETITION AND TECHNOLOGICAL INNOVATION;**

- **FLUCTUATIONS IN OPERATING COSTS;**

- **LEGISLATIVE OR REGULATORY REQUIREMENTS; AND**

- **FLUCTUATIONS IN INTEREST RATES, EXCHANGE RATES, AND CURRENCY VALUES.**

YOU ARE CAUTIONED THAT ALL FORWARD-LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE, AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE REFERRED TO IN SUCH FORWARD-LOOKING STATEMENTS. THE LIQUIDATION ANALYSIS AND OTHER PROJECTIONS AND FORWARD-LOOKING INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ONLY ESTIMATES, AND THE TIMING AND AMOUNT OF ACTUAL DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS, AMONG OTHER THINGS, MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. ANY ANALYSES, ESTIMATES, OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE.

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I. INTRODUCTION

Reliz Technology Group Holdings Inc. (along with its debtor affiliates, the "Debtors," the "Company," or "BlockFills") and its debtor affiliates submit this disclosure statement (including all exhibits hereto and as may be supplemented or amended from time to time, the "Disclosure Statement"), pursuant to section 1125 of the Bankruptcy Code, to holders of Claims against and Interests in the Debtors in connection with the solicitation of votes for acceptance of the Debtors' *Joint Chapter 11 Plan of Reliz Technology Group Holdings Inc. and Its Debtor Affiliates* filed substantially contemporaneously herewith (as supplemented or amended from time to time, the "Plan"). A copy of the Plan is attached hereto as **Exhibit A** and is incorporated herein by reference. The Plan constitutes a separate chapter 11 plan for each of the Debtors.[2]

THE DEBTORS BELIEVE THAT THE COMPROMISES AND SETTLEMENTS CONTEMPLATED BY THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS' ESTATES, AND MAXIMIZE RECOVERIES TO HOLDERS OF CLAIMS. THE DEBTORS BELIEVE THE PLAN IS THE BEST AVAILABLE OPTION FOR COMPLETING THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

II. PRELIMINARY STATEMENT

A. The NewCo Transaction

The Debtors filed the Chapter 11 Cases in response to macroeconomic headwinds, deteriorating digital currency markets, and liquidity constraints caused by such downturn in the cryptocurrency industry generally. Beginning even prior to the Petition Date, the Debtors have worked tirelessly to identify the most value-maximizing transaction for their customers and other creditors on an expedited timeline. As a testament to these efforts, the Debtors entered the Chapter 11 Cases with a non-binding term sheet (the "Term Sheet") in collaboration with the ad hoc group of BlockFills clients (the "Ad Hoc Group") which proposes a consensual restructuring (as defined in the Plan, the "NewCo Transaction") of the Debtors' businesses. The Term Sheet detailing the framework of the NewCo Transaction was attached as Exhibit B to the *Declaration of Mark Renzi in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 3] (the "First Day Declaration"), which was filed on the Petition Date. As detailed in the Plan, the Term Sheet provides that the Debtors will reorganize into a newly formed entity ("NewCo") and any assets not transferred to NewCo will be transferred to a liquidating trust (the "GUC Trust"), which shall be governed by a liquidation trust agreement (the "Liquidation Trust Agreement"). The Term Sheet contemplates that certain existing customers of the Debtors will be eligible to receive a *pro rata* share of interests in the GUC Trust and a *pro rata* share of the Debtors' liquid assists, which may be received in (i) payment of such customer's pro rata share of recoveries, (ii) full conversion of such customer's pro rata share of recoveries into equity of NewCo, or (iii) a combination of the two. Put most simply, the NewCo Transaction contemplates a transaction in which the Debtors pass ownership of the Company to such customers in exchange for such customers' claims.

B. The Alternative Transaction

Despite the progress made towards effectuating the NewCo Transaction, including negotiating the framework of the NewCo Transaction prior to the Petition Date, the Debtors are also pursuing a sale of the Debtors' assets (the "Alternative Transaction")[3] in the event that such Alternative Transaction results in a greater maximization of value of the Debtors' assets, estates, and recoveries of creditors. Beginning in August of 2025, the Debtors endeavored to analyze and streamline their operations, assess and manage their liquidity, and develop a more efficient business

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[2] Capitalized terms used but not otherwise defined herein have the meaning ascribed to such terms in the Plan or Asset Purchase Agreement, as applicable. Additionally, this Disclosure Statement incorporates the rules of interpretation located in Article I of the Plan. **The summary provided in this Disclosure Statement of any documents attached to this Disclosure Statement, including the Plan, are qualified in their entirety by reference to the Plan and the documents being summarized. In the event of any inconsistencies between the terms of this Disclosure Statement and the Plan, the Plan shall govern.**

[3] The Ad Hoc Group will be required to participate in the Sale Process by submitting a bid in the form of the Term Sheet or otherwise.

plan. During this process, the Debtors began to consider any and all value maximization transactions or strategic options. As a result, in September of 2025, the Debtors' management, board of directors, and equity holders began soliciting third-party interest in an acquisition of the Company or the Debtors' assets. The Debtors began by creating a list of potential strategic partners, including institutions in the digital asset industry. These included entities with which the Debtors have established relationships through their ordinary course of business, as well as conventional financial institutions that might serve as prospective partners. Additionally, several firms proactively approached the Debtors. In connection with this process (the "Sale Process"), the Debtors and their advisors prepared, among other things, non-confidential marketing materials that could be shared with third parties prior to signing a confidentiality agreement, a management presentation that could be shared with third parties after signing a confidentiality agreement, and an electronic data room to provide potential investors and bidders with information upon which to make a proposal.

As a result of the Debtors' Sale Process, prior to the Petition Date, the Debtors had contacted at least 40 potential investors. Of these 40 parties, 38 expressed initial interest and progressed to the discussion phase, which generally included introductory calls with the Debtors' management team to provide an overview of the business and its current conditions. Parties that maintained interest were invited to execute non-disclosure agreements in order to access additional information, including information in the Debtors' data room. A total of 35 parties executed non-disclosure agreement and were given access to the data room as part of their diligence process. Ultimately, five parties advanced to more substantive discussion. Due to the outreach received by the Debtors' regarding a potential sale of their assets, the Debtors filed the *Motion of Debtors for Entry of an Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (II) Scheduling n Auction and Approving the Form and Manner of Notice Thereof, (III) Approving Assumption and Assignment Procedures, (IV) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (V) Granting Related Relief* [Docket No. 101] (the "Bidding Procedures Motion") less than two weeks after the Petition Date, seeking to establish procedures that will govern a potential sale of the Debtors' assets, including procedures for a potential auction, should interest in the Debtors' assets necessitate such an auction. If no Qualified Bids (as defined in the Bidding Procedures Motion) are received for the sale of the Debtors' assets, the Debtors may elect to cancel the auction and sale.

In the event neither the NewCo Transaction nor a sale of the Debtors' Assets is ultimately consummated, the Debtors will pursue an orderly liquidation of the Debtors' assets and a wind down of the Debtors' estates. Distributions to the Debtors' creditors and stakeholders under such a liquidation would be identical to the distributions under a sale of the Debtors' Assets except for the fact that such distributions would not include any sale proceeds.

III. BACKGROUND

Prior to the Petition Date, BlockFills operated proprietary trading technology that offered professional and institutional customers the ability to buy and sell cryptocurrency and cryptocurrency derivatives. Customers could execute transactions using BlockFills' front-end trading platform, application programming interface connection, or through over-the-counter trades that linked with cryptocurrency liquidity providers and market makers. Unlike many other cryptocurrency businesses, BlockFills focused solely on institutional, high net worth, and sophisticated traders. BlockFills did not offer its services to retail traders. Since 2018, BlockFills had been regarded as a reputable place to do such business and was respected by its institutional investors. BlockFills provided market access 24 hours a day, 7 days a week, to many cryptocurrency native companies and high-net worth professional traders, as well as traditional financial firms including hedge funds, brokers/broker-dealers, exchanges, crypto mining companies, investment managers, and more.

In 2022, shortly after BlockFills' Series A Round, the industry experienced significant turmoil as a major algorithmic stablecoin, Terraform Labs' UST, de-pegged and lost essentially all of its value, leading to many individual investors and industry firms experiencing significant losses. Subsequent to those events, several industry players experienced significant losses either directly or indirectly tied to UST, which had many downstream impacts such as bankruptcies and significant counterparty risk management issues from 2022 and into 2023. Indeed, many well-known cryptocurrency businesses have ceased to exist after the de-pegging, including Voyager, Celsius, BlockFi, FTX, and Terraform Labs. Despite BlockFills strategically operating in unique space in the cryptocurrency industry, it was not immune to the widespread damage done to the cryptocurrency industry.

BlockFills also suffered numerous losses on account of uncontrollable contract counterparty risk, contested litigation with a now-bankruptcy cryptocurrency company, Celsius, and a failed mining hardware investment, all as more fully described in Article VI herein.

Additionally, prior to the Petition Date, on March 12, 2026, the Debtors determined, in a sound exercise of their business judgment, that it was advisable and in the best interests of the Debtors and their stakeholders to establish a special committee of the board (the "Special Committee") and to appoint a disinterested director to serve thereon. The Special Committee was delegated certain rights, authority, and powers in connection with any matters in which a conflict of interest exists or is reasonably likely to exist between the Debtors, on the one hand, and any of their current or former directors, managers, officers, investment committee members, special or other committee members, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns, subsidiaries, affiliates, partners, limited partners, or any other professionals, advisors, or related entities on the other hand (each, a "Conflicts Matter"). The board appointed Matthew Kahn to serve as the Disinterested Director. Since its inception, the Special Committee has been tasked with reviewing, negotiating, evaluating, and approving, if applicable, any Conflicts Matter and exercising certain rights, authority, and powers in connection with any Conflicts Matter, as is necessary, in the Special Committee's sole discretion. The Special Committee is represented by independent counsel, Cole Schotz P.C. ("Cole Schotz"). To date, the Debtors have complied with all discovery requests related to investigations initiated and maintained by the Special Committee.

On the first day of the Chapter 11 Cases, the Debtors filed the First Day Declaration. The First Day Declaration included as an exhibit a non-binding term sheet outlining the framework for the NewCo Transaction, a consensual restructuring. Although the framework proposed under the term sheet remains a viable option for the Debtors in the Chapter 11 Cases, the Debtors, in their business judgement, wish to explore any and all value-maximizing transactions that could benefit the Debtors' estates and their creditors. To that end, the Debtors, with the assistance of Berkeley Research Group, LLC ("BRG") and their other advisors, continued their prepetition marketing efforts during these Chapter 11 Cases to canvas the market and identify interest in a transaction with a third-party investor.

Shortly after commencing the Chapter 11 Cases, the Debtors filed the Bidding Procedures Motion, which set a timeline for interested parties to submit bids for an acquisition of the Debtors' assets and procedures for conducting an auction if multiple bids were received. On [_____], 2026, the Bankruptcy Court entered the *Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (II) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (III) Approving Assumption and Assignment Procedures, (IV) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (V) Granting Related Relief* [Docket No. [__]] (the procedures approved thereby, the "Bidding Procedures") which, among others, established the Bid Deadline (as defined in the Bidding Procedures) as May 8, 2026, at 4:00 p.m., prevailing Eastern Time and set the Auction (as defined in the Bidding Procedures) for May 13, 2026 at 10:00 a.m., prevailing Eastern Time. Throughout the Sale Process, the Debtors will continue to evaluate bids received from potential transaction parties in comparison both to other bids received and the recoveries contemplated by the NewCo Transaction as it provided a critical metric in the Debtors' determination of their path forward.

The Plan allows the Debtors to effectuate either the Alternative Transaction or the NewCo Transaction, whichever maximizes the value of the Debtors' estates and recoveries of the Debtors' creditors. The Plan, among other things:

- contemplates payment in full of Administrative Claims, Secured Tax Claims, Other Priority Claims, and the Celsius Secured Claim.

- provides for the distribution of Cryptocurrency, Cash, and/or interests in NewCo, to the extent applicable, to Holders of Allowed Claims or Allowed Interests entitled to receive distributions under the Plan.

- creates the GUC Trust, which shall be overseen by the GUC Trust Oversight Committee and administered according to the Liquidation Trust Agreement, to, among other things, commence, litigate and settle the Vested Causes of Action and make distributions pursuant to the terms of the Plan and the Liquidation Trust Agreement.

The Debtors believe that the Plan maximizes stakeholder recoveries in the Chapter 11 Cases. Accordingly, the Debtors urge all Holders of Allowed Claims entitled to vote to accept the Plan by returning their ballots so that Verita actually receives such ballots by June 15, 2026, at 4:00 p.m., prevailing Eastern Time (the "Voting Deadline"). Assuming the Plan receives the requisite acceptances, the Debtors will seek the Bankruptcy Court's approval of the Plan at a hearing on June 22, 2026, at 10:00 a.m., prevailing Eastern Time (the "Confirmation Hearing").

IV. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND THE PLAN

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date the chapter 11 case is commenced. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

Consummating a plan is the principal objective of a chapter 11 case. A bankruptcy court's confirmation of a plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor (whether or not such creditor or equity interest holder voted to accept the plan), and any other entity as may be ordered by the bankruptcy court. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor's liabilities in accordance with the terms of the confirmed plan.

B. Why are the Debtors sending me this Disclosure Statement?

The Debtors are seeking to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all holders of claims and interests whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

C. Am I entitled to vote on the Plan?

Your ability to vote on, and your distribution under, the Plan, if any, depends on what type of Claim or Interest you hold. Each category of Holders of Claims or Interests, as set forth in Article III of the Plan pursuant to section 1122(a) of the Bankruptcy Code, is referred to as a "Class." Each Class's respective voting status is set forth below.

Class	Claim or Interest	Status	Voting Rights
1	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Celsius Secured Claim	Unimpaired	Not Entitled to Vote (Deemed to Accept)
5	Participating Customer Claims	Impaired	Entitled to Vote
6	Convenience Claims	Impaired	Entitled to Vote
7	General Unsecured Claims	Impaired	Entitled to Vote
8	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept)
10	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept)
11	Existing Equity Interests	Impaired	Not Entitled to Vote (Deemed to Reject)

D. What will I receive from the Debtors if the Plan is consummated?

The following chart provides a summary of the anticipated recovery to Holders of Claims and Interests under the Plan. Any estimates of Claims and Interests in this Disclosure Statement may vary from the final amounts allowed by the Bankruptcy Court. Your ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain Confirmation and meet the conditions necessary to consummate the Plan. Amounts in the far right column under the heading "Liquidation Recovery" are estimates only and are based on certain assumptions described herein and set forth in greater detail in the liquidation analysis attached hereto as **Exhibit B** (the "Liquidation Analysis").

In a hypothetical liquidation under chapter 7 of the Bankruptcy Code, Holders of Participating Customer Claims, Convenience Claims, and General Unsecured Claims would likely receive a significantly reduced recovery relative to what such Holders would receive under the Plan. In the event of a chapter 7 liquidation, the Bankruptcy Court may appoint a trustee (the "Liquidating Trustee") to oversee and effectuate the liquidation of the Debtors' assets. The Liquidating Trustee's fees and expenses would be paid by the Debtors and would be paid prior to any Participating Claims, Convenience Claims, or General Unsecured Claims. Given the novelty and complexity of the Debtors' business and the strong likelihood that any Liquidating Trustee appointed by the Bankruptcy Court may have minimal cryptocurrency experience, the Liquidating Trustee's fees and expenses and the anticipated reduction in value obtained through the monetization of cryptocurrency by the Liquidating Trustee would likely result in Holders of General Unsecured Claims receiving significantly reduced recoveries.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE BASED ON, AMONG OTHER THINGS, ALLOWED CLAIMS ARISING FROM THE REJECTION OF EXECUTORY CONTRACTS OR UNEXPIRED LEASES AND THE RESOLUTION OF DISPUTED CLAIMS. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS, REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN.[4]

Class	Claim or Interest	Treatment	Projected Amount of Allowed Claims (in $mm)	Projected Alternative Transaction Recovery under the Plan	Projected NewCo Transaction Recovery under the Plan	Liquidation Recovery
1	Secured Tax Claims	Under either a NewCo Transaction or Alternative Transaction, each Holder of an Allowed Secured Tax Claim shall receive, in full and final satisfaction of such Allowed Secured Tax Claim, at the option of the GUC Trust, payment in full in Cash of such Holder's Allowed Secured Tax Claim or such other treatment rendering such Holder's Allowed Secured Tax Claim Unimpaired.	[__]	N/A	N/A	N/A
2	Other Secured Claims	Under either a NewCo Transaction or Alternative Transaction, each Holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction of such Allowed Other Secured Claim, at the option of the GUC Trust, payment in full in Cash of such Holder's Allowed Other Secured Claim or such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.	$[__]	[__]%	[__]%	[__]%
3	Other Priority Claims	Under either a NewCo Transaction or Alternative Transaction, each Holder of an Allowed Other Priority Claim shall receive, in full and final satisfaction of such Allowed Other Priority Claim, at	$[__]	[__]%	[__]%	[__]%

[4] The recoveries set forth below may change based upon changes in the amount of Claims that are Allowed as well as other factors related to the Debtors' business operations and general economic conditions.

Class	Claim or Interest	Treatment	Projected Amount of Allowed Claims (in $mm)	Projected Alternative Transaction Recovery under the Plan	Projected NewCo Transaction Recovery under the Plan	Liquidation Recovery
		the option of the applicable Debtor, payment in full in Cash of such Holder's Allowed Other Priority Claim or such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.				
4	Celsius Secured Claim	Under either a NewCo Transaction or Alternative Transaction, each Holder of an Allowed Celsius Secured Claim shall receive, in full and final satisfaction of such Allowed Celsius Secured Claim, at the option of the applicable Debtor, payment in full in Cash of such Holder's Allowed Celsius Secured Claim or such other treatment rendering such Holder's Allowed Celsius Secured Claim Unimpaired.	$[__]	[__]%	[__]%	[__]%
5	Participating Customer Claims	Each Holder of an Allowed Participating Customer Claim will receive in full and final satisfaction of such Allowed Participating Customer Claim: (i) if the NewCo Transaction occurs: A. such Holder's Pro Rata share of Distributable Assets or Pro Rata share of NewCo Interests, subject to the Participating Customer Election; and B. such Holder's Pro Rata Share of the GUC Trust Interests; or (ii) if the Alternative Transaction occurs: A. such Holder's Pro Rata share of the Distributable Assets; and B. such Holder's Pro Rata share of the GUC Trust Interests.	$[__]	[__]%	[__]%	[__]%
6	Convenience Claims	Under either a NewCo Transaction or Alternative Transaction, each Holder of an Allowed Convenience Claim will receive in full and final satisfaction of such Allowed Convenience Class Claim, such Holder's Pro Rata Share of the Convenience Class Recovery Pool.	$[__]	[__]%	[__]%	[__]%
7	General Unsecured Claims	Under either a NewCo Transaction or Alternative Transaction, each Holder of an Allowed General Unsecured Claim will receive, in full and final satisfaction of such Holder's General Unsecured Claim, such Holder's share of the the GUC Trust Interests and Distributable Assets.	$[__]	[__]%	[__]%	[__]%
8	Section 510(b) Claims	Under either a NewCo Transaction or Alternative Transaction, each Section 510(b) Claim will be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and each Holder of a Section 510(b) Claim will not receive any distribution on account of such 510(b) Claim.	$[__]	[__]%	[__]%	[__]%

Class	Claim or Interest	Treatment	Projected Amount of Allowed Claims (in $mm)	Projected Alternative Transaction Recovery under the Plan	Projected NewCo Transaction Recovery under the Plan	Liquidation Recovery
9	Intercompany Claims	Each Allowed Intercompany Claim shall be Reinstated, distributed, contributed, set off, settled, cancelled and released, or otherwise addressed at the option of the Post-Effective Date Debtors or GUC Trust, as applicable.	$[__]	[__]%	[__]%	[__]%
10	Intercompany Interests	On the Effective Date, all Intercompany Interests shall be, at the option of the Debtors, either (a) Reinstated in accordance with Article III.G of the Plan or (b) set off, settled, addressed, distributed, contributed, merged, or cancelled.	$[__]	[__]%	[__]%	[__]%
11	Existing Equity Interests	Without the need for any further corporate or limited liability company action or approval or any board of directors, board of manager, members, shareholders, or officers of any Debtor, as appliable, all Existing Equity Interests shall be cancelled, released, and extinguished without any distribution, and will be of no further force or effect, and each Holder of an Existing Equity Interest shall not receive or retain any distribution, property, or other value on account of such Existing Equity Interest.	$[__]	[__]%	[__]%	[__]%

E. What will I receive from the Debtors if I hold an Allowed Administrative Claim?

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan. The chart below summarizes the various unclassified claims and provides the relevant section of the Plan that addresses their treatment:

Claim	Description of Claim	Plan Section
Administrative Claims	A Claim against a Debtor for the costs and expenses of administration of the Chapter 11 Cases arising on or after the Petition Date and prior to the Effective Date pursuant to section 503(b) of the Bankruptcy Code and entitled to priority pursuant to sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date until and including the Effective Date of preserving the Estates and operating the Debtors' business and (b) Allowed Professional Fee Claims. For the avoidance of doubt, any Cryptocurrency inadvertently deposited to the Debtors' account(s) after the Petition Date shall be returned in full to the sender.	Article II, Section A
Professional Fee Claims	Any Administrative Claim by a Professional for compensation for services rendered or reimbursement of expenses incurred by such Professional through and including the Effective Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court.	Article II, Section B
Priority Tax Claims	Any Claim of a Governmental Unit against a Debtor of the kind specified in section 507(a)(8) of the Bankruptcy Code.	Article II, Section C

F. What is the "toggle" feature of the Plan?

The "toggle" feature of the Plan provides that the Debtors may, in their reasonable business judgment, with the assistance of their advisors, determine whether the NewCo Transaction or the Alternative Transaction maximizes the value of the Debtors' estates, and that the Debtors may then elect which transaction to pursue. Such distributions under either transaction shall be made to creditors in accordance with Article IV of the Plan. The "toggle" allows the Debtors to seamlessly elect either the NewCo Transaction or the Alternative Transaction and to initiate distributions to Holders of Claims without the need to restart the Disclosure Statement and Plan solicitation process. As a result, Holders of Claims will receive recoveries under the Plan on a much quicker timeline than if the Debtors have to recommence the solicitation process on the standalone plan.

G. What are the sources of Consideration and other consideration required to fund the Plan?

The Debtors and GUC Trust, as applicable, will fund distributions under the Plan with (i) Cash on hand and Cryptocurrency on hand on the Effective Date; (ii) proceeds from the Alternative Transaction; (iii) the Convenience Class Recovery Pool, and (iv) the revenues and proceeds of all assets of the Debtors or the GUC Trust Assets, including proceeds from all Causes of Action not settled, released, discharged, enjoined, or exculpated under the Plan and the Convenience Class Recovery Pool or otherwise on or prior to the Effective Date.

Notwithstanding anything to the contrary in the Plan or in the Asset Purchase Agreement, on the Effective Date, any Cause of Action not settled, released, discharged, enjoined, or exculpated under the Plan on or prior to the Effective Date shall vest in the GUC Trust and shall be subject to administration by the GUC Trustee.

H. Are any regulatory approvals required to consummate the Alternative Transaction or the NewCo Transaction and confirm the Plan?

The Debtors are continuing to analyze whether regulatory approvals are required to consummate the Plan. To the extent any such regulatory approvals or other authorizations, consents, rulings, or documents are necessary to implement and effectuate the Plan, it is a condition precedent to the Effective Date that they be obtained.

I. How will I receive my recovery as a Holder of an Allowed Claim if the Alternative Transaction is not consummated?

In the event that the Alternative Transaction is not consummated, the Debtors will outline the steps necessary for Holders of Allowed Claims to receive their distributions, as outlined in Article III of the Plan, and will describe the transition process in further detail.

J. What happens to my recovery if the Plan is not confirmed or does not go effective?

In the event that the Plan is not confirmed or does not go effective, there is no assurance that the Debtors will be able to consummate either the NewCo Transaction or the Alternative Transaction. It is possible that any alternative transaction may provide Holders of Allowed Claims and Interests with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, *see* Article XI.B of this Disclosure Statement, titled "Best Interests of Creditors—Liquidation Analysis" and the Liquidation Analysis attached hereto as **Exhibit B**.

K. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation"?

"Confirmation" of the Plan refers to approval of the Plan by the Bankruptcy Court. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation of the Plan by the Bankruptcy Court, there are conditions that need to be satisfied or waived so that the Plan can go effective. Initial distributions to Holders of Allowed Claims will only be made on the date the Plan becomes effective—the "Effective Date"—or as soon as practicable thereafter, as specified in the Plan. *See* Article IX of the Plan for a description of the conditions precedent to consummation of the Plan.

L. Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and may object to Confirmation of the Plan as well, which could potentially lead to litigation.

As of the Petition Date, the Debtors were parties to certain litigation matters that arose in the ordinary course of operating their business and could become parties to additional litigation in the future. Although the Debtors have disputed, are disputing, or will dispute in the future the amounts asserted by such litigation counterparties, to the extent these parties are ultimately entitled to a higher amount than is reflected in the amounts estimated by the Debtors herein, the value of recoveries to Holders of Allowed Participating Customer Claims, Convenience Claims, or General Unsecured Claims, could change, and such changes could be material.

The Debtors may also reject Executory Contracts and Unexpired Leases, which may result in parties asserting General Unsecured Claims for rejection damages. An increase in the estimated amount of rejection damages claims could result in reduced recoveries for Holders of Allowed Participating Customer Claims, Convenience Claims, or General Unsecured Claims. Finally, the Debtors may object to certain Proofs of Claim, and any such objections ultimately could cause the total amount of Allowed General Unsecured Claims to change. These changes could affect recoveries to Holders of Allowed Participating Customer Claims, Convenience Claims, or General Unsecured Claims, and such changes could be material.

M. Does the Plan provide for the subordination of any Claims?

The Plan does not contemplate the subordination of any claims. However, the Debtors and the GUC Trust reserve the right to reclassify and/or subordinate any Allowed Claim or Allowed Interest, pursuant to section 510(b) of the Bankruptcy Code, in accordance with any contractual, legal, or equitable subordination, as outlined in Article III.F of the Plan.

N. Will there be releases and exculpation granted to parties in interest as part of the Plan?[5]

Yes, Article VIII of the Plan proposes to provide certain releases to the Released Parties and also provides for exculpation of the Exculpated Parties. The release, exculpation, and injunction provisions that are contained in the Plan are copied in Article V.K. and Article V.L of this Disclosure Statement.

The Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' chapter 11 process through, among other things, efforts to market and sell the Debtors' assets and negotiate and implement the Plan, which will maximize value for the benefit of all parties in interest.

You may have claims against certain of the foregoing parties that are not Debtors in the Chapter 11 Cases. Article VIII of the Plan provides that you may not bring claims against these non-Debtor parties unless you affirmatively elect to opt out of the releases of the Plan by (a) checking the appropriate box on such Holder's timely and properly submitted applicable ballot or notice of non-voting status indicating that they opt not to grant the releases provided for in the Plan or (b) timely filing an objection to the Plan's release provisions, provided such objection is not resolved before Confirmation.

The Debtors believe that the releases and exculpations in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Third Circuit. Moreover, the Debtors will present evidence at the Confirmation Hearing to demonstrate the basis for and propriety of the release and exculpation provisions.

ALL HOLDERS OF CLAIMS THAT (I) VOTE TO ACCEPT THE PLAN; (II) ARE DEEMED TO ACCEPT THE PLAN AND DO NOT AFFIRMATIVELY OPT OUT OF THE RELEASE PROVIDED FOR

[5] The Special Committee's investigation is ongoing. The releases contemplated in the Plan, including without limitation the release of the Debtors and the scope of the Released Parties, is subject in all respect to the conclusion of the Special Committee's investigation and the Special Committee's ultimate determination with respect to any potential Claims or Causes of Action, if any, identified therein, and the Debtors expressly reserve the right to determine prior to Confirmation of the Plan not to release and to bring any such Claims or Causes of Action.

IN THE PLAN BY CHECKING THE BOX ON THE APPLICABLE NOTICE OF NON-VOTING STATUS INDICATING THAT THEY OPT NOT TO GRANT THE RELEASES PROVIDED IN THE PLAN; (III) ABSTAIN FROM VOTING ON THE PLAN AND WHO DO NOT AFFIRMATIVELY OPT OUT OF THE RELEASES PROVIDED FOR IN THE PLAN BY CHECKING THE BOX ON THE APPLICABLE BALLOT INDICATING THAT THEY OPT NOT TO GRANT THE RELEASES PROVIDED FOR IN THE PLAN; AND (IV) VOTE TO REJECT THE PLAN OR ARE DEEMED TO REJECT THE PLAN AND WHO DO NOT AFFIRMATIVELY OPT OUT OF THE RELEASES PROVIDED FOR IN THE PLAN BY CHECKING THE BOX ON THE APPLICABLE BALLOT OR NOTICE OF NON-VOTING STATUS INDICATING THAT THEY OPT NOT TO GRANT THE RELEASES PROVIDED FOR IN THE PLAN WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY RELEASED AND DISCHARGED ALL CLAIMS AND CAUSES OF ACTION AGAINST THE RELEASED PARTIES, INCLUDING THE DEBTORS OR THE POST-EFFECTIVE DATE DEBTORS, AS APPLICABLE.

O. What is the deadline to vote on the Plan?

The Voting Deadline is June 15, 2026, at 4:00 p.m., prevailing Eastern Time.

P. How do I vote for or against the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the ballots distributed to Holders of Claims that are entitled to vote on the Plan. To be counted as votes to accept or reject the Plan, each ballot (a "Ballot") must be properly executed, completed, and delivered in accordance with the instructions provided such that a vote cast is **actually received** before the Voting Deadline by Verita. *See* Article X of this Disclosure Statement, entitled "Solicitation and Voting Procedures."

IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE CLAIMS, NOTICING, AND SOLICITATION AGENT. ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE VOTING INSTRUCTIONS WILL NOT BE COUNTED EXCEPT AS DETERMINED BY THE DEBTORS.

Q. Why is the Bankruptcy Court holding a Confirmation Hearing?

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing on Confirmation of the Plan and recognizes that any party in interest may object to Confirmation of the Plan.

R. When is the Confirmation Hearing set to occur?

The Debtors will request that the Bankruptcy Court schedule the Confirmation Hearing for June 22, 2026, at 10:00 a.m., prevailing Eastern Time. The Confirmation Hearing may be adjourned from time to time without further notice. The Bankruptcy Court, in its discretion and prior to the Confirmation Hearing, may put in place additional procedures governing the Confirmation Hearing. Subject to section 1127 of the Bankruptcy Code, the Plan may be modified, if necessary, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

Objections to Confirmation of the Plan must be filed and served on the Debtors, and certain other parties, by June 15, 2026, at 4:00 p.m., prevailing Eastern Time in accordance with the notice of the Confirmation Hearing that accompanies this Disclosure Statement.

The Debtors will publish the notice of the Confirmation Hearing, which will contain the deadline for objections to the Plan and the date and time of the Confirmation Hearing, national edition of *The Wall Street Journal*, *The New York Times*, or *USA Today* to provide notification to those persons who may not receive notice by mail. The Debtors may also publish the notice of the Confirmation Hearing in such trade or other publications as the Debtors may choose.

S. What is the purpose of the Confirmation Hearing?

The confirmation of a plan by a bankruptcy court binds the debtor, any issuer of securities under a plan, any person acquiring property under a plan, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code.

T. What steps did the Debtors take to evaluate alternatives to a chapter 11 filing?

As described in Article VII herein, as well as in the First Day Declaration, prior to the Petition Date, the Debtors evaluated numerous potential alternatives, including options relating to mergers, sales, capital raising, operational changes, and consensual recapitalizations, to provide stability and requisite capitalization to their business enterprise in light of significant market volatility.

U. Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact the Claims, Noticing, and Solicitation Agent:

By electronic mail at:
www.veritaglobal.net/BlockFills/inquiry.

By telephone at:
(866) 554-5810 (USA or Canada) or +1 (781)575-2032 (International)

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in these Chapter 11 Cases are available upon written request to the Debtors' Claims, Noticing, and Solicitation Agent at the address above or by downloading the exhibits and documents from the website of the Debtors' Claims, Noticing, and Solicitation Agent at https://www.veritaglobal.net/BlockFills (free of charge) or the Bankruptcy Court's website at https://www.deb.uscourts.gov/ (for a fee).

V. THE DEBTORS' PLAN

A. Restructuring Transactions

On or before the Effective Date, the applicable Debtors will take any action as may be necessary or advisable to effectuate the Restructuring Transactions described in the Plan, including (1) the execution and delivery of any appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution, or liquidation containing terms that are consistent with the Plan, and that satisfy the requirements of applicable law, (2) the execution and delivery of appropriate instruments of transfer, assignment , assumption or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan, (3) the filing of appropriate certificates or articles of incorporation, reincorporation, merger consolidation, conversion, or dissolution pursuant to appliable state law, (4) the transfer or distribution of any Distributable Assets, (5) the execution and delivery of the Liquidation Trust Agreement, (6) any transactions necessary or appropriate to form or convert into the GUC Trust, (7) such other transactions that are required to effectuate the Restructuring Transactions, including any sales, mergers, consolidations, restructurings, conversions, dispositions, transfers, formations, organizations, dissolutions, or liquidations, (8) in the event of an Alternative Transaction, all transactions necessary to provide for the purchase of the Acquired Assets pursuant to the Asset Purchase Agreement, if any, and (9) all other actions that the applicable Entities determine to be necessary or appropriate, or that are reasonably requested by the Purchaser (if any) in accordance with the Asset Purchase Agreement, including making Filings or recordings that may be required by applicable law.

The Confirmation Order shall, and shall be deemed to, pursuant to sections 1123 and 363 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

B. The Alternative Transaction

If the Debtors so determine, in consultation with the Committee, before the Confirmation Hearing, the Debtors shall effectuate the Alternative Transaction. On the Effective Date, the Debtors shall consummate the Alternative Transaction, and, among other things, either (a) the Acquired Assets, as set forth in the Asset Purchase Agreement, shall be transferred to and vest in the Purchaser free and clear of all Liens, Claims, charges or other encumbrances pursuant to the terms of the Assets Purchase Agreement and Confirmation Order and/or (b) the GUC Trust Assets shall vest in the GUC Trust free and clear of all Liens, Claims, charges or other encumbrances pursuant to the terms of the Confirmation Order. The Purchaser, if applicable, shall be deemed not to be a successor or mere continuation of the Debtors. On the Effective Date, the Purchaser, if any, shall pay to the Debtors the proceeds from the Alternative Transaction, as and to the extent provided for in the Asset Purchase Agreement. In the event of a sale pursuant to the Bidding Procedures, the Confirmation Order shall: (a) approve the Asset Purchase Agreement, if any; and (b) authorize the Debtors or Post-Effective Date Debtors, as applicable, to undertake the transactions contemplated by the Asset Purchase Agreement, including pursuant to sections 363, 365, 1123(a)(5)(B), and 1123(a)(5)(D) of the Bankruptcy Code.

Notwithstanding anything contained in the Plan and any Definitive Documents, if an Alternative Transaction does not occur pursuant to the Bidding Procedures, all provisions contained in the Plan and the Definitive Documents governing the Alternative Transaction shall have no further force and effect to the extent contemplated under the Bidding Procedures, and the provisions and Definitive Documents governing the Alternative Transaction shall govern solely to the extent applicable to the liquidation and wind down of the Debtors' estates in accordance with the Plan as implemented by the GUC Trust. The rights and remedies of the Seller and Purchaser under the Asset Purchase Agreement and any related orders of the Bankruptcy Court shall be expressly preserved.

If the Alternative Transaction occurs, then the following terms shall govern:

1. *Vesting of Assets*

Except as otherwise provided in the Plan, the Confirmation Order, the Asset Purchase Agreement (if any), or any agreement, instrument, or other document incorporated herein or therein, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, the assets of the Debtors that are not transferred to the Purchaser pursuant to the Asset Purchase Agreement, if any, shall vest in the GUC Trust free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided for in the Plan or the Asset Purchase Agreement, the GUC Trust, on behalf of the Post-Effective Date Debtors, may operate the Post-Effective Date Debtors' business and use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action.

2. *Sources of Consideration for Plan Distributions*

The Debtors and GUC Trust, as applicable, will fund distributions under the Plan with (i) Cash and Cryptocurrency on hand on the Effective Date; (ii) proceeds from the sale of the Debtors' assets pursuant to the Bidding Procedures, if any; (iii) the Convenience Class Recovery Pool, and (iv) the revenues and proceeds of all assets of the Debtors or the GUC Trust Assets, including proceeds from all Causes of Action not settled, released, discharged, enjoined, or exculpated under the Plan and the Convenience Class Recovery Pool or otherwise on or prior to the Effective Date.

Notwithstanding anything to the contrary in the Plan or in the Asset Purchase Agreement (if any), on the Effective Date, any Cause of Action not settled, released, discharged, enjoined, or exculpated under the Plan on or prior to the Effective Date shall vest in the GUC Trust and shall be subject to administration by the GUC Trustee.

3. *Dissolution of the Board of the Debtors*

As of the Effective Date, the existing board of directors or managers, as applicable, of the Debtors shall be dissolved without any further action required on the part of the Debtors or the Debtors' officers, directors, managers, shareholders, or members, and any remaining officers, directors, managers, or managing members of any Debtor shall be dismissed without any further action required on the part of any such Debtor, the equity holders of the Debtors, the

officers, directors, or managers, as applicable, of the Debtors, or the members of any Debtor. Subject in all respects to the terms of the Plan, the Post-Effective Date Debtors shall be dissolved as soon as practicable on or after the Effective Date, but in no event later than the closing of the Chapter 11 Cases.

As of the Effective Date, the GUC Trustee shall act as an officer, director, and manager, as applicable, of the Post-Effective Date Debtors with respect to their affairs. Subject in all respects to the terms of the Plan, the GUC Trustee shall have the power and authority to take any action necessary to wind down and dissolve any of the Post-Effective Date Debtors, and shall: (a) file a certificate of dissolution for any of the Post-Effective Date Debtors, together with all other necessary corporate and company documents, to effect the dissolution of the Post-Effective Date Debtors under the applicable laws of its state of formation; and (b) complete and file all final or otherwise required federal, state, and local tax returns and shall pay taxes required to be paid for any of the Debtors or Post-Effective Date Debtors, and pursuant to section 505(b) of the Bankruptcy Code, request an expedited determination of any unpaid tax liability of any of the Debtors, Post-Effective Date Debtors, or their Estates for any tax incurred during the administration of such Debtor's or Post-Effective Date Debtors' Chapter 11 Case, as determined under applicable tax laws.

The filing by the GUC Trustee of any of the Post-Effective Date Debtors' certificate of dissolution shall be authorized and approved in all respects without further action under applicable law, regulation, order, or rule, including any action by the stockholders, members, board of directors, or board of managers of the Post-Effective Date Debtors or any of their affiliates.

4. *Post-Effective Date Debtors*

On and after the Effective Date, the Post-Effective Date Debtors shall continue in existence for purposes of (a) winding down the Debtors' business and affairs as expeditiously as reasonably possible, (b) resolving Disputed Claims, (c) making distributions on account of Allowed Claims as provided hereunder, (d) filing appropriate tax returns, (e) complying with their continuing obligations under the Asset Purchase Agreement, if any, and (f) administering the Plan in an efficacious manner. The Post-Effective Date Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (i) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court and (ii) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement for the GUC Trustee or the Post-Effective Date Debtors to file motions or substitutions of parties or counsel in each such matter.

5. *GUC Trustee*

The GUC Trustee shall act for the Post-Effective Date Debtors in the same fiduciary capacity as applicable to a board of managers, directors, and officers, subject to the provisions hereof (and all certificates of formation, membership agreements, and related documents are deemed amended by the Plan to permit and authorize the same). On the Effective Date, the authority, power, and incumbency of the persons acting as managers, directors, or sale director of the Post-Effective Date Debtors shall be deemed to have resigned, solely in their capacities as such, and the GUC Trustee shall be appointed as the sole manager, sole director, and sole officer of the Post-Effective Date Debtors, and shall succeed to the powers of the Post-Effective Date Debtors' managers, directors, and officers. From and after the Effective Date, the GUC Trustee shall be the sole representative of, and shall act for, the Post-Effective Date Debtors. The foregoing shall not limit the authority of the Post-Effective Date Debtors or the GUC Trustee, as applicable, to continue the employment of any former manager, officer, or professional including pursuant to any transition services agreement entered into on or after the Effective Date by and between the Post-Effective Date Debtors and the Purchaser.

C. The NewCo Transaction

If determined by the Debtors before the Confirmation Hearing, the Debtors shall effectuate the NewCo Transaction. If the NewCo Transaction occurs, the following provisions shall govern:

1. *Sources of Consideration for Plan Distributions*

The Debtors, the Post-Effective Date Debtors, or the GUC Trust, as applicable, will fund distributions under the Plan with (i) Cash and Cryptocurrency on hand on the Effective Date, (ii) the Participating Customer Contribution, (iii) the Convenience Class Recovery Pool, (iv) the revenues and proceeds of all assets of the Debtors, including proceeds from all Causes of Action not settled, released, discharged, enjoined, or exculpated under the Plan or otherwise prior to the Effective Date, and (v) the Interests in NewCo.

2. *Issuance and Distribution of the Interests in NewCo*

On the Effective Date, NewCo shall issue the NewCo Interests to (i) the Participating Customers who shall each receive their Pro Rata share of such interests and (ii) such other Persons or Entities, if any, entitled to receive NewCo Interests in accordance with the New Organizational Documents and/or any other document contained in the Plan Supplement. The issuance of NewCo Interests under the Plan is duly authorized without the need for any further corporate action and without any further action by the Debtors or Post-Effective Date Debtors or the Holders of Claims. All NewCo Interests issued under the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

On the Effective Date, NewCo will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state of incorporation or formation in accordance with the applicable laws of the respective state of incorporation or formation. The New Organizational Documents shall be consistent with section 1123(a)(6) of the Bankruptcy Code. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Organizational Documents will prohibit the issuance of non-voting equity securities. After the Effective Date, NewCo may amend and restate its respective New Organizational Documents and other constituent documents as permitted by the laws of the state of incorporation and the New Organizational Documents.

3. *Participating Customer Investment*

Pursuant to the Participating Customer Election, each of the Participating Customers has the option to make the Participating Customer Contribution through contributing all or a percentage of their Participating Customer Distribution and Participating Customer Claim to NewCo in exchange for the Pro Rata shares of NewCo Interests in accordance with the New Organizational Documents.

4. *Corporate Existence*

Except as otherwise provided in the Plan or the New Organizational Documents, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, each Post-Effective Date Debtor shall continue to exist after the Effective Date as a separate corporation, limited liability company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Post-Effective Date Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other analogous formation documents) in effect before the Effective Date, except to the extent such certificate of incorporation and bylaws (or other analogous formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval.

5. *Transfer of Assets to NewCo*

Except as of otherwise provided in the Plan or Plan Supplement, or in any agreement, instrument, or other document incorporated into the Plan, on the Effective Date, pursuant to sections 363, 1123(a)(5), and 1141(c) of the Bankruptcy Code: (1) all NewCo Assets shall be transferred to and vest in NewCo and/or its subsidiaries free and clear of any Liens, Claims, interests, charges, or other encumbrances and (2) the GUC Trust Assets, all other property in each Debtors' Estate, all Causes of Action that are not released, and any property that is acquired by any of the Debtors shall vest in the GUC Trust free and clear of all Liens, Claims, Interests, charges, or other encumbrances. For the avoidance of doubt, (i) NewCo shall not assume, be deemed to have assumed, or be liable for any liabilities of any of the Debtors except as, and solely to the extent, expressly set forth herein; (ii) the NewCo Transaction is not, and shall not be deemed to be, a *de facto* merger of any of the Debtors and NewCo, or any Affiliates of the foregoing;

(iii) NewCo is not, and shall not be deemed to be a mere continuation of any of the Debtors, continuation of any of the Debtors, any Affiliates thereof, or any of their respective businesses or operations; and (iv) the NewCo Transaction has been entered into in good faith and not for any fraudulent purpose or to escape any liabilities of the Debtors. On and after the Effective Date, except as otherwise provided herein, NewCo and/or its subsidiaries and each Post-Effective Date Debtor (or the GUC Trustee) may operate its business in accordance with applicable law and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

6. *Directors and Officers of NewCo*

As of the Effective Date, the terms of the current members of the board of directors of the Debtors shall expire, and the new directors and officers of NewCo shall be appointed. In subsequent terms, following the Effective Date, the directors and offices of NewCo shall be appointed in accordance with the New Organizational Documents and other constituent documents of NewCo. The Debtors shall select the members of the New Board in consultation with the Committee and the identities of the members of the New Board shall be included in the Plan Supplement.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will, to the extent reasonably practicable, disclose in advance of the Confirmation Hearing the identity and affiliations of any Person proposed to serve on the New Board, as well as those Persons that will serve as officers of NewCo. To the extent any such director or officer is an "insider" under the Bankruptcy Code, the nature of any compensation to be paid to such director or officer will also be disclosed. Provisions regarding the removal, appointment, and replacement of members of the New Board will be disclosed in the New Organizational Documents.

7. *Effectuating Documents; Further Transactions*

On and after the Effective Date, the Post-Effective Date Debtors, NewCo, their respective officers, directors, and members are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the Securities issued pursuant to the Plan, including the NewCo Interests, in the name of and on behalf of the Post-Effective Date Debtors and NewCo, as applicable, without the need for any approvals, authorization, or consents.

8. *Employee Obligations*

On the Effective Date, the Debtors shall be deemed to have irrevocably waived and released all of the Debtors' employees from any and all written contracts, agreements, policies, regarding restrictive covenants or other contractual provisions which would otherwise limit the ability of NewCo to hire such employees and NewCo shall be permitted to solicit and hire any selected employees, provided however, NewCo shall not be obligated to hire any specific employees.

9. *Reporting Upon Emergence*

On the Effective Date, none of the NewCo Interests will be registered under the Securities Act or the Securities Exchange Act or listed on a national securities exchange, NewCo will not be a reporting company under the Securities Exchange Act, NewCo shall not be required to and will not file Securities Exchange Act reports with the Securities and Exchange Commission or any other entity or party, and NewCo shall not be required to file monthly operating reports with the Bankruptcy Court after the Effective Date. In order to prevent NewCo from becoming subject to the reporting requirements of the Securities Exchange Act, except in connection with a public offering, a separate agreement or NewCo's organizational documents may impose certain trading restrictions, and the NewCo Interests may be subject to certain transfer and other restrictions designed to maintain NewCo as a private, non-reporting company.

D. Common Plan Terms to Both the NewCo Transaction or the Alternative Transaction

The following terms shall govern regardless of whether the NewCo Transaction or the Alternative Transaction occurs:

1. *Authority to Act and Deliver Definitive Documents*

On or before the Effective Date, the applicable Debtors will take any action as may be necessary or advisable to effectuate either the NewCo Transaction or the Alternative Transactions, as applicable, described in the Plan, including, as applicable: (1) the execution and delivery of any appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution, or liquidation containing terms that are consistent with the terms of the Plan, and that satisfy the requirements of applicable law; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan; (3) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable state law; (4) the transfer or distribution of any Cryptocurrency or Cash; (5) the execution and delivery of the Liquidation Trust Agreement; (6) any transactions necessary or appropriate to form or convert into the GUC Trust; (7) such other transactions that are required to effectuate the NewCo Transaction or Alternative Transaction, including any sales, mergers, consolidations, restructurings, conversions, dispositions, transfers, formations, organizations, dissolutions, or liquidations; (8) all transactions necessary to provide for the purchase of the Acquired Assets by Purchaser under the Asset Purchase Agreement; and (9) all other actions that the applicable Entities determine to be necessary or appropriate, or that are reasonably requested by the Purchaser in accordance with the Asset Purchase Agreement, including making filings or recordings that may be required by applicable law.

The Confirmation Order shall, and shall be deemed to, pursuant to sections 1123 and 363 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the NewCo Transaction or Alternative Transaction.

2. *Release of Liens*

Except as otherwise expressly provided herein or in the Confirmation Order, on the Effective Date, all Liens on any property of any Debtors, Post-Effective Date Debtors, or NewCo shall automatically terminate, all property subject to such Liens shall be automatically released, and all guarantees of any Debtors, Post-Effective Date Debtors, or NewCo shall be automatically discharged and released.

3. *Corporate Action*

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (a) the implementation of the NewCo Transaction; (b) consummation of the Alternative Transaction; and (c) all other actions contemplated under or necessary to implement the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors, Post-Effective Date Debtors, of the GUC Trust, as applicable, before, on, or after the Effective Date involving the corporate structure of the Debtors, the Post-Effective Date Debtors, or the GUC Trust, and any corporate action required by the Debtors, the Post-Effective Date Debtors, or the GUC Trust in connection with the Plan or corporate structure of the Debtors, Post-Effective Date Debtors, or GUC Trust shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors, the Post-Effective Date Debtors, of the GUC Trust. Before, on, or after the Effective Date, the appropriate officers of the Debtors, the Post-Effective Date Debtors, or the GUC Trust, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Debtors or Post-Effective Date Debtors. The authorizations and approvals contemplated by V.D.3 of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

4. *Effectuating Documents; Further Transactions*

Prior to the Effective Date, the Debtors and, on and after the Effective Date, the Post-Effective Date Debtors and the GUC Trustee, and the officers and members thereof, are, authorized to and may issue, execute, deliver, file, or record to the extent not inconsistent with any provision of the Plan such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement,

and further evidence the terms and conditions of the Plan, without the need for any approvals, authorizations, notice, or consents, except for those expressly required pursuant to the Plan.

5. *Cryptocurrency Rebalancing and Distributions*

Prior to the Effective Date, the Debtors shall be authorized to rebalance their Cryptocurrency portfolio to ensure that the Debtors can effectuate *pro rata* in-kind distributions of the Distributable Cryptocurrency to the extent possible and practicable according to **Error! Reference source not found.** of the Plan. Creditors entitled to receive distributions in cryptocurrency will have their claims valued in USD as of the Petition Date. Thereafter, the Debtors will determine each creditors *pro rata* share of Distributable Assets based on the Petition Date valuation. On or prior to the Effective Date, the Debtors will rebalance their Cryptocurrency portfolio as of a date certain in order to effectuate in-kind distributions based on the *pro rata* calculation. The Debtors may effectuate such rebalancing by buying and selling Cryptocurrency and engaging in any other transaction necessary to accomplish such rebalancing. Creditors entitled to receive cryptocurrency will receive cryptocurrency in the same form as the form(s) that comprises their Claim to the extent possible and practicable. If the Debtors or Distribution Agent are unable to buy, sell, distribute, or otherwise transact with any cryptocurrency that comprises a Claim such Claim and any distribution on such Claim will be made in Cash.[6]

6. *Vesting of Causes of Action in GUC Trust*

Except as otherwise provided in the Plan, or in any agreement, instrument, or other document incorporated in the Plan, notwithstanding any prohibition of assignability under applicable non-bankruptcy law and in accordance with section 1141 of the Bankruptcy Code, on the Effective Date, all property constituting GUC Trust Assets, including all Vested Causes of Action of the Debtors (unless otherwise released, waived, compromised, settled, transferred, or discharged pursuant to the Plan), and any property acquired by any of the Debtors under the Plan shall vest in the GUC Trust, free and clear of all Liens, Claims, charges, or other encumbrances.

7. *Preservation of Vested Causes of Action*

Unless any Cause of Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors shall convey to the GUC Trustee all rights to commence, prosecute, or settle, as appropriate, any and all Vested Causes of Action, whether arising before or after the Petition Date, which shall vest in the GUC Trustee pursuant to the terms of the Plan. The GUC Trustee may enforce all rights to commence, prosecute, or settle, as appropriate, any and all Vested Causes of Action, whether arising before or after the Petition Date, and the GUC Trustee's rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The GUC Trustee may, in its reasonable business judgment, pursue such Vested Causes of Action and may retain and compensate professionals in the analysis or pursuit of such Vested Causes of Action to the extent the GUC Trustee deems appropriate, including on a contingency fee basis.

No Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the GUC Trustee will not pursue any and all available Causes of Action against them. The Debtors, Post-Effective Date Debtors, and the GUC Trustee expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Vested Cause of Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, the GUC Trustee expressly reserves all Vested Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Vested Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. The GUC Trustee reserves and shall retain the foregoing Vested Causes of Action notwithstanding the rejection of any Executory

[6] If a Claim is asserted in currency other than U.S. Dollars (including in digital assets or cryptocurrency), it will be deemed converted to the equivalent U.S. Dollar value: (i) in the case of foreign currency, using the conversion rate for the applicable currency at prevailing market prices as of 4:00 p.m. (prevailing Central Time) on the Petition Date; and (ii) in the case of digital assets or cryptocurrency, using the prevailing market prices listed as of 4:00 p.m. (prevailing Central Time) on the Petition Date.

Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. The GUC Trustee shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Vested Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to, or action, order, or approval of, the Bankruptcy Court.

E. The GUC Trust

On the Effective Date, regardless of whether a NewCo Transaction or Alternative Transaction occurs, the GUC Trust shall be formed for the benefit of the GUC Trust Beneficiaries and each of the Debtors shall transfer the GUC Trust Assets for distribution in accordance with the terms of the Plan. The Confirmation Order shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

1. *Establishment of a GUC Trust*

Pursuant to the Liquidation Trust Agreement, the GUC Trust will be established. The GUC Trust shall be a successor to the Debtors' rights, title, and interest to the GUC Trust Assets. The GUC Trust will conduct no business operations and will be charged with administering the GUC Trust Assets in accordance with the Liquidation Trust Agreement and the Plan. The GUC Trust shall be managed by the GUC Trustee and shall be subject to the GUC Trust Oversight Committee. The GUC Trust shall be administered in accordance with the terms of the Liquidation Trust Agreement and the Debtors shall transfer the GUC Trust Reserve to the GUC Trust in accordance with the GUC Trust Budget and the GUC Trust shall be permitted to administer the GUC Trust based upon available funds in the GUC Trust Budget and any additional litigation financing or other source of funding which the GUC Trust may obtain. For the avoidance of doubt, the GUC Trust shall not have any right or interest in any Cause of Action or Claim constituting an Acquired Asset. The GUC Trust shall be administered in a manner consistent with the SEC's published guidance on liquidating trusts.

Prior to the Effective Date, any and all of the Debtors' assets shall remain assets of the Estates pursuant to section 1123(b)(3)(B) of the Bankruptcy Code and on the Effective Date the GUC Trust Assets shall, subject to the Liquidation Trust Agreement, be transferred to and vest in the GUC Trust. For the avoidance of doubt, to the extent not otherwise waived in writing, released, settled, compromised, assigned or sold pursuant to a prior order or the Plan, the GUC Trust specifically retains and reserves the right to assert, after the Effective Date, any and all of the Vested Causes of Action and related rights, whether or not asserted as of the Effective Date, and all proceeds of the foregoing, subject to the terms of the Plan.

Pursuant to section 1123(b)(3)(B) of the Bankruptcy Code, only the GUC Trust and the GUC Trustee shall have the right to pursue or not to pursue, or, subject to the terms hereof and the Liquidation Trust Agreement, compromise or settle any GUC Trust Assets transferred to the GUC Trust. On and after the Effective Date, the GUC Trust and the GUC Trustee may, without further Bankruptcy Court approval, commence, litigate, and settle any Vested Causes of Action or Claims relating to any GUC Trust Assets transferred to the GUC Trust or rights to payment or Claims that belong to the Debtors as of the Effective Date or are instituted by the GUC Trust and the GUC Trustee on or after the Effective Date, except as otherwise expressly provided herein and in the Liquidation Trust Agreement. All of the GUC Trust's activities shall be subject to the GUC Trust Budget. The GUC Trust shall be entitled to enforce all defenses and counterclaims to all Claims asserted against the Debtors and their Estates, including setoff, recoupment and any rights under section 502(d) of the Bankruptcy Code.

The GUC Trust shall be deemed hereby substituted as plaintiff, defendant, or in any other capacity for the Debtors, as applicable, in any Causes of Action pending before the Bankruptcy Court or any other court that relates to a GUC Trust Asset without the need for filing any motion for such relief. On the Effective Date, the Debtors and the GUC Trustee shall execute the Liquidation Trust Agreement and shall have established the GUC Trust pursuant hereto. In the event of any conflict between the terms of **Error! Reference source not found.** of the Plan and the terms of the Liquidation Trust Agreement, the terms of the Liquidation Trust Agreement shall control.

2. *GUC Trust Assets*

Notwithstanding any prohibition on assignability under applicable non-bankruptcy law, on the Effective Date and thereafter if additional GUC Trust Assets become available, the Debtors shall be deemed, subject to the Liquidation Trust Agreement, to have automatically transferred to the applicable GUC Trust all of their right, title, and interest in and to all of the GUC Trust Assets, in accordance with section 1141 of the Bankruptcy Code. All such assets shall automatically vest in the GUC Trust free and clear of all Claims, Liens, and other interests, subject only to the Allowed Claims and Interests as set forth herein and the expenses of the GUC Trust as set forth herein and in the Liquidation Trust Agreement. Thereupon, the Debtors shall have no interest in or with respect to the GUC Trust Assets or the GUC Trust.

3. *Treatment of GUC Trust for Federal Income Tax Purposes; No Successor-in-Interest*

The GUC Trust shall be established for the primary purpose of liquidating and distributing the GUC Trust Assets transferred to it, in accordance with Treas. Reg. § 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the GUC Trust. Accordingly, the GUC Trustee may, in an expeditious but orderly manner, liquidate the GUC Trust Assets, make timely distributions to the GUC Trust Beneficiaries and not unduly prolong its duration. The GUC Trust shall not be deemed a successor-in-interest of the Debtors for any purpose other than as specifically set forth herein or in the GUC Trust Agreement. The record holders of beneficial interests shall be recorded and set forth in a register maintained by the GUC Trust expressly for such purpose.

The GUC Trust is intended to qualify as a "grantor trust" for federal income tax purposes to the extent reasonably practicable, with the GUC Trust Beneficiaries treated as grantors and owners of the GUC Trust. However, with respect to any of the assets of the GUC Trust that are subject to potential disputed claims of ownership or uncertain distributions, *or* to the extent "liquidating trust" treatment is otherwise unavailable, the Debtors anticipate that such assets will be subject to disputed ownership fund treatment under Section 1.468B-9 of the Treasury Regulations, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate federal income tax return shall be filed with the IRS for any such account. Any taxes (including with respect to interest, if any, earned in the account) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes).

4. *Appointment of GUC Trustee*

The GUC Trustee shall be selected by the Debtors, in consultation with the Committee, and shall be identified in the Plan Supplement. The appointment of the GUC Trustee shall be approved in the Confirmation Order, and the GUC Trustee's duties shall commence as of the Effective Date. The GUC Trustee shall administer the distributions to the GUC Trust Beneficiaries and shall serve as a representative of the Estates under section 1123(b) of the Bankruptcy Code for the purpose of enforcing Vested Causes of Action belonging to the Estates that are not released, waived, settled, compromised, or transferred pursuant to the Plan and subject to the limitations set forth in the Plan.

In accordance with the Liquidation Trust Agreement, the GUC Trustee shall serve in such capacity through the earlier of (i) the date on which the GUC Trust is dissolved in accordance with the Liquidation Trust Agreement, and (ii) the date on which a GUC Trustee resigns, is terminated, or is otherwise unable to serve; *provided*, *however*, that, in the event that a GUC Trustee resigns, is terminated, or is otherwise unable to serve, the GUC Trust Oversight Committee shall appoint a successor to serve as a GUC Trustee in accordance with the Liquidation Trust Agreement. If the GUC Trust Oversight Committee does not appoint a successor within the time periods specified in the Liquidation Trust Agreement, then the Bankruptcy Court, upon the motion of any party-in-interest, including counsel to the GUC Trust, shall approve a successor to serve as a GUC Trustee.

5. *Responsibilities of GUC Trustee*

Responsibilities of the GUC Trustee shall be as identified in the Liquidation Trust Agreement and shall include, but are not limited to:

(a) implementing the GUC Trust, and making distributions contemplated by the Plan;

(b) marshalling or marketing for sale any of the Debtors' assets constituting GUC Trust Assets;

(c) overseeing the accounts of the Debtors and the GUC Trust and the wind down and dissolution of the Debtors and the GUC Trust;

(d) receiving, maintaining, conserving, supervising, prosecuting, collecting, settling, managing, investing, protecting, and where appropriate, causing the GUC Trust to abandon the GUC Trust Assets, including causing the GUC Trust to invest any moneys held as GUC Trust Assets;

(e) opening and maintaining bank accounts on behalf of or in the name of the Debtors or the GUC Trust, including, in the GUC Trustee's discretion, separating bank accounts for each of the Debtors;

(f) entering into any agreement or executing any document or instrument required by or consistent with the Plan, the Confirmation Order, or this Agreement, and to perform all obligations thereunder;

(g) collecting and liquidating all GUC Trust Assets, including the sale of any GUC Trust Assets;

(h) protecting and enforcing the rights to the GUC Trust Assets (including any Vested Causes of Action) vested in the GUC Trust and GUC Trustee by the Plan or Liquidation Trust Agreement by any method deemed appropriate, including, without limitation, by judicial proceedings or otherwise;

(i) investigating any GUC Trust Assets, and any other potential Vested Causes of Action;

(j) reviewing, reconciling, compromising, settling, objecting, or prosecuting Claims or Interests of any kind;

(k) seeking the examination of any Person pursuant to Federal Rule of Bankruptcy Procedure 2004;

(l) retaining professionals, disbursing agents, and other agents, independent contractors, and third parties pursuant to the Liquidation Trust Agreement and paying the reasonable compensation thereof;

(m) paying all lawful expenses, debts, charges, taxes, and other liabilities, and making all other payments relating to the GUC Trust Assets, solely out of GUC Trust Assets;

(n) prosecuting and settling the Vested Causes of Action;

(o) reviewing, reconciling, pursuing, commencing, prosecuting, compromising, settling, dismissing, releasing, waiving, withdrawing, abandoning, resolving, or electing not to pursue all Vested Causes of Action;

(p) acquiring litigation and other claims related to the Debtors, and prosecuting such claims;

(q) reviewing and compelling turnover of the Debtors or the GUC Trust's property;

(r) calculating and making all distributions to the holders of Allowed Claims against each Debtor and, solely to the extent of payment in full of Allowed Claims, to holders of Allowed Interests, as provided for in, or contemplated by, the Plan and the Liquidation Trust Agreement; *provided* that because the Plan does not substantively consolidate the Debtors' Estates, the GUC Trustee shall make distributions from the GUC Trust Assets to the holders of Claims and Interests (if applicable) against that specific Debtor;

(s) establishing, administering, adjusting, and maintaining the GUC Trust Reserve and the Disputed Claims Reserve;

(t) withholding from the amount distributable to any Person the maximum amount needed to pay any tax or other charge that the GUC Trustee has determined, based upon the advice of his agents or professionals, may be required to be withheld from such Distribution under the income tax or other laws of the United States or of any state or political subdivision thereof;

(u) in reliance upon the Debtors' Schedules, the official Claims Register maintained in the Chapter 11 Cases and the Debtors' filed lists of equity security holders, review, and where appropriate, allowing or objecting to Claims and (if applicable) Interests, and supervising and administering the commencement, prosecution, settlement, compromise, withdrawal, or resolution of all objections to Disputed Claims and (if applicable) Disputed Interests required to be administered by the GUC Trust;

(v) making all tax withholdings, filing tax information returns, filing and prosecuting tax refunds claims, making tax elections by and on behalf of the Debtors or the GUC Trust, and filing tax returns for the Debtors or the GUC Trust pursuant to and in accordance with the Plan, and paying taxes, if any, payable for and on behalf of the Debtors or the GUC Trust, as applicable; *provided, however*, that notwithstanding any other provision of the Liquidation Trust Agreement, the GUC Trustee shall not have any responsibility or personal liability in any capacity whatsoever for the signing or accuracy of the Debtors' income tax returns that are due to be filed after the Effective Date or for any tax liability related thereto;

(w) abandoning or donating to a charitable organization qualifying under IRC section 501(c)(3) any GUC Trust Assets that the GUC Trustee determines to be too impractical to distribute or of inconsequential value;

(x) seeking a determination of tax liability or refund under Bankruptcy Code section 505;

(y) establishing reserves for taxes, assessments, and other expenses of administration of the Debtors or the GUC Trust as may be necessary and appropriate for the proper operation of matters incident to the Debtors or the GUC Trust;

(z) paying GUC Trust Expenses;

(aa) if the GUC Trustee deems appropriate in the GUC Trustee's sole discretion, seek to establish a bar date for filing proofs of Interest in any Debtor or otherwise to determine the holders and extent of Allowed Interests in any Debtor;

(bb) purchasing and carrying all insurance policies that the GUC Trustee deems reasonably necessary or advisable and paying all associated insurance premiums and costs;

(cc) undertaking all administrative functions remaining in the Chapter 11 Cases to the extent necessary to carry out the Debtors', the GUC Trust's, or the GUC Trustee's duties under the Plan, including reporting and making required payments of fees to the U.S. Trustee and overseeing the closing of the Chapter 11 Cases;

(dd) retaining, terminating, appointing, hiring, or otherwise employees, personnel, management, and directors at any of the Debtors to the extent necessary to carry out the purposes of this Agreement and the Plan, including, without limitation, to address any disputes between the Debtors;

(ee) exercising, implementing, enforcing, and discharging all of the terms, conditions, powers, duties, and other provisions of the Plan, the Confirmation Order, and Liquidation Trust Agreement; and

(ff) taking all other actions consistent with the provisions of the Plan and the Liquidation Trust Agreement that the GUC Trustee deems reasonably necessary or desirable to administer the Debtors and the GUC Trust.

6. ***The GUC Trust Oversight Committee***

The GUC Trust Oversight Committee shall consist of those parties selected by the Committee and identified in the Plan Supplement, and which at no time shall consist of greater than three members.

The GUC Trust Oversight Committee shall have the responsibility to review and advise the GUC Trustee with respect to the liquidation and distribution of the GUC Trust Assets transferred to the GUC Trust in accordance herewith and the Liquidation Trust Agreement. For the avoidance of doubt, in advising the GUC Trustee, the GUC Trust Oversight Committee shall maintain the same fiduciary responsibilities as the GUC Trustee. Vacancies on the GUC Trust Oversight Committee shall be filled by a Person designated by the GUC Trustee, subject to the unanimous consent of the remaining member or members of the GUC Trust Oversight Committee. The GUC Trustee shall have the authority to seek an order from the Bankruptcy Court removing or replacing members of the GUC Trust Oversight Committee for cause.

7. ***Funding of the GUC Trust Reserve and Expenses of GUC Trust***

Prior to the Effective Date, the Debtors shall establish the GUC Trust Reserve funded with Cash and, in the event of a NewCo Transaction, shall establish the GUC Trust Reserve prior to making any transfer of Cash to NewCo.

The GUC Trust Expenses shall be paid from the GUC Trust Assets.

8. ***Insurance; Bond***

The GUC Trustee may obtain insurance coverage (in the form of an errors and omissions policy or otherwise) with respect to the liabilities and obligations of the GUC Trustee and the GUC Trust Oversight Committee under the Liquidation Trust Agreement. Unless otherwise agreed to by the GUC Trust Oversight Committee, the GUC Trustee shall serve with a bond, the terms of which shall be agreed to by the GUC Trust Oversight Committee, and the cost and expense of which shall be paid by the GUC Trust.

9. ***Fiduciary Duties of the GUC Trustee***

Pursuant to the Plan and the Liquidation Trust Agreement, the GUC Trustee shall act in a fiduciary capacity on behalf of the interests of all Holders of Claims and Interests that will receive distributions pursuant to Plan.

10. ***Termination of the GUC Trust***

The GUC Trust will terminate on the earlier of: (a) (i) the final liquidation, administration and distribution of the GUC Trust Assets in accordance with the terms of the Liquidation Trust Agreement and the Plan, and its full performance of all other duties and functions as set forth herein or in the Liquidation Trust Agreement and (ii) the

Chapter 11 Cases of the Debtors have been closed; or (b) the GUC Trustee determines in its reasonable judgment that the GUC Trust lacks sufficient assets and financial resources, after reasonable collection efforts, to complete the duties and powers assigned to him or her under the Plan, the Confirmation Order and/or the Liquidation Trust Agreement. After (x) the final distributions pursuant hereto, (y) the Filing by or on behalf of the GUC Trust of a certification of dissolution with the Bankruptcy Court, and (z) any other action deemed appropriate by the GUC Trustee, the GUC Trust shall be deemed dissolved for all purposes without the necessity for any other or further actions.

11. ***Liability of GUC Trustee; Indemnification***

Neither the GUC Trustee, the GUC Trust Oversight Committee, their respective members, employees, employers, designees or professionals, or any of their duly designated agents or representatives (each, a "GUC Trust Party" and collectively, the "GUC Trust Parties") shall be liable for losses, claims, damages, liabilities or expenses in connection with the affairs of the GUC Trust or for the act or omission of any other GUC Trust Party, nor shall the GUC Trust Parties be liable for any act or omission taken or omitted to be taken pursuant to the discretion, powers and authority conferred, or in good faith believed to be conferred by the Liquidation Trust Agreement or the Plan other than for specific acts or omissions resulting from such GUC Trust Party's willful misconduct, gross negligence or actual fraud. Subject to the Liquidation Trust Agreement, the GUC Trustee shall be entitled to enjoy all of the rights, powers, immunities and privileges applicable to a chapter 7 trustee. The GUC Trustee or the GUC Trust Oversight Committee may, in connection with the performance of its functions, and in its sole and absolute discretion, consult with its attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in accordance with advice or opinions rendered by such persons, regardless of whether such advice or opinions are provided in writing. Notwithstanding such authority, neither the GUC Trustee nor the GUC Trust Oversight Committee shall be under any obligation to consult with its attorneys, accountants, financial advisors or agents, and their determination not to do so shall not result in the imposition of liability on the GUC Trustee, the GUC Trust Oversight Committee, or their respective members and/or designees, unless such determination is based on willful misconduct, gross negligence, or actual fraud. The GUC Trust shall indemnify and hold harmless the GUC Trust Parties (in their capacity as such), from and against and in respect of all liabilities, losses, damages, claims, costs and expenses (including, without limitation, reasonable attorneys' fees, disbursements, and related expenses) that such parties may incur or to which such parties may become subject in connection with any action, suit, proceeding or investigation brought by or threatened against such parties arising out of or due to their acts or omissions, or consequences of such acts or omissions, with respect to the implementation or administration of the GUC Trust or the Plan or the discharge of their duties hereunder; *provided*, *however*, that no such indemnification will be made to such Persons for actions or omissions as a result of willful misconduct, gross negligence, or actual fraud. Persons dealing or having any relationship with the GUC Trustee shall have recourse only to the GUC Trust Assets and shall look only to the GUC Trust Assets to satisfy any liability or other obligations incurred by the GUC Trust or the GUC Trust Oversight Committee to such Person in carrying out the terms of the Liquidation Trust Agreement, and neither the GUC Trustee nor the GUC Trust Oversight Committee, shall have any personal obligation to satisfy any such liability. The GUC Trustee and/or the GUC Trust Oversight Committee members shall not be liable whatsoever except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants or obligations shall be read into the Liquidation Trust Agreement against any of them. The GUC Trust shall promptly pay expenses reasonably incurred by any GUC Trust Party in defending, participating in, or settling any action, proceeding or investigation in which such GUC Trust Party is a party or is threatened to be made a party or otherwise is participating in connection with the Liquidation Trust Agreement or the duties, acts or omissions of the GUC Trustee or otherwise in connection with the affairs of the GUC Trust, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. Each GUC Trust Party hereby undertakes, and the GUC Trust hereby accepts his or her undertaking, to repay any and all such amounts so advanced if it shall ultimately be determined that such exculpated party is not entitled to be indemnified therefor under the Liquidation Trust Agreement. The foregoing indemnity in respect of any GUC Trust Party shall survive the termination of such GUC Trust Party from the capacity for which they are indemnified.

12. ***No Liability of the GUC Trust***

On and after the Effective Date, the GUC Trust shall have no liability on account of any Claims or Interests except as set forth herein and in the Liquidation Trust Agreement. All payments and all distributions made by the GUC Trustee hereunder shall be in exchange for all Claims or Interests against the Debtors.

F. Corporate Existence and Dissolution

Except as otherwise provided in the Plan, each Debtor, as Post-Effective Date Debtor, shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificates or articles of incorporation, certificates of formation, certificates of organization, or certificates of limited partnership and bylaws, operating agreements, limited liability company agreements, or limited partnership agreements (or other formation documents) in effect prior to the Effective Date, except to the extent such certificates or articles of incorporation, certificates of formation, certificates of organization, or certificates of limited partnership and bylaws, operating agreements, limited liability company agreements, or limited partnership agreements (or other formation documents) are amended pursuant to the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings under applicable state or federal law).

On and after the Effective Date, the GUC Trust will be authorized and directed to implement the Plan and any applicable orders of the Bankruptcy Court, and the GUC Trust shall have the power and authority to take any action necessary to administer the GUC Trust Assets.

Upon a certification to be Filed with the Bankruptcy Court by the GUC Trustee of all distributions having been made and completion of all of its duties under the Plan and entry of a final decree closing the last of the Chapter 11 Cases, the GUC Trust shall be deemed to be dissolved without any further action by the Debtors or the GUC Trust, including the Filing of any documents with the secretary of state for the state in which the GUC Trust are formed or any other jurisdiction. The GUC Trustee, however, shall have authority to take all necessary actions to dissolve the Debtors or the GUC Trust in and withdraw the GUC Trust from applicable states.

As soon as practicable after the Effective Date, the GUC Trust shall take such actions as the GUC Trust may determine to be necessary or desirable to carry out the purposes of the Plan.

Any certificate of dissolution or equivalent document may be executed by the GUC Trust without need for any action or approval by the shareholders or board of directors or managers of such Post-Effective Date Debtor. On and after the Effective Date, the Post-Effective Date Debtors or the GUC Trust (1) for all purposes shall be deemed to have withdrawn their business operations from any state in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action in order to effectuate such withdrawal, (2) shall be deemed to have cancelled pursuant to the Plan all Interests, and (3) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date. Notwithstanding such Debtors' dissolution, such Debtors shall be deemed to remain intact solely with respect to the preparation, filing, review, and resolution of applications for Professional Fee Claims.

G. Cancellation of Notes, Instruments, Certificates, and Other Documents

On the later of the Effective Date and the date on which distributions are made pursuant to the Plan (if not made on the Effective Date), except for the purpose of evidencing a right to and allowing Holders of Claims and Interests to receive a distribution under the Plan or to the extent otherwise specifically provided for in the Plan, the Confirmation Order, or any agreement, instrument, or other document entered into in connection with or pursuant to the Plan or the NewCo Transaction or Alternative Transaction, as applicable, (including, without limitation, the Definitive Documents and the Asset Purchase Agreement), all notes, bonds, indentures, certificates, Securities, shares, purchase rights, options, warrants, collateral agreements, subordination agreements, intercreditor agreements, or other instruments or documents directly or indirectly evidencing, creating, or relating to any indebtedness or obligations of, or ownership interest in, the Debtors, giving rise to any Claims against or Interests in the Debtors or to any rights or obligations relating to any Claims against or Interests in the Debtors shall be deemed cancelled without any need for a Holder to take further action with respect thereto.

H. Effectuating Documents; Further Transactions

On and after the Effective Date, the Post-Effective Date Debtors, and its directors, managers, partners, officers, authorized persons, and members thereof, and the GUC Trust and GUC Trustee are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, Definitive Documents, and Asset Purchase Agreement, if applicable, in the name of and on behalf of the Debtors, the Post-Effective Date Debtors, and GUC Trust, without the need for any approvals, authorizations, or consents except for those expressly required under the Plan.

I. Section 1146(a) Exemption

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a GUC Trust, the Purchaser, or to any other Entity) of property under the Plan, Definitive Documents, and Asset Purchase Agreement or pursuant to: (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the GUC Trust; (2) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (3) the making, assignment, or recording of any lease or sublease; or (4) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, including the Asset Purchase Agreement, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, sales or use tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(a) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

J. Preservation of Rights of Action

In accordance with section 1123(b) of the Bankruptcy Code, the GUC Trust shall succeed to all rights to commence and pursue any and all Vested Causes of Action of the Debtors, whether arising before or after the Petition Date, including, without limitation, any actions specifically enumerated in the Schedule of Retained Causes of Action other than Causes of Action released, waived, settled, compromised, or transferred. Such rights shall be preserved by the Debtors and GUC Trust and shall vest in the GUC Trust, with the GUC Trust's rights to commence, prosecute, or settle such Causes of Action preserved notwithstanding the occurrence of the Effective Date, other than the Causes of Action expressly released, waived, settled, compromised, or transferred by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII of the Plan or pursuant to the Asset Purchase Agreement, which shall be deemed released and waived by the Debtors and GUC Trust as of the Effective Date.

The GUC Trust may pursue such Causes of Action, as appropriate, in accordance with the best interests of the beneficiaries of the GUC Trust and in accordance with the Liquidation Trust Agreement and the Plan. **No Entity may rely on the absence of a specific reference in the Schedules of Assets and Liabilities or Statement of Financial Affairs, the Plan, the Plan Supplement, the Disclosure Statement, or the Schedule of Retained Causes of Action to any Cause of Action against it as any indication that the Debtors or the GUC Trust, as applicable, will not pursue any and all available Causes of Action of the Debtors against it. The GUC Trust, on behalf of the Debtors and the GUC Trust, expressly reserves all rights to prosecute any and all Causes of Action against any Entity, except as otherwise provided in the Plan, including Article VIII of the Plan.** Unless any Cause of Action of the Debtors is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or pursuant to a Final Order, the GUC Trust, on behalf of the Debtors and GUC Trust and in accordance with the Liquidation Trust Agreement, expressly reserves all such Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion,

estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or Consummation.

The GUC Trust, on behalf of the Debtors, reserves and shall retain such Causes of Action of the Debtors notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Cause of Action that a Debtor may hold against any Entity shall vest in the GUC Trust, except as otherwise provided in the Plan, including Article VIII of the Plan. The GUC Trust, through their authorized agents or representatives, shall retain and may exclusively enforce any and all such Causes of Action. The GUC Trust shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to or action, order, or approval of the Bankruptcy Court in accordance with the Plan.

K. Releases by the Debtors

Notwithstanding anything contained in the Plan to the contrary, on and after the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Debtors, the Post-Effective Date Debtors, and their Estates, and in each case on behalf of themselves and their respective successors, assigns, and representatives, who may purport to assert any Cause of Action, directly or derivatively, by, through, for, or because of, the foregoing Entities, from any and all Causes of Action, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Post-Effective Date, or their Estates, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, that the Debtors, Post-Effective Date, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor, Post-Effective Date Debtors, or their Estates, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Post-Effective Date Debtors, or their Estates (including the management, ownership, or operation thereof), their capital structure, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Chapter 11 Cases and related adversary proceedings, the Debtors' out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the formulation, preparation, dissemination, negotiation, filing, or consummation of the Definitive Documents or the NewCo Transaction or Alternative Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, the pursuit of consummation of the Plan, the administration and implementation of the NewCo Transaction or Alternative Transaction or upon any other act or omission, transaction, agreement, event, or other occurrence related to the Debtors taking place on or before the Effective Date.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to section 1123(b) of the Bankruptcy Code and Bankruptcy Rule 9019, of the releases described in Article VIII.A of the Plan by the Debtors, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that each release described in Article VIII.A of the Plan is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good-faith settlement and compromise of such Causes of Action; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; (6) a sound exercise of the Debtors' business judgment; and (7) a bar to any of the Post-Effective Date Debtors or GUC Trust or their respective Estates asserting any Cause of Action related thereto, of any kind, against any of the Released Parties or their property.

Notwithstanding anything to the contrary contained herein, nothing in the Plan shall release, waive, or otherwise limit the rights, duties, or obligations of the Purchaser under the Asset Purchase Agreement or the Definitive Documents.

L. Releases by Holders of Claims and Interests

Except as expressly set forth in the Plan, effective on the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted or assertable on behalf of any of the Debtors, that such Entity would have been legally entitled to assert in its own right (whether individually or collectively or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof), their capital structure, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the formulation, preparation, dissemination, negotiation, filing, or consummation of the Definitive Documents or any NewCo Transaction or Alternative Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, the pursuit of consummation of the Plan, the administration and implementation of the NewCo Transaction or Alternative Transaction, or upon any other act or omission, transaction, agreement, event, or other occurrence related to the Debtors taking place on or before the Effective Date, *provided* that nothing in Article VIII.B of the Plan shall be construed to release the Released Parties from actual fraud, willful misconduct, or gross negligence as determined by a Final Order.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in Article VIII.B of the Plan, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that each release described in Article VIII.B of the Plan is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good-faith settlement and compromise of such Causes of Action; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; (6) a sound exercise of the Debtors' business judgment; and (7) a bar to any of the Releasing Parties or the Post-Effective Date Debtors or the GUC Trust or their respective Estates asserting any Cause of Action related thereto, of any kind, against any of the Released Parties or their property.

M. Exculpation

Effective as of the Effective Date, to the fullest extent permissible under applicable law and without affecting or limiting either the Debtor release or the third-party release, and except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is exculpated from any Cause of Action for any act or omission arising on or after the Petition Date and prior to the Effective Date based on the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation or filing, or consummation of the Disclosure Statement, the Plan, the Special Committee Investigation, any Definitive Documents or any NewCo Transaction or Alternative Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation of the Plan, the administration and implementation of the Plan, including the issuance of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion), except for Causes of Action related to any act or omission that is determined in a Final Order of a court of competent jurisdiction to have constituted actual fraud, willful misconduct, malpractice, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan.

The Exculpated Parties have, and upon Consummation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes

and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan

N. Injunction

The assets of the Post-Effective Date Debtors and of the GUC Trust shall be used for the satisfaction of expense obligations and the payment of Claims and Interests only in the manner set forth in the Plan and shall not be available for any other purpose. All Persons and Entities who have held, hold, or may hold Claims or Interests based upon any act, omission, transaction, or other activity of any kind or nature related to the Debtors, Post-Effective Date Debtors, NewCo, the GUC Trust, or the Debtors' Chapter 11 Cases that occurred prior to the Effective Date, other than as expressly provided in the Plan or the Confirmation Order, shall be precluded and permanently enjoined on and after the Effective Date from interfering with the use and distribution of the Debtors' assets in the manner contemplated by the Plan.

In addition, as of the Effective Date and subject to the occurrence of the Effective Date, except as otherwise specifically provided in the Plan or the Confirmation Order, all Persons and Entities who have held, hold, or may hold Claims or Interests that are fully satisfied pursuant to the Plan or any Claim or Interest that is subject to the releases and exculpations set forth in Article VIII.B and Article VIII.C of the Plan shall be precluded and permanently enjoined on and after the Effective Date from enforcing, pursuing, or seeking any setoff or relief with respect to such Claims or Interests, except for the receipt of the payments or distributions that are contemplated by the Plan.

O. Closing the Chapter 11 Cases

On and after the Effective Date, the GUC Trust shall be permitted to classify all of the Chapter 11 Cases of the Post-Effective Date Debtors except for the Chapter 11 Case of Reliz Technology Group Holdings, Inc., or any other Post-Effective Date Debtor reasonably determined by the GUC Trust necessary as having its Chapter 11 Case remain open following the Effective Date, as closed, and all contested matters relating to any of the Debtors or Post-Effective Date Debtors, including objections to Claims or Interests and any adversary proceedings, may be administered and heard in the Chapter 11 Case of Reliz Technology Group Holdings, Inc., or any other Debtor or Post-Effective Date Debtor as reasonably determined necessary by the GUC Trust to remain open following the Effective Date, irrespective of whether such Claims or Interests were Filed or such adversary proceeding was commenced against a Debtor whose Chapter 11 Case was closed.

VI. THE DEBTORS' BUSINESS OPERATIONS AND CAPITAL STRUCTURE

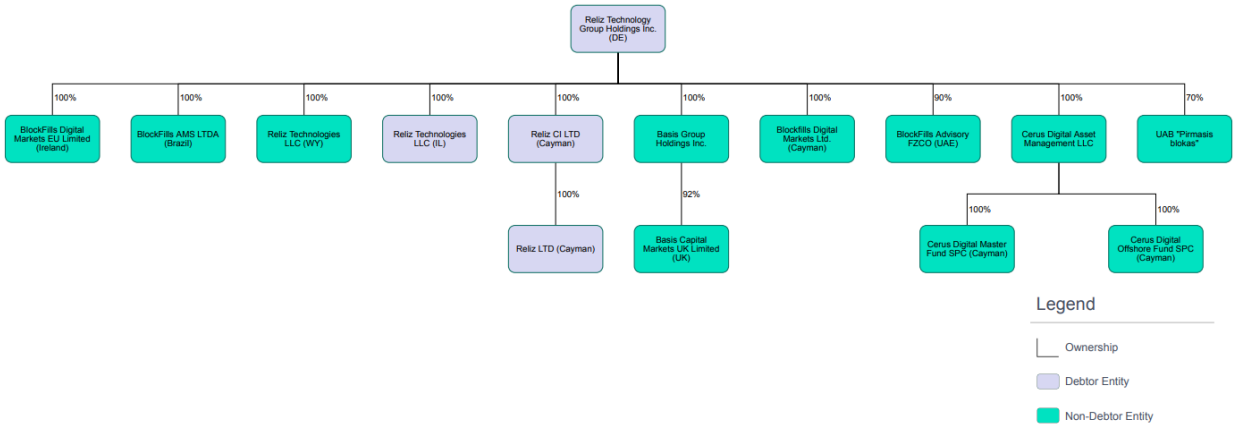
A. The Debtors' Corporate Structure and History.

BlockFills was founded in 2017 by Nicholas Hammer and Gordon Wallace as a digital asset brokerage services company. BlockFills started providing digital asset trading and fiat-on ramp trading access to the approximately top ten cryptocurrencies by market capitalization. With minimal capital to start the business, the primary entity in the corporate structure was Reliz Ltd., a Cayman Islands entity, which raised $250,000.00 of equity capital and a $750,000.00 line of credit for initial cryptocurrency trading operations and settlements.

As the industry grew rapidly, BlockFills expanded its services to accommodate additional digital assets that were increasing in market capitalization. BlockFills also introduced derivatives trading and collateralized lending of fiat currency and stablecoins with other digital assets pledged as collateral.

Due to the rapid expansion of the cryptocurrency industry and the many unique opportunities the industry offered, BlockFills, like many other companies in the sector, raised additional capital in 2021. In or around May 2021, BlockFills raised approximately $7 million of equity in a "Pre-Series A" round ("Pre-Series A Round"). And, in January 2022, BlockFills closed a Series A capital raise of approximately $36 million ("Series A Round"). BlockFills' Series A Round proceeds were expected to be invested largely in Bitcoin mining machines, which were to generate new bitcoin proceeds, which could be held by BlockFills or converted to U.S. Dollars, or similar, for the purposes of fulfilling daily transactional business with customers, while also obtaining a return on the invested capital.

A simplified version of the Debtors' current corporate structure is as follows:



B. The Debtors' Assets and Operations.

Prior to the Petition Date, BlockFills operated proprietary trading technology that offered professional and institutional customers the ability to buy and sell cryptocurrency and cryptocurrency derivatives. Customers could execute transactions using BlockFills' front-end trading platform, application programming interface ("API") connection or through over-the-counter ("OTC") trades that linked with cryptocurrency liquidity providers. BlockFills focused solely on institutional, high net worth, and sophisticated traders. BlockFills did not offer its services to retail traders.

Since 2018, BlockFills had been regarded as a reputable place to do such business and respected for its institutional investors. BlockFills provided market access 24 hours a day and 7 days a week to many cryptocurrency native companies and high-net worth professional traders, as well as traditional financial firms including hedge funds, brokers/broker-dealers, exchanges, crypto mining companies, investment managers and more.

In 2022, shortly after BlockFills' Series A Round, the industry experienced significant turmoil as a major algorithmic stablecoin, Terraform Labs' UST, de-pegged and lost essentially all of its value, leading to many individual investors and industry firms experiencing significant losses. Subsequent to those events, several industry players experienced significant losses either directly or indirectly tied to UST, which had many downstream impacts such as bankruptcies and significant counterparty risk management issues from 2022-2023. Indeed, many well-known cryptocurrency businesses have ceased to exist after the de-pegging, including Voyager, Celsius, BlockFi, FTX, and Terraform Labs.

As a result of both the reduction in available options and overall concern with the industry, sophisticated investors were looking for a more professional platform to transact. BlockFills' reputation placed it in a unique position and in late 2023, new customers and business began to significantly increase. Prior to the Petition Date, BlockFills' suite of offerings included access to a trading platform for fiat on and off ramp settlement, cryptocurrency liquidity and trading services (including OTC), cryptocurrency options trading, collateralized lending and credit, and mining services, each as described in more detail below.

The management of cryptocurrency deposits, collateral and custody has had a number of solutions throughout BlockFills' history. BlockFills utilized, almost exclusively, Fireblocks custody technology for cryptocurrency deposits. Fireblock's infrastructure utilizes direct counterparty connectivity, whitelisting and enhanced security mechanisms, including no single-point-of-failure, which was ideal for BlockFills' security and operational needs.

1. *Banking Rails for Fiat On and Off Ramp Settlement*

BlockFills utilized many different U.S. and non-U.S. fiat currency banking solutions. From 2018-2023, BlockFills used Silvergate Bank and Signature Bank, until their failures in March 2023. Thereafter, BlockFills sought numerous other banking solutions throughout the U.S. and abroad to ensure redundant capabilities in case further banking incidents occurred.

2. *Cryptocurrency Liquidity and Trading Services*

BlockFills' proprietary and unique aggregation of liquidity capabilities created value in its trading ecosystem for customers. Aggregated liquidity refers to BlockFills' ability to consolidate order books from multiple exchanges and market makers into a unified, deep liquidity pool. BlockFills' smart order routing technology, based on building blocks from the traditional markets, sought out the best available prices across multiple exchanges and market makers so customers could execute trades optimally. Customers could also customize their liquidity providers based on their trading strategies.

BlockFills sourced cryptocurrency prices and liquidity from world-leading institutions who specialize in such offerings. Through BlockFills' proprietary technology, all market prices, feeds and liquidity were aggregated into one bespoke pricing mechanism, thus frequently offering the customer a better price and better liquidity than alternatives in the market. When the customer executed a trade, so long as the market price of the asset they were looking to transact was still available, the customer received a notification that the trade had been fully or partially executed along with any other customary transaction details.

Trades were primarily placed through BlockFills' front-end trading platform Vision Trader, which displayed a user interface with positions, credit utilization, available balances, and order controls. BlockFills also provided API access that allowed customers to connect their own platforms to integrate into BlockFills' liquidity and trading capabilities.

Each day, BlockFills fulfilled numerous settlements throughout different parts of the day. Various cryptocurrency liquidity providers have different operational procedures or settlement policies, thus only allowing settlement of transactions one or two times per day rather than bespoke settlements. Therefore, BlockFills had credit relationships with its liquidity providers, which were crucial to offer instantaneous transaction execution.

BlockFills maintained the practice of having all of the day's trading activities settled before the end of the day at 4:00 p.m. Central Time, each day, unless the trade was a derivatives trade or a borrowing and lending transaction that had a maturity in the future.

3. *Derivatives Trading*

BlockFills also operated an OTC derivatives desk for qualified individuals and business entity customers in the United States (each a "Eligible Contract Participant" or "ECP"). An ECP must meet the definition under Section 1a(18) of the Commodity Exchange Act and related guidance. BlockFills also offered options products to certain non-United States professional customers.

4. *Collateralized Lending and Credit Services*

Borrowing and lending cryptocurrency has been a BlockFills service offering since 2019. These loans were typically tied to lending agreements that allowed BlockFills to liquidate collateral in the event of default.

5. *Crypto Mining*

BlockFills also offered services geared towards large-scale cryptocurrency miners for mining pool access, trading and OTC support, and treasury services.

C. The Debtors' Capital and Equity Structure.

1. *The Debtor's Prepetition Equity Structure.*

In May 2021, BlockFills launched the Pre-Series A Round. The Pre-Series A Round encompassed an approximately $7 million equity capital raise provided by seven (7) capital providers.

In October 2021, BlockFills began the Series A Round, with an objective to raise up to $50 million in proceeds to project BlockFills forward in its growth. At this time, peer cryptocurrency companies were raising hundreds of millions of dollars at industry-leading pace. BlockFills closed the Series A Round in January 2022 after securing a total of approximately $36 million in proceeds across two closings dated December 2021 and January 2022.

2. *The Debtors' Prepetition Capital Structure*

BlockFills entered into a settlement agreement regarding a dispute with Celsius Network Ltd. ("Celsius"), which included promissory notes to be paid consistent with a negotiated payment schedule. The current amount outstanding to Celsius is approximately $4.8 million, which includes accrued interest. Additionally, the Debtors have approximately $145 million of general unsecured debt.

VII. EVENTS LEADING TO THESE CHAPTER 11 CASES

A. Market and Industry-Specific Challenges.

1. *Exposure to Loan Counterparties*

From 2022 through 2025, BlockFills was exposed to several counterparty bankruptcies and disputes from various industry relationships. BlockFills had constantly changing exposure to specific loan counterparties, as well as trading and lending partners. Most of BlockFills' lending activities in BlockFills' loan portfolio had reached maturity with success for both parties. However, as discussed in greater detail below, three loans were not successful.

One borrower, Babel Finance, engaged in active borrowing and lending transactions. BlockFills provided net 123 BTC, 500 ETH, and 5,000 USDC in loans to Babel Finance in 2022. Babel Finance filed for its own bankruptcy in Singapore on March 6, 2023 due to its exposure to bankrupt counterparties in 2022 and 2023. As a result, BlockFills' assets on loan to Babel Finance, valued at approximately $8.5 million, became tied up in the bankruptcy. BlockFills determined that Babel Finance would not be able to repay the loan.

Another borrower, Clark Sharp & Reynolds ("Coinsource"), was a bitcoin ATM company serving customers throughout the United States with access to buying and selling bitcoin and other digital assets. In 2022, BlockFills provided a 50 BTC loan to Coinsource, valued at approximately $1 million at the time. Coinsource defaulted on the loan. Although BlockFills obtained a judgment for $1.75 million, the judgement remains unsatisfied. The value of BlockFills' 50 Bitcoin at the time of the Petition Date is approximately $3.6 million.

Another loan was provided by BlockFills in partnership with Nexo Capital Inc. ("Nexo"). Nexo is a financing partner and equity shareholder in BlockFills. The proceeds of the loan were used by BlockFills in connection with an Equipment Loan for Lease to AEXA Digital Infrastructure ("AEXA"). AEXA was a cryptocurrency mining company, backed by multi-billiondollar private equity investor RedBird Capital Partners ("RedBird"). Both BlockFills and its financing partner, Nexo, found this opportunity to be particularly interesting due to its 50% loan to value, the upfront capital commitment by AEXA, and AEXA's ability to call up to $100 million of capital from RedBird in its operating agreement. AEXA began experiencing financial hardship in 2022 due to the decreasing profitability of cryptocurrency mining and subsequent mining delays. At that time, AEXA began to miss the required weekly payments to BlockFills. BlockFills sought to work with AEXA and provided numerous periods for delayed payments and communication on future financial health. After several calls and emails, BlockFills provided options for repayment. AEXA, as well as the directors of RedBird, agreed to pay the remaining principal without penalty or default interest accrual.

BlockFills was generally satisfied with this solution and requested AEXA make the payment in full by November 8, 2022. BlockFills expected to recoup approximately $8 million even though $14.75 million was owed for all remaining principal and interest payments. On November 8, 2022, AEXA informed BlockFills that it wished

to pay only $3 million and terminate the agreement. BlockFills rejected AEXA's proposal, and AEXA subsequently filed for bankruptcy. Prior to filing for bankruptcy, AEXA provided $3 million in payments to vendors and director compensation. The trustee for the AEXA bankruptcy is investigating misappropriation of payments.

As a result of AEXA's inability to repay BlockFills, a dispute arose between Nexo and BlockFills with respect to BlockFills' obligations to repay Nexo. In late 2024, BlockFills settled with Nexo and paid approximately $12 million concerning the AEXA transaction, severely weakening BlockFills' balance sheet and liquidity.

2. *Celsius Transaction and Arbitration*

Additionally, BlockFills engaged in a one-off transaction with Celsius, a now-bankrupt cryptocurrency company. BlockFills and Celsius had a borrowing and lending relationship starting in 2019. In late 2019, BlockFills was approached by Celsius to participate in a transaction where BlockFills borrowed Ethereum ("ETH"), collateralized by U.S. Dollars, for the purpose of then co-investing the ETH into the Grayscale Ethereum Trust. The parties executed a term sheet (the "Celsius Term Sheet").

The Grayscale Ethereum Trust product has lock-ups and pricing premiums, but if BlockFills and Celsius committed significant capital then there could be arbitrage opportunities if the market economics remained positive throughout the lock-up period.

BlockFills and Celsius elected to participate together, and the parties entered into a Digital Asset Lending Agreement on December 3, 2019 (the "Celsius Digital Asset Lending Agreement"). BlockFills created a brokerage account, borrowed ETH, and posted U.S. Dollars as collateral with Celsius. The ETH was then invested into the Grayscale Ethereum Trust in return for shares of the Trust. When the lock-up period was over, BlockFills and Celsius agreed to sell the Grayscale Ethereum Trust shares for a significant multi-million-dollar profit and settle the transaction. BlockFills followed such mutual instructions and contacted Celsius by email, asking if Celsius wanted to be compensated its portion of profits in U.S. Dollars or Ethereum.

Celsius did not reply for multiple weeks. Eventually, after BlockFills contacted Celsius again, a Celsius staff member responded and requested the return of the initial amount of ETH, in addition to Celsius' portion of the successful proceeds from selling the shares, which was inconsistent with the terms of the mutually executed term sheet. As a result, a dispute arose between the parties and in May 2021, Celsius and BlockFills commenced arbitration in the United Kingdom.

On July 13, 2022, Celsius and certain of its affiliates filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York, jointly administrated under Case No. 22-10964 (MG).

The four-day arbitration commenced on January 9, 2023. At the conclusion of the arbitration, the arbitrator awarded Celsius the entire amount of the initial ETH plus proceeds from the transaction. In 2024, this award was upheld on appeal. Celsius demanded full payment of the arbitrator's award. Due to the unforeseen outcome of this event, BlockFills negotiated a payment schedule pursuant to two promissory notes (the "Celsius Notes"), wherein BlockFills was to pay $3,602,140.82 upfront with the remaining $12,651,011.70 paid over time. The current principal amount outstanding on the Celsius Notes is approximately $4.8 million. BlockFills has not made a payment on the Celsius Notes since its monthly payment due in August 2025.

3. *Mining Hardware Investment*

In late 2021 and early 2022, following completion of BlockFills' Series A Round, the proceeds of the equity capital raise were deployed as planned and approved by the Board toward the acquisition of cryptocurrency mining hardware that would be placed at data sites.

Throughout 2022, the cryptocurrency mining industry experienced severe disruption, largely driven by a rapid decline in mining profitability. This decline resulted from several factors, including unhedged exposure to rising energy costs by mining firms, which led to significant financial impairment and multiple bankruptcy filings. These developments adversely affected nearly all industry participants because energy costs constitute a primary driver of

cryptocurrency mining profitability. As profitability deteriorated, many mining companies were forced to sell their bitcoin holdings to finance operating losses.

Nevertheless, BlockFills was able to partner with a data site. However, when BlockFills intended to place the Bitcoin mining hardware at the data site, the data site was not ready to operate. As a result, BlockFills was unable to activate its full mining hardware capabilities as originally anticipated. This reduced expected revenue and extended the period before BlockFills could realize returns on its capital investment in the mining hardware, keeping liquidity tied to the mining business line for significantly longer than planned. As a result, BlockFills did not recoup its investment in the mining business line and suffered significant losses.

4. *Professional Services and One-Time Costs*

As a result of the numerous disputes, proceedings, arbitration, litigation, accounting advisory work, audit preparation, and other professional services, BlockFills incurred significant professional service expenses during the period from 2022 through 2026. These costs were necessary to assess, analyze, and validate BlockFills' financial condition and operational capabilities as time evolved. Ultimately, traditional markets closed 2021 with double-digit growth. On the surface, it seemed like markets were beginning to recover from the COVID-19 pandemic and that the lingering effects of the pandemic would be minimal. But discussions around a potential recession in 2022 began to materialize as inflation rose along with concerns over whether world governments could navigate a "soft landing" into a slower economic period in 2022.

5. *Operational Decisions*

BlockFills was a significant recipient of new business opportunities arising from the industry-wide downturn in the digital asset sector during 2022 and 2023. As a result, 2024 became a record year for BlockFills' business performance. With a new presidential administration entering office and increased clarity regarding future regulatory frameworks applicable to the cryptocurrency industry, BlockFills faced favorable conditions for growth.

In response, BlockFills undertook initiatives to expand its operations, including the hiring of key personnel, the pursuit of additional jurisdictional capabilities through new licensing applications, and increased investment in marketing efforts to position the business for its next stage of development.

6. *Recent Lawsuits Filed Against Debtors*

In the weeks immediately preceding the commencement of these Chapter 11 Cases, certain Debtor entities and current or former directors and officers of the Debtors were named in two lawsuits (the "Customer Actions") asserting allegations including misappropriation of customer funds, conversion, breach of contract, and other fraud-based claims. *See Dominion Capital LLC v. Reliz Ltd.*, Case No. 1:26-cv-01672 (MSK) (VF) (S.D.N.Y. Feb. 27, 2026) and 1548199 Alberta Ltd. and Robert J. Bertram v. Reliz Technology Group Holdings Inc., Reliz Technologies LLC, Reliz Ltd., Reliz CI Ltd., Joseph Patrick Perry, Nicholas Hammer, and Gordon Wallace, Case No. 26-cv-02451 (MFK) (N.D. Ill. March 5, 2026). The Customer Actions seek, among other relief, recovery of assets that the Debtors believe constitute property of the Debtors' estates.

The plaintiffs in the Customer Actions also sought emergency injunctive relief, including temporary restraining orders ("TRO"). The courts presiding over those matters granted TROs that significantly restricted the Debtors' ability to conduct aspects of their business operations and exercise control over certain assets. The Debtors believe the restrictions imposed by the TROs created substantial operational and liquidity challenges. In particular, the Debtors faced increasing difficulty maintaining ordinary-course operations and managing their financial resources while simultaneously responding to expedited litigation demands. Among other benefits, the Debtors seek the protections afforded by the automatic stay under the Bankruptcy Code, which will halt further litigation activity against the Debtors and prevent piecemeal attempts by individual customers to obtain or control assets that the Debtors believe constitute property of the estates.

Without the protections of chapter 11, the Debtors' liquidity position and operational stability would likely continue to deteriorate as the Debtors would have diverted substantial resources to defend the Customer Actions and address the effects of the granted TROs. The Debtors believe that these Chapter 11 Cases will permit the orderly

administration of claims relating to these assets and avoid the disruption that would result from multiple customers seeking to enforce rights outside of this process.

B. Corrective Efforts and Prepetition Prospects

1. *Organizational Reset and Operational Improvements*

In late summer 2025, BlockFills undertook a leadership and governance reset. The Board's goal was to add operational stability to BlockFills through risk management enhancements, a strategic refocus on the core business, and the implementation of financial controls and disciplines.

To achieve these goals, BlockFills, among other things:

(a) implemented daily reporting of BlockFills' assets;
(b) implemented tighter exposure oversight across lending and trading activities;
(c) initiated the wind down of certain businesses and entities;
(d) discontinued cryptocurrency mining activities;
(e) refocused on principal trading and the borrowing and lending business lines;
(f) introduced formal administrative processes;
(g) implemented cash conservation measures and liquidity forecasting;
(h) established enhanced measures to ensure accurate reporting; and
(i) reduced operating expenses.

2. *Prepetition Restructuring Efforts*

In 2025, prior to the appointment of Mr. Perry as Interim CEO, BlockFills engaged in efforts to raise additional capital to support continued operations and growth. In connection with these efforts, BlockFills retained investment banking advisors and began preparations for a potential Series B equity financing.

As part of those preparations, management focused on organizing and presenting BlockFills' financial information in anticipation of commencing a formal Series B capital raise process. During this period, however, BlockFills' 2024 financial audit experienced delays. These delays materially impeded BlockFills' ability to access the capital markets.

In August 2025, BlockFills sought alternative strategic transactions, including a sale of BlockFills or a broader capital restructuring. At this time, BlockFills retained BRG and Katten Muchin Rosenman LLP to assist with those efforts.

In September 2025, BlockFills entered into discussions with a publicly traded participant in the cryptocurrency industry (the "Acquisition Counterparty") regarding a potential acquisition transaction. At the outset of discussions with the Acquisition Counterparty, BlockFills disclosed its financial position, and the Acquisition Counterparty elected to proceed. Over the course of the next approximately two months, the parties worked diligently to complete the deal, which included substantial due diligence, in-person meetings, preparation of go-forward business plans, and numerous rounds of negotiations. Unfortunately, in mid-November 2025, due to reasons outside of BlockFills' control, the Acquisition Counterparty's board of directors declined to proceed with the transaction.

Immediately thereafter, BlockFills and its advisors pivoted to pursue alternative strategic options. In November 2025, BlockFills engaged with an existing investor (the "Potential Investor") that expressed an interest in a recapitalization that would provide a combination of new equity and debt financing (the "Recapitalization"). Over the course of the next month, BlockFills and the Potential Investor engaged collaboratively to understand the existing business and what a go-forward business would look like, which included a presentation to a limited partner of the Potential Investor.

In early January 2026, the parties had made significant progress on the equity component of the Recapitalization. The parties then turned to the debt financing component of the Recapitalization, and BlockFills began contacting potential debt providers. However, the feedback that BlockFills received, which it shared with the

Potential Investor, was that raising the debt portion would be exceedingly difficult. Although BlockFills intended to continue to work towards a successful Recapitalization, those efforts had to be stopped due to outside events.

Specifically, on February 2, 2026, following a crypto market crash that created mounting liquidity pressures and significant withdrawal requests that, if honored, would have materially impaired BlockFills' ability to continue operations, BlockFills temporarily suspended certain deposit and withdrawal activity. Initially, this measure was taken privately while BlockFills evaluated potential liquidity solutions. However, on February 6, 2026, BlockFills publicly announced a broader temporary suspension of deposits and withdrawals. At this time, BlockFills communicated with customers through written updates and video conferences to provide information regarding ongoing efforts to address liquidity constraints. Unfortunately, as a result of the suspension, the dynamics of ongoing discussions with the Potential Investor materially changed and the transaction was unable to be completed.

From the period preceding the suspension through the Petition Date, BlockFills, together with its shareholders, advisors, and potential investors and acquirers, continued to evaluate and pursue alternatives to stabilize the business outside of chapter 11. Despite these efforts, however, BlockFills was unable to secure sufficient liquidity or consummate a transaction that would address its near-term obligations and long-term capital structure. As a result, the Board determined that commencing these Chapter 11 Case was the best available path to preserve value and pursue a court-supervised restructuring or sale process.

3. *Governance Initiatives*

BlockFills formed a special committee (the "Special Committee") on March 12, 2026, comprised of disinterested director Matthew Kahn. The Special Committee is vested with the authority to, among other things, manage any potential conflict matters, including investigating, releasing, or settling certain potential claims or causes of action of BlockFills, if any.

C. Retention of Restructuring Advisors and Prepetition Sale Process

In August of 2025 and February of 2026, respectively, the Debtors engaged BRG and McDermott Will & Schulte LLP ("McDermott") to advise the Debtors in navigating the challenges impacting the Debtors' businesses.

Beginning in August of 2025, BRG began assisting the Debtors in with, among other things: (a) analyzing and assisting in managing the Debtors' operations, (b) assisting the Debtors in assessing and managing their liquidity, and (c) aiding the Debtors in developing and refining their business plan and exploring strategic options. BRG developed a deeper understanding of the Debtors' businesses and began exploring strategic alternatives with the Debtors' management, board of directors, and equity holders.

With the assistance of BRG, the Debtors determined that facilitating a sale of the Debtors' assets could potentially offer the best path forward. Accordingly, prior to the filing of these Chapter 11 Cases, and beginning in September of 2025, the Debtors began soliciting third-party interest in an acquisition of the Debtors. The Debtors created a list of potential strategic partners, including institutions in the industry. These included entities with which the Debtors have established relationships through their ordinary course of business, as well as conventional financial institutions that might serve as prospective partners. Additionally, given the industry's insular nature, several firms also proactively approached the Debtors.

In connection with this solicitation, the Debtors and their advisors prepared, among other things, non-confidential marketing materials that could be shared with third parties prior to signing a confidentiality agreement, a management presentation that could be shared with third parties after signing a confidentiality agreement, and an electronic data room to provide potential investors and bidders with information upon which to make a proposal. As of the Petition Date, the Debtors had contacted at least 40 potential investors, including strategic and financial advisors, to solicit proposals to acquire the Debtors' businesses or assets. Of the parties contacted, 38 expressed initial interest and progressed to the discussion phase, which generally included introductory calls with the Debtors' management team to provide an overview of the business and its current conditions.

Parties that maintained interest were invited to execute non-disclosure agreements in order to access additional information, including information in the Debtors' data room. A total of 35 parties executed non-disclosure agreements and were given access to the data room as part of their diligence process. Ultimately, five parties advanced

to more substantive discussions, including a private investment firm, an industry exchange, a publicly traded digital asset treasury company, and a market maker/trading firm.

Despite the best efforts of the Debtors, the sale process failed to advance as quickly as the Debtors' businesses deteriorated. As a result, the Debtors were forced to file the Chapter 11 Cases to pursue various in-court restructuring options, including a Court-supervised sale process.

In advance of filing the Chapter 11 Cases, the Debtors retained McDermott as legal counsel to assist with the preparation of these Chapter 11 Cases. In such role, McDermott immediately began preparing the Debtors for their bankruptcy filing, by, among other things: (a) analyzing the Debtors' organizational documents, (b) preparing corporate and board resolutions authorizing the filing of these Chapter 11 cases, (c) analyzing all outstanding litigation currently faced by the Debtors, (d) preparing the Debtors' bankruptcy petitions and accompanying first day motions, (e) connecting with legal counterparties of the Debtors, including litigants and potential claimants and/or lenders, and (f) working with BRG and the Debtors to ensure a smooth transition into chapter 11.

D. Governance Initiatives.

Prior to the Petition Date, the Debtors undertook several actions to strengthen the independence and experience of their boards of directors, including, among other things: (i) strengthening their management by hiring and appointing Joseph Perry as Interim Chief Executive Officer on July 23, 2025 and (ii) forming the Special Committee comprised of disinterested director Matthew Kahn to, among other things, manage any potential conflict matters, including investigating, releasing, or settling certain potential claims or causes of action of BlockFills, if any, on March 12, 2026.

E. BlockFills' Decision to Commence these Chapter 11 Cases.

As the general cryptocurrency market continued to decline, BlockFills, like other industry participants, began to analyze its strategic options forward. BlockFills, with the assistance of BRG, reviewed all available paths possible to stave off bankruptcy, including, as discussed herein, selling their assets. Although BlockFills continued to rigorously diligence all potential transactions and alternatives, it became clear that the most viable path forward would be to petition for chapter 11 relief.

VIII. EVENTS OF THE CHAPTER 11 CASES

A. The Non-Binding Term Sheet.

On March 15, 2026 (the "Petition Date"), the Debtors filed the First Day Declaration, which included, among other things, a framework, in the form of the Term Sheet, for a potential consensual path towards a viable restructuring led by the Debtors' largest clients (the "Ad Hoc Group of BlockFills Clients"). The Term Sheet contemplated, among other things, a way for the Debtors to pass ownership to its largest creditor constituency in order to satisfy such creditors' claims. Additionally, on March 26, 2026, the Debtors filed the Bidding Procedures Motion, alerting the court and creditors that the Debtors were pursuing any and all strategic alternatives to maximize the value of the Debtors' estates, including dual tracking a sale while progressing negotiations with the Ad Hoc Group of BlockFills Clients.

B. First and Second Day Relief and Other Case Matters.

On and shortly after the Petition Date, the Debtors filed several motions (the "First Day Motions") designed to facilitate the administration of the Chapter 11 Cases and minimize disruption to the Debtors' operations. A brief description of each of the First Day Motions and the evidence in support thereof is set forth in the First Day Declaration. Following a hearing on March 17, 2026 ("the First Day Hearing"), the Bankruptcy Court entered orders granting certain of the First Day Motions and applications on interim and final bases:

(i) ***The Joint Administration Order*** authorizing the Debtors to jointly administer and maintain one docket for the chapter 11 cases of Reliz Technology Group Holdings Inc. and its Debtor affiliates [Docket No. 58];

(ii) ***Order Retaining Verita as Noticing Agent*** authorizing the Debtors to retain Kurtzman Carson Consultants, LLC, d/b/a Verita as third-party claims and noticing agent [Docket No. 59];

(iii) ***The Interim Insurance Order*** authorizing the Debtors to maintain and pay certain amounts related to the Debtors' insurance policies [Docket No. 60];

(iv) ***The Interim Wages Order*** authorizing the Debtors to pay certain amounts related to prepetition wages and employee benefits programs [Docket No. 61];

(v) ***The Interim Cash Collateral Order*** authorizing the Debtors' postpetition use of cash collateral and granting adequate protection to the prepetition secured party [Docket No. 62];

(vi) ***The Creditor Matrix Order*** authorizing the Debtors to file a consolidated creditor matrix and top 30 creditors list as well as redact certain personally identifiable information related thereto [Docket No. 63];

(vii) ***The Interim Taxes Order*** authorizing the Debtors to pay certain prepetition taxes and fees as well as taxes and fees that become due and payable in the ordinary course postpetition [Docket No. 64]; and

(viii) ***The Interim Cash Management Order*** authorizing the Debtors to continue utilizing the Debtors' prepetition cash management system [Docket No. 76];

The First Day Motions, and all orders for relief granted in the Chapter 11 Cases, can be viewed free of charge at https://veritaglobal.net/blockfills.

On March 30, 2026, the Bankruptcy Court entered the *Second Interim Order (I) Authorizing Postpetition Use of Cash Collateral; (II) Granting Adequate Protection to the Prepetition Secured Party; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* [Docket No. 119] further authorizing the Debtors to continue utilizing the Debtors' prepetition cash management system.

Shortly after the First Day Hearing, the Debtors also filed (a) the Bidding Procedures Motion [Docket No. 101], which sought to approve certain procedures related to the Debtors' Sale Process, including the scheduling and procedures related to an auction for the Debtors' assets, if necessary, (b) the *Motion of Debtors for Entry of Order Authorizing the Employment and Payment of Professionals Used in the Ordinary Course of Business* [Docket No. 100] (the "OCP Motion"), seeking authority to continue paying ordinary course professionals in the ordinary course of business, and (c) the *Motion of Debtors for Entry of Order (I) Establishing Bar Dates to File Proofs of Claim; (II) Approving Procedures for Filing Proofs of Claim; (III) Approving Form and Manner of Notice of Bar Dates; and (IV) Granting Related Relief* [Docket No. 93] (the "Bar Date Motion, and with the Bidding Procedures Motion and the OCP Motion, the "Second Day Motions"). The Second Day Motions are set for hearing on April 16, 2026 (the "Second Day Hearing").

C. Appointment of Unsecured Creditors' Committee.

On March 27, 2026, the U.S. Trustee appointed the official committee of unsecured creditors (the "Committee").[7] The Debtors immediately engaged with the Committee to discuss the Debtors' restructuring efforts and the Debtors' proposed case timeline. The seven-member Committee is currently composed of the following members: SBI VC Trade Co., Ltd., Dominion Capital LLC, Karol Przybytkowski, Jeffrey Brandt, Tod Skarecky, Energy Conversion Group, and Fuel Labs Inc.

D. Schedules and Statements.

On [__], 2026, the Debtors filed their Schedules and Statements [Docket Nos. [__]]. Interested parties may review the Schedules and Statements and any amendments thereto free of charge at https://veritaglobal.net/blockfills.

[7] *See Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 104].

E. Bar Date Motion.

On March 25, 2026, the Debtors filed the Bar Date Motion seeking court approval to establish the last date for certain persons and entities to file Proofs of Claim in these Chapter 11 Cases as May 14, 2026, at 4:00 p.m., prevailing Eastern Time (the "General Claims Bar Date") and the last date for governmental units to file Proofs of Claim in the Debtors' Chapter 11 Cases as September 11, 2026, at 4:00 p.m., prevailing Eastern Time (the "Governmental Bar Date").

F. Litigation Matters.

1. *Certain Non-Bankruptcy Litigation Matters*

In the ordinary course of business, the Debtors are parties to certain lawsuits, legal proceedings, collection proceedings, and claims arising out of their business operations. The Debtors cannot predict with certainty the outcome of these lawsuits, legal proceedings, and claims. With certain exceptions, the filing of the Chapter 11 Cases operates as a stay with respect to the commencement or continuation of litigation against the Debtors that was or could have been commenced before the commencement of the Chapter 11 Cases. The filing of the Chapter 11 Cases likewise generally stays any legal proceedings commenced to obtain possession of, or to exercise control over, the property of the Debtors' bankruptcy estate.

Further, the Debtors are party to various other legal proceedings (including individual, class and putative class actions as well as federal and state governmental investigations) covering a wide range of matters and types of claims including, but not limited to, securities laws, contracts, and trademark disputes. Such matters are subject to uncertainty and the outcome of individual matters is not predictable.

2. *Debtors' Injunction Efforts (Adversary Proceeding Case No. 26-50224)*

Prior to the Petition Date and continuing postpetition, the Debtors' directors and officers faced extensive litigation. This litigation meaningfully detracted from the Debtors' ability to focus on the Chapter 11 Cases and maximize the value of the Debtors' estates and the recoveries of the Debtors' creditors. As a result, on March 25, the Debtors filed the *Verified Adversary Complaint for Temporary Restraining Order and Preliminary Injunction (I) Enjoining Continuation of Certain Prepetition Litigation Against Directors and Officers or (II) In the Alternative, Extending the Automatic Stay to Such Directors and Officers to Prevent Continued Prosecution of Prepetition Litigation Against Them* [Docket No. 1] and the *Motion of Debtors for Entry of a Temporary Restraining Order and Preliminary Injunction (I) Enjoining Continuation of Certain Prepetition Litigation Against Directors and Officers or (II) In the Alternative, Extending the Automatic Stay to Such Directors and Officers to Prevent Continued Prosecution of Prepetition Litigation Against Them* [Docket No. 3].

In support of the Adversary Proceeding Papers, the Debtors filed the *Memorandum of Law in Support of Motion of Debtors for Entry of Temporary Restraining Order and Preliminary Injunction (I) Enjoining Continuation of Certain Prepetition Litigation Against Directors and Officers or (II) in the Alternative, Extending the Automatic Stay to Such Directors and Officers to Prevent Continued Prosecution of Prepetition Litigation Against Them* [Docket No. 4] and the *Declaration of David Hurst in Support of Motion of Debtors for Entry of Temporary Restraining Order and Preliminary Injunction (I) Enjoining Continuation of Certain Prepetition Litigation Against Directors and Officers or (II) in the Alternative, Extending the Automatic Stay to Such Directors and Officers to Prevent Continued Prosecution of Prepetition Litigation Against Them* [Docket No. 5 (Sealed) and 6] (collectively, with Docket Nos. 1 and 3, the "Injunction Pleadings").

After a hearing held on March 26, 2026, the Bankruptcy Court entered the *Order Granting the Motion of Debtors for Entry of Temporary Restraining Order and Preliminary Injunction (I) Enjoining Continuation of Certain Prepetition Litigation Against Directors and Officers or (II) in the Alternative, Extending the Automatic Stay to Such Directors and Officers to Prevent Continued Prosecution of Prepetition Litigation Against Them* [Docket No. 12] (the "Preliminary Injunction Order"), which enjoined such litigation until a final hearing can be held on the issue. The Preliminary Injunction Order remains in effect until April 16, 2026, on which date the Bankruptcy Court shall have a final hearing on the Injunction Pleadings.

On March 23, 2026, movants (the "Movants") 1548199 Alberta Ltd. And Robert J. Bertram filed the *Motion of 1548199 Alberta Ltd. And Robert J. Bertram For Relief From Stay Pursuant to 11 U.S.C. § 362* [Docket No. 81] (the "Motion for Relief from Stay").[8] As of the date hereof, the Bankruptcy Court has not yet ruled on the Movants' Motion for Relief from Stay.

G. The Post-Petition Sale Process

As discussed herein, on March 26, 2026, the Debtors filed the Bidding Procedures Motion, seeking to establish procedures and deadlines related to facilitating the Sale Process postpetition. The Debtors, along with their advisors, have already begun to work with potential bidders and interested investors to facilitate information sharing, answering of questions, and all other steps necessary to ultimately consummate a sale of the Debtors' assets on the deadlines proposed by the Debtors in the Bidding Procedures Motion. The Debtors remain resolute in their search for any strategic transaction, whether it be the Alternative Transaction or the NewCo Transaction (collectively, the "Restructuring Transactions"), that will maximize the value of the Debtors' estates and assets for the benefit of the Debtors' creditors.

IX. RISK FACTORS

BEFORE TAKING ANY ACTION WITH RESPECT TO THE PLAN, HOLDERS OF CLAIMS AGAINST THE DEBTORS WHO ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN SHOULD READ AND CONSIDER CAREFULLY THE RISK FACTORS SET FORTH BELOW AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT, THE PLAN, AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH, REFERRED TO, OR INCORPORATED BY REFERENCE INTO THIS DISCLOSURE STATEMENT, INCLUDING OTHER DOCUMENTS FILED WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES. THE RISK FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESSES OR THE RESTRUCTURING AND CONSUMMATION OF THE PLAN. EACH OF THE RISK FACTORS DISCUSSED IN THIS DISCLOSURE STATEMENT MAY APPLY EQUALLY TO THE DEBTORS AND THE POST-EFFECTIVE DATE DEBTORS, AS APPLICABLE AND AS CONTEXT REQUIRES.

A. Risks Related to the Restructuring.

Holders of Claims should read and consider carefully the risk factors set forth below before voting to accept or reject the Plan. Although there are many risk factors discussed below, these factors should not be regarded as constituting the only risks present in connection with the Debtors or the Plan and its implementation.

1. *The Debtors Will Consider All Available Restructuring Alternatives if the Restructuring Transactions Are Not Implemented, and Such Alternatives May Result in Lower Recoveries for Holders of Claims Against the Debtors*

If the Restructuring Transactions are not implemented, the Debtors will consider all other restructuring alternatives available, which may include the filing of an alternative chapter 11 plan, conversion to chapter 7, or any other transaction that would maximize the value of the Debtors' estates. Any alternative restructuring proposal may be on terms less favorable to Holders of Claims against the Debtors than the terms of the Plan as described in this Disclosure Statement.

Any material delay in Confirmation of the Plan, or the Chapter 11 Cases, or the threat of rejection of the Plan by the Bankruptcy Court, would add substantial expense and uncertainty to the process.

[8] The Motion for Relief from Stay was filed on the Debtors' main docket, Case No. 26-10371 (TMH) and not the adversary proceeding docket.

The uncertainty surrounding a prolonged restructuring would also have other adverse effects on the Debtors. For example, it would also adversely affect:

- the Debtors' ability to raise additional capital;
- the Debtors' ability to retain key employees;
- the Debtors' ability to retain account holders;
- the Debtors' liquidity;
- how the Debtors' business is viewed by regulators, investors, and lenders; and
- the Debtors' enterprise value.

2. *Certain Bankruptcy Law Considerations*

The occurrence or non-occurrence of any or all of the following contingencies, and any others, could affect distributions available to Holders of Allowed Claims under the Plan but will not necessarily affect the validity of the vote of the Impaired Classes to accept or reject the Plan or necessarily require a re-solicitation of the votes of Holders of Claims in such Impaired Classes.

(a) Parties in Interest May Object to the Plan's Classification of Claims and Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. As provided in the Plan and this Disclosure Statement, the Debtors are not seeking to substantively consolidate and recoveries on account of Claims against or Interests in any Debtor shall be determined on a Debtor-by-Debtor basis. The Debtors believe that the classification of the Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims and Interests, each encompassing Claims and Interests that are substantially similar to the other Claims and Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

(b) The Conditions Precedent to the Effective Date of the Plan May Not Occur.

As more fully set forth in Article IX of the Plan, the Effective Date is subject to a number of conditions precedent. If such conditions precedent are not met or waived, the Effective Date will not take place.

(c) Failure to Satisfy Vote Requirements.

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, Confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may seek to confirm an alternative chapter 11 plan. There can be no assurance that the terms of any such alternative chapter 11 plan would be similar or as favorable to the Holders of Allowed Claims as those proposed in the Plan.

(d) The Debtors May Not Be Able to Secure Confirmation of the Plan.

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan and requires, among other things, a finding by the Bankruptcy Court that: (i) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (ii) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial reorganization unless such liquidation or reorganization is contemplated by the plan; and (iii) the value of distributions to non-accepting holders of claims and equity interests within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of an Allowed Claim might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determined that this Disclosure Statement, the balloting procedures, and voting results were appropriate, the Bankruptcy Court could still decline to confirm the Plan if it found that any of the statutory requirements for Confirmation had not been met. If a chapter 11 plan is not confirmed by the Bankruptcy Court, it is unclear whether the Debtors will be able to consummate the Sale and what, if anything, Holders of Allowed Claims against them would ultimately receive with respect to their Claims.

The Debtors, subject to the terms and conditions of the Plan, reserve the right to modify the terms and conditions of the Plan as necessary for Confirmation. Any such modifications could result in less favorable treatment of any non-accepting class of Claims, as well as any class junior to such non-accepting class, than the treatment currently provided in the Plan. Such a less favorable treatment could include a distribution of property with a lesser value than currently provided in the Plan or no distribution whatsoever under the Plan.

(e) Nonconsensual Confirmation.

In the event that any Impaired Class of Claims or Interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm a plan at the proponents' request if at least one Impaired Class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. The Debtors believe that the Plan satisfies these requirements, and the Debtors will request such nonconsensual Confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the conclusion that the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code. In addition, the pursuit of nonconsensual Confirmation or Consummation of the Plan may result in, among other things, increased expenses relating to Professional Fee Claims.

(f) Continued Risk After Consummation.

Even if the Plan is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as increasing expenses and further industry deterioration or other changes in economic conditions. Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan reflecting the Plan will achieve the Debtors' stated goals.

(g) Filing of a Competing Plan.

At the outset of the Chapter 11 cases, the Bankruptcy Code provides the Debtors with the exclusive right to propose the Plan and prohibits creditors and others from proposing a plan. The Debtors have retained the exclusive right to propose the Plan since filing their chapter 11 petitions. If the Bankruptcy Court terminates that right, however, or the exclusivity period expires, there could be a material adverse effect on the Debtors' ability to achieve Confirmation of the Plan in order to achieve the Debtors' stated goals because creditors and others may propose a plan.

(h) The Chapter 11 Cases May Be Converted to Cases Under Chapter 7 of the Bankruptcy Code.

If the Bankruptcy Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Bankruptcy Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the debtors' assets for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time, (b) additional administrative expenses involved in the appointment of

a chapter 7 trustee, and (c) additional expenses and Claims, some of which would be entitled to priority, that would be generated during the liquidation, including Claims resulting from the rejection of Unexpired Leases and other Executory Contracts in connection with cessation of operations.

(i) The Debtors May Object to the Amount or Classification of a Claim.

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied upon by any Holder of a Claim where such Claim is subject to an objection. Any Holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

(j) Risk of Non-Occurrence of the Effective Date.

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing or as to whether the Effective Date will in fact occur.

(k) Contingencies Could Affect Votes of Impaired Classes to Accept or Reject the Plan.

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims. The occurrence of any and all such contingencies could affect distributions available to Holders of Allowed Claims under the Plan but may not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

The estimated Claims and creditor recoveries set forth in this Disclosure Statement are based on various assumptions, and the actual Allowed amounts of Claims may significantly differ from the estimates. Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims may vary from the estimated Claims contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time, the number or amount of Claims that will ultimately be Allowed. Such differences may materially and adversely affect, among other things, the percentage recoveries to Holders of Allowed Claims under the Plan.

(l) Releases, Injunctions, and Exculpations Provisions May Not Be Approved.

Article VIII of the Plan provides for certain releases, injunctions, and exculpations, including releases by third parties of claims that may otherwise be asserted against the Debtors, the Post-Effective Date Debtors, or Released Parties, as applicable. The releases, injunctions, and exculpations (including, for the avoidance of doubt, the definitions of Released Parties, Releasing Parties, and Exculpated Parties) provided in the Plan are subject to objection by parties in interest and may not be approved. If the releases are not approved, certain parties may not be considered Released Parties, Releasing Parties, or Exculpated Parties, and certain Released Parties may withdraw their support for the Plan.

3. *The Consideration Under the Plan Does Not Reflect any Independent Valuation of Claims against or Interests in the Debtors*

The Debtors have not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration under the Plan.

4. *Governmental Approvals May Not Be Granted*

Consummation of the Restructuring Transactions may depend on obtaining approvals of certain Governmental Units that may be necessary or advisable. Failure by any Governmental Unit to grant an approval could prevent or impose limitations or restrictions on Consummation of the Restructuring Transactions and Confirmation of the Plan.

B. Risks Related to Recoveries under the Plan.

1. The Debtors Cannot Guarantee Recoveries or the Timing of Such Recoveries

Although the Debtors have made commercially reasonable efforts to estimate Allowed Claims and Allowed Interests, it is possible that the actual amount of such Allowed Claims and Allowed Interests is materially different than the Debtors' estimates. Creditor recoveries could be materially reduced or eliminated in this instance. In addition, the timing of actual distributions to Holders of Allowed Claims and Allowed Interests may be affected by many factors that cannot be predicted. Therefore, the Debtors cannot guaranty the timing or amount of any recovery on an Allowed Claim or an Allowed Interest.

2. The Debtors Are Subject to the Volatility of Cryptocurrency

The volatility of cryptocurrency may adversely affect the fair market value of BlockFills' businesses, which could result in lower recoveries for creditors than the Debtors' current estimates.

3. The Tax Implications of the Debtors' Bankruptcy and Restructuring Are Highly Complex

Holders of Allowed Claims and Allowed Interests should carefully review Article XII of this Disclosure Statement, entitled "Certain U.S. Federal Tax Consequences of the Plan," to determine how the tax implications of the Plan and the Chapter 11 Cases may adversely affect the Debtors.

4. The Closing Conditions of the Alternative Transaction May Not Be Satisfied

It is possible that the Debtors may not satisfy the closing conditions of the Alternative Transaction, if applicable. A failure to satisfy any of the closing conditions of the Alternative Transaction could prevent the Alternative Transaction and the Plan from being consummated, which could lead to the Chapter 11 Cases being converted to cases under chapter 7.

C. Disclosure Statement Disclaimer.

1. The Financial Information Is Based on the Debtors' Books and Records and, Unless Otherwise Stated, No Audit Was Performed

In preparing this Disclosure Statement, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have used their reasonable business judgment to assure the accuracy of the financial information provided in this Disclosure Statement, and while the Debtors believe that such financial information fairly reflects their financial condition, the Debtors are unable to warrant or represent that the financial information contained in this Disclosure Statement (or any information in any of the exhibits to the Disclosure Statement) is without inaccuracies.

2. No Legal or Tax Advice Is Provided By This Disclosure Statement

This Disclosure Statement is not legal advice to any person or Entity. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each reader should consult their own legal counsel and accountant with regard to any legal, tax, and other matters concerning its Claim or Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote to accept or reject the Plan or whether to object to Confirmation of the Plan.

3. No Admissions Made

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any Entity (including the Debtors) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, Holders of Allowed Claims or Interests, or any other parties in interest.

4. *Failure to Identify Litigation Claims or Projected Objections*

No reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Interest is, or is not, identified in this Disclosure Statement. The Debtors may seek to investigate, file, and prosecute Claims and may object to Claims and Interests after Confirmation and Consummation of the Plan, irrespective of whether this Disclosure Statement identifies such Claims or objections to Claims and Interests.

5. *Information Was Provided by the Debtors and Was Relied Upon by the Debtors' Advisors*

Counsel to and other advisors retained by the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement and the exhibits to the Disclosure Statement, they have not independently verified the information contained in this Disclosure Statement or the information in the exhibits to the Disclosure Statement.

6. *Potential Exists for Inaccuracies, and the Debtors Have No Duty to Update*

The statements contained in this Disclosure Statement are made by the Debtors as of the date of this Disclosure Statement unless otherwise specified in this Disclosure Statement, and the delivery of this Disclosure Statement after the date of this Disclosure Statement does not imply that there has not been a change in the information set forth in this Disclosure Statement since that date. While the Debtors have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Furthermore, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

7. *No Representations Outside This Disclosure Statement Are Authorized*

NO REPRESENTATIONS CONCERNING OR RELATING TO THE DEBTORS, THE CHAPTER 11 CASES, OR THE PLAN ARE AUTHORIZED BY THE BANKRUPTCY COURT OR THE BANKRUPTCY CODE, OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE VOTING HOLDERS' ACCEPTANCE OR REJECTION OF THE PLAN THAT ARE OTHER THAN AS CONTAINED IN, OR INCLUDED WITH, THIS DISCLOSURE STATEMENT, SHOULD NOT BE RELIED UPON BY VOTING HOLDERS IN ARRIVING AT THEIR DECISION. VOTING HOLDERS SHOULD PROMPTLY REPORT UNAUTHORIZED REPRESENTATIONS OR INDUCEMENTS TO COUNSEL TO THE DEBTORS AND THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE SOUTHERN DISTRICT OF NEW YORK.

D. Miscellaneous Risk Factors and Disclaimers.

1. *The Debtors are Subject to an Extensive and Highly Evolving Regulatory Landscape and Any Adverse Changes to, or Their Failure to Comply with, any Laws and Regulations Could Adversely Affect Their Brand, Reputation, Business, Assets, Operating Results, and Financial Condition*

The Debtors' business is subject to extensive laws, rules, regulations, policies, orders, determinations, directives, treaties, and legal and regulatory interpretations and guidance in the markets in which the Debtors operate, including those governing money transmission, financial services, banks and trust companies, securities, broker-dealers and alternative trading systems, or ATS, commodities and commodities interests such as derivatives, credit, cryptocurrency asset custody, exchange, and transfer, cross-border and domestic money and cryptocurrency asset transmission, retail and commercial lending, usury, foreign currency exchange, privacy, data governance, data protection, cybersecurity, fraud detection, retail protection, escheatment, antitrust and competition, bankruptcy, tax, anti-bribery, economic and trade sanctions, anti-money laundering, and counter-terrorist financing, among others. Many of these legal and regulatory regimes were adopted prior to the advent of the internet, mobile technologies, cryptocurrency assets, and related technologies. As a result, some applicable laws and regulations do not contemplate or address unique issues associated with the cryptocurrency economy, are subject to significant uncertainty, and vary widely across U.S. federal, state, and local and international jurisdictions. These legal and regulatory regimes,

including the laws, rules, and regulations thereunder, evolve frequently and may be modified, interpreted, and applied in an inconsistent manner from one jurisdiction to another and may conflict with one another. Moreover, the complexity and evolving nature of the Debtors' business and the significant uncertainty surrounding the regulation of the cryptocurrency economy require the Debtors to exercise their judgment as to whether certain laws, rules, and regulations apply to the Debtors, and it is possible that governmental bodies and regulators may disagree with their conclusions. To the extent the Debtors have not complied with such laws, rules, and regulations, the Debtors could be subject to significant fines, revocation of licenses (including Money Transmission Licenses as described in Article IV), limitations on their products and services, cease and desist orders in one or more states, reputational harm, and other regulatory consequences, each of which may be significant and could adversely affect their business, operating results, and financial condition.

Additionally, economic and trade sanctions, anti-money laundering, and anti-terrorism laws in the United States and other jurisdictions may restrict the Debtors' business from engaging in transactions in or relating to certain countries, individuals, and entities. The imposition of sanctions and related restrictions by different jurisdictions have been evolving quickly, including in response to the military conflict between Russia and Ukraine, and the ultimate impact on global economic and commercial activity as well the financial condition and performance of the Debtors' business and assets is difficult to predict.

2. ***The Post-Effective Date Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases as well as Ongoing Regulatory Investigations***

The Debtors are currently subject to or interested in certain legal proceedings, some of which may adversely affect the Debtors. In the future, the Debtors may become parties to additional litigation, including enforcement actions brought by state banking departments with respect to BlockFills' historical compliance with money transmission laws, which could result in significant fines. In general, litigation can be expensive and time consuming to bring or defend against. Such litigation could result in settlements or damages that could significantly affect recoveries to creditors in these Chapter 11 cases. It is also possible that certain parties will commence litigation with respect to the treatment of their Claims under the Plan. It is not possible to predict the potential litigation that the Debtors may become party to, nor the final resolution of such litigation. The impact of any such litigation on the Debtors, however, could be material.

3. ***The Loss of Key Personnel Could Adversely Affect the Debtors' Ability to Consummate the Sale and Plan***

The Debtors' operations are dependent on a relatively small group of key management personnel and a highly skilled employee base. The Debtors' recent liquidity issues and the Chapter 11 Cases have created distractions and uncertainty for key management personnel and employees. Because competition for experienced personnel in the cryptocurrency and financial industries can be significant, the Debtors may be unable to find acceptable replacements with comparable skills and experience and the loss of such key management personnel could adversely affect the Debtors' ability to consummate the Sale and the Plan.

4. ***Certain Claims May Not Be Discharged and Could Have a Material Adverse Effect on the Debtors' Financial Condition***

Section 1141(d)(3) of the Bankruptcy Code limits a debtor's ability to discharge Claims in certain circumstances. Any Claims not ultimately discharged through a Plan could be asserted against the Post-Effective Date Debtors and may have an adverse effect on the Debtors' financial condition.

X. SOLICITATION AND VOTING PROCEDURES

This Disclosure Statement, which is accompanied by a Ballot or Ballots to be used for voting on the Plan, is being distributed to the Holders of Claims in those Classes that are entitled to vote to accept or reject the Plan. The procedures and instructions for voting and related deadlines are set forth in the Solicitation Package.

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY.

PLEASE REFER TO THE SOLICITATION PROCEDURES ORDER FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

A. Classes Entitled to Vote on the Plan.

The following Classes are entitled to vote to accept or reject the Plan (collectively, the "Voting Classes"):

Class	Claim or Interest	Status
4	Participating Customer Claims	Impaired
5	Convenience Claims	Impaired
6	General Unsecured Claims	Impaired

If your Claim or Interest is not included in the Voting Classes, you are not entitled to vote and you will not receive a Solicitation Package (as defined below). If you are a Holder of a Claim in one or more of the Voting Classes, you should read your Ballot(s) and carefully follow the instructions included in the Ballot(s). Please use only the Ballot(s) that accompanies this Disclosure Statement or the Ballot(s) that the Debtors, or the Claims, Noticing, and Solicitation Agent on behalf of the Debtors, otherwise provided to you. If you are a Holder of a Claim in more than one of the Voting Classes, you will receive a Ballot for each such Claim.

B. Votes Required for Acceptance by a Class.

Under the Bankruptcy Code, acceptance of a chapter 11 plan by a class of claims is determined by calculating the amount and number of allowed claims voting to accept, as a percentage of the allowed claims that have voted. Acceptance of a chapter 11 plan by a class of interests is determined by calculating the amount of allowed interests voting to accept, as a percentage of the allowed interests that have voted. Acceptance by a class of claims requires an affirmative vote of more than one-half in number of total allowed claims that have voted and an affirmative vote of at least two-thirds in dollar amount of the total allowed claims that have voted. Acceptance by a class of interests requires an affirmative vote of at least two-thirds in amount of the total allowed interests that have voted.

C. Certain Factors to Be Considered Prior to Voting.

There are a variety of factors that all Holders of Claims entitled to vote on the Plan should consider prior to voting to accept or reject the Plan. These factors may impact recoveries under the Plan and include, among other things:

- unless otherwise specifically indicated, the financial information contained in the Disclosure Statement has not been audited and is based on an analysis of data available at the time of the preparation of the Plan and the Disclosure Statement;

- although the Debtors believe that the Plan complies with all applicable provisions of the Bankruptcy Code, the Debtors can neither assure such compliance nor guarantee that the Bankruptcy Court will confirm the Plan;

- the Debtors may request Confirmation without the acceptance of all Impaired Classes in accordance with section 1129(b) of the Bankruptcy Code; and

- any delays of either Confirmation or Consummation could result in, among other things, increased Administrative Claims and Professional Fee Claims.

While these factors could affect distributions available to Holders of Allowed Claims under the Plan, the occurrence or impact of such factors will not necessarily affect the validity of the vote of the Voting Classes or necessarily require a resolicitation of the votes of Holders of Claims in the Voting Classes.

For a further discussion of risk factors, please refer to "Risk Factors" described in Article IX of this Disclosure Statement.

D. Classes Not Entitled To Vote on the Plan.

Under the Bankruptcy Code, holders of claims or interests are not entitled to vote if their contractual rights are unimpaired by the proposed plan or if they will receive no property under the plan. Accordingly, the following Classes of Claims against and Interests in the Debtors are not entitled to vote to accept or reject the Plan:

Class	Claim or Interest	Status
1	Secured Tax Claims	Unimpaired
2	Other Secured Claims	Unimpaired
3	Other Priority Claims	Unimpaired
4	Celsius Secured Claim	Unimpaired
8	Section 510(b) Claims	Impaired
9	Intercompany Claims	Unimpaired / Impaired
10	Intercompany Interests	Unimpaired / Impaired
11	Existing Equity Interests	Impaired

E. Solicitation Procedures.

1. *Claims, Noticing, and Solicitation Agent*

The Debtors have retained Verita to act, among other things, as Claims, Noticing, and Solicitation Agent in connection with the solicitation of votes to accept or reject the Plan.

2. *Solicitation Package*

The following materials constitute the solicitation package (the "Solicitation Package") distributed to Holders of Claims in the Voting Classes:

- the Confirmation Hearing Notice (as defined in the Solicitation Procedures Order);
- this Disclosure Statement (and exhibits thereto, including the Plan);
- a copy of the order approving the Disclosure Statement (without exhibits) (*i.e.*, the Solicitation Procedures Order);
- a pre-addressed return envelope; and
- such other materials as the Bankruptcy Court may direct or approve.

3. *Distribution of the Solicitation Package and Plan Supplement*

The Claims, Noticing, and Solicitation Agent shall distribute the Solicitation Package to Holders of Claims in the Voting Classes on May 18, 2026 or as soon as reasonably practicable thereafter (the "Solicitation Launch").

The Solicitation Package (without Ballots, unless you are an eligible voting party) may also be obtained from the Claims, Noticing, and Solicitation Agent by: (a) calling the Claims, Noticing, and Solicitation Agent at

(866) 554-5810 (USA or Canada) or +1 (781) 575-2032 (International) and asking for the "Solicitation Group" or (b) submitting an inquiry to the Claims, Noticing, and Solicitation Agent at https://veritaglobal.net/BlockFills/inquiry. You may also obtain copies of any pleadings filed with the Bankruptcy Court for free by visiting the Debtors' restructuring website, https://veritaglobal.net/blockfills, or the Bankruptcy Court's website at https://www.deb.uscourts.gov/ (for a fee). Holders that have more than one option to return a Ballot should choose only one method to return their Ballot.

On or before June 8, 2026, the Debtors will file all Plan Supplement documents, which may include, as applicable, the (a) the Schedule of Assumed Executory Contracts and Unexpired Leases; (b) the Schedule of Retained Causes of Action; (c) the Liquidation Trust Agreement; (d) documents identifying the individual to serve as GUC Trustee to the extent not identified in the Liquidation Trust Agreement; (f) if a NewCo Transaction occurs, documents identifying the members of the New Board; and (g) any additional documents necessary to effectuate or that is contemplated by the Plan. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on the Debtors' restructuring website. The Debtors will not serve copies of the Plan Supplement; however, parties may obtain a copy of the Plan Supplement from the Claims, Noticing, and Solicitation Agent by: (a) calling the Claims, Noticing, and Solicitation Agent at the telephone number set forth above; (b) visiting the Debtors' restructuring website, https://veritaglobal.net/blockfills, or (c) submitting an inquiry to the Claims, Noticing, and Solicitation Agent at https://veritaglobal.net/blockfills/inquiry.

F. Voting Procedures.

May 14, 2026 (the "Voting Record Date"), is the date that will be used for determining which Holders of Claims are entitled to vote to accept or reject the Plan and receive the Solicitation Package in accordance with the solicitation procedures. Except as otherwise set forth herein, the Voting Record Date and all of the Debtors' solicitation and voting procedures shall apply to all of the Debtors' creditors and other parties in interest.

In order for the Holder of a Claim in the Voting Classes to have its Ballot counted as a vote to accept or reject the Plan, such Holder's Ballot must be properly completed, executed, and delivered by (i) using the enclosed pre-paid, pre-addressed return envelope, (ii) via first class mail, overnight courier, or hand delivery to BlockFills Ballot Processing Center, c/o KCC dba Verita, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245, or (iii) accessing the Claims, Noticing, and Solicitation Agent's online voting portal at https://eballot.veritaglobal.net/blockfills, so that such Holder's Ballot is actually received by the Claims, Noticing, and Solicitation Agent on or before the Voting Deadline on June 15, 2026, at 4:00 p.m., prevailing Eastern Time.

For purposes of the Voting Record Date, the Debtors propose that no transfer of claims pursuant to Bankruptcy Rule 3001 will be recognized unless either (a)(i) documentation evidencing such transfer was filed with the Court on or before 21 days prior to the Voting Record Date and (ii) no timely objection with respect to such transfer was filed by the transferor; or (b) the parties to such transfer waived the 21-day period in the evidence of transfer and the evidence of transfer was docketed prior to the Voting Record Date.

If you hold Claims in more than one Voting Class under the Plan, you should receive a separate Ballot for each Class of Claims, coded by Class number, and a set of solicitation materials.

IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED UNLESS THE DEBTORS DETERMINE OTHERWISE.

ANY BALLOT THAT IS PROPERLY EXECUTED BY THE HOLDER OF A CLAIM BUT THAT DOES NOT CLEARLY INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN OR ANY BALLOT THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN.

IT IS IMPORTANT THAT THE HOLDER OF A CLAIM IN THE VOTING CLASSES FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON SUCH HOLDER'S BALLOT AND THE ACCOMPANYING INSTRUCTIONS. NO BALLOT MAY BE WITHDRAWN OR MODIFIED AFTER THE VOTING DEADLINE WITHOUT THE DEBTORS' PRIOR CONSENT OR PERMISSION OF THE BANKRUPTCY COURT.

G. Voting Tabulation.

Unless the Debtors decide otherwise, Ballots received after the Voting Deadline may not be counted. A Ballot will be deemed delivered only when the Claims, Noticing, and Solicitation Agent actually receives the executed Ballot as instructed in the applicable voting instructions. No Ballot should be sent to the Debtors, the Debtors' agents (other than the Claims, Noticing, and Solicitation Agent) or the Debtors' financial or legal advisors.

The Bankruptcy Code may require the Debtors to disseminate additional solicitation materials if the Debtors make material changes to the terms of the Plan or if the Debtors waive a material condition to Confirmation of the Plan. In that event, the solicitation will be extended to the extent directed by the Bankruptcy Court.

In the event that a designation of lack of good faith is requested by a party in interest under section 1126(e) of the Bankruptcy Code, the Bankruptcy Court will determine whether any vote to accept and/or reject the Plan cast with respect to that Claim will be counted for purposes of determining whether the Plan has been accepted and/or rejected.

The Debtors will file with the Bankruptcy Court, as soon as practicable after the Voting Deadline, the voting report prepared by the Claims, Noticing, and Solicitation Agent (the "Voting Report"). The Voting Report shall, among other things, provide the votes received to accept or reject the Plan and Holders of Claims and Interests that have opted into the third-party releases or Contributed Third-Party Claims, delineate every Ballot that does not conform to the voting instructions or that contains any form of irregularity (each an "Irregular Ballot"), including those Ballots that are late or (in whole or in material part) illegible, unidentifiable, lacking signatures or lacking necessary information, or damaged. The Voting Report also shall indicate the Debtors' intentions with regard to such Irregular Ballots. Neither the Debtors nor any other Person or Entity will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots other than as provided in the Voting Report nor will any of them incur any liability for failure to provide such notification.

H. Ballots Not Counted.

No Ballot will be counted toward Confirmation if, among other things: (1) such Ballot is received after the Voting Deadline (as extended by the Debtors as provided herein); (2) such Ballot is illegible or contains insufficient information to permit the identification of the claim holder; (3) such Ballot is cast by a person or entity that does not hold a claim in a class that is entitled to vote to accept or reject the Plan; (4) such Ballot is cast for a claim which is listed in the Debtors' Schedules as contingent, unliquidated, or disputed or as zero or unknown in amount and (i) which is not the subject of a timely-filed proof of claim and (ii) for which no Rule 3018(a) Motion has been filed by the Rule 3018(a) Motion Deadline; (5) such Ballot is cast for a claim that was filed in a zero dollar amount; (6) such Ballot indicates neither an acceptance nor a rejection, or indicates both an acceptance and rejection, of the Plan; (7) such Ballot casts part of its vote in the same class to accept the Plan and part to reject the Plan; (8) it is any form of Ballot other than the official form sent by the Voting Agent, or a copy thereof; (9) the Voting Agent cannot match to an existing database record; (10) such Ballot does not contain an original signature; *provided*, *however*, that for the avoidance of doubt, a Ballot submitted via the Voting Agent's Ballot portal will be deemed to contain an original signature; or (11) such Ballot is submitted by facsimile, email, or by other electronic means other than through the Voting Agent's Ballot portal. Please refer to the Solicitation Procedures Order for additional requirements with respect to voting to accept or reject the Plan.

IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE CLAIMS, NOTICING, AND SOLICITATION AGENT TOLL-FREE NUMBER AT (866) 554-5810 (USA OR CANADA) OR (781) 575-2032 (INTERNATIONAL)

ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE SOLICITATION PROCEDURES ORDER WILL NOT BE COUNTED.

XI. CONFIRMATION OF THE PLAN

A. Requirements of Section 1129(a) of the Bankruptcy Code.

Among the requirements for Confirmation are the following: (i) the Plan is accepted by all impaired Classes of Claims and Interests or, if the Plan is rejected by an Impaired Class, at least one Impaired Class of Claims has voted to accept the Plan and a determination that the Plan "does not discriminate unfairly" and is "fair and equitable" as to Holders of Claims or Interests in all rejecting Impaired Classes; (ii) the Plan is feasible; and (iii) the Plan is in the "best interests" of Holders of Impaired Claims or Interests (*i.e.*, Holders of Class 5 Participating Customer Claims, Holders of Class 6 Convenience Claims, Holders of Class 7 General Unsecured Claims, Holders of Class 8 Section 510(b) Claims, Holders of Class 9 Intercompany Claims, Holders of Class 10 Intercompany Interests, and Holders of Class 11 Existing Equity Interests).

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that the Plan satisfies or will satisfy all of the necessary requirements of chapter 11 of the Bankruptcy Code. Specifically, in addition to other applicable requirements, the Debtors believe that the Plan satisfies or will satisfy the applicable Confirmation requirements of section 1129 of the Bankruptcy Code set forth below.

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors, as the Plan proponents, have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, will be disclosed to the Bankruptcy Court, and any such payment: (i) made before Confirmation will be reasonable or (ii) will be subject to the approval of the Bankruptcy Court as reasonable, if it is to be fixed after Confirmation.
- Either each Holder of an Impaired Claim against or Interest in the Debtors will accept the Plan, or each non-accepting Holder will receive or retain under the Plan on account of such Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount that the Holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code.
- Except to the extent that the Holder of a particular Claim agrees to a different treatment of its Claim, the Plan provides that, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, Allowed Administrative Claims will be paid in full on the Effective Date or as soon thereafter as is reasonably practicable.
- At least one Class of Impaired Claims will have accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in that Class.
- Confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Debtors or any successors thereto under the Plan.
- All fees of the type described in 28 U.S.C. § 1930, including the fees of the U.S. Trustee, will be paid as of the Effective Date.

Section 1126(c) of the Bankruptcy Code provides that a class of claims has accepted a plan of reorganization if such plan has been accepted by creditors that hold at least two-thirds in amount and more than one-half in number of the allowed claims of such class. Section 1126(d) of the Bankruptcy Code provides that a class of interests has accepted a plan of reorganization if such plan has been accepted by holders of such interests that hold at least two-thirds in amount of the allowed interests of such class.

B. Best Interests of Creditors—Liquidation Analysis.

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each class, that each holder of a claim or an interest in such class either (i) has accepted the plan or (ii) will receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtors liquidated under chapter 7 of the Bankruptcy Code.

To demonstrate compliance with the "best interests" test, the Debtors, with the assistance of their advisors, prepared the Liquidation Analysis, attached hereto as **Exhibit B**, showing that the value of the distributions provided to Holders of Allowed Claims and Interests under the Plan would be the same or greater than under a hypothetical chapter 7 liquidation. As reflected in the Liquidation Analysis, the Debtors believe that liquidation of the Debtors' business under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to be realized by Holders of Allowed Claims or Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that Confirmation of the Plan will provide a substantially greater return to Holders of Allowed Claims or Interests than would a liquidation under chapter 7 of the Bankruptcy Code.

In a typical chapter 7 case, a trustee is elected or appointed to liquidate a debtor's assets and to make distributions to creditors in accordance with the priorities established in the Bankruptcy Code. Generally, secured creditors are paid first from the proceeds of sales of their collateral. If any assets remain in the bankruptcy estate after satisfaction of secured creditors' claims from their collateral, administrative expenses are next to be paid. Unsecured creditors are paid from any remaining sale proceeds, according to their respective priorities. Unsecured creditors with the same priority share in proportion to the amount of their allowed claims in relationship to the total amount of allowed claims held by all unsecured creditors with the same priority. Finally, interest holders receive the balance that remains, if any, after all creditors are paid.

All or substantially all of the assets of the Debtors' business will have been liquidated through the Alternative Transaction and the Plan effects a wind down of the Debtors' remaining assets not otherwise acquired in the Alternative Transaction. Although a chapter 7 liquidation would achieve the same goal, the Debtors believe that the Plan provides a greater recovery to Holders of Allowed Claims than would a chapter 7 liquidation.

The liquidation of the Debtors' assets in chapter 7 would result in substantially less value than the proceeds of the Alternative Transaction or the NewCo Transaction.

Distributing the Debtors' estates under the Plan likely provides Holders of Allowed Claims with a larger, more timely recovery in part because of the expenses that would be incurred in a chapter 7 liquidation, including the potential added time (thereby reducing the present value of any recovery for Holders) and expense incurred by the chapter 7 trustee and any retained professionals in familiarizing themselves with the Chapter 11 Cases and the Debtors' Cryptocurrency. *See, e.g.*, 11 U.S.C. § 326(a) (providing for compensation of a chapter 7 trustee); 11 U.S.C. 503(b)(2) (providing administrative expense status for compensation and expenses of a chapter 7 trustee and such trustee's professionals). Additionally, the Debtors' Estates would continue to be obligated to pay all unpaid expenses incurred by the Debtors during the Chapter 11 Cases (such as compensation for Professionals), which may constitute Allowed Claims in any chapter 7 case.

The conversion to chapter 7 would also require entry of a new bar date. *See* Fed. R. Bankr. P. 1019(2); 3002(c). Thus, the amount of Claims ultimately filed and Allowed against the Debtors could materially increase, thereby further reducing creditor recoveries versus those available under the Plan.

In light of the foregoing, the Debtors submit that a chapter 7 liquidation would result in reduced sale proceeds and recoveries, increased expenses, delayed distributions, and the prospect of additional claims that were not asserted in the Chapter 11 Cases. Accordingly, the Debtors believe that distributions under the Plan would provide Holders of Claims and Interests with the same or greater recovery than under a hypothetical chapter 7 liquidation.

C. Feasibility Analysis.

Section 1129(a)(11) of the Bankruptcy Code requires that neither liquidation nor the need for further financial restructuring of the debtor (unless such liquidation or reorganization is proposed in such plan of reorganization) is

likely to follow confirmation of a plan of reorganization. The Debtors, with the assistance of their advisors, have undertaken an analysis of Newco's ability to satisfy its obligations under the Plan for purposes of evaluating compliance with the feasibility requirement. In connection with this analysis, the Debtors prepared an illustrative expense budget derived from the Debtors' historical cost structure to estimate the period required for Newco to achieve breakeven cash flow, maintain operations as a going concern, and assess whether the proposed initial working capital is adequate to support such objectives (the "Feasibility Analysis"), attached hereto as **Exhibit C**.

The Debtors' Feasibility Analysis necessarily excludes consideration of any business plans, projections, or operational strategies to be implemented by Newco's prospective ownership and management, as such information is not available to the Debtors or their advisors. Accordingly, the Debtors make no representation as to the impact of such plans on Newco's performance. Actual results may vary materially from the estimates set forth herein, and any material variance in assumed expense run rates could materially and adversely affect both the timing of achieving breakeven cash flow and the sufficiency of the initial working capital required. Creditors and other interested parties should review Article IX of this Disclosure Statement entitled "Risk Factors" for a discussion of certain factors that may affect the future financial performance of the Reorganized Debtors.

D. Acceptance by Impaired Classes.

The Bankruptcy Code requires that, except as described in the following section, each impaired class of claims or interests must accept a plan in order for it to be confirmed. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to the class is not required. A class is "impaired" unless the plan: (i) leaves unaltered the legal, equitable, and contractual rights to which the claim or the interest entitles the holder of the claim or interest; (ii) cures any default, reinstates the original terms of such obligation, compensates the holder for certain damages or losses, as applicable, and does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest; or (c) provides that, on the consummation date, the holder of such claim or equity interest receives cash equal to the allowed amount of that claim or, with respect to any equity interest, any fixed liquidation preference to which the holder of such equity interest is entitled or any fixed price at which the debtor may redeem the security.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of allowed claims in that class, counting only those claims that actually voted to accept or to reject the plan. Thus, a class of claims will have voted to accept the plan only if two-thirds in amount and a majority in number of creditors actually voting cast their ballots in favor of acceptance. For a class of impaired interests to accept a plan, section 1126(d) of the Bankruptcy Code requires acceptance by interest holders that hold at least two-thirds in amount of the allowed interests of such class, counting only those interests that actually voted to accept or reject the plan. Thus, a class of interests will have voted to accept the plan only if two-thirds in amount actually voting cast their ballots in favor of acceptance.

E. Confirmation without Acceptance by All Impaired Classes.

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted the plan, *provided* that the plan has been accepted by at least one impaired class of claims. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class rejection or deemed rejection of the plan, the plan will be confirmed, at the plan proponent's request, in a procedure commonly known as "cramdown" so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or interests that is impaired under, and has not accepted, the plan.

If any Impaired Class of Claims or Interests rejects the Plan, including Classes of Claims or Interests deemed to reject the Plan, the Debtors will request Confirmation of the Plan, as it may be modified from time to time, utilizing the "cramdown" provision under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims to render such Class of Claims Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules or to withdraw the Plan as to such Debtor. The Debtors submit that, based on the recoveries described herein and set forth in the Plan, the Plan does not discriminate unfairly.

The Debtors believe that the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the requirements for cramdown and the Debtors will be prepared to meet their burden to establish that the Plan can be Confirmed pursuant to section 1129(b) of the Bankruptcy Code as part of Confirmation of the Plan.

1. *No Unfair Discrimination*

The "unfair discrimination" test applies with respect to classes of claim or interests that are of equal priority but are receiving different treatment under a proposed plan. The test does not require that the treatment be the same or equivalent, but that the treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. Under certain circumstances, a proposed plan may treat two classes of unsecured creditors differently without unfairly discriminating against either class.

2. *Fair and Equitable Test*

The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in such class. As to each non-accepting class and as set forth below, the test sets different standards depending on the type of claims or interests in such class. The Debtors believe that the Plan satisfies the "fair and equitable" requirement, notwithstanding the fact that certain Classes are deemed to reject the Plan. There is no Class receiving more than a 100 percent recovery and no junior Class is receiving a distribution under the Plan until all senior Classes have received a 100 percent recovery or agreed to receive a different treatment under the Plan.

(a) Unsecured Claims.

The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the requirement that either: (i) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date, equal to the allowed amount of such claim; or (ii) the holder of any claim or any interest that is junior to the claims of such class will not receive or retain any property under the plan on account of such junior claim or junior interest, subject to certain exceptions.

(b) Interests.

The condition that a plan be "fair and equitable" to a non-accepting class of interests, includes the requirements that either: (i) the plan provides that each holder of an interest in that class receives or retains under the plan on account of that interest property of a value, as of the effective date, equal to the greater of: (a) the allowed amount of any fixed liquidation preference to which such holder is entitled; (b) any fixed redemption price to which such holder is entitled; or (c) the value of such interest; or (ii) the holder of any interest that is junior to the interests of such class will not receive or retain any property under the plan on account of such junior interest.

XII. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction.

The following discussion is an overview of certain U.S. federal income tax consequences of the consummation of the Plan to the Debtors, the GUC Trust, and to Holders entitled to vote to accept or reject the Plan. This overview is based on the U.S. Internal Revenue Code of 1986, as amended ("IRC"), the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), judicial authorities, published administrative positions of the U.S. Internal Revenue Service (the "IRS"), and other applicable authorities (collectively, "Applicable Tax Law"), all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect.

The application of Applicable Tax Law to numerous material aspects of the transactions contemplated by the Plan, and to cryptocurrency in general, is subject to an unusually high level of uncertainty. No opinion of counsel has been or will be obtained, and the Debtors have not requested, and do not expect to seek, a ruling or determination from the IRS as to any of the tax consequences of the Plan. No portion of this discussion is binding upon the IRS or the

courts, and no assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position that the Debtors or GUC Trust take.

ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED, IN THE STRONGEST TERMS POSSIBLE, TO CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN. THIS DISCUSSION DOES NOT CONSTITUTE TAX OR LEGAL ADVICE TO HOLDERS OF CLAIMS OR INTERESTS.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to certain Holders in light of their individual circumstances. This discussion also does not address tax issues with respect to such Holders that are subject to special treatment under the U.S. federal income tax laws (including, for example, accrual-method U.S. Holders (as defined below) that prepare an "applicable financial statement" (as defined in Section 451 of the IRC), banks, mutual funds, governmental authorities or agencies, pass-through entities, beneficial owners of pass-through entities, subchapter S corporations, dealers and traders in securities, insurance companies, financial institutions, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, U.S. Holders (as defined below) whose functional currency is not the U.S. dollar, U.S. expatriates, broker-dealers, small business investment companies, Persons who are related to the Debtors within the meaning of the IRC, Purchaser, Persons liable for alternative minimum tax, Persons (other than, if applicable, the Debtors) using a mark-to-market method of accounting, Holders who are themselves in bankruptcy, real estate investment companies and regulated investment companies and those holding, or who will hold, consideration received pursuant to the Plan as part of a hedge, straddle, conversion, or other integrated transaction). No aspect of state, local, non-income, or non-U.S. taxation is addressed (including, for the avoidance of doubt, the application of Canadian tax law to Holders or to the Debtors, which issues are under further review). Furthermore, this preliminary overview assumes that a Holder holds only Claims or Interests in a single Class and, except as set forth below, holds such Claims or Interests only as "capital assets" (within the meaning of section 1221 of the IRC). This preliminary overview also assumes that the various debt and other arrangements to which the Debtors and GUC Trust are or will be a party will be respected for U.S. federal income tax purposes in accordance with their form, and, to the extent relevant, that the Claims constitute interests in the Debtors "solely as a creditor" for purposes of section 897 of the IRC. This preliminary overview does not discuss differences in tax consequences to Holders that act or receive consideration in a capacity other than any other Holder of a Claim or Interest of the same Class or Classes, and the tax consequences for such Holders may differ materially from that described below. The U.S. federal income tax consequences of the implementation of the Plan to the Debtors, GUC Trust, and Holders of Claims and Interests described below also may vary depending on the ultimate nature of any Restructuring Transactions that the Debtors and/or the GUC Trust engage in. This discussion does not address the U.S. federal income tax consequences to Holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full under the Plan, or (b) that are deemed to reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a Holder of a Claim or Interest that for U.S. federal income tax purposes is: (1) an individual who is a citizen or resident of the United States; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more United States persons (within the meaning of section 7701(a)(30) of the IRC) has authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person (within the meaning of section 7701(a)(30) of the IRC). For purposes of this discussion, a "Non-U.S. Holder" is any Holder that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partner (or other beneficial owner) and the entity. Partnerships (or other pass-through entities) and partners (or other beneficial owners) of partnerships (or other pass-through entities) that are Holders are urged to consult their own respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

The below discussion assumes that the Debtors obtained tax ownership of cryptocurrency deposits when customers made such deposits. The Debtors believe that position is the right one based on, among other things, the fact that the Debtors had the right to transfer, rehypothecate, and otherwise deal in deposited cryptocurrency. If the Debtors were determined to not have tax ownership of the cryptocurrency, the consequences of the Plan to Holders of Claims and the Debtors would vary significantly from the discussion below.

ACCORDINGLY, THE FOLLOWING DISCUSSION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER. THIS DISCUSSION DOES NOT CONSTITUTE TAX OR LEGAL ADVICE TO HOLDERS OF CLAIMS OR INTERESTS.

B. Certain U.S. Federal Income Tax Consequences of the Plan to the Debtors.

1. *In General*

The tax consequences of the Plan to the Debtors will depend, in part, on whether the Plan is structured as an Alternative Transaction or a NewCo Transaction. Such decision will depend on, among other things, finalizing certain modeling and analytical determinations and the net value implied by different structures (including taking into account the value of any bids in an Alternative Transaction and non-tax considerations).

In an Alternative Transaction, the Debtors expect that the Plan would be structured such that there would be taxable sale of certain assets of the Debtors to the Purchaser (a "Taxable Transaction") and, potentially, a deemed "in-kind" distribution of cryptocurrency to customers in exchange for Claims related to deposits of such cryptocurrency (the "In-Kind Distribution"). As a result and in connection therewith, the Debtors would realize gain or loss in an amount equal to the difference between the value of the consideration received by the Debtors (including, for this purpose, assumption of liabilities) and the Debtors' tax basis in such assets. Gain would be reduced by the amount of tax attributes (if any) available for use by the Debtors, and any remaining gain would be recognized by the Debtors and result in a cash tax obligation. Amounts subject to the In-Kind Distribution may be treated as a non-taxable transaction with respect to the underlying cryptocurrency, combined with incurrence of income or cancellation of indebtedness income related to any difference between the value of what customers receive in exchange for their Claims and the amount of their Claims (determined without regard to "dollarization" of such Claims).

Thus, the U.S. federal income tax consequences of the Taxable Transaction to the Debtors would in large part be a function of the Debtors' tax basis in their assets that the Debtors transfer or are deemed to have transferred, including the Debtors' cryptocurrency. There is generally no direct guidance under Applicable Tax Law on how to treat a customer's transfer of cryptocurrency to a business like the Debtors' (and as a result there is significant (and unusual) uncertainty with respect to the Debtors' tax basis in such cryptocurrency) or the transferee's utilization of the transferred cryptocurrency (for example, and without limitation, holding it and doing nothing more, lending it, staking it, selling it, or using it in a short sale). Accordingly, there is significant uncertainty with respect to the tax consequences of a Taxable Transaction to the Debtors.

It is possible that the IRS or a court could disagree with the Debtors' determination of their basis in their assets, including the Debtors' cryptocurrency. Any such disagreement could lead to a redetermination of the Debtors' basis in their assets and a resultant increase in the Debtors' tax liability from a Taxable Transaction, potentially in a way that would have a materially adverse impact on the Debtors. The Debtors, together with their advisors, continue to study this issue.

It has not yet been determined how the NewCo Transaction will be structured under applicable tax law. The NewCo Transaction might qualify as a tax-free reorganization at the corporate level described in sections 368(a)(1)(G) and 354 of the IRC (a "G Reorganization"). Qualification as a tax-free reorganization would depend on satisfying various requirements for a G Reorganization, which in turn will require further additional factual and legal analysis. Unless the NewCo Transaction is structured as a G Reorganization, the Debtors' tax attributes (if any) will not survive the implementation of the Plan. If the NewCo Transaction is structured as a G Reorganization, the Debtors will be subject to the limitations on net operating losses ("NOLs"), deferred deductions under section 163(j) of the IRC ("163(j) Deductions") and other tax attributes. The U.S. federal income tax consequences of a tax-free G

Reorganization are described below. Alternatively, the NewCo Transaction may not satisfy all the requirements for a G reorganization. If so, the NewCo Transaction would be a taxable transaction (also a "Taxable Transaction") and give rise to similar U.S. federal income tax consequences for the Debtors described herein with respect to the Alternative Transaction, and the rules regarding COD Income are generally inapplicable and the rules regarding section 382 of the IRC are inapplicable in the event of a Taxable Transaction.. The decision regarding whether to enter into the NewCo Transaction will depend on various commercial and tax issues (taking into account, for example, the net value expected to be obtained by different structures and the tax attributes of the Debtors, among other things).

As discussed above, if the transactions undertaken pursuant to the Plan are structured in whole or in part as a Taxable Transaction involving the transfer (or deemed transfer) of the Debtors' assets, the Debtors generally would realize gain or loss in an amount equal to the difference between the value of the consideration received by the Debtors (which generally should equal the fair market value of the assets transferred (or deemed to be transferred) by the Debtors) and the Debtors' tax basis in such assets. Realized gains, if any, may be offset by current-year losses and deductions and certain other tax attributes, which may include interest deductions that may be (or become) available under section 163(j) of the IRC, and NOLs from prior years; provided that any such gain that is ordinary in nature may not be offset by capital losses.

The Debtors also continue to evaluate how "dollarization" of Claims as of the Effective Date may modify the above analysis, either with respect to the implementation of the Plan itself or with respect to any administrative tax period more generally. The Debtors currently cannot say with certainty that there will not be material administrative income tax liabilities that must be satisfied under the Plan.

2. *Cancellation of Debt and Reduction of Tax Attributes*

In general, absent an exception, a taxpayer will realize and recognize COD Income upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied over (b) the amount of Cash and the fair market value of any other consideration given in satisfaction of such indebtedness at the time of the exchange.

Under section 108 of the IRC, however, a taxpayer is not required to include any amount of COD Income in gross income if the taxpayer is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a taxpayer-debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the IRC. Such reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the Post-Effective Date Debtors remain subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credits carryovers. 163(j) Deductions are not subject to reduction under these rules. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the IRC.

As noted above, in connection with the Restructuring Transactions, the Debtors expect to realize COD Income. The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan because the amount of COD Income will depend, in part, on the fair market value of the NewCo Interests and any other consideration, none of which can be determined until after the Plan is consummated.

3. *Limitation on NOLs, 163(j) Deductions, and Other Tax Attributes*

If the Plan is structured as a Taxable Transaction, the Debtors' tax attributes (if any) will not survive the implementation of the Plan.

Following a NewCo Transaction and after giving effect to the reduction in tax attributes pursuant to excluded COD Income described above, the Post-Effective Date Debtors' ability to use any remaining tax attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the IRC.

Under sections 382 and 383 of the IRC, if the Debtors undergo an "ownership change," the amount of any remaining NOL carryforwards, tax credit carryforwards, 163(j) Deductions, and possibly certain other attributes (potentially including losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change and cost recovery deductions) of the Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to an annual limitation. For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation.

The rules of section 382 of the IRC are complicated, but as a general matter, the issuance of NewCo Interests pursuant to the Plan in a G Reorganization could result in an "ownership change" of the Debtors for these purposes, and that the Post-Effective Date Debtors' use of the Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the IRC applies.

(a) General Section 382 Annual Limitation

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (i) the fair market value of the stock of the corporation immediately before the "ownership change" (with certain adjustments), and (ii) the "long-term tax-exempt rate" (which is the highest of the adjusted federal long-term rates in effect for any month in the three-calendar-month period ending with the calendar month in which the ownership change occurs). The annual limitation may be increased to the extent that the Post-Effective Date Debtors recognize certain built-in gains in their assets during the five-year period following the ownership change or are treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65. Section 383 of the IRC applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. If the corporation or consolidated group does not continue its historic business or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation's Pre-Change Losses (absent any increases due to recognized built-in gains). As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

(b) Special Bankruptcy Exceptions

Special rules may apply in the case of a corporation that experiences an "ownership change" as a result of a bankruptcy proceeding. An exception to the foregoing annual limitation rules generally applies when so-called "qualified creditors" of a debtor corporation in chapter 11 receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the debtor corporation (or a controlling corporation if also in chapter 11) as reorganized pursuant to a confirmed chapter 11 plan (the "382(l)(5) Exception"). If the requirements of the 382(l)(5) Exception are satisfied, a debtor's Pre-Change Losses would not be limited on an annual basis, but, instead, NOL carryforwards would be reduced by the amount of any interest deductions claimed by the debtor during the three taxable years preceding the effective date of the plan of reorganization and during the part of the taxable year prior to and including the effective date of the plan of reorganization in respect of all debt converted into stock pursuant to the reorganization. If the 382(l)(5) Exception applies and the Post-Effective Date Debtors undergo another "ownership change" within two years after the Effective Date, then the Post-Effective Date Debtors' Pre-Change Losses thereafter would be effectively eliminated in their entirety.

Where the 382(l)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor corporation does not qualify for it or the debtor corporation otherwise elects not to utilize the 382(l)(5)

Exception), another exception will generally apply (the "382(l)(6) Exception"). Under the 382(l)(6) Exception, the annual limitation will be calculated by reference to the lesser of (i) the value of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or (ii) the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an "ownership change" to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that, under it, a debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions claimed within the prior three-year period, and a debtor corporation may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation would be determined under the regular rules for ownership changes.

The Debtors have not determined whether the 382(l)(5) Exception will be available or, if it is available, whether the Post-Effective Date Debtors will elect out of its application.

C. Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders[9] of Allowed Claims Entitled to Vote.

Before discussing the consequences to any particular Class of Claims entitled to vote, we discuss certain U.S. federal income tax considerations that are relevant to any U.S. Holder of such a Claim which U.S. Holder will or may receive an in-kind distribution of Distributable Cryptocurrency pursuant to the Plan.

Whether the Plan is structured as a NewCo Transaction or an Alternative Transaction, there is a material risk that U.S. Holders of Participating Customer Claims and General Unsecured Claims, as applicable, will have a taxable event in connection with the consummation of the Plan or the "dollarization" of Claims (or separate taxable events for one or both events). To the extent any taxable event occurs, tax liability would be based on the difference between the Holder's tax basis in its Claim compared to the value it receives in respect of such Claim, with such gain or loss generally being capital in nature.

The tax treatment of Holders under the Plan depends significantly on the tax treatment of customer deposits in the first instance. There is uncertainty with respect to whether deposits are taxable when they occur, but the Debtors generally expect that most customers have taken the position that the act of depositing cryptocurrency with the Debtors is not a taxable event. While there is substantial theoretical debate regarding that position, it is a position that has some level of support in the idea that the exchange of cryptocurrency for a contractual right to the return of such cryptocurrency is not a transaction that results in a realization event under section 1001 of the IRC because it does not involve an exchange of property "differing materially either in kind or in extent." Such position relies, among other things, on caselaw that pre-dates the enactment of section 1058 of the IRC and analogies to the treatment afforded to securities lending under section 1058. On the other hand, there is also support for the position that the initial deposit of cryptocurrency is a taxable event.

To the extent an initial deposit of cryptocurrency was not taxable, there is an argument that the same position could be taken with respect to the return by the Debtors of such cryptocurrency to customers, because the exchange of the contractual right to the return of such cryptocurrency for the underlying cryptocurrency would itself not be an exchange of property "differing materially either in kind or in extent." Though, if the Distributable Cryptocurrency were a different type of cryptocurrency than the cryptocurrency that the customer originally deposited on the BlockFills platform (because of, for example, rebalancing), then the ability to rely on such argument would be greatly impaired because the property withdrawn would differ "materially either in kind or in extent," likely leading to a taxable event (and in any event, for the avoidance of doubt, the receipt of cash or property other than cryptocurrency in exchange for deposited cryptocurrency should generally result in a taxable event).

The Debtors continue to study whether the above arguments, when combined with a general "bifurcation" approach that separates the recovery Holders receive into multiple components (*i.e.*, the type of cryptocurrency the customer had deposited on the platform, other cryptocurrencies, cash, and recoveries in respect of the GUC Trust),

[9] Based on the Debtors' understanding of the residence of Holders, the Debtors do not discuss any U.S. federal income tax consequences of the consummation of the Plan to Non-U.S.-Holders.

may permit Holders to take the position that Holders retain the portion of their recovery taking the form of the type of cryptocurrency that the customer had deposited on the platform even if the receipt of other consideration constitutes a taxable exchange as to such other cash and/or property. The Debtors emphasize that these positions are unclear.

The ability to take the position that an in-kind distribution is not taxable to Holders is subject to increased risk as a result of the "dollarization" of Claims. As noted above, it may be the case that "dollarization" resulted, or will result, in a taxable event to customers. If such a taxable event were determined to have occurred, it would be because the contract to receive particular cryptocurrency was modified, as a result of dollarization, to have an economic "cap." In light of this, it is unclear whether the arguments described above that support tax-free treatment with respect to the receipt of cryptocurrency under the Plan could still apply. Such a "capped" contract arguably "differ[s] materially either in kind or in extent" from the underlying cryptocurrency. However, the Debtors also believe it would be reasonable to assert that this is not a material enough change to customers' underlying entitlements.

The Debtors emphasize in the strongest possible terms that the law applicable to deposits and withdrawals of cryptocurrency from the Debtors, "dollarization," and the consummation of the Plan is subject to extreme uncertainty. There is effectively no "controlling" authority on any of these issues. Accordingly, there is a material risk that the positions described above may not be sustained. The concept of a non-taxable in-kind distribution rests in large part on the theory that the property that the Debtors would distribute in-kind to a Holder would be in respect of an obligation that does not differ "materially either in kind or in extent" from the obligation that arose when the Holder deposited property with the Debtors. Given the structure of the Plan, and in particular the way in which the Debtors have valued Claims as of the Petition Date, there is a significant risk that the Claim that a Holder has against the Debtors as of the Petition Date is with respect to property that differs "materially either in kind or in extent" from the property that the Holder previously deposited with the Debtors, such that the Debtors would be distributing property in respect of an obligation that differs "materially either in kind or in extent" from the one that existed when the Holder deposited property with the Debtors (and thus tax-free treatment would likely be unavailable).

Very generally, to the extent any form of transaction is taxable to a Holder (which, for the avoidance of doubt, would include any Holder who receives only Cash and/or GUC Trust Interests under the Plan), each such U.S. Holder would recognize gain or loss in an amount equal to the difference between the fair market value of the consideration (be it Cash, Cryptocurrency, and/or GUC Trust Interests) received under the Plan and such U.S. Holder's adjusted tax basis in the Claim exchanged therefor. The character of any such gain or loss as capital or ordinary would be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constituted a capital asset in the hands of the U.S. Holder, and whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim. If any such recognized gain or loss were capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. Such Holder's tax basis in the GUC Trust Interests and any Cryptocurrency received in a taxable exchange should equal the fair market value of such property as of the Effective Date, and such Holder's holding period in any such consideration should begin on the day after the Effective Date.

As noted repeatedly herein, nothing in this disclosure constitutes tax or legal advice to Holders. However, the Debtors wish to highlight one area of tax consideration that has been the subject of significant speculation in online resources and similar. The above language indicates that customers may be able to take a loss in connection with the consummation of the Plan. The Debtors generally expect such loss would arise *when the Plan is consummated*, and not before. There has been significant speculation in various sources with respect to whether a customer can take a loss, potentially under section 166 of the Tax Code (related to bad debts, including non-business bad debts). There are significant timing limitations on the ability to claim a loss under section 166 of the Tax Code. In particular, other than with respect to certain types of taxpayers that can take partial bad debt deductions in connection with a "charge-off" under section 166(a)(2) of the Tax Code, most taxpayers can only take a deduction under 166 when a debt has become entirely worthless. As set forth in the Plan, the Debtors do not believe customer claims will ever be entirely worthless, as all transactions under contemplation by the Debtors contemplate that there will be some form of recovery received by customers in respect of their claims. Accordingly, the Debtors are of the view that the overwhelming majority of customers are not able to take a section 166 loss with respect to their claims prior to the consummation of the Plan. However, in the event "dollarization" of Claims results in a taxable event to customers, customers likely can claim a loss in connection with such "dollarization."

1. ***NewCo Transaction or Alternative Transaction***

(a) U.S. Federal Income Tax Consequences to Certain U.S. Holders of Allowed Class 5 Claims (Participating Customer Claims).

If the Plan is structured as a NewCo Transaction, each Holder of an Allowed Participating Customer Claim will receive in exchange for such Allowed Participating Customer Claim, such Holder's Pro Rata share of Distributable Assets or Pro Rata share of NewCo Interests subject to the Participating Customer Election and such Holder's Pro Rata share of the GUC Trust Interests. If the NewCo Transaction is structured as a G Reorganization, it is possible that certain Holders of Allowed Participating Customer Claims may treat the exchange of their Claim for NewCo Interests as part of a "reorganization" within the meaning of section 368 of the IRC.

If the Plan is structured as an Alternative Transaction, each Holder of an Allowed Participating Customer Claim will receive in exchange for such Allowed Participating Customer Class Claim, such Holder's Pro Rata Share of the Distributable Assets and such Holder's Pro Rata share of the GUC Trust Interests.

As set forth in detail above, whether the Plan is structured as a NewCo Transaction or an Alternative Transaction, there is a material risk that U.S. Holders of Participating Customer Claims will have a taxable event in connection with the consummation of the Plan or the "dollarization" of Claims (or separate taxable events for one or both events).

If the distribution of Distributable Assets is with Cash, the exchange will be taxable to the U.S. Holder. The U.S. Holder will recognize gain or loss in an amount equal to the difference between the amount of such cash received under the Plan and such U.S. Holder's adjusted tax basis in the Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, and whether and to what extent the U.S. Holder has previously claimed a bad-debt deduction with respect to its Claim. If any such recognized gain or loss were capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange.

(b) U.S. Federal Income Tax Consequences to Certain U.S. Holders of Allowed Class 6 Claims (Convenience Claims).

If the Plan is structured as either a NewCo Transaction or an Alternative Transaction, each Holder of an Allowed Convenience Claim will receive in exchange for such Allowed Convenience Class Claim, such Holder's Pro Rata Share of the Convenience Class Recovery Pool.

The exchange will be taxable to the U.S. Holder. The U.S. Holder will recognize gain or loss in an amount equal to the difference between the amount of such cash received under the Plan and such U.S. Holder's adjusted tax basis in the Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, and whether and to what extent the U.S. Holder has previously claimed a bad-debt deduction with respect to its Claim. If any such recognized gain or loss were capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange.

(c) U.S. Federal Income Tax Consequences to Certain U.S. Holders of Allowed Class 7 Claims (General Unsecured Claims).

If the Plan is structured as either a NewCo Transaction or an Alternative Transaction, each Holder of an Allowed General Unsecured Claim will receive in exchange for such Allowed General Unsecured Claim such Holder's Pro Rata share of the Distributable Assets and the GUC Trust Interests.

As set forth in detail above, whether the Plan is structured as a NewCo Transaction or an Alternative Transaction, there is a material risk that U.S. Holders of General Unsecured Claims will have a taxable event in connection with the consummation of the Plan or the "dollarization" of Claims (or separate taxable events for one or both events).

If the distribution of Distributable Assets is with Cash, the exchange will be taxable to the U.S. Holder. The U.S. Holder will recognize gain or loss in an amount equal to the difference between the amount of such cash received under the Plan and such U.S. Holder's adjusted tax basis in the Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, and whether and to what extent the U.S. Holder has previously claimed a bad-debt deduction with respect to its Claim. If any such recognized gain or loss were capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange.

(d) Net Investment Income Tax.

Certain U.S. Holders that are individuals, estates, or trusts are required to pay an additional 3.8 percent tax on, among other things, gains from the sale or other disposition of capital assets. U.S. Holders that are individuals, estates, or trusts should consult their tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of any consideration to be received under the Plan.

(e) Limitations on Use of Capital Losses.

U.S. Holders who recognize capital losses as a result of the distributions under the Plan will be subject to limits on their use of capital losses. For non-corporate U.S. Holders, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) $3,000 ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. Non-corporate U.S. Holders may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset capital gains. Corporate U.S. Holders who have more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in the five years following the capital loss year, and are allowed to carry back unused capital losses to the three years preceding the capital loss year.

2. *Certain U.S. Federal Income Tax Consequences to U.S. Holders of Owning and Disposing of Cryptocurrency Received Under the Plan*

The U.S. federal income tax consequences to a U.S. Holder of owning and disposing of Cryptocurrency received under the Plan will depend upon a variety of factors outside of the control and/or knowledge of the Debtors. U.S. Holders are urged to consult their own tax advisors regarding the proper characterization of such relationship and the tax consequences that may result therefrom.

3. *The GUC Trust*

The Plan provides that, on the Effective Date, the GUC Trust will be established to commence, litigate and settle the Vested Causes of Action and make distributions pursuant to the terms of the Plan and the Liquidation Trust Agreement.

(a) Classification of the GUC Trust.

The GUC Trust is intended to qualify as liquidating trusts for federal income tax purposes. In general, a liquidating trust is not a separate taxable entity but rather is treated for federal income tax purposes as a "grantor" trust (i.e., a pass-through entity). The IRS, in Revenue Procedure 94-45, 1994-2 C.B. 684, set forth the general criteria for obtaining an IRS ruling as to the grantor trust status of a liquidating trust under a chapter 11 plan. The GUC Trust has been structured with the intention of complying with such general criteria. Pursuant to the Plan, and in conformity with Revenue Procedure 94-45, all parties (including the GUC Trustee and the Holders of GUC Trust Interests) are required to treat for United States federal income tax purposes the GUC Trust as a grantor trust of which the Holders of Allowed Participating Customer Claims and Allowed General Unsecured Claims, as applicable, are the owners and grantors. While the following discussion assumes that the GUC Trust would be so treated for United States federal income tax purposes, no ruling has been requested from the IRS concerning the tax status of the GUC Trust as a grantor trust. Accordingly, there can be no assurance that the IRS would not take a contrary position to the classification of the GUC Trust as a grantor trust. If the IRS were to challenge successfully such classification, the

United States federal income tax consequences to the GUC Trust and the Holders of Allowed Participating Customer Claims and Allowed General Unsecured Claims, as applicable, could vary from those discussed herein.

(b) General Tax Reporting by the GUC Trust and GUC Trust Beneficiaries.

For all United States federal income tax purposes, all parties (including the GUC Trustee and the Holders of GUC Trust Interests) will be required to treat the transfer of assets to the GUC Trust, in accordance with the terms of the Plan, as a transfer of those assets directly to the Holders of Claims followed by the transfer of such assets by such Holders to the GUC Trust. Consistent therewith, all parties are required to treat the GUC Trust as a grantor trust of which such Holders are to be owners and grantors. Thus, such Holders (and any subsequent Holders of GUC Trust Interests) will be treated as the direct owners of an undivided beneficial interest in the assets of the GUC Trust for all federal income tax purposes. Accordingly, each Holder of a GUC Trust Interest will be required to report on its federal income tax return(s) the Holder's allocable share of all income, gain, loss, deduction, or credit recognized or incurred by the GUC Trust.

The United States federal income tax reporting obligation of a Holder of a GUC Trust Interest is not dependent upon the GUC Trust distributing any Cash or other proceeds. Therefore, a Holder of a GUC Trust Interest may incur a United States federal income tax liability although the GUC Trust has not made, or will not make, any concurrent or subsequent Distributions to the Holder. If a Holder incurs a federal tax liability but does not receive Distributions commensurate with the taxable income allocated to it in respect of its GUC Trust Interests, the Holder may be allowed a subsequent or offsetting loss.

The GUC Trustee will file tax returns with the IRS for the GUC Trust as a grantor trust pursuant to Treasury Regulations section 1.671-4(a). The GUC Trustee will also send to each Holder of a GUC Trust Interest a separate statement setting forth the Holder's share of items of income, gain, loss, deduction, or credit and will instruct the Holder to report such items on its federal income tax return.

All payments to Holders of Claims are subject to any applicable withholding (including employment tax withholding). Under the Tax Code, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" then in effect. Backup withholding generally applies if the holder (a) fails to furnish his or her social security number or other taxpayer identification number ("TIN"), (b) furnishes an incorrect TIN, (c) fails to properly report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is his correct number and that he is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax if an appropriate refund claim is filed with the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

(c) Allocations of Taxable Income and Loss.

Allocations of taxable income of the GUC Trust among Holders of General Unsecured Claims will be determined by reference to the manner in which an amount of Cash equal to such taxable income would be distributed (were such Cash permitted to be distributed at such time) if, immediately prior to such deemed Distribution, the GUC Trust had distributed all of its respective assets to the Holders of the GUC Trust Interests adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the GUC Trust. Similarly, taxable loss of the GUC Trust will be allocated by reference to the way an economic loss would be borne immediately after a liquidating Distribution of the remaining GUC Trust Assets.

After the Effective Date, any amount a Holder receives as a Distribution from the GUC Trust in respect of its beneficial Interests therein should not be included, for United States federal income tax purposes, in the Holder's amount realized in respect of its Allowed Claim but should be separately treated as a Distribution received in respect of such Holder's beneficial GUC Trust Interest(s).

In general, a Holder's aggregate tax basis in its undivided beneficial interest in the assets transferred to the GUC Trust will equal the fair market value of such undivided beneficial interest as of the Effective Date and the Holder's holding period in such assets will begin the day following the Effective Date. Distributions to any Holder

of an Allowed Claim will be allocated first to the original principal portion of such Claim as determined for United States federal income tax purposes, and then, to the extent the consideration exceeds such amount, to the remainder of such Claim. However, there is no assurance that the IRS will respect such allocation for United States federal income tax purposes.

The tax book value of the GUC Trust Assets for this purpose will equal their fair market value on the Effective Date, adjusted in accordance with tax accounting principles prescribed by the Tax Code, applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements. Uncertainties with regard to United States federal income tax consequences of the Plan may arise due to the inherent nature of estimates of value that will impact tax liability determinations.

As soon as practicable after the Effective Date, the GUC Trustee (to the extent that it deems necessary or appropriate in the reasonable exercise of its discretion) will, in good faith, value the GUC Trust Assets, and, as appropriate, will apprise the Holders of the GUC Trust Interests of such valuation. The valuation is required to be used consistently by all parties (including the Debtors, the GUC Trustee, and the Holders of GUC Trust Interests) for all United States federal income tax purposes. The Bankruptcy Court will resolve any dispute regarding the valuation of the assets. No valuation will be deemed an admission or be admissible in any cause of action.

The GUC Trust's taxable income will be allocated to the Holders of beneficial GUC Trust Interests in accordance with each such Holder's pro rata share of such beneficial GUC Trust Interests. The character of items of income, deduction, and credit to any Holder and the ability of such Holder to benefit from any deductions or losses may depend on the particular situation of such Holder.

Events subsequent to the date of the Disclosure Statement, such as the enactment of additional tax legislation, could also change the United States federal income tax consequences of the Plan and the transactions contemplated thereunder.

4. *U.S. Federal Income Tax Consequences to U.S. Holders of Owning and Disposing of NewCo Interests.*

(a) Dividends on NewCo Interests.

Any distributions made on account of the NewCo Interests will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of NewCo as determined under U.S. federal income tax principles. To the extent that a Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the Holder's basis in its shares. Any such distributions in excess of the Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain.

Dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as there are sufficient earnings and profits. However, the dividends-received deduction is only available if certain holding period requirements are satisfied. The length of time that a shareholder has held its stock is reduced for any period during which the shareholder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends received deduction may be disallowed.

(b) Sale, Redemption, or Repurchase of NewCo Interests

Unless a non-recognition provision applies, Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of NewCo Interests received pursuant to the Plan. Such capital gain will be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the Holder held the applicable NewCo Interests consideration for more than one year. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below.

5. ***U.S. Information Reporting and Withholding***

The Debtors and the GUC Trust, as applicable, intend to withhold all amounts required under the IRC with respect to distributions made under the Plan and to comply with all applicable reporting requirements of the IRC. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim or Interest under the Plan, as well as future payments made with respect to consideration received under the Plan.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be credited against a Holder's U.S. federal income tax liability, and a Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS (generally, a U.S. federal income tax return).

In addition, from an information reporting perspective, the Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

6. ***FATCA***

Under the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account Holders and investors or be subject to withholding on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S. source payments of interest on certain types of obligations. FATCA withholding may apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding tax. U.S. Holders that hold Claims through foreign financial institutions and Non-U.S. Holders are encouraged to consult their tax advisors regarding the possible implications of these rules on their Claim.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED, IN THE STRONGEST TERMS POSSIBLE, TO CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, OR NON-U.S. TAX LAWS AND OF ANY CHANGE IN APPLICABLE TAX LAWS. THE FOREGOING SUMMARY DOES NOT CONSTITUTE TAX OR LEGAL ADVICE TO HOLDERS OF CLAIMS OR INTERESTS.

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XIII. RECOMMENDATION OF THE DEBTORS

In the opinion of the Debtors, the Plan is preferable to the alternatives described in this Disclosure Statement because it provides for a larger distribution to Holders of Allowed Claims than would otherwise result in a liquidation under chapter 7 of the Bankruptcy Code. In addition, any alternative other than Confirmation could result in extensive delays and increased administrative expenses resulting in smaller distributions to Holders of Allowed Claims than proposed under the Plan. Accordingly, the Debtors recommend that Holders of Claims entitled to vote to accept or reject the Plan support Confirmation and vote to accept the Plan.

Dated: April 7, 2026

RELIZ TECHNOLOGY HOLDINGS, INC.
on behalf of itself and all other Debtors

/s/ Mark Renzi
Mark Renzi
Chief Restructuring Officer
Reliz Technology Holdings, Inc.

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Proposed Counsel for Debtors
and Debtors in Possession

EXHIBIT A

Plan

[Filed at Docket No. 128]

EXHIBIT B

Liquidation Analysis

[To be filed in Plan Supplement]

EXHIBIT C

Feasibility Analysis

[To be filed in Plan Supplement]