

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

In re: EPIC! CREATIONS, INC., <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 24-11161 (BLS) (Jointly Administered)
Claudia Z. Springer, Chapter 11 Trustee, Plaintiff vs. Stripe, Inc.; Wells Fargo Bank, National Association; Whitehat Education Technology LLC; John Does 1-100 Defendants	Adv. Pro. No. 24-50142 (BLS) (Jointly Administered)

**ORDER GRANTING CHAPTER 11 TRUSTEE'S MOTION
FOR A PRELIMINARY INJUNCTION**

Upon consideration of the *Chapter 11 Trustee's Motion for Entry of Temporary Restraining Order and Preliminary Injunction* (the “**Motion**”) ² filed by Claudia Z. Springer, not individually but solely as the chapter 11 trustee (the “**Chapter 11 Trustee**”) of the above-captioned debtors (the “**Debtors**”), the plaintiff in the above-captioned adversary proceeding (the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Epic! Creations, Inc. (9113); Neuron Fuel, Inc. (8758); and Tangible Play, Inc. (9331).

² Capitalized terms used herein and not defined shall have the meaning given to them in the Motion.



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“**Adversary Proceeding**”); and the Court having reviewed the Motion, and its supporting papers; and the Court having considered all evidence and argument presented; the Court finds and concludes as follows:

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b). This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(A), (E), and (O).

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

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

D. The legal and factual bases set forth in the Motion and the Memorandum, and the evidence submitted in support of the Motion establish just cause for the relief granted herein.

E. On October 8, 2024, at 4:00 p.m., the Court held a hearing on the Motion (the “**Initial Hearing**”), and found it appropriate to enter the *Order Granting Chapter 11 Trustee’s Motion for a Temporary Injunction* (the “**Temporary Injunction Order**”) [D.I. 9] and set a hearing on October 22, 2024, to determine whether to grant preliminary injunctive relief pending a final hearing. The Court further ordered that all objections to the Trustee’s request for preliminary injunctive relief will be filed no later than October 17, 2024, at 4:00 p.m. The Trustee and Stripe agreed to extend Stripe’s deadline to object to noon on October 18, 2024.

F. Following the entry of the Temporary Injunction Order, Defendants Stripe, Inc. (“**Stripe**”), Wells Fargo Bank, National Association (“**Wells Fargo**”), and Whitehat Education Technology LLC (“**Whitehat**”) (collectively, the “**Defendants**”) were all served with the Temporary Injunction Order. [D.I. 13]

G. On October 18, 2024, Stripe filed its *Objection and Answering Brief of Stripe, Inc. to Chapter 11 Trustee’s Motion for Entry of a Temporary Restraining Order* [D.I. 14] (the “**Stripe**

Objection”). The Court is advised that the Trustee and Stripe are working toward an agreed resolution of the Motion and the Stripe Objection, and that each has consented to a continued hearing on the Motion as to Stripe on October 31, 2024, and the extension of the terms of the Temporary Restraining Order through that date.

H. No Defendants other than Stripe filed an objection to the Motion.

I. The Court finds that as to each Defendant other than Stripe (as to which these matters are reserved for further proceedings), (1) that the Trustee has a reasonable probability of success in the Adversary Proceeding, (2) that the Debtors’ estates will be irreparably harmed if preliminary injunctive relief is not granted, (3) that any harm to the Defendants is outweighed by the harm to the Trustee and the Debtors’ estates if the relief sought in the Motion is not granted, and (4) that the balance of the equities and the public interest support granting the Motion.

For the reasons stated in the Motion, herein, and on the record at the Initial Hearing, it is hereby **ORDERED THAT**:

1. The Motion is granted as to Defendants Whitehat and Well Fargo and continued as to Defendant Stripe as set forth herein.

2. The findings of fact set forth herein and conclusions of law stated herein shall constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rules 7052 and 7065. To the extent any finding of fact later shall be determined to be a conclusion of law, it shall be so deemed and deemed so order, and to the extent any conclusion of law shall be determined to be a finding of fact, it shall be so deemed and so ordered.

3. The Motion is continued as to Stripe until October 31, 2024, at 11:00 a.m. (Eastern Time) to consider the entry of a preliminary injunction in connection with the Motion. Until further

order from this Court, and pursuant to Federal Rule of Civil Procedure 65(b), as made applicable herein by Bankruptcy Rule 7065, Defendant Stripe, and all persons acting in concert with Stripe, are immediately enjoined, upon entry of this Order, (i) from accepting, authorizing, or implementing any changes to the Debtor's Stripe's accounts by any entity or person other than the Chapter 11 Trustee; and (ii) from transferring any funds Stripe is holding related to the Debtors including in the Stripe accounts to any entity or person other than the Chapter 11 Trustee. Stripe is ordered to provide the Chapter 11 Trustee with complete account access and records of the Debtors' Stripe accounts.

4. The Court grants a preliminary injunction pursuant to Federal Rule of Civil Procedure 65(a), as made applicable herein by Bankruptcy Rule 7065, ordering that Defendant Whitehat, and all persons acting in concert with Whitehat, including but not limited to John Does 1-100, are immediately enjoined, upon entry of this Order, (i) from seeking to access funds in any of the Debtors' accounts, wherever held, including accounts held by Stripe; and (ii) from transferring any of the Unauthorized Postpetition Transfers in Whitehat's Wells Fargo account or any other funds that Whitehat is holding, to any other account or person or entity.

5. The Court grants a preliminary injunction pursuant to Federal Rule of Civil Procedure 65(a), and pursuant to Federal Rule of Civil Procedure 65(b), as made applicable herein by Bankruptcy Rule 7065, ordering that Wells Fargo, and all persons acting in concert with Wells Fargo, are immediately enjoined, upon entry of this Order from transferring any funds out of Whitehat's Wells Fargo account, and Wells Fargo is ordered to freeze all activity in Whitehat's Wells Fargo account.

6. This Order shall be promptly filed in the Clerk's office and entered in the record.

7. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry by the Court.

8. The Chapter 11 Trustee is directed to serve a copy of this Order upon the Defendants.

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

Dated: October 22nd, 2024
Wilmington, Delaware



BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE