

1 IN THE UNITED STATES DISTRICT COURT  
2 FOR THE NORTHERN DISTRICT OF TEXAS  
3 DALLAS DIVISION

4 MAIDEN BIOSCIENCES, INC., §  
5 §  
6 Plaintiff, §  
7 §  
8 VS. § Civil Action No. 3:21-CV-0327-D  
9 §  
10 DOCUMENT SECURITY SYSTEMS, §  
11 INC., et al., §  
12 §  
13 Defendants. §

14 COURT'S CHARGE TO THE JURY

15 MEMBERS OF THE JURY:

16 Now that you have heard all of the evidence and the argument of counsel, it becomes my  
17 duty to give you the instructions of the court concerning the law applicable to this case.

18 It is your duty as jurors to follow the law as I shall state it to you and to apply that law to the  
19 facts as you find them from the evidence in the case. You are not to single out one instruction as  
20 stating the law, but must consider the instructions as a whole. Neither are you to be concerned with  
21 the wisdom of any rule of law stated by me.

22 Regardless of any opinion you may have as to what the law is or ought to be, it would be a  
23 violation of your sworn duty to base a verdict upon any view of the law other than that given in these  
24 instructions, just as it would also be a violation of your sworn duty, as judges of the facts, to base  
25 a verdict upon anything other than the evidence in the case.

26 In deciding the facts of this case, you must not be swayed by bias or prejudice or favor as  
27 to any party. Our system of law does not permit jurors to be governed by prejudice or sympathy or  
28 public opinion. The parties and the public expect that you will carefully and impartially consider

29 all of the evidence in the case, follow the law as stated in these instructions, and reach a just verdict  
30 regardless of the consequences.

31 This case should be considered and decided by you as an action between persons of equal  
32 standing in the community and holding the same or similar stations in life. The law is no respecter  
33 of persons, and all persons, including corporations, stand equal before the law and are to be dealt  
34 with as equals in a court of justice.

35 As stated earlier, it is your duty to determine the facts, and in so doing you must consider  
36 only the evidence I have admitted in the case. The term “evidence” includes the sworn testimony  
37 of the witnesses, including deposition witnesses, the exhibits admitted in the record, and the  
38 stipulated facts.

39 A “stipulation” is an agreement. When there is no dispute about certain facts, the attorneys  
40 may agree or “stipulate” to those facts. You must accept a stipulated fact as evidence and treat that  
41 fact as having been proved here in court.

42 The term “evidence” does not include anything that I have instructed you to disregard.

43 Evidence admitted before you for a limited purpose may not be considered for any purpose  
44 other than the limited purpose for which it was admitted.

45 Remember that any statements, objections, or arguments made by the lawyers are not  
46 evidence in the case. The function of the lawyers is to point out those things that are most  
47 significant or most helpful to their side of the case and, in so doing, to call your attention to certain  
48 facts or inferences that might otherwise escape your notice. In the final analysis, however, it is your  
49 own recollection and interpretation of the evidence that controls in the case. What the lawyers say

50 is not binding upon you. If an attorney's question contained an assertion of fact that the witness did  
51 not adopt, the assertion is not evidence of that fact.

52 You are not bound by any opinion that you might think I have concerning the facts of this  
53 case, and if I have in any way said or done anything that leads you to believe that I have any opinion  
54 about the facts in this case, you are instructed to disregard it. Further, nothing in these instructions  
55 to you is made for the purpose of suggesting or conveying to you an intimation as to what verdict  
56 I think you should find.

57 Although you should consider only the evidence in the case, you are permitted to draw such  
58 reasonable inferences from the testimony and exhibits as you feel are justified in the light of  
59 common experience. In other words, you may make deductions and reach conclusions that reason  
60 and common sense lead you to draw from the facts established by the evidence in the case.

61 You should not be concerned about whether the evidence is direct or circumstantial. "Direct  
62 evidence" exists when the evidence directly establishes the facts that a party asserts to be true, such  
63 as by an eyewitness or in a document. "Circumstantial evidence" is proof of a chain of facts and  
64 circumstances that, without going directly to prove the existence of an essential fact, gives rise to  
65 a logical inference that such fact does actually exist. The law makes no distinction between the  
66 weight you may give to either direct or circumstantial evidence.

67 Now, I have said that you must consider all of the evidence. This does not mean, however,  
68 that you must accept all of the evidence as true or accurate.

69 You are the sole judges of the "credibility" or believability of each witness and the weight  
70 to be given to the witness' testimony. In weighing the testimony of a witness, you should consider  
71 the witness' relationship to a particular party; the witness' interest, if any, in the outcome of the

72 case; the witness' manner of testifying; the witness' opportunity to observe or acquire knowledge  
73 concerning the facts about which the witness testified; the witness' candor, fairness, and  
74 intelligence; and the extent to which the witness' testimony has been supported or contradicted by  
75 other credible evidence. You may, in short, accept or reject the testimony of any witness, in whole  
76 or in part.

77 Also, the weight of the evidence is not necessarily determined by the number of witnesses  
78 testifying as to the existence or nonexistence of any fact. You may find that the testimony of a  
79 smaller number of witnesses as to any fact is more credible than the testimony of a larger number  
80 of witnesses to the contrary.

81 A witness may be "impeached" or discredited by contradictory evidence, by a showing that  
82 the witness testified falsely concerning a material matter, or by evidence that at some other time the  
83 witness said or did something, or failed to say or do something, that is inconsistent with the witness'  
84 present testimony. If you believe that any witness has been so impeached, it is your exclusive  
85 province to give the testimony of that witness such credibility or weight, if any, as you think it  
86 deserves.

87 You should keep in mind, of course, that a simple mistake by a witness does not necessarily  
88 mean that the witness was not telling the truth as the witness remembers it, because people naturally  
89 tend to forget some things or remember other things inaccurately. So, if a witness has made a  
90 misstatement, you need to consider whether that misstatement was simply an innocent lapse of  
91 memory or an intentional falsehood, and that may depend on whether it has to do with an important  
92 fact or with only an unimportant detail.

93 Certain testimony has been presented to you through a deposition. A deposition is the sworn,  
94 recorded answers to questions asked a witness in advance of the trial. Before this trial, attorneys  
95 representing the parties in this case questioned the witness under oath. A court reporter was present  
96 and recorded the testimony. This deposition testimony is entitled to the same consideration and is  
97 to be judged by you as to credibility, and weighed and otherwise considered by you insofar as  
98 possible, in the same way as if the witness had been present and had testified from the witness stand  
99 in court.

100 Deposition testimony can be introduced for the purpose of impeaching or discrediting a  
101 witness. If, in the deposition, the witness made any statements in conflict with testimony the witness  
102 gave in court, you may consider such conflicts and any explanation therefor in determining the  
103 witness' credibility.

104 Certain exhibits were used during trial for demonstrative purposes, which means they were  
105 not admitted in evidence and will not be provided to you during your deliberations. You may  
106 consider demonstrative exhibits to the extent they help you understand the evidence admitted during  
107 the trial, but you are entitled to disregard them entirely if you find that they do not accurately reflect  
108 the evidence that they purport to demonstrate.

109 The rules of evidence provide that if scientific, technical, or other specialized knowledge will  
110 assist the jury to understand the evidence or to determine a fact in issue, a witness qualified by  
111 knowledge, skill, experience, training, or education may testify and state an opinion concerning such  
112 matters if the testimony is based upon sufficient facts or data, the testimony is the product of reliable  
113 principles and methods, and the witness has applied the principles and methods reliably to the facts  
114 in the case.

115           You should consider each opinion received in evidence in this case and give it such weight  
116 as you may think it deserves. If you should decide that the opinion is not based upon sufficient  
117 knowledge, skill, experience, training, or education, or if you should conclude that the reasons given  
118 in support of the opinion are not sound, or that the opinion is not based upon sufficient facts or data,  
119 or that the opinion is outweighed by other evidence, or that the opinion is not the product of reliable  
120 principles and methods, or that the witness has not applied the principles and methods reliably to  
121 the facts in the case, then you may disregard the opinion entirely.

122           There are two burdens—or standards—of proof that apply in this case. The applicable  
123 burden of proof is mentioned at various places in this charge and is identified in the instruction that  
124 precedes each question that you are asked to answer.

125           The first burden is called proof by a “preponderance of the evidence.” A preponderance of  
126 the evidence means such evidence as, when considered and compared with that opposed to it, has  
127 more convincing force and produces in your minds a belief that what is sought to be proved is more  
128 likely true than not true. To prove a claim or defense by a “preponderance of the evidence” merely  
129 means to prove that the claim or defense is more likely so than not so.

130           The second burden is called proof by “clear and convincing evidence.” “Clear and  
131 convincing evidence” means the measure or degree of proof that produces a firm belief or conviction  
132 of the truth of the allegations sought to be established. The clear and convincing evidence standard  
133 is a heavier burden than the preponderance of the evidence standard.

134           In determining whether any fact in issue has been proved by the applicable burden of proof,  
135 the jury may consider the testimony of all the witnesses, including deposition witnesses, regardless

136 of who may have called them, and all the exhibits received in evidence, regardless of who may have  
137 produced them.

138 In this case more than one claim and defense is involved. Therefore, you must consider each  
139 claim and defense, and the evidence pertaining to it, separately, as you would had each claim and  
140 defense been tried before you separately.

141 If the proof fails to establish any essential element of a claim or defense by the applicable  
142 burden of proof, the jury must find against the party with the burden of proof on that claim or  
143 defense.

144 As used in this charge, the following terms have these meanings:

145 The term “Maiden” means plaintiff Maiden Biosciences, Inc.

146 The term “DSS” means defendant DSS, Inc.

147 The term “Decentralized” means defendant Decentralized Sharing Systems, Inc.

148 The term “HWH” means defendant HWH World, Inc., formerly known as Bliss  
149 International, Inc.

150 The term “RBC Sciences” means defendant RBC Life Sciences, Inc.

151 The term “RBC International” means defendant RBC Life International, Inc.

152 The term “RBC USA” means defendant RBC Life Sciences USA, Inc.

153 The term “DSS Defendants” means, collectively, defendants DSS, Decentralized, HWH, and  
154 RBC International.

155 A “claim” means a right to payment or property, whether or not the right is reduced to  
156 judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed,  
157 legal, equitable, secured, or unsecured.

158 A “creditor” means a person who has a claim.

159 A “debt” means a liability on a claim.

160 A “debtor” means a person who is liable on a claim.

161 A debtor is insolvent if the sum of the debtor’s debts is greater than all of the debtor’s assets  
162 at a fair valuation. A debtor who is generally not paying the debtor’s debts as they become due is  
163 presumed to be insolvent.

164 Assets under this instruction do not include property that has been transferred, concealed,  
165 or removed with intent to hinder, delay, or defraud creditors or that has been transferred in a manner  
166 making the transfer voidable under these instructions.

167 A “person” can be an individual, corporation, organization, or any other legal or commercial  
168 entity.

169 “Transfer” means every mode, direct or indirect, absolute or conditional, voluntary or  
170 involuntary, of disposing of or parting with an asset or an interest in an asset, and includes payment  
171 of money, release, lease, and creation of a lien or other encumbrance.

172 An “insider” includes a director or officer of a debtor, person in control of the debtor, and  
173 affiliate of the debtor.

174 An “affiliate” includes a person or any other legal entity whose business is operated by the  
175 debtor under a lease or other agreement, or a person substantially all of whose assets are controlled  
176 by the debtor.



177 MAIDEN'S FRAUDULENT TRANSFER CLAIMS

178 Maiden brings actual and constructive fraudulent transfer claims against the defendants. The  
179 defendants deny that Maiden is entitled to recover on these claims.

180 QUESTION NO. 1:

181 Did RBC Sciences or RBC USA transfer any of the assets or incur any of the obligations  
182 listed below with actual intent to hinder, delay, or defraud any creditor?

183 In determining actual intent, you may consider, among other factors, whether—

- 184 1. The transfer or obligation was to an insider.
- 185 2. RBC Sciences or RBC USA retained possession or control of the property transferred  
186 after the transfer.
- 187 3. The transfer or obligation was concealed.
- 188 4. Before the transfer was made or the obligation was incurred, RBC Sciences or RBC  
189 USA had been sued or threatened with suit.
- 190 5. The transfer was of substantially all of RBC Sciences' or RBC USA's assets.
- 191 6. RBC Sciences or RBC USA absconded.
- 192 7. RBC Sciences or RBC USA removed or concealed assets.
- 193 8. The value of the consideration received by RBC Sciences or RBC USA was  
194 reasonably equivalent to the value of the asset transferred or the amount of the obligation incurred.
- 195 9. RBC Sciences or RBC USA was insolvent or became insolvent shortly after the  
196 transfer was made or the obligation was incurred.
- 197 10. The transfer occurred shortly before or shortly after a substantial debt was incurred.

198 11. RBC Sciences or RBC USA transferred the essential assets of the business to a lienor  
199 who transferred the assets to an insider of RBC Sciences or RBC USA.

200 “Reasonably equivalent value” includes, without limitation, a transfer or obligation that is  
201 within the range of values for which the transferor would have sold the assets in an arm’s length  
202 transaction.

203 Instruction: Maiden has the burden of proof by a preponderance of  
204 the evidence. If Maiden has met its burden of proof, answer “Yes”;  
205 otherwise, answer “No.” Answer “Yes” or “No” for each asset or  
206 obligation listed below.

207 1. All or substantially all assets of RBC Sciences.

208 ANSWER: yes

209 2. All or substantially all assets of RBC USA.

210 ANSWER: yes

211

212 QUESTION NO. 2:

213 Did RBC Sciences or RBC USA transfer any of the assets or incur any of the obligations  
214 listed below without receiving reasonably equivalent value?

215 Value is given for a transfer or an obligation if, in exchange for the transfer or obligation,  
216 property is transferred or an antecedent debt is secured or satisfied, but value does not include an  
217 unperformed promise made otherwise than in the ordinary course of the promisor’s business to  
218 furnish support to the debtor or another person.

219 “Reasonably equivalent value” includes, without limitation, a transfer or obligation that is  
220 within the range of values for which the transferor would have sold the assets in an arm’s length  
221 transaction.

222 For this question only, a person gives a reasonably equivalent value if the person acquires  
223 an interest of the debtor in an asset pursuant to a regularly conducted, noncollusive foreclosure sale  
224 or execution of a power of sale for the acquisition or disposition of the interest of the debtor upon  
225 default under a mortgage, deed of trust, or security agreement.

226 Instruction: Maiden has the burden of proof by a preponderance of  
227 the evidence. If Maiden has met its burden of proof, answer “Yes”;  
228 otherwise, answer “No.” Answer “Yes” or “No” for each asset or  
229 obligation listed below.

230 1. All or substantially all assets of RBC Sciences.

231 ANSWER: Yes

232 2. All or substantially all assets of RBC USA.

233 ANSWER: Yes

234

235 If you answered “Yes” as to an asset or obligation in Question No. 2, answer Question No.  
236 3 as to the asset or obligation. Otherwise, do not answer Question No. 3.

237 QUESTION NO. 3:

238 At the time the asset was transferred or the obligation was incurred—

239 1. Was RBC Sciences or RBC USA engaged in or about to engage in a business or a  
240 transaction for which its remaining assets were unreasonably small in relation to the business or  
241 transaction; or

242 2. Did RBC Sciences or RBC USA intend to incur or believe that it would incur, or should  
243 it reasonably have believed that it would incur, debts beyond its ability to pay as they became due;  
244 or

245 3. Was RBC Sciences or RBC USA insolvent or did it become insolvent as a result of the  
246 transfer or obligation?

247 Instruction: Maiden has the burden of proof by a preponderance of  
248 the evidence. If Maiden has met its burden of proof, answer "Yes";  
249 otherwise, answer "No." Answer "Yes" or "No" for each asset or  
250 obligation listed below for which you answered "Yes" in response to  
251 Question No. 2.

252 1. All or substantially all assets of RBC Sciences.

253 ANSWER: yes

254 2. All or substantially all assets of RBC USA.

255 ANSWER: yes

256 QUESTION NO. 4 is intentionally omitted.

257

258 If you answered "Yes" to an asset or obligation in Question No. 1 or 3, answer Question No.

259 5. Otherwise, do not answer Question No. 5.

260 QUESTION NO. 5:

261 Is RBC USA responsible for the conduct of RBC Sciences?

262 Instruction: Maiden has the burden of proof by a preponderance of  
263 the evidence. If Maiden has met its burden of proof, answer "Yes";  
264 otherwise, answer "No."

265 ANSWER: yes

266 RBC USA is “responsible” for the conduct of RBC Sciences if RBC USA was organized and  
267 operated as a mere tool or business conduit of RBC Sciences; there was such unity between RBC  
268 USA and RBC Sciences that the separateness of RBC USA had ceased; and holding only RBC  
269 Sciences responsible would result in injustice.

270 In deciding whether there was such unity between RBC USA and RBC Sciences that the  
271 separateness of RBC USA had ceased, you are to consider the total dealings of RBC USA and RBC  
272 Sciences, including—

- 273 1. the degree to which RBC USA’s property had been kept separate from that of RBC  
274 Sciences;
- 275 2. the amount of financial interest, ownership, and control RBC Sciences maintained over  
276 RBC USA; and
- 277 3. whether RBC USA had been used for personal purposes of RBC Sciences.

278 If you answered “Yes” to an asset or obligation in Question No. 1 or 3, answer Question No.  
279 6. Otherwise, do not answer Question No. 6.

280 QUESTION NO. 6:

281 What is the amount necessary to satisfy Maiden’s claim?

282 Instruction: Maiden has the burden of proof by a preponderance of  
283 the evidence. Answer in dollars and cents, if any.

284 ANSWER: \$4,244,659.50  
+ court interest

285 If you answered "Yes" to an asset or obligation in Question No. 1 or 3, answer Question No.  
286 7. Otherwise, do not answer Question No. 7.

287 QUESTION NO. 7:

288 What was the value of the assets transferred at the time of the transfer?

289 You should subtract the value of a debt secured by a "valid lien" from the value of the assets.

290 A "valid lien" means a lien that is perfected by filing an appropriate financing statement. However,  
291 a lien is not a "valid lien" if it is fraudulently created or is part of a larger fraudulent scheme.

292 Instruction: Maiden has the burden of proof by a preponderance of  
293 the evidence. Answer in dollars and cents, if any.

294 ANSWER: \$5,000,000

295 If you answered "Yes" to an asset or obligation in Question No. 1 or 3, answer Question No.  
296 8. Otherwise, do not answer Question No. 8.

297 QUESTION NO. 8:

298 Instruction: Maiden has the burden of proof by a preponderance of  
299 the evidence. If Maiden has met its burden of proof, answer "Yes";  
300 otherwise, answer "No."

301 Were these parties transferees of RBC Sciences' assets?

302 1. DSS ANSWER: no

303 2. Decentralized ANSWER: no

304 3. HWH ANSWER: yes

305 4. RBC International ANSWER: no

306 Were these parties transferees of RBC USA's assets?

307 5. DSS ANSWER: no

308 6. Decentralized ANSWER: yes

309 7. HWH ANSWER: no

310 8. RBC International ANSWER: no

311 Were these parties persons for whose benefit a transfer was made?

312 9. DSS ANSWER: yes

313 10. Decentralized ANSWER: yes

314 11. HWH ANSWER: yes

315 12. RBC International ANSWER: no

316 Answer Question No. 9 only if you answered Question No. 1 "Yes" in at least one space or  
317 answered Question No. 8 "Yes" as to at least one defendant.

318 QUESTION NO. 9:

319 Do you find by clear and convincing evidence that the harm to Maiden resulted from malice  
320 or fraud of the defendant in question?

321 "Clear and convincing evidence" means the measure or degree of proof that produces a firm  
322 belief or conviction of the truth of the allegations sought to be established.

323 "Malice" means a specific intent by the defendant in question to cause substantial injury or  
324 harm to Maiden.

325 "Fraud" means any fraud found by you as to the defendant in question when answering  
326 Question No. 1.

327 Instruction: Maiden has the burden of proof by clear and convincing  
328 evidence. If Maiden has met its burden of proof, answer "Yes";  
329 otherwise, answer "No." Answer only as to a defendant as to whom  
330 you answered "Yes" in response to Question No. 1 or No. 8.

331	1. DSS	ANSWER: <u>Yes</u>
332	2. Decentralized	ANSWER: <u>Yes</u>
333	3. HWH	ANSWER: <u>Yes</u>
334	4. RBC International	ANSWER: <u>no</u>
335	5. RBC Sciences	ANSWER: <u>Yes</u>
336	6. RBC USA	ANSWER: <u>Yes</u>

337 Answer Question No. 10 only if you answered Question No. 9 "Yes" as to at least one  
338 defendant. Otherwise, do not answer Question No. 10.

339 QUESTION NO. 10:

340 What sum of money, if any, if paid now in cash, should be assessed against a defendant listed  
341 below and awarded to Maiden as exemplary damages, if any, for the conduct found in response to  
342 Question No. 9?

343 "Exemplary damages" means an amount that you may in your discretion award as a penalty  
344 or by way of punishment.



345 Factors to consider in awarding exemplary damages, if any, are—

- 346 1. The nature of the wrong.
- 347 2. The character of the conduct involved.
- 348 3. The degree of culpability of the defendant in question.
- 349 4. The situation and sensibilities of the parties concerned.
- 350 5. The extent to which such conduct offends a public sense of justice and  
351 propriety.
- 352 6. The net worth of the defendant in question.

353 Instruction: Maiden has the burden of proof by a preponderance of  
354 the evidence. Answer in dollars and cents, if any. Answer only as to  
355 a defendant as to whom you answered “Yes” in response to Question  
356 No. 9.

- 357 1. DSS ANSWER: \$5,000,000
- 358 2. Decentralized ANSWER: \$2,500,000
- 359 3. HWH ANSWER: \$2,500,000
- 360 4. RBC International ANSWER: \$0
- 361 5. RBC Sciences ANSWER: \$0
- 362 6. RBC USA ANSWER: \$0

363

DEFENDANTS' DEFENSES

364

365

366

Defendants deny that Maiden can meet its burden of proving that it is entitled to recover on its fraudulent transfer claims. Defendants also rely on defenses to these claims, for which they have the burden of proof. Maiden denies that defendants can prove their defenses.

367

368

369

If you answered Question No. 1 “Yes” in at least one space, and you answered Question No. 8 “Yes” as to at least one defendant, answer Question No. 11 as to a defendant as to whom you answered “Yes” in response to Question No. 8. Otherwise, do not answer Question No. 11.

370

QUESTION NO. 11:

371

372

Did the defendant in question take any of the assets listed below in good faith and for a reasonably equivalent value?

373

374

375

A party takes an asset in good faith if the party (1) had no actual notice of the fraudulent intent of the debtor and (2) lacked knowledge of such facts as would cause a person of ordinary prudence to question whether the debtor had fraudulent intent.

376

377

“Reasonably equivalent value” means an amount that at the time of the transfer was within the range of values for which such transfers would occur in an arm’s-length transaction.

378

379

380

Instruction: The defendant in question has the burden of proof by a preponderance of the evidence. If it has met its burden of proof, answer “Yes”; otherwise, answer “No.”

381	ANSWER:		
382	<u>Defendant</u>	<u>RBC Sciences Property</u>	<u>RBC USA Property</u>
383	HWH	<u>No</u>	<u>No</u>
384	DSS	<u>No</u>	<u>No</u>
385	RBC International	<u>No</u>	<u>No</u>
386	Decentralized	<u>No</u>	<u>No</u>

387 If you answered Question No. 1, 3, or 8 “Yes” in at least one space, and you answered  
 388 Question No. 8 “Yes” as to at least one defendant, answer Question No. 12 as to a defendant as to  
 389 whom you answered “Yes” in response to Question No. 8. Otherwise, do not answer Question No.  
 390 12.

391 QUESTION NO. 12:

392 Did the defendant in question take any of the assets listed below in good faith?

393 A party takes an asset in good faith if the party (1) had no actual notice of the fraudulent  
 394 intent of the debtor and (2) lacked knowledge of such facts as would cause a person of ordinary  
 395 prudence to question whether the debtor had fraudulent intent.

396 Instruction: The defendant in question has the burden of proof by a  
 397 preponderance of the evidence. If it has met its burden of proof,  
 398 answer “Yes”; otherwise, answer “No.”

399 ANSWER:

400	<u>Defendant</u>	<u>RBC Sciences Property</u>	<u>RBC USA Property</u>
401	HWH	<u>No</u>	<u>No</u>
402	DSS	<u>No</u>	<u>No</u>
403	RBC International	<u>No</u>	<u>No</u>
404	Decentralized	<u>No</u>	<u>No</u>

405 If you answered Question No. 1 “Yes” in at least one space, answer Question No. 13.  
406 Otherwise, do not answer Question No. 13.

407 QUESTION NO. 13:

408 Did RBC Sciences give any of the assets listed below to one or more of the DSS Defendants  
409 in good faith?

410 For purposes of answering this question, you are instructed as follows.

411 A party gives an asset in good faith if it is given to another party pursuant to a valid lien or  
412 pursuant to a foreclosure on a valid lien.

413 A “valid lien” means a lien that is effective against the holder of a judicial lien subsequently  
414 obtained by legal or equitable process or proceedings.

415 A lien that is fraudulently created—that is, that is conferred as part of a fraudulent  
416 scheme—is not a valid lien. Also, even a lien that is not itself fraudulent is not a valid lien if it is  
417 part of a larger fraudulent scheme.

418 A party also gives property in good faith to another party if it was pursuant to a regularly  
 419 conducted, noncollusive foreclosure sale or execution of a power of sale for the acquisition or  
 420 disposition of the interest of the giving party upon default under a security agreement.

421 For purposes of a foreclosure sale, collusion means collusion in the actual conduct of the  
 422 sale.

423 Instruction: RBC Sciences has the burden of proof by a  
 424 preponderance of the evidence. If it has met its burden of proof,  
 425 answer “Yes”; otherwise, answer “No.”

426 ANSWER:

	<u>To Defendant</u>	<u>RBC Sciences Property</u>	<u>RBC USA Stock</u>
428	HWH	<u>No</u>	<u>No</u>
429	DSS	<u>No</u>	<u>No</u>
430	RBC International	<u>No</u>	<u>No</u>
431	Decentralized	<u>No</u>	<u>No</u>

432

433 If you answered Question No. 3 “Yes” in at least one space, answer Question No. 14.  
 434 Otherwise, do not answer Question No. 14.

435 QUESTION NO. 14:

436 Did HWH enforce its security interest in the RBC Sciences Property in compliance with  
 437 Chapter 9 of the Texas Business and Commerce Code?

438 For purposes of answering this question, you are instructed as follows.

439 After a debtor defaults, a secured party may sell or otherwise dispose of any or all of the  
 440 collateral property.

441 To comply with Chapter 9 of the Texas Business and Commerce Code, a secured party must  
442 provide reasonable notice of the sale and conduct the sale in a commercially reasonable manner.

443 Reasonable notice must be provided to (1) the debtor, (2) any party which sent a notification  
444 of a claim of interest in the collateral property to the secured party before the notification date, and  
445 (3) any other secured party or lienholder that filed a financing statement identifying the collateral  
446 property at least 10 days before the notification date.

447 Notice sent 10 days or more before the foreclosure sale is sent within a reasonable time.

448 Notice is proper if it (1) describes the debtor and secured party, (2) describes the collateral  
449 property, (3) states the intended method of sale, (4) states that the debtor is entitled to an accounting,  
450 and (5) states the time and place of a public sale.

451 A foreclosure sale is made in a commercially reasonable manner if it conforms with  
452 reasonable commercial practices among dealers in the type of property that was the subject of the  
453 sale.

454 The fact that a greater amount could have been obtained by a sale at a different time or in a  
455 different method is not alone sufficient to show the foreclosure sale was not commercially  
456 reasonable.

457 Instruction: HWH has the burden of proof by a preponderance of the  
458 evidence. If it has met its burden of proof, answer "Yes"; otherwise,  
459 answer "No."

460 ANSWER: No

461 If you answered Question No. 3 "Yes" in at least one space, answer Question No. 14A.  
462 Otherwise, do not answer Question No. 14A.

463 QUESTION NO. 14A:

464 Was Decentralized's security interest in the RBC USA Property enforced in compliance with  
465 Chapter 9 of the Texas Business and Commerce Code?

466 After a debtor defaults, a secured party may propose to accept the collateral property in  
467 partial satisfaction of the debt. With respect to the October 2019 Note, RBC USA was a debtor as  
468 to Decentralized, and Decentralized was a secured party.

469 For an acceptance of collateral to comply with Chapter 9 of the Texas Business and  
470 Commerce Code, (1) a secured party must send a proposal to accept collateral to the debtor, (2) the  
471 secured party must send notice of its proposal to accept collateral to the proper parties, (3) the debtor  
472 must agree to the terms of the acceptance in a record authenticated after default, and (4) the secured  
473 party does not receive an objection to the proposal within 20 days after notification was sent to that  
474 party.

475 Notice of the proposal to accept collateral must be provided to (1) any party which sent a  
476 notification of a claim of interest in the collateral property to the secured party before the debtor  
477 agrees to the terms of the acceptance, (2) any other secured party or lienholder that filed a financing  
478 statement identifying the collateral property at least 10 days before the debtor agrees to the terms  
479 of the acceptance, and (3) any secondary obligor.

480 An "obligor" is a person that, with respect to an obligation secured by a security interest in  
481 the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property  
482 other than the collateral to secure payment or other performance of the obligation, or (iii) is  
483 otherwise accountable in whole or in part for payment or other performance of the obligation.

484 A "secondary obligor" is an obligor to the extent that (a) the obligor's obligation is  
485 secondary; or (b) the obligor has a right of recourse with respect to an obligation secured by  
486 collateral against the debtor, another obligor, or property of either.

487 Instruction: Decentralized has the burden of proof by a  
488 preponderance of the evidence. If it has met its burden of proof,  
489 answer "Yes"; otherwise, answer "No."

490 ANSWER: No

491 If you answered Question No. 1 or 3 "Yes" in at least one space, answer Question No. 15.  
492 Otherwise, do not answer Question No. 15.

493 QUESTION NO. 15:

494 Is Maiden estopped from complaining about the transfer of the RBC Sciences Property?

495 A party will be estopped in order to prevent it from asserting, to another's disadvantage, a  
496 right inconsistent with a position previously taken by it. Estoppel applies where it would be  
497 unconscionable to allow that party to maintain its present position, which is inconsistent with its  
498 previous position.

499 Instruction: Defendants have the burden of proof by a preponderance  
500 of the evidence. If they have met their burden of proof, answer  
501 "Yes"; otherwise, answer "No."

502 ANSWER: No



503 Jury Deliberations

504 The fact that I have given you in this charge instructions about a particular claim or defense,  
505 or that I have not so instructed you, should not be interpreted in any way as an indication that I  
506 believe a particular party should, or should not, win this case.

507 In order to return a verdict your verdict must be unanimous. It is your duty as jurors to  
508 consult one another and to deliberate with a view towards reaching an agreement. Each of you must  
509 decide the case for yourself, but only after an impartial consideration with each other of all the  
510 evidence in the case. In the course of your deliberations, do not hesitate to reexamine your own  
511 view and change your opinion if convinced it is erroneous. Do not, however, surrender your honest  
512 conviction as to the weight or effect of the evidence solely because of the opinion of other jurors or  
513 for the mere purpose of returning a verdict. Remember at all times that you are not partisans. You  
514 are judges—judges of the facts. Your sole interest is to seek the truth from the evidence in the case.

515 After I finish reading this charge, you will retire to the jury room. I will send you the  
516 exhibits that have been admitted into evidence. You will first select one member of the jury to act  
517 as presiding juror. The presiding juror will preside over your deliberations and will speak on your  
518 behalf here in court.

519 Do not deliberate unless all members of the jury are present in the jury room. In other words,  
520 if one or more of you go to lunch together or are together outside the jury room, do not discuss the  
521 case.

522 When you have reached unanimous agreement as to your verdict, the presiding juror shall  
523 fill in your answers to the questions on a copy of the charge that I will provide to you for this  
524 purpose, shall date and sign the last page of that copy of the charge, and shall notify the court

525 security officer that you have reached a verdict. The court security officer will then deliver the  
526 verdict to me.

527 The court will honor the schedule you set for your deliberations and your requests for breaks  
528 during your deliberations. From time to time I may communicate with you concerning your  
529 schedule. This is done primarily for the purpose of anticipating the court's staffing needs, and is not  
530 in any way intended to suggest that your deliberations should be conducted at a different pace or on  
531 a different schedule.

532 During the trial, the court reporter made a verbatim record of the proceedings. The court  
533 rules do not provide for testimony to be produced for the jury in written form, or for testimony to  
534 be read back to the jury as a general aid in refreshing the jurors' memories. In limited  
535 circumstances, the court may direct the court reporter to read testimony back to the jury in open  
536 court. This is done, however, only when the jury certifies that it disagrees as to the testimony of a  
537 particular witness, and identifies the specific testimony in dispute.

538 If, during your deliberations, you desire to communicate with me, your presiding juror will  
539 reduce your message or question to writing, sign it, and pass the note to the court security officer,  
540 who will bring it to my attention. I will then respond as promptly as possible, either in writing or  
541 by asking you to return to the courtroom so that I can address you orally. If you do send a message  
542 or ask a question in which you indicate that you are divided, never state or specify your numerical  
543 division at the time.

544 December 19, 2022.  
545

546   
547 SIDNEY A. FITZWATER  
548 SENIOR JUDGE


549

The foregoing is the unanimous verdict of the jury.

550

Dated: 12/20/22

551



Presiding Juror