

NOTICE OF PUBLIC SALE OF COLLATERAL
UNDER UNIFORM COMMERCIAL CODE

PLEASE TAKE NOTICE that on Wednesday, June 21, 2023, at the hour of 10:00 A.M. (Pacific Time) remotely via Zoom, Full Cycle BioPlastics European Partners I (the “**Secured Party**”), as secured lender, will offer for sale, in a single lot, at a public auction, under Section 9-610 of the Uniform Commercial Code as enacted in the State of California, and sell to the highest “qualified bidder,” certain collateral as listed on Appendix A attached hereto (collectively, the “**Collateral**”) of **FULL CYCLE BIOPLASTICS, INC.**, a Delaware corporation (“**Full Cycle**”). The sale will be conducted by Brauncø, International, braunco.com (310) 798-3123.e. The Collateral includes, without limitation: Full Cycle copyrights, patents (including US Patents 11,377,672 and 10,465,214) and trademarks, subject to exceptions set forth in Appendix A, including Full Cycle’s proprietary tech relating to conversion of organic waste materials into compostable and biodegradable bioplastics. The minimum bid is \$100,000.00 in cash.

This sale is being held to enforce the rights of the Secured Party. The Collateral has been pledged by Full Cycle, to secure indebtedness held by the Secured Party pursuant to (A) that certain Amended and Restated Secured Convertible Promissory Note, dated May 11, 2022 (the “**Note**”), between the Secured Party and Full Cycle and (B) the Intellectual Property Security Agreement, dated April 3, 2022 (the “**Security Agreement**”), between the Secured Party and Full Cycle (collectively, and together with all other documents executed by Full Cycle in favor of the Secured Party in connection therewith, in each case as amended, supplemented, or otherwise modified from time to time, the “**Loan Documents**”).

This sale will be held to enforce the rights of the Secured Party under the Loan Documents.

The sale will be **FINAL** and on an “**AS-IS, WHERE IS**” basis and will be made **WITHOUT WARRANTY, EXPRESS OR IMPLIED, AS TO TITLE, QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, POSSESSION, QUIET ENJOYMENT, OR ANY OTHER MATTER**. The Secured Party reserves the right to establish reasonable bidding procedures and other terms and conditions of the sale and to have potential bidders reasonably demonstrate their ability to perform and close on the acquisition of the Collateral to the reasonable satisfaction of the Secured Party. The Secured Party reserves the right to bid and credit bid at the auction. The Secured Party also reserves the right to adjourn, continue, or cancel the auction without further notice. The Secured Party is selling with reserve.

The Collateral is described with more specificity on Appendix A hereto.

Any parties interested in further information about the Collateral, the requirements to be a “qualified bidder” and/or the terms of the sale should contact Maria Cho of Faegre Drinker Biddle & Reath LLP at 310-203-4000 or maria.cho@faegredrinker.com. Upon request, interested parties will receive access to an online data room containing information related to the Collateral. Any prospective bidder must satisfy the requirements to be a “qualified bidder” by no later than 5:00 P.M. (Pacific) two (2) business days prior to the auction.

Appendix A

Collateral

- (a) Any and all copyrights, whether registered or unregistered, held pursuant to the laws of the United States, any State thereof or of any other country; all registrations, applications and recordings in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country; all continuations, renewals, or extensions thereof; and any registrations to be issued under any pending applications (collectively, the “Copyrights”);
- (b) All letters patent of, or rights corresponding thereto in, the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of, or rights corresponding thereto in, the United States or any other country, including, without limitation, registrations, recordings and applications in the USPTO or in any similar office or agency of the United States, any State thereof or any other country; all reissues, continuations, continuations-in-part or extensions thereof; all petty patents, divisionals, and patents of addition; and all patents to be issued under any such applications, including without limitation the patents and patent applications set forth on Exhibit A attached hereto (collectively, the “Patents”);
- (c) All trademarks, trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and any applications in connection therewith, including, without limitation, registrations, recordings and applications in the USPTO or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, and reissues, extensions or renewals thereof, (collectively, the “Trademarks”);
- (d) Any and all claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;
- (e) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;
- (f) All amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents; and
- (g) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

Notwithstanding the foregoing the term “Collateral” shall not include: (a) “intent-to-use” trademarks at all times prior to the first use thereof, whether by the actual use thereof in commerce, the recording of a statement of use with the USPTO or otherwise, but only to the

extent the granting of a security interest in such “intent to use” trademarks would be contrary to applicable law or (b) any contract, instrument or chattel paper in which Borrower has any right, title or interest if and to the extent such contract, instrument or chattel paper includes a provision containing a restriction on assignment such that the creation of a security interest in the right, title or interest of Borrower therein would be prohibited and would, in and of itself, cause or result in a default thereunder enabling another person party to such contract, instrument or chattel paper to enforce any remedy with respect thereto; provided, however, that the foregoing exclusion shall not apply if (i) such prohibition has been waived or such other person has otherwise consented to the creation hereunder of a security interest in such contract, instrument or chattel paper, or (ii) such prohibition would be rendered ineffective pursuant to Sections 9-407(a) or 9-408(a) of the UCC, as applicable and as then in effect in any relevant jurisdiction, or any other applicable law (including the United States Bankruptcy Code (title 11, United States Code, as amended from time to time)) or principles of equity); provided further that immediately upon the ineffectiveness, lapse or termination of any such provision, the term “Collateral” shall include, and Borrower shall be deemed to have granted a security interest in, all its rights, title and interests in and to such contract, instrument or chattel paper as if such provision had never been in effect; and provided further that the foregoing exclusion shall in no way be construed so as to limit, impair or otherwise affect Secured Party’s unconditional continuing security interest in and to all rights, title and interests of Borrower in or to any payment obligations or other rights to receive monies due or to become due under any such contract, instrument or chattel paper and in any such monies and other proceeds of such contract, instrument or chattel paper.

Exhibit A

Patents

<u>Description</u>	<u>Registration/Serial Number</u>	<u>Registration/Application Date</u>
Producing resins from organic waste products	US20160145659A1	2015-11-20
Producing Resins from Organic Waste Products	US20200270652A1	2019-10-29