

# BOT FINANCIAL LLC

April 9, 2020

To: Interested Parties of Garage Equipment Supply, Inc.

On April 7, 2020, Garage Equipment Supply, Inc., a California Corporation (GES), made an Assignment for the Benefit of Creditors to BOT Financial LLC, a California LLC (BOT), all pursuant to California law. BOT accepted that Assignment on April 7, 2020. At the same time, Henthorn Intellectual Property, Inc., a California Corporation (HIPI), similarly made an Assignment for the Benefit of Creditors to BOT.

A brief description of the business and affairs of the Assignors, as prepared by the principals, is attached at the end of this Bulletin. This should be considered in light of the imposition of tariffs in 2018, significantly increased tariffs in 2019, and the current Covid-19 crisis, which appears to have sparked a possible worldwide recession.

In anticipation of the Assignment process, and prior to accepting the Assignment, BOT obtained a valuation of the assets of each entity: GES-owned inventory and other personal property; HIPI owned certain intellectual property.

With that valuation, BOT led an effort to solicit and seek from potential buyers the highest and best price for all of the assets of each company, taking into account all circumstances, including, but not limited to, ongoing operational losses and the traumatic world events brought about by the Novel Virus.

Upon review of the affairs of both GES and HIPI, it became clear to the Assignee that each entity was the alter ego of the other, and hence BOT determined that all assets would be administered together for the benefit of creditors. It was also clear that the major assets (intellectual property) resided with HIPI, but that all of the creditors were creditors of GES.

The Assignee concluded that the highest and best offer with the most immediate ability to close a transaction, and without delay or expense, was that received from Bendpak Holdings LLC (BendPak). Upon acceptance of the Assignment, BOT sold to BendPak, for the sum of \$750,000, certain of the assets of the Assignor, described as follows:

- MaxJax patent
- MaxJax trademark
- Danmar trademark
- MaxJax and Danmar inventory associated with the Intellectual Property purchased
- Customer lists
- Current marketing materials
- Computers and hard drives
- Website
- Manufacturing connections

Assets excluded from the sale to BendPak, included, without limitation, Seller's or Assignor's (i) cash, (ii) accounts receivable, (iii) claims or preference or fraudulent conveyance recoveries under applicable law, (iv) state or federal tax refunds, (v) insurance refunds or recoveries, and (vi) utility or leasehold security deposits. Also, excluded from the sale was inventory.

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Subsequently, an agreement was reached with BendPak, where it purchased some of the inventory on hand consisting of 52 lifts, for which it paid \$58,000.

Upon the Acceptance of the Assignment, there was negligible cash on hand. There were remaining Accounts Receivable in an unknown amount or collectability. There was also miscellaneous inventory, equipment, and office furnishings. The Assignee is currently in the process of undertaking collection activities, as well as liquidation activities regarding the remaining personal property.

It appears the claims of General Unsecured Creditors may exceed \$3,000,000, subject to review by the Assignee. At present, there does not appear to be unpaid Priority Claims (wages or taxes, for example). The Assignee is unaware of any pending litigation.

There appears to be one secured creditor (which provided funding in order to allow for continued, but unsuccessful, on-going business activities) in the approximate amount of \$100,000. That creditor was secured by inventory and accounts receivable.

From an initial review of the assets and the liquidation, and taking into account the costs and fees associated with the Assignment process, it does currently appear that there will be **SOME DISTRIBUTION AVAILABLE TO BE PAID TO GENERAL UNSECURED CREDITORS**, amount currently unknown. Such distribution will be paid after the full liquidation of the assets, and after the receipt and review of Proofs of Claim submitted in this matter.

Attached hereto is a **PROOF OF CLAIM**. In order to be eligible to receive any pro rata distribution, such a Proof of Claim must be sent to the Assignee as follows:

BOT Financial LLC  
16000 Ventura Blvd. #1000  
Encino, California 91436

Proofs of Claim must be received by the Assignee on or before **OCTOBER 1, 2020**.

Notwithstanding the deadline, it is suggested that you advance your file for approximately 60 days in order to allow the Assignee to go forward with the remaining liquidation activity and update all creditors as to both status as well as possible distribution.

Very truly yours,

BOT Financial LLC



By: \_\_\_\_\_

Arthur A. Greenberg, Manager

Enc.: Business Description  
Proof of Claim

<p><b>Assignment for the Benefit of Creditors of:</b></p> <p><b>Name of Assignor:</b> Garage Equipment Supply, Inc., a California corporation Henthorn Intellectual Property, Inc., a California corporation</p> <p><b>Name of Assignee:</b> BOT Financial LLC, a California LLC</p> <p><b>Date of Assignment:</b> April 7, 2020</p> <hr/> <p><b>Name of Creditor</b> (the person or entity to whom Assignor owes money or property):</p> <p><b>Social Security or Tax I.D. #:</b> _____</p> <hr/> <p><b>Name and address where notices should be sent:</b></p>  <p><b>Telephone Number:</b> (     ) _____ - _____</p> <p><b>Contact name:</b> _____</p> <p><b>Email Address:</b> _____</p>	<p><b>PROOF OF CLAIM</b></p> <hr/> <p><b>Additional Information:</b> (check box)</p> <p><input type="checkbox"/> Address differs from the address on the envelope sent to you on behalf of the Assignee.</p> <p><input type="checkbox"/> Claim amends a previously filed claim. If so, for such claim, indicate:</p> <p>- Claim number: _____</p> <p>- Date claim mailed: _____</p> <p><input type="checkbox"/> Payment should be sent to different address. Indicate name and address:</p> <p>_____</p> <p>_____</p>	<p><b>THIS SPACE IS FOR OFFICE USE ONLY</b></p>  <p>DATE RECEIVED:</p>  <p>CLAIM NO.: _____</p>
<p><b>1. Amount of Claim (as of assignment date):</b> \$ _____</p> <p><input type="checkbox"/> Check box if all or part of claim is secured and complete item 4.</p> <p><input type="checkbox"/> Check box if all or part of claim is entitled to priority and complete item 5.</p> <p><input type="checkbox"/> Check box if all or part of amount is for equity interest and complete item 6.</p> <p><input type="checkbox"/> Check box if claim includes interest or other charges in addition to the Principle amount of the claim and state amount: \$ _____</p> <p>In addition, attach statement that itemizes interest or charges.</p> <p><b>Date debt was incurred:</b> _____</p>	<p><b>2. Basis for Claim:</b> (check one)</p> <p><input type="checkbox"/> Goods sold                                      <input type="checkbox"/> Services performed</p> <p><input type="checkbox"/> Money loaned                                      <input type="checkbox"/> Equipment leased</p> <p><input type="checkbox"/> Taxes    <input type="checkbox"/> Equity Interest</p> <p><input type="checkbox"/> Other (Describe briefly): _____</p> <p>_____</p> <p><b>If Court Judgment, date Judgment obtained:</b> _____</p>	
<p><b>3. Last four digits of any number by which creditor identifies assignor:</b></p> <p>_____</p>	<p><b>3a. Assignor may have scheduled account as:</b></p> <p>_____</p>	
<p><b>4. Secured Claim:</b></p> <p>Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach all documents that support the contention that the claim is secured.</p> <p><b>Nature of property or right to setoff:</b></p> <p><input type="checkbox"/> Real Estate   <input type="checkbox"/> Personal Property   <input type="checkbox"/> Motor Vehicle   <input type="checkbox"/> Other</p> <p><b>Describe:</b> _____</p> <p><b>Value of Property:</b> \$ _____</p> <p><b>Annual Interest Rate:</b> _____ %   <input type="checkbox"/> Fixed   <input type="checkbox"/> Variable (when assignment started)</p>	<p><b>Amount of arrearage and other charges as of the time the of assignment, included in secured claim, if any:</b> \$ _____</p> <p><b>Basis for perfection:</b> _____</p> <p>_____</p> <p><b>Amount of Secured Claim:</b> \$ _____</p> <p><b>Amount Unsecured:</b> \$ _____</p>	
<p><b>5. Priority Claim:</b> Amount of Claim entitled to priority (See instruction #5) and the basis on which such priority is claimed. If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.</p> <p><input type="checkbox"/> Wages, salaries, bonuses, severance or commissions earned within 90 days prior to the assignment.</p> <p><input type="checkbox"/> Contributions to an employee benefit plan.</p> <p><input type="checkbox"/> Taxes or penalties owed to governmental units.</p> <p><input type="checkbox"/> Other – Specify: _____</p> <p><b>Amount entitled to priority:</b> \$ _____</p> <p><b>Basis for priority (describe):</b> _____</p>		
<p><b>6. Equity Interest:</b>    <b>Number of Shares Held:</b> _____    <b>Basis/Value Per Share:</b> \$ _____    <b>Type:</b> <input type="checkbox"/> Common   <input type="checkbox"/> Preferred; attach documentation</p>		
<p><b>7. Documents:</b> Attach copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, and box 4 has been completed, attach copies of documents providing evidence of perfection of a security interest. <b>DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.</b> If the documents are not available, please explain: _____</p>		
<p><b>8. DATE-STAMPED COPY:</b> To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.</p>		
<p><b>9. Signature:</b>    <b>Check the appropriate box:</b>    <input type="checkbox"/> I am the creditor.    <input type="checkbox"/> I am the creditor's authorized agent.    <input type="checkbox"/> I am a guarantor, surety, endorser, or other co-debtor.</p> <p>BY MY SIGNATURE BELOW, I DECLARE UNDER PENALTY OF PERJURY, UNDER THE LAWS OF THE STATE OF CALIFORNIA, THAT THE INFORMATION PROVIDED HEREIN AND ATTACHED HERETO IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.</p> <p><b>Print Name:</b> _____    <b>Title:</b> _____    <b>Company:</b> _____</p> <p><b>Signature:</b> _____    <b>Dated:</b> _____</p> <p><b>Telephone Number:</b> (     ) _____ - _____    <b>Email Address:</b> _____</p>		

**About BendPak Inc. and BendPak Holdings LLC.:** BendPak Inc. is a global manufacturer of vehicle service equipment sold under the trademarked brands BendPak®, Ranger®, Autostacker®, QuickJack®, GrandPrix® and JackPak®. Its collective range of products includes car lifts, parking lifts, pipe benders, air compressors, tire changers, wheel balancers, wheel aligners, brake lathes and other garage equipment. BendPak Holdings LLC will handle the newly acquired brands for the BendPak group. BendPak, Ranger Products and BendPak-Ranger related marks are trademarks and/or registered trademarks of BendPak Inc. in the U.S. and other countries.

**ABOUT GARAGE EQUIPMENT SUPPLY (GES):** GES brands include Dannmar®, MaxJax® and Garage Equipment Supply®. Dannmar products include car lifts, tire changers, wheel balancers, and a variety of garage equipment products. MaxJax is a patented car lift specially tailored for car enthusiasts and home garage use. Garage Equipment Supply is an online reseller of garage equipment and tools. Henthorn Intellectual Properties Holdings, Inc. (HIPH) is the intellectual holding company that controlled the intellectual property portfolio of the GES entities including trademarks, patents, copyrights, designs and unpatented technology. Dannmar, MaxJax and Garage Equipment Supply are registered trademarks in the U.S. and other countries.