

## TRANSFER STATEMENT

This Transfer Statement is entered into as of Effective Date (the “**Effective Date**”) by FULL CYCLE BIOPLASTICS EUROPEAN PARTNERS I, LLC, a Colorado limited liability company with a mailing address of 437 Meadowood Dr, Aspen, Colorado 81611 (“**Secured Party**”), in favor of BUYER NAME, a Entity State corporation/limited liability company with a mailing address of ADDRESS (“**Buyer**”) pursuant to the sale of certain collateral as listed on **Appendix A** hereto (the “**Collateral**”) of FULL CYCLE BIOPLASTICS, INC., a Delaware corporation with a mailing address of 115 Nicholson Lane, San Jose, California 95134 (“**Seller**” or “**Debtor**”). The Collateral includes, without limitation: Seller copyrights, patents (including US Patents 11,377,672 and 10,465,214) and, subject to exceptions set forth in Appendix A, trademarks.

**WHEREAS** the Collateral has been pledged by Seller, 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 Seller (collectively, and together with all other documents executed by Seller 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**”), including principal, interest, certain costs of Secured Party subject to indemnification by Seller pursuant to Section 9.13 of the Note.

**WHEREAS** this Transfer Statement is made with reference to that certain Notice of Secured Party’s Public Sale of Collateral under Uniform Commercial Code dated as of June 2, 2023 (the “**Notice**”), attached hereto as **Appendix B**, to transfer the Collateral.

**WHEREAS** Debtor has defaulted in connection with the above-referenced obligation secured by the Collateral.

**WHEREAS** Secured Party has exercised its post-default remedies with respect to the Collateral as recorded in the Notice.

**WHEREAS**, by reason of the exercise, Buyer has acquired the rights of Debtor in the Collateral.

### **NOW, THEREFORE, WITNESSTH:**

1. Conveyance. For good and valuable consideration in the amount of Payment Amount dollars (\$#,###,###), the receipt and adequacy of which Secured Party hereby acknowledges, Secured Party hereby irrevocably sells, assigns, transfers, conveys, grants, bargains, and delivers to Buyer, all of its right, title and interest in and to the Collateral. The purchaser shall be solely responsible for all sales, transfer and other taxes, if any, with respect to the sale of the Collateral hereunder, and for preparing and/or filing any tax returns, notices, or other filings with respect thereto.

2. Disclaimer of Warranties. THE COLLATERAL IS OFFERED “AS-IS, WHERE IS”, WITH ALL FAULTS, AND WITHOUT RECOURSE TO THE SECURED PARTY OR ITS AGENTS OR REPRESENTATIVES. THE SECURED PARTY AND ITS AGENTS AND REPRESENTATIVES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE VALUE, CONDITION, MERCHANTABILITY OR FITNESS FOR USE OR PARTICULAR PURPOSE OF ANY OF THE COLLATERAL, THE EXISTENCE OR NON-EXISTENCE OF OTHER LIENS, WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE COLLATERAL

WHATSOEVER, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED. THE SECURED PARTY DOES NOT CLAIM TITLE TO THE COLLATERAL BEING SOLD HEREUNDER AND DISCLAIMS ANY WARRANTY OF TITLE, POSSESSION, QUIET ENJOYMENT, AND THE LIKE IN THIS SALE. BY ACCEPTING THIS TRANSFER STATEMENT, BUYER ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY MADE BY SECURED PARTY, OR ANY OTHER PERSON ON SECURED PARTY'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THE AGREEMENT.

3. Effect of Sale. The sale of the Collateral shall not affect the rights of Secured Party to pursue any other rights or remedies it may have against Seller, any guarantors, any other secondary obligors or any other parties, including, without limitation, pursuing any rights and remedies it may have under the Loan Documents.

4. Governing Law. This Transfer Statement is governed by, and construed in accordance with, the laws of the State of California, United States of America, without regard to the conflict-of-laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of California.

5. Counterparts. This Transfer Statement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Transfer Statement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Transfer Statement.

IN WITNESS WHEREOF, Secured Party and Buyer have each duly executed and delivered this Transfer Statement as of the Effective Date.

**SECURED PARTY**

Full Cycle Bioplastics European Partners I, LLC

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BUYER**

Entity Name

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## 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**

<b>Invention</b>	<b>Application No./ Application Date</b>	<b>Publication No./ Publication Date</b>	<b>Patent No./ Issue Date</b>
Producing Resins from Organic Waste Products	16/666,961 10/29/2019	US 2020-0270652 A1 08/27/2020	11,377,672 07/05/2022
Producing Resins from Organic Waste Products	14/947,873 11/20/2015	US 2016-0145659 A1 05/26/2016	10,465,214 11/05/2019

**APPENDIX B**

**NOTICE**

June 2, 2023

**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 Braun International, braunco.com (310) 798-3123. The Collateral includes, without limitation: Full Cycle copyrights, patents (including US Patents 11,377,672 and 10,465,214) and, subject to exceptions set forth in Appendix A, trademarks, including all such copyrights, patents, and trademarks applicable to Full Cycle’s proprietary technology relating to the conversion of organic waste materials into compostable and biodegradable bioplastics. The minimum bid is \$100,000.00 in cash, subject to the Secured Party’s right to credit bid its secured claim in whole or in part.

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**”), including principal, interest, certain costs of Secured Party subject to indemnification by Full Cycle pursuant to Section 9.13 of the Note.

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. 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