

Fill in this information to identify the case:

United States Bankruptcy Court for the:

Eastern District of California
(State)

Case number (if known): Chapter 11

☐ Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

12/15

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 the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name

Grail Semiconductor

2. All other names debtor used in the last 8 years

Grail Semiconductor, Inc.

Include any assumed names, trade names, and *doing business* as names

3. Debtor's federal Employer Identification Number (EIN)

9 0 - 0 2 9 2 0 0 7

4. Debtor's address

Principal place of business

7400 Tamiami Trail N.

Number Street

Suite 101

Naples FL 34108

City State ZIP Code

Collier

County

Mailing address, if different from principal place of business

5150 Fair Oaks Blvd., #101-185

Number Street

P.O. Box

Carmichael CA 95608

City State ZIP Code

Location of principal assets, if different from principal place of business

5176 Hillsdale Circle, Suite 100

Number Street

El Dorado Hills CA 95762

City State ZIP Code

5. Debtor's website (URL)

N/A

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))☐ Partnership (excluding LLP)☐ Other. Specify: _____

Debtor Grail Semiconductor
Name

Case number (if known) _____

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
☐ Railroad (as defined in 11 U.S.C. § 101(44))
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
☒ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

5 4 1 5

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
☐ Chapter 9
☒ Chapter 11. **Check all that apply:**
☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,490,925 (amount subject to adjustment on 4/01/16 and every 3 years after that).
☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
☐ A plan is being filed with this petition.
☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

☒ No

☐ Yes. District _____ When _____ Case number _____
MM / DD / YYYY
District _____ When _____ Case number _____
MM / DD / YYYY

If more than 2 cases, attach a separate list.

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

☒ No

☐ Yes. Debtor _____ Relationship _____
District _____ When _____
MM / DD / YYYY
Case number, if known _____

List all cases. If more than 1, attach a separate list.

Debtor Grail Semiconductor
Name

Case number (if known) _____

11. Why is the case filed in this district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

- ☒ No
- ☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____
- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- ☐ Other _____

Where is the property?

Number _____ Street _____

City _____ State _____ ZIP Code _____

Is the property insured?

- ☐ No
- ☐ Yes. Insurance agency _____
- Contact name _____
- Phone _____

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

- | | | |
|---|--|--|
| <input type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input checked="" type="checkbox"/> 50-99 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |

15. Estimated assets

- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Debtor Grail Semiconductor
Name

Case number (if known) _____

16. Estimated liabilities

- | | | |
|--|---|--|
| <input type="checkbox"/> \$0-\$50,000 | <input type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input checked="" type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement 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.

17. Declaration and signature of authorized representative of debtor

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

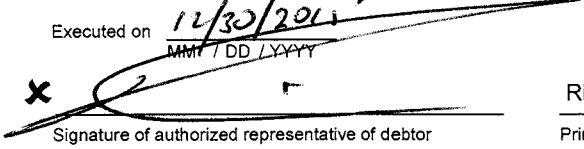
I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition 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

12/30/2015
MM / DD / YYYY

 Signature of authorized representative of debtor

Richard L. Gilbert

Printed name

Title Authorized Board Member

18. Signature of attorney

 Signature of attorney for debtor

Date

12/30/2015
MM / DD / YYYY

Paul J. Pascuzzi

Printed name

Felderstein Fitzgerald Willoughby & Pascuzzi LLP

Firm name

400 Capitol Mall, Suite 1750

Number Street

Sacramento

CA

95814

City

State

ZIP Code

(916) 329-7400

ppascuzzi@ffwplaw.com

Contact phone

Email address

148810

CA

Bar number

State

RESOLUTION OF THE BOARD OF DIRECTORS
OF GRAIL SEMICONDUCTOR

The undersigned, representing all of the members of the Board of Directors (the “Board”) of Grail Semiconductor (the “Corporation”), hereby adopt and approve the following resolutions passed at the Board meeting on December 23, 2015:

WHEREAS, it is in the best interests of the Corporation to file a voluntary petition for relief under Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”).

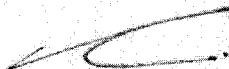
BE IT THEREFORE RESOLVED, that this Corporation file a voluntary petition for relief under Chapter 11 of Title 11, United States Code, in the United States Bankruptcy Court for the Eastern District of California;

BE IT FURTHER RESOLVED, that Richard L. Gilbert, Board Member, be and hereby is authorized to prepare the necessary Petition and by his single signature execute all necessary documents, including Schedule of Assets and Liabilities, and Statement of Financial Affairs and bind the Corporation thereby in the Chapter 11 case as the responsible officer of the Corporation.

BE IT FURTHER RESOLVED, that pursuant to the contract dated December 15, 2015 (the “Contract”), the Chief Resolution Officer is authorized and directed to appear in all such bankruptcy proceedings on behalf of the Corporation and take any and all actions and execute any and all documents deemed necessary or desirable to carry out and perform all acts and deeds in connection with the Corporation’s bankruptcy case in accordance with the Contract.

BE IT FURTHER RESOLVED, that the Corporation shall engage the services of Felderstein Fitzgerald Willoughby & Pascuzzi LLP, and the firm is hereby retained to act on behalf of the Corporation in connection with such proceeding.

IN WITNESS WHEREOF, the undersigned have executed this consent as of December 29, 2015.



Director Richard L. Gilbert

ABSTAINED

Director Donald S. Stern

Director Robert B. Stern

RESOLUTION OF THE BOARD OF DIRECTORS
OF GRAIL SEMICONDUCTOR

The undersigned, representing all of the members of the Board of Directors (the "Board") of Grail Semiconductor (the "Corporation"), hereby adopt and approve the following resolutions passed at the Board meeting on December 23, 2015:

WHEREAS, it is in the best interests of the Corporation to file a voluntary petition for relief under Chapter 11 of Title 11, United States Code (the "Bankruptcy Code").

BE IT THEREFORE RESOLVED, that this Corporation file a voluntary petition for relief under Chapter 11 of Title 11, United States Code, in the United States Bankruptcy Court for the Eastern District of California;

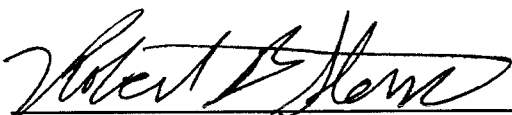
BE IT FURTHER RESOLVED, that Richard L. Gilbert, Board Member, be and hereby is authorized to prepare the necessary Petition and by his single signature execute all necessary documents, including Schedule of Assets and Liabilities, and Statement of Financial Affairs and bind the Corporation thereby in the Chapter 11 case as the responsible officer of the Corporation.

BE IT FURTHER RESOLVED, that pursuant to the contract dated December 15, 2015 (the "Contract"), the Chief Resolution Officer is authorized and directed to appear in all such bankruptcy proceedings on behalf of the Corporation and take any and all actions and execute any and all documents deemed necessary or desirable to carry out and perform all acts and deeds in connection with the Corporation's bankruptcy case in accordance with the Contract.

BE IT FURTHER RESOLVED, that the Corporation shall engage the services of Felderstein Fitzgerald Willoughby & Pascuzzi LLP, and the firm is hereby retained to act on behalf of the Corporation in connection with such proceeding.

IN WITNESS WHEREOF, the undersigned have executed this consent as of December 25, 2015.

Director Richard L. Gilbert



Director Robert B. Stern

ABSTAINED

Director Donald S. Stern

Fill in this information to identify the case:

Debtor name Grail Semiconductor
 United States Bankruptcy Court for the: Eastern District of CA
 (State)
 Case number (if known): _____

☐ Check if this is an amended filing

Official Form 204**Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders**

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an *insider*, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
1	Gerchen Keller Capital, LLC 353 North Clark Street, Suite 2700 Chicago, IL 60654	Douglas G. Gruener (312) 757-6084 dgg@gerchenkeller.com	Litigation funding	Contingent Unliquidated Disputed			Approx. \$1,496,795.40
2	Alain Champagne 70 Rue Dalhousie Bureau 500 Quebec G1K 7A6 CANADA	Jean-Francois Briere (514) 787-1236 Jfbriere@brierelebeuf.com	Loan	Contingent Unliquidated Disputed			At least \$1,272,000.00
3	Mitchell J. NewDelman c/o Allan D. NewDelman Allan D. NewDelman, P.C. 80 East Columbus Avenue Phoenix, AZ 85012	Allan D. NewDelman (602) 264-4550 cprieur@adnlaw.net	Finder fee	Contingent Unliquidated Disputed			At least \$1 million
4	Willis E. Higgins, Esq. P.O. Box 720 55 High Street Brownville, ME 04414	Willis E. Higgins (207) 965-2261 whiggins@roadrunner.com	Professional Services	Contingent Unliquidated Disputed			At least \$600,000.00
5	The Pearl Law Firm, P.A. 7400 Tamiami Trail N., Suite 101 Naples, FL 34108	Robert J. Pearl (239) 653-9330 robert@investorattorneys.com	Professional Services	Contingent Unliquidated Disputed			At least \$219,287.71
6	Dr. Frank B. Holze c/o Allan D. NewDelman Allan D. NewDelman, P.C. 80 East Columbus Avenue Phoenix, AZ 85012	Allan D. NewDelman (602) 264-4550 cprieur@adnlaw.com	Finder fee	Contingent Unliquidated Disputed			At least \$200,000.00
7	Frank P. Bauder 8320 Summerset Drive Anchorage, AK 99518	Frank P. Bauder (907) 350-9948 frank@frankbauder.com	Investment	Contingent Unliquidated Disputed			At least \$200,000.00
8	Shartsis Friese LLP Attn: Zesara Chan One Maritime Plaza, 18th Floor San Francisco, CA 94111	Zesara Chan (415) 421-6500 ZChan@sflaw.com	Judgment Creditor	Contingent Unliquidated Disputed			Approx. \$195,000.00

Debtor

Name

Case number (if known)

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
9	Khosrow Benyamin 422 S. Bedford Drive Beverly Hills, CA 90212	Khosrow Benyamin (310) 435-6161 kbenyamin1@yahoo.com	Loan	Contingent Unliquidated Disputed			At least \$178,000.00
10	Davis Wright Tremaine Attn: Martin Fineman 505 Montgomery Street, Suite 800 San Francisco, CA 94111-6533	Martin Fineman (415) 276-6575 martinfineman@dwt.com	Professional Services	Contingent Unliquidated Disputed			Approx. \$127,914.68
11	David Rothschild Kiryat Chabad 220/84 Safet 13410 ISRAEL	David Rothschild rothschild770@gmail.com	Loan	Contingent Unliquidated Disputed			Approx. \$89,000.00
12	Bergeson LLP Attn: Daniel Bergeson 2033 Gateway Place, Suite 300 San Jose, CA 95110	Daniel Bergeson (408) 291-6200 dbergeson@be-law.com	Professional Services	Contingent Unliquidated Disputed			Approx. \$83,303.13
13	Edward J. Nixon 6050 Rockwell Ave. #SFS Anchorage, AK 99502	Edward J. Nixon	Director Fees	Contingent Unliquidated Disputed			At least \$50,000.00
14	Irvin H. Stern, Jr. & Sybil B. Stern 3414 Briarcliff Circle Lexington, KY 40502-3333	Irvin H. Stern, Jr.	Loan	Contingent Unliquidated Disputed			At least \$26,000.00
15	Aaron Wenger 333 W 86th St., #1003 New York, NY 10024	Aaron Wegner (212) 580-9023 aaronwegner123@gmail.com	Loan	Contingent Unliquidated Disputed			At least \$21,000.00
16	Danielle Leibowitz 949 Willowbrook Road Staten Island, NY 10314	Jonathan Leibowitz (917) 714-6157 jslmsd@gmail.com	Loan	Contingent Unliquidated Disputed			At least \$20,000.00
17	Michael Dobbs-Higginson 10 Taman Serasi #04-12 Botanic Garden Mansion SINGAPORE 257721	Michael Dobbs-Higginson	Loan	Contingent Unliquidated Disputed			At least \$15,000.00
18	Wood LLP 333 Sacramento Street San Francisco, CA 94111	Robert Wood (415) 834-1800 Wood@woodllp.com	Professional Services	Contingent Unliquidated Disputed			At least \$11,356.48
19	Kamal & Shirley Benyamin Textile City 748 East 8th Street Los Angeles, CA 90021	Kamal Benyamin (213) 435-0585 textilecity.abc@gmail.com	Loan	Contingent Unliquidated Disputed			Approx. \$10,299.13
20	Rahmat & Lida Hanaei Textile City 748 East 8th Street Los Angeles, CA 90021	Rahmat Hanaei (213) 435-0585 textilecity.abc@gmail.com	Loan	Contingent Unliquidated Disputed			Approx. \$10,299.13