

Fill in this information to identify your case:

United States Bankruptcy Court for the:

DISTRICT OF DELAWARE

Case number *(if known)* _____ Chapter 11

Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/20

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 TerrAvion, Inc.

2. All other names debtor used in the last 8 years
 Include any assumed names, trade names and *doing business as* names
DBA TerrAvion

3. Debtor's federal Employer Identification Number (EIN) 46-1981301

4. Debtor's address	Principal place of business	Mailing address, if different from principal place of business
	<u>22327 Skywest Dr.</u> <u>Hayward, CA 94541</u> Number, Street, City, State & ZIP Code <u>Alameda</u> County	_____ P.O. Box, Number, Street, City, State & ZIP Code Location of principal assets, if different from principal place of business _____ Number, Street, City, State & ZIP Code

5. Debtor's website (URL) _____

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____

Debtor TerrAvion, Inc.
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>.

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

Check one:

- Chapter 7
- Chapter 9
- Chapter 11. Check **all** that apply.

A debtor who is a "small business debtor" must check the first sub-box. A debtor as defined in § 1182(1) who elects to proceed under subchapter V of chapter 11 (whether or not the debtor is a "small business debtor") must check the second sub-box.

- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- The debtor is a debtor as defined in 11 U.S.C. § 1182(1), its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$7,500,000, **and it chooses to proceed under Subchapter V of Chapter 11.** If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if any 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.

If more than 2 cases, attach a separate list.

District _____ When _____ Case number _____
District _____ When _____ Case number _____

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

- No
- Yes.

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

Debtor _____ Relationship _____
District _____ When _____ Case number, if known _____

Debtor **TerrAvion, Inc.**
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 to unsecured creditors.

14. Estimated number of creditors

1-49

50-99

100-199

200-999

1,000-5,000

5,001-10,000

10,001-25,000

25,001-50,000

50,001-100,000

More than 100,000

15. Estimated Assets

\$0 - \$50,000

\$50,001 - \$100,000

\$100,001 - \$500,000

\$500,001 - \$1 million

\$1,000,001 - \$10 million

\$10,000,001 - \$50 million

\$50,000,001 - \$100 million

\$100,000,001 - \$500 million

\$500,000,001 - \$1 billion

\$1,000,000,001 - \$10 billion

\$10,000,000,001 - \$50 billion

More than \$50 billion

16. Estimated liabilities

\$0 - \$50,000

\$50,001 - \$100,000

\$100,001 - \$500,000

\$500,001 - \$1 million

\$1,000,001 - \$10 million

\$10,000,001 - \$50 million

\$50,000,001 - \$100 million

\$100,000,001 - \$500 million

\$500,000,001 - \$1 billion

\$1,000,000,001 - \$10 billion

\$10,000,000,001 - \$50 billion

More than \$50 billion

Debtor **TerrAvion, Inc.**
Name

Case number (if known)

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 **August 31, 2020**
 MM / DD / YYYY

X /s/ Robert Morris
 Signature of authorized representative of debtor
 Title **Director**

Robert Morris
 Printed name

18. Signature of attorney

X /s/ Tracy Pearson
 Signature of attorney for debtor

Date **August 31, 2020**
 MM / DD / YYYY

Tracy Pearson
 Printed name

Dunlap Bennett & Ludwig PLLC
 Firm name

1509 Gilpin Ave, Ste. 2
Wilmington, DE 19806
 Number, Street, City, State & ZIP Code

Contact phone **703-777-7319** Email address **bankruptcy@dbllawyers.com**

5652 DE
 Bar number and State

JOINT CONSENT OF
DIRECTORS AND SERIES PREFERRED STOCKHOLDERS
OF
TERRAVION, INC.

August 31, 2020

The undersigned, constituting all the members of the Board of Directors (the “*Board*”) and at least 66.6% of the outstanding shares of the Series Preferred (as defined in the amended and restated certificate of incorporation) stock of **TERRAVION, INC.** (the “*Undersigned*”), a Delaware corporation (the “*Corporation*”), acting pursuant to §141(f) and §228(a) of the Delaware General Corporation Law, the Corporation’s bylaws, and the Corporation’s amended and restated certificate of incorporation, do hereby waive all formal requirements, including the necessity of holding a meeting and any requirements that notice of such meeting be given, and do hereby adopt the following resolutions by written consent:

WHEREAS, the Corporation has not been able to generate sufficient cash flow to support its ongoing business operations and service its debt obligations, due to various market conditions and factors, including but not limited to the ongoing downturn in the economy, which has had a substantial, adverse impact on the revenue generated by the Corporation;

WHEREAS, the Corporation requires additional working capital but has not been able to secure a sufficient amount of capital to continue to support the cost of its operations and meets its debt service agreements;

WHEREAS, the Corporation has engaged an investment banking firm in an attempt to sell the assets of the Corporation, but has yet to receive a legitimate offer;

WHEREAS, the Board has consulted with the Corporation’s counsel, accountants, and other professional advisors to review, investigate, explore, and understand the Corporation’s financial condition and to consider options with respect to the continued business operations of the Corporation, and the potential to reorganize and restructure the debt obligations of the Corporation through a Chapter 11 bankruptcy proceeding;

WHEREAS, because the lack of additional financing and investment of working capital available to the Corporation and the inability of the Corporation to meet its current liabilities, the Board has recommend the reorganization and restructuring of the Corporation’s debt obligations pursuant to a Chapter 11 bankruptcy proceeding;

WHEREAS, the Undersigned believe it to be advisable and in the best interests of the Corporation to retain the law firm Dunlap, Bennett & Ludwig PLLC to file and manage the Chapter 11 bankruptcy process and to pay Dunlap, Bennett & Ludwig PLLC a retainer of \$25,000.

NOW, THEREFORE, BE IT:

RESOLVED, that the Board has carefully evaluated the financial condition and revenue generating potential of the Corporation, the ability of the Corporation to meet its current liabilities, the lack of financing options available to the Corporation, and the recommendation of the Board of Directors, and the Undersigned have determined that it is necessary for the Corporation to restructure and reorganize its debt obligations through a Chapter 11 bankruptcy proceeding as soon as possible;

RESOLVED, that the initiation and filing of Chapter 11 bankruptcy proceedings by the Board is in the best interest of the Corporation, and such action is hereby authorized and approved;

RESOLVED, that if at any time during such Chapter 11 bankruptcy proceeding it becomes necessary, desirable, and in the best interests of the Corporation to convert such bankruptcy proceeding to a Chapter 7 liquidation of assets, such conversion is hereby authorized, ratified, and approved, and the President and the Board are authorized to take all such action and execute all such documents to in connection therewith, to effectuate such conversion;

RESOLVED, that the Corporation retain the law firm Dunlap, Bennett & Ludwig PLLC to file and manage the Chapter 11 bankruptcy process and to pay Dunlap, Bennett & Ludwig PLLC a retainer of \$25,000; and

RESOLVED, that, pursuant to §228(e) of the Delaware General Corporation Law, the stockholders of the Corporation who have not consented in writing herein shall be promptly provided a copy of this Joint Consent; and

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, for and on behalf of the Corporation, to take such further actions and execute such further documents, as they deem necessary or appropriate to effectuate the intent of the foregoing resolution.

* * * * *

This Joint Consent may be executed in multiple counterparts (including facsimile, .pdf, or other electronic signature pages), each of which shall be deemed an original, and all of which shall constitute one and the same instrument. This Joint Consent will be filed with the minutes of the proceedings of the Board and the Corporation.

IN WITNESS WHEREOF, the undersigned Directors have executed this Joint Consent as of the date first written above.



Robert Morris, Director



Cornell Wright, III, Director



Sean Dempsey, Director

This Joint Consent may be executed in multiple counterparts (including facsimile, .pdf, or other electronic signature pages), each of which shall be deemed an original, and all of which shall constitute one and the same instrument. This Joint Consent will be filed with the minutes of the proceedings of the Board and the Corporation.


IN WITNESS WHEREOF, the undersigned stockholder has executed this Joint Consent as of the date first written above.

STOCKHOLDER (if any entity):

Stockholder Name: Merus Capital III, L.P.

By: Merus Capital Management III, L.P.
(Entity Name, if applicable)

Its: _____
(Entity Title, if applicable)

By: 

Signatory Name: Sean Dempsey

Title: Managing Director

Address: 505 Hamilton Ave, Suite 315

Palo Alto, CA 94301

Email: sean@meruscap.com

STOCKHOLDER (if an individual):

Stockholder Name: _____

By: _____

Address: _____

Email: _____

This Joint Consent may be executed in multiple counterparts (including facsimile, .pdf, or other electronic signature pages), each of which shall be deemed an original, and all of which shall constitute one and the same instrument. This Joint Consent will be filed with the minutes of the proceedings of the Board and the Corporation.

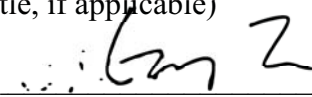
IN WITNESS WHEREOF, the undersigned stockholder has executed this Joint Consent as of the date first written above.

STOCKHOLDER (if any entity):

Stockholder Name: Initialized Annex, L.P.
for itself and as a nominee of Initialized Annex Associates, L.P.

By: Initialized Annex GP, LLC
(Entity Name, if applicable)

Its: General Partner
(Entity Title, if applicable)

By: 

Signatory Name: Garry Tan

Title: Managing Member

Address: 464 Tehama Street
San Francisco, CA 94103

Email: garry@initialized.com

STOCKHOLDER (if an individual):

Stockholder Name: _____

By: _____

Address: _____

Email: _____

Fill in this information to identify the case:

Debtor name TerrAvion, Inc.

United States Bankruptcy Court for the: DISTRICT OF DELAWARE

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 claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of 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
AC Capital Management Group LLC 1121 Palomares Court Lafayette, CA 94549						\$41,542.30
Achievence 1934 Old Gallows Road Suite 350 Vienna, VA 22182						\$132,304.00
Aerial Scouting Solutions dba Optic Air 1873 5th Ave S.E. Sioux Center, IA 51250			Disputed			\$138,050.55
Amazon American Express P.O. Box 650448 Dallas, TX 75265-0448		Credit card purchases				\$70,000.00
Amazon Web Services 410 Terry Avenue North Seattle, WA 98109-5210						\$160,056.09
American Express P.O. Box 650448 Dallas, TX 75265-0448		Credit card purchases				\$230,000.00
Boston Financial 1330 Beacon Street Suite 268 Brookline, MA 02446		Leased Camera Equip				\$128,491.22

Debtor **TerrAvion, Inc.**
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 claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of 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
Chao Trust 5 Brady Place Menlo Park, CA 94025				\$81,762.24	\$0.00	\$81,762.24
Cornell Wright, III 607 North Street Boulder, CO 80304				\$163,840.08	\$0.00	\$163,840.08
CSC Leasing 6802 Paragon Place Suite 350 Richmond, VA 23230		Leased Airplanes				\$239,548.48
Glenn Willen 1760 California Street Apt. 11 Mountain View, CA 94041				\$409,665.68	\$0.00	\$409,665.68
IntelinAir, Inc. c/o Mitchell L. Marinello Novack and Macey LLP 100 N Riverside Plaza, Suite 1500 Chicago, IL 60606		Settlement Agreement				\$100,000.00
Jing Perez 2445 Villa Nueva Way Mountain View, CA 94040				\$50,780.80	\$0.00	\$50,780.80
Merus Capital III, L.P. 505 Hamilton Avenue Suite 315 Palo Alto, CA 94301				\$17,872,193.12	\$0.00	\$17,872,193.12
Roy and Marie Morris 3847 North Tazewell Street Arlington, VA 22207				\$4,422,259.68	\$0.00	\$4,422,259.68
Silicon Valley Bank Attn: Hannah Raskin, Vice President 505 Howard Street Floor 3 San Francisco, CA 94105				\$485,962.00	\$0.00	\$485,962.00

Debtor **TerrAvion, Inc.**
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 claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of 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
Szygy Enterprises 140 Locust Avenue Mill Valley, CA 94941				\$532,052.56	\$0.00	\$532,052.56
Televerde 4636 East University Drive Phoenix, AZ 85034						\$55,132.72
Thomas Rambler Quisel 137 E De La Guerra Street Apt. B Santa Barbara, CA 93101				\$81,933.20	\$0.00	\$81,933.20
US Small Business Administration 10737 Gateway West #300 El Paso, TX 79935				\$66,630.08	\$0.00	\$66,630.08

Fill in this information to identify the case:

Debtor name TerrAvion, Inc.

United States Bankruptcy Court for the: DISTRICT OF DELAWARE

Case number (if known) _____

Check if this is an amended filing

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

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.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- Schedule H: Codebtors* (Official Form 206H)
- Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- Amended Schedule*
- Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- Other document that requires a declaration _____

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

Executed on August 31, 2020

X /s/ Robert Morris
Signature of individual signing on behalf of debtor

Robert Morris
Printed name

Director
Position or relationship to debtor