



MATTHEW D. METZGER (SBN 240437)

mmetzger@belvederelegal.com

BELVEDERE LEGAL, PC

1777 Borel Place, Suite 314

San Mateo, CA 94402

Telephone: (415) 513-5980

Facsimile: (415) 513-5985

Attorney for Reorganized Debtor

The following constitutes the order of the Court.

Signed: January 15, 2025

A handwritten signature in black ink that reads "M. Elaine Hammond".

M. Elaine Hammond
U.S. Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

In re

**GLOBAL CANCER RESEARCH
INSTITUTE, INC.**

Debtor.

Case No. 23-51174-MEH

Chapter 11

**ORDER CONFIRMING PLAN AS
MODIFIED**

Date: January 9, 2025

Time: 10:00 a.m.

Ctrm: In person, with Zoom Option
280 South First Street
Courtroom No. 11
San Jose, CA 95113-3099

Judge: Honorable M. Elaine Hammond

The Plan of Reorganization for Small Business Debtor under Chapter 11, Subchapter V (Dated November 20, 2024), filed by Debtor Global Cancer Research Institute, Inc. ("GCRI") on November 20, 2024, Dkt No. 201, (the "Plan"), having been transmitted to creditors and equity security holders; and

1 It having been determined after hearing on notice that the requirements for non-consensual
2 confirmation set forth in 11 U.S.C. § 1129(a) and 1191(b) have been satisfied;

3 It having been determined that the Plan, as modified, meets the requirements of 11 U.S.C.
4 §§ 1122 and 1123 and was permissibly modified pursuant to 11 U.S.C. § 1193(a);

5 It having been determined that the Plan, as modified, does not adversely change the
6 treatment of the claim of any creditor or the interest of any equity security holder who has not
7 accepted in writing the modification, is, pursuant to Federal Rule of Bankruptcy Procedure
8 3019(a), deemed accepted by all creditors who have previously accepted the Plan.

9 IT IS ORDERED that:

10 1. The Plan, as modified via the *Stipulation for Plan Treatment of McKesson's Claim*,
11 Dkt. # 220, (the "McKesson Stipulation"), is confirmed non-consensually per § 1191(b).

12 2. Pursuant to the McKesson Stipulation, McKesson's claim shall be treated as follows
13 under the Plan:

14 Amount: \$857,080.00
15 Interest Rate: 5%
16 Payment Term: 48 months
17 Monthly Payment: \$19,767.95

18 Class 2A shall retain its first priority lien. Class 2A shall be paid a total amount that does not
19 exceed \$947,421.00, with payments commencing on March 1, 2025 or 30 days after
20 confirmation of the reorganization plan by the Court, whichever is later.

21 3. The Subchapter V Trustee is authorized to make all payments provided for in the Plan,
22 including but not limited to payment of the allowed amount of the Class 3A convenience class on the
23 Effective Date.

24 4. Confirmation is conditioned upon the entry of the orders approving the stipulations
25 between the Subchapter V trustee and Khloris Biosciences, Inc., LeSoleil, Inc. and Dr. Lynne Bui.
26
27
28

1 APPROVED AS TO FORM:

2 Dated: January 14, 2025

BUCHALTER, A PROFESSIONAL CORPORATION

3 /s/ Paul Arrow

Paul Arrow

4 Attorneys for McKesson Corporation

5 Dated: January 14, 2025

FINESTONE HAYES LLP

6 /s/ Stephen D. Finestone

Stephen D. Finestone

7 Attorneys for Mark M. Sharf, Trustee

8
9
10
11 **END OF ORDER**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COURT SERVICE LIST

All ECF Recipients.



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The following constitutes the order of the Court.
Signed: May 8, 2025

M. Elaine Hammond

M. Elaine Hammond
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re	}	Case No. 23-51174 MEH
	}	Chapter 11, Subchapter V
GLOBAL CANCER RESEARCH INSITUTE, INC.	}	<u>Order After Hearing</u>
	}	Date: March 27, 2025
	}	Time: 10:00 a.m.
Debtor.	}	Ctrm: 11

ORDER SUSTAINING OBJECTION TO CLAIM

Before the court is Debtor Global Cancer Research Institute, Inc.’s (the “Debtor” and/or “GCRI”) *Objection to Claim of EBF Holdings, LLC DBA Everest Business Funding (Claim 5)* (“Objection”) (Dkt. # 252), filed on February 6, 2025. In opposition to the Objection, on March 6, 2025, claimant EBF Holdings, LLC (“EBF”) filed a *Request for Hearing Regarding Objection to Claim of EBF Holdings, LLC DBA Everest Business Funding (Claim 5)* (“Opposition”) (Dkt. # 268).

The matter came on for hearing on March 27, 2025. Appearances were as stated on the record. Following the hearing, the court took the matter under submission.

This court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334.¹ The objection to claim is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(B) and (K).

¹ Unless specified otherwise, all chapter, code, and rule references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532, and the Federal Rules of Bankruptcy Procedure, Rules 1001-9037.

1 EBF filed a proof of claim on November 15, 2023, claiming \$275,130.75 in secured
2 debt. The claim was later amended on March 18, 2025 and decreased to \$74,181.20.

3 Debtor disputes the validity of the lien, because it argues EBF's claim, recharacterized
4 as a loan, should be disallowed in its entirety on the grounds of unconscionability and illegality.
5 On the other hand, EBF contends that its claim is a purchase agreement, and not a loan.

6 **BACKGROUND**

7 In December 2022, GCRI executed a "Revenue Based Financing Agreement" with EBF
8 (the "EBF Agreement"), whereby GCRI would "sell" EBF \$117,600 of its business revenue, to
9 be paid to EBF from a 15% percentage of Debtor's daily revenue, in exchange for an up-front
10 purchase price of \$80,000. The EBF Agreement classified GCRI as the "Seller" and EBF as
11 the "Purchaser."

12 The EBF Agreement also provided EBF with authority to record UCC-1 financing
13 statements, and in April 2023, EBF recorded a UCC Financing Statement with the California
14 Secretary of State.

15 Additionally, the EBF Agreement provided that the agreement "shall be governed by
16 and construed in accordance with the laws of the state of New York, without regards to any
17 applicable principals of conflicts of law."

18 In March 2023, EBF began receiving non-sufficient fund notifications from GCRI's
19 bank. Subsequently, EBF commenced a state court action against GCRI asserting breach of
20 contract, fraud, and negligent misrepresentation.

21 In August 2023, before a judgment was entered in the state court action, GCRI and EBF
22 entered into a Settlement Agreement, whereby GCRI agreed to pay the sum of \$60,000 payable
23 in twelve consecutive monthly installments of \$5,000. In the Settlement Agreement, GCRI
24 acknowledged in writing its obligation of \$75,051.20 to EBF.

25 GCRI defaulted on the Settlement Agreement before making any payments, and
26 petitioned for Chapter 11, Subchapter V relief on October 12, 2023.

27 On November 29, 2024, Debtor filed a *Motion to Value Collateral Securing UCC-1*
28 *Lien in Favor of EBF Holdings, LLC DBA Everest Business Funding* (Dkt. # 205), and on

1 January 15, 2025 the court entered an *Order Valuing Collateral of EBF Holdings, LLC DBA*
2 *Everest Business Funding Under § 506 and FRBP 3012* (Dkt. # 233), which determined that
3 EBF’s UCC-1 lien had a value of zero under § 506, because it was subordinate to claims
4 exceeding the value of the assets.

5 **LEGAL ARGUMENT**

6 Debtor argues that despite the choice of law provision in the EBF Agreement, California
7 law applies. In turn, Debtor asserts that the EBF Agreement is a loan under California law, and
8 not a purchase agreement. As such, Debtor contends that the EBF Agreement is illegal because
9 it violates the California Financing Law (“CFL”) and unconscionable because it is oppressive.

10 In response, EBF argues that New York law applies and the EBF Agreement is a
11 purchase and not a loan, the Settlement Agreement supersedes the EBF Agreement, and EBF
12 is compliant with CFL requirements.

13 The parties’ arguments raise at least three issues: (i) whether the EBF Agreement was a
14 disguised loan; (ii) if the EBF Agreement was a disguised loan, whether it was illegal or
15 unconscious so as to render the entire agreement void; and (iii) whether Debtor’s arguments
16 regarding the EBF Agreement provided a basis for invalidation of the Settlement Agreement
17 under California law.

18 **A. Choice of Law Analysis**

19 At the outset, the parties disagree about which state’s law the court should apply. In
20 federal cases predicated on bankruptcy jurisdiction, courts in the Ninth Circuit apply the
21 “federal” choice-of-law rules based on the Restatement (Second) of Conflict of Law. *In re*
22 *Shoot the Moon, LLC*, 635 B.R. 797, 820 (Bankr. D. Mont. 2021).

23 Restatement § 187(2) sets forth a general rule for disputes involving contracts with two
24 exceptions:

25
26 The law of the state chosen by the parties to govern their contractual rights
27 and duties will be applied, even if the particular issue is one which the parties
28 could not have resolved by an explicit provision in their agreement directed
to that issue, unless either

1 (a) the chosen state has no substantial relationship to the parties or the
2 transaction and there is no other reasonable basis for the parties' choice, or

3 (b) application of the law of the chosen state would be contrary to a
4 fundamental policy of a state which has a materially greater interest than the
5 chosen state in the determination of the particular issue and which, under the
6 rule of § 188, would be the state of the applicable law in the absence of an
7 effective choice of law by the parties.

8 The EBF Agreement provides that New York law applies. Thus, this provision controls
9 unless a Restatement § 187(2) exception applies. The first exception does not apply. EBF
10 maintains offices in New York, which creates a reasonable basis for the choice-of-law clause.

11 If California law is to apply then, all three of the requirements in § 187(2)(b) must
12 support application of California law.

13 ***Factor One***

14 As the party opposing enforcement of the choice of law provision, Debtor "must point
15 to a statute or judicial decision that clearly states such a strong public policy." *Yei A. Sun v.*
16 *Advanced China Healthcare, Inc.*, 901 F.3d 1081, 1090 (9th Cir. 2018).

17 To be a fundamental policy within the meaning of Restatement § 187, a policy must be
18 a "substantial" one. *Brack v. Omni Loan Co., Ltd.*, 164 Cal. App. 4th 1312, 1326 (2008). One
19 way to determine substantiality is to consider whether the parties may waive the statutory
20 requirement.

21 Debtor argues that the disclosure requirements in Cal. Fin. Code §§ 22801-22806 of the
22 California Financing Law ("CFL") represent a fundamental policy.

23 In enacting § 22803, the California legislature directed that it "shall be liberally
24 construed and applied to promote its underlying purposes, which are:

- 25 (1) To ensure an adequate supply of credit to borrowers in this state.
26 (2) To simplify, clarify, and modernize the law governing loans made by finance
27 lenders.
28 (3) To foster competition among finance lenders.
(4) To protect borrowers against unfair practices by some lenders, having due regard
for the interests of legitimate and scrupulous lenders.

- 1 (5) To permit and encourage the development of fair and economically sound lending
practices.
2 (6) To encourage and foster a sound economic climate in this state...”
3 Cal. Fin. Code § 22801.

4 Importantly, § 22324 expressly prevents parties from avoiding the requirements of the
5 CFL. *Brack*, 164 Cal. App. 4th at 1326.

6 As such, the court finds that the provisions of the CFL at issue in this case are
7 fundamental, and the first factor is satisfied.

8 ***Factor Two***

9 California has a materially greater interest in the determination of this particular issue
10 than does New York.

11 The borrower in this transaction is a legal entity formed under and governed by
12 California law, owned by an individual California citizen, and operated by an individual
13 Californian citizen working from a California office. The only link to New York is EBF’s
14 office. California has a significant interest in regulating lending transactions involving its
15 citizens.

16 As between the two states, California has a substantially greater interest in preventing
17 lenders from circumventing its lending laws in transactions involving California borrowers.

18 Therefore, the second factor is satisfied.

19 ***Factor Three***

20 Under Restatement § 188, California law would control in the absence of an effective
21 choice of law provision. Section 188(1) provides that “[t]he rights and duties of the parties with
22 respect to an issue in contract are determined by the local law of the state which, with respect
23 to that issue, has the most significant relationship to the transaction and the parties under the”
24 overarching choice-of-law principles in Restatement § 6. *Shoot the Moon*, 635 B.R. at 823-24.

25 Restatement § 188(2) instructs courts to consider: “(a) the place of contracting, (b) the
26 place of negotiation of the contract, (c) the place of performance, (d) the location of the subject
27 matter of the contract, and (e) the domicile, residence, nationality, place of incorporation and
28 place of business of the parties.” Restatement § 188(2).

1 Here, the signature necessary to make the EBF Agreement binding physically occurred
2 in California; California was the hub of performance; the cash advances were intended to fund
3 a California entity, operating in California, managed by a California resident, from an office
4 located in California, and utilizing accounts at a California bank; EBF filed its UCC-1 financing
5 statement with the California Secretary of State; and, aside from EBF, all parties domiciled,
6 resided, incorporated, and operated in California.

7 The third factor is satisfied.

8 Because all three § 187(2) factors are satisfied, California law applies to the EBF
9 Agreement.

10 **B. Classification of the EBF Agreement**

11 The EBF Agreement is an example of a form of small business financing called a
12 Merchant Cash Advance (“MCA”) or, alternatively, Revenue-Based Finance. The “economic
13 core” of MCA transactions is that the MCA company provides a business entity with immediate
14 cash upon closing, and in exchange, the MCA company receives a portion of future receivables
15 generated through the business entity’s operations, which can substantially exceed the amount
16 the MCA paid. *Shoot the Moon*, 635 B.R. at 805.

17 Debtor asserts that the EBF Agreement is a disguised loan, rather than a true sale
18 because GCRI retains virtually all the risks of non-collection, EBF filed a proof of claim against
19 Debtor’s bankruptcy estate, and the purchase of future receipts is nothing more than fixing its
20 repayment source.

21 In response, EBF contends that it is “well-settled law” that an MCA agreement is a
22 purchase, and not a loan.

23 However, the law is anything but well-settled—as one bankruptcy court noted, “[t]he
24 proper legal characterization of MCA contracts or similar factoring arrangements can be very
25 challenging: they might be considered true sales or secured loans.” *Heart Heating and Cooling*,
26 No. 23-13019 TBM, 2024 WL 1228370, at *18 (Bankr. D. Colo. Mar. 21, 2024).

27 Some district courts and state courts have found that MCA agreements, including those
28 involving the same creditor in this case, EBF, are sales. *See, e.g., EBF Partners, LLC v.*

1 *Burklow Pharmacy, Inc.*, No. 2017-CA-292, 2018 WL 6620582, at *3 (Fla. 1st Cir. Ct. Nov.
2 29, 2018) (finding security and guaranty agreements did not convert an MCA agreement
3 involving EBF into a loan); *Matter of Cornerstone Tower Service, Inc.*, No. BK16-40787, 2019
4 WL 127359, at *5-6 (Bankr. D. Neb. Jan. 3, 2019) (finding an MCA agreement involving EBF
5 was properly classified as a sale rather than a loan); *Cavalry v. EBF Holdings, LLC*, No.
6 003081/2021, 2021 WL 5868324, at *2-15 (N.Y. Sup. Ct. Orange Cnty. Oct. 5, 2021) (accord);
7 *Streamlined Consultants, Inc. v. EBF Holdings LLC*, No. 21-CV-9528 (KMK), 2022 WL
8 4368114, at *4 (S.D.N.Y. Sept. 20, 2022) (accord); *US Information Group LLC v. EBF*
9 *Holdings*, 22-cv-6661 (PKC), 2023 WL 6198803, at *7 (S.D.N.Y. Sept. 22, 2023) (accord).

10 However, courts appear to be trending towards treating MCA agreements as loans. *See*,
11 *e.g.*, *Haymount Urgent Care PC v. GoFund Advance, LLC*, 609 F. Supp. 3d 237, 249 (S.D.N.Y.
12 2022), *Lateral Recovery LLC v. Queen Funding LLC*, 21-cv-9607 (LGS), 2022 WL 2829913
13 (S.D.N.Y. Jul. 20, 2022) (“On balance, the Complaint pleads sufficient facts to show that the
14 transactions reflected in the Merchant Agreements are loans subject to usury laws.”), *State of*
15 *N.Y. v. Richmond Cap. Group LLC*, No. 451368/2020, 2023 WL 6053768, at *1-2 (N.Y. Sup.
16 Ct. Sept. 15, 2023) (determining that “the MCAs were loans, not a legitimate purchase of
17 accounts receivables”).

18 Article 9 of the Uniform Commercial Code treats both secured loans and “a sale of
19 accounts, chattel paper, payment intangibles, or promissory notes” as secured transactions.
20 *Shoot the Moon*, 635 B.R. at 813. Instead of expressly delineating how to classify a particular
21 transaction, Article 9 leaves the issue to the courts. *Id.*

22 Courts generally rely on a multipart framework to examine whether a transaction is a
23 sale or a loan, considering:

- 24 (1) whether the buyer has a right of recourse against the seller;
- 25 (2) whether the seller continues to service the accounts and commingles receipts with
26 its operating funds;
- 27 (3) whether there was an independent investigation by the buyer of the account debtor;
- 28 (4) whether the seller has a right to excess collections;
- (5) whether the buyer can unilaterally alter the pricing terms;

- 1 (6) whether the seller has the absolute power to alter or compromise the terms of the
2 underlying asset; and
3 (7) the language of the agreement and the conduct of the parties.

4 *Shoot the Moon*, 635 B.R. at 813.

5 No individual factor is determinative, and the determination must be made based on the
6 totality of the circumstances. *Id.* (quoting *In re Dryden Advisory Grp., LLC*, 534 B.R. 612, 620
7 (Bankr. M.D. Pa. 2015).

8 Applying the factors above to the EBF Agreement, the court finds that the EBF
9 Agreement is a loan: EBF requires the merchant cash advance to be repaid in full; EBF's only
10 obligation is to advance cash to the borrower; EBF does not bear any financial risk other than
11 GCRI being unable to pay; EBF requires GCRI to reimburse it for any losses incurred related
12 to the advance; in the event of a default, EBF is entitled to accelerate GCRI's payments; EBF
13 collateralizes the merchant cash advance by filing a UCC-1 financing statement; and EBF
14 required GCRI's owner, Ms. Bui, to execute personal guarantees.

15 **C. Doctrine of Illegality**

16 Debtor argues that the EBF Agreement is illegal because it is contrary to the statutory
17 disclosure requirements set forth in California Financial Code §§ 22801-22806 of the CFL.

18 EBF argues that entities engaged in the purchase of future receivables are exempt from
19 the disclosure requirements CFL cited by Debtor. Instead, EBF is subject to California Code
20 of Regulations, Title 10, § 956, and EBF provided the required disclosures under that statute.

21 EBF is correct. MCA Agreements are exempt from the CFL disclosure requirements
22 under CFL §§ 22000 et seq. and are instead subject to the disclosure requirements listed in 10
23 C.C.R. §§ 951-956. EBF provided a declaration that EBF furnished the required disclosures to
24 Debtor.

25 As such, the EBF Agreement is not illegal because it does not violate an applicable
26 statute.

1 However, the court takes judicial notice from the evidence presented by the parties that
2 the EBF Agreement, construed as a loan, contains provisions that do violate California law as
3 to usury.

4 Under California law, “[t]he essential elements of usury are: (1) the transaction must be
5 a loan or forbearance; (2) the interest to be paid must exceed the statutory minimum; (3) the
6 loan and interest must be absolutely repayable by the borrower; and (4) the lender must have
7 willful intent to enter into a usurious transaction.” *Ghirardo v. Antonioli*, 8 Cal. 4th 791 (1994).

8 First, as addressed above, the EBF Agreement is a loan under California law. *See also*,
9 *Essex Partners Ltd. V. Merchant Cash and Capital*, 11-cv-03366 CAS (MRW), 2011 WL
10 13123326, at * 5 (C.D. Cal. Aug. 1, 2011).

11 Second, the California Constitution establishes that interest rates in excess of 10% are
12 usurious. Cal. Const., Art. XV, § 1 part 2. The EBF Agreement charged a 15% percentage
13 from Debtor’s daily revenue. Thus, the transaction at issue exceeded the maximum legal rate
14 of interest.

15 Third, the EBF Agreement does not terminate until GCRI has repaid the loan in full.
16 Specifically, § 4.6 states that “[a]ll representations, warranties and covenants herein shall
17 survive the execution and delivery of this Agreement and shall continue in full force until all
18 obligations under this Agreement shall have been satisfied in full and this Agreement shall have
19 terminated.” Therefore, the loan is absolutely repayable.

20 Fourth, the “lender must have a willful intent to enter into a usurious transaction.”
21 *Ghirardo*, 8 Cal. 4th 798. The California Supreme Court describes this element as “narrow,”
22 without “requiring a conscious attempt, with knowledge of the law, to evade it.” *Auctus Fund,*
23 *LLC v. Sunstock, Inc.*, 405 F. Supp. 3d 218, 232-32 (D. Mass. 2019) (internal citations omitted).
24 The lender need only to charge more interest than the law permits. *Id.* at 233 (internal citations
25 omitted). Therefore, the EBF Agreement explicitly stated 15% interest rate manifests EBF’s
26 intent to collect interest in excess of California’s 10% interest rate cap.

27 Taken as a whole, the EBF Agreement is an illegal contract because it violates
28 California’s usury laws.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COURT SERVICE LIST

Via ECF:

All ECF Recipients



1 MATTHEW D. METZGER (SBN 240437)
2 mmetzger@belvederelegal.com
3 **BELVEDERE LEGAL, PC**
4 1777 Borel Place, Suite 314
5 San Mateo, CA 94402
6 Telephone: (415) 513-5980
7 Facsimile: (415) 513-5985

The following constitutes the order of the Court.
Signed: March 28, 2025

M. Elaine Hammond

5 Attorney for Reorganized Debtor
6 Global Cancer Research Institute, Inc.

M. Elaine Hammond
U.S. Bankruptcy Judge

7
8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN JOSE DIVISION**

11 **In re**

12 **GLOBAL CANCER RESEARCH**
13 **INSTITUTE, INC.**

14 **Debtor.**

Case No. 23-51174 MEH

Chapter 11

ORDER SUSTAINING OBJECTION TO
CLAIM OF PEARL CAPITAL DBA
PEARL BETA FUNDING (CLAIM 4)

15
16
17
18
19
20 **Judge:** Honorable M. Elaine Hammond

21
22 Upon the above-captioned reorganized debtor's objection filed at Docket No. 255 herein
23 ("Objection") under Rule 3007 of the Rules of Bankruptcy Procedure and Bankruptcy Local Rule
24 3007-1 to the claim of Pearl Capital dba Pearl Beta Funding ("Pearl Capital"), which claim is
25 evidenced by Proof of Claim No. 4-1 herein ("Pearl Capital Claim"), which Objection and Notice
26 thereof were duly served upon Pearl Capital and other parties entitled to notice thereof; and the
27 Court finding that no timely response or request for hearing was filed by Pearl Capital or any
28

1 other party as to the relief requested in the Objection; and good cause appearing for the relief
2 sought therein; NOW, THEREFORE,

3 IT IS HEREBY ORDERED that the Objection is SUSTAINED; and

4 IT IS FURTHER ORDERED that the Pearl Capital's Proof of Claim 4-1 is
5 DISALLOWED under 11 USC § 502(b)(1).

6 *** **END OF ORDER** ***

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

COURT SERVICE LIST

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

Pearl Capital dba Pearl Beta Funding
c/o Anthony Giuliano, Esq.
445 Broadhollow Rd., Ste 25
Melville, NY 11747



MATTHEW D. METZGER (SBN 240437)

mmetzger@belvederelegal.com
BELVEDERE LEGAL, PC
1777 Borel Place, Suite 314
San Mateo, CA 94402
Telephone: (415) 513-5980
Facsimile: (415) 513-5985

The following constitutes the order of the Court.
Signed: January 15, 2025

M. Elaine Hammond

Attorney for Reorganized Debtor

M. Elaine Hammond
U.S. Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

In re

**GLOBAL CANCER RESEARCH
INSTITUTE, INC.**

Debtor.

Case No. 23-51174-MEH

Chapter 11

**ORDER VALUING COLLATERAL OF
SAMSON HORUS A/K/A SAMSON MCA,
LLC UNDER § 506 AND FRBP 3012**

Date: January 9, 2025

Time: 10:00 a.m.

Ctrm: In person, with Zoom Option
280 South First Street
Courtroom No. 11
San Jose, CA 95113-3099

Judge: Honorable M. Elaine Hammond

On November 29, 2024, Global Cancer Research Institute, Inc. (the “Debtor” or “GCRI”) filed its *Motion to Value Collateral Securing UCC-1 Lien in Favor of Samson Horus a/k/a Samson MCA, LLC under § 506 AND FRBP 3016*, Dkt. # 207 (the “Motion to Value”), together with the declaration of Matthew D. Metzger in support of Motion to Value (the “Metzger Declaration”) and the declaration of Lynne A. Bui in support of Motion to Value (the “Bui Declaration”). On December 5, 2024, Debtor filed a Notice of Hearing for above-captioned date and time. Also, on December 5, 2024, Debtor served the Notice of Hearing, together with the Motion to Value, the Metzger Declaration, and the Bui Declaration on *Samson Horus a/k/a Samson MCA, LLC* (“Samson Horus”), pursuant to Bankruptcy Local Rule 9014-1(b). Dkt. # 216.

1 The collateral secures UCC-1 lien against Debtor’s personal property and more fully
2 described in **Exhibit A** hereto, which UCC-1 lien was recorded with the California Secretary of
3 State on or about July 12, 2022 as document U220209643125 (hereinafter “Lien”).

4 At the above-captioned hearing date, Matthew D. Metzger, Belvedere Legal, P.C. appeared
5 on behalf of the movant Debtor. Samson Horus did not make any appearance. Samson Horus
6 also did not file any opposition to the Motion to Value. Responses were due 14 days prior to the
7 January 9, 2025 hearing date.

8 The court finds that notice of the motion was proper. Upon due consideration, and for the
9 reasons stated on the record at the hearing, the court hereby ORDERS as follows.

- 10 1) For the purposes of the Debtor’s chapter 11 plan, the collateral is valued at
11 \$989,355.00, the Lien is valued at zero, Samson Horus does not have a secured claim,
12 and the Lien may not be enforced, pursuant to 11 U.S.C. § 506.
 - 13 2) Upon completion of the plan payments in Debtor’s confirmed plan, Dkt. # 201, the
14 Lien shall be void and unenforceable for all purposes, and upon application by the
15 Debtor, the Court will enter an appropriate form of Final Order on Valuation of
16 Collateral of Samson Horus a/k/a Samson MCA, LLC under § 506 and FRBP 3012.
 - 17 3) If the Debtor's chapter 11 case is dismissed or converted to one under another chapter
18 before the Debtor completes plan payments, this order shall cease to be effective and
19 the Lien shall be retained to the extent recognized by applicable nonbankruptcy law,
20 and upon application by the lienholder, the court will enter an appropriate form of
21 order restoring the Lien.
 - 22 4) Except as provided by separate, subsequent order of this court, the Lien may not be
23 enforced so long as this order remains in effect.
- 24
25
26
27
28

EXHIBIT A



U220209643125

B0902-3935 07/12/2022 11:48 AM Received by California Secretary of State



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

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

For Office Use Only
-FILED-
File No.: U220209643125
Date Filed: 7/12/2022

Submitter Information:

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

Debtor Information:

Debtor Name	Mailing Address
GLOBAL CANCER RESEARCH INSTITUTE, INC.	14911 NATIONAL AVE., SUITE 1 LOS GATOS, CA 95032

Secured Party Information:

Secured Party Name	Mailing Address
SAMSON HORUS	90 JOHN STREET NEW YORK, NY 10038

Indicate how documentation of Collateral is provided:
Entered as Text

Description:
NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR AND SECURED PARTY. DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN. THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCER IN THE EVENT THAT ANY ENTITY IS GRANTE A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE. THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEROF RECEIVED BY SUCH ENTITY. Accounts, accounts receivable, contracts, real property leases, notes, bills, acceptances, chooses in action, chattel paper, instruments, documents and other forms of obligations at any time owing to the Grantor arising out of goods sold or leased or for services rendered by Grantor, the proceeds thereof and all of Grantor's rights with respect to any goods represented thereby, whether or not delivered. goods returned by customers and all rights as an unpaid vendor or lienor, including rights of stoppage in transit and of recovering possession by proceedings including replevin and reclamation, together hereafter created, relating thereto (collectively referred to hereinafter as "Receivables"): Inventory, including without limitation, all goods manufactured or acquired for sale or lease, and any piece goods, raw materials, work in process and finished merchandise, findings or component materials and all supplies, goods, incidentals, office supplies, packaging materials, and any and all items used or consumed in the operation of the business of Grantor or which may contribute to the finished product or to the sale, promotion and shipment thereof, in which Grantor now or at any time hereafter may have an interest, whether or not the same is in transit or in the constructive, actual or exclusive occupancy or possession of Grantor or is held by Grantor or by others for Grantor's account (collectively referred to hereinafter as "Inventory")

Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:
Not Applicable

Select an alternate Financing Statement type:

Select an additional alternate Financing Statement type:

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

Optional Filer Reference Information:
87587009

COURT SERVICE LIST

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SAMSON HORUS
17 STATE STREET 6TH FLOOR
NEW YORK NY 10004-1501

SAMSON MCA LLC
17 STATE STREET 9TH FLOOR
NEW YORK NY 10004-1575

SAMSON MCA LLC
CO REGISTERED AGENTS INC
418 BROADWAY STE R
ALBANY NY 12207-2922

SAMSON HORUS LLC
ATTN STEVEN MARKOWITZ JR
REG AGENT
99 JOHN STREET SUITE 40
NEW YORK NY 10038-2903

SAMSON HORUS LLC
ATTN STEVEN MARKOWITZ JR
REG AGENT
99 JOHN STREET SUITE 40
NEW YORK NY 10038-2903



MATTHEW D. METZGER (SBN 240437)

mmetzger@belvederelegal.com
BELVEDERE LEGAL, PC
1777 Borel Place, Suite 314
San Mateo, CA 94402
Telephone: (415) 513-5980
Facsimile: (415) 513-5985

The following constitutes the order of the Court.
Signed: January 15, 2025

M. Elaine Hammond

Attorney for Reorganized Debtor

M. Elaine Hammond
U.S. Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

In re

**GLOBAL CANCER RESEARCH
INSTITUTE, INC.**

Debtor.

Case No. 23-51174-MEH

Chapter 11

**ORDER VALUING COLLATERAL OF
PEARL CAPITAL DBA PEARL BETA
FUNDING UNDER § 506 AND FRBP 3012**

Date: January 9, 2025

Time: 10:00 a.m.

Ctrlm: In person, with Zoom Option
280 South First Street
Courtroom No. 11
San Jose, CA 95113-3099

Judge: Honorable M. Elaine Hammond

On November 29, 2024, Global Cancer Research Institute, Inc. (the “Debtor” or “GCRI”) filed its *Motion to Value Collateral Securing UCC-1 Lien in Favor of Pearl Capital DBA Pearl Beta Funding under § 506 AND FRBP 3016*, Dkt. # 206 (the “Motion to Value”), together with the declaration of Matthew D. Metzger in support of Motion to Value (the “Metzger Declaration”). On December 5, 2024, Debtor filed a Notice of Hearing for above-captioned date and time. Also, on December 5, 2024, Debtor served the Notice of Hearing, together with the Motion to Value, and the Metzger Declaration on Pearl Capital DBA Pearl Beta Funding (“Pearl Capital”), pursuant to Bankruptcy Local Rule 9014-1(b). Dkt. # 214.

The collateral secures UCC-1 lien against Debtor’s personal property and more fully described in **Exhibit A** hereto, which UCC-1 lien was recorded with the California Secretary of

1 State on or about November 14, 2022 as document U220243764335, as further described in pg. 13
2 of Pearl Capital's to Proof of Claim 4-1 (hereinafter "Lien").

3 At the above-captioned hearing date, Matthew D. Metzger, Belvedere Legal, P.C. appeared
4 on behalf of the movant Debtor. Pearl Capital did not make any appearance. Pearl Capital also
5 did not file any opposition to the Motion to Value. Responses were due 14 days prior to the
6 January 9, 2025 hearing date.

7 The court finds that notice of the motion was proper. Upon due consideration, and for the
8 reasons stated on the record at the hearing, the court hereby ORDERS as follows.

- 9 1) For the purposes of the Debtor's chapter 11 plan, the collateral is valued at
10 \$989,355.00, the Lien is valued at zero, Pearl Capital does not have a secured claim,
11 and the Lien may not be enforced, pursuant to 11 U.S.C. § 506.
- 12 2) Upon completion of the plan payments in Debtor's confirmed plan, Dkt. # 201, the
13 Lien shall be void and unenforceable for all purposes, and upon application by the
14 Debtor, the Court will enter an appropriate form of Final Order on Valuation of
15 Collateral of Pearl Capital DBA Pearl Beta Funding under § 506 and FRBP 3012.
- 16 3) If the Debtor's chapter 11 case is dismissed or converted to one under another chapter
17 before the Debtor completes plan payments, this order shall cease to be effective and
18 the Lien shall be retained to the extent recognized by applicable nonbankruptcy law,
19 and upon application by the lienholder, the court will enter an appropriate form of
20 order restoring the Lien.
- 21 4) Except as provided by separate, subsequent order of this court, the Lien may not be
22 enforced so long as this order remains in effect.
- 23
24
25
26
27
28

EXHIBIT A



U220243764335



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

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

For Office Use Only

-FILED-

File No.: U220243764335

Date Filed: 11/14/2022

B1248-1543 11/14/2022 12:43 PM Received by California Secretary of State

Submitter Information:

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

Debtor Information:

Debtor Name	Mailing Address
GLOBAL CANCER RESEARCH INSTITUTE, INC.	14911 NATIONAL AVE #1 LOS GATOS, CA 95032
GCRI, INC	14911 NATIONAL AVE #1 LOS GATOS, CA 95032

Secured Party Information:

Secured Party Name	Mailing Address
C T CORPORATION SYSTEM, AS REPRESENTATIVE	330 N BRAND BLVD, SUITE 700; ATTN: SPRS GLENDALE, CA 91203

Indicate how documentation of Collateral is provided:
Entered as Text

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

Indicate if Collateral is held in a Trust or is being administered by a Decedent's Personal Representative:
Not Applicable

Select an alternate Financing Statement type:

Select an additional alternate Financing Statement type:

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

Optional Filer Reference Information:
89872080

****END OF ORDER****

COURT SERVICE LIST

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Pearl Capital
dba Pearl Beta Funding
c/o Anthony Guiliano, Esq.
Giuliano Law, P.C.
445 Broadhollow Rd., Ste 25
Melville, NY 11747

Pearl Beta Funding, LLC
Attn: Managing Member
100 William Street, 9th Floor
New York NY 10038-5056

Pearl Capital
dba Pearl Beta Funding, LLC
Attn: Managing Member
525 Washington Blvd
Jersey City, NJ 07310

Fill in this information to identify the case:

Debtor Name: Global Cancer Research Institute, Inc.

United States Bankruptcy Court for the Northern District of California

Case Number: 23-51174 MEH 11

Check if this is an amended filing

Northern District of California

Plan of Reorganization for Small Business Debtor Under Chapter 11, Subchapter V

Global Cancer Research Institute, Inc.'s Plan of Reorganization, Dated November 20, 2024

Background for Cases Filed Under Subchapter V

A. Description and History of the Debtor's Business

Global Cancer Research Institute, Inc. ("GCRI" and/or the "Debtor") owns and operates an ancillary out-patient health-treatment facility with a specialization in hematology and oncology. The Debtor's website is <http://www.gcrioncology.com> (last accessed November 18, 2024). GCRI operates at three locations: two outpatient clinics with infusion services: 1) 14911 National Ave #1, Los Gatos, CA 95032; and 2) 9460 No Name Uno, #230, Gilroy, CA 95020; and one clinic with no infusion services at 930 Sunnyslope Rd #A3, Hollister, CA 95023.

GCRI was a profitable company from 2016 to 2022, with net revenues of more than \$1 million annually beginning in 2018 and continuing until 2021. GCRI did not have any difficulty meeting its financial obligations until the second quarter of 2023, as a result of high interest rates and costs of the merchant cash advances ("MCAs") that GCRI took in 2022.

When one of the MCA companies levied GCRI's bank account and Wells Fargo Bank instituted a freeze on one of GCRI's bank accounts, GCRI lost access to its operating cashflow. GCRI filed for chapter 11 protection on October 12, 2023 (the "Petition Date") to reorganize, for the benefit of its creditors and the individuals who receive medical services at GCRI's outpatient clinics.

On July 5, 2024, the Bankruptcy Court removed Debtor as a Debtor in Possession and allowed Mark M. Sharf (the "Trustee") to take control of the bankruptcy case. However, Debtor continues to operate its out-patient health-treatment facility specializing in hematology and oncology pursuant to a management agreement entered into by the Trustee and Debtor's principal, Dr. Lynne A. Bui ("Dr. Bui").

B. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such creditors and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to the Plan as **Exhibit A**.

The Debtor's liquidation analysis shows that unsecured creditors would receive **\$0.00** if the assets were liquidated in Chapter 7.

C. Ability to Make Future Plan Payments and Operate Without Further Reorganization

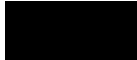
The Debtor must also show that it will have enough cash to make the required Plan payments and operate the debtor's business, if contemplated by the Plan.

The Debtor has provided projected financial information/feasibility analysis as **Exhibit B**. Debtor's projected effective date feasibility analysis is set forth in **Exhibit C**.

The Debtor's financial projections show that the Debtor will have projected disposable income (as defined by § 1191(d) of the Code) for the period described in § 1191(c)(2) of the Code (3 to 5 years) of **\$54,305.95 per month**.

The final Plan payment is expected to be paid on **January 1, 2030**, which is anticipated to be 60 months after the effective date.

You should consult with your accountant or other financial advisor if you have any questions pertaining to these projections.



Article 1: Summary

This Plan of Reorganization (the “Plan”) under chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay creditors of Global Cancer Research Institute, Inc. from cash flow from operations, receivables, and, if applicable, fraudulent conveyance litigation.

This Plan provides for:	1	classes of priority claims;
	9	classes of secured claims;
	3	classes of non-priority unsecured claims; and
	1	classes of equity security holders.

Non-priority unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately **100 cents on the dollar, with no interest**, consistent with the liquidation analysis in Exhibit A and projected disposable income in Exhibit B. The Debtor is an insolvent Debtor and does not trigger the “solvent debtor exception,”; thus, non-priority unsecured creditors are not entitled to interest. This Plan also provides for the payment of administrative and priority claims.

All creditors and equity security holders should refer to Articles 3 through 6 of this Plan for information regarding the precise treatment of their claim. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**



Article 2: Classification of Claims and Interests

- | | | |
|-------|-----------------------|---|
| 2.01 | Class 1 | <p>All allowed claims entitled to priority under § 507(a) of the Code (except administrative expense claims under § 507(a)(2) of the Code, and priority tax claims under § 507(a)(8) of the Code).</p> <p>Class 1 consists of allowed § 507 (a)(4) employee wage claims of \$15,150 or less, per</p> <p>Class 1 is unimpaired and is not entitled to vote on the Debtor’s Plan.</p> |
| <hr/> | | |
| 2.02 | Class 2A | <p>Class 2A contains Claim 9-1 filed by McKesson Corporation (“McKesson”), secured by a UCC-1 Financing Statement. UCC Filing No. 17-75831529. Date Filed: 5/1/2017; continuation lien filed 5/4/2022.</p> <p>Amount: \$857,080.00.</p> <p>Class 2A is impaired and is entitled to vote on the Debtor’s Plan.</p> |
| <hr/> | | |
| 2.03 | Class 2B | <p>Class 2B contains Claim 7-1 filed by ASD Specialty Healthcare (“ASD”). Amount: \$187,398.66.</p> <p>Class 2B is impaired and is entitled to vote on the Debtor’s Plan.</p> |
| <hr/> | | |
| 2.04 | Class 2C | <p>Class 2C contains the claim of Integrated Commercialization Solutions, Inc. (“ICS”) secured by a UCC-1 Financing Statement. UCC Filing No. 16-7525032627. Date Filed: 5/12/2016. Amount: \$0.00.</p> <p>Class 2C is unimpaired and is not entitled to vote on the Debtor’s Plan.</p> |

-
- 2.05 **Class 2D** Class 2D contains the claim of the U.S. Small Business Association (“US SBA”), secured by a UCC-1 Financing Statement. UCC Filing No. 20-7795616821. Date Filed: 6/28/2020. Amount: \$150,000.00.
- Class 2D is impaired and is entitled to vote on the Debtor’s Plan.
-
- 2.06 **Class 2E** Class 2E contains the claim of the Santa Cruz County Bank (“SCB”), based on a commercial guaranty and secured by a UCC-1 Financing Statement. UCC Filing No. U200033835828. Date Filed: 11/30/2022. Amount of original principal guarantee: \$6,965,000.00.
- Class 2E is unimpaired and is not entitled to vote on the Debtor’s Plan
-
- 2.07 **Class 2F** Class 2F contains the claim of Samson MCA, LLC (“Samson MCA”), secured by a UCC-1 Financing Statement. UCC Filing No. U220209643125. Date Filed: 7/12/2022. Estimated (Disputed) Amount: \$1,474,991.00.
- Class 2F is impaired but Samson MCA cannot participate in plan voting or obtain a distribution from the estate because the Debtor disputed Samson MCA’s claim on Schedule F and Samson MCA did not file a proof of claim.
-
- 2.08 **Class 2G** Class 2G contains Claim 4-1 filed by Pearl Capital dba Pearl Beta Funding (“PBF”), secured by a UCC-1 Financing Statement. UCC Filing No. U220243764335. Date Filed: 11/14/2022. Amount: \$204,321.53.
- Class 2G is impaired and is entitled to vote on the Debtor’s Plan.
-
- 2.09 **Class 2H** Class 2H contains Claim 5-1 filed by EBF Holdings, LLC dba Everest Business Funding (“EBF”). Claim 5-1 is secured by a UCC-1 Financing Statement. UCC Filing No. U230029176631. Date Filed: 4/25/2023. Amount: \$74,181.20.
- Claim 5-1 asserts a total claim of \$275,130.75, with a secured claim of \$74,181.20.
- Class 2H is impaired and is entitled to vote on the Debtor’s Plan.
-
- 2.10 **Class 2I** Class 2I contains Claim 11-1 filed by the County of Santa Clara Department of Tax & Collections (“SC County”), secured by a recorded certificate of tax lien. Date Recorded: 11/17/2023. Recording No. 25563583 Amount: \$2,332.92.
- Class 2I is unimpaired and is not entitled to vote on the Debtor’s Plan.
-
- 2.11 **Class 3A** Convenience Class - General Unsecured Claims Less than \$10,000. All non-priority unsecured claims allowed under § 502 of the Code that are less than \$10,000 or any creditor in Class 3B whose allowed claim is larger than \$10,000 but has agreed to reduce its claim to \$10,000.
- Class 3A is unimpaired and is not entitled to vote on the Debtor’s Plan.
-

2.12 **Class 3B** Other General Unsecured Claims All non-priority unsecured claims allowed under § 502 of the Code that are greater than \$10,000, All claims in Class 3B are disputed claims.

For all disputed claims, the Debtor will deposit payments into the Disputed Claim Reserve until such time as a claim is either allowed or disallowed.

Class 3B is impaired and is entitled to vote on the Debtor's Plan.

2.13 **Class 3C**..... General Unsecured Claim of Landlord Cambridge Properties, LLC. Amount scheduled: \$61,320.00

Class 3C is unimpaired and is not entitled to vote on the Debtor's Plan.

2.14 **Class 4** Equity security holders of the Debtor

Class 4 is unimpaired and is not entitled to vote on the Debtor's Plan.

Article 3: Treatment of Administrative Expense Claims, and Priority Tax Claims

3.01 **Unclassified claims** Under § 1123(a)(1) of the Code, administrative expense claims, and priority tax claims are not classified.

3.02 **Administrative expense claims** Each holder of an administrative expense claim allowed under § 503 of the Code will be paid, pursuant to form, amount, and timing of distribution hereinbelow, or if later, at a start date as soon as the Bankruptcy Court enters an order approving a fee application in connection therewith.

Administrative Claimants shall file any compensation applications (on an interim or final basis) by May 1, 2025. If an administrative claimant does not file a compensation application by May 1, 2025, the administrative claimant shall not have a claim against the Debtor's estate.

Administrative Claimant	Amount	Payment Term
Mark Sharf Subchapter V Trustee 6080 Center Drive, Suite 600 Los Angeles, CA 90045	Est. \$125,000.00	\$100,000 paid on the later of the Effective Date, or as soon as the Bankruptcy Court enters an order approving a fee application in connection therewith; the balance estimated at \$25,000 paid upon receipt of the receivable estimated \$200,000 from the Elessar Propertie bankruptcy estate (Case No. 23-50934).("Elessar Receivable").

Stephen D. Finestone Finestone Hayes LLP 456 Montgomery Street, Ste 1300 San Francisco, CA 94101	Est. \$60,000.00	Paid in full on the later of the Effective Date, or as soon as the Bankruptcy Court enters an order approving a fee application in connection therewith.
Matthew D. Metzger Belvedere Legal, PC 1777 Borel Place, Suite 314 San Mateo, CA 94402	Est. \$80,000.00	Paid in full following entry of any order approving a fee application in connection therewith, and sourced from the Elessar Receivable.
Raymond Aver Law Offices of Raymond H. Aver A Professional Corporation 10801 National Boulevard, Suite 100 Los Angeles, CA 90064	TBD	Compensation disallowed unless application for compensation filed and approved by Court.
Total	Est. \$265,000.00	Paid in full on the later of the Effective Date, or, if later, following Court approval.

3.03 **Priority tax claims**

Each holder of a priority tax claim will be paid

Claimant	Priority Amount Claimed	Priority Amount Paid and Payment Term
Internal Revenue Service Centralized Insolvency Unit P.O. Box 7346 Philadelphia PA 19101-7346	\$366,945.30	<p>Claim 2-2 asserts a priority unsecured claim of \$366,945.30 and a general unsecured claim of \$40,687.97.</p> <p>Debtor shall file and prosecute an objection to Claim 2-2, which claim asserts an “estimated” amount of \$202,139.53 for tax year 2023. The Debtor has since filed the 2023 tax return; the return states that the amount due and owing for 2023 is \$94,701.</p> <p>While the objection remains pending, Debtor shall allow Claim 2-2 in the amount of \$259,506.77 (the “Allowed Amount”). Debtor shall pay the Allowed Amount at an applicable annual interest rate of 7.13%¹ with a monthly payment of \$8,028.26 over a 36 month payment term, with payments commencing on March 1, 2025 or 30 days after confirmation of</p>

¹ Rate determined by per 26 U.S.C. § 6621(a)(2).

		<p>the reorganization plan by the Court, whichever is later.</p> <p>If Debtor fails to file an objection to the amended IRS claim by May 1, 2025, or the Debtor's objection to the IRS claim is overruled in whole or in part, Debtor or the Trustee shall increase the amount of the monthly payments remaining in the 36 month payment term to pay in full any additional amount allowed by the Court along with annual interest rate of 7.13% (the "Allowed Amount").</p>
Franchise Tax Board Bankruptcy Section MS A340 PO Box 2952 Sacramento, CA 95812-2952	\$2,535.84	Debtor allows Claim 3-3, which asserts an unsecured, priority claim of \$2,535.84. Said claim shall receive interest from the petition date for 15 months at the applicable annual interest rate of 7.13% ² , for the period October 12, 2023 through January 31, 2024), or \$64.89. Thus, the Debtor shall pay a total amount of \$2,600.73.
Total	\$486,314.69	

² Rate determined by per 26 U.S.C. § 6621(a)(2).

Article 4: Treatment of Claims and Interests Under the Plan

4.01 **Claims and interests shall be treated as follows under this Plan:**

Class	Impairment	Treatment
Class 1 – Priority claims excluding those in Article 3	<input type="checkbox"/> Impaired	All allowed claims entitled to priority under § 507(a) of the Code (except administrative expense claims under § 507(a)(2) of the Code, and priority tax claims under § 507(a)(8) of the Code).
	<input checked="" type="checkbox"/> Unimpaired	Class 1 consists of allowed employee wage claims of \$15,150 or less, per § 507 (a)(4)

Class 1 shall receive payment of allowed priority unsecured claims in full on the Effective Date as follows:

Name of Creditor	Amount of Claim	Allowed Amount	Dividend
Alma Vargas	\$1,530.63	\$1,530.63	100%
Angelique Sanchez	\$1,761.70	\$1,761.70	100%
Candice Clifford	\$6,208.34	\$6,208.34	100%
Christian Paclibar	\$9,674.00	\$9,674.00	100%
Inna Gisin	\$5,208.35	\$5,208.35	100%
Jenifer Chavez	\$2,061.34	\$2,061.34	100%
Lynne Bui	\$75,791.11	\$0.00	100%
Sonia Rodriguez	\$1,430.22	\$1,430.22	100%
Vi Ngo	\$22,810.9	\$15,150.00	66%
Totals	\$126,476.66	\$43,024.58	

Dr. Bui’s insider claim shall be paid, if at all, as part of Class 4.

The \$22,810.97 balance of Vi Ngo’s claim that exceeds the \$15,150.00 § 507 (a)(4) threshold shall be an allowed general unsecured claim payable in Class 3A.

Class 2A – Secured claim of McKesson Corporation	<input checked="" type="checkbox"/> Impaired	Class 2 contains Claim 9-1 filed by McKesson Corporation (“McKesson”), secured by a UCC-1 Financing Statement. UCC Filing No. 17-75831529. Date Filed: 5/1/2017; continuation lien filed 5/4/2022. Amount: \$857,080.00. Interest Rate: \$5.43% Monthly Payment: \$16,343.55
	<input type="checkbox"/> Unimpaired	

Class 2 shall be paid a total amount that does not exceed **\$980,613.00**, if the Debtor pays over the full 60-month term, with payments commencing on March 1, 2025 or 30 days after confirmation of the reorganization plan by the Court, whichever is later.

Class 2B –
**Secured claim of
ASD Specialty
Healthcare**

Impaired

Class 2B contains Claim 7-1 filed by ASD Specialty Healthcare (“ASD”).

Unimpaired

Amount: \$187,398.66
Interest Rate: \$5.43%
Monthly Payment: \$3,573.49

Class 2B shall be paid a total amount that does not exceed **\$214,409.00** if the Debtor pays over the full 60-month term, with payments commencing on March 1, 2025 or 30 days after confirmation of the reorganization plan by the Court, whichever is later.

Class 2C –
**Integrated
Commercialization
Solutions, Inc.**

Impaired

Class 2C contains the claim of Integrated Commercialization Solutions, Inc. (“ICS”) secured by a UCC-1 Financing Statement. UCC Filing No. 16-7525032627. Date Filed: 5/12/2016. Amount: \$0.00.

Unimpaired

On Schedule D, the Debtor scheduled the claim of Integrated Commercialization Solutions, Inc as “disputed”. The Debtor served Integrated Commercialization Solutions Inc. with notice of the Debtor’s bankruptcy filing and Integrated Commercialization Solutions Inc. did not file a proof of claim. As the creditor was required to file a proof of claim and did not timely file a claim, the creditor cannot participate in plan voting or obtain a distribution from the estate

Class 2C is disputed and shall be paid \$0.00.

An order confirming the Debtor’s plan shall constitute an order finding that; 1) the UCC-1 lien is valued at \$0.00 and; 2) terminating said UCC-1 lien.

Class 2D – **U.S.
Small Business
Association**

Impaired

Class 2D contains the claim of the U.S. Small Business Association (“US SBA”), secured by a UCC-1 Financing Statement. UCC Filing No. 20-7795616821. Date Filed: 6/28/2020.

Unimpaired

Amount: \$150,000.00.
Interest Rate: \$5.43%
Monthly Payment: \$2,860.33

Class 2D shall be paid a total amount that does not exceed **\$171,620.00**, if the Debtor pays over the full 60-month term, with payments commencing on March 1, 2025 or 30 days after confirmation of the reorganization plan by the Court, whichever is later.

Class 2E – **Santa
Cruz County Bank**

Impaired

Class 2E contains the claim of the Santa Cruz County Bank (“SCB”), based on a commercial guaranty and secured by a UCC-1 Financing

Statement. UCC Filing No. U200033835828. Date Filed: 11/30/2022.
Unimpaired Amount of original principal guarantee: \$6,965,000.00.

In the Elessar Properties, LLC chapter 7 bankruptcy case, Case No. 23-50934 SLJ, Santa Cruz County Bank received \$6,511,055.67 from the court-approved sale of real property commonly known as 9460 No Name Uno Gilroy, California. After the close of the sale, Santa Cruz County Bank has issued a mortgage statement to the original borrower, Elessar Properties LLC, stating that the "Total Amount Due" is \$0.00. Based on the foregoing, the chapter 7 trustee in Case No. 23-50934 SLJ, satisfied in full the payoff demand of Santa Cruz County Bank. Santa Cruz County Bank no longer has a claim against the Debtor as a commercial guarantor because Santa Cruz County Bank already received payment of an amount that Santa Cruz County Bank deemed payment in full, as evidence by the mortgage statement showing \$0.00 due.

Based on the foregoing, Class 2E no longer has a claim against the estate and shall be paid \$0.00.

Class 2F –
**Samson MCA,
LLC**

Impaired Class 2F contains the claim of Samson MCA, LLC ("Samson MCA"), secured by a UCC-1 Financing Statement. UCC Filing No. U220209643125. Date Filed: 7/12/2022. Estimated (Disputed) Amount: \$1,474,991.00

Unimpaired

Debtor contends that the value of all the Debtor's collateral, taken together, does not secure the UCC-1 lien of Samson MCA. See Exh. A, G. Prior to confirmation, Debtor will obtain an order fixing the secured amount of Samson MCA at zero, pursuant to Fed. R. Bankr. P 3012 and Bankruptcy Code § 506(a). Debtor will pay nothing to said creditor as a secured Class 2F claim.

On Schedule D, the Debtor scheduled the claim of Samson MCA as "disputed". The Debtor served Samson MCA with notice of the Debtor's bankruptcy filing and Samson MCA did not file a proof of claim. As the creditor was required to file a proof of claim and did not timely file a claim, the creditor cannot participate in plan voting or obtain a distribution from the estate

Class 2F is disputed and shall be paid \$0.00 from Class 2F. Samson MCA, LLC also shall receive \$0.00 from Class 3B.

An order confirming the Debtor's plan shall constitute an order finding that; 1) the UCC-1 lien is valued at \$0.00 and; 2) terminating said UCC-1 lien.

Class 2G – **Pearl
Capital dba Pearl
Beta Funding**

Impaired Class 2G contains Claim 4-1 of Pearl Capital dba Pearl Beta Funding ("PBF"), secured by a UCC-1 Financing Statement. UCC Filing No. U220243764335. Date Filed: 11/14/2022. Amount: \$204,321.53.

Unimpaired

Debtor disputes Claim 4-1.

Debtor contends that the value of all the Debtor's collateral, taken together, does not secure the UCC-1 lien of PBF. See Exh. A, G. Prior to confirmation, Debtor will obtain an order fixing the secured amount of

PBF at zero, pursuant to Fed. R. Bankr. P 3012 and Bankruptcy Code § 506(a). Debtor will pay nothing to said creditor as a secured Class 2G claim. Claim 4-1 shall be included in the distribution within the general unsecured Class 3B

Class 2H – EBF Holdings, LLC dba Everest Business Funding

- Impaired
- Unimpaired

Class 2H contains Claim 5-1 filed by EBF Holdings, LLC dba Everest Business Funding (“EBF”). Claim 5-1 is secured by a UCC-1 Financing Statement. UCC Filing No. U230029176631. Date Filed: 4/25/2023. Amount: \$74,181.20.

Claim 5-1 asserts a total claim of \$275,130.75, with a secured claim of \$74,181.20

Debtor disputes Claim 5-1 in its entirety.

Debtor contends that the value of all collateral securing the UCC-1 lien of EBF is less than the amount of the claim. Prior to confirmation, Debtor will obtain an order fixing the secured amount of EBF at zero, pursuant to Fed. R. Bankr. P 3012 and Bankruptcy Code § 506(a). Debtor will pay nothing to said creditor as a secured Class 2H claim. Claim 5-1 shall be included in the distribution within the general unsecured Class 3B

Additionally, Claim 5-1 appears to be based on both a UCC-1 financing statement as well as a revenue purchase agreement.

Debtor shall prosecute an objection to Claim 5-1. If Debtor fails to prosecute an objection Claim 5-1 by March 1, 2025, Debtor or the Trustee shall commence payments to EBF at the general unsecured annual interest rate of 5.43%.

After Debtor prosecutes the objection to Claim 5-1, Debtor shall pay EBF in full the amount allowed via Court order at an annual interest rate of 5.43% within the 60 month plan term.

Debtor shall not make any payments to EBF while the dispute remains pending.

Class 2I – County of Santa Clara Department of Tax & Collections

- Impaired
- Unimpaired

Class 2I contains Claim 11-1 filed by the County of Santa Clara Department of Tax & Collections (“SC County”), secured by a recorded certificate of tax lien. Date Recorded: 11/17/2023. Recording No. 25563583 Amount: \$2,332.92.

The Debtor shall pay the SC County tax lien in full in the amount of \$2,332.92 or greater, if required to release the lien, on the Effective Date.

Class 3A - Small Claims \$10,000 or Under
.....

- Impaired
 Unimpaired

Convenience Class - General Unsecured Claims Less than \$10,000. All non-priority unsecured claims allowed under § 502 of the Code that are less than \$10,000 or any creditor in Class 3B whose allowed claim is larger than \$10,000 but has agreed to reduce its claim to \$10,000.

Class 3A is unimpaired and is not entitled to vote on the Debtor's Plan.

No	Name of Creditor	Amount of Claim	Allowed Amount	Dividend	Interest Rate	Total Amount Paid
1-1	Wells Fargo Bank, N.A. PO Box 51174 Los Angeles, CA 90051	\$9,988.68	\$9,988.68	100%	0.00%	\$9,988.68
3-3	Bankruptcy Section MS A340 Franchise Tax Board PO Box 2952 Sacramento, CA 95812-2952	\$268.12	\$268.12	100%	0.00%	\$268.12
10-1	PG&E PO Box 8329 c/o Bankruptcy Dept. Stockton, CA 95208	\$133.52	\$133.52	100%	0.00%	\$133.52
8-1	Aetna, Inc.	\$3,431.34	\$3,431.34	100%	0.00%	\$3,431.34
	Next Insurance 375 Woodcliff Drive, Suite 103 Fairport, NY 14450	\$187.81	\$187.81	100%	0.00%	\$187.81
	San Jose Water Company 110 West Taylor Street San Jose, CA 95110-2131	\$1,790.83	\$1,790.83	100%	0.00%	\$1,790.83
	Vi Ngo	\$6,960.97	\$6,960.97	100%	0.00%	\$6,960.97
	Totals	\$12,504.47	\$12,504.47			\$12,504.47

Class 3B – General Unsecured Claims
.....

- Impaired
 Unimpaired

General Unsecured Claims ..
For Claim 2-2 filed by the IRS, Debtor shall prosecute an objection on the grounds that Claim 2-2 asserts an “estimated” amount of \$202,139.53 for tax year 2023. The Debtor has since filed the tax return for the 2023 year; the return states that the amount due and owing is \$94,701.

For Claims 4-1 (Pearl Beta Funding) and 5-1 (EBF Holdings, LLC), Debtor will prosecute claim objections on the grounds that both claims appear to be based on UCC-1 financing statements as well as revenue purchase agreements. Debtor will seek disallowance of both Claim 4-1 and Claim 5-1 in their entirety.

For the purported pre-petition claim from Samson MCA, the Debtor scheduled the claim of Samson MCA as “disputed” on Schedule D. The Debtor served Samson MCA with notice of the Debtor’s bankruptcy filing and Samson MCA did not file a proof of claim. As the creditor was required to file a proof of claim and did not timely file a claim, the creditor cannot participate in plan voting or obtain a distribution from the estate. Thus, the purported claim of Samson MCA also shall be disallowed in its entirety and shall receive \$0.00 from Class 3B.

To the extent that the Debtor’s objections to claims are overruled in part or in whole, Debtor shall pay any amounts allowed by the Court from the disputed claim reserve.

If Debtor fails to file objections to Class 3B Claims by March 1, 2025, Debtor or the Trustee shall commence payments pursuant to the following disputed claim reserve table.

Debtor shall make no payments to a Class 3B class member while an objection to the claim of a Class 3B class member remains pending.

Claims from Creditors in Class 3B that the Court allows in whole or in part shall receive 60 equal monthly payments from the Effective Date (“Allowed Claims”) from allowance by the Court, with 0.00% interest

No	Name of Creditor	Amount of Claim	Allowed Amount	Divide nd (TBD)	Inter est Rate	Disput ed	Total Amount Paid (if Allowed)	Monthly Payment
2-2	Internat ional Revenue Service Insolvency Group	\$40,687.97	\$40,687.97	100% Of TBD allowed Amount	0.00 %	Y	TBD/ \$40,687.97	TBD/\$678 .13
4-1	Pearl Capital dba Pearl Beta Fundin g	\$204,321.53	\$204,321.53	100% Of TBD allowed Amount	0.00 %	Y	TBD/ \$204,321.53	TBD/\$3,4 05.36
5-1	EBF Holdin gs, LLC	\$275,130.75	\$275,130.75	100% Of TBD allowed Amount	0.00 %	Y	TBD/ \$275,130.75	TBD/\$458 5.51
	Total	\$520,140.25	\$520,140.25	100% Of TBD allowed Amount	0.00 %	TBD/ \$39,94 1.33	TBD/\$520,140.25	\$8,669.00

Class 3C – Claim of Cambridge Properties, LLC

Impaired

Claim of Cambridge Properties, LLC Landlord.
Amount scheduled: \$61,320.00

Landlord	<input checked="" type="checkbox"/> Unimpaired	The claim is allowed and shall be paid in two equal monthly installments, with the first payment of \$30,660 made on the Effective Date and the second and final payment of \$30,660 made 30 days after the Effective Date.
Class 4 – Equity security holders of the Debtor	<input type="checkbox"/> Impaired	Dr. Bui – the sole Class 4 Equity security interest holder shall retain 100% equity interests in the Debtor. Dr. Bui also has a claim listed on Schedule E in the amount of \$75,479.11. The Debtor shall pay Dr. Bui \$75,479.11
	<input checked="" type="checkbox"/> Unimpaired	only after all allowed claims in all senior claim classes have been paid in full.

Article 5: Allowance and Disallowance of Claims

5.01	Disputed claim	<p>A <i>disputed claim</i> is a claim that has not been allowed or disallowed by a final non-appealable order, and as to which either:</p> <p>(i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or</p> <p>(ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.</p>
5.02	Disputed claim reserve	Debtor will create a reserve for disputed claims. Each time Debtor makes a distribution to the holders of allowed claims, Debtor will place into a reserve the amount that would have been distributed to the holders of disputed claims if such claims had been allowed in the full amount claimed. If a disputed claim becomes an allowed claim, Debtor shall immediately distribute to the claimant from the reserve an amount equal to all distributions due to date under the plan calculated using the amount of the allowed claim. Any funds no longer needed in reserve shall be <input checked="" type="checkbox"/> returned to Debtor or <input type="checkbox"/> distributed <i>pro-rata</i> among allowed claims in this class (“Disputed Claim Reserve”)
5.03	Delay of distribution on a disputed claim	No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order.
5.04	Settlement of disputed claims	The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Federal Rule of Bankruptcy Procedure 9019.

Article 6: Provisions for Executory Contracts and Unexpired Leases

6.01 **Assumed executory contracts and unexpired leases** The Debtor assumes, and if applicable assigns, the following executory contracts and unexpired leases as of the effective date:

Counter Party	Description	Estimated Cure Amount	Installment Amount	Number of Installments
Cambridge Properties, LLC	lease - 14911 National Ave #1, Los Gatos, CA 95032	\$61,320.00	\$30,660.00	2
Bay Area community Health	Lease - 9460 No Name Uno #230 Gilroy, CA 95020	\$0.00	N.A.	0
Sunnyslope Medical Building Co.	Lease Address - 930 Sunnyslope Rd #A3, Hollister, CA 95023.	\$0.00	N.A.	0

6.02 **Rejected executory contracts and unexpired leases** 1) The Debtor rejects the following executory contracts and unexpired leases as of the effective date: Not Applicable.

Counter Party	Description	Estimated Unsecured Claim
		\$
		\$

2) The Debtor shall be deemed to reject all executory contracts and unexpired leases that are not specifically assumed in section 6.01(a) of this Plan.

A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than be 30 days after the date of the order confirming this Plan.

Article 7: Means for Implementation of the Plan

First, Debtor shall source all plan payments from operational cashflow and collections from receivables.
 Second, to the extent necessary, Debtor may source plan payments from any of the litigation claims identified in Section 10.01.

Article 8: General Provisions

-
- 8.01 **Definitions and rules of construction** The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan, and they are supplemented by the following definitions:
[Insert additional definitions if necessary].
-
- 8.02 **Effective date** The effective date of this Plan is the first business day following the date that is 14 days after the entry of the final confirmation order, except that the requirement of finality may be waived by the Debtor. If a stay of the confirmation order is in effect on that date, the Debtor may elect to treat the effective date as the first business day after the date on which the stay expires or is otherwise terminated.
 The effective date of this Plan is [describe]:
-
- 8.03 **Vesting at Confirmation** Property of the estate shall:
 revest in the Debtor upon confirmation of the Plan.
 not revest in the Debtor at confirmation, but shall be delayed and thereafter vest in the Debtor at the earlier of: (a) completion of all payments due under the Plan; (b) dismissal; (c) discharge; or (d) closing of the case.
 [describe]:
-
- 8.04 **Plan Disbursements** After confirmation, all payments due to creditors under the Plan shall be disbursed by the:
 Debtor only if the Plan is confirmed as a consensual plan pursuant to Bankruptcy Code Section 1191(a).
 Subchapter V Trustee if the plan is confirmed as a non-consensual plan pursuant to Bankruptcy Code Section 1191(b).
 Notwithstanding § 1194(b) of the Code, and unless otherwise ordered by the Court, Debtor shall be authorized to make all payments due to creditors under the Plan if such election is made in this section of the Plan.

If the Trustee acts as the disbursing agent, then any references in the Plan to the Debtor making payments or distributions, shall apply equally to the Trustee. If required to make distributions to creditors under the Plan or perform any post-confirmation services, the Subchapter V Trustee and his counsel shall be entitled to compensation consistent with their normal hourly rates as set forth in their fee applications. Post-confirmation compensation due and payable to the Subchapter V Trustee may reduce payments to general unsecured creditors.
-
- 8.05 **Severability** If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.
-
- 8.06 **Binding effect** The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.
-
- 8.07 **Captions** The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.
-
- 8.08 **Controlling effect** Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of California govern this Plan and any agreements, documents, and instruments

		executed in connection with this Plan, except as otherwise provided in this Plan.
8.9	Corporate governance	Confirmation of the Plan shall be deemed to prohibit the issuance by the Reorganized Debtor of nonvoting securities to the extent required under § 1123(a)(6) of the Code.
8.10	Payments	All payments to be made under the Plan for professional services, costs, or expenses in connection with the case or the Plan as required by §§ 330 and 331 of the Code shall be subject to the approval of the court.
8.11	Officers and Directors	The officers and directors of the Debtor shall remain in their roles post-confirmation.
8.12	Insider Retention	The insiders who were employed or retained by the Debtor shall remain in their roles post-confirmation, at the same or comparable compensation.
8.13	Defaults and Remedies	Failure to pay any amount due under this Plan within 20 days of the due date shall constitute a Default. Upon the occurrence of a Default, any affected creditor may give 15 days' Notice of Default. Absent a cure within that period, the creditor may present a Motion seeking appropriate relief from the Court, which relief may but need not include conversion of the case to one under Chapter 7 of the Code.
8.14	Retention of Jurisdiction	The Court may exercise jurisdiction over proceedings concerning: (a) whether Debtor is in Material Default of any Plan obligation; (b) whether the time for performing any Plan obligation should be extended; (c) adversary proceedings and contested matters pending as of the Effective Date or specifically contemplated in this Plan to be filed in this Court; (d) whether the case should be dismissed or converted to one under Chapter 7; (e) any objections to claims; (f) compromises of controversies under Federal Rule of Bankruptcy Procedure 9019; (g) compensation of professionals; and (h) other questions regarding the interpretation and enforcement of the Plan.
8.15	Deadline for Election Under 11 U.S.C. § 1111(b)	Any creditor that wishes to make an election under section 1111(b)(2) of the Code shall do so no later than 10 days following the filing of the Plan.

Article 9: Discharge

- Debtor is entitled to a discharge pursuant to § 1141(d)(3) of the Code.
 Debtor is not entitled to a discharge pursuant to § 1141(d)(3) of the Code.

Discharge if the Debtor is an individual under Subchapter V

If the Debtor's Plan is confirmed under § 1191(a) of the Code, on the effective date of the Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, to the extent specified in § 1141(d)(1)(A) of the Code. The Debtor will not be discharged from any debt excepted from discharge under § 523(a) of the Code, except as provided in Federal Rule of Bankruptcy Procedure 4007(c). Pursuant to § 1181(a) of the Code, § 1141(d)(5) of the Code does not apply.

If the Debtor's Plan is confirmed under § 1191(b) of the Code, confirmation of the Plan does not discharge any debt provided for in this Plan until the court grants a discharge on completion of all payments due within the Plan's term, which could range from 3-5 years, pursuant to § 1191(c)(2) of the Code, or as otherwise provided in § 1192 of the Code. The Debtor will not be discharged from any debt:

- (i) on which the last payment is due after the conclusion of the Plan's term, which could range from 3-5 years, pursuant to § 1191(c)(2) of the Code, or as otherwise provided in § 1192 of the Code; or
- (ii) excepted from discharge under § 523(a) of the Code, except as provided in Federal Rule of Bankruptcy Procedure 4007(c).

Discharge if the Debtor is a partnership under Subchapter V

If the Debtor's Plan is confirmed under § 1191(a) of the Code, on the effective date of the Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, to the extent specified in § 1141(d)(1)(A) of the Code.

If the Debtor's Plan is confirmed under § 1191(b) of the Code, confirmation of the Plan does not discharge any debt provided for in this Plan until the court grants a discharge on completion of all payments due within the Plan's term, which could range from 3-5 years, pursuant to § 1191(c)(2) of the Code, or as otherwise provided in § 1192 of the Code. The Debtor will not be discharged from any debt on which the last payment is due after the conclusion of the Plan's term, which could range from 3-5 years, pursuant to § 1191(c)(2) of the Code, or as otherwise provided in § 1192 of the Code.

 Discharge if the Debtor is a corporate entity under Subchapter V

If the Debtor's Plan is confirmed under § 1191(a) of the Code, on the effective date of the Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt to the extent provided in § 1141(d)(6) of the Code.

If the Debtor's Plan is confirmed under § 1191(b) of the Code, confirmation of this Plan does not discharge any debt provided for in this Plan until the court grants a discharge on completion of all payments due within the Plan's term, which could range from 3-5 years, pursuant to § 1191(c)(2) of the Code, or as otherwise provided in § 1192 of the Code. The Debtor will not be discharged from any debt on which the last payment is due after the conclusion of the Plan's term, which could range from 3-5 years pursuant to § 1191(c)(2) of the Code, or as otherwise provided in § 1192 of the Code.

Article 10: Other Provisions

10.01 **Lawsuits** Debtor's counsel has reviewed Debtor's schedules of prepetition transactions, and on the basis of that review viable causes of action for fraudulent transfers, voidable preferences, or other claims for relief exist as follows.

1) Debtor v. Khloris Biosciences, Inc.

The Debtor believes that it holds substantial claims against Khloris Biosciences, Inc. for an unauthorized post-petition transfer and for prepetition transfers. The Debtor reserves the right to prosecute the claims. The claim against Khloris Biosciences, Inc. may not be settled without the consent of the Trustee. Any payments as a result of a settlement or judgment against Khloris Biosciences, Inc. shall be paid to the Trustee, to be used to pay obligations due under the Plan.

2) Preservation of all Avoidable Transfer/Fraudulent Transfer Claims:

The Debtor is presently investigating all pre-petition transfers that qualify as preferential and/or fraudulent transfers, per 11 U.S.C. §§ 544; 547; 550; 551; California Civil Code §§ 3439 et. seq. (the "Transfer Claims"). Any and all transfer claims shall remain vested in the estate for the benefit of creditors.

(collectively the "Transfer Claims").

Given that the Debtor's plan proposes to pay Non-priority unsecured creditors **100 cents on the dollar, with no interest,** funded from operations and receivables. The Debtor, shall exercise unilateral discretion whether or not to prosecute any Transfer Claims. As long as the Debtor remains current with plan payments funded solely from operations and receivables, the Debtor reasonably anticipates that the Debtor may elect not to prosecute any

transfer claim litigation. Notwithstanding the previous provision, the Trustee may decide to pursue claims for avoidable transfers or fraudulent conveyances. No settlement of any claim, whether pursued by the Trustee or not, may be made without the Trustee’s consent.

All claims and causes of action against Dr Bui, her children, her trusts, and all other trusts or entities referenced in the Trustee’s Motion to Remove the Debtor (ECF 136) shall be preserved for the benefit of the estate. All of the entities referenced in ECF 136 shall execute a tolling agreement with the Trustee to toll the applicable statute limitations until such time that a discharge is entered in this case. Upon a default in the performance of the Plan, the Trustee shall be entitled to pursue these claims and only the Trustee has authority to settle any claims.

3) Claim in the Elessar Bankruptcy Case:

Debtor shall retain its claim in the Elessar Properties bankruptcy case, with the distribution on account of such claim to be paid to the Trustee to be used to pay obligations due under the Plan.

4) Claim in Dr. Bui Bankruptcy Case:

Debtor shall retain its claim in Dr. Bui’s bankruptcy case, with the distribution on account of such claim to be paid to the Trustee to be used to pay obligations due under the Plan. The Trustee shall have the authority to settle such claim.

5) Claims against Samson MCA, LLC and any other MCA Lenders:

Debtor shall retain its claims against Samson MCA, LLC and other MCA Lender. Both the Debtor and the Trustee shall have the authority to commence and settle any such claims.

10.02 **Notices**

Any notice to the Debtor shall be in writing, and will be deemed to have been given seven days after the date sent by first-class mail, postage prepaid and addressed, or on the date of delivery by electronic mail, as follows:

To the Subchapter V Trustee:	To the Debtor:	With a copy to:
Mark Sharf, Subchapter V Trustee c/o Stephen D. Finestone Finestone Hayes LLP 456 Montgomery Street, Ste 1300 San Francisco, CA 94101 Email: sfinestone@fhlawllp.com	Global Cancer Research Institute, Inc Attn: Lynne A. Bui 14911 National Avenue, Suite 1 Los Gatos, CA 95032 Email: lynne.bui@gmail.com	Matthew D. Metzger Belvedere Legal, P.C. 1777 Borel Place, Suite 314 San Mateo, CA 94402 Email: mmetzger@belvederelegal.com

10.03 **Vesting of Property**

Vesting of the property of the estate shall be as set forth in Section 8.03. Notwithstanding any provision of the Plan to the contrary, the Trustee shall retain control over all funds on hand in the Axos Bank debtor in possession account and the distribution from the Elessar Properties bankruptcy case. The Trustee may use such funds to make distributions as he may determine in his sole discretion and will timely inform the Debtor of such distributions.

- 10.04 **Plan Injunction (Creditor Action Restrained)** The confirmed Plan is binding on every creditor whose claims are provided for in the Plan. Therefore, even though the automatic stay terminates on the Effective Date with respect to secured claims, no creditor may take any action to enforce either the pre-confirmation obligation or the obligation due under the Plan, so long as the Debtor is not in material
-
- 10.05 **Preservation of all Avoidable Transfer/Fraudulent Transfer Claims** **Preservation of all Avoidable Transfer/Fraudulent Transfer Claims:**. The Debtor is presently investigating all pre-petition transfers that qualify as preferential and/or fraudulent transfers, per 11 U.S.C. §§ 544; 547; 550; 551; California Civil Code §§ 3439 *et. seq.* (the "Transfer Claims"). Any and all transfer claims shall remain vested in the estate for the benefit of creditors.
- 10.06 **Matters with Respect to the Trustee** The Debtor shall make an additional distribution by June 30 of each year inside the five (5) year commitment period distributing any Transfer Claim Recoveries pro-rata to unsecured creditors pursuant to the payment priority waterfall structure of the Bankruptcy Code, Title 11 U.S.C. § 101 *et seq.* (the "Code").
- Until the Debtor receives a discharge, it will timely file its tax returns and send copies of the returns to the Trustee prior to filing them. Until the Debtor receives a discharge, the Trustee shall retain access to and joint control over all of Debtor's bank accounts, and access to the Azalea software or any replacement product Debtor may obtain. To the extent funds are available as a result of (i) recoveries from avoidance actions or the claims in the Elessar Properties bankruptcy or the Lynne Bui bankruptcy case; (ii) tax refunds; or (iii) better than expected business performance by the reorganized debtor, the Trustee shall have the option of prepaying, or instructing the Debtor to do so, any obligations due under the Plan.
- Upon confirmation, the Debtor shall be reinstated as a Debtor in Possession pursuant to Bankruptcy Code Section 1185(b) and shall be the reorganized debtor.
- Notwithstanding the reinstatement of the Debtor as a Debtor in Possession, the Subchapter V Trustee shall serve as the Plan's Disbursing Agent for the plan commitment period, pursuant to section 8.04. The Subchapter V trustee also shall be exclusively responsible to file all pre-confirmation and post-confirmation reporting. Debtor shall transfer all payments due under the Plan to the Subchapter V Trustee 15 days before a plan payment is due, pursuant to instructions from the Subchapter V Trustee

Respectfully submitted,

/s/ Lynne A. Bui

/s/ Matthew D. Metzger

Global Cancer Research Institute, Inc

Lynne A. Bui
Chief Executive Officer

BELVEDERE LEGAL, P.C.

Matthew D. Metzger, Esq.
Its President

Article 11: Attorney Certification

I am legal counsel for the Debtor in the above-captioned case and hereby certify that the foregoing plan is a true and correct copy of the *Plan of Reorganization for Small Business Debtor Under Chapter 11, Subchapter V* promulgated by the Northern District of California on June 5, 2024 (the "Standard-Form Plan") and

- There are no alterations or modifications to any provision of the Standard-Form Plan;
- Attached hereto as **Exhibit E** is a redline of Debtor's Plan identifying all alterations or modifications made to any provision of the Standard-Form Plan; or
- Below are all alterations or modifications made to any provision of the Standard-Form Plan:

[Insert the article number, page number, and general subject matter for each alternation or modification, as applicable]

I declare that the foregoing is true and correct. Executed this 20th day of November, 2024.

s/ Matthew D. Metzger

Matthew D. Metzger

Exhibit A: Liquidation Analysis**Real Property – Not Applicable.**

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Exemption	Net Proceeds
\$	^{1st}		\$	\$	

Personal Property [Business cases only]

Description	Value (Per Operating Reports)	Recognizable Value
Ray Aver, Esq. IOLTA Account	\$1,073.00	\$1,073.00
Cash	\$ 126,267.00	\$ 66,977.00
Accounts Receivables (MD Suites)	\$ 1,449,694.00	\$ 200,000.00
Accounts Receivables (Azalea Software)	\$ 1,008,300.00	\$ 504,000.00
Notes Receivables	\$ 0.00	\$ 0.00
Receivable from Elessar Properties bankruptcy estate (Case No. 23-50934)	\$ 1,463,711.11 (see also Dkt. # 190)	\$ 200,000.00
Inventory (Pharmaceuticals-\$0.00 resale value)	\$ 0.00	\$ 0.00
Furniture and Office Equipment	\$ 1,500.00	\$1,500.00
Vehicle (Tesla Model S)	\$15,805.00	\$ 15,805.00
UCC 1st Secured Debt (McKesson)	(\$ 857,080.00)	(\$ 857,080.00)
UCC 2nd Secured Debt (ASD)	(\$ 187,399.00)	(\$ 187,399.00)
UCC 3rd Secured Debt (US SBA)	(\$ 150,000.00)	(\$ 150,000.00)
UCC Secured Debt (disputed UCC-1 liens junior to US SBA- Samson MCA, PBF, EBF)	(\$ 1,954,443.28)	(\$ 0.00)
County of Santa Clara Bus. Tax Lien	\$2,332.92	(\$2,332.92)
Net Personal Property		(\$ 202,791.08.00)
Net Proceeds of Real Property and Personal Property		\$ 0.00
Recovery from Preferences and Fraudulent Conveyances (Khloris Biosciences)		[ADD] \$ 300,000.00
Chapter 7 Administrative Claims		[SUBTRACT] \$ 0.00
Chapter 11 Administrative Claims		[SUBTRACT] \$ 265,000.00
Priority Claims		[SUBTRACT] \$ 435,565.32
Chapter 7 Trustee Fees (11 U.S.C. § 326)		[SUBTRACT] \$ 21,249.90
Chapter 7 Trustee's Professionals		[SUBTRACT] \$ 50,000.00
Net Funds Available for Distribution to Unsecured Creditors		(\$471,815.22)
Estimated Amount of Unsecured Claims		\$ 107,807.61
Percent Distribution to Unsecured Creditors Under Plan		100%
Percent Distribution to Unsecured Creditors Under Liquidation Analysis		0.00%

Exhibit B: Disposable Income Analysis

Revenue	Amount
Sales	\$ 300,000.00
Costs of Goods Sold (Chemotherapy Drugs) [Subtract]	(\$ 165,000.00)
Positive Cash Flow on Investment Property	\$ 0.00
A. Total Monthly Revenue	\$ 135,000.00
Operating Expenses	Amount
Wages, Salaries, and Payroll	\$ 75,000.00
Rent	\$ 6,613.81
Utilities (Electricity, Phone, Internet, Alarm)	\$ 1,334.78
Insurance	\$ 1,321.39
Office Equipment / Machinery	\$ 145.00
Computer and Technology	\$ 35.00
Other Business Expenses [Medical Waste Disposal]	\$ 4,531.36
Negative Cash Flow on Investment Property	\$
B. Total Monthly Operating Expenses	\$ 89,126.34
Plan Payments	Amount
Class 2A	\$ 16,343.55
Class 2B	\$ 3,573.49
Class 2D	\$ 2,860.33
Class 3B (Disputed Claim Reserve)	\$ 8,669.00
Priority Claims	\$ 8,028.26
Subchapter V Trustee Fees	\$ 0.00
Administrative Claims (Pre-Confirmation)	\$ 0.00
Administrative Claims (Post-Confirmation)	\$
Other [Describe]:	\$
C. Total Monthly Plan Payments	\$ 39,474.63
D. Net Operating Income	[Line A – Line B – Line C] \$6,399.03
Available Operating Capital	Amount
Cash Balance at Beginning of Month	\$ 47,906.92
Net Operating Income (or Loss)	[Line D] \$ 6,399.03
E. Cash Balance at End of Month	\$ 54,305.95
F. Projected Disposable Income for 5 Year Plan Term	\$ 54,305.95

Exhibit C: Effective Date Feasibility Analysis

Cash on Effective Date		Amount
Cash in all Debtor in Possession (DIP) Accounts	[Balance as of Plan Filing]	\$ 278,000.00
Anticipated Cash Increase or Decrease	[From Plan Filing to Effective Date]	\$ 15,000.00
A. Total Cash on Effective Date		\$ 293,000.00
Payments on Effective Date		Amount
Class 1		\$ 43,024.58
Class 2I		\$ 2,332.92
Class 3A		\$ 12,504.47
Class 3B		\$ 30,660.00
Priority Claims		\$ 2,788.97
Subchapter V Trustee Fees		\$ 100,000.00
Administrative Claims (Pre-Confirmation)		\$ 60,000.00
Administrative Claims (Post-Confirmation)		\$ 0.00
Other [Describe]:		\$ 0.00
B. Total Payments on Effective Date		\$ 251,310.94
C. Net Cash on Effective Date (Plan not feasible if less than zero)		\$ 41,689.06
		[Line A – Line B]

Exhibit D: UCC-1 Lien Chart in order of Recording Priority

Claim No	Name	File Number	Date of UCC	Amount	Lapsed
9-1	McKesson	127331799456.00	10/5/2012	\$857,080.00	
7-1	ASD Speciality Healthcare	137343509287.00	1/4/2013	\$187,398.66	
	Integrated Commercialization Solutions, Inc. 3101 Gaylord Parkway Frisco, TX 75034	167525032627.00	5/12/2016	\$0.00	Y

	U.S. Small Business Administration 10737 Gateway West #300 El Paso, TX 79935	207795616821.00	6/28/2020	\$150,000.00	
	Santa Cruz County Bank P.O. Box 8426 Santa Cruz, CA 95061	U200033835828	11/30/2020	Original Balance: \$6,700,000.00 Remaining Balance: \$0.00	
	Samson Horus 90 John Street New York, NY 100385	U220209643125	7/12/2022	\$1,474,991.00	
4-1	Pearl Bata	U220243764335	11/14/2022	\$204,321.53	
5-1	EBF Holdings, LLC	U230029176631	4/25/2023	\$275,130.75	
	County of Santa Clara	25563583	11/17/2023	\$2,332.92	

Exhibit E: Changes to Form Plan

1. Added Section 10.01 Lawsuits.
2. Added Section 10.02 Notices.
3. Added Section 10.03 Vesting of Property
4. Added Section 10.04 Plan Injunction (Creditor Action Restrained).
5. Exhibit A - revised Personal Property descriptive categories.
6. Exhibit E – added UCC-1 Lien Chart