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Case No. 2023-0463-CDW

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE:	)	
	)	
SECURE TRANSFUSION SOLUTIONS, INC., a Delaware corporation,	)	
	)	
Assignor,	)	C.A. No. 2023-0463-CDW
	)	
To:	)	
	)	
STS (ABC), LLC, a Delaware limited liability company,	)	
	)	
Assignee.	)	
	)	

PETITION OF FINAL ACCOUNTING PURSUANT TO 10 DEL. C. § 7385 AND MOTION DISCHARGING ASSIGNEE, ORDER CLOSING CASE AND RELEASING BOND

STS (ABC), LLC ("Assignee"), in its sole and limited capacity as the assignee for the benefit of creditors of Secure Transfusion Solutions, Inc. ("Secure Transfusion" or "Assignor") respectfully files this *Petition of Final Accounting Pursuant to 10 Del. C. § 7385 and Motion Discharging Assignee, Order Closing Case, and Releasing Bond* (together, the "Petition"), and in support thereof, states as follows:

BACKGROUND

Procedural History

1. On April 25, 2023, Assignor assigned all of its right, title, and interest in its assets pursuant to that certain General Assignment executed by the Assignor and the Assignee (the "General Assignment").

2. On April 26, 2023, Assignee filed a Verified Petition for Assignment for the Benefit of Creditors, which established this assignment for the benefit of creditor proceeding (the "ABC Proceeding").

3. Pursuant to the Court's *Order Governing the Assignment for the Benefit of Creditors* (the "ABC Order"), which was issued on May 22, 2023, the Assignee filed with the Court Assignee's (i) *Affidavit of Inventory Pursuant to 10 Del. C. § 7381* on May 25, 2023, and (ii) *Initial Affidavit of STS (ABC), LLC* on June 1, 2023.

4. The Assignee subsequently filed its *Ex Parte Motion for Appointment of Appraisers Pursuant to 10 Del. C. § 7382* (the "Appraisal Motion") on June 5, 2023. In the Assignee's Appraisal Motion, the Assignee sought the appointment of Applied Business Strategy LLC ("Applied") and Cohen & Co. LPA ("Cohen"). The Court granted the Appraisal Motion on June 7, 2023.

5. In connection with the appraisals that Applied and Cohen prepared, the Assignee filed its Motion for Order Establishing Bond Amount Pursuant to 10 Del.

C. § 7383 in the amount of $1,079,800.00, which was granted by the Court on July 10, 2024.

6. On July 2, 2024, and in accordance with 10 Del. C. § 7385, Assignee filed its status report and an accounting within one year following the securing of its secured bond, which was subsequently renewed.

Events Leading up to ABC Proceeding and Administration of Assignment Estate

7. Assignee is the wholly owned subsidiary of Rock Creek Advisors, LLC, a financial advisory firm, which, along with its subsidiaries, specializes in serving as assignees in assignments for the benefit of creditors.

8. Headquartered in Austin, Texas and founded in 2018 as Secure Transfusion Services, Inc., Secure Transfusion was a private life sciences company that pioneered innovative solutions to overcome the nation's growing blood and platelet shortage. In addition to its Austin headquarters, Secure Transfusion opened its first site in Edina, Minnesota in 2021, a second site in Raleigh, North Carolina in 2022, and a third site in Beaverton, Oregon in 2022.

9. Secure Transfusion's objective was to increase the quality, safety, and availability of transfusable blood components, especially apheresis platelets, for hospitals throughout the country. Secure Transfusion's customers included some of the most well-respected and innovative medical institutions in the nation, and with

Secured Transfusion's assistance, they strengthened their supply chain, which enabled them to substantially satisfy their patients' transfusion needs.

10. Secure Transfusion operated in a highly regulated space that is supervised by the Center for Biologics Evaluation and Research, a division of the Food and Drug Administration.

11. Initially, Secure Transfusion made excellent progress in developing its customer pipeline, generating revenue and building its organization. Secure Transfusion was able to grow its customer base by working with several well- known academic centers. In its first few years, Secure Transfusion successfully built its staff to 140 people and succeeded in increasing its revenue from $1.1 million in 2021 to $5 million in 2022.

12. From a fundraising perspective, Secure Transfusion had initial success raising $42 million. Despite substantial efforts in 2021, Secure Transfusion's subsequent Series C fundraising prospects were unsuccessful with potential investors citing a lack of progress as the reason for not agreeing to invest. In its last capital raise, the company launched an insider-led $20 million Series B extension raise that was to coincide with a re-launched Series C offering in the third quarter of 2021.

13. On March 16, 2022, Secure Transfusion successfully consummated a Venture Loan and Security Agreement (as amended, restated or otherwise modified,

the "Loan Agreement") with Horizon Technology Finance Corporation ("Horizon") in the principal amount of $15 million for the purpose of infusing the company with the requisite funding to enable it to operate as a going concern. In connection with Horizon's agreement to provide funding under the Loan Agreement, Secure Transfusion granted Horizon a first-priority security interest in all of Secure Transfusion's assets. Upon information and belief and further investigation, Horizon no longer possesses a properly perfected secured position pursuant to the Loan Agreement because Horizon failed to amend its financing statement to reflect the Secure Transfusion name change. The current amount owed under the existing Loan Agreement is in excess of $14.6 million.

14. Recognizing that Secure Transfusion still required additional funding, the company re-launched its Series C fund raise in August 2022 as it continued to focus on growth. The company initially approached 264 potential lead investors. A total of 83 parties engaged in further discussions, and a total of 12 investors entered the company's data room to conduct subsequent diligence. Unfortunately, no potential investor elected to participate in the Series C offering. Given this development, the company attempted to obtain new commitments from existing investors; however, this process failed. Consequently, Secure Transfusion's Board of Directors (the "Board") elected to cease operations and terminate all staff on January 6, 2023. Once the Board determined to cease operations, the process of

engaging with corporate strategic entities and customers regarding a sale of the business commenced. However, no legitimate prospects arose from these discussions.

15. Secure Transfusion determined that, in consultation with its seasoned professionals and consideration of numerous alternatives, the filing of an assignment for the benefit of creditors was the most appropriate mechanism for acting in the best interests of its creditors and shareholders and maximizing the value of the Assignment Estate's assets.

16. In addition to the pre-assignment for the benefit of creditors' funding that Horizon made available to the Assignor, Horizon and Powerscourt Investments XXV, LP ("Powerscourt," together with Horizon, the "Post-ABC Lenders") agreed to make available to the Assignment Estate funding in the amount of $530,000.00 so that the Assignee possessed the appropriate funds to properly administer the estate. As consideration for making such loan, the Assignee granted Horizon, as collateral agent, a first-priority lien on the Assignment Estate's assets. Pursuant to a certain Loan and Security Agreement dated as of April 25, 2023 (the "ABC Loan Agreement") between the Assignee and the Post-ABC Lenders, the financing that Horizon and Powerscourt made available to the Assignee to administer the

Assignment Estate was given senior priority.[1] The Post-ABC Lenders have no affiliation with the Assignor other than serving as secured creditors to the Assignment Estate.

17. The Assignee commenced a sale process in connection with the liquidation of the estate for the purpose of distributing estate proceeds to creditors of the estate who possess properly allowed claims. These sales were conducted in a piecemeal manner, and the Assignment Estate assets were not sold as part of a single transaction. Some of these dispositions occurred prior to the submission of the appraisals required pursuant to 10 Del. C. § 7382, and the bond required by 10 Del. C. § 7383. Assignee previously began these sale processes with the assistance of Onyx Asset Advisors, LLC and Centurion Service Group, LLC (collectively, the "Liquidators"), both experts in liquidating and maximizing value in liquidation, and the Assignee determined that the timing of the sales enabled the Assignee to maximize value and conserve estate resources. Specifically, the Assignee entered into an agreement with a third party, Damerow Ford, an Oregon corporation, to sell the Assignment Estate's 2022 Ford Transit Connect for $27,000.00. The Assignee consulted with Onyx Asset Advisors, LLC and Centurion Service Group, LLC, and

[1] Pursuant to the Court's Order Governing the Assignment for the Benefit of Creditors, the Assignee is explaining the reasons for why it entered into the Loan and Security Agreement with Horizon and Powerscourt on April 25, 2023, the date of the General Assignment.

determined that because the Assignor no longer maintained a leased premises in Oregon, selling the vehicle to an Oregon entity at the sale price described herein generated a good return for the Assignment Estate while preserving estate resources. In addition to this consultation, the Assignee also verified the value with comparisons to Kelly Blue Book (www.kbb.com). Kelley Blue Book is a California-based vehicle valuation and automotive research company that is recognized by both consumers and the automotive industry. In addition, the Liquidators scheduled an open auction on May 24, 2023, to sell the majority of the Assignment Estate assets in an open-bidding environment, which was aimed to maximize value through competitive bidding.

18. Additionally, the Assignee successfully consummated a sale of the Assignment Estate's intellectual property on January 17, 2024, with VMTS Bio LLC, a Texas limited liability company, for a total of $2,000.00. The Post-ABC Lenders consented to the terms of the sale.

19. As a result of the asset sales and the collection of accounts receivable, the total funds available in the Assignment Estate to make a distribution equaled $68,846.00. Based on the valid secured claims that the Post-ABC Lenders possess, Assignee filed a Notice to Make Distributions with the Court on July 5, 2024, apprising it of the intended distribution and afforded creditors of the Assignment Estate a 14-day period with which to object. No objections were received, and on

July 25, 2024, the Assignee issued its distribution in the amount of $68,846.00 to Horizon, as collateral agent to the Post-ABC Lenders.

20. During the course of the ABC Proceeding, the Assignee in administering the Assignment Estate performed several wind-down activities, including the orderly termination of the Assignor's 401(k) plan and preparation of Assignor's final corporate tax returns for fiscal year 2023.

21. Assignee also prepared and mailed proof of claim notices to interested parties. Assignee afforded any party-in-interest the ability to submit a claim in this proceeding and also established a claims bar deadline of October 22, 2023 ("Claims Bar Date"), which was more than 180 days from the date of the General Assignment. Assignee sent the proof of claim notice three times via email and two times via regular mail to interested parties over the course of the 180-day period.

22. In total, as part of Assignee's claims process, forty-five (45) proofs of claims were submitted prior to the Claims Bar Date. With the filing of the proofs of claim, the total amount of allowed claims equals $20,776,298.60. Other than the distribution made to the Post-ABC Lenders, no other distributions were made to creditors possessing allowed claims.

23. Pursuant to 10 Del. C. § 7385, the Assignee submits its final accounting for the Assignment Estate, a copy of which is attached to this Petition as Exhibit A (the "Accounting"). The Assignee seeks to further clarify some of the line items

listed in the Accounting. With regard to professional fees, the Assignee submits that the professionals were efficient in administering the case. As noted in Exhibit A, the total amount of professional fees rendered in this case, which consists of the Assignee fee, Assignee's legal fees, Assignee's fees for tax professionals, and appraisal fees was $250,519.00. The Assignee has concluded that the remaining costs in administering the Assignment Estate were reasonable and necessary. Assignee properly implemented the budget for the Assignment Estate evidenced by the Assignment Estate's administrative solvency during the course of this ABC Proceeding. Further, with the filing of the Accounting set forth on Exhibit A, the Assignee has satisfied the annual requirement of providing an accounting every year from the date of an assignee's bond.[2] *See* 10 Del. C. § 7385.

24. All creditors will be receiving a copy of this Petition and will have 14 days with which to file objections. Provided that no objections are received within this period and following the Assignee's hearing with the Court to review the contents of this Petition, and the relief requested herein, the Assignee will have fully administered this Assignment Estate.

RELIEF REQUESTED

25. The Assignee believes that it has completed all of the functions necessary to close this proceeding and discharge the Assignee. Pursuant to the

[2] The Assignee's Bond comes due on July 10, 2025.

Affidavit of Assignee STS (ABC), LLC in Support of Petition to Close the Assignment Estate, which Assignee is simultaneously filing with the filing of this Petition, the Assignee has administered its duties as Assignee of the Assignment Estate.

26. The Assignee therefore respectfully requests the entry of an order: (a) closing this case, (b) discharging the Assignee from any further obligations relating to the Assignment Estate or the ABC Proceeding; and (c) releasing the bond.

27. Upon the Court's entry of an order closing this case, discharging the Assignee and releasing the bond, the Assignee does not anticipate any further need for Court oversight or involvement with respect to the administration of the Assignment Estate because the Assignee has maximized the value of the Assignment Estate, and no further duties exist.

28. WHEREFORE, the Assignee respectfully requests that the Court enter an Order (a) closing this case, (b) discharging the Assignee from any further obligations relating to the Assignment Estate or the ABC Proceeding; and (c) releasing the bond.

Dated: July 9, 2025

Womble Bond Dickinson (US), LLP

/s/ Morgan L. Patterson

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Morgan L. Patterson (#5388)
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Counsel to Assignee STS (ABC), LLC
WORDS: 2,507

EXHIBIT A

ACCOUNTING

EXHIBIT A

Accounting for STS (ABC), LLC

Beginning Cash Balance	$ 23,052	
RECEIPTS		
Funding from Secured Lender	250,000	
Asset Sale	155,832	
Accounts Receivable	100,000	
Return of Escrow Cash	81,375	
Legal Retainer Return	6,500	
Total Receipts		$ 593,707
DISBURSEMENTS		
Executive Severance	63,750	
D&O Tail	54,936	
Subcontractors	40,046	
Occupancy Expenses	39,196	
Franchise Taxes	39,085	
Tax Return Preparation	17,400	
Miscellaneous (a)	4,245	
Assignee Fee	91,619	
Assignee Legal Costs	110,000	
Appraisals	31,500	
Bond	26,636	
ABC Administrative Costs (b)	29,500	
		$ 547,913
Funds available for Proposed Distribution to Creditors		68,846
Distribution to Secured Creditor		68,846
Remaining Cash Balance		$ 0

(a) Includes bank fees, SPE dissolution costs, and travel expenses

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE:	)	
	)	
SECURE TRANSFUSION SOLUTIONS, INC., a Delaware corporation,	)	
	)	
Assignor,	)	C.A. No. 2023-0463-CW
	)	
To:	)	
	)	
STS (ABC), LLC, a Delaware limited liability company,	)	
	)	
Assignee.	)	
	)	

[PROPOSED] ORDER GRANTING PETITION OF FINAL ACCOUNTING AND MOTION FOR DISCHARGING ASSIGNEE, ORDER CLOSING CASE, AND RELEASING BOND

Upon consideration of the Petition of Final Accounting pursuant to 10 Del. C. § 7385 and Motion for Discharging Assignee, Order Closing Case and Releasing Bond (the "Petition") filed by STS (ABC), LLC (the "Assignee"), in its sole and limited capacity as the Assignee for the benefit of creditors of Secure Transfusion Solutions, Inc., this Court having jurisdiction thereof pursuant to 10 Del. C. §§ 7381-7387, and for good cause shown,

IT IS HEREBY ORDERED that:

1. The Petition is GRANTED;

2. The above-captioned action is hereby closed;

3. The bond is hereby released; and

4. The Assignee is hereby discharged from any and all further obligations related to the Assignment Estate or the ABC Proceeding.[1]

SO ORDERED this _____ day of _____, 2025.

_____
Magistrate Christian Douglas Wright

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Petition.

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE:	)	
	)	
SECURE TRANSFUSION SOLUTIONS, INC., a Delaware corporation,	)	
	)	
Assignor,	)	C.A. No. 2023-0463-CDW
	)	
To:	)	
	)	
STS (ABC), LLC, a Delaware limited liability company,	)	
	)	
Assignee.	)	

AFFIDAVIT OF ASSIGNEE STS (ABC), LLC IN SUPPORT OF PETITION TO CLOSE THE ASSIGNMENT ESTATE

I, James E. Gansman, declare and state:

1. I am the President of STS (ABC), LLC ("Assignee"), in its sole and limited capacity as the Assignee for the benefit of creditors of Secure Transfusion Solutions, Inc. ("Assignor").

2. If called upon, I can and will competently testify to the facts stated herein from my own personal knowledge, or from a review of the files and records of the Assignee and/or Assignor.

3. I am the Custodian of Records of the Assignee, and I am responsible for overseeing the maintenance of said records to ensure their authenticity by persons whose business duty it is to maintain said records accurately and correctly. As to

those matters in this Affidavit stated upon information and belief, I believe those matters to be true.

4. I have extensive experience in insolvency matters, and I am the Managing Member of Rock Creek Advisors, LLC ("Rock Creek"), the parent company of the Assignee and financial advisory firm, which possesses significant expertise in the business restructuring sector. Rock Creek's services include, without limitation, financial advisory, turn around, restructuring, fiduciary and pension financial advisory services.

5. On July 9, 2025, the Assignee filed with this Court a *Petition of Final Accounting Pursuant to 10 Del. C. § 7385 and Motion Discharging Assignee, Order Closing Case, and Releasing Bond*.

6. To the best of my knowledge, the Assignee has substantially administered its respective duties in an appropriate capacity as Assignee of the Assignor's assignment estate.

I declare under penalty of perjury under the laws of Delaware that the foregoing is true and correct.

Executed this 9th day of July 2025.

By: _____

James E. Gansman
STS (ABC), LLC
c/o Rock Creek Advisors LLC
1738 Belmar Blvd.
Belmar, New Jersey 07719

SUBSCRIBED AND SWORN TO BEFORE ME THIS 9th DAY OF JULY 2025

_____
Notary Public

JALESSA J DEAS SASSER
Notary Public - State of New York
NO. 01DE6439467
Qualified in Bronx County
My Commission Expires Aug 29, 2026

My Commission Expires: Aug 29, 2026