**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

| | |
|---|---|
| In re: | Chapter 11 |
| Kentucky Owl, LLC., | Case No.: 24-80147-swe11 |
| Debtors. | (Jointly Administered) |

**STATEMENT OF FINANCIAL AFFAIRS**
**OF DEBTOR KENTUCKY OWL**
**(CASE NO. 24-80147)**

Holland N. O'Neil (TX 14864700)
Stephen A. Jones (TX 24101270)
Mary Rofaeil (TX 24119467)
Zachary C. Zahn (TX 24137675)
**FOLEY & LARDNER LLP**
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Telephone: (214) 999-3000
Facsimile: (214) 999-4667
honeil@foley.com
sajones@foley.com
mary.rofaeil@foley.com
zzahn@foley.com

Ann Marie Uetz (admitted *pro hac vice*)
**FOLEY & LARDNER LLP**
500 Woodward Avenue, Suite 2700
Detroit, MI 48226-3489
Telephone: (313) 234-7100
Facsimile: (313) 234-2800
auetz@foley.com

Michael J. Small (admitted *pro hac vice*)
**FOLEY & LARDNER LLP**
321 North Clark Street, Suite 3000
Chicago, IL 60654-4762
Telephone: (312) 832-4500
Facsimile: (312) 832-4700
msmall@foley.com

**PROPOSED COUNSEL TO DEBTORS AND DEBTORS IN POSSESSION**

**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE NORTHERN DISTRICT OF TEXAS**
**DALLAS DIVISION**

| | | |
|---|---|---|
| In re: | § | Chapter 11 |
| | § | |
| Stoli Group (USA), LLC, *et al.*,[1] | § | Case No.: 24-80146-swe11 |
| | § | |
| Debtors. | § | (Jointly Administered) |
| | § | |

## GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY, AND DISCLAIMERS REGARDING THE DEBTORS' SCHEDULES OF ASSETS AND LIABILITIES AND STATEMENT OF FINANCIAL AFFAIRS

Stoli Group (USA) LLC ("**Stoli USA**") and Kentucky Owl, LLC ("**KO**"), as debtors and debtors in possession (collectively, the "**Debtors**") in the above-captioned chapter 11 cases (the "**Chapter 11 Cases**") have filed their respective Schedules of Assets and Liabilities ("**Schedules**") and Statements of Financial Affairs (the "**Statements**" and, collectively with the Schedules, the "**Schedules and Statements**") in the United States Bankruptcy Court for the Northern District of Texas Dallas Division (the "**Court**"). The Debtors, with the assistance of their legal, financial, and other advisors, including Riveron Management Services, LLC ("**RMS**") and the Debtors' proposed Chief Restructuring Officer, Mr. Steven R. Wybo ("**Mr. Wybo**"), a Senior Managing Director with RMS, prepared the Schedules and Statements in accordance with section 521 of chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"), Rule 1007 of the

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal identification number, are Stoli Group (USA), LLC (5602) and Kentucky Owl, LLC (3826). The Debtors' address is 135 East 57th Street, 9th Floor, New York City, New York.

Federal Rules of Bankruptcy Procedure, and Rule 1007-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas.

These *Global Notes and Statement of Limitations, Methodology, and Disclaimer Regarding the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs* (the "**Global Notes**") pertain to, are incorporated by reference in, and comprise an integral part of, all of the Schedules and Statements. The Global Notes should be referred to and considered in connection with any review of the Schedules and Statements. In the event that the Schedules and/or Statements differ from these Global Notes, the Global Notes control.

In preparing the Schedules and Statements, the Debtors relied on financial data derived from their books and records that were available at the time of such preparation. Although the Debtors have made commercially reasonable efforts to ensure the accuracy and completeness of the Schedules and Statements, subsequent information or discovery may result in material changes to the Schedules and Statements, and inadvertent errors, inaccuracies, or omissions may have occurred. For the avoidance of doubt, the Debtors hereby reserve their rights to amend and supplement the Schedules and Statements as may be necessary or appropriate.

Because the Schedules and Statements contain unaudited information, which is subject to further review, verification, and potential adjustment, there can be no assurance that these Schedules and Statements are complete. The Debtors reserve all rights to amend or supplement the Schedules and Statements from time to time, in all respects, as may be necessary or appropriate, including, without limitation, the right to amend the Schedules and Statements with respect to claim (as defined in section 101(5) of the Bankruptcy Code, "**Claim**") description, designation, or Debtor against which the Claim is asserted; dispute or otherwise assert offsets or defenses to any Claim reflected in the Schedules and Statements as to amount, liability, priority, status, or classification; subsequently designate any Claim as "disputed," "contingent," or "unliquidated;" or object to the extent, validity, enforceability, priority, or avoidability of any Claim. Any failure to designate a Claim in the Schedules and Statements as "disputed," "contingent," or "unliquidated" does not constitute an admission by the Debtors that such Claim or amount is not "disputed," "contingent," or "unliquidated." Listing a Claim does not constitute an admission of liability by the Debtor against which the Claim is listed or against any of the Debtors. Nothing contained in the Schedules and Statements shall constitute a waiver of any right of the Debtors or an admission with respect to their Chapter 11 Cases (including, but not limited to, issues involving claims, substantive consolidation, defenses, equitable subordination, and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws to recover assets or avoid transfers).

The Debtors and their agents, attorneys, financial, and other advisors do not and cannot guarantee or warrant the accuracy or completeness of the data that is provided herein and will not be liable for any loss or injury arising out of or caused in whole or in part by the acts, errors, or omissions, whether negligent or otherwise, in procuring, compiling, collecting, interpreting, reporting, communicating, or delivering the information contained herein. While commercially reasonable efforts have been made to provide accurate and complete information herein, inadvertent errors or omissions may exist. The Debtors and their agents, attorneys, and financial advisors expressly do not undertake any independent obligation to update, modify, revise, or re-categorize the information provided herein or to notify any third party should the information be updated, modified, revised, or re-categorized, except as required by applicable law. In no event will the Debtors or their agents, attorneys and/or financial advisors be liable to any third party for any direct, indirect, incidental, consequential, or special damages (including, but not limited to, damages arising from the disallowance of a potential claim against the Debtors or damages to business reputation, lost business, or lost profits), whether foreseeable or not and however caused, even if the Debtors or their agents, attorneys, and financial advisors are advised of the possibility of such damages.

Mr. Chris Caldwell ("**Mr. Caldwell**"), the President and Global Chief Executive Officer of each of the Debtors, has signed each set of the Schedules and Statements. Mr. Caldwell is an authorized signatory for each of the Debtors. In reviewing and signing the Schedules and Statements, Mr. Caldwell has necessarily relied upon the efforts, statements, advice, and representations of personnel of the Debtors and the Debtors' legal, financial, and other advisors. Mr. Caldwell has not (and could not have) personally verified the accuracy of each such statement and representation contained in the Schedules and Statements, including statements and representations concerning amounts owed to creditors.

These Global Notes are in addition to any specific notes contained in each Debtor's respective Schedules or Statements. Disclosure of information in one or more Schedules, one or more Statements, or one or more exhibits or attachments to the Schedules or Statements, even if incorrectly placed, shall be deemed to be disclosed in the correct Schedules, Statements, exhibits, or attachments.

## I.
## GLOBAL NOTES AND OVERVIEW OF METHODOLOGY

1. **Bankruptcy Cases.** On November 27, 2024 (the "**Petition Date**"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, thereby initiating the Chapter 11 Cases and creating their respective bankruptcy estates. The Debtors are operating their business and managing their property as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On December 3, 2024, the Court entered an order in the lead case, *In re Stoli Group (USA), LLC* [Case No. 24-80146], directing joint administration of these Chapter 11 Cases [Docket No. 36]. Notwithstanding the joint administration of the Debtors' Chapter 11 Cases for procedural purposes, each Debtor has filed its own Schedules and Statements.

   To the best of the Debtors' knowledge, the information provided herein represents the asset and liability data of the Debtors as of the Petition Date, except as otherwise noted. Amounts ultimately realized may vary from net book value (or the applicable value ascribed herein), and such variance may be material. Accordingly, the Debtors reserve all rights to amend or adjust the value of each asset set forth herein. In addition, the amounts shown for total liabilities exclude items identified as "unknown," "disputed," "contingent," "unliquidated," or "undetermined," and thus, ultimate liabilities may differ materially from those stated in the Schedules and Statements.

**2.** **Riveron Disclosure.** On December 27, 2024, the Debtors filed the *Debtors' Application for Entry of an Order Authorizing Debtors to (I) Employ and Retain Riveron Management Services, LLC to Provide a Chief Restructuring Officer and Additional Personnel and (II) Designate Steven R. Wybo as the Chief Restructuring Officer as of the Petition Date* [Docket No. 107] (the "**RMS Application**"). The objection deadline for the RMS Application expires on January 20, 2025. [*See* Docket No. 107].

Historically, neither RMS nor Mr. Wybo, the Debtors' proposed CRO, maintained the Debtors' books and records and only became acquainted with the same in connection with the Debtors' bankruptcy filings. While RMS and Mr. Wybo have made every reasonable effort to research, analyze, and, where necessary, correct the Debtors' books and records, additional information may be discovered or corrected that may require amendment of the Schedules and Statements. The information contained in the Schedules and Statements is unaudited, and the Debtors, RMS, and Mr. Wybo do not warrant the accuracy or completeness of the statements contained in the same.

**3.** **Cyber Attack Disclosure**. As further explained in the *Declaration of Chris Caldwell in Support of First Day Motions* [Docket No. 11] (the "**First Day Declaration**"), the Debtors' IT infrastructure suffered severe disruption in the wake of a data breach and ransomware attack in August 2024 (collectively, the "**Cyber Attack**"). The Cyber Attack caused substantial operational issues throughout all companies within the Stoli Group (as defined in the First Day Declaration), including the Debtors. Among other things, via the Cyber Attack, the entirety of the Debtors' accounting and financial systems were hacked and encrypted in a form that the Debtors were unable to read or decipher. The Cyber Attack resulted in the Stoli Group's enterprise resource planning ("ERP" or "SAP") system being disabled and most of the Stoli Group's internal processes (including accounting functions) being forced into a manual entry mode. As of the Petition Date and the filing of the Debtors' Schedules and Statements, the Debtors' accounting and financial systems have not been fully recovered and are not up and running as they ordinarily would be in the ordinary course of business. The Debtors are continuing to execute their plans to recover and restore the encrypted information to the format previously used by the Debtors, and the Debtors anticipate that these systems will be fully restored no earlier than in the first quarter of 2025. Thus, the Debtors provide this disclosure related to the Cyber Attack to note that the information provided herein and in the Debtors' Statements and Schedules is being provided to the best of the Debtors' abilities as of the Petition Date and without the Debtors accounting and financial systems having fully been restored following the Cyber Attack.

**4.** **GAAP.** Information contained in the Schedules and Statements has been derived from the information derived from the Debtors' books and records. The Schedules and Statements have not been subject to procedures that would typically be applied to financial statements prepared in accordance with generally accepted accounting principles in the United States ("**GAAP**") and are not intended to reconcile fully with any financial statements prepared under GAAP. Therefore, combining the assets and liabilities set forth in the Schedules and Statements would result in amounts that are substantially different from financial information that would otherwise be prepared under GAAP. For the avoidance of doubt, given the difference between the information requested in the Schedules and Statements and the financial information utilized under GAAP, the aggregate asset values and claim amounts set forth in the Schedules and Statements do not necessarily reflect the amounts that would be set forth in a balance sheet prepared in accordance with GAAP.

Moreover, given, among other things, the uncertainty surrounding the collection and ownership of certain assets and the valuation and nature of certain liabilities, to the extent that a Debtor shows more assets than liabilities, this is not an admission that the Debtor was solvent as of the Petition Date or at any time prior to the Petition Date. Likewise, to the extent a Debtor shows more liabilities than assets, this is not an admission that the Debtor was insolvent at the Petition Date or any time prior to the Petition Date. For the avoidance of doubt, nothing contained in the Schedules and Statement is indicative of the Debtors' enterprise value.

**5.** **Payments.** Prior to the Petition Date, the Debtors maintained a cash management and disbursement system in the ordinary course of their businesses (the "**Cash Management System**"), as described in the *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to Continue to Operate Their Cash Management System and (II) Granting Related Relief* [Docket No. 9] (the "**Cash Management Motion**"). Although efforts have been made to attribute open payable amounts to the correct legal entity, the Debtors reserve the right to modify or amend their Schedules and Statements to attribute such payment to a different legal entity, if appropriate.

**6.** **Valuation.** Except as otherwise indicated, the Debtors and their advisors have made a good faith effort to list assets and liabilities based on book values as of the latest close of books and records or, where possible, through the Petition Date. Exceptions to this include operating cash and certain other assets. Operating cash is presented as the end-of-day bank balance as of the Petition Date. It would be prohibitively expensive, unduly burdensome, and an inefficient use of estate assets for the Debtors to obtain current market valuations of all of their assets, including, but not limited to, inventory and intellectual property. For these reasons, the Debtors have indicated in the Schedules and Statements that the values of certain assets and liabilities are "undetermined" or "unknown."

The book values of certain assets may materially differ from their fair market values. Certain assets that have been fully depreciated or that were expensed for accounting purposes either may not appear in the Schedules and Statements or are listed with a zero-dollar value, as such assets have no net book value. Certain other assets, such as intangible assets, are listed at undetermined amounts, as the net book values may differ materially from fair market values. Amounts ultimately realized may vary from net book value (or whatever value was ascribed), and such variance may be material. The omission of an asset from the Schedules and Statements does not constitute a representation regarding the ownership of such asset, and any such omission does not constitute a waiver of any of the Debtors' rights with respect to such asset. For the avoidance of doubt, the Debtors reserve all of their rights to amend or adjust the value of each asset set forth herein.

In addition, the amounts shown for total liabilities exclude items identified as "unknown" or "undetermined," and, thus, ultimate liabilities may differ materially from those stated in the Schedules and Statements. Also, assets that have been fully depreciated or that were expensed for accounting purposes either do not appear in these Schedules and Statements or are listed with a zero-dollar value, as such assets have no net book value. The omission of an asset from the Schedules and Statements does not constitute a representation regarding the ownership of such asset, and any such omission does not constitute a waiver of any rights of the Debtors with respect to such asset. Given, among other things, the current market valuation of certain assets and the valuation and nature of certain liabilities, nothing in the Schedules and Statements shall be or shall be deemed to be an admission that any Debtor was solvent or insolvent as of the Petition Date.

**7.** **Excluded Assets and Liabilities.** The Debtors have excluded certain categories of assets, tax accruals, and liabilities from the Schedules and Statements, including, without limitation, accrued salaries, employee benefit accruals, and accrued accounts payable. In addition, the Debtors may have excluded amounts for which the Debtors have paid or have been granted authority to pay pursuant to an order that may be entered by the Bankruptcy Court. The Debtors also have excluded rejection damage claims of counterparties to executory contracts and unexpired leases that may be rejected (if any) to the extent such damage claims exist. In addition, certain immaterial assets and liabilities may have been excluded.

**8.** **Property Rights.** Exclusion of certain property from the Schedules and Statements shall not be construed as an admission that such property rights have been abandoned, terminated, assigned, expired by terms, or otherwise transferred pursuant to a sale, acquisition, or other transaction. Conversely, the inclusion of certain property shall not be construed to be an admission that such property rights have not been abandoned, have not been terminated, or otherwise expired by terms, or have not been assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction.

**9.** **Causes of Action.** Despite their reasonable efforts to identify all known assets, the Debtors may not have listed all of their causes of action or potential causes of action against third parties as assets in their Schedules and Statements, including, without limitation, avoidance actions arising under chapter 5 of the Bankruptcy Code and actions under other relevant bankruptcy and non-bankruptcy laws to recover assets. The Debtors reserve all of their rights with respect to any cause of action (including avoidance actions), controversy, right of setoff, cross claim, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law (collectively, "**Causes of Action**") they may have, and neither these Global Notes nor the Schedules and Statements shall be deemed a waiver of any claims or Causes of Action or in any way prejudice or impair the assertion of such claims or Causes of Action.

**10.** **Contingent Assets.** The Debtors may possess certain claims and causes of action against various parties. Additionally, the Debtors may possess contingent claims in the form of various avoidance actions they could commence under the provisions of chapter 5 of the Bankruptcy Code and other relevant non-bankruptcy laws. The Debtors, despite reasonable efforts, may not have identified and/or set forth all of their causes of action against third parties as assets in their Schedules and Statements, including, without limitation, avoidance actions arising under chapter 5 of the Bankruptcy Code and actions under other relevant bankruptcy and non-bankruptcy laws to recover assets. The Debtors reserve all of their rights with respect to any claims, causes of action, or avoidance actions they may have, and nothing contained in these Global Notes or the Schedules and Statements shall be deemed a waiver of any such claims, avoidance actions, or causes of action or in any way prejudice or impair the assertion of such claims. Additionally, prior to the Petition Date, each Debtor, as plaintiff, may have commenced various lawsuits in the ordinary course of its business against third parties seeking monetary damages.

**11.** **Executory Contracts.** Although the Debtors made diligent efforts to attribute an executory contract to its rightful Debtor, the Debtors may have inadvertently failed to do so. Accordingly, the Debtors reserve all of their rights with respect to the named parties of any and all executory contracts, including the right to amend Schedule G.

**12.** **Intellectual Property Rights.** Exclusion of any intellectual property shall not be construed to be an admission that such intellectual property rights have been abandoned, have been terminated, or otherwise have expired by their terms, or have been assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction. Conversely, the inclusion of any intellectual property shall not be construed to be an admission that such intellectual property rights have not been abandoned, have not been terminated, or otherwise have not expired by their terms, or have not been assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction. The Debtors have made every effort to attribute intellectual property to the rightful Debtor owner, however, in some instances, intellectual property owned by one Debtor may, in fact, be owned by the other. Accordingly, the Debtors reserve all of their rights with respect to the legal status of any and all intellectual property rights.

**13.** **Liabilities.** The Debtors have sought to allocate liabilities between the prepetition and postpetition periods based on the information and research that was conducted in connection with the preparation of the Schedules and Statements. As additional information becomes available and further research is conducted, the allocation of liabilities between prepetition and postpetition periods may change. The Debtors reserve the right to amend the Schedules and Statements as they deem appropriate in this regard.

**14.** **Other Paid Claims.** To the extent the Debtors may have reached any postpetition settlement with a vendor or other creditor, the terms of such settlement will prevail, supersede amounts listed in the Schedules and Statements, and shall be enforceable by all parties, subject to any necessary Bankruptcy Court approval. To the extent the Debtors pay any of the claims listed in the Schedules and Statements pursuant to any orders entered by the Bankruptcy Court, the Debtors reserve all rights to amend and supplement the

Schedules and Statements and take other action, such as filing claims objections, as is necessary and appropriate to avoid overpayment or duplicate payment for such liabilities.

**15.** **<u>Guarantees and Other Secondary Liability Claims</u>.** The Debtors have used reasonable efforts to locate and identify guarantees and other secondary liability claims (collectively, "**Guarantees**") in any of their executory contracts, unexpired leases, secured financings, debt instruments, and other such agreements. Where such Guarantees have been identified, they have been included in the relevant Schedule H for the Debtor or Debtors affected by such Guarantees. However, certain Guarantees embedded in the Debtors' executory contracts, unexpired leases, secured financings, debt instruments, and other such agreements may have been inadvertently omitted. Thus, the Debtors reserve all of their rights to amend the Schedules to the extent that additional Guarantees are identified.

**16.** **<u>Liens</u>.** Any inventories, property, or equipment listed in the Statements and Schedules are presented without consideration of any asserted mechanic's, materialmen's, constitutional, or similar liens that may attach (or have attached) to such inventories, property, and equipment.

**17.** **<u>Credits and Adjustments</u>.** The claims of individual creditors for, among other things, goods, products, services, or taxes are listed as the amounts entered on the Debtors' books and records and may not reflect credits, allowances, or other adjustments due from such creditors to the Debtors. The Debtors reserve all of their rights with regard to such credits, allowances, and other adjustments, including the right to assert claims objections and/or setoffs with respect to the same.

**18.** **<u>Setoffs and Recoupment</u>.** The Debtors incur certain setoffs, recoupment, and other similar rights during the ordinary course of business. Offsets in the ordinary course can result from various items, including, without limitation, intercompany transactions, pricing discrepancies, returns, warranties, and other reconciliations between the Debtors and their suppliers or distributors. These offsets and other similar rights are consistent with the ordinary course of business in the Debtors' industry and are not tracked separately. Therefore, although such offsets and other similar rights may have been accounted for when certain amounts were included in the Schedules, offsets are not independently accounted for and, as such, are excluded from the Schedules.

**19.** **<u>Insiders</u>.** In the circumstance where the Schedules and Statements require information regarding "insiders," the Debtors have included information with respect to the individuals who the Debtors believe may be included in the definition of "insider" set forth in section 101(31) of the Bankruptcy Code during the relevant time periods. The listing of a party as an insider for purposes of the Schedules and Statements is not intended to be, nor should it be, construed as an admission of any fact, right, claim, or defense, and all such rights, claims, and defenses are hereby expressly reserved. Information regarding the individuals listed as insiders in the Schedules and Statements has been included for informational purposes only, and such information may not be used for (1) the purposes of determining (a) control of the Debtors; (b) the extent to which any individual exercised management responsibilities or functions; (c) corporate decision-making authority over the Debtors; or (d) whether such individual could successfully argue that he or she is not an insider under applicable law, including the Bankruptcy Code and federal securities laws, or with respect to any theories of liability; or (2) any other purpose.

**20.** **Currency.** Unless otherwise indicated, all amounts are reflected in U.S. dollars.

**21.** **Duplication.** Certain of the Debtors' assets, liabilities, and prepetition payments may properly be disclosed in response to multiple parts of the Statements and Schedules.

**22.** **Estimates.** To prepare and file the Schedules as close to the Petition Date as possible, the Debtors were required to make certain estimates and assumptions that affected the reported amounts of these assets and liabilities. The Debtors reserve all rights to amend the reported amounts of assets and liability to reflect changes in those estimates or assumptions.

**23.** **Totals.** All totals that are included in the Schedules and Statements represent totals of all the known amounts included in the Schedules and Statements. To the extent there are unknown or undetermined amounts, the actual total may differ from the listed total. The description of an amount as "unknown" or "undetermined" is not intended to reflect upon the materiality of such amount. To the extent a Debtor is a guarantor of debt held by another Debtor, the amounts reflected in these Schedules are inclusive of each Debtor's guarantor obligations.

**24.** **Claim Designations.** Schedules D and E/F permit the Debtors to designate a Claim as "disputed," "contingent," and/or "unliquidated."

A claim that is dependent on the realization of some uncertain future event is a "**contingent**" claim.

A claim, or portion of a claim, for which a specific value could not be readily quantified by the Debtor using currently available information is scheduled as "**unliquidated**."

A claim with respect to which the applicable Debtor and the claimant disagree as to the amount owed, whether any amount is owed, or the claim classification, is "**disputed**."

Any failure to designate a claim in the Schedules and Statements as "contingent," "unliquidated," or "disputed" does not constitute an admission by the Debtors that such claim or amount is not "contingent," "unliquidated," or "disputed." The Debtors reserve all of their rights to dispute or to assert offsets or defenses to any claim reflected on their Schedules or Statements on any grounds, including, but not limited to, amount, liability, priority, status, or classification, or to otherwise subsequently designate any claim as "contingent," "unliquidated," or "disputed." Moreover, the Debtors reserve all of their rights to amend their Schedules and Statements as necessary and appropriate. Listing a claim does not constitute an admission of liability by the Debtors.

**25.** **Classifications.** Listing (a) a claim on Schedule D as "secured," (b) a claim on Schedule E/F as "priority," or (c) a claim on Schedule E/F as "unsecured," or (d) a contract or lease on Schedule G as "executory" or "unexpired," does not constitute an admission by the Debtors of the legal rights of the claimant or a waiver of the Debtors' rights to recharacterize or reclassify such Claims, contracts, or leases or to setoff such Claims.

**26.** **<u>Unknown and Undetermined Amounts</u>.** Some of the scheduled assets and liabilities may be unknown and unliquidated at this time. In such cases, the amounts may be listed as "unknown" or "Unliquidated." Accordingly, the Schedules and the Statements may not accurately reflect the aggregate amount of the Debtors' assets and liabilities. The description of an amount as "undetermined" or "unknown" is not intended to reflect upon the materiality of such amount.

**27.** **<u>Reservations and Limitations</u>.** While reasonable efforts have been made to prepare and file complete and accurate Schedules and Statements, inadvertent errors or omissions may exist, as noted above. The Debtors reserve all rights to amend and/or supplement the Schedules and Statements from time to time as is necessary or appropriate. Nothing contained in the Schedules and Statements constitutes a waiver of any of the Debtors' rights or an admission of any kind with respect to these Chapter 11 Cases, including, but not limited to, any rights or claims of the Debtors against any third party or issues involving substantive consolidation, equitable subordination, or defenses or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code or any other relevant applicable bankruptcy or non-bankruptcy laws to recover assets or avoid transfers. Any specific reservation of rights contained elsewhere in the Global Notes does not limit in any respect the general reservation of rights contained in this paragraph.

**28.** **<u>Recharacterization</u>.** The Debtors have made reasonable efforts to correctly characterize, classify, categorize, and designate the claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and Statements. However, the Debtors may have improperly characterized, classified, categorized, designated, or omitted certain items due to the complexity and size of the Debtors' business. Accordingly, the Debtors reserve all of their rights to recharacterize, reclassify, recategorize, or redesignate items reported in the Schedules and Statements at a later time as necessary or appropriate, including, without limitation, whether contracts or leases listed herein were deemed executory or unexpired as of the Petition Date and remain executory and unexpired postpetition.

**29.** **<u>No Admission</u>.** Nothing contained in the Schedules and Statements is intended as or should be construed as an admission or stipulation of the validity of any claim against the Debtors, any assertion made therein or herein, or a waiver of the Debtors' rights to dispute any claim or assert any cause of action or defense against any party.

**30.** **<u>Global Notes Control</u>.** In the event that the Schedules and Statements differ from these Global Notes, the Global Notes shall control.

## II.
## SPECIFIC DISCLOSURES WITH RESPECT TO THE DEBTORS' SCHEDULES

**A. Specific Notes Regarding Schedule A/B.**

1. **Schedule A/B, Question 21:** Assets listed in these portions of the Schedules are recorded for Debtor KO as of November 15, 2024, and as of November 22, 2024, for Debtor Stoli USA.

2. **Schedule A/B, Questions 3, 11, 25:** Assets listed in these portions of the Schedules are recorded as of the Petition Date.

3. **Schedule A/B, Parts 1, 2, 3, and 8:** Details with respect to the Debtors' Cash Management System and bank accounts are provided in the Cash Management Motion and any order of the Bankruptcy Court granting the Cash Management Motion [*See* Docket No. 42].

   The Debtors have disclosed the net book value with respect to accounts receivable listed on Schedule A/B11, which represents the amount of the accounts receivable netted by any "doubtful accounts."

   The Debtors are required to make deposits from time to time with various vendors, leaseholders, and service providers in the ordinary course of business. The Debtors have exercised reasonable efforts to report the current value of any deposits. The Debtors may have inadvertently omitted deposits and, conversely, may have reported deposits that are no longer outstanding. The Debtors reserve their rights, but are not required, to amend the Schedules and Statements if deposits are incorrectly identified.

4. **Schedule A/B, Part 4:** The Debtors do not have any ownership interests in other businesses. The Debtors make no representation as to the value of ownership interests not listed.

5. **Schedules A/B Part 7:** The value of certain assets may be included in a fixed asset group, or certain assets with a net book value of zero may not be set forth. Dollar amounts are presented net of accumulated depreciation and other adjustments.

6. **Schedule A/B, Part 10:** The Debtors review goodwill and other intangible assets having indefinite lives for impairment annually or when events or changes in circumstances indicate the carrying value of these assets might exceed their current fair values. Results from an impairment test given the Chapter 11 filing were unavailable at the time that the Statements and Schedules were prepared, and therefore, several of the Debtors' intangible asset values may be listed as undetermined or not at all.

7. **Schedule A/B, Part 11:** In the ordinary course of business, the Debtors may have accrued, or may subsequently accrue, certain rights to counter-claims, cross-claims, setoffs, refunds with their customers and suppliers, or potential warranty claims against their suppliers. Additionally, certain of the Debtors may be party to pending litigation in which the Debtors have asserted, or may assert, claims as a plaintiff or counter-claims and/or cross-claims as

a defendant. Because certain of these claims are unknown to the Debtors and not quantifiable as of the Petition Date, they may not be listed on Schedule A/B, Part 11.

**B. Specific Notes Regarding Schedule D.**

1. **Schedule D:** The Debtors made reasonable, good-faith efforts to include all liens on Schedule D but may have inadvertently omitted an existing lien because of, among other things, the possibility that a lien may have been imposed after Uniform Commercial Code searches were performed or a vendor may not have filed the requisite perfection documentation. Moreover, the Debtors have not listed in Schedule D parties that may believe their claims are secured through setoff rights or inchoate statutory lien rights.

2. **Schedule D:** The secured claim listed in each of the Debtors' Schedules in the aggregate total amount of $78,374,334.30 is comprised of (i) $41,033,893.58 owed under Debtor Stoli USA's revolving credit facility with Fifth Third Bank and (ii) $37,340,440.72 owed under Debtor KO's revolving credit facility with Fifth Third Bank.

**C. Specific Notes Regarding Schedule E/F.**

1. **Schedule E/F, Part 1:** The listing of any claim on Schedule E/F does not constitute an admission by the Debtors that such claim is entitled to priority treatment under section 507 of the Bankruptcy Code. The Debtors reserve all rights to dispute the amount and the priority status of any claim on any basis at any time. All claims listed on the Debtors' Schedule E/F are claims arising from tax obligations for which the Debtors may potentially be liable and which may be subject to ongoing audits or other proceedings.

2. **Schedule E/F, Part 2:** The Debtors have exercised commercially reasonable efforts to list all general unsecured claims against the Debtors on Schedule E/F based upon the Debtors' existing books and records. However, the reader should review Schedule E/F for each Debtor in these Chapter 11 Cases for a more complete understanding of the unsecured debts of the Debtors. The claims listed in Schedule E/F arose or were incurred on various dates. In certain instances, the date on which a claim arose is an open issue of fact. Determining the date upon which each claim in Schedule E/F was incurred or arose would be unduly burdensome and cost prohibitive, and, therefore, the Debtors do not list a date for each claim listed on Schedule E/F.

   Certain creditors listed on Schedule E/F may owe amounts to the Debtors, and, as such, the Debtors may have valid setoff and recoupment rights with respect to such amounts. The amounts listed on Schedule E/F may not reflect any such right of setoff or recoupment, and the Debtors reserve all rights to assert the same and to dispute and challenge any setoff and/or recoupment rights that may be asserted against the Debtors by a creditor.

   Schedule E/F may reflect the prepetition amounts owing to counterparties to executory contracts and unexpired leases. Such prepetition amounts, however, may be paid in connection with the assumption, or assumption and assignment, of an executory contract or unexpired lease. In addition, Schedule E/F does not include rejection damage claims of the counterparties to the executory contracts and unexpired leases that have been or may be rejected to the extent such damage claims exist.

The Claims of individual creditors for, among other things, goods, products, services, or taxes are listed as the amounts entered on the Debtors' books and records and may not reflect credits, allowances, or other adjustments due from such creditors to the Debtors. The Debtors reserves all of their rights with regard to such credits, allowances, and other adjustments, including the right to assert objections and/or setoffs with respect to Claims.

The Debtors may pay Claims listed on Schedule E/F during these Chapter 11 Cases pursuant to orders of the Bankruptcy Court and the Debtors reserve all of their rights to do so with Bankruptcy Court approval and authority. Additionally, Schedule E/F does not include potential rejection damage Claims, if any, of the counterparties to any executory contracts and unexpired leases that may be rejected. Executory Contracts and Unexpired Leases are listed on Schedule G.

**D. Specific Notes Regarding Schedule G.**

**1.** **Executory Contracts and Unexpired Leases.** While the Debtors' existing books, records, and financial systems have been relied upon to identify and schedule any executory contracts as to each of the Debtors, and although commercially reasonable efforts have been made to ensure the accuracy of Schedule G, inadvertent errors, omissions, or over inclusions may have occurred. The Debtors do not make and specifically disclaim any representation or warranty as to the completeness or accuracy of the information set forth on Schedule G.

**2.** The contracts, agreements, and leases listed on Schedule G may have expired or may have been modified, amended, or supplemented from time to time by various amendments, restatements, waivers, estoppel certificates, letters, memoranda, and other documents, instruments, and agreements that may not be listed therein despite the Debtors' use of reasonable efforts to identify such documents. Further, unless otherwise specified on Schedule G, each executory contract or unexpired lease listed thereon shall include all exhibits, schedules, riders, modifications, declarations, amendments, supplements, attachments, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease, without respect to whether such agreement, instrument or other document is listed thereon.

Any executory contracts and unexpired leases listed on Schedule G may contain certain renewal options, guarantees of payment, options to purchase, rights of first refusal, right to lease additional space, and other miscellaneous rights. Such rights, powers, duties, and obligations are not set forth separately on Schedule G. In addition, the Debtors may have entered into various other types of contracts or agreements, both written and oral, in the ordinary course of business regarding, among other things, the provision of certain services on a month-to-month basis. To the extent such contracts or agreements constitute executory contracts, these contracts and agreements are not listed individually on Schedule G. Further, Schedule G does not include rejection damage claims of the counterparties to the executory contracts and unexpired leases that have been or may be rejected to the extent such damage claims exist.

The Debtors hereby reserve all of their rights, claims, and causes of action with respect to any contracts and agreements listed on Schedule G, including the right to dispute or challenge the characterization or the structure of any transaction, document, or instrument related to a creditor's claim, to dispute the validity, status, or enforceability of any contract, agreement, or lease set forth in Schedule G, and to amend or supplement Schedule G as necessary. Inclusion of any agreement on Schedule G does not constitute an admission that such agreement is an executory contract or unexpired lease, and the Debtors reserve all rights in that regard, including, without limitation, that any agreement is not executory, has expired pursuant to its terms or was terminated prepetition. Conversely, the omission of a contract or agreement from Schedule G does not constitute an admission that such omitted contract or agreement is not an executory contract or unexpired lease. The Debtors' rights under the Bankruptcy Code with respect to any such omitted contracts or leases are not impaired by the omission.

## E. Specific Notes Regarding Schedule H.

1. **Schedule H.** The Debtors do not believe guarantees exist and, therefore, have not included guarantees in the Schedules. The Debtors reserve all rights to amend the Schedules to the extent guaranties are identified or such guaranties are discovered to have expired or be unenforceable. In addition, the Debtors reserve the right to amend the Schedules and Statements and to re-characterize or reclassify any such contract or Claim, whether by amending the Schedules and Statements or in another appropriate filing. Additionally, failure to list any guaranties in the Schedules and Statements, including in any future amendments to the Schedules and Statements, shall not affect the enforceability of any guaranties not listed.

## III.
## SPECIFIC DISCLOSURES WITH RESPECT TO THE DEBTORS' STATEMENTS

**1.** **Question 1:** The amounts listed in Statement 1 reflect each Debtor's gross revenue for the fiscal years 2022 and 2023 and the year-to-date portion of the fiscal year 2024 as estimated in the Debtor's books and records. For Debtor Stoli USA, gross revenue for the fiscal year 2024 is estimated through October 31, 2024, due to issues with the Debtors' accounting and financial systems stemming from the Cyber Attack described above.

**2.** **Questions 3, 4, and 30:** The Debtors have responded to Question 3 in detailed format by creditor. The response, however, does not include transfers to bankruptcy professionals (which transfers appear in response to Part 6, Question 11) or ordinary course compensation of individuals through salaries, wages, or related allowances.

The Debtors have responded to Questions 4 and 30 in detailed format by insider in the attachment for Question 4. To the extent (i) a person qualified as an "insider" in the year prior to the Petition Date but later resigned their insider status or (ii) did not begin the year as an insider but later became an insider, the Debtors have only listed in Question 4 those payments made while such person was defined as an insider.

**3.** **Question 11:** The response to Question 11 identifies the Debtor that made a payment in respect of professionals the Debtors have retained or will seek to retain under section 327 and section 363 of the Bankruptcy Code. Additional information regarding the Debtors' retention of professional service firms is more fully described in the individual retention applications, motions, and related orders. Although the Debtors have made reasonable efforts to distinguish between payments made for professional services related and unrelated to their restructuring efforts, some amounts listed in response to Question 11 may include payments for professional services unrelated to bankruptcy.

**4.** **Question 30:** The information reported on Question 30 is representative of the total payments made to insiders on behalf of Debtor entities during the one year prior to the Petition Date. For the avoidance of doubt, Question 30 may include payments to individuals who may have been insiders at the time they were employed by the Debtors, but are no longer employed by the Debtors.

**###END OF GLOBAL NOTES###**

**Fill in this information to identify the case:**

**Debtor name: Kentucky Owl, LLC**

**United States Bankruptcy Court for the: Northern District of Texas**

**Case number: 24-80147**

☐ **Check if this is an amended filing**

## Official Form 207

## Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

04/22

**The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).**

### Part 1: Income

**1. Gross revenue from business**

☐ None

| Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year | | | Sources of revenue (Check all that apply) | Gross revenue (before deductions and exclusions) |
|---|---|---|---|---|
| **From the beginning of the fiscal year to filing date:** | From 1/1/2024 | to Filing Date | ☑ Operating a business<br>☑ Other<br>Barrel Sales | $1,900,000.00 |
| **For prior year:** | From 1/1/2023 | to 12/31/2023 | ☑ Operating a business<br>☑ Other<br>Barrel Sales | $24,104,672.00 |
| **For the year before that:** | From 1/1/2022 | to 12/31/2022 | ☑ Operating a business<br>☑ Other<br>Barrel Sales | $25,880,675.00 |

**2. Non-business revenue**

Include revenue regardless of whether that revenue is taxable. Non-business income may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

☑ None

| | | | Description of sources of revenue | Gross revenue from each source (before deductions and exclusions) |
|---|---|---|---|---|
| **From the beginning of the fiscal year to filing date:** | From 11/24/2024 | to Filing Date | | N/A |
| **For prior year:** | From 1/1/2023 | to 12/31/2023 | | N/A |
| **For the year before that:** | From 1/1/2022 | to 12/31/2022 | | N/A |

**Part 2:** **List Certain Transfers Made Before Filing for Bankruptcy**

**3. Certain payments or transfers to creditors within 90 days before filing this case**

List payments or transfers - including expense reimbursements - to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than $7,575. (This amount may be adjusted on 4/01/25 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

☐ None

| | Creditor's name and address | Dates | Total amount or value | Reasons for payment or transfer<br>Check all that apply |
|---|---|---|---|---|
| 3.1 | Louisiana Spirits, LLC<br>20909 I-10 South Frontage Road<br>Lacassine, LA 70650 | 8/29/2024 | $70,000.00 | ☐ Secured debt<br>☐ Unsecured loan repayments<br>☐ Suppliers or vendors<br>☐ Services<br>☑ Other<br>Production |
| 3.2 | Louisiana Spirits, LLC<br>20909 I-10 South Frontage Road<br>Lacassine, LA 70650 | 9/27/2024 | $3,500.00 | ☐ Secured debt<br>☐ Unsecured loan repayments<br>☐ Suppliers or vendors<br>☐ Services<br>☑ Other<br>Production |
| 3.3 | Louisiana Spirits, LLC<br>20909 I-10 South Frontage Road<br>Lacassine, LA 70650 | 10/30/2024 | $55,000.00 | ☐ Secured debt<br>☐ Unsecured loan repayments<br>☑ Suppliers or vendors<br>☐ Services<br>☐ Other<br>Production |
| 3.4 | Louisiana Spirits, LLC<br>20909 I-10 South Frontage Road<br>Lacassine, LA 70650 | 10/30/2024 | $60,000.00 | ☐ Secured debt<br>☐ Unsecured loan repayments<br>☑ Suppliers or vendors<br>☐ Services<br>☐ Other<br>Production |

3.5

S.P.I. Spirits (Cyprus) Limited
196 Arch
Makariou III
Limassol 3030
Cyprus

11/27/2024 $35,000.00

- [ ] Secured debt
- [ ] Unsecured loan repayments
- [ ] Suppliers or vendors
- [ ] Services
- [x] Other

Production

3.6

Wells Fargo
PO Box 10306
Des Moines, IA 50306-0306

9/11/2024 $699.29

- [ ] Secured debt
- [ ] Unsecured loan repayments
- [x] Suppliers or vendors
- [ ] Services
- [ ] Other

Bank Fees

3.7

Wells Fargo
PO Box 10306
Des Moines, IA 50306-0306

10/11/2024 $537.78

- [ ] Secured debt
- [ ] Unsecured loan repayments
- [ ] Suppliers or vendors
- [ ] Services
- [x] Other

Bank Fees

3.8

Wells Fargo
PO Box 10306
Des Moines, IA 50306-0306

11/12/2024 $615.67

- [ ] Secured debt
- [ ] Unsecured loan repayments
- [ ] Suppliers or vendors
- [ ] Services
- [x] Other

Bank Fees

**4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider**

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than $7,575. (This amount may be adjusted on 4/01/25 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. Insiders include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

☐ None

| Insider's name and address | Dates | Total amount or value | Reasons for payment or transfer |
|---|---|---|---|
| 4.1<br>Relationship to debtor | | | ☐ Secured debt<br>☐ Unsecured loan repayments<br>☐ Suppliers or vendors<br>☐ Services<br>☐ Other |

**5. Repossessions, foreclosures, and returns**

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller.
Do not include property listed in line 6.

☑ None

| Creditor's name and address | Description of the property | Date | Value of property |
|---|---|---|---|
| 5.1 | | | |

**6. Setoffs**

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

☑ None

| Creditor's name and address | Description of the action creditor took | Date action was taken | Amount |
|---|---|---|---|
| 6.1 | Last 4 digits of account number | | |

## Part 3: Legal Actions or Assignments

**7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits**

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

☑ None

| Case title | Nature of case | Court or agency's name and address | Status of case |
|---|---|---|---|
| 7.1<br>**Name**<br>**Case number** | | Name<br>Street<br>City State Zip | ☐ Pending<br>☐ On appeal<br>☐ Concluded |

**8. Assignments and receivership**

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

☑ None

| Custodian's name and address | Description of the property | Value |
|---|---|---|
| 8.1 Custodian's name and address<br>Street<br>City State Zip | Case title<br>Case number<br>Date of order or assignment | Court name and address<br>Name<br>Street<br>City State Zip |

## Part 4: Certain Gifts and Charitable Contributions

**9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than $1,000**

☑ None

| Recipient's name and address | Description of the gifts or contributions | Dates given | Value |
|---|---|---|---|
| 9.1 Recipient's name<br>Street<br>City State Zip<br>**Recipient's relationship to debtor** | | | |

## Part 5: Losses

**10. All losses from fire, theft, or other casualty within 1 year before filing this case**

☑ None

| Description of the property lost and how the loss occurred | **Amount of payments received for the loss**<br>If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received.<br>List unpaid claims on Official Form 106A/B (Schedule A/B: Assets – Real and Personal Property). | Date of loss | Value of property lost |
|---|---|---|---|
| 10.1 | | | |

## Part 6: Certain Payments or Transfers

**11. Payments related to bankruptcy**

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

☐ None

| Who was paid or who received the transfer? | If not money, describe any property transferred | Dates | Total amount or value |
|---|---|---|---|
| 11.1 Foley & Lardner LLP<br>2021 McKinney Ave, Suite 1600, 1<br>Dallas, TX 75201<br>**Email or website address**<br>foley.com<br>**Who made the payment, if not debtor?** | | | $0.00 |
| 11.2 Riveron Management Services LLC<br>2515 McKinney<br>Dallas, TX 75201<br>**Email or website address**<br>riveron.com<br>**Who made the payment, if not debtor?** | | | $0.00 |
| 11.3 Stretto<br>410 Exchange, Ste. 100<br>Irvine, CA 92602<br>**Email or website address**<br>stretto.com<br>**Who made the payment, if not debtor?** | | | $0.00 |

**12. Self-settled trusts of which the debtor is a beneficiary**

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device.

Do not include transfers already listed on this statement.

☑ None

| Name of trust or device | Describe any property transferred | Dates transfers were made | Total amount or value |
|---|---|---|---|
| 12.1<br>**Trustee** | | | |

**13. Transfers not already listed on this statement**

List any transfers of money or other property by sale, trade, or any other means made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

☑ None

| Who received transfer? | Description of property transferred or payments received or debts paid in exchange | Date transfer was made | Total amount or value |
|---|---|---|---|
| 13.1 | | | |
| Relationship to debtor | | | |

## Part 7: Previous Locations

**14. Previous addresses**

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

☑ Does not apply

| Address | Dates of occupancy |
|---|---|
| 14.1 Street | From to |
| City State Zip | |

## Part 8: Health Care Bankruptcies

**15. Health Care bankruptcies**

Is the debtor primarily engaged in offering services and facilities for:

☐ diagnosing or treating injury, deformity, or disease, or

☐ providing any surgical, psychiatric, drug treatment, or obstetric care?

☑ No. Go to part 9.

☐ Yes. Fill in the information below.

| Facility name and address | Nature of the business operation, including type of services the debtor provides | If debtor provides meals and housing, number of patients in debtor's care |
|---|---|---|
| 15.1 Street | | |
| City State Zip | **Location where patient records are maintained** (if different from facility address). If electronic, identify any service provider | **How are records kept?** Check all that apply: ☐ Electronically ☐ Paper |

## Part 9: Personally Identifiable Information

**16. Does the debtor collect and retain personally identifiable information of customers?**

☐ No.

☑ Yes. State the nature of the information collected and retained. Website visit details, traffic data, location data, web logs, communication data, IP address, operating system and browser type, users' browsing actions, general internet usage

Does the debtor have a privacy policy about that information?

☐ No

☑ Yes

**17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b), or other pension or profit-sharing plan made available by the debtor as an employee benefit?**

☑ No. Go to Part 10.

☐ Yes. Does the debtor serve as plan administrator?

☐ No. Go to Part 10.

☐ Yes. Fill in below:

**Name of plan** **Employer identification number of the plan**

Has the plan been terminated?

☐ No

☐ Yes

## Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units

**18. Closed financial accounts**

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

☑ None

| Financial institution name and address | Last 4 digits of account number | Type of account | Date account was closed, sold, moved, or transferred | Last balance before closing or transfer |
|---|---|---|---|---|
| 18.1 Name<br>Street<br>City State Zip | | ☐ Checking<br>☐ Savings<br>☐ Money market<br>☐ Brokerage<br>☐ Other | | |

**19. Safe deposit boxes**

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

☑ None

| Depository institution name and address | Names of anyone with access to it | Description of the contents | Does debtor still have it? |
|---|---|---|---|
| 19.1 Name: <br> Street: <br> City: State: Zip: | Address: | | ☐ No <br> ☐ Yes |

**20. Off-premises storage**

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

☐ None

| Facility name and address | Names of anyone with access to it | Description of the contents | Does debtor still have it? |
|---|---|---|---|
| 20.1 Name: Bardstown Bourbon Company <br> Street: PO Box 896756 <br> City: Charlotte State: NC Zip: 28289-6756 | Davide Morando <br> Address: 135 E. 57th Street, 9th Floor, New York, NY 10022 | Bourbon Barrel Inventory | ☐ No <br> ☑ Yes |
| 20.2 Name: Brindiamo Group LLC <br> Street: 4707 Nebraska Avenue <br> City: Nashville State: TN Zip: 37209 | Davide Morando <br> Address: 135 E. 57th Street, 9th Floor, New York, NY 10022 | Bourbon Barrel Inventory | ☐ No <br> ☑ Yes |
| 20.3 Name: Green River Distilling Co. <br> Street: 10 Distillery Rd <br> City: Owensboro State: KY Zip: 42301 | Davide Morando <br> Address: 135 E. 57th Street, 9th Floor, New York, NY 10022 | Bourbon Barrel Inventory | ☐ No <br> ☑ Yes |
| 20.4 Name: James B. Beam Distilling Co. <br> Street: 568 Happy Hollow Rd. <br> City: Clermont State: KY Zip: 40110 | Davide Morando <br> Address: 135 E. 57th Street, 9th Floor, New York, NY 10022 | Bourbon Barrel Inventory | ☐ No <br> ☑ Yes |

20.5

| Name | | | | | |
|---|---|---|---|---|---|
| Log Still Distillery | | | Davide Morando | Bourbon Barrel Inventory | ☐ No |
| Street | | | Address | | ☑ Yes |
| 225 Dee Head Rd | | | 135 E. 57th Street, 9th Floor, New York, NY 10022 | | |
| City | State | Zip | | | |
| New Haven | KY | 40051 | | | |

20.6

| Name | | | | | |
|---|---|---|---|---|---|
| Preservation Distillery | | | Davide Morando | Bourbon Barrel Inventory | ☐ No |
| Street | | | Address | | ☑ Yes |
| 426 Sutherland Rd | | | 135 E. 57th Street, 9th Floor, New York, NY 10022 | | |
| City | State | Zip | | | |
| Bardstown | KY | 40004 | | | |

20.7

| Name | | | | | |
|---|---|---|---|---|---|
| White Dog Distillery | | | Davide Morando | Bourbon Barrel Inventory | ☐ No |
| Street | | | Address | | ☑ Yes |
| 114 North 5th Street | | | 135 E. 57th Street, 9th Floor, New York, NY 10022 | | |
| City | State | Zip | | | |
| Bardstown | KY | 40004 | | | |

## Part 11: Property the Debtor Holds or Controls that the Debtor Does Not Own

**21. Property held for another**

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property

☑ None

| Owner's name and address | Location of the property | Description of the property | Value |
|---|---|---|---|
| 21.1 | | | |

## Part 12: Details About Environmental Information

**For the purpose of Part 12, the following definitions apply:**

- *Environmental law* means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).
- *Site* means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.
- *Hazardous material* means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.

**Report all notices, releases, and proceedings known, regardless of when they occurred.**

**22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law?** Include settlements and orders

☑ No.

☐ Yes. Provide details below.

| Case title | Court or agency name and address | Nature of the case | Status of case |
|---|---|---|---|
| 22.1<br>Case Number | Name<br>Street<br>City State Zip | | ☐ Pending<br>☐ On appeal<br>☐ Concluded |

**23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?**

☑ No

☐ Yes. Provide details below.

| Site name and address | Governmental unit name and address | Environmental law, if known | Date of notice |
|---|---|---|---|
| 23.1<br>Name<br>Street<br>City State Zip | Name<br>Street<br>City State Zip | | |

**24. Has the debtor notified any governmental unit of any release of hazardous material?**

☑ No

☐ Yes. Provide details below.

| Site name and address | Governmental unit name and address | Environmental law, if known | Date of notice |
|---|---|---|---|
| 24.1<br>Name<br>Street<br>City State Zip | Name<br>Street<br>City State Zip | | |

## Part 13: Details About the Debtor's Business or Connections to Any Business

**25. Other businesses in which the debtor has or has had an interest**

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

☑ None

| Business name and address | Describe the nature of the business | Employer Identification number<br>Do not include Social Security number or ITIN. |
|---|---|---|
| 25.1 | | EIN<br>**Dates business existed**<br>From to |

**26. Books, records, and financial statements**

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

☐ None

| Name and address | Dates of service |
|---|---|
| 26a.1 Chris Caldwell<br>135 E. 57th Street<br>New York, NY 10022 | From 7/1/2020 to 6/30/2023 |
| 26a.2 Artem Pozdnyakov<br>Valley Park F, 44 Rue de la Vallee<br>Luxembourg L-2661<br>Luxembourg | From 7/1/2023 to 5/31/2024 |
| 26a.3 Maria Johnson<br>Valley Park F, 44 Rue de la Vallee<br>Luxembourg L-2661<br>Luxembourg | From 8/1/2024 to 11/7/2024 |

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

☐ None

| Name and address | Dates of service |
|---|---|
| 26b.1 BDO USA, LLP<br>200 Park Ave 38th Floor<br>New York, NY 10166 | From 1/1/2020 to Present |
| 26b.2 Ernst & Young<br>1540 Broadway, 25th floor.<br>New York, NY 10036 | From 1/1/2022 to 12/31/2022 |

26b.3

Shapiro Goldstein, Moses, & Artuso
7600 Jericho Turnpike #200
Woodbury, NY 11797

From 1/1/2023 to Present

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

☐ None

| Name and address | If any books of account and records are unavailable, explain why |
|---|---|
| 26c.1 BDO USA, LLP<br>200 Park Ave 38th Floor<br>New York, NY 10166 | From January 2020 to Present, Cyber Attack |
| 26c.2 Chris Caldwell<br>135 E. 57th Street<br>New York, NY 10022 | From August 2024 to Present, Cyber Attack |
| 26c.3 Ernst & Young<br>1540 Broadway, 25th floor.<br>New York, NY 10036 | From August 2024 to Present, Cyber Attack |
| 26c.4 Riveron Management Services LLC<br>2515 McKinney<br>Dallas, TX 75201 | From August 2024 to Present, Cyber Attack |
| 26c.5 Shapiro Goldstein, Moses, & Artuso<br>7600 Jericho Turnpike #200<br>Woodbury, NY 11797 | From August 2024 to Present, Cyber Attack |

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

☐ None

**Name and address**

26d.1

Fifth Third Bank
401 South 4th St
Louisville, KY 40202

**27. Inventories**

Have any inventories of the debtor's property been taken within 2 years before filing this case?

☐ No

☑ Yes. Give the details about the two most recent inventories.

| Name of the person who supervised the taking of the inventory | Date of inventory | The dollar amount and basis (cost, market, or other basis) of each inventory |
|---|---|---|
| Matthew Spooner | 12/31/2023 | $38,224,389.00 |

**Name and address of the person who has possession of inventory records**

27.1

Matthew Spooner
135 E. 57th Street
New York, NY 10022

| Name of the person who supervised the taking of the inventory | Date of inventory | The dollar amount and basis (cost, market, or other basis) of each inventory |
|---|---|---|
| Matthew Spooner | 12/31/2022 | $31,519,976.00 |

**Name and address of the person who has possession of inventory records**

27.2

Matthew Spooner
135 E. 57th Street
New York, NY 10022

**28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.**

| Name and Address | Position and nature of any interest | % of interest, if any |
|---|---|---|
| 28.1 Chris Caldwell<br>135 E. 57th Street<br>New York, NY 10022 | Global Chief Executive Officer | 0.0% |
| 28.2 Steven Wybo<br>401 S Old Woodward Ave<br>Suite 340<br>Birmingham, MI 48009 | Chief Restructuring Officer | 0.0% |

**29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?**

☑ No

☐ Yes. Identify below.

| Name and Address | Position and nature of any interest | Period during which position or interest was held |
|---|---|---|
| 29.1 | | From to |

**30. Payments, distributions, or withdrawals credited or given to insiders**

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

☑ No

☐ Yes. Identify below.

| Name and address of recipient | Amount of money or description and value of property | Dates | Reason for providing the value |
|---|---|---|---|
| 30.1 | | | |

| Relationship To Debtor |
|---|
| |

**31.Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?**

☐ No

☑ Yes. Identify below.

| Name of the parent corporation | Employer Identification number of the parent corporation |
|---|---|
| 31.1 S.P.I. Worldwide Trade Limited (Cyprus) | EIN 12121993L |

**32.Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?**

☑ No

☐ Yes. Identify below.

| Name of the pension fund | Employer Identification number of the pension fund |
|---|---|
| 32.1 | EIN |

| Fill in this information to identify the case: |
|---|
| **Debtor name: Kentucky Owl, LLC** |
| **United States Bankruptcy Court for the: Northern District of Texas** |
| **Case number: 24-80147** |

☐ **Check if this is an amended filing**

**WARNING** - Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to $500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this Statement of Financial Affairs and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on
12/30/2024

/s/ Chris Caldwell
Signature of individual signing on behalf of debtor

Chris Caldwell
Printed name

President and Global Chief Executive Officer
Position or relationship to debtor

**Are additional pages to Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy (Official Form 207) attached?**

☐ No

☐ Yes