

August 9, 2019

[e-mail: msorenson@dsiconsulting.com](mailto:msorenson@dsiconsulting.com)

FINAL COMMUNICATION
CASE NOW CLOSED

To the Creditors and Shareholders of:

TURNSTYLE BRANDS, LLC
3512 SE WOODWARD STREET
PORTLAND, OR. 97202

Re: Assignment for the Benefit of Creditors

Dear Sir or Madam:

As you were previously advised, Turnstyle Brands, LLC, a New York limited liability company (the “Company”), made an assignment for the benefit of creditors pursuant to California law, in favor of DSI Assignments, LLC (the “Assignee”) on February 19, 2019 (the “Assignment”). This action was taken by the directors of the Company and consent of a majority of the shareholders.

The Company was financed by First American Bank (the “Lender”) who had a secured lien on all of the assets and inventory of the company. At the time of the general assignment that principal balance was approximately \$1,790,000. In April of 2019 the Assignee engaged GA Global Partners to assist in the marketing and sale efforts for the remaining unsold inventory and trademarks owned by the Company. After negotiating with several potential bulk buyers, GA Global was able to negotiate the sale of all remaining inventory for \$150,000 to a third party buyer.

The Assignee has worked to collect any remaining outstanding receivables which were the only other assets owed by the Company. All of these recoveries are part of the secured lenders’ collateral and will be payable to the secured lenders. The result of these activities however is such that the secured lenders’ claims will not be retired in full and there no assets that are not free and clear of the lenders’ liens. Therefore, unsecured creditors, including any priority tax claims, will not see a recovery.

Accompanying this notice creditors will find a Statement of Receipts and Disbursements, which summarizes all monies handled during the administration of this assignment estate. Therefore, the Assignee is closing the administration of the assignment estate as far as unsecured creditors are concerned.

LOS ANGELES

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Very truly yours,

DSI Assignments, LLC,
Solely in its capacity as Assignee for the Benefit of
Creditors of Turnstyle Brands, LLC

A handwritten signature in black ink that reads "Matthew P. Sorenson". The signature is written in a cursive style with a long, sweeping underline.

By
Matthew P. Sorenson

Enclosure (Statement of Receipts and Disbursements)

**Turnstyle Brands, LLC.
Receipts and Disbursements**

Beginning Cash Balance as of 3/1/19	<u>37,371.22</u>
Receipts	
Accounts Receivable	52,447.11
Refunds	699.00
Sale of Assets	157,360.20
Secured Lender Advance	9,240.00
Total Receipts	<u>219,746.31</u>
Disbursements	
Administrative	114.95
Bank Charges	108.95
Insurance	3,387.24
Professional Fees	
Development Specialists, Inc.	25,000.00
Smiley Wang-Ekval, LLP	7,288.62
Secured Lender	91,327.77
GA Global Commission	22,500.00
Shipping and Storage - GPA Logistics	106,228.33
Shopify	1,161.67
Total Disbursements	<u>257,117.53</u>
Remaining Cash	<u><u>0.00</u></u>