

ENTERED

August 05, 2025

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
LINQTO TEXAS, LLC, <i>et al.</i> , ¹)	
)	Case No. 25-90186
Debtors.)	
)	Re: Docket No. 7
)	

SECOND INTERIM ORDER AUTHORIZING THE DEBTORS TO: (I) CONTINUE TO OPERATE THEIR CASH MANAGEMENT SYSTEM AND MAINTAIN EXISTING BANK ACCOUNTS, (II) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS, AND (III) MAINTAIN EXISTING BUSINESS FORMS

Upon the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) for entry of interim and final orders, (a) authorizing the Debtors to (i) continue to operate their Cash Management System and maintain their existing Bank Accounts, (ii) honor certain prepetition obligations related thereto, (iii) continue the Debtors’ Corporate Card Program consistent with past practices, (iv) maintain existing Business Forms in the ordinary course of business, (v) continue to perform Intercompany Transactions consistent with past practices; and (b) granting related relief, all as more fully set forth in the Motion, including this interim order (the “**Second Interim Order**”); and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are: Linqto, Inc. [0332]; Linqto Liquidshares, LLC [8976]; Linqto Liquidshares Manager, LLC [8214]; and Linqto Texas, LLC [5745]. The location of the Debtors’ service address is: 101 Metro Drive, Suite 335, San Jose, CA 95110.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion was appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "**Hearing**"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The final hearing (the "**Final Hearing**") on the Motion shall be held on August 19, 2025, at 9:00 a.m., prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on August 12, 2025. In the event no objections to entry of a final order on the Motion are timely received, the Court may enter such final order without need for the Final Hearing.

2. Subject to the limitations of this Second Interim Order, the Debtors are authorized, but not directed, to: (a) continue using the Cash Management System in the ordinary course of business and honor any prepetition obligations related to the use thereof as described in the Motion and illustrated on **Exhibit 1** attached hereto; (b) designate, maintain, close, and continue to use on an interim basis any or all of their existing Bank Accounts, including, but not limited to, the Bank Accounts described in the Motion, in the names and with the account numbers existing immediately before the Petition Date; (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, electronic fund transfers, ACH transfers, and other

electronic means; (d) treat their prepetition Bank Accounts for all purposes as debtor in possession accounts; and (e) open new debtor in possession Bank Accounts.

3. **Restricted Accounts.** Notwithstanding any other provision of this Second Interim Order, the Debtors shall not transfer, recharacterize, encumber, or otherwise use or access funds in the following Bank Accounts absent further order of the Court:

- (i) Silicon Valley Bank Account ending in x5491 (the “**Ripple Proceeds Account**”), which holds proceeds from the Ripple Labs, Inc. tender offer and is not authorized for general estate use;
- (ii) JPMorgan Chase Bank Account ending in x3737 (the “**Customer Funds Account**”), which holds funds traceable to customers and is segregated from Debtor operating funds.
- (iii) Any other Bank Account to the extent such account holds assets held directly or indirectly for the benefit of Investor customers, or any proceeds thereof.

4. Notwithstanding the foregoing, the Debtors shall not be prohibited from transferring funds from the Restricted Accounts set forth in the preceding paragraph to new accounts if necessary, *provided* that such accounts do not commingle such funds and otherwise are subject to the same restrictions as the account from which the funds were transferred. The Debtors’ customers shall not be prohibited from withdrawing their separate non-estate funds from the Customer Funds Account, subject to customers complying with the related banking regulations, including Know Your Customer and Anti-Money Laundering laws and regulations.

5. The Debtors are authorized, but not directed, to maintain the Corporate Card Program, to honor all prepetition obligations, if any, and postpetition obligations arising under the Corporate Card Program.

6. The Debtors are authorized, but not directed, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date.

7. Those certain prepetition deposit, cash management, and treasury services agreements existing between the Debtors and the Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks and, subject to applicable bankruptcy or other law, all of the provisions of such agreements, including the termination, fee provisions, rights, benefits, collateral, and offset rights and remedies afforded under such agreements shall remain in full force and effect absent further order of the Court or, with respect to any such agreement with any Bank (including, for the avoidance of doubt, any rights of a Bank to use funds from the Bank Accounts to remedy any overdraft of another Bank Account or other cash management obligations, whether prepetition or postpetition, to the extent permitted under the applicable agreement), unless the Debtors and such Bank agree otherwise. Any other legal rights and remedies afforded to the Banks under applicable law shall be preserved, subject to applicable bankruptcy law.

8. The Banks are authorized to charge, and the Debtors are authorized and directed to pay, honor, or allow any ordinary course Bank Fees or charges associated with the Bank Accounts, and charge back returned items to the Bank Accounts in the ordinary course, including any prepetition amounts (together, the “Bank Charges”). Any ordinary course fees, costs, charges, and expenses, including Bank Fees and any other reimbursement or payment obligations payable to the Banks are hereby accorded priority as administrative expenses pursuant to Section 503(b)(1) of the Bankruptcy Code. For the avoidance of doubt, such priority shall apply solely to ordinary course postpetition Bank Fees. The Bank shall provide at least seven (7) days’ notice to the Official Committee of Unsecured Creditors appointed in these Chapter 11 cases (the “**Committee**”) prior to paying, honoring or allowing any Bank Charges that diverge materially

from the prepetition ordinary course between the Debtors and the Banks, and shall not pay, honor or allow any such Bank Charges without the consent of the Committee.

9. Each Bank is authorized to debit the Bank Accounts held at such Bank in the ordinary course of business without the need for any further order of this Court for: (a) all checks drawn on the Bank Accounts which are cashed at the applicable Bank's counters or exchanged for cashier's checks by the payees thereof prior to or after the Petition Date; (b) all checks or other items deposited in one of the Bank Accounts with such Bank prior to or after the Petition Date which have been dishonored or returned unpaid for any reason, including returned items that result from wire transfers, ACH transactions, or other electronic transfers of any kind, together with any fees and costs in connection therewith, to the same extent a Debtor was responsible for such items prior to or after the Petition Date; (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System, including any Bank Fees incurred in the ordinary course of business; and any postpetition amounts due and owing to the Bank as service charges for the maintenance of the Cash Management System, including any Bank Fees incurred in the ordinary course of business.

10. The Debtors are authorized, but not directed to pay undisputed prepetition amounts outstanding as of the Petition Date, if any, owed in the ordinary course to the Banks as service charges for the maintenance of the Cash Management System.

11. The Debtors are authorized, but not directed, to enter into and engage in the Intercompany Transactions, and to take any actions related thereto on the same terms as, and materially consistent with, the Debtors' operation of the business in the ordinary course. The Debtors shall not classify any postpetition Intercompany Transactions as capital contributions, investments, or equity infusions.

12. The Debtors are authorized to set off mutual postpetition obligations relating to intercompany receivables and payables through the Cash Management System consistent with prepetition practices. For the avoidance of doubt, the Debtors may only make payments or other transfers to, or set off mutual obligations with, non-debtor affiliates to the extent such transactions are consistent with the Debtors' ordinary course of business in the prepetition period. Notwithstanding the foregoing or any provision hereof to the contrary, the Debtors shall provide five (5) business days' prior written notice to the Committee and the U.S. Trustee before executing any Intercompany Transaction (including setoffs, but excluding ordinary course cash transfers) with an aggregate value exceeding a de minimis amount, unless such transaction is authorized by further order of the Court. The Debtors shall consult with the Committee in good faith within ten (10) business days of entry of this Interim Order to establish an appropriate dollar threshold for material Intercompany Transactions, based on historical data and ordinary course activity. The Debtors shall continue to maintain current records with respect to all transfers of cash, as well as any setoffs described above, so that all transactions, including Intercompany Transactions, may be readily ascertained, traced, and recorded properly on applicable intercompany accounts. For the avoidance of doubt, the Debtors shall not offset, net, or otherwise apply any postpetition intercompany receivable, payable, or transaction against any prepetition intercompany claim, obligation, or balance without further order of the Court. All postpetition Intercompany Transactions shall be recorded and maintained as separate and distinct from prepetition balances. Notwithstanding anything to the contrary in this Interim Order, the Debtors shall not make any postpetition cash payments or transfers of value to, or on behalf of, any non-Debtor affiliate without further order of the Court.

13. The Debtors shall provide the Committee with reports on a monthly basis (no later than the last day of the month following the prior month's end) setting forth all Intercompany Transactions between and among Debtor and non-Debtor entities, including month-end balances. The first such report shall include activity as of the Petition Date. Such reports shall include transaction descriptions, amounts, counterparty entities, and any supporting documentation requested by the Committee.

14. The Debtors and the Banks may, without further order of the Court, agree and implement changes to the policies and procedures related to the Cash Management System in the ordinary course of business. The Debtors shall provide five (5) business days' advance written notice to the Committee and the U.S. Trustee prior to implementing any material changes to the policies or procedures of the Cash Management System.

15. The Debtors are authorized to open new bank accounts so long as (a) any such new account is with a bank that (i) is insured with the FDIC or the Federal Savings and Loan Insurance Corporation, (ii) is designated as an authorized depository by the U.S. Trustee pursuant to the *U.S. Trustee's Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees*, and (iii) agrees to be bound by the terms of this Second Interim Order and to designate the new bank account a "Debtor in Possession" account, and (b) the Debtors provide five (5) days' advance written notice to the U.S. Trustee and the Committee. Accounts opened by any of the Debtors on or after the Petition Date at any bank shall, for purposes of this Second Interim Order, be deemed a Bank Account as if it had been listed in the Motion. The Debtors are authorized to enter into any ancillary agreements, including, without limitation, new deposit account control agreements related to any new bank account operated by the Debtors. The Debtors will provide the Committee written notice of such changes within five (5) days. The relief granted in this

Second Interim Order is extended to any new bank account opened by the Debtors after the date hereof, which account shall be deemed a Bank Account, and to the bank at which such account is opened, which bank shall be deemed a Bank.

16. To the extent any of the Debtors' Bank Accounts are not in compliance with Section 345(b) of the Bankruptcy Code or any of the U.S. Trustee's guidelines, the Debtors shall have forty five (45) days from the Petition Date, without prejudice, to seeking an additional extension on notice to the Committee and the U.S. Trustee, to come into compliance with Section 345(b) of the Bankruptcy Code and any of the U.S. Trustee's guidelines; *provided* that nothing herein shall prevent the Debtors or the U.S. Trustee from seeking further relief from the Court to the extent that an agreement cannot be reached. Other than as set forth in this paragraph 16, nothing in this Second Interim Order shall be deemed to authorize the Debtors to maintain funds at any financial institution that is not an authorized depository in Region 7 pursuant to the U.S. Trustee's Operating Guidelines. To the extent the Debtors seek a waiver or extension of the requirements of Section 345(b) of the Bankruptcy Code, including with respect to accounts maintained at Silicon Valley Bank, such relief shall not be granted absent further order of the Court following notice and an opportunity to be heard by the Committee and the U.S. Trustee. For the avoidance of doubt, this Second Interim Order does not authorize use of the SVB Ripple Proceeds Account ending in x5491, absent further order of the Court. Any such relief must be sought by separate motion, with notice to the U.S. Trustee and the Committee.

17. Notwithstanding any other provision of this Second Interim Order, should a Bank honor a prepetition check or other item drawn on any account that is the subject of this Second Interim Order, (a) at the direction of the Debtors to honor such prepetition check or item, including the Debtors' failure to stop payment on any such check or item, (b) in a good faith belief that the

Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of customary item handling procedures, the Bank shall not be deemed to be nor shall be liable to the Debtors or their estates or otherwise be in violation of this Second Interim Order. Without limiting the foregoing, any of the Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of the Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

18. Nothing contained herein shall prevent the Debtors from closing any Bank Accounts as they may deem necessary and appropriate, to the extent not inconsistent with any orders of this Court. Any relevant bank is authorized to honor the Debtors' requests to close such Bank Accounts, and the Debtors shall provide five (5) business days' prior written notice to the Committee and the U.S. Trustee before closing any Bank Account. The Debtors shall maintain and preserve all records associated with any closed Bank Account, including historical transaction data, account statements, and associated intercompany or customer-related activity, for the duration of these Chapter 11 cases.

19. Notwithstanding entry of this Second Interim Order, nothing herein shall (a) create, or is intended to create, any rights in favor of or enhance the status of any claim held by any party or (b) alter or impair any security interest or perfection thereof, in favor of any person or entity, that existed as of the Petition Date.

20. Except as otherwise provided in this Second Interim Order and only to the extent funds are available in each applicable Bank Account, all Banks at which the Bank Accounts are maintained are authorized to continue to service and administer the Bank Accounts as accounts of

the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay any and all checks, drafts, electronic fund transfers, and ACH transfers issued, whether before or after the Petition Date, and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be. For the avoidance of doubt, all Banks and other payroll check processors are authorized to receive, process, honor, and pay, to the extent funds are available in each applicable Bank Account, any and all payroll checks that were issued prior to and remain outstanding as of the Petition Date.

21. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing in this Second Interim Order shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion or any order granting the relief requested by the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

22. Notwithstanding anything to the contrary in this Second Interim Order, any payment made by the Debtors pursuant to the authority granted in this Second Interim Order must be in compliance with any interim or final orders entered by the Court approving the Debtors' entry into any postpetition debtor-in-possession financing facility and/or authorizing the use of cash collateral any budget or cash flow forecasts in connection therewith.

23. Notwithstanding any stay that may be imposed by the Bankruptcy Rules or otherwise, the terms and conditions of this Second Interim Order are immediately effective and enforceable upon its entry. As soon as practicable after entry of this Interim Order, the Debtors shall serve a copy of this Second Interim Order on the Banks.

24. Only postpetition Intercompany Transactions between Debtor entities shall be afforded administrative expense status under Section 503(b) of the Bankruptcy Code. For the avoidance of doubt, no such administrative expense status shall apply to postpetition transfers involving non-Debtor affiliates.

25. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of the Bankruptcy Rules and the Bankruptcy Local Rules are satisfied by such notice.

26. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Second Interim Order in accordance with the Motion.

27. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Second Interim Order.

Signed: August 05, 2025



Alfredo R Pérez
United States Bankruptcy Judge

Exhibit 1**List of Bank Accounts**

JPMorgan Chase Bank, N.A.

Account Holder	Account No.*	Account Type
Linqto, Inc.	0958	Operating
Linqto Liquidshares, LLC	3653	Operating
Linqto Liquidshares, LLC	3737	Restricted (Customer Cash Account)
Linqto Liquidshares, LLC	5356	Restricted (ACH Collateral Account)
Linqto Liquidshares, LLC	1517	Brokerage
Linqto Capital, LLC	9766	Operating
Linqto Texas, LLC	2572	Operating

Silicon Valley Bank, a division of First-Citizens Bank & Trust Company

Account Holder	Account No.*	Account Type
Linqto, Inc.	3778	Operating
Linqto, Inc.	7973	Money Market
Linqto Liquidshares, LLC	3797	Operating
Linqto Liquidshares, LLC	5491	Money Market (Proceeds Account)
Linqto Texas, LLC	5865	Operating

Other Accounts

Financial Institution or Contract Party	Account Holder	Account No.*	Account Description
Uphold HQ Inc.	Jesus Ancheta, on behalf of Linqto, Inc.	N/A	Digital platform used to facilitate disbursements to Customers
Cross River Bank and DivvyPay, LLC	Linqto, Inc.	x8211	Prepaid charge card

* Last 4 digits.