

7 Cases”). The Chapter 7 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b), and Local Rule 1015-1.

2. The Office of the United States Trustee for Region 6 (the “U.S. Trustee”) has appointed Anne Elizabeth Burns as the duly qualified trustee over the Chapter 7 Cases (the “Trustee”).

A. Vervent’s Authority and Services as Loan Servicer.

3. Vervent is an industry-leading loan servicing company that, among other things, provides customizable loan servicing support, regulatory reporting and compliance protocols, secure fund flow and controls services, and other related services under various loan facilities across numerous industries and sectors. In addition, given its experience and servicing expertise, Vervent is frequently retained by lenders, investors, and other clients to provide back-up servicer support, which means Vervent is contracted to step into the position of a primary loan servicer in the event the primary servicer is unable to perform its contracted servicer obligations or otherwise is removed from that role following a default.

4. Prior to the Petition Date, Vervent was engaged as the back-up servicer under certain servicing agreements, including certain agreements in which debtor Tricolor Auto Acceptance, LLC (“TAA”) was the primary servicer. Due to certain asserted prepetition defaults, TAA was terminated as servicer prior to the Petition Date, and Vervent was appointed as successor servicer as to certain of these Tricolor portfolios.

5. Further, since the Petition Date, due to its expertise and familiarity with the relevant assets and the Tricolor portfolio more generally, several other parties have executed servicing agreements with Vervent, and Vervent is now the contracted-servicer for substantially all of the

Tricolor portfolio.²

6. In its capacity as loan servicer, Vervent manages and services the loans and receives into various collection accounts funds remitted by borrowers with respect to various pools of receivables. As a result, Vervent has played a central role in the Chapter 7 Cases by facilitating the efforts of the Trustee and the Customers³ to untangle the web left behind by the Debtors, all in an attempt to secure collateral and, ultimately, maximize value for the estates and all parties in interest by ensuring timely loan servicing that maximizes loan performance.

7. To facilitate the onboarding and servicing of loans, among other things, on September 19, 2025, the Court entered the *Order Granting Chapter 7 Trustee's Motion for Entry of Order Approving Stipulation Between Trustee and Vervent, Inc.* [Docket No. 53], (the “**Original Vervent Stipulation**”),⁴ pursuant to which Vervent continued to provide certain servicer and other duties through the early days of the Chapter 7 Cases. In particular, although not a “normal” servicer duty, Vervent coordinated, under the Original Vervent Stipulation and its various extensions, among other things, transportation and security efforts with Holman to assist the Trustee and benefit stakeholders in the Chapter 7 Cases, including to facilitate the Court-approved sale process of the approximately 10,000 vehicles that were on various Debtor-lots or other facilities as of the Petition Date.

8. As a result of Vervent's Court-approved transition efforts under the Original

² One exception at this time is certain unassigned notes that may be property of the chapter 7 estates, and Vervent and the Trustee are in the process of finalizing a servicing agreement for those assets as well.

³ “**Customers**” includes Wilmington Trust, National Association (in its capacity as indenture trustee under each of the securitizations and together with any successor indenture trustee under any securitization), JPMorgan Chase Bank, N.A., Fifth Third Bank, National Association, Origin Bank, Ares, and the Trustee.

⁴ The relief granted under the Original Vervent Stipulations was extended by consensual orders. See, e.g., Docket Nos. 196, 287, 435, 520. Given the similarities in these extensions with the Original Vervent Stipulation, Vervent refers to these extensions, collectively, as the Original Vervent Stipulation.

Vervent Stipulation and the various servicing agreements (the “**Servicing Agreements**”) with the Customers, starting on October 1, 2025, Vervent has been servicing the known Tricolor auto loan accounts (collectively, the “**Accounts**”), including while the ultimate ownership and collateral mapping as to such Accounts among the Customers is being finalized and determined across the various Customer silos (including loans that may or may not be property of the estates once a final determination is made).

9. Accordingly, pursuant to the Original Vervent Stipulation and the various Servicing Agreements with the Customers (and including the anticipated to-be-agreed servicing agreement with the Trustee), Vervent has been engaged to perform—and has performed—various loan servicing duties (the “**Services**”), including the following:

- Manage, service, administer, and make collections on certain loan receivables originated by the Debtors as described in the Servicing Agreements (the “**Receivables**”);
- Collect and consolidate funds remitted by borrowers with respect to the Receivables and respond to borrower inquiries related to the Receivables;
- Collect, transport, and dispose or repurpose collateral related to the Receivables, including via vehicle GPS information and repossession from Debtor-owned premises, including the utilization of the Collection Accounts and Trust Account (as defined in the applicable stipulations) in the manner consistent with the stipulations and the Servicing Agreements;
- Investigate delinquencies related to the Receivables;
- Provide collection and repossession services in the event of borrower defaults related to the Receivables; and
- Communicate and contract with and pay vendors, contractors, suppliers, and creditors of the Debtors or other third parties to accomplish the Services.

10. On January 15, 2026, based on the efforts of Vervent and the Customers, and to reflect the broader transition into “ordinary course” servicing duties, this Court entered the *Sixth*

Amended Order Granting Chapter 7 Trustee's Motion for Entry of Order Approving Stipulation Between Trustee and Vervent Inc. [Dkt. No. 668] (the "**Sixth Vervent Stipulation**"). The Sixth Vervent Stipulation updated the Original Vervent Stipulation and set forth, in detail, the Services and other tasks that Vervent could perform, including the Services that generally align with the contractual servicing duties under the various Servicing Agreements.

11. For example, the Sixth Vervent Stipulation explicitly enumerated the following activities that Vervent was authorized by this Court to perform (and modified the automatic stay for Vervent to perform such activities to the extent needed):

- The Trustee granted Vervent access to and use of funds in the Collection Accounts (as defined in the Sixth Vervent Stipulation) and WellsFargo Acct. # X3566 (the "**Trust Account**"), to fund necessary servicing and transition costs incurred in accordance with the stipulations and Servicing Agreements and related documents and to transfer, pool and segregate into accounts established by Vervent proceeds of Receivables received in the Collection Accounts and Trust Account.
- Vervent was authorized to use commercially reasonable efforts to collect and account for Receivables.
- Vervent was authorized to take the following actions without further order of the Court or authorization from any party:
 - Perform ordinary course account collection and collateral repossession services in the event of borrower defaults,⁵ including, without limitation, sending default notices, repossessing vehicles, liquidating vehicles, and receiving the net proceeds from such liquidations into the Trust Account;
 - Perform ordinary course lien release and title processing services, including as loans are paid off, or collateral is sold or deemed total losses, which necessitates Vervent to process the required lien release, transfer of ownership, order duplicate titles, and take other related actions;
 - Perform and complete ordinary course loan charge offs, including in accordance with generally accepted accounting and regulatory guidelines for past due-loans; and

⁵ This repossession activity is now subject to a temporary moratorium issued by this Court.

- Perform other ordinary course servicer duties as required by the Servicing Agreements and as are commercially standard to service accounts in compliance with applicable law and regulations.

B. Summary of the Motion.

12. In the Motion, JDS alleges that in June 2025, an individual named Aldrich Joel Martinez Herrera (“**Herrera**”) purchased a 2022 Ford F-150, VIN: X4801 (the “**Vehicle**”) from Tricolor Auto Group, LLC, and in July 2025 Herrera brought the Vehicle to JDS for repairs. JDS further alleges that it completed repairs to the Vehicle and remains in possession of the Vehicle. JDS alleges that it issued a bill for the repairs to Herrera and Tricolor in the amount of \$8,103.72, which remains unpaid. JDS further states that it subsequently caused Dallas County to issue a *Notice of Intention to File Mechanics Lien*, and on December 17, 2025, the Texas Department of Motor Vehicles wrote to JDS, stating that it required a court-order, or Tricolor’s release of lien or memo of no-interest. JDS now seeks termination of the automatic stay to allow JDS to pursue a state court action to foreclose its alleged lien on the Vehicle or modification of the automatic stay to allow for the sale of the Vehicle.

13. Based on publicly available, third-party vehicle pricing data and various assumptions about the mileage and condition of the Vehicle, Vervent, upon information and belief, estimates that the trade-in value of the Vehicle is approximately \$25,000 to \$30,000.

OBJECTION

14. Vervent, in its capacity as servicer under the various Servicing Agreements, and in accordance with the Sixth Vervent Stipulation, respectfully objects to the Motion for the following reasons.

15. Section 362(d)(1) of the Bankruptcy Code provides that on request of a party in interest and after notice and a hearing, a court shall grant relief from the automatic stay “for cause,

including the lack of adequate protection of an interest in property of such party in interest.” 11 U.S.C. § 362(d)(1). “Cause” within the context of § 362(d)(1) is undefined, and courts consider numerous factors when determining if a request for relief from the automatic stay is appropriate. See In re Choice ATM Enters., Inc., No. 14-44982-DML, 2015 WL 1014617, at *3-4 (Bankr. N.D. Tex. Mar. 4, 2015) (citing See In re Laventhol & Horwath, 139 B.R. 109, 116 (S.D.N.Y.1992) (citing H.R. Rep. No. 95–595, 343–44 (1977), reprinted in 1978 U.S.C.C.A.N. 5787, 6300)). As one court has explained, “[c]ause’ is a broad concept that is intentionally flexible so that courts may respond to different or unique circumstances.” Id. (citing Mooney v. Gill, 310 B.R. 543, 546–47 (N.D. Tex. 2002)).

16. Applying these guidelines here, JDS has failed to establish “cause” to terminate the automatic stay. JDS generally points to its desire to pursue a state court action regarding the validity of its lien rights and to enforce that lien, including by potentially liquidating the Vehicle outside the purview of this Court. Notably, JDS cannot allege that its interest in the Vehicle—if any—is not adequately protected.

17. Further, In re Curtis, 40 B.R. 795, 799-800 (Bankr. D. Utah 1984), provides a list of factors that many courts consider when determining if “cause” exists to allow proceedings to continue in a different forum, and most, if not all, of the relevant factors support denying stay relief here, including the following:

- Relief from stay will not fully resolve the issues, as even if a sale occurs, issues will remain regarding the treatment of net sale proceeds and the validity and priority of interests in those proceeds.
- Relief from stay will interfere in the carefully managed and negotiated process established by this Court for servicing loans, selling vehicles, and administering loan and vehicle proceeds.

- Vervent does not believe a specialized tribunal is required to adjudicate the issues raised in the Motion, but rather they could be resolved by this Court.
- Litigation in a different forum could prejudice Vervent and its Customers, including as to priority of interests and control over any net sale proceeds.
- Interests of judicial economy favor this Court retaining control over the liquidation of the Vehicle and adjudication of rights in the Vehicle and any sale proceeds, subject to all parties' reservations of rights regarding jurisdiction and other relevant matters.
- Vervent submits that this Court can authorize a sale process for the Vehicle without the disruption and uncertainty that stay relief would create, and which process would limit any risk of harm from the stay remaining in place as to JDS or other parties-in-interest as to the Vehicle.⁶

18. Thus, although Vervent acknowledges JDS's desire to determine its lien rights sooner rather than later and to receive payment on its alleged claim through a liquidation of the Vehicle, Vervent opposes termination of the stay to adjudicate these matters in another forum. In particular, as this Court is aware, Vervent and Holman are in the process of selling nearly 10,000 vehicles in accordance with this Court's sale procedures order [Docket No. 593], which was heavily negotiated among parties-in-interest and includes a process for collecting sale proceeds and determining rights among numerous parties in those proceeds. Further, under the Original Vervent Stipulation and the Sixth Vervent Stipulation, Vervent has been servicing tens of thousands of Tricolor loans, which has included various stages of collection efforts and repossessions (subject now to the temporary moratorium on new repossessions). Under those stipulations, loan payments or proceeds from vehicle sales flow into the Trust Account, where they are held pending further Court order (such as permitted collateral protection insurance payments and sales tax payments, per the Sixth Vervent Stipulation). Thus, subject to the views of other

⁶ As noted below, Vervent will work with JDS on removal and/or sale of the Vehicle to limit any inconvenience and cost to JDS.

parties-in-interest, Vervent does not oppose this Court establishing a process for liquidating the Vehicle (with net proceeds to flow into the Trust Account or other account designated by this Court), but Vervent does oppose terminating the stay to adjudicate these issues in a different forum as to JDS given the complexities of this case and the volume of vehicles and loans at issue across the broader Tricolor portfolio.

RESERVATION OF RIGHTS

19. Vervent reserves all rights to supplement this Objection and to present evidence at any hearing(s) on the Motion.

VERVENT'S OUTREACH TO JDS

20. Vervent, in coordination with the Trustee, will attempt to work with JDS and other parties-in-interest concerning the issues raised in the Motion and consensual resolution thereof, including in advance of the preliminary hearing.

WHEREFORE, Vervent respectfully requests that this Court deny the Motion and grant such other relief as this Court deems fair and just.

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Dated: February 23, 2026

Respectfully submitted,

/s/ Scott D. Lawrence

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COUNSEL FOR VERVENT, INC.

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was served on February 23, 2026 by the Court's ECF noticing system on all parties that consent to such service via electronic filing.

/s/ Scott D. Lawrence

Scott D. Lawrence