

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:

CARTWHEEL ROBOTICS INC.,

Debtor.

Case No. 26-50278-hlb

Chapter 7

LIMITED SUPPLEMENTAL RESPONSE OF SCOTT LAVALLEY, INDIVIDUALLY AND AS CREDITOR / PARTY IN INTEREST, TO PETITIONING CREDITORS' JOINDER AND RESPONSE [ECF NO. 68]

Scott LaValley, appearing pro se in his individual capacity only and as a creditor and party in interest, submits this limited supplemental response to Petitioning Creditors' Joinder and Response [ECF No. 68].

Mr. LaValley does **not** submit this response on behalf of Cartwheel Robotics Inc. Mr. LaValley does not purport to represent the Debtor. This response is submitted solely because Petitioning Creditors' Joinder makes personal allegations concerning Mr. LaValley, relies selectively on prior filings and testimony, seeks relief affecting Mr. LaValley and other non-debtor individuals, and attempts to convert a practical records-access issue into an unsupported personal credibility attack.

Mr. LaValley has already filed an opposition to the Trustee's Motion [ECF No. 65]. That opposition remains Mr. LaValley's position. Mr. LaValley does not repeat that opposition here

except as necessary to address new matters, characterizations, and insinuations raised by Petitioning Creditors' Joinder.

I. INTRODUCTION

The Trustee's underlying motion is narrow. The Trustee seeks designation of a responsible person under Federal Rule of Bankruptcy Procedure 9001(b)(5) because the Debtor is a corporation, schedules have not been filed, and the Trustee needs information to administer the estate. The Trustee's motion asserts that Mr. LaValley was the Debtor's president and person in control and therefore "best situated" to provide information, file schedules, and appear at the § 341 meeting.

Mr. LaValley understands the Trustee's need for information and does not oppose reasonable cooperation. Mr. LaValley appeared at the § 341 meeting, answered questions under oath from personal knowledge, identified potential sources and custodians of information, and remains willing to cooperate within the limits of his actual possession, custody, control, access, legal authority, and personal knowledge.

The problem is Petitioning Creditors' attempt to transform the Trustee's procedural request into a personal attack.

Petitioning Creditors' Joinder does not solve the records problem. It attempts to weaponize it. The Joinder accuses Mr. LaValley of "feign[ing]" lack of knowledge, cites a public docket website as though public access to court filings proves control of corporate records, and selectively emphasizes family/landlord/UCC issues while ignoring the broader record showing distributed records, dispersed employees, cloud-based systems, assigned assets, lapsed access, former technical personnel, creditor-held information, and more than six months of elapsed time.

That characterization is misleading.

This is not a case where one former officer sits on complete books and records and refuses to produce them. This is a case where a robotics startup ceased operations months ago, assets were assigned, the team dispersed, digital infrastructure was distributed across cloud systems and former employees, preservation required funding, and practical technical value depended heavily on former technical personnel, documentation, cloud systems, repositories, and development context.

The Court should reject Petitioning Creditors' effort to recast Mr. LaValley's lack of present access as bad faith.

II. THE § 341 TRANSCRIPT DOES NOT SUPPORT PETITIONING CREDITORS' "FEIGNED LACK OF KNOWLEDGE" ACCUSATION

Petitioning Creditors' accusation that Mr. LaValley "feigned" lack of knowledge is not supported by the § 341 transcript.

The transcript reflects that Mr. LaValley appeared, was sworn, answered questions from personal knowledge, identified the documents he had reviewed, and explained at the outset that he did not intend to file schedules because he did not have access to records or information.

The transcript does not show a refusal to cooperate. It shows a former officer answering from memory after operations had ceased, records were no longer accessible to him, and relevant information was spread among multiple people, entities, systems, professionals, cloud tools, former employees, investors, creditors, and technical custodians.

Mr. LaValley did not simply deny knowledge. He identified categories of records, systems, custodians, and technical personnel likely to have relevant information. For example, Mr. LaValley testified that:

Corporate, ownership, and governance records

1. Cartwheel was founded by Mr. LaValley and Samantha Conway;
2. ownership later changed as shares were issued to employees and vendors;
3. Cartwheel maintained capitalization tables or shareholder records;
4. Mr. LaValley believed Carta was used for capitalization-table or shareholder records;
5. Cartwheel had a board of directors at various times;
6. formal board meetings were held;
7. board minutes were maintained;
8. corporate counsel maintained the board minutes;
9. Cartwheel used multiple corporate counsel over time, including Craig Macy, Holland & Hart, Fenwick & West, and later Eric Sternberger's firm;

Financing and governance documents

- 10. the company's financing was taken under a convertible note;
- 11. Craig Macy prepared the convertible note;
- 12. Craig Macy also represented Reno Seed Fund;
- 13. Mr. LaValley testified that Craig Macy represented both the investor and the company;
- 14. the convertible note may have included approval requirements for purchases over a threshold amount, although Mr. LaValley did not have the exact language in front of him;

Accounting, payroll, tax, and banking records

- 15. QuickBooks was likely used for accounting, likely the online version, but Mr. LaValley personally "never touched it";
- 16. Samantha Conway maintained the financial records and, to Mr. LaValley's understanding, would have held the relevant QuickBooks credentials;
- 17. accountants or CPAs may have relevant tax and bookkeeping information;
- 18. Cartwheel filed tax returns;
- 19. Cartwheel filed, or likely needed to file, state tax returns in states where employees resided;
- 20. Gusto likely handled payroll, W-2s, and payroll-tax processes;
- 21. Samantha Conway processed payroll;
- 22. Samantha Conway likely had information concerning bank-account access, banking credentials, payroll, insurance, and other day-to-day operational records;
- 23. the company maintained bank accounts, likely including Bank of America accounts, and may have had multiple accounts;
- 24. company credit-card accounts existed;
- 25. Mr. LaValley personally guaranteed certain company credit obligations;

Possession, premises, records, and assets

- 26. by December 2025, Cartwheel had ceased active operations after running out of money;
- 27. the wind-down was described as a "free-for-all" because there was no money and no support to keep the doors open;
- 28. Cartwheel no longer occupied or controlled the premises;
- 29. keys and access were turned over;

- 30. to Mr. LaValley's understanding, the company's assets and records were handed over or assigned to the secured creditor / landlord;
- 31. physical assets remaining at the premises included mechanical parts, prototype parts, scopes, power supplies, computers, machine equipment, tooling, and related equipment;
- 32. leased vehicles and other assets were also assigned to the secured creditor, to Mr. LaValley's understanding;

Technical systems, source code, and engineering materials

- 33. Cartwheel was a robotics company developing a technology stack, not a finished consumer product;
- 34. Cartwheel developed actuation technology and a humanoid robot prototype;
- 35. the robot was never completed;
- 36. the work remained in an R&D-stage condition;
- 37. various elements functioned, including an actuator, a leg, a lower body, and an upper body, but there was never a fully working humanoid robot;
- 38. the company lacked complete technical documentation because it was operating quickly with limited resources;
- 39. GitHub was used for source-code repositories;
- 40. Vinay administered GitHub;
- 41. Esteve may have been a GitHub administrator;
- 42. additional employees or contractors may also have had technical administrative access;
- 43. the company was "running super scrappy," with records and access distributed across people, systems, and cloud-based tools;
- 44. invention-assignment and confidentiality agreements existed, and past attorneys or the secured creditor likely had them;

Valuation and practical reconstructability

- 45. a third-party appraisal was conducted in December 2025 while Cartwheel was pursuing financing and other options;
- 46. the appraiser evaluated the company/assets on site;
- 47. the appraised asset value was below \$100,000 and likely between \$50,000 and \$100,000;

48. the appraiser stated that without proper documentation and without the team to support the software, the software had no value;

Funding, runway, and creditor/investor knowledge

49. Cartwheel ran out of money in December 2025 after forecasting a cash crisis earlier;

50. investors were aware of the runway problem;

51. Cartwheel provided forecasts almost weekly to Gene Wong at his request;

52. Gene Wong had notice from almost the day he invested as to when the company would run out of money;

53. Cartwheel repeatedly raised small rounds or rolling funding as it approached running out of money;

54. Cartwheel laid off the team and ended contracts as cost-cutting measures;

Acquisition and third-party transaction context

55. Engineered Arts, AppDirect, and Nick Desmarais were interested in acquiring Cartwheel;

56. discussions with Nick Desmarais occurred in the context of a global wind-down or possible transaction;

57. Mr. LaValley testified that Gene Wong, Battle Born, and others were in discussions with Nick Desmarais;

58. Mr. LaValley did not know what the landlord would accept to satisfy its debt and directed Nick Desmarais and his team to speak directly with the landlord;

Personal email and preservation

59. Mr. LaValley testified that he did not regularly use his personal Gmail account for Cartwheel business;

60. Mr. LaValley testified that he did not use other non-Cartwheel email accounts for Cartwheel business;

61. Mr. LaValley identified one privileged email with corporate counsel in his personal Gmail account;

62. Petitioning Creditors' counsel then demanded that Mr. LaValley preserve his Gmail account because litigation was anticipated.

Those answers are not evidence of feigned ignorance. They are evidence that Mr. LaValley answered from personal knowledge, identified the limits of his access, and identified the

persons, systems, professionals, records, and technical custodians likely to have relevant information.

The transcript shows that Mr. LaValley was not withholding a complete set of records. He was identifying a distributed records environment. The proper response to that situation is targeted discovery from actual custodians and participants, not an adverse inference that Mr. LaValley “feigned” lack of knowledge.

That record is inconsistent with Petitioning Creditors’ narrative. Mr. LaValley did not “feign” ignorance. He identified the limits of his present access, answered from memory where he could, and identified the people, systems, counsel, creditors, investors, former employees, and technical personnel likely to have relevant records or knowledge.

III. PETITIONING CREDITORS’ JOINDER CONFIRMS THIS IS NOT A ONE-PERSON RECORDS ISSUE

Petitioning Creditors’ Joinder confirms the central practical point in Mr. LaValley’s opposition and sworn accounting: relevant information, records, access, and control are not alleged to reside with Mr. LaValley alone.

Petitioning Creditors ask the Court to consider designating Samantha Conway and Bill LaValley, asserting that Ms. Conway held officer and operational roles and that Bill LaValley may have possession, custody, control, or knowledge concerning Debtor assets and books and records.

Whether those assertions are correct, overstated, or disputed, they confirm that Petitioning Creditors themselves recognize that relevant knowledge and control may reside with persons other than Mr. LaValley.

That acknowledgment matters. Petitioning Creditors cannot fairly argue both that other people may have relevant possession, control, or knowledge and that Mr. LaValley alone should bear responsibility for reconstructing the Debtor’s records.

The combined record shows that the Debtor’s books, records, systems, assets, technical materials, and institutional knowledge were distributed across multiple people, entities, devices, cloud services, repositories, counsel, former employees, and third-party platforms. That record

undercuts any attempt to require Mr. LaValley alone to reconstruct and certify the Debtor's schedules and statements from memory or incomplete information.

Any order should therefore be tailored to actual possession, actual custody, actual control, actual access, actual legal authority, and actual personal knowledge — not former title, speculation, or adverse inference.

IV. LEGAL OWNERSHIP IS NOT THE SAME THING AS PRACTICAL TECHNICAL RECONSTRUCTABILITY

Petitioning Creditors acknowledge that other people may have relevant information, but they focus on the people who support their preferred insider/family narrative. They largely ignore the people most relevant to any practical reconstruction of value associated with Cartwheel's former technical materials and assigned intellectual-property assets.

Mr. LaValley's sworn accounting identifies former employees and technical personnel with knowledge of the Debtor's source code, cloud systems, repositories, AI/ML materials, controls software, CAD files, mechanical design files, devices, and development infrastructure. Specifically, Mr. LaValley identified Esteve Valls Mascaro, Brian Roe, and Vinay Kamidi as former employees with likely possession, knowledge, or context relevant to the Debtor's software, controls, AI/ML systems, source-code repositories, cloud infrastructure, YOGI mechanical design files, CAD files, and engineering materials.

This distinction matters because legal title to technical assets is not the same thing as practical ability to reconstruct value.

The point is not to suggest that the intellectual property was not assigned. Mr. LaValley's position has been that the Debtor's remaining assets were assigned to the Landlord / secured creditor in or around December 2025. The point is different: regardless of whether those assets are owned by the Landlord, claimed by the estate, treated as collateral, or evaluated for estate-value purposes, any effort to identify, understand, reconstruct, or monetize technical value would require the former engineering team, technical personnel, repositories, CAD files, source-code history, cloud systems, documentation, hardware context, and development knowledge.

Mr. LaValley cannot reconstruct that technical value alone from memory.

The Debtor's technical materials were not a self-contained, turnkey asset. The issue is not merely who received legal assignment of assets. The issue is who has the knowledge, access history, copies, credentials history, repository knowledge, cloud-architecture knowledge, and technical context necessary to identify, access, extract, organize, reconstruct, evaluate, or monetize any remaining technical value.

Mr. LaValley's sworn accounting states that the independent appraiser emphasized that the Debtor's IP had limited standalone value without the team, documentation, funding, and development momentum necessary to continue development. The sworn accounting further states that this was consistent with Engineered Arts' repeated statements during acquisition discussions that Cartwheel had little or no value without the team.

Petitioning Creditors cannot fairly acknowledge that other people may have relevant information while ignoring the people with the actual technical ability to help identify, access, understand, and reconstruct any remaining value associated with Cartwheel's former technical materials and assigned intellectual-property assets.

V. PETITIONING CREDITORS' CLAIMED CONCERN FOR ESTATE VALUE IS UNDERMINED BY THEIR FAILURE TO ADDRESS THE TECHNICAL CUSTODIANS MOST RELEVANT TO IP RECONSTRUCTION

Petitioning Creditors claim concern regarding estate value, but their Joinder focuses on Mr. LaValley, his family, and a public docket website while largely ignoring the people most directly relevant to any practical reconstruction of value associated with Cartwheel's former technical materials and assigned assets.

Mr. LaValley's sworn accounting identifies former AI software engineer Esteve Valls Mascaro as a person who, to Mr. LaValley's knowledge, retained a company computer in Spain containing the Debtor's source code and is now employed by Engineered Arts Ltd. and/or an affiliated entity. The same sworn accounting identifies former mechanical engineer Brian Roe as a person who, to Mr. LaValley's knowledge, has certain YOGI mechanical design files stored in personal

cloud storage, which may contain the only existing copy of those specific files, and is now employed by Engineered Arts Ltd. and/or an affiliated entity.

These facts matter because Engineered Arts is an investor and interested party that previously engaged in acquisition-related discussions involving Cartwheel and, to Mr. LaValley's knowledge, develops similar humanoid robotics technology. Whether or not Engineered Arts is presently a formal creditor in this bankruptcy case, the connection between former Cartwheel technical personnel, retained Cartwheel technical materials, and an investor/potential acquirer operating in a related field is directly relevant to estate value, collateral value, and technical reconstruction.

If Petitioning Creditors' true focus is estate value, then the inquiry should include the former technical personnel, devices, cloud storage, repositories, source code, CAD files, engineering files, and Engineered Arts-related custodians necessary to determine what technical materials exist, what was assigned, what copies or access history may remain, and whether any practical value associated with the assigned assets can be reconstructed or evaluated.

Petitioning Creditors' Joinder does not meaningfully engage with those issues. Instead, it attempts to frame Mr. LaValley's limited present access and public transparency as evidence of bad faith.

Petitioning Creditors cannot credibly claim that estate value is their central concern while ignoring sworn disclosures that former Cartwheel technical personnel now associated with an investor, potential acquirer, and robotics company operating in a related field may possess source code, unique design files, and technical knowledge necessary to reconstruct or evaluate any remaining technical value.

VI. PETITIONING CREDITORS CANNOT CLAIM CONCERN FOR ESTATE VALUE WHILE IGNORING THE TIME-SENSITIVE NATURE OF VALUE PRESERVATION

Petitioning Creditors now invoke concern for estate value while ignoring the practical reality that value preservation required timely funding, team continuity, system preservation, and technical reconstruction support.

Cartwheel's value was not a static pile of assets that could sit untouched for months and remain equally recoverable. It was an early-stage robotics company whose value depended heavily on its team, documentation, cloud systems, repositories, development momentum, and technical personnel.

Mr. LaValley's sworn accounting states that creditor and interested-party groups, including Gene Wong / Reno Seed Fund-related interests, Engineered Arts-related interests, and Battle Born-related interests, had the opportunity to participate in or support a funded path that would have preserved the Debtor's team, development momentum, and going-concern value. That funding did not occur. The same sworn accounting states that the independent appraiser emphasized that the Debtor's intellectual property had limited standalone value without the team, documentation, funding, and development momentum necessary to continue development.

That context matters. Petitioning Creditors should not be permitted to allow time to pass, fail to support a funded preservation path, and then use the resulting loss of access, loss of team continuity, loss of system continuity, and degradation of practical reconstructability as a basis to accuse Mr. LaValley of bad faith or "feign[ing]" lack of knowledge.

Estate value was not preserved by accusation. It required funding, action, and technical continuity.

If Petitioning Creditors were genuinely focused on preserving estate value, the relevant question is not only what Mr. LaValley remembers more than six months later. It is why the persons and entities with funding capacity, creditor leverage, diligence materials, acquisition interest, technical personnel, and asset-control knowledge did not timely support preservation of the team, systems, and records necessary to maintain that value.

VII. THE PASSAGE OF MORE THAN SIX MONTHS AND LOSS OF ACCESS ARE MATERIAL FACTS

Petitioning Creditors' Joinder treats this case as though Mr. LaValley is currently operating the Debtor with live access to its systems, records, employees, premises, and property. That is not the factual record.

By the time of the Trustee's motion and Petitioning Creditors' Joinder, more than six months had passed since the Debtor ceased operations, lost or surrendered its premises, laid off its team, and no longer had normal operating access to its systems, records, equipment, employees, and assets.

Mr. LaValley's sworn accounting explains that the Debtor's assets were assigned to the Landlord in or around December 2025, before the bankruptcy petition was filed, and that after that assignment and loss of premises Mr. LaValley no longer had possession, custody, legal authority, or practical control over the Debtor's assets, systems, records, or equipment.

That passage of time is not incidental. It materially affects what Mr. LaValley can know, retrieve, verify, reconstruct, or certify today. Former employees have moved on. Some devices and files may remain with former employees or in personal cloud storage. Company systems, subscriptions, repositories, administrative access, bank records, accounting records, cloud services, and other digital access points may have changed, lapsed, expired, been disabled, or become inaccessible. Physical property may have remained at the premises, been moved, sold, damaged, discarded, or otherwise changed location without Mr. LaValley's knowledge or control.

Six months later, memory is not a substitute for books and records, and prior title is not a substitute for present access.

Petitioning Creditors' accusation that Mr. LaValley "feigned" lack of knowledge ignores this practical reality. Mr. LaValley did not testify from the position of a current operator with active access to a functioning business. He testified as a former officer of a company that had ceased operations months earlier, after the team dispersed, the premises were lost, and access to assets, records, systems, and personnel was no longer centralized with him.

VIII. PRESERVING A COMPLEX ROBOTICS COMPANY'S DIGITAL ENVIRONMENT REQUIRED MONEY, ACCESS, PERSONNEL, AND ADMINISTRATION

Petitioning Creditors also ignore a practical preservation issue. Cartwheel's records and technical materials were not static paper records in one place. They existed across physical equipment, company computers, employee-assigned devices, cloud services, software

repositories, SaaS tools, accounting systems, email systems, engineering platforms, and third-party services.

The Debtor's remaining assets were assigned to the Landlord in or around December 2025. But assignment of assets is different from practical ability to identify, access, preserve, extract, organize, reconstruct, or monetize technical materials months later. Even where assets were assigned, preserving a robotics company's full technical and business environment required ongoing funding, administrative access, credentials, subscriptions, cloud services, repositories, software tools, accounting systems, email systems, former employee cooperation, and technical personnel.

A failed robotics company's digital and technical environment does not preserve itself. Maintaining repositories, engineering software, cloud accounts, email systems, SaaS subscriptions, accounting platforms, source-code access, CAD storage, AI/ML development materials, and related access points required money and active administration.

Once the company had no operating cash, no continuing team, and no funded path, those systems could lapse, expire, be disabled, or become practically unavailable. That reality should not be recast as Mr. LaValley "feign[ing]" lack of knowledge.

IX. PETITIONING CREDITORS' ATTEMPT TO TURN TRANSPARENCY INTO BAD FAITH SHOULD BE REJECTED

Petitioning Creditors criticize Mr. LaValley for creating a public website tracking this case. That argument should be rejected.

The website concerns public court filings. It does not contain or establish access to Debtor books and records, accounting systems, bank records, source-code repositories, cloud systems, payroll systems, engineering files, corporate records, physical premises, robotics hardware, or other estate property. Public docket access is not debtor-record control.

More importantly, Petitioning Creditors' criticism reveals the selective nature of their Joinder. Mr. LaValley made the public record more accessible and filed a sworn written accounting identifying potential custodians and sources of Debtor property and information. Petitioning

Creditors do not meaningfully engage with that accounting. Instead, they use transparency itself as a basis to attack Mr. LaValley's credibility.

Petitioning Creditors' use of Mr. LaValley's public LinkedIn post and public docket website is telling. The exhibit does not show that Mr. LaValley possesses Debtor books, accounting systems, bank records, cloud accounts, source code, repositories, engineering files, payroll records, corporate records, premises, or assets. It shows only that Mr. LaValley made public bankruptcy filings easier for others to access and understand.

The Court should not permit a party to weaponize a pro se creditor's effort to make public filings accessible as supposed evidence of concealment, evasion, or control over records that are not in his possession.

If Petitioning Creditors believe the public record is incomplete, the answer is not to attack the person who made it accessible. The answer is to pursue records from the actual custodians and participants identified in Mr. LaValley's sworn accounting.

X. PETITIONING CREDITORS' INSINUATIONS REGARDING INSIDER FUNDING OMIT THE DILIGENCE AND FINANCING CONTEXT

Petitioning Creditors attempt to draw adverse inferences from insider loans, secured notes, and UCC filings, suggesting that those transactions were "coincidental" or "questionable." Those issues are not properly resolved through rhetoric in a Rule 9001(b)(5) designation motion.

Petitioning Creditors' insinuation that insider funding was unnecessary or suspicious omits the broader diligence and financing context. Mr. LaValley advanced funds while Cartwheel was in diligence with Gene Wong / RSF-related interests. That diligence process extended for approximately six months, during which funding did not arrive and additional diligence requests continued. As that process dragged on, the company's cash position worsened, creating the need for emergency insider funding to support payroll and operations.

Petitioning Creditors cannot fairly omit the prolonged diligence process, question the company's need for money, and then characterize the resulting insider advances as suspicious.

Nor should Petitioning Creditors' insinuations be resolved by asking Mr. LaValley to reconstruct complex financing transactions from memory. The timing, purpose, documentation, and perfection of the notes and security interests are matters reflected, if at all, in transaction documents, bank records, payroll records, board/company communications, financing communications, UCC records, and communications with counsel and other transaction participants.

If Petitioning Creditors or the Trustee wish to investigate the timing, purpose, documentation, validity, or effect of any secured notes or UCC filings, that inquiry should proceed through documents and witnesses with relevant knowledge — not through adverse inferences in a Rule 9001(b)(5) designation dispute.

XI. PETITIONING CREDITORS AND RELATED PARTIES POSSESS OR LIKELY POSSESS SUBSTANTIAL RELEVANT INFORMATION

Petitioning Creditors' Joinder ignores that Gene Wong / RSF-related parties possess or likely possess substantial relevant information concerning the very matters Petitioning Creditors now characterize as suspicious.

Petitioning Creditors question the timing and purpose of financing, secured notes, UCC filings, insider funding, and the Debtor's need for funds. But Gene Wong / RSF-related parties were not outsiders to those issues. Mr. LaValley knows that Gene Wong / RSF-related parties possess at least the convertible note documents and related investor materials. Mr. Wong / RSF-related parties also received board packages, financial reports, runway forecasts, pitch decks, investor updates, diligence communications, financing correspondence, and governance-related communications concerning Cartwheel's cash position, financing needs, and governance disputes.

That is particularly important because Mr. LaValley testified at the § 341 meeting that investors were aware of the runway problem, that Cartwheel provided forecasts almost weekly to Gene Wong at his request, and that Mr. Wong had notice from almost the day he invested as to when the company would run out of money.

Petitioning Creditors' insinuations concerning insider funding are also selective. At the § 341 meeting, Mr. LaValley did not recall the name of one of the accounting professionals associated with the company. Upon further recollection, Mr. LaValley recalls that Deane Albright was an investor in Cartwheel and later served as the company's CPA after being recommended by Mr. Wong. Mr. Albright therefore likely possesses or has access to substantial financial information, accounting records, tax returns, work papers, and related financial materials.

This matters because Petitioning Creditors attempt to portray founder/insider advances and security interests as inherently suspicious while ignoring that investor-side participants and their recommended advisors had access to financial information, participated in financing discussions, and may possess records concerning the company's cash position, accounting records, tax records, use of funds, and need for emergency financing.

Mr. LaValley also understands that Gene Wong and Deane Albright later discussed or floated the idea of providing the company, shortly after their initial investment, a secured loan at approximately 10% interest to pay down credit-card debt. Mr. LaValley offers this point not to ask the Court to decide any disputed financing issue here, but to show why Petitioning Creditors' insinuations are selective and why the relevant inquiry must be document-based. If Petitioning Creditors contend that secured insider or related-party funding was suspicious, then the inquiry should include all communications and participants concerning secured financing concepts, including those involving Gene Wong / RSF-related parties and their recommended advisors.

Petitioning Creditors cannot use gaps in Mr. LaValley's present access or memory as evidence of bad faith while ignoring the convertible note documents, investor materials, board packages, financial reports, runway forecasts, pitch decks, financing updates, diligence materials, accounting records, tax records, CPA work papers, and counsel communications held by or available from Gene Wong / RSF-related parties, Mr. Albright, and other transaction participants.

XII. DISPUTED FINANCING-DOCUMENT ISSUES TRACE BACK TO THE FIRST CONVERTIBLE NOTE FINANCING AND CONFLICTED COUNSEL

Petitioning Creditors' insinuations regarding secured notes, UCC filings, governance rights, and control cannot be fairly evaluated without the financing-document history that gave rise to the dispute.

The first financing round — the convertible note financing — is central to the events that led to this bankruptcy. In Mr. LaValley's view, the first convertible note financing and the conflicted document structure surrounding it are central to why Cartwheel ultimately became trapped in a governance and financing dispute that ended in bankruptcy.

Petitioning Creditors should not be permitted to discuss that financing history selectively. Gene Wong / RSF-related parties possess or likely possess substantial contemporaneous information concerning the first convertible note financing, the related governance/control dispute, the parties' understanding of the financing structure, and the events that followed. Mr. Wong / RSF-related parties received investor materials, board packages, financial reports, runway forecasts, pitch decks, financing updates, and communications concerning Cartwheel's cash position and governance.

That first financing created the financing and governance structure that later became the subject of disputes over control, protective provisions, investor rights, noteholder rights, and the parties' respective understanding of Cartwheel's governance. Petitioning Creditors' Joinder attempts to draw adverse inferences from later secured-note and UCC matters while ignoring the earlier document structure, counsel-related issues, and contemporaneous information held by Gene Wong / RSF-related parties.

Mr. LaValley understands that Craig Macy, who was acting as Cartwheel's corporate counsel, prepared or was involved in preparing relevant financing, secured-note, and governance documents. Mr. LaValley further understands that Mr. Macy also represented or had a conflicting relationship with Gene Wong / RSF-related interests, and Mr. LaValley is aware of no written conflict waiver authorizing counsel to represent Cartwheel while also representing or advancing potentially adverse Gene Wong / RSF-related interests in connection with the relevant financing documents.

To Mr. LaValley's knowledge, Gene Wong was not personally involved in drafting the secured notes. But Gene Wong / RSF-related parties possess or likely possess substantial documents and communications concerning the financing, diligence, governance, board reporting, financial condition, and later disputes arising from those documents. The point is narrower: Petitioning

Creditors' insinuations concern lawyer-drafted financing documents whose origin, drafting, conflict-waiver status, approvals, and relationship to the first convertible note financing are document-based issues. Those issues should be investigated through appropriate discovery, not used as adverse inferences against Mr. LaValley in a Rule 9001(b)(5) designation motion.

Petitioning Creditors cannot fairly attack lawyer-drafted financing documents while ignoring the lawyer who drafted them, the alleged conflict under which they were drafted, the absence of a conflict waiver, and the document history that created the governance and creditor-rights dispute in the first place.

To the extent Petitioning Creditors now question the timing, validity, purpose, or effect of secured notes, UCC filings, governance documents, protective provisions, or creditor rights, the relevant inquiry should include the counsel who prepared the documents, the transaction files, communications concerning the financing structure, drafts, term sheets, closing materials, board or stockholder approvals, and the parties' communications regarding what rights were being created.

Those issues are not properly resolved through insinuation in a Rule 9001(b)(5) designation motion. They do not establish that Mr. LaValley presently has possession, custody, control, access, or legal authority over Debtor records or property, nor do they justify requiring him to reconstruct schedules or disputed financing history from memory more than six months after operations ceased.

XIII. PETITIONING CREDITORS' JOINDER CONFIRMS THE IMPORTANCE OF MR. LAVALLEY'S PENDING RULE 2004 REQUEST

Petitioning Creditors' Joinder confirms the importance of Mr. LaValley's pending Rule 2004 request. Petitioning Creditors raise issues concerning asset control, records, secured notes, UCC filings, value, potential custodians, and alleged gaps in Mr. LaValley's knowledge. Those issues cannot be fairly resolved by requiring Mr. LaValley to reconstruct records from memory. They require documents and information from the persons and entities who actually possess, control, created, reviewed, received, or retained relevant records.

Mr. LaValley has already sought targeted Rule 2004 discovery because the relevant facts are distributed among actual custodians and participants. Petitioning Creditors' own Joinder reinforces that point. If the estate's goal is to understand records, assets, collateral value, technical materials, asset disposition, and potential recoverable value, the inquiry must reach the persons and entities with actual documents, technical knowledge, asset-control information, financial records, creditor communications, and transaction history.

Mr. LaValley has identified potential custodians and sources of information, including former employees, technical personnel, creditor/investor parties, acquisition-related parties, counsel, accountants, and others. Petitioning Creditors should not be permitted to ignore actual custodians while simultaneously attacking Mr. LaValley for not possessing or reconstructing records, files, systems, or technical materials he does not control.

Mr. LaValley does not dispute that a Chapter 7 trustee may examine issues concerning collateral, valuation, perfection, priority, transfers, and any potential equity cushion for the estate. That is precisely why the inquiry should be document-based and directed to actual custodians and transaction participants. Those issues require lien documents, UCC records, secured-note documents, valuation materials, transfer documents, bank records, payroll records, counsel files, creditor communications, technical-custodian records, CPA records, tax records, accounting records, and former-employee knowledge. They should not be converted into adverse inferences against Mr. LaValley in a Rule 9001(b)(5) designation dispute.

The pending designation issue should therefore be handled through a tailored order limited to Mr. LaValley's actual possession, custody, control, access, legal authority, and personal knowledge. Mr. LaValley's pending Rule 2004 request remains important because it is directed toward the broader record needed to understand what occurred and where relevant records and value-related information actually reside.

XIV. RULE 9001(b)(5) DESIGNATION SHOULD NOT BE USED TO ADJUDICATE FIDUCIARY-DUTY ACCUSATIONS OR PERSONAL LIABILITY

Petitioning Creditors' Joinder includes accusations and insinuations concerning fiduciary duties, potential personal liability, and D&O insurance. Those issues are not properly adjudicated through the pending designation motion.

Rule 9001(b)(5) designation is procedural. It may identify a person to appear, answer questions, cooperate, or perform debtor-related acts for a corporate debtor. It should not be used to adjudicate personal liability, fiduciary-duty claims, or alleged wrongdoing. Any such claims would require a separate pleading, evidence, defenses, and due process.

Mr. LaValley can answer questions truthfully from personal knowledge. He can identify potential sources and custodians. He can cooperate within the limits of his actual possession, custody, control, access, legal authority, and knowledge. But he should not be deemed to have breached fiduciary duties merely because he cannot retrieve or certify records that are not in his possession or control.

XV. ANY ORDER SHOULD BE OPERATIONAL, NOT PUNITIVE

If the Court enters any order concerning Mr. LaValley, the order should be carefully limited to what Mr. LaValley can actually do.

Mr. LaValley respectfully submits that any order should state that he is required only to:

1. appear and answer questions truthfully from personal knowledge;
2. identify, to the extent known, possible sources and custodians of Debtor records, property, systems, files, and information;
3. cooperate reasonably with the Trustee's efforts to obtain records from actual custodians or third parties; and
4. produce any nonprivileged Debtor property or records actually in his possession, custody, or control, if any.

Any order should also make clear that Mr. LaValley is not required to:

1. recreate schedules or statements from memory or speculation;
2. certify the accuracy of schedules prepared without access to underlying Debtor records;

3. produce records, systems, devices, source code, files, cloud accounts, or property outside his possession, custody, or control;
4. obtain materials from third parties over whom he has no legal authority;
5. perform uncompensated forensic accounting, bookkeeping, technical reconstruction, or schedule-preparation work from incomplete information; or
6. act as counsel for the Debtor.

XVI. CONCLUSION

Petitioning Creditors' Joinder does not solve the records problem. It attempts to weaponize it.

The § 341 transcript does not support Petitioning Creditors' claim that Mr. LaValley "feigned" lack of knowledge. It shows that Mr. LaValley appeared, answered questions, identified limits on his access, identified potential custodians and sources of information, and remained willing to cooperate within the limits of his actual possession, custody, control, access, legal authority, and personal knowledge.

Petitioning Creditors' own Joinder confirms that this is not a one-person records issue. Their Joinder identifies other people they claim may have relevant information or control, while ignoring the former employees and technical personnel most likely to be necessary for any practical reconstruction of technical value. Petitioning Creditors also ignore their own possession or likely possession of substantial convertible-note documents, investor materials, board packages, financial reports, runway forecasts, pitch decks, financing updates, diligence materials, governance communications, accounting records, tax records, and creditor communications relevant to the issues they now characterize as suspicious.

Petitioning Creditors should not be permitted to let time pass, fail to support a funded preservation path, ignore the technical custodians most relevant to value reconstruction, criticize public transparency, and then convert the resulting loss of access, team continuity, system continuity, and reconstructability into a personal credibility attack against Mr. LaValley.

For the reasons stated above and in Mr. LaValley's prior opposition [ECF No. 65], any order should be limited to what Mr. LaValley can actually do and should not require him to recreate, certify, retrieve, or produce records and property outside his possession, custody, control, access, or legal authority.

DATED: May 28, 2026.

Respectfully submitted,

Scott LaValley

Appearing pro se, individually and as
creditor / party in interest

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