

**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.)	(Jointly Administered)

**SAPIEN ENTITIES’ LIMITED OBJECTION TO DEBTORS’ MOTION FOR ENTRY
OF AN ORDER (I) APPROVING (A) PROCEDURES FOR THE SALE OF CERTAIN
ASSETS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS, AND
ENCUMBRANCES, AND (B) ENTRY INTO BROKER FEE ARRANGEMENTS IN
CONNECTION WITH SUCH SALES; (II) APPROVING THE ASSUMPTION OF
EXECUTORY CONTRACTS IN CONNECTION WITH THE SALE OF CERTAIN
ASSETS AND RELATED FEE AGREEMENTS; AND (III)
GRANTING RELATED RELIEF**

Sapient Group USA LLC and its group affiliates (together “**Sapient**”²), an affiliated group of shareholders, customers,³ and/or parties in interest in the jointly-administered Chapter 11 cases (“**Cases**”) of Debtor Linqto, Inc., Linqto Liquidshares, LLC (“**Liquidshares**”), Linqto

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 Specifically, the term “Sapient” includes the following entities: (i) Sapient Group USA LLC, acting both for itself and as the manager of Sapient Linqto SPV Fund Series III; (ii) Sapient Linqto SPV Fund Series III; (iii) Sapient Ventures Investment Management Pty Ltd., acting both for itself and the general partner for Sapient Ventures LP Fund No 1 and Sapient Ventures LP Fund No 2; (iv) Sapient Ventures LP Fund No 1; and (i) Sapient Ventures LP Fund No 2.

³ Sapient interposes this Objection in its capacity as both a shareholder and a Customer (as hereafter defined). In the recently filed Liquidshares schedules [Dkt. 224], Sapient Ventures Investment Management Pty Ltd. is listed as the holder of an undisputed “CUSTOMER CLAIM” in the amount of \$1,274,172. The Global Notes, Methodology, and Specific Disclosures Regarding the Debtors’ Schedules of Assets and Liabilities and Statements of Financial Affairs (“Global Notes”) provide that “...the claims for customers on Schedule F reflect only amounts which the customers intended to invest in equities, meaning customer cash balances are not included on Schedule F balances” and also that the “[V]alue of shares of non-publicly traded companies are listed using a “fair market value” method, which was calculated using an internal methodology.” Neither the Notes nor the Schedules make any reference to, account for, or attribute the “fair market value” or any “upside” value to the scheduled customer claims. See, Global Notes, pages 5-6.

Liquidshares Manager, LLC, and Linqto Texas, LLC (collectively, “**Debtors**”), respectfully submits the following limited objection (the “**Objection**”) to the Debtors’ *Motion for Entry of an Order (I) Approving (A) Procedures for the Sale of Certain Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, and (B) Entry Into Broker Fee Arrangements in Connection with Such Sales; (II) Approving the Assumption of Executory Contracts in Connection with the Sale of Certain Assets and Related Fee Agreements; and (III) Granting Related Relief the Use of Estate Proceeds Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Determining that the Ripple Sale Proceeds are Assets of the Bankruptcy Estate, and (III) Granting Related Relief* [Dkt. No. 80] (“**Sales Procedures Motion**”).

1. Sapien does not oppose the proposed sale procedures. Sapien’s objection is limited to the Securities (as defined herein) that are the subject of the proposed sale procedures.

2. Sapien filed an objection [Dkt. No. 230] to entry of the final DIP financing order and an objection [Dkt. No. 231] to the Debtors’ *Motion for Entry of an Order (I) Authorizing the Use of Estate Proceeds Free and Clear of All Liens, Claims, Interests, and Encumbrances, (II) Determining that the Ripple Sale Proceeds are Assets of the Bankruptcy Estate, and (III) Granting Related Relief* [Dkt. No. 79] (“**Ripple Proceeds Motion**”). Sapien respectfully refers the Court and interested parties to their objections and incorporates the objections herein by reference.

3. The Sale Procedures Motion seeks authority for the Debtors to sell “Reserved Securities,” which purportedly consist of securities with an estimated fair market value of approximately \$16 million that were “held in reserve by Liquidshares for its own account and subsequent sales of units to Customers (the “**Reserved Securities**”) as of the Petition Date.” *See*

Sales Procedures Motion, ¶8.⁴

4. The Sales Procedures Motion does not provide any further evidence in support of the statement that the Reserved Securities are in fact owned by Liquidshares “for its own account,” rendering the Reserved Securities property of the estates that may be sold subject to the proposed sale procedures.

5. Prior to Petition Date, the Debtors operated an online platform that provided customers with an opportunity to invest in privately held companies, focusing primarily on the technology sector. Specifically, “[L]iquidshares purchased and held investment securities (the “**Securities**”), comprised of shares of Issuing Companies and membership units in entities that own shares in Issuing Companies. Liquidshares then purported to allocate economic interests in the Securities to series limited liability companies (the “**Series**”) and sell units in the Series to the Customers. More than 13,000 Customers participated through the Linqto Platform. As of the Petition Date, Liquidshares holds Securities in 111 Issuing Companies with an estimated fair market value in excess of \$500 million. Of these Securities, more than \$500 million correspond to Customer accounts (the “**Platform Securities**”) and approximately \$16 million were held in reserve by Liquidshares for its own account and subsequent sales of units to Customers (the “**Reserved Securities**”) as of the Petition Date.” *See* Sales Procedures Motion, ¶8.

6. Questions with respect to the Debtors pre-Petition Date operations, compliance with applicable securities laws, and ongoing SEC and FINRA investigations are the purported basis for the Debtors’ seeking bankruptcy protection.

7. The Sales Procedures Motion fails to provide any evidence to establish how the Reserved Securities were determined to be owned by Liquidshares “for its own account.” Without substantiating how the Debtors’ determined that the Reserved Securities are property of

⁴ The Petition Date for these Cases is July 7, 2025.

the Debtors' estates and not subject to any claim or other rights in favor of the Debtors' customers, including Sapien, Sapien opposes any proposed sale of the Reserved Securities.

8. The Sales Procedures Motion should be supplemented with information to establish Liquidshares' ownership in the Reserved Securities "for its own account," including how and when the Reserved Securities were initially acquired and in what amounts.

9. As noted in Sapien's objection to the Ripple Proceeds Motion, numerous customers are asserting ownership rights based upon their initial investment into Liquidshares and their understanding of the Debtors' representations that by their investment they were acquiring a direct economic interest in the Securities by purchasing units in a Series. The Debtors must establish that the Reserved Securities are not traceable to the customers who participated in the Linqto platform before they can be deemed to be property of the Debtors' estates that may be sold subject to the proposed sale procedures.

10. Without such detail and without documentation to substantiate the Debtors' position, there is insufficient information provided in the Motion in order for the parties to adequately evaluate the requested relief.

11. The Sales Procedures Motion should be denied outright or, at the very least, any determination deferred until a fulsome investigation can be conducted to understand the origin of the underlying shares that represent the Reserved Securities. Until then, the Debtors cannot and should not be permitted to sell the Reserved Securities.⁵

WHEREFORE, Sapien respectfully requests that the Court deny the Motion in its

⁵ In the alternative, Sapien requests, in the event of the sale of some or all of the Reserved Securities, the rights of the Debtors' customers to the Reserved Securities shall attach to the proceeds of the Reserved Securities in the same priority, validity, extent, force and effect as existed prior to the sale. The proceeds of the sale of any Reserved Securities should be placed in a segregated account maintained by the Debtors' estates pending further Court order and no proceeds of the sale of Reserved Securities shall be released or paid from such segregated account without further order of the Court, after notice and a hearing.

entirety and for such other action as the Court deems reasonable.

Dated: August 12, 2025

**BONDS ELLIS EPPICH SCHAFER
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*Counsel for the Sapien Group USA LLC and its
Group Affiliates*

CERTIFICATE OF SERVICE

I certify that on August 12, 2025, I caused a copy of the foregoing document to be served on all parties receiving notice via the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Aaron M. Guerrero

Aaron M. Guerrero