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

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| **In re** | § | **Chapter 7** |
| **TRICOLOR HOLDINGS, LLC, *et al.*,** | § | **Case No. 25-33487 (MVL)** |
| **Debtors.**[1] | § | **Jointly Administered** |

**TBK BANK, SSB'S LIMITED OBJECTION TO TRUSTEE'S MOTION FOR AUTHORIZATION TO ENTER INTO SERVICING AGREEMENT WITH VERVENT INC.**

TBK Bank, SSB ("**TBK Bank**"), in its capacity as administrative, payment, and collateral agent, for itself and for the other lenders (the "**Lenders**")[2] under that certain *Amended and Restated Loan and Security Agreement* dated May 6, 2022 (as amended or modified from time to time prior

[1] The Debtors and their bankruptcy case numbers are: Tricolor Holdings, LLC (25-33487), TAG Intermediate Holding Company, LLC (25-33495), Tricolor Auto Group, LLC (25-33496), Tricolor Auto Acceptance, LLC (25-33497), Tricolor Insurance Agency, LLC (25-33512), Tricolor Home Loans LLC (25-33511), Tricolor Real Estate Services (25-33514), TAG California Holding Company, LLC (25-33493), Flexi Compras Autos, LLC (25-33490), TAG California Intermediate Holding Company, LLC (25-33494), Tricolor California Auto Group, LLC (25-33502), Tricolor California Auto Acceptance, LLC (25-33501), Risk Analytics LLC (25-33491), Tricolor Tax, LLC (25-33515), Tricolor Financial, LLC (25-33510), Tricolor Auto Receivables LLC (25-33498), TAG Asset Funding, LLC (25-33492), Apoyo Financial, LLC (25-33489).

[2] The Lenders are TBK Bank, Renasant Bank, Bank of the West, and Transportation Alliance Bank. Inc.

to the Petition Date, the "**Loan Agreement**"), files this limited objection (the "**Limited Objection**") to the *Trustee's Motion for Authorization to Enter into Servicing Agreement with Vervent Inc.* [Docket No. 1362] (the "**Motion**"), which seeks entry of an order approving the *Successor Servicing Agreement* (the "**Servicing Agreement**") which allows Vervent to service the Unassigned Notes, which constitute a portion of TBK Bank's collateral.[3] In support of this Limited Objection, TBK Bank respectfully states as follows:

## FACTUAL BACKGROUND

1. Prior to September 10, 2025 (the "**Petition Date**"), (a) TBK Bank, (b) the Lenders, (c) Tricolor Holdings, LLC, Tricolor Auto Group, LLC, Tricolor California Auto Group, LLC, and Flexi Compras Autos, LLC (together with Tricolor Auto Group, LLC and Tricolor California Group, LLC, the "**Dealership Debtors**"), as borrowers, and (d) certain Debtor guarantors[4] party thereto (collectively with the Dealership Debtors, the "**Subject Debtors**"), entered into the Loan Agreement, pursuant to which the Lenders provided the Subject Debtors with financing secured in part by the vehicles to be used as inventory for sale to consumers, as well as vehicle works in process, (the "**Vehicle Inventory**" and each an "**Inventory Vehicle**") and the proceeds of such collateral.[5]

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[3] Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Motion.

[4] The Debtor guarantors are TAG Intermediate Holding Company, LLC, Tricolor Auto Acceptance, LLC, Tricolor California Auto Acceptance, LLC, TAG California Holding Company, LLC, TAG California Intermediate Holding Company, LLC, Tricolor Insurance Agency, LLC. Tricolor Home Loans, LLC, and Tricolor Real Estate Services, LLC.

[5] In addition to this Limited Objection, the lien, security interest, and priority asserted herein are supported by (1) TBK Bank's proofs of claim filed in each of the twelve Debtors' cases (each, a "**Proof of Claim**" and collectively, the "**Proofs of Claim**"); (2) *TBK Bank, SSB's Motion for (I) Relief from the Automatic Stay and (II) Adequate Protection* [Dkt. 202] (the "**Lift Stay Motion**"); (3) the *Appendix in Support of TBK Bank's Motion for (I) Relief from the Automatic Stay and (II) Adequate Protection* [Dkt. 203] (the "**Appendix**"); and (4) the *Declaration of Russell Bonder in Support of TBK Bank, SSB's Motion to Relief from the Automatic Stay with Respect to Certain Inventory* [Dkt. 726] (the "**Bonder Declaration**")—each of which are hereby expressly incorporated by reference—along with all other papers and pleadings on file in the Debtors' bankruptcy cases, and such other evidence as may be presented at any hearing on this matter.

2. As of the Petition Date, the aggregate outstanding amount due under the Loan Agreement was at least $60,700,647.40, comprised of at least $59,991,000.15 in principal and at least $720,647.24 in interest, plus any and all other interest (including default interest), fees, costs, indemnities, and other charges that continue to accrue daily and are owed under the Loan Agreement (collectively, the "**Outstanding Indebtedness**").[6]

3. The Outstanding Indebtedness (and all other obligations under the Loan Agreement) is secured by a first-priority, continuing security interest in and lien upon the following property, whether then owned or thereafter acquired, and wherever located (collectively, the "**TBK Collateral**"):[7]

(a) all Vehicle Inventory (as defined in the Loan Agreement) and other "inventory", as defined in the Uniform Commercial Code, including all goods intended for sale, lease, display or demonstration; all work in process; and all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, printing, packing, shipping, advertising, sale, lease or furnishing of such goods, or otherwise used or consumed in a person's business;[8]

(b) certain dominion accounts established by the Subject Debtors at TBK Bank in which payments relating to the Vehicle Inventory are deposited;

(c) all accessions to, substitutions for, and all replacements, products, and cash and non-cash proceeds of the foregoing, including proceeds of and unearned premiums with respect to insurance policies, and claims against any person for loss, damage or destruction of any Collateral; and

(d) all books and records (including customer lists, files, correspondence, tapes, computer programs, print-outs and computer records) pertaining to the foregoing.

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6 Appendix p. 6.

7 Proof of Claim p. 43.

8 As more specifically set out in the Loan Agreement, "Vehicles" including "any motor vehicle owned by an Obligated Party that is held out to the public for sale" and "Vehicle Inventory," in turn, includes "the aggregate number of Vehicles owned by any Obligated Party as a whole." Proof of Claim p. 37.

4. Section 4.01 of the Loan Agreement makes clear that TBK Bank was granted a security interest and lien upon "all accessions to, substitutions for, and all replacements, products, and cash and non-cash proceeds of," among other things, the Vehicle Inventory.[9] The unassigned retail installment sale contracts under which a Debtor extended credit in the ordinary course of business – referred to in the Motion as the "Unassigned Notes" – and the collections thereon are the proceeds of the TBK Collateral. UCC § 9-203(f) ("The attachment of a security interest in collateral gives the secured party the rights to proceeds provided by Section 9-315"); UCC § 9-315(a)(2) ("a security interest attaches to any identifiable proceeds of collateral").

5. TBK Bank properly perfected its security interest in the TBK Collateral by filing financing statements with the Office of the Secretary of State of Texas or Delaware, as applicable, on January 16, 2020.[10] Copies of the financing statements are attached to TBK Bank's Proofs of Claim.

6. TBK Bank took all steps required to preserve such perfection through the Petition Date and as of the filing of this Limited Objection.[11] Accordingly, once TBK Bank's security interest and lien attached to the TBK Collateral or the proceeds thereof, including the Unassigned Notes (and collections thereon), its security interest and lien were also perfected. UCC § 9-308(a) ("a security interest is perfected if it has attached and all applicable requirements for perfection in Sections 9-310 through 9-316 have been satisfied."); UCC § 9-502(d) ("A financing statement may be filed before a security agreement is made or a security interest otherwise attaches"). TBK Bank's security interest in the proceeds of the Vehicle Inventory, including the Unassigned Notes

[9] Proof of Claim p. 43.

[10] Appendix pp. 7–10; Proof of Claim pp. 212–77.

[11] Proof of Claim pp. 212–77.

(and collections thereon), continues postpetition pursuant to section 552(b)(1) of the Bankruptcy Code. 11 U.S.C. § 552(b)(1).

**LIMITED OBJECTION**

7. TBK Bank supports the Trustee entering into the Servicing Agreement with Vervent Inc. ("***Vervent***") under which Vervent is agreeing to service the TBK Collateral – specifically, the Unassigned Notes. While TBK Bank does not object to the current terms of the proposed Servicing Agreement, TBK Bank does object to section 5.04 of the Servicing Agreement, which permits the Trustee and Vervent to amend, modify, or supplement any of the terms of the Servicing Agreement without prior notice to affected parties, including TBK Bank. Any amendment to the Servicing Agreement that does not have prior approval from this Court[12] or TBK Bank could result in diminution of the TBK Collateral, including the Unassigned Notes, and should not be permitted without prior consent or notice of hearing.

8. Accordingly, TBK Bank requests that the Court condition approval of the Servicing Agreement on the requirement that Section 5.04 be amended to prohibit any amendment, modification, or supplement to the Servicing Agreement without either (a) the prior written consent of TBK Bank or (b) further order of this Court after notice and a hearing.

9. TBK Bank further requests that, as a condition to approval of the Servicing Agreement, the Trustee be required to provide TBK Bank with: (a) the list of retail installment sale contracts and related receivables to be attached as Schedule 1 to the Servicing Agreement, as referenced in the definition of "Receivable" therein; and (b) the credit and collection policy referenced in the definition of "Defaulted Receivable" in Section 1.01 of the Servicing Agreement. TBK Bank's Collateral includes the Unassigned Notes (and collections thereon), and TBK Bank

[12] The "**Court**" means the United States Bankruptcy Court for the Northern District of Texas.

cannot assess whether the Servicing Agreement adequately protects its interest in the Unassigned Notes without reviewing these materials, which define the scope of receivables subject to the Servicing Agreement and the standards governing charge-off and liquidation of those receivables. TBK Bank reserves the right to supplement or amend this Limited Objection after the receipt of the requested information.

## RESERVATION OF RIGHTS

10. TBK Bank reserves all rights against Vervent, the Debtors' chapter 7 estates, and the Trustee. Filing this Limited Objection is not and shall not be deemed or construed as a waiver by TBK Bank of any rights under the Loan Agreement or Servicing Agreement, including all related and/or ancillary agreements, the Bankruptcy Code, or applicable law. TBK Bank reserves all such rights, including, without limitation, the right to seek adequate protection, to assert rights with respect to cash collateral, and to raise other and further objections to the Motion.

Dated: August 25, 2026

*/s/ Bradley R. Foxman*

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**CERTIFICATE OF SERVICE**

I certify that on August 25, 2026, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Texas.

*/s/ Bradley R. Foxman*
One of Counsel