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ROPES & GRAY LLP
Robert A. Skinner (admitted *pro hac vice*)
Ani-Rae Lovell (admitted *pro hac vice*)
Erin C. Dougherty (admitted *pro hac vice*)
1211 Avenue of the Americas
New York, New York 10036
Telephone: (212) 596-9000
Facsimile: (212) 596-9090
Email: robert.skinner@ropesgray.com
ani-rae.lovell@ropesgray.com
erin.dougherty@ropesgray.com

DRIVER STEPHENSON, PLLC
Vickie L. Driver
13155 Noel Road, Suite 900
Dallas, Texas 75240
Telephone: (214) 910-9558
Email: vickie@driversteplaw.com

Counsel to BlackRock Inc., BlackRock Financial Management, Inc., and the Senior Preferred Members

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

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

BLACKROCK INC., BLACKROCK FINANCIAL MANAGEMENT, INC., AND THE SENIOR PREFERRED MEMBERS' WITNESS AND EXHIBIT LIST FOR SEPTEMBER 1, 2026 HEARING

BlackRock Inc., BlackRock Financial Management, Inc., and the Senior Preferred Members[2] (collectively, "BlackRock") hereby submits this witness and exhibit list for the hearing scheduled for **September 1, 2026 at 9:30 a.m. (Prevailing Central Time)** (the "Hearing"):

[1] The Debtors in these chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC.

[2] "Senior Preferred Members" means BOPA1, L.P., Coastline Fund, L.P., Multi-Alternative Opportunities Fund (A), L.P., Multi-Alternative Opportunities Fund (B), L.P., Oak Marsh Global Opportunities Fund, L.P., Total Alternatives Fund – Private Credit LP, ASG Rooster Holdings II, LLC, ABR Rooster Holdings II, LLC, and BlackRock Impact Opportunities Fund, L.P., each a holder of Senior Preferred Units under the LLC Agreement.

WITNESSES

BlackRock may call any of the following witnesses at the Hearing:

1. Any witness called or listed by any other party; and

2. Any rebuttal witnesses

EXHIBITS

NO.	DESCRIPTION	OFFER	OBJECTION	ADMIT
1	Chapter 7 Trustee's Motion For Entry Of An Order Pursuant To Bankruptcy Rule 2004 (I) Directing Examination Of BlackRock, Inc., BlackRock Financial Management, Inc., And The Senior Preferred Members And (II) Directing The Production Of Documents (Dkt. No. 1298)			
2	Adversary Complaint, Burns v. Chu, 25-03126 (MVL) (Bankr. N.D. Tex. Dec. 19, 2025) (Adv. Dkt. No. 1)			
3	Trustee's Emergency Motion for a Temporary Restraining Order and for a Preliminary Injunction Against Daniel Chu in the Adversary Proceeding (Adv. Dkt. No. 6)			
4	The United States of America's Brief in Support of Its Motion to Intervene and Stay Discovery in the Adversary Proceeding (Adv. Dkt. No. 51)			
5	Indictment, United States v. Chu, 25-cr-00579 (S.D.N.Y. filed Dec. 15, 2025) (Dkt. No. 2)			
6	Order Granting the United States of America's Motion to Intervene and Stay Discovery (Adv. Dkt. No. 154)			

NO.	DESCRIPTION	OFFER	OBJECTION	ADMIT
7	Order Staying Proceedings and Abating Deadlines (Adv. Dkt. No. 170)			
	Any pleadings, reports, exhibits, transcripts, proposed orders, Court orders, or other document filed with the Court on the docket of the above-captioned chapter 7 cases			
	Any exhibit necessary to rebut the evidence of testimony of any witness offered or designated by any other party			
	Any exhibit listed by any other party			

RESERVATION OF RIGHTS

BlackRock reserves the right to call or to introduce one or more, or none, of the witnesses and exhibits listed above, and further reserves the right to supplement this list at any time prior to the Hearing.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

Dated: August 28, 2026
Dallas, Texas

/s/ Vickie L. Driver

DRIVER STEPHENSON, PLLC
Vickie L. Driver
13155 Noel Road
Suite 900
Dallas, Texas 75240
Telephone: (214) 910-9558
Email: vickie@driversteplaw.com

ROPES & GRAY LLP
Robert A. Skinner (admitted *pro hac vice*)
Ani-Rae Lovell (admitted *pro hac vice*)
Erin C. Dougherty (admitted *pro hac vice*)
1211 Avenue of the Americas
New York, New York 10036
Telephone: (212) 596-9000
Facsimile: (212) 596-9090
Email: robert.skinner@ropesgray.com
ani-rae.lovell@ropesgray.com
erin.dougherty@ropesgray.com

Counsel to BlackRock Inc., BlackRock Financial Management, Inc., and the Senior Preferred Members

CERTIFICATE OF SERVICE

I hereby certify that on August 28, 2026, a true and correct copy of the foregoing document was served electronically through the Court's CM/ECF system upon all parties receiving electronic notice in this case.

/s/ *Vickie L. Driver*

REID COLLINS & TSAI LLP
Eric D. Madden (TX 24013079)
Richard H. Howell (*pro hac vice* forthcoming)
1445 Ross Avenue, Suite 2900
Dallas, Texas 75202
Telephone: (214) 420-8900
E-mail: emadden@reidcollins.com
rhowell@reidcollins.com

REID COLLINS & TSAI LLP
William T. Reid, IV (TX 00788817)
Joshua J. Bruckerhoff (TX 24059504)
Aaron A. Brown (*pro hac vice* forthcoming)
Seth W. Roye (*pro hac vice* forthcoming)
1301 S. Capital of Texas Hwy, Suite C-300
Austin, Texas 78746
Telephone: (512) 647-6100
E-mail: wreid@reidcollins.com
jbruckerhoff@reidcollins.com
abrown@reidcollins.com
sroye@reidcollins.com

Special Litigation Counsel to the Chapter 7 Trustee

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

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

CHAPTER 7 TRUSTEE'S MOTION FOR ENTRY OF AN ORDER PURSUANT TO BANKRUPTCY RULE 2004 (I) DIRECTING EXAMINATION OF BLACKROCK, INC., BLACKROCK FINANCIAL MANAGEMENT, INC., AND THE SENIOR PREFERRED MEMBERS AND (II) DIRECTING THE PRODUCTION OF DOCUMENTS

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT LOCATED IN THE EARLE CABELL FEDERAL BUILDING, 1100 COMMERCE STREET, ROOM 1254, DALLAS, TEXAS 75242, BEFORE CLOSE OF BUSINESS ON JULY 29, 2026, WHICH IS AT LEAST 21 DAYS FROM THE DATE OF SERVICE HEREOF.

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

Anne Elizabeth Burns, Chapter 7 Trustee for the above-referenced Chapter 7 bankruptcy case (the "Trustee"), hereby submits this motion (the "Motion") pursuant to Rules 2004 and 9016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Section 105(a) of Title 11 of the Bankruptcy Code (the "Bankruptcy Code"), and Local Rule 2004-1 of the Local Rules of the United States Bankruptcy Court for the Northern District of Texas (the "Local Rules"), for entry of an order, substantially in the form attached hereto as Exhibit A (the "Proposed Order"), authorizing the Trustee to issue discovery without the need for further relief from this Court in the form of the production of documents responsive to the document requests set forth on Exhibit B attached hereto (the "Requests") from BlackRock, Inc., BlackRock Financial Management, Inc., and the Senior Preferred Members[2] (collectively, "BlackRock"). In support of this Motion, the Trustee respectfully represents as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984, entered by the United States District Court for the Northern District of Texas. This

[2] The Senior Preferred Member included: BOPA1, L.P., Coastline Fund, L.P., Multi-Alternative Opportunities Fund (A), L.P., Multi-Alternative Opportunities Fund (B), L.P., Oak Marsh Global Opportunities Fund, L.P., Total Alternatives Fund – Private Credit LP, ASG Rooster Holdings II, LLC, ABR Rooster Holdings II, LLC, and BlackRock Impact Opportunities Fund, L.P., each a holder of Senior Preferred Units under the LLC Agreement.

BLACKROCK - EXHIBIT 1

matter is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are Section 105(a) of the Bankruptcy Code, and Rules 2004 and 9016 of the Bankruptcy Rules.

BACKGROUND

I. The Chapter 7 Case

3. On September 10, 2025 (the "Petition Date"), Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC (collectively, the "Debtors" or "Tricolor"), commenced a case (the "Chapter 7 Case") in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Court").

4. On the same day, a Notice of a Chapter 7 Bankruptcy Case was entered, appointing Anne Elizabeth Burns as the Chapter 7 trustee for Tricolor.

5. Tricolor's petitions indicated that it has more than 25,000 creditors and between $1 and $10 billion in liabilities.

6. BlackRock Financial Management, Inc. served as the investment manager for all Senior Preferred Members that held preferred equity in Tricolor.

7. BlackRock, Inc. is the parent company of BlackRock Financial Management, Inc. and the BlackRock-affiliated investment entities that held preferred equity in Tricolor.

BLACKROCK - EXHIBIT 1

8. BlackRock, Inc. is the parent company of BlackRock Financial Management, Inc. and the BlackRock-affiliated investment entities that held preferred equity in Tricolor.

9. The Senior Preferred Members held Senior Preferred Units pursuant to the Fifth Amended and Restated Limited Liability Company Agreement of Tricolor Holdings, LLC, dated as of December 30, 2021.

10. Pursuant to the Trustee's duties under the Bankruptcy Code to preserve property of the estate and maximize value for all creditors and stakeholders, the Trustee seeks to obtain certain documents, communications, and other materials from Blackrock concerning its relationship with the Debtors, their businesses, and other matters set forth herein as stated in the Requests.

BASIS FOR RELIEF REQUESTED

I. Discovery Under Rule 2004

11. Under Fifth Circuit law, a trustee or debtor-in-possession has a duty to investigate the financial affairs of the debtor and prepetition conduct. *See In re Red River Energy, Inc.*, 409 B.R. 163, 181 (Bankr. S.D. Tex. 2009). Bankruptcy Rule 2004 provides the Court with authority to order an examination of any entity or person if such examination relates "to the acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtors' estate … [and to] any other matter relevant to the case or to the formulation of a plan." Fed. R. Bankr. P. 2004(b).

12. "The purpose of a Rule 2004 examination is to assist a party in interest in determining the nature and extent of the bankruptcy estate, revealing assets, examining transactions and assessing whether wrongdoing has occurred." *In re Recoton Corp.*, 307 B.R. 751, 755 (Bankr. S.D.N.Y. 2004); *In re Ionosphere Clubs, Inc.*, 156 B.R. 414, 432 (S.D.N.Y. 1993). The scope of a Rule 2004 examination is broad. *See, e.g.*, *In re Kipp*, 86 B.R. 490, 491 (Bankr.

BLACKROCK - EXHIBIT 1

W.D. Tex. 1988); *In re Enron Corp. Sec. Litig.*, No. H-01-3624, 2004 WL 613091, at *3 (S.D. Tex. Mar. 16, 2004); *In re Edic*, No. 05–41557, 2005 WL 6443541, at *1 (Bankr. N.D. Tex. Oct. 7, 2005) ("Rule 2004 is very broad in scope"). Indeed, any third party that has a relationship with a debtor may be subject to examination. *See e.g.*, *Ionosphere Clubs*, 156 B.R. at 432; *Recoton Corp.*, 307 B.R. at 755*; In re Cousins Barricades & Metal Prods.*, No. Civ.A. 99-2035, 2000 WL 245860 at *3 (E.D. La. March 2, 2000).

13. Rule 2004 provides that, upon the motion of any party in interest, the Court may authorize the examination of any entity, through both document requests and depositions, relating "to the acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor's estate." Fed. R. Bankr. P. 2004(b).

14. Specifically, Rule 2004 enables a party in interest to:

> obtain information about the debtor's financial condition, matters that may affect the administration of the debtor's estate, right to a discharge, or operation of a business and the desirability of its continuance, sources of, and consideration for, money or property or consummate a plan, and other matters relevant to the case or formulation of a plan.

In re Daisytek, Inc., 323 B.R. 180, 187 (N.D. Tex. 2005).

15. Rule 2004 is an investigatory tool and is extremely broad in scope. *See In re Correra*, 589 B.R. 76, 113 (Bankr. N.D. Tex. 2018); *In re Drexel Burnham Lambert Group, Inc.*, 123 B.R. 702, 711 (Bankr. S.D.N.Y. 1991) (same); *see also In re ECAM Publications, Inc.*, 131 B.R. 556, 559 (Bankr. S.D.N.Y. 1991).

16. In fact, courts repeatedly have compared Rule 2004 examinations to a "licensed fishing expedition." *In re NE 40 Partners, Ltd. Partnership*, 440 B.R. 124, 129 (Bankr S.D. Tex. 2010); *In re French*, 145 B.R. 991, 992 (Bankr. D.S.D. 1992) ("Bankruptcy Rule 2004 is designed to be a quick 'fishing expedition' into general matters and issues regarding the administration of the bankruptcy case . . ."); *In re GHR Energy Corp.*, 33 B.R. 451, 453 (Bankr. D. Mass. 1983)

BLACKROCK - EXHIBIT 1

("The scope of a Rule 2004 examination is broad. Indeed, some have compared it to a 'fishing expedition.'"); *In re Duratech Industries, Inc.*, 241 B.R. 283, 289 (E.D.N.Y. 1999); In re Bennett Funding Grp., Inc., 203 B.R. 24, 28 (Bankr. N.D.N.Y. 1996); *see also In re Kipp*, 86 B.R. 490, 491 (Bankr. W.D. Tex. 1988) ("Bankruptcy Rule 2004 authorizes examination of any entity and the scope of such examination is virtually unlimited.").

17. To establish good cause for a Rule 2004 examination, the Trustee need only demonstrate that an examination is reasonably necessary to protect the estates' legitimate interests and if examination is necessary to establish a claim of the Trustee. *See In re McClain Feed Yard, Inc.*, 661 B.R. 136, 142 (Bankr. N.D. Tex. 2024).

II. Good Cause Exists for a Rule 2004 Examination

18. Good cause exists for a Rule 2004 examination and the production of documents because the documents and information requested in the Motion are essential to the Trustee's efforts to maximize the value of the Debtors' estates and investigate potential claims and causes of actions that may exist which may inure to the benefit of the Debtors' creditors and stakeholders.

19. The Trustee believes that important records, documents, communications and other materials which relate to the Debtors' business and dealings with third parties prepetition are in the possession, custody, or control of BlackRock. Specifically, BlackRock played a significant role in the Debtors' prepetition business activities, including the Debtors' financial affairs. Based on such prepetition involvement, BlackRock, and those acting on its behalf, frequently corresponded with and engaged with the Debtors' management. The Trustee believes that the information sought in the Requests is pertinent to the Trustee's investigation of potential claims and causes of action belonging to the estate.

BLACKROCK - EXHIBIT 1

20. Accordingly, by this Motion, the Trustee seeks an order authorizing the Trustee to conduct a Rule 2004 examination of BlackRock and directing BlackRock to produce the documents listed in the Requests that will enable the Trustee to maximize the value of the estate and fully investigate potential claims and causes of action belonging thereto.

NOTICE

21. The Trustee will provide notice of the Motion to: (a) BlackRock; (b) the U.S. Trustee; and (c) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Trustee submits that no other or further notice is required.

RESERVATION OF RIGHTS

22. This Motion is submitted without prejudice to, and with a full reservation of, the Trustee's rights to request and conduct any other or further discovery, pursuant to Rule 2004 or other applicable law, from any person or entity, including seeking additional and further discovery from BlackRock.

CONCLUSION

WHEREFORE, for the reasons stated herein, the Trustee respectfully requests entry of the Proposed Order directing the examination of BlackRock pursuant to Bankruptcy Rule 2004 and directing the production of documents as set forth in the Rule 2004 Requests and granting such other and further relief as the Court deems just and proper.

[*Remainder of Page Intentionally Left Blank*]

BLACKROCK - EXHIBIT 1

WHEREFORE, the Trustee respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A** granting the relief requested herein and such other and further relief as may be just and proper.

Dated: Dallas, Texas
July 8, 2026

Respectfully submitted,

/s/ Eric D. Madden

REID COLLINS & TSAI LLP
Eric D. Madden (TX 24013079)
Richard H. Howell (*pro hac vice* forthcoming)
1445 Ross Avenue, Suite 2900
Dallas, Texas 75202
Telephone: (214) 420-8900
E-mail: emadden@reidcollins.com
rhowell@reidcollins.com

REID COLLINS & TSAI LLP
William T. Reid, IV (TX 00788817)
Joshua J. Bruckerhoff (TX 24059504)
Aaron A. Brown (*pro hac vice* forthcoming)
Seth W. Roye (*pro hac vice* forthcoming)
1301 S. Capital of Texas Hwy, Suite C-300
Austin, Texas 78746
Telephone: (512) 647-6100
E-mail: wreid@reidcollins.com
jbruckerhoff@reidcollins.com
abrown@reidcollins.com
sroye@reidcollins.com

Special Litigation Counsel to the Chapter 7 Trustee

BLACKROCK - EXHIBIT 1

CERTIFICATE OF SERVICE

I do hereby certify that on July 8, 2026, a true and correct copy of the foregoing motion was served (i) via CM/ECF for the United States Bankruptcy Court for the Northern District of Texas on all parties authorized to receive electronic notice in this case, and (ii) via Priority U.S. Mail and electronic mail on BlackRock, Inc. and BlackRock Financial Management, Inc.

Dated: July 8, 2026
Dallas, Texas

REID COLLINS & TSAI LLP

/s/ Eric D. Madden
Eric D. Madden

ROPES & GRAY LLP
c/o Robert A. Skinner
1211 Avenue of the Americas
New York, NY 10036-8704
Robert.Skinner@ropesgray.com

CERTIFICATE OF CONFERENCE

On June 30, 2026, Trustee's special litigation counsel conferred with Robert A. Skinner of Ropes & Gray LLP on behalf of BlackRock, Inc., BlackRock Financial Management, Inc, and the Senior Preferred Members. No agreement with BlackRock, Inc. and BlackRock Financial Management, Inc. could be reached, and this motion is presented to the Court for determination.

Dated: July 8, 2026
Dallas, Texas

REID COLLINS & TSAI LLP

/s/ Eric D. Madden
Eric D. Madden

Exhibit A

Proposed Order

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

In re:	)	Chapter 7
TRICOLOR HOLDINGS, LLC, *et al*.,[3]	)	Case No. 25-33487 (MVL)
Debtors.	)	

ORDER GRANTING THE CHAPTER 7 TRUSTEE'S MOTION FOR ENTRY OF AN ORDER PURSUANT TO BANKRUPTCY RULE 2004 (I) DIRECTING EXAMINATION OF BLACKROCK, INC., BLACKROCK FINANCIAL MANAGEMENT, INC., AND THE SENIOR PREFERRED MEMBERS AND (II) DIRECTING THE PRODUCTION OF DOCUMENTS

Upon the motion of the Trustee pursuant to Rules 2004 and 9016 of the Bankruptcy Rules for an order authorizing the examination of, and the production of documents by BlackRock, Inc. and BlackRock Financial Management, Inc. (the "Motion"); and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference of Bankruptcy*

[3] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC.

Cases and Proceedings Nunc Pro Tunc dated August 3, 1984, entered by the United States District Court for the Northern District of Texas; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and due and sufficient notice of the Motion having been given under the particular circumstances; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Trustee, the bankruptcy estate, the creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby:

ORDERED, ADJUDGED, AND DECREED that:

1. The Motion is GRANTED as set forth herein.

2. BlackRock, Inc. and BlackRock Financial Management, Inc. shall produce the documents and other information set forth in the Requests to the offices of Reid Collins & Tsai LLP, 1445 Ross Avenue, Suite 2900, Dallas, TX 75202, no later than thirty (30) days after service of the Order or by such other date as may be reasonably agreed upon by the parties.

3. The Trustee is authorized to take all such actions as are necessary or appropriate to implement the terms of this Order.

4. This Court shall retain jurisdiction to resolve any disputes arising under or related to this Order, including any discovery disputes that may arise between or among the parties, and to interpret, implement, and enforce the provisions of this Order.

5. This Order is without prejudice to the rights of the Trustee to apply for other or further discovery from BlackRock, Inc. and BlackRock Financial Management, Inc., any party in interest, or other entity or person.

END OF ORDER # #

Prepared and presented by

/s/ *Eric D. Madden*

Eric D. Madden (TX 24013079)
Richard H. Howell (*pro hac vice* forthcoming)
REID COLLINS & TSAI LLP
1445 Ross Avenue, Suite 2900
Dallas, Texas 75202
Telephone: (214) 420-8900
E-mail: emadden@reidcollins.com
rhowell@reidcollins.com

William T. Reid, IV (TX 00788817)
Joshua J. Bruckerhoff (TX 24059504)
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REID COLLINS & TSAI LLP
1301 S. Capital of Texas Hwy, Suite C-300
Austin, Texas 78746
Telephone: (512) 647-6100
E-mail: wreid@reidcollins.com
jbruckerhoff@reidcollins.com
abrown@reidcollins.com
sroye@reidcollins.com

Special Litigation Counsel to the
Chapter 7 Trustee

Exhibit B

Rule 2004 Requests for Production

REID COLLINS & TSAI LLP
Eric D. Madden (TX 24013079)
Richard H. Howell (pro hac vice forthcoming)
1445 Ross Avenue, Suite 2900
Dallas, Texas 75202
Telephone: (214) 420-8900
E-mail: emadden@reidcollins.com
rhowell@reidcollins.com

REID COLLINS & TSAI LLP
William T. Reid, IV (TX 00788817)
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Aaron A. Brown (pro hac vice forthcoming)
Seth W. Roye (pro hac vice forthcoming)
1301 S. Capital of Texas Hwy, Suite C-300
Austin, Texas 78746
Telephone: (512) 647-6100
E-mail: wreid@reidcollins.com
jbruckerhoff@reidcollins.com
abrown@reidcollins.com
sroye@reidcollins.com

Special Litigation Counsel to the Chapter 7 Trustee

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

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

TRUSTEE'S REQUESTS FOR PRODUCTION OF DOCUMENTS FROM BLACKROCK, INC., BLACKROCK FINANCIAL MANAGEMENT, INC., AND THE SENIOR PREFERRED MEMBERS

Please take notice that, pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure, Anne Elizabeth Burns, solely in her capacity as the duly appointed Chapter 7 bankruptcy trustee (the "Trustee"), hereby serves the following requests for production on BlackRock, Inc., BlackRock Financial Management, Inc., and the Senior Preferred Members (as

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC.

defined herein) (collectively, "BlackRock"), to be produced to the Trustee in accordance with the Definitions and Instructions below ("Request(s)") within thirty (30) days, or some such date otherwise agreed upon by the Trustee and BlackRock.

DEFINITIONS

1. "Board" means the Board of Managers of Debtors, including any committees thereof, and any individual director or officer serving on the Board during the relevant time period.

2. "Board Materials" means any agendas, meeting minutes, presentations, or other written Documents prepared for and/or presented at a Board meeting, in either draft or final or executed form.

3. "BlackRock Director" means any individual who served on the Board as an appointee, designee, or representative of BlackRock, including any Senior Preferred Manager or Senior Preferred Observer (each as defined in the LLC Agreement), and includes but is not limited to Nitin Dahiya, Christian Donahue, and Derrick Weatherspoon.

4. "Communication(s)" means any written or oral communication of any kind or character, including, by way of example and without limitation, e-mails, instant messages, text messages, voicemail or voice messages, audio recordings, recordings, transcripts or notes of in-person, video or telephone conversations, letters, meetings, memoranda, telegraphic and telex communications or transmittals of Documents, whether such communication was sent, received, or created, in final or in draft, and all Documents concerning or memorializing such written or oral communications. For the purposes of these Requests, Communications does not include internal Tricolor emails i.e. communications to or from an @tricolor.com email domain.

5. "Concerning" means consisting of, reflecting, referring to, concerning, related to, involving, evidencing, constituting, or having any legal, logical, evidential, or factual connection

with (whether to support or rebut) the subject matter designated in any of these Requests. A request for Documents "concerning" a specified subject matter always shall include Communications, notes, and memoranda (whenever prepared) concerning the subject matter of the request.

6. "Corporate Credit Card" means the American Express credit cards bearing the last four digits: (1) -4039; (2) -2033; or (3) -1035, which were Tricolor corporate cards issued to Mr. Chu.

7. "Credit Agreement" means any and all credit, loan, or security agreements entered into by or on behalf of Tricolor Funding SPV 3 LLC, Tricolor Funding SPV 4 LLC, Tricolor Funding SPV 5 LLC, or Tricolor Funding SPV 6 LLC, including but not limited to: (a) the Credit Agreement dated as of August 6, 2020, among Tricolor Funding SPV 3 LLC, as borrower, Tricolor Auto Acceptance, LLC, as servicer, and Ares Agent Services, L.P., as administrative agent; (b) the Credit Agreement dated as of November 13, 2020 (as amended November 30, 2021 and thereafter), among Tricolor Funding SPV 4 LLC, as borrower, Tricolor Auto Acceptance, LLC, as servicer, JPMorgan Chase Bank, N.A., as administrative agent, Vervent Inc., as backup servicer, and Wilmington Trust, National Association, as Collateral Custodian and Account Bank; (c) the Credit Agreement dated as of September 23, 2021, among Tricolor Funding SPV 5 LLC, as borrower, Tricolor Auto Acceptance, LLC, as servicer, and Barclays Bank PLC, as administrative agent (which facility was paid off on November 21, 2023, with Barclays thereafter joining the SPV 4 facility); and (d) the Credit Agreement dated as of August 31, 2022, among Tricolor Funding SPV 6 LLC, as borrower, Tricolor Auto Acceptance, LLC, as servicer, and Fifth Third Bank, National Association, as administrative agent — together with all amendments, restatements, supplements, joinders, side letters, fee letters, and other modifications to any of the foregoing.

8. "Document(s)" means, without limitation, the original and all copies, prior drafts, and translation of information in any written, typed, printed, recorded or graphic form, however produced or reproduced, of any type or description, regardless of origin or location, including without limitation, all ESI, Communications, records, tables, charts, analyses, graphs, schedules, reports, memoranda, notes, lists, calendar and diary entries, letters (sent or received), contracts, statements, bills, checks, vouchers, video tapes, photographs, tape recordings, other mechanical records, transcripts or logs of any such recordings, and all other data compilations from which information can be obtained. The term "Document(s)" is intended to be at least as broad in meaning and scope as the usage of the term in or pursuant to the Federal Rules of Civil Procedure.

9. "LLC Agreement" means the Fifth Amended and Restated Limited Liability Company Agreement of Tricolor Holdings, LLC, dated as of December 30, 2021.

10. "Petition Date" means September 10, 2025.

11. "Subscription Agreement" means the Tricolor Holdings, LLC Subscription Agreement, dated as of September 2, 2021, between Tricolor Holdings, LLC and Coastline Fund, L.P., signed by BlackRock Financial Management, Inc, its Investment Manager.

12. "Senior Preferred Members" means BOPA1, L.P., Coastline Fund, L.P., Multi-Alternative Opportunities Fund (A), L.P., Multi-Alternative Opportunities Fund (B), L.P., Oak Marsh Global Opportunities Fund, L.P., Total Alternatives Fund – Private Credit LP, ASG Rooster Holdings II, LLC, ABR Rooster Holdings II, LLC, and BlackRock Impact Opportunities Fund, L.P., each a holder of Senior Preferred Units under the LLC Agreement.

13. "Tricolor" or "Debtors" means Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate

Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, Apoyo Financial, LLC, and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, executives, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on behalf of any of the foregoing.

14. "Trusts" means Tricolor Auto Securitization Trust 2022-1A, Tricolor Auto Securitization Trust 2023-1A, Tricolor Auto Securitization Trust 2024-1A, Tricolor Auto Securitization Trust 2024-2A, Tricolor Auto Securitization Trust 2024-3A, Tricolor Auto Securitization Trust 2025-1A, and Tricolor Auto Securitization Trust 2025-2A.

15. "Warehouse Lenders" means any person or entity that served as a lender, administrative agent, or provider of credit under any Credit Agreement, including but not limited to: (a) Ares Agent Services, L.P. and any affiliated Ares entity that participated as a lender under the SPV 3 facility; (b) JPMorgan Chase Bank, N.A. (individually and as administrative agent for SPV 4); (c) Barclays Bank PLC (as lender under the SPV 5 facility and, following the consolidation of the SPV 5 facility into the SPV 4 facility in or about November 2023, as a lender under the SPV 4 facility); and (d) Fifth Third Bank, National Association (individually and as administrative agent for SPV 6).

16. "Warehouse Facilities" means Tricolor Funding SPV 3 LLC, Tricolor Funding SPV 4 LLC, Tricolor Funding SPV 5 LLC, and Tricolor Funding SPV 6 LLC.

17. "You" or "Your" means the entity or person responding to these Requests, and, if an entity, any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any such entity, and any and all partners, officers, directors, executives, shareholders, members, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on behalf of any of the foregoing.

INSTRUCTIONS

1. Unless otherwise indicated, all Documents shall be produced for the relevant time period, which shall be January 1, 2020 to September 10, 2025 including any Documents having an earlier origin, if in use during the relevant time period.

2. The obligation to produce Documents responsive to these Requests shall be continuing in nature, and a producing party is required promptly to produce any Documents requested herein that it locates or obtains after responding to these Requests, up to the conclusion of the above-captioned Chapter 7 case.

3. You are requested to produce not only those Documents in Your physical possession, but also those Documents as to which You have the legal right and/or practical ability to obtain (and that are thus within Your custody and/or control), including, without limitation, Documents in the possession of Your agents, employees, affiliates, advisors, or consultants and any other person or entity acting on Your behalf.

4. If You have no Documents responsive to a particular Request, or if for some other reason You are unable to produce responsive Documents, Your response to that Request should specifically state so. You must respond to each and every Request herein. Any objection to a Definition, Instruction or Request shall state with specificity all grounds for the objection. If You have certain Documents that are responsive to a Request, but believe that additional Documents

BLACKROCK - EXHIBIT 1

not now available to You would also be responsive, You should provide the Documents You now have and specifically state when the remainder of the Documents will be provided.

5. Where a claim of privilege is asserted in objecting to the production of any Document and a Document called for by these Requests is withheld on the basis of such assertion, the objecting party shall identify the nature of the privilege (including work product) that is being claimed. In addition, the objecting party shall provide the following information with respect to any Document so withheld on its privilege log: (i) type of Document, *e.g.*, letter or memorandum; (ii) general subject matter of the Document and basis for privilege; (iii) date of the Document; and (iv) author, addressee(s) or recipient(s) of the Document. Attachments to privileged emails shall be independently assessed for privilege claims and logged individually (*i.e.*, separately from the email).

6. In the event that a requested Document has been lost, destroyed, discarded and/or otherwise disposed of, You shall identify the Document by identifying: (i) its author or preparer; (ii) all persons to whom it was distributed or shown; (iii) date; (iv) subject matter; (v) attachments or appendices; (vi) date, manner, and reason for destruction or other disposition; (vii) person authorizing destruction or other disposition; and (viii) the Document request or requests to which the Document is responsive.

7. Instructions regarding the production of documents and electronically stored information are attached as Appendix I.

8. The parties shall confer to develop search parameters, including custodians and search terms, to identify responsive Documents.

DOCUMENTS REQUESTED

1. All Documents and Communications Concerning Tricolor's financial condition, liquidity, operations, internal controls, compliance, governance, or business performance, including any analysis, review, audit, investigation, valuation, risk assessment, diligence, or monitoring conducted by BlackRock.

2. All Communications between or among the Board, including any BlackRock Director, Concerning Tricolor, the Warehouse Facilities, Warehouse Lenders, or Trusts.

3. All Documents and Communications between BlackRock and Tricolor, including but not limited to Documents and Communications Concerning:

a) all Board Materials provided to, reviewed by, or received by any BlackRock Director;

b) all Communications between or among BlackRock and Daniel Chu, Jerome Kollar, David Goodgame, or Ameryn Seibold;

c) Daniel Chu's Tricolor compensation, including Chu's bonuses, Chu's personal expenses, and Chu's use of Corporate Credit Cards; and

d) Tricolor's business operations, Warehouse Facilities, Warehouse Lenders, Trusts, securitizations of auto loans originated by Tricolor.

4. All written agreements between BlackRock and Tricolor, including the Subscription Agreement, and all amendments and drafts thereof.

5. All Documents and Communications Concerning any actual or suspected fraud, misconduct, misrepresentation, irregularity, deficiency, red flag, covenant violation, event of default, collateral issue, accounting issue, internal-control weakness, or other wrongdoing involving any Debtor, Trust, Warehouse Facilities, or Warehouse Lender, including but not limited

to: (i) alleged double pledging of collateral; (ii) the existence of cloned loans or fictitious finance receivables; (iii) irregularities in financial reporting, internal controls, and asset management; (iv) the provision of servicer reports with fraudulent loans and loan activity; (v) the sale, accounting, and flow of cash of collateral protection insurance using misleading or fraudulent practices; (vi) the loss or mismanagement of customer vehicles, loans, and records; (vii) the accounting and tracking of all repossessed vehicles; and (viii) the collection of sales tax payments from borrowers without remitting such funds to the taxing authorities on their behalf.

6. All Communications between or among BlackRock and any third party Concerning Tricolor, its business, its management, its financial condition, its loans, the Warehouse Facilities, Warehouse Lenders, securitizations, Trusts, collateral, collateral value, loan eligibility criteria, covenant compliance, actual or potential defaults, restructuring efforts, or this Chapter 7 bankruptcy, including Communications with any lender, investor, trustee, account bank, custodian, auditor, rating agency, regulator, law enforcement agency, or governmental authority.

7. All Documents and Communications Concerning the decision to file for Chapter 7 bankruptcy for Tricolor.

8. All insurance policies and indemnification agreements that may provide coverage for or potentially apply to claims arising from or relating to the actions of BlackRock or any BlackRock Director in connection with Tricolor, and all coverage correspondence relating thereto.

9. All Documents produced to and transcripts of any testimony or interview given to the DOJ, the SEC, or any state or federal regulator, prosecutor or administrative agency in connection with any civil or criminal investigations of Tricolor, including any investigation of You regarding Tricolor.

10. All Documents and Communications Concerning the service, conduct, decisions, recommendations, oversight, or actions of any BlackRock Director in connection with Tricolor.

11. Documents sufficient to show any business, financial, investment, or personal relationship between BlackRock or any BlackRock Director and any manager, officer, executive, or director of Tricolor.

12. All Documents and Communications Concerning the exercise or potential exercise of any rights granted to BlackRock under the LLC Agreement, including any approval rights, blocking rights, protective covenants, consent rights, or other governance rights, and any Senior Preferred Board Majority Trigger (as defined in the LLC Agreement).

13. All Documents and Communications Concerning any quarterly or periodic meetings, calls, or discussions between BlackRock and Tricolor, including any Senior Preferred Member calls required under the LLC Agreement and any presentations, reports, or materials provided in connection therewith.

14. All Documents and Communications Concerning any distributions, dividends, redemptions, repurchases, or other payments made or owed to BlackRock or the Senior Preferred Members, including any Preferred Cash Distributions, Preferred Accumulating Distributions, Preferred Redemption Price, Minimum MOIC, or other amounts owed under the LLC Agreement, and any analysis, calculation, or discussion of amounts owed to BlackRock.

15. Documents sufficient to show all monies received by BlackRock, the Senior Preferred Members, or any BlackRock Director from Tricolor, including any distributions, dividends, redemptions, interest, fees, expense reimbursements, or other payments of any kind.

16. Documents sufficient to show Your document retention policies.

[*Remainder of page left intentionally blank*]

Dated: Dallas, Texas
July 8, 2026

Respectfully submitted,

REID COLLINS & TSAI LLP

/s/ Eric D. Madden
Eric D. Madden (TX 24013079)
Richard H. Howell (pro hac vice forthcoming)
1445 Ross Avenue, Suite 2900
Dallas, Texas 75202
Tel: (214) 420-8900
E-mail: emadden@reidcollins.com
rhowell@reidcollins.com

-and-

William T. Reid, IV (TX 00788817)
Joshua J. Bruckerhoff (TX 24059504)
Aaron A. Brown (pro hac vice forthcoming)
Seth W. Roye (pro hac vice forthcoming)
1301 S. Capital of Texas Hwy, Suite C-300
Austin, Texas 78746
Tel: (512) 647-6100
E-mail: wreid@reidcollins.com
jbruckerhoff@reidcollins.com
abrown@reidcollins.com
sroye@reidcollins.com

Special Litigation Counsel to the
Chapter 7 Trustee

BLACKROCK - EXHIBIT 1

APPENDIX I

TECHNICAL SPECIFICATIONS FOR PRODUCTION

PRODUCTION OF DOCUMENTS ORIGINATING AS PAPER

For documents that have originated in paper format, the following specifications should be used for their production.

Images should be produced as single page TIFF group IV format imaged at 300dpi.

Each filename must be unique and match the Bates number of the page. The filename should not contain any blank spaces and should be zero padded (for example ABC00000001).

Media may be delivered on CDs, DVDs, or External USB hard drives. Each media volume should have its own unique name and a consistent naming convention (for example ZZZ001 or SMITH001).

Each delivery should be accompanied by an image cross reference file that contains document breaks.

A delimited text file that contains available fielded data should also be included and at a minimum include Beginning Bates Number, Ending Bates Number, Custodian, and Number of Pages. The delimiters for that file should be:

Field Separator, ASCII character 020: "¶"
Quote Character, ASCII character 254 "þ"

Multi-Entry Delimiter, ASCII character 059: ";"

To the extent that documents have been run through an Optical Character Recognition (OCR) software in the course of reviewing the documents for production, full text should also be delivered for each document. Text should be delivered on a document level in an appropriately formatted text file (.txt) that is named to match the first Bates number of the document.

A text cross reference load file should also be included with the production delivery that lists the beginning Bates number of the document and the relative path to the text file for that document on the production media.

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PRODUCTION OF EMAIL AND ELECTRONIC DOCUMENTS

Electronic documents should be produced in such fashion as to identify the location (*i.e.*, the network file folder, hard drive, back-up tape or other location) where the documents are stored and, where applicable, the natural person in whose possession they were found (or on whose hardware device they reside or are stored). If the storage location was a file share or work group folder, that should be specified as well.

Attachments, enclosures, and/or exhibits to any parent documents should also be produced and proximately linked to the respective parent documents containing the attachments, enclosures, and/or exhibits.

For standard documents, emails, and presentations originating in electronic form, documents should be produced as tiff images using the same specifications above with the following exceptions:

Provide a delimited text file (using the delimiters detailed above) containing the following extracted metadata fields where they exist in the file being produced:

Beginning Production
Number Ending Production
Number Beginning
Attachment Range Ending
Attachment Range Custodian

Custodian_ALL
Confidentiality
Designation Original
Location Path Email
Folder Path Document
Type Edoc_Author

Edoc_Title
Page Count
File Name
File
Extension
File Size
MD5 Hash

Date Last Modified

Time Last Modified
[HH:MM:SS] Date Created

Time Created [HH:MM:SS]
Date Last Accessed

Date Sent

Time Sent [HH:MM:SS]
Date Received

Time Received
[HH:MM:SS] From

Recipients
Copyees

Blind Copyees
Email Subject
Path to Native
File

Calendar Start Date
Calendar End Date

Images shall be produced revealing any hidden text/content.

Extracted full text (not OCR text) should also be delivered for each electronic document. The extracted full text should be delivered on a document level according to the specifications above similar to paper documents.

Foreign language text files and metadata should be delivered with the correct encoding to enable the preservation of the documents' original language.

All spreadsheets should be produced in their native format and in the order that they were stored in the ordinary course of business, *i.e.*, emails that attach spreadsheets should not be separated from each other and should be linked using the Attachment Range fields above. The extractable metadata and text should be produced in the same manner as other documents that originated in electronic form. A placeholder TIFF image shall be created, Bates numbered, and the produced Excel chart shall be renamed to match the Bates number on its corresponding placeholder page. The exception shall be for redacted spreadsheets which shall be produced in TIFF format. Images for the redacted spreadsheets shall display the content in the same manner as if it were printed. The parties agree to work out a future protocol governing the use and format of documents produced pursuant to this paragraph at trial, depositions, or hearings (such as converting to tiff images in accordance with the above protocol).

Upon review, the requesting party may ask for certain other documents and/or databases that were initially produced in their tiff or pdf format to be produced

in their native format in the event that the tiff or pdf version is not reasonably usable. If this is the case, the requesting party will submit a list of Bates numbers identifying the documents. The documents should be produced in their unaltered native format with an accompanying text delimited text file (using the delimiters above) that contains the following fields:

Beginning Production Number
Ending Production Number
Beginning Attachment Range
Ending Attachment Range
Path to Native File

MD5 Hash Value

PRODUCTION OF DATABASES AND OTHER STRUCTURED DATA

Generally, databases should be produced in a mutually agreeable data exchange format. To determine the data that is relevant to the document requests, a list of databases and systems used to manage relevant data should be provided with the following information:

Database Name

Type of Database

Software Platform

Software Version

Business Purpose Users

Size in Records Size in Gigabytes

A List of Standard Reports

Database Owner or Administrator's Name Field List

Field Definitions (including field type, size, and use)

Upon review of the list, the parties agree to meet and confer regarding the data to be produced from each source, if any, and the form(s) of the production thereof.

MCDERMOTT WILL & SCHULTE LLP
Charles R. Gibbs (TX Bar No. 7846300)
Marcus A. Helt (TX Bar No. 24052187)
Grayson Williams (TX Bar No. 24124561)
2801 North Harwood Street
Suite 2600
Dallas, Texas 75201
Telephone: (214) 295-8000
E-mail: crgibbs@mwe.com
mhelt@mwe.com
gwilliams@mwe.com

MCDERMOTT WILL & SCHULTE LLP
Darren Azman (admitted *pro hac vice*)
Jared M. Gerber (*pro hac vice* forthcoming)
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
E-mail: dazman@mwe.com
jmgerber@mwe.com

MCDERMOTT WILL & SCHULTE LLP
Julia M. Beskin (admitted *pro hac vice*)
919 Third Avenue
New York, New York 10022
Telephone: (212) 756-2000
Email: julia.beskin@srz.com

Counsel to the Chapter 7 Trustee

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

In re:	Chapter 7
TRICOLOR HOLDINGS, LLC, *et al*.,	Case No. 25-33487 (MVL)
Debtors. [1]	(Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*,	
Plaintiff,	
v.	Adversary No. _____
DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD,	
Defendants.	

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group,

COMPLAINT

Anne Elizabeth Burns, Chapter 7 Trustee for the above-referenced Chapter 7 bankruptcy case and plaintiff herein ("**Trustee**" or "**Plaintiff**"), files this *Complaint* against Daniel Chu, Jerome Kollar, David Goodgame, and Ameryn Seibold (the "**Complaint**"), and in support thereof, respectfully submits as follows:

NATURE OF THE ACTION

1. This Complaint arises from a brazen fraud of over $600 million at Tricolor, perpetrated by Daniel Chu ("**Chu**"), the founder and former Chief Executive Officer ("**CEO**") and President, Jerome Kollar ("**Kollar**"), the former Chief Financial Officer, Vice President and Secretary, David Goodgame ("**Goodgame**"), the former Chief Operating Officer ("**COO**"), and Ameryn Seibold ("**Seibold**"), the former Director of Treasury (collectively "**Defendants**"). Defendants blatantly misrepresented the amount of finance receivables on Tricolor's books to secure more and more financing from its lending banks and to issue more and more asset-backed securities to investors. This scheme ultimately led to an avalanche of liabilities and an ensuing liquidity crisis, which resulted in the above-captioned Bankruptcy.

2. During Chu's nearly two-decade tenure as the CEO of Tricolor, he further defrauded Tricolor by using corporate funds to pay for lavish personal expenses and by forcing the company into paying him tens of millions of dollars in bonuses (on top of his executive salary), premised on his ability to deliver exceptional financial results—results that were the product of the fraud that he committed alongside Kollar, Goodgame, and Seibold. Chu's quest for multimillion dollar bonuses and regular use of corporate funds for personal expenses, against a backdrop of towering liabilities, allowed him to fund his lavish lifestyle—including opulent homes

LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "**Tricolor**").

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in Highland Park, Beverly Hills, and Miami (collectively worth approximately $38 million), as well as other personal luxuries such as private jet travel, expensive European vacations, cars, and even a personal ski chalet.

3. This fraud is part of a practice of deceit and self-enrichment by Chu. He began his career as a college basketball coach, until he was fired for allegedly directing an assistant coach to make improper payouts to student athletes. Following that, he founded a used-car chain that a subsequent buyer discovered was riddled with "accounting errors and irregularities" under Chu's watch. In connection with a subsequent business venture that was purportedly to invest in broadband utilities, Chu was sued by his business partners who claimed Chu sold their stakes in the company to settle a personal debt.

4. Chu then founded Tricolor in 2007. It was a "buy here, pay here" subprime auto finance company—*i.e.*, it is both an auto dealer and an auto finance company, offering in-house financing directly to its customers. Tricolor Auto Group, LLC operated over sixty dealerships in the United States, principally in Texas and California.

5. Tricolor's business model targeted "underbanked" borrowers, two-thirds of which lacked savings, consistent income, and credit scores. Tricolor was marketed as a community-focused company that gave auto loans to mainly Hispanic immigrants, attempting to cast aside the typical reputation of used car salesmen targeting vulnerable communities with promises of no credit-check loans.

6. Tricolor relied on short-term warehouse lending to originate auto loans for its customers. These loans were then bundled as collateral for asset-backed securities ("**ABS**"). These proceeds from ABS sales were, in turn, used to pay off the warehouse loans.

7. This economic model appeared to be a winning formula for Tricolor. Tricolor was among the fastest-growing auto lenders in the United States, quadrupling in size from 2018 through 2025. In 2025, it closed two term securitization transactions with notes sold for $328,100,000 and $217,180,000 (Tricolor Auto Receivables Trust 2025-1 and 2025-2, respectively).

8. But on the inside, Tricolor was a fraud, as Defendants perpetuated a double-pledging scheme, pursuant to which identical auto loans were pledged as collateral for separate warehouse credit lines with different banks, and Tricolor duplicated vehicle identification numbers to generate multiple fictitious loans per vehicle.

9. Tricolor warehouse lenders Fifth Third Bancorp and JPMorgan have each disclosed nearly $200 million in losses based on Tricolor's defaults on their warehouse loans. Tricolor's lenders have attributed these losses to "alleged fraudulent activity" at Tricolor.

10. To uncover the scope of this blatant fraud, the Trustee has retained consulting firm CRS Capstone Partners LLC ("**Capstone**"), and Captone's forensic accounting expert Jim Calandra (the "**Forensic Accounting Expert**"), to investigate the facts and circumstances that led to Tricolor's bankruptcy. While the investigation is ongoing, to date, the Forensic Accounting Expert has analyzed Tricolor's finance receivables, loan servicer reports, and Tricolor's historical financial statements, and his preliminary analysis reveals cloned or entirely fabricated loans with a receivable value of over $683 million, which allowed Tricolor to receive hundreds of millions of dollars more in credit from its lending banks than it had lent in auto loans to its consumers.

11. On December 16, 2025, the Department of Justice ("**DOJ**") unsealed a detailed indictment charging Chu and Goodgame with operating a financial crimes enterprise, conspiring to commit bank fraud and wire fraud affecting a financial institution, committing bank fraud, and committing wire fraud affecting a financial institution. (Ex. 1.) As explained in more detail below,

the DOJ's indictment cites specific text messages, voice recordings, and other documents in which Defendants orchestrated and executed this wide-ranging fraud, all while mocking the victims of that fraud. The charges brought against Chu in particular carry a maximum potential sentence of life in prison. Kollar and Seibold have pleaded guilty to fraud and are cooperating with the DOJ's investigation.

12. The Trustee now brings this action against Defendants for (1) fraud, (2) breach of the fiduciary duty of care, (3) breach of the fiduciary duty of loyalty, (4) breach of the Fifth Amended and Restated Limited Liability Agreement, (5) breach of the implied duty of good faith and fair dealing, (6) turnover of estate property, (7) avoidance of preferential transfers, (8) actual fraudulent transfer, (9) constructive fraudulent transfer, (10) civil conspiracy, (11) unjust enrichment, (12) constructive trust, and (13) an accounting, for the benefit of Debtors' estates and their creditors.

PARTIES

13. Plaintiff Anne Elizabeth Burns is the duly qualified and acting Chapter 7 trustee for the bankruptcy estate of Debtors, which is being administered under the Bankruptcy Case, and may be served with any further pleadings or documents in this Adversary Proceeding through the undersigned counsel.

14. Daniel Chu is a natural person and a resident of Florida. Chu resides at The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154. Chu was at all relevant times Chief Executive Officer and President of Tricolor Holdings, as well as a Manager of Tricolor Holdings. Chu also served as the Chief Executive Officer and President—as well as a Manager—of each of the other Debtors.

15. Jerome Kollar is a natural person residing in Texas. On information and belief, Kollar resides at 1301 McClintock Drive, Denton, TX 76208-5292. Kollar was at all relevant times Chief Financial Officer, Vice President and Secretary of Tricolor Holdings, as well as the CFO, and Manager of each of the other Debtors.

16. David Goodgame is a natural person residing in Texas. On information and belief, Goodgame resides at 601 Arrowhead Road, Waxahachie, TX 75167-8595. Goodgame served as the Vice President of Supply Chain and Analytics at Tricolor before being promoted to Chief Operating Officer in 2019—a position he held until Tricolor's bankruptcy.

17. Ameryn Seibold is a natural person residing in Texas. On information and belief, Seibold resides at 616 Saddle Club Way, Princeton, TX, 75407. Seibold was at all relevant times the Director of Treasury of Tricolor Holdings.

RELIEF REQUESTED

18. The Trustee seeks a judgment awarding recovery from Defendants for (1) fraud, (2) breach of the fiduciary duty of care, (3) breach of the fiduciary duty of loyalty, (4) breach of the Fifth Amended and Restated Limited Liability Agreement, (5) breach of the implied duty of good faith and fair dealing, (6) turnover of estate property, (7) avoidance of preferential transfers, (8) actual fraudulent transfer, (9) constructive fraudulent transfer, (10) civil conspiracy, (11) unjust enrichment, (12) constructive trust, and (13) an accounting, awarding Trustee's reasonable costs and attorney's fees, and granting such other and further relief at the Court deems just and proper.

JURISDICTION AND VENUE

19. The Court has jurisdiction to consider this adversary proceeding pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984, entered by the United States District Court for the Northern

District of Texas. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

20. The legal predicates for the relief requested herein are Sections 105(a), 542, 544, 547, 548, and 550 of title 11 of the United States Code (the "**Bankruptcy Code**"), Rules 7001 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the "**Local Rules**").

PROCEDURAL BACKGROUND

21. On September 10, 2025, Tricolor filed a voluntary petition in this Court under Chapter 7 of the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.*

22. On the same day, a Notice of a Chapter 7 Bankruptcy Case was entered, appointing Anne Elizabeth Burns as the Chapter 7 trustee for Tricolor.

23. Tricolor's petition indicated that it has more than 25,000 creditors and between $1 and $10 billion in liabilities.

24. A meeting pursuant to Section 341 of the Bankruptcy Code (the "**341 Meeting**") was held in the Bankruptcy Case on November 18, 2025. In advance of that meeting, the Trustee specifically requested that Chu serve as the Debtors' representative at the 341 Meeting. Nonetheless, Chu failed to attend this meeting. The 341 Meeting was therefore rescheduled to January 13, 2026, and Chu's counsel has indicated that Chu "will not voluntarily appear" at the rescheduled 341 Meeting and that if he is compelled to attend, he "will most certainly be advised to assert his rights under the Fifth Amendment as to most, if not all, questions that may be posed." On December 9, 2025 the Trustee filed a motion to compel Chu's attendance at the rescheduled 341 Meeting, or if Chu refuses to cooperate, the Trustee requests that the Court compel Kollar to

attend (Dkt. 523), and on December 16 filed a notice for a hearing on that motion scheduled for January 7, 2026, (Dkt. 549).

FACTUAL ALLEGATIONS

A. Chu's History of Suspect and Fraudulent Business Practices.

25. Even before engaging in the fraud he perpetrated at Tricolor alongside Kollar, Goodgame, and Seibold, Chu's professional career has been marred by wrongdoing in seemingly every professional position he has ever held.

26. Chu began his career coaching basketball at the University of the South in Sewanee, Tennessee. However, in 1992 he was fired for allegedly directing an assistant coach to give $4,000 to an athlete's parent to cover part of tuition; giving improper benefits to student athletes; and wielding improper influence over the financial aid process for need-based students. Chu violated both University and NCAA rules in orchestrating these payouts, and the NCAA infractions panel explicitly found that he engaged in unethical conduct. *See* David Adams, *Coach Dismissed for Alleged NCAA Violations*, The Sewanee Purple, dated April. 6, 1992, available at 1, dated April. 6, 1992, available at: https://dspace.sewanee.edu/server/api/core/bitstreams/8eee286e-efbe-4231-a85e-b69e9c743e67/content.

27. In 1992, Chu then founded Paaco Automotive Group, LLC, a used car chain like Tricolor that similarly targeted Hispanic buyers, and served as its President. After Paaco was sold to the Crown Group, Inc. ("**Crown**"), Chu initially stayed on as President. However, when Crown discovered that Paaco's financial records contained accounting errors and irregularities that arose under Chu's watch, it announced Chu's retirement in 1999 and reported these issues to the US Securities and Exchange Commission. *See* Crown Group, Inc., Annual Report (Form 10-K) (Apr. 30, 2001), at https://tinyurl.com/5n79tsdd.

28. After his exit from Crown, Chu and a group of partners founded Corona Broadband Partners II in 2000, for the purpose of investing in Broadband Utilities, LP. This project was short lived, however, as a lawsuit was filed by his fellow partners accusing Chu of misusing the $45,000 they gave Chu to invest. Chu allegedly never chartered the partnership, and he failed to report to investors that he instead traded the investment for forgiveness of a personal debt. *See* Plaintiffs' Original Petition, *Schlacter et al. v. Chu et al.*, DC-12-09679 (Tex. Dist. Ct. Aug. 24, 2012).

29. In 2007, Chu founded Tricolor, where he worked with Defendants to continue his pattern of fraudulent and self-dealing activities that have inflicted hundreds of millions of dollars of harm and forced the company into bankruptcy.

B. Tricolor's Business and Corporate Organization.

30. Tricolor Holdings is a limited liability company founded in 2015 and organized under the laws of the State of Delaware with a principal place of business at 6021 Connection Drive, 4th Floor, Irving, Texas 75039. It is the direct or indirect parent entity of the other Debtors. *See* Appendix A. The majority member of Tricolor Holdings is Ganas Investors, LLC, an LLC in which Chu was the sole manager.

31. Tricolor was a "buy here, pay here" subprime auto finance company, which meant that it was both an automobile dealer and finance company, offering in-house financing directly to its customers who purchased its used vehicles.

32. As a subprime finance company, Tricolor's customers were typically those with poor or little credit history, and often are lower-income individuals.

33. In particular, Tricolor focused its business toward undocumented immigrants, who traditionally had limited access to most automobile financing and no available credit history. Tricolor positioned itself as an ESG-focused (environmental, social, and governance focused)

company that allowed otherwise vulnerable communities to achieve vehicle ownership without the typical reputation of used car salesmen with promises of no credit-check loans.

C. Tricolor's Warehouse Loans.

34. Tricolor funded its auto lending operations through warehouse loans. A warehouse loan is a revolving line of credit extended by a financial institution to a lender to fund consumer loans. These lines of credit are seen in a variety of industries but are commonly used in auto lending and mortgage lending.

35. Because Tricolor was a buy-here, pay-here dealer, Tricolor could originate auto loans to the purchasers of the vehicles it sold (represented on Tricolor's books as finance receivables) and then finance those loans through the warehouse line of credit. Tricolor's lending process followed a cyclical pattern in which: (1) Tricolor would take a loan application from a prospective automobile consumer, (2) Tricolor would draw on the warehouse line of credit in order to fund the auto loan, (3) the auto loan would serve as collateral for the warehouse line of credit, (4) the auto loans would be securitized into asset-backed securities to be sold to investors, and (5) the warehouse line of credit would be repaid with funds from selling the asset-backed securities.

36. Tricolor's warehouse lending process was enumerated in its Credit Agreement dated November 13, 2020, between Tricolor Funding SPV 4 LLC (borrower), Tricolor Auto Acceptance, LLC (servicer), lenders (from time to time), agents (from time to time), JPMorgan Chase Bank, N.A. (as the administrative agent) ("**JPM**"), and Vervent Inc. (as the backup servicer), and Wilmington Trust, N.A. (as the collateral custodian and account bank) (the "**Credit Agreement**") (Ex. 2), as well as in other substantially similar agreements concerning Tricolor's other SPV entities. Tricolor's lending banks included JPM, Fifth Third Bank, and Origin Bank (each a "**Lender**," and collectively, the "**Lenders**").

37. Chu signed the Credit Agreement on behalf of both Tricolor Auto Acceptance, LLC and Tricolor Funding SPV 4 LLC.

38. Per the Credit Agreement, Tricolor Auto Acceptance, LLC (a Debtor) was the servicer of the warehouse loans, while another subsidiary, Tricolor Funding SPV 4 LLC, was the borrower.

39. By the Credit Agreement's terms, Tricolor Funding SPV 4 was obligated to not exceed a collateralization rate of 80%—that is, the Lenders agreed to extend a line of credit to Tricolor for amounts less than or equal to 80% of the value of Tricolor's recorded finance receivables (*i.e.*, its auto loans to Tricolor customers).

40. Because the auto loans themselves were the collateral for the Lenders' warehouse line of credit, the collateralization rate of 80% was intended to limit Lenders' exposure in the event of consumer defaults on those auto loans. Putting a cap on the line of credit that could be advanced to Tricolor for a given amount of collateral was vital, as Tricolor's customer base consisted of those with poor (or no) credit history. As a result, defaults on the auto loans which served as the collateral for the warehouse line of credit were a common occurrence.

41. At the same time, this collateralization rate was also vital to Tricolor's overall financial health, as Tricolor was ultimately responsible for paying off its warehouse line of credit. Limiting the rate of collateralization acted to prevent Tricolor from taking on too many liabilities at one time. In the event of a default on an auto loan from a Tricolor customer, Tricolor would repossess the vehicle and try to sell it to a new customer—but by capping the amount of liabilities Tricolor could take on, Tricolor could better absorb the shocks of individual consumer auto loan defaults.

42. In addition to his roles at Tricolor, Chu was also a board member of one of Tricolor's Lenders, Origin Bank, and upon information and belief, he used his influence at this Lender for both Tricolor's and his own personal gain.

43. Chu used his influence to persuade Origin to become one of Tricolor's top Lenders, and pledging in return collateral that had already been committed to other Lenders.

44. As of August 2025, Origin Bank had loaned $25,000,000 in warehouse financing and $5,000,000 in term financing to Tricolor.

D. Defendants' Hands-On Involvement in and Total Control Over All Aspects of Tricolor's Business.

45. Tricolor Holdings was a "manager-managed" LLC, whereby a Board of Managers was empowered pursuant to the Fifth Amended and Restated Limited Liability Agreement of Tricolor Holdings LLC (the "**LLC Agreement**") (Ex. 3) to manage the business and affairs of Tricolor Holdings. The Board of Managers, in turn, was empowered by the LLC Agreement to appoint Officers to manage the day-to-day affairs of the Company. The other Debtors, too, were manager-managed LLCs.

46. Defendants each managed the day-to-day operations of Tricolor.

47. Chu was at all relevant times the Chief Executive Officer and President of Tricolor Holdings, as well as a Manager of Tricolor Holdings. Chu also served as the Chief Executive Officer and President—and a Manager—of each of the other Debtors. As CEO and President, Chu oversaw all aspects of Tricolor's business. Chu was also the public face of Tricolor, regularly speaking for the company in a wide variety of publications and podcasts regarding Tricolor's business strategies and other substantive issues facing the company, for example on October 18, 2019, Chu appeared on the Lend Academy Podcast to discuss building a customer base that did not focus on repeat customers. (Ex. 4.)

48. Kollar was at all relevant times the Chief Financial Officer, Vice President and Secretary of Tricolor Holdings and each of the other Debtors. Kollar also served as a Manager of each of the other Debtors.

49. David Goodgame was at all relevant times the Vice President of Supply Chain and Analytics (until 2019) and the Chief Operating Officer of Tricolor Holdings (from 2019 until Tricolor's bankruptcy). As COO, Goodgame was responsible for managing the day-to-day operations of Tricolor, and he personally oversaw the supply chain, loan servicing, customer experience, and sales operations of Tricolor.

50. Ameryn Seibold was at all relevant times the Director of Treasury of Tricolor Holdings. As Director of Treasury, Seibold answered directly to Kollar and worked closely alongside him in managing the reporting of Tricolor's financial condition to the Lenders, stakeholders, and others at Tricolor.

51. At virtually every Tricolor Board meeting, Defendants Chu and Kollar presented regarding financial position of the company, including investments, hiring, and macroeconomic conditions. Defendants Chu and Kollar therefore controlled the financial narrative that was presented to the Board, meeting after meeting.

52. Defendants Chu and Kollar also led the process for securitizing Tricolor's auto loans, demonstrating their familiarity with Tricolor's financial standing, collateral available for pledging, and collateral already pledged. On at least one occasion, Defendants Chu and Kollar worked together to develop materials for the Board concerning Tricolor's securitizations to financial institutions.

53. Marketing materials for the ABS Social Bond, highlighted that Chu and Kollar, and other executives on the company's Credit Risk Committee would oversee the creation of each loan portfolio and ultimately approve the loan portfolio. (Ex. 5.)

E. Defendants' Wide-Ranging Fraud.

54. As set forth in the DOJ indictment, from 2018 through 2025, Defendants perpetuated a brazen double-pledging scheme to defraud Tricolor, its lenders, and other investors.

55. In or about 2018, Chu instructed Kollar to pledge past-due loans that Tricolor had already charged-off as losses. Chu instructed Kollar to create a fictitious portfolio company in Tricolor's dealer management system, transfer the charged-off loans to the new portfolio company, and arrange for other Tricolor employees to manually enter fake payments from customers on those charged-off loans in the dealer management system. In order to pay back the loans it secured from Lenders through the collateralized car loans, Tricolor used funds from one Lender to pay back another Lender to make it appear as though the fake payments were not fabricated by Defendants.

56. In January 2021, Chu asked Kollar over text if there was "anything we can pledge" from one lender to another lender to "get some liquidity." Kollar responded, "I will look. What is 'there' typically is [ineligible] for those." The DOJ concluded in their indictment that this text was referring to charged-off loans that were manipulated to appear as though they were actively performing loans.

57. At around the same time, others at Tricolor became concerned with the possibility of fraudulent activity and inadequate internal controls at the company. For example, as early as January 2021, Defendants were informed of material weaknesses identified by Tricolor's Chief Process Officer, Vanessa Mata. In a spreadsheet she presented to Defendants, she raised, among

other things, concerns with the lack of internal review protocols to compare inventory to finance receivables to ensure appropriate reclassification. (Ex. 6.) This lack of internal review was by design, allowing Defendants to alter data manually as part of their fraudulent scheme. Mata also sounded the alarm that certain users had access to multiple accounting systems which "can cause undetected errors, or allow the ability to commit fraud or theft." Mata also raised that "[s]tandard accounting controls were not documented or performed (such as account reconciliations performed and reviewed[])]. [The] Team lacked strong CPA and Accounting Bachelors / Masters expertise to under[stand] and record accounting transactions to US GAAP requirements." Finally, she raised that the lack of an internal audit department could lead to a lack of compliance or "bad business practices continuing without identification." In response, Defendants tasked Kollar—one of the main perpetrators of the fraud—with supposedly remediating the issues identified by Mata. He never did so, and the Defendants continued their wrongdoing.

58. In or about 2021, Defendants manipulated data related to Tricolor's collateral for inventory loans (*i.e.*, the vehicles themselves). Chu and Kollar retained vehicles on Tricolor's borrowing base for inventory credit lines even after they were sold, allowing for Tricolor to draw on lines of inventory credit for illusory collateral. For example, on April 20, 2021, Chu texted Kollar and others that, "[i]n an ideal scenario, we buy and increase inventory by $10mm and then we move the sold units off the borrowing base." That is, Tricolor would increase its inventory by $10 million to allow it to remove sold units that were fraudulently misrepresented in its borrowing base for inventory credit lines. At the same time, Defendants also caused Tricolor to pledge to other lenders the finance receivables for cars that had been sold and financed but were nonetheless pledged to inventory lines of credit.

59. From at least 2022 onwards, Defendants further manipulated financial data as to Tricolor's borrowing base, including data on loan performance, and pledged the same collateral across multiple warehouse facilities to draw more from its warehouse credit lines. Defendants submitted manipulated borrowing base reports to Lenders which misrepresented the loan receivables that formed Tricolor's borrowing base.

60. Defendants texted openly about the ongoing fraud. For example, Chu texted Kollar on July 25, 2022 asking him, "Can we work the >60s"? That is, he asked if data for loans over 60 days past due could be "worked." In response, Kollar and Seibold manually changed the data fields in borrowing base reports related to whether a loan was performing or past due, such that loans that were more than 60 days past due appeared to be current or paid within the last 60 days. (Ex. 1).

61. Chu and Kollar also regularly texted about efforts to obtain more liquidity by making misrepresentations to Lenders. On April 26, 2022, Kollar texted Chu: "We maxed the [Lender] one [*i.e.*, the SPV4 warehouse] for tomorrow by adding $1M when we should have only received $300k and working on [another Lender] [*i.e.*, the SPV 3 warehouse] today." This meant that Defendants' collateral manipulation had obtained $1 million more from the SPV 4 warehouse than would have been possible without fraud. On November 16, 2022, Chu texted Kollar for an update on Tricolor's liquidity, and Kollar responded that Tricolor has "$2.1m to [pledge] and with working DQ [delinquency] buckets we are getting $2.77M or ~$1.3m more. Will do a Bb [borrowing base] tomorrow and work to squeeze a little more out." (Ex. 1 at 8.) This meant that by manipulating delinquency data in borrowing base reports, Kollar increased the volume of eligible loans, generating an additional $1.3 million in advanced funds from lenders.

62. Defendants also double pledged the same loans as collateral to multiple lenders and securitizations. On March 1, 2023, Seibold described double-pledging efforts to Goodgame, writing that Seibold was "taking accounts from SPV6 and pledging on SPV3 to get liquidity out of SPV3," to which Goodgame replied jokingly with a crying emoji. Seibold then stated that he was then "possibly taking SPV5 accounts and double pledging on SPV6." In both instances, the same loans were being applied to multiple securitizations. On September 8, 2023, Goodgame messaged Seibold about needing to sell more inventory each week, and Seibold explained that "[w]e are bringing in between 6-8M a week on the main spvs right now," but that "[i]t's been tight just because of how close we are to maxing out the facilities." Seibold further explained that "Spv6 is capped out. Spv4 is making it hard with this notional inter[e]st rate cap. Spv3 is capped out. We have some room on SPV5 but are trying to keep it relatively clean. Doing everything I can to make sure we still have as much as we can coming in. The audits are going to be tough." In response, Goodgame responded, "ugh." Seibold, in turn, joked that "[h]opefully after this securitization we can keep them a bit cleaner," and Goodgame responded "Lol"—both joking about how Tricolor's lines of credit were not clean of fraud. (Ex. 1 at 9.)

63. To help prevent the fraud from being discovered, Defendants also falsified backup records to keep when audits were performed, including loan payment ledgers and system records indicating to which lender a loan had been pledged. During audits over the years this fraud was ongoing, Defendants would communicate about the possibility of having the fraud come to light. For example, on July 22, 2021, when an auditing firm was auditing Tricolor's prior year financial statements, Kollar texted Chu, "We will need to make sure [the auditor] does not try to [t]ie out [Lender]," because a comparison of the manipulated data that was provided to one of the Lenders to the real data in Tricolor's internal dealer management system would have revealed the fraud.

Chu responded: "I know." (Ex. 1 at 9.) Similarly, on December 12, 2022, Kollar sent a Teams message to an employee regarding an audit conducted by TBK, one of Tricolor's lenders. Kollar instructed the employee alter information in the sales report to be sent to TBK's auditing team by entering "a [vehicle identification number] that would not be searchable to the BBs [borrowing base spreadsheet]." (Ex. 7.) Later, on July 28, 2023, in connection with a different audit, Chu texted Kollar: "Can you reconstruct [Lender's] BB," referring to the borrowing base of purported collateral pledged to one of the Lenders. Kollar responded, in part, "It includes loans that are not active." Over the relevant period, Seibold at various times raised concerns about the fraud being discovered. Goodgame, in response, would reassure Seibold so that Seibold would continue perpetuating the fraud. (Ex. 1 at 9.)

64. In February 2024, JPM performed an audit of Tricolor collateral pledged to JPM and alerted Kollar and Tricolor to serious material weaknesses in its accounting practices. JPM's findings revealed approximately $13 million in double pledged loans on collateral pledged JPMorgan. In a consulting report dated February 23, 2024, addressed to Kollar, JPM's auditor noted that of the 25 accounts on which it performed an aging test, three accounts were repossessed as of January 31, 2024, but were not marked as such. This consulting report also cited some of the very same material weaknesses that were identified in the 2021 Chief Process Officer report discussed above, including lack of internal review protocols to ensure accuracy of finance receivables. Of course, Defendants did not correct these errors identified by JPM, but in fact continued to perpetuate their double-pledging fraud.

65. A year later, on April 23, 2025, a Tricolor employee notified Kollar that during the course of an audit he discovered vehicle identification numbers ("**VINs**") changing between 2023 and 2024 for the same vehicle. The employee stated that the VIN was changed in the Tricolor

system such that a duplicate would not be picked up if Tricolor's system ran a duplication check. Kollar hypothesized that the VIN may have been changed in the database because it "does not make sense to have two [accounts] with [the] same VIN." (Ex. 8.) This, however, was a lie meant to conceal Defendants' fraud.

66. Kollar also used his position as CFO and Treasurer to perpetuate Defendants' fraud by instructing Tricolor employees and consultants to manipulate data. For example, on June 17, 2025, Kollar corresponded over email with Srinivas Mutyala (who worked in software development for consulting firm Tekzenit, Inc.), whose duties, among others, were to assist in preparing Tricolor's reports to loan servicers. Mutyala presented Kollar with a list of active auto loan accounts among several ABS portfolios which were to be transferred into the TAST2025-2 securitization, and Kollar explicitly instructed Mutyala to leave those accounts attributable to the TAST2022-1 securitization "on both the TAST2025-2 and TAST2022-1 reports"—i.e., these same loans would serve as collateral for two entirely different securitizations, double-pledging 3,225 auto loans to both TAST 2022-1 and TAST 2025-2. (Ex. 9.) Because this was facially suspect, Mutyala asked Kollar to confirm that Kollar indeed wanted Mutyala wanted to attribute 3,225 loan contracts to two *different* securitizations. Kollar replied that, indeed, this was what he was instructing Mutyala to do. (Ex. 9.)

F. The Fraud is Revealed.

67. In August 2025, JPM began investigating whether Tricolor pledged the same collateral multiple times, thus significantly overrepresenting the amount of collateral pledged in support of the JPM warehouse loans. A banker from JPM called Chu about these problems. Chu, at the time, was on a luxury vacation in Italy, and he denied knowledge of the fraud. JPM retained FTI Consulting to run a forensic analysis of Tricolor and alerted the Department of Justice.

68. Chu, Kollar and other executives spoke over the phone on August 17, 2025 to discuss how to reconcile the irregularities in the records. Per audio recordings reflected in the DOJ's indictment, Chu urged the team to find a solution, observing that "rather than conform all of our records to meet the audit, I think we need to, we need to rethink, kind of holistically, all of the processes that are resulting in this" delay. Chu then drew an "analogy" to when the team managed to obscure Tricolor's fraudulent use of "dead loans on the balance sheet" to borrow capital during the 2022 financial statement audit. Chu emphasized that his "point in that analogy" was that "**rather than scrambling" to figure out, "okay, how are we gonna fabricate these loans? How are we gonna make up these loans? We just basically created around the problem with a structure, or I would say in this case, a policy, which, which made it, made all the math work.**" Chu then said, "we have a similar math problem today" and discussed with Kollar the buckets of manipulated loans and confirming exactly what fake data had been sent to the lenders on the SPV 4 Warehouse. (Ex. 1 at 11.)

69. During this August 17 call, Chu proposed that the manipulated data could be falsely attributed to a "Trump administration deferment" policy. Chu explained, "All I'm trying to do is, is alleviate the need to mess with any of these things and create a policy." Chu acknowledged, however, that "where we would have an issue is if, if they sent an auditor and they said, pull this up on your screen, right, that would be a problem." Kollar agreed, stating, "Yes. That would be bad." (Ex. 1 at 11.)

70. During another call on August 18, 2025, between Chu, Goodgame, Kollar, and other Tricolor executives, Chu described that one of the Lenders identified that "$63 million of loans that have not had a payment in 180 days that are marked as current in the borrowing base." Chu complained that he did not understand how Seibold could "be doing this and not thinking that

the balance has to reduce," saying it was "the stupidest fucking thing [he had] ever heard." Once Seibold was added to the call, Chu, in effect, demanded to know why Seibold had not thought to falsely reduce the balances in the borrowing base provided to Lenders when Seibold fraudulently marked the loans as current. Seibold responded: "I've been holding 8,000 outstanding charge-offs on every report for about a long time." When Chu asked whether Seibold ever reduced the balance, Seibold explained: "We do, but some we don't. . . . I can't reduce by a full 8,000 without having us have millions of dollars in debts that we need to pay down. . . . I'm doing what I thought was what we needed." (Ex. 1 at 12.)

71. On another call the next day between Chu, Goodgame, Kollar, and other executives, Chu recounted that he had spoken to one of the Lenders the prior evening and relayed to the Lender's representative. Chu said: "Look, if we were trying to commit fraud, we wouldn't be so stupid as to keep the same balances on there. . . . Nobody would be that stupid. And he [the Lender representative] goes, 'you're right.'" The participants on the August 19 call laughed in response. Chu also recounted how he told the representative of the Lender that it must be a "system issue." Of course, these were lies. As all participants on the call were aware, these inconsistencies were due to intentionally manipulated data, not a system issue. (Ex. 1 at 12.)

72. As the walls closed in on Defendants, Chu and Goodgame attempted to devise ways that Tricolor could settle with Lenders such as JPM who had caught on to their fraud. On August 28, 2025, Goodgame and Chu emailed each other the results of questions posed to "Grok AI," X's (formerly Twitter) AI chatbot, as to fiduciary duties owed by lending banks and circumstances where lending banks may be held liable for failure to investigate red flags. This search yielded precedents in which plaintiffs sought to recover from lending banks, including in litigation

concerning the collapse of Enron, in which JPM faced allegations of breach of fiduciary duty. A portion of the search results are below:

From: David Goodgame [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A9E2D80DEC644E59989AB3324A517E6E-DGOODGAME]
Sent: 8/30/2025 2:25:34 PM
To: Daniel Chu [dchu@tricolor.com]; Mauricio Delgado [mdelgado@tricolor.com]
Subject: Grok Answers (Round 4)

Some good ones in here.

Precedents Similar to Enron Corp. Securities Derivative & ERISA Litigation (2005)

The 2005 Enron litigation (e.g., In re Enron Corp. Securities, Derivative & ERISA Litigation, 235 F. Supp. 2d 549) involved banks like JPMorgan Chase, Citigroup, and Merrill Lynch accused of aiding Enron's accounting fraud by structuring deceptive transactions (e.g., prepays disguised as trades) despite red flags in financials, such as off-balance-sheet debt and inflated revenues. Courts held that sophisticated banks could not ignore obvious signs of collapse while profiting, leading to massive settlements (e.g., $7.2B class action). Below are similar U.S. precedents where banks faced liability for aiding corporate fraud by ignoring red flags in audited financials (e.g., manipulated statements, hidden debt) and assisting in misconduct for financial gain. These often involve securities fraud, aiding and abetting, or conspiracy claims under federal laws like the Securities Exchange Act. I've focused on key cases from searches, emphasizing parallels like bank knowledge via financial access and substantial assistance.

(Ex. 10.)

73. On August 29, JPM's investigation revealed that Tricolor had failed to reconcile its bank statements with the company's internal financial records. This mismatch was an intentional practice for years by Defendants in order to prevent their fraud from being uncovered. (Ex. 11.)

74. On August 30, Chu spoke again with Goodgame, Kollar, and other Tricolor executives and discussed the possibility of blaming Tricolor's Lenders for ignoring red flags of Tricolor's activities and use that as leverage for a settlement with the Lenders, likening Tricolor's situation to that of Enron, buoyed by the results of his and Goodgame's searches from Grok AI. Specifically, Chu and the others discussed the possibility that they could blame the banks for purportedly ignoring red flags of their frauds and use that threat as leverage to extract a favorable settlement. Chu was optimistic about that outcome, stating on the call, "Enron obviously has a nice ring to it, right? <laugh>, I mean, Enron, Enron raises the blood pressure of the lender when

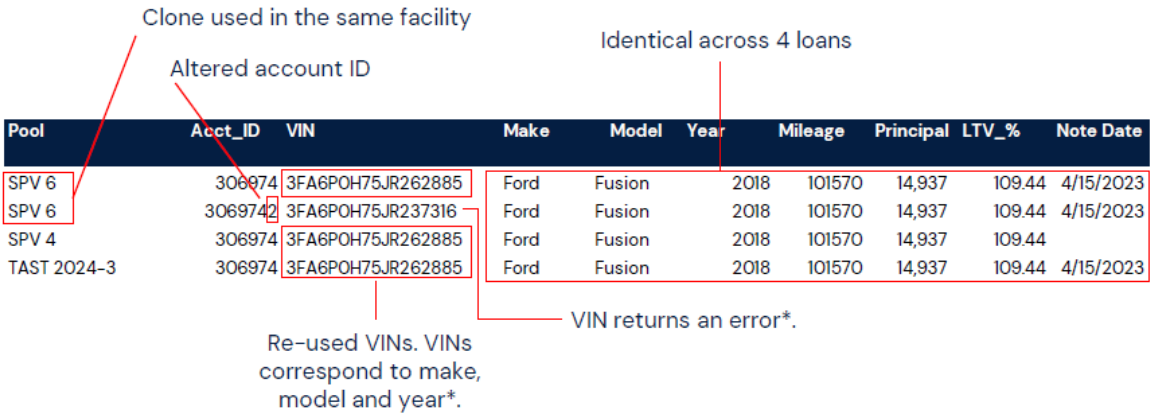
they see that <laugh>. It, it has to, right? I'm not-[. . .] Cause who wants to be thrown in the category?" **Chu later said, "That Enron case is fucking perfect, I think."** (Ex. 1 at 13.)

G. Capstone's Investigation To Date Confirms the Staggering Scope of Defendants' Fraud.

75. Capstone is an industry-leading investment banking and financial advisory firm retained by the Trustee to conduct a forensic accounting and fraud investigation. Capstone's investigation is headed by Mr. Jim Calandra, CPA, CTP, CFF. Mr. Calandra serves as Capstone's Managing Director and Head of Capstone's Financial Advisory Services practice, and he has more than 25 years of experience in turnaround management consulting, interim management, fraud and forensic accounting, mergers and acquisitions, and recapitalizations. Capstone's investigation has begun to reveal the massive scope of the fraud at Tricolor.

76. While Capstone's investigation is not yet complete, it has already revealed the massive scope of Defendants' fraud. To date, this investigation has uncovered 38,368 false finance receivable accounts, which represents loans that Capstone has classified as either "clone loans" or otherwise fictitious loans. In total, these loans represented ***$683 million*** in reported value on Tricolor's books.

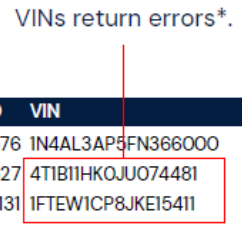
77. The "clone loans" identified by Capstone were loans contained in Tricolor's warehouses and securitizations that had modified account IDs, but which otherwise had all of the other same attributes (e.g., the same vehicle identification numbers, vehicle make, and vehicle number). Capstone identified 31,408 clone loans with a finance receivable value of $547,928,874 and concluded they were the result of intentional misrepresentation of loans in Tricolor's books. An example is depicted below, which demonstrates the same make, model, mileage, and other information across multiple Tricolor warehouse facilities and securitizations, but with different account IDs.



Pool	Acct_ID	VIN	Make	Model	Year	Mileage	Principal	LTV_%	Note Date
SPV 6	306974	3FA6P0H75JR262885	Ford	Fusion	2018	101570	14,937	109.44	4/15/2023
SPV 6	3069742	3FA6P0H75JR237316	Ford	Fusion	2018	101570	14,937	109.44	4/15/2023
SPV 4	306974	3FA6P0H75JR262885	Ford	Fusion	2018	101570	14,937	109.44	
TAST 2024-3	306974	3FA6P0H75JR262885	Ford	Fusion	2018	101570	14,937	109.44	4/15/2023

** According to nhtsa.dot.gov. Error message: Error Text: 1 - Check Digit (9th position) does not calculate properly.*

78. The other fictitious loans that Capstone's investigation uncovered took the form of loans with vehicle identification numbers listed in servicer reports that were completely absent from finance receivable records—implying that these loans were fabricated entirely. The internal investigation has revealed that there were at least 6,960 such loans, with a finance receivable value of $135,488,888. An example is depicted below, where VINs were found listed in multiple warehouse facilities, but were not listed with the vehicles sold by Tricolor, however they did appear in the finance receivable records.

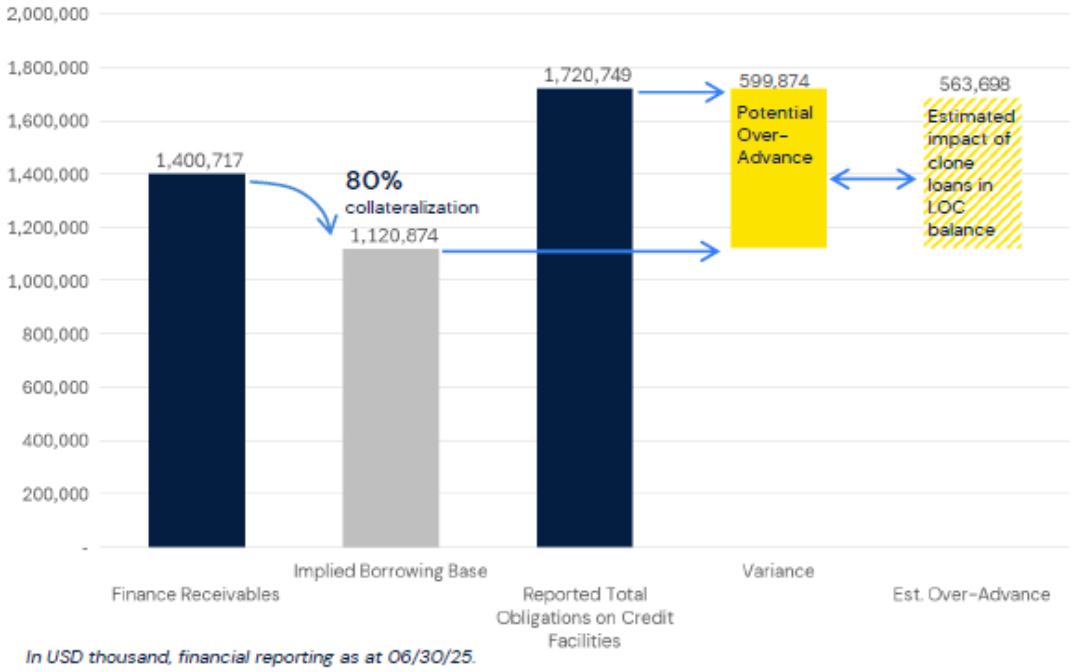


Pool	Acct_ID	VIN	Make	Model	Year	Mileage	Principal	LTV_%	Note Date
SPV 6	290576	1N4AL3AP5FN366000	Nissan	Altima	2015	115882	14,140	152.95	12/17/2022
SPV 6	3507527	4T1B11HK0JU074481	TOYOTA	CAMRY	2018	78285	24,145	129.16	2/17/2024
SPV 6	2922131	1FTEW1CP8JKE15411	Ford	F-150	2018	84952	22,039	130.09	1/3/2023

** According to nhtsa.dot.gov. Error message: Error Text: 1 - Check Digit (9th position) does not calculate properly.*

79. Capstone's investigation further uncovered that in June 2025, when Tricolor had $1.4 billion in finance receivables (which would imply a collateralization base of $1.1 billion with a collateralization rate of 80%), Tricolor falsely reported the finance receivables in its credit

facilities to show $1.7 billion total obligations—an upward variance of approximately $600 million. This variance is depicted below:

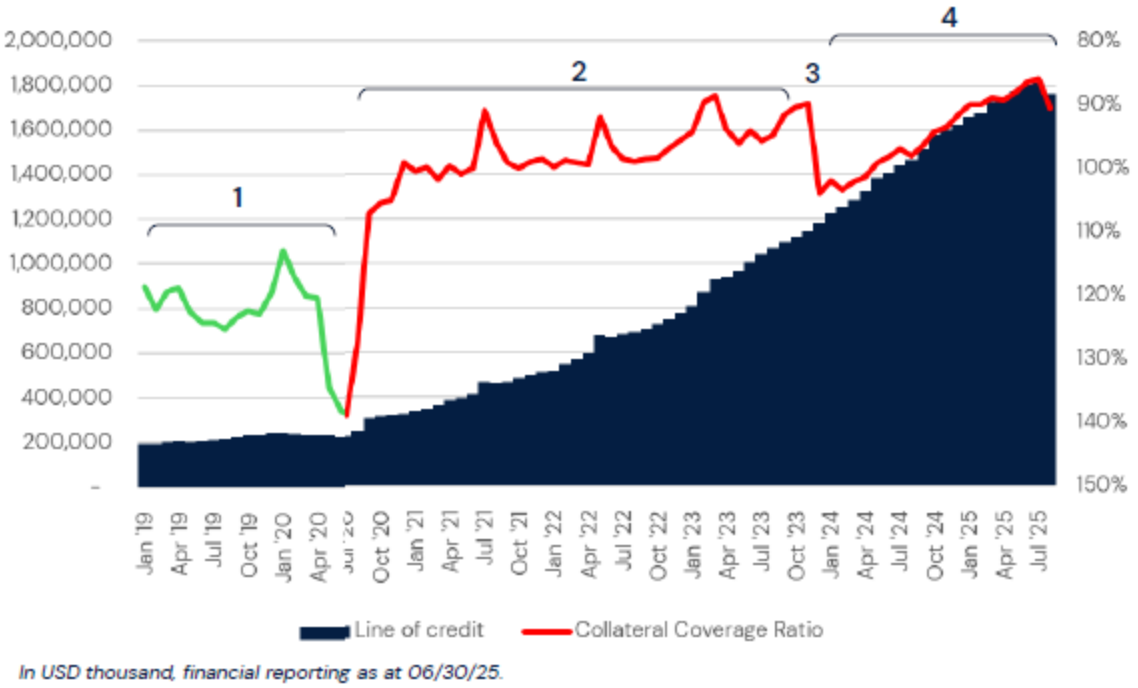


80. In other words, Tricolor was given advance loans from its warehouse Lenders premised on Tricolor's falsely inflated receivables base.

81. This reckless and risky practice put greater pressure on Tricolor's *actual* loans to cover the new liabilities caused by the loans which did not exist.

82. Because the fraud excessively leveraged Tricolor, the company was put into a precarious economic situation where Tricolor could suddenly find itself unable to pay for the loans if a significant number of defaults occurred.

83. Capstone's investigation also revealed the rapid timeline of Tricolor's overleverage.



In USD thousand, financial reporting as at 06/30/25.

84. Prior to September 2020, the ratio between the finance receivable balance to the obligations reported to credit facilities (the "**collateral coverage ratio**") sat at approximately 125%, meaning there were greater auto loan receivables than there were outstanding liabilities under the warehouse loans and the securitization trusts.

85. After September 2020, the collateral coverage ratio rapidly declined, falling below 100% and reaching approximately 87% in March 2023, meaning that Tricolor was receiving more in financing from its warehouse line of credit than it had in finance receivables.

86. In December 2023, Tricolor reported a $196 million increase in finance receivables, which temporarily improved the ratio from approximately 89% to approximately 96%.

87. From there, however, Tricolor's obligations under its credit facilities grew at a breakneck pace, with a rapidly declining collateral coverage ratio (represented by the red line in the above graph). This implies that the creation of fictitious loans increased considerably during

this period, and further that Tricolor used funds lent by Lenders to make fictitious loan payments to other Lenders.

H. The Fraud Bankrupts Tricolor.

88. When this fraudulent accounting came to light, Fifth Third and other Lenders terminated their warehouse lending agreements with Tricolor in August 2025.

89. In excessive debt to Lenders and with excessive collateralization of its meager receivables—far greater than the required rate of 80% and with borrowed amounts from lending banks far greater than its own receivables base—Tricolor found itself with far more liabilities than its liquidity could support.

90. As a result, Tricolor defaulted on its payment obligations to the Lenders. Indeed, JPM and Fifth Third each logged nearly $180 million in net charge-offs in their financial reporting in the third quarter of 2025, as a result of Tricolor's defaults on the advance loans issued to Tricolor. Fifth Third executives referred to the Tricolor loans as clear "fraud," and Fifth Third's CEO has stated that they were "defrauded" by Tricolor with respect to these loans. JPM's Chief Financial Officer similarly stated: "There clearly was, in my opinion, fraud involved in a bunch of these things."

91. On September 7, 2025, just days before Tricolor filed its Chapter 7 petition, Chu resigned from the board of directors of Origin Bank, one of Tricolor's Lenders. (Ex. 12.)

I. Chu Leverages the Fraud to Extract Excessive Bonus Compensation and to Use Corporate Funds for Lavish Personal Expenses.

92. In the years leading up to Tricolor's bankruptcy, as the scope of the above-described fraud became unsustainable and the company was poised for collapse, Chu fixated on his compensation, demanding outsized bonuses, spending company funds on personal expenses,

and using his power as Manager of Ganas Investors, LLC to unilaterally force out any Board members that voiced opposition to his demands.

93. In or around January 2022, Chu demanded a bonus for his performance for 2021 from Tricolor's Board of Managers, in the amount of $1.5 million. (Ex. 13.)

94. In response to his concerns, the Board of Managers of Tricolor retained consulting firm Meridian Compensation Partners ("**Meridian**") to determine a fair compensation package for Chu. Meridian's analysis, provided to the Board in July 2022, offered ranges of compensation for private and public companies by various revenue sizes, which showed that Chu's compensation was in line with the 50th percentile of private US companies. However, Chu demanded that he receive compensation in at least the top 10th percentile for ***public*** companies in the analysis—including a base salary of $1 million, with a bonus of $1.5 to 2 million, and $2.5 million in equity—even though Tricolor was not a public company at that time.

95. Chu's demand for increased compensation was initially considered by the Board's Compensation Committee, which at the time consisted of two now-former Board members: Dann Adams and Antonio Garza.

96. Adams, who was the chair of the Compensation Committee, expressed skepticism about the level of compensation demanded by Chu, worrying about the optics of a company whose brand image has been focused on high social impact paying its CEO a compensation package substantially higher than that of the average private company CEO.

97. In response, Chu prepared a fourteen-slide presentation for the Board meeting on March 17, 2023, taking credit for Tricolor's financial performance, and claiming that the Compensation Committee process related to his bonus has been "grossly mismanaged." In this

presentation, he referred to Adams as a "top imbecile" for daring to challenge his proposed compensation. (Ex. 14.)

98. Chu demanded, among other things: (1) a reallocation to cash compensation for 2022 and increase his bonus by $3 million, to reach a total of $5 million in 2022; (2) a new equity plan in 2023 with structure; (3) a base pay of $1.5 million and bonus of $750,000 in 2023; and (4) a three year severance of $1 million per year upon departure for any reason. (Ex. 14.)

99. And, in a further sign of his attempts to bully the Board with respect to his compensation, Chu included a final demand in his slide deck that would have required Adams personally to submit a written explanation on the appropriate use of "their, there, and they're," enroll in a local community college, and achieve a 2.5 GPA in a curriculum of English composition and grammar, and statistics. (Ex. 14.)

100. When he received continued pushback on his compensation demands, Chu threatened to leave the company and raised the prospect of forcing the Board to "agree to put the company up for sale immediately." (Ex. 15.)

101. On the morning of March 25, 2023, Board member Derrick Weatherspoon emailed Chu to notify him that a new compensation package was approved by the Board, which included, among other things, (1) a one-time grant of Restricted Stock Units valued at $1.5 million as compensation for 2022 in lieu of a cash bonus, and (2) a base salary of $750,000 and a cash bonus of $750,000 to $1.5 million (maximum) for 2023. (Ex. 16.) Weatherspoon further promised to return a response regarding some of Chu's additional asks. Chu replied late that day attempting to explain why the current compensation proposal was "undeniably absurd." (Ex. 17.)

102. Subsequently, in May 2023, in the course of Tricolor's annual audit, the Board discovered that Chu had made millions of dollars' worth of seemingly personal purchases on his

company American Express credit card without reimbursing the company. These expenses, which Chu claimed were "completely business-driven" and necessary business expenses, included over the course of just 2022:

- Hundreds of thousands of dollars worth of private jet and first-class commercial air travel for himself and his family, including over 240 purchases from American Airlines totaling $185,000;
- Hundreds of stays at luxury hotels and resorts costing more than $300,000, including spending more than $20,000 at the Sky Residences at Aspen; more than $65,000 at Four Seasons hotels in Boston, Surfside, Las Vegas, Irving, New York, Chicago, and Denver; more than $30,000 at the Trump International in New York; and more than $140,000 for 100 charges at Hotels.com; in addition to stays at the Garden of the Gods Resort in Colorado Springs, the Peninsula in New York, the Hall Arts Hotel in Dallas, the L'Auberge in Del Mar, Mandarin Oriental hotels in Boston and Paris, the Cosmopolitan in Las Vegas, Mansion on Turtle Creek in Dallas, the Grand Beach Hotel in Surfside, the Wynn in Las Vegas, the Waldorf Astoria in Las Vegas, and the Beverly Hills Hotel;
- Over 200 meals at high-end restaurants, including extravagant meals costing hundreds or thousands of dollars at Salt Bae's restaurant in Dallas, Nobu in New York, Prime 112 in Miami, Le Bilboquet in New York, Los Fuegos in Miami, Chef Tania private dining in Miami, Hakkasan in Las Vegas, Hutong in Miami, Carbone in Dallas, Novikov in Miami, Pao by Paul Qui in Miami, Mr. Chow's in Miami, Cote in Miami, and Le Coucou in New York;

- Thousands of dollars of alcohol and wine purchases from Silver Oak Cellars in Napa Valley, the Opus One Winery in Oakville, Del Dotto Vineyards in Napa Valley, Big Daddy's Liquor in New York, the Kenzo Estate Winery in Napa Valley, Crown Liquors in New York, and VinPorter in Napa Valley;
- Thousands of dollars of healthcare and beauty expenses, including skin revitalization at Skincare by Amy Peterson, vitamin infusions at Vitality IV Bar, dental work at The Prosthodontic Center of Beverly Hills, biochemical testing at DHA Laboratory, wellness treatments at Tierra Santa Healing House in Miami, multiple visits to the Exhale spa in Bar Harbour, and recurring payments for Nutrafol hair growth products;
- Tens of thousands of dollars of purchases from a woman's clothing store in Bal Harbour (Intermix), a countertop supply store in Phoenix (Lee's Counter Tapps Tops), a general contractor in Miami (Vera Castell Services), an air purifier company (Molekule), an art gallery in Dallas (Artemis Fine Arts), a designer coffee table book store (Assouline), a wool sweater store in Portland (Dehen), a home automation company in Miami (Systems Design & Integration), a luxury home staging company in California (Meredith Baer Home), and a florist in Del Ray Beach (Camden Gardens of Florida);
- Simultaneous monthly subscriptions to television services from YouTube Tv, FuboTv, Hulu Tv, and Spectrum; streaming subscriptions from Netflix, Peacock, Hulu, and Spotify; and dozens of purchases from Prime Video;
- Simultaneous memberships in ClassPass, Peloton, Equinox, SoulCycle, and StretchZone;

- More than $18,000 in purchases from Apple and the Apple Store;
- 874 charges to Uber, 314 charges to Lyft, 231 charges to Doordash, and 205 charges to Uber Eats;
- Regular dry-cleaning at Dryeco dry cleaning in Sunny Island;
- Dog-training services from Elite K9 Service in Florida; and
- Personal storage and moving charges totaling over $140,000.

(Ex. 18; Ex. 19.)

103. On May 9, 2023, Chu emailed Tricolor's counsel at the law firm Reed Smith regarding the ongoing audit, copying Board audit committee member Beth Brooke, attempting to pass off his personal expenses as necessary business expenses. Chu attempted to justify (among other things) over $422,000 in travel expenses by explaining that when he chooses to travel, he travels with his immediate family, and thus multiple airline tickets and larger hotel accommodations for his family should be paid by the company. (Ex. 18.)

104. On May 11, 2023, Brooke emailed Reed Smith and Tricolor Board members expressing concern about Chu's bonuses in 2021 and 2022 as well as the personal American Express expenses. Brooke questioned who would have authorized an advance of $400,000 to Chu, considering the Board had instructed the compensation committee to "hold up on finalizing" his compensation and bonus pending the investigation into his American Express expenses. Brooke closed her email with a sober reflection of Chu's self-interested leadership of Tricolor: "If this is all because what [Chu] says, people do, with or without proper processes and approvals. If that is the case, [the auditor] is going to question everything. Rightfully so." (Ex. 20.)

105. On May 14, 2023, Chu once more attempted to justify his personal spending as business expenses. He even went so far as to say that household expenses like a nanny and even

intravenous vitamin treatments were "the most practical" way for him to "cope" with his executive responsibilities. (Ex. 21.)

106. On May 31, 2023, in an effort to coerce the Board into ending its investigation into his improper use of his corporate card and to otherwise strong-arm the Board into complying with his outsized compensation demands, Chu threatened the Board by submitting a purported letter of resignation. (Ex. 22.)

107. The Board ultimately agreed to resolve its investigation into his personal expenses on favorable terms in order to keep Chu at the company, motivated by the veneer of financial success identified by Chu that was actually a result of Defendants' fraud. The Board ultimately agreed that Chu would only need to repay Tricolor $2,141,556 of the millions of dollars of personal expenses he attempted to pass off as business expenses on his corporate American Express credit card.

108. Chu then utilized his power as the sole manager of Ganas Investors LLC, the majority member of Tricolor, to extract egregiously large bonus compensation from the company just as the fraud was beginning to take the company down.

109. Pursuant to the LLC Agreement, holders of "at least a majority of the total Percentage Interests" in Tricolor Holdings LLC could remove and replace a Manager in the Board, with the restriction that: (1) two Managers who are to be appointed by members holding a majority of "senior preferred" shares of Tricolor Holdings, (2) one Manager is to be appointed by Ganas Investors, LLC, and (3) one of the Managers appointed by the majority of the Percentage Interests must be someone who is not employed by or consultants to the Company or Ganas Investors LLC (or any of their affiliates). Thus, with respect to most Members of the Board, Chu had an unfettered ability to shape the Board, as Ganas Investors, LLC held 75% of the Percentage Interest in Tricolor

Holdings LLC. (Ex. 2, at Schedule A-1.) As Chu, in turn, was the sole Manager of Ganas Investors, LLC, and was empowered by Ganas Investors, LLC's limited liability agreement to have sole decision-making authority, this meant effectively that *Chu* had the sole ability to appoint and remove Tricolor Holdings Board members.

110. Exercising this power, in retaliation for Brooke questioning his personal spending of company funds, Chu executed a Consent on behalf of Ganas Investors, LLC on September 17, 2023, removing Brooke from the Tricolor Board of Managers. In her place, Chu appointed Andrew DeLuca, Tricolor's General Counsel, to the Board, writing in an email, "Neither the removal [n]or appointment is subject to [B]oard vote." (Ex. 23.)

111. Next, on December 27, 2023, just days before the Board meeting where the Managers would vote on Chu's compensation package, Chu executed two more consents on behalf of Ganas Investors, LLC, removing Antonio Garza and Dann Adams, the only members of the Compensation Committee, from the Board effective immediately. (Ex. 24; Ex. 25.)

112. With the Board members who had previously questioned Chu's demands for excessive compensation removed and with the remaining members well aware that any opposition to Chu would be met with their removal, Chu took the opportunity to again demand even more compensation from the Board.

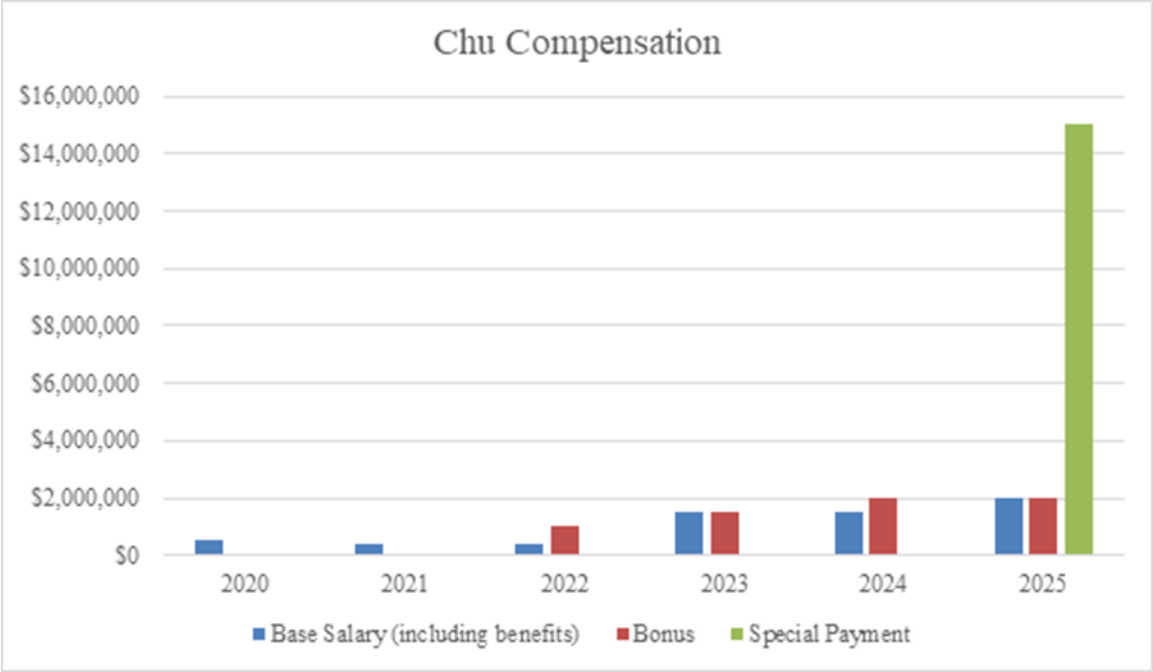
113. On January 3, 2024, the Board held a special meeting to vote on Chu's 2023 and 2024 compensation. The Board approved his 2023 salary of $1.5 million and a 2023 bonus of $1.5 million. The Board also approved a 2024 salary of $1.5 million. In a further boon to Chu, the Board voted to reduce the balance of Chu's promissory note to repay Tricolor for his personal expenses on his corporate American Express credit card from $2,141,556 to $1,443,057.

114. On January 24, 2025, Chu presented a new proposal that demanded a bonus of at least $13 million—many multiples greater than his prior compensation—purportedly to compensate him for Tricolor's growth between 2018 and 2025. Chu's compensation demands were premised entirely on the fabricated appearance of massive growth that was, in reality, a result of Defendants' fraud.

115. On February 12, 2025, the Board held a meeting to discuss Chu's 2025 compensation. The Board did not retain a compensation consultant nor negotiate with Chu, but instead acceded to Chu's demand for a base salary of $2 million and a bonus of $2 million; a one-time grant of profit interest in Tricolor to vest over a four-year period; **and a one-time special bonus of $15,000,000**, offset by the $1,443,057 owed by Chu via Promissory Note to compensate for some of Chu's personal American Express purchases. (Ex. 26.)

116. While Chu demanded that the Board grant him his windfall compensation, Tricolor's collateralization rate and credit advances from Lenders were increasing at a fever pitch (*see* Sections E to G, *supra*).

117. Thus, from 2023 until the time of Tricolor's bankruptcy filing, as the Company was engaging in a rapidly growing and unsustainable fraud under Chu's leadership, Chu squeezed as much money as he could out of Tricolor by misrepresenting Tricolor's financial condition and unilaterally removing Board members that questioned him. In 2025 alone, Chu received over $17,000,000 in compensation, far out of line with both his prior compensation and the compensation of executives at similar private companies, as reflected by the analysis conducted in prior years by Tricolor's consultants.



118. Given the fraud occurring behind the scenes, and Chu's outsized compensation, Tricolor did not receive reasonably equivalent value from Chu's services.

119. In the year leading up to the bankruptcy, Tricolor made payments to Chu in a total amount of $29,605,737. Of that total, $13,464,025 was paid out to Chu just over the ninety days leading up to the bankruptcy. This amount comprised not only his compensation but also a bonus of $2 million paid on February 28, 2025. It also comprised the aforementioned special bonus of $15 million paid to Chu less the $1,443,057 offset, which was paid to him in four installments: $500,000 paid on January 28, 2025; $1,500,000 paid on February 10, 2025; $4,000,000 paid on March 6, 2025; $500,000 paid on May 21, 2025; and $5,556,943 paid on June 11, 2025.

120. On July 1, 2025—just two months before Tricolor finally declared bankruptcy—Chu made a short-term loan to Tricolor in the amount of $6,500,000. Despite Tricolor's mounting liabilities and Chu's knowledge of the poor financial health of Tricolor, Chu directed Kollar to repay this amount in full in installments over the month of August: $250,000 on August 11, 2025; $4,250,000 on August 19, 2025; and $2,000,000 on August 20, 2025. Even as Chu observed in

August 2025 that Tricolor was "definitely insolvent," Chu made sure that his short-term loan was repaid before any of Tricolor's other creditors received money from the company.

121. Chu also continued to use corporate funds for personal purchases even after reaching the prior resolution with the company regarding his American Express purchases. Even as late as August 2025, when it was clear to Chu that Tricolor was in financial distress, he continued to make personal purchases on his corporate American Express card, including a $603.92 Oura ring, over $5,000 at Accent Gallery & Framing in Dallas (luxury art framing), over $3,000 in July in storage unit rent, and $18,000 for membership to Core Club in New York (a member's only social club). (Ex. 27.)

122. When Tricolor paid over $29,000,000 to Chu in the one year leading up to the bankruptcy, and especially when it paid over $13,000,000 of that amount in the ninety days leading up to the bankruptcy, these payments substantially diminished the amount of money Tricolor had remaining to pay its creditors.

123. Ultimately, Tricolor's Board requested on September 5, 2025, that Chu return the 2025 special bonus that was paid to him.

124. To date, Chu has not made this repayment, nor has he indicated that he intends to do so.

J. Chu Uses His Fraudulently Obtained Compensation to Fund Lavish Personal Expenses.

125. Chu used the compensation he defrauded from Tricolor to fuel his lavish lifestyle, purchasing multiple homes during his tenure as Tricolor's CEO, and maintaining multiple other properties at the same time.

126. In 2022, Chu purchased a property at The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154 for approximately $18,000,000.

127. In March 2023, the same month the Board approved Chu's increased 2023 compensation package, he purchased a property at 4208 Beverly Drive, Highland Park, TX 75205 with a tax assessment of $4,599,440 in 2023.

128. In December 2024, when Chu was lobbying for his massive 2025 compensation package that was approved in January 2025, he purchased property at 4544 Westway Ave, Highland Park, TX 75205, with a tax assessment of $2,063,260 in 2024. A background check obtained by the Trustee shows the owner as Daniel Chu and his wife Constance Chu, and the owner's address is 6021 Connection Dr., Irving, TX 75039. 6021 Connection Dr. is the address of Tricolor's headquarters.

129. On February 18, 2025—just days after his $15,000,000 special bonus was approved—on information and belief, Chu executed a purchase agreement for a ski chalet at 115 W. Bleeker Street, Aspen, CO 81611, for approximately $25,000,000.

130. On June 12, 2025, Chu purchased via holding entity 1431 Cobb Parkway South, Marietta, Georgia 30067, and shortly thereafter on June 26, 2025, sold the property for more than $7,000,000.

K. Chu's Alienation of Assets from Potential Judgment Creditors.

131. Beginning in July 2025, as it became clear that the fraud at Tricolor was unsustainable and about to be revealed, Chu began alienating his assets in an effort to protect from them Tricolor's creditors.

132. On July 10, 2025, Chu listed for sale his property located at 4544 Westway Ave., Highland Park, TX 75205, for $2,099,999. The property remains listed for sale as of this filing, and his daughter Katie Chu is the real estate agent for this property. (Ex. 28.)

133. On August 29, 2025—just days before Tricolor's bankruptcy—a limited liability company operated by Chu called Chu Family Investments LLC purchased a property at 1612 Gilcrest Drive, Beverly Hills, CA 90210, for $2,650,000, with Origin Bank financing $2.12 million of the purchase. Upon information and belief, the remaining $530,000 came from Chu's own funds, and this property was purchased through an LLC in an attempt to shield it from any personal liability of Chu.

134. On September 9, 2025, Chu listed for sale his property located at 4208 Beverly Drive, Highland Park, TX 75205, for $10,990,000. The property remains listed for sale as of this filing, and Chu has agreed to drop the price by $2,000,000 in a desperate attempt to sell this asset. (Ex. 29.)

135. On September 15, 2025, Chu received an email from a law firm specializing in asset protection at his Tricolor email address sending a flow chart for a Family Limited Partnership to own investment assets. On September 16, 2025, Chu instructed the law firm to communicate through his Gmail email address (tricolorchu@gmail.com). (Ex. 30.)

136. On September 17, 2025, Chu sent an email to himself at tricolorchu@gmail.com, including a link to an article from law firm Adler Law titled "Florida Homestead Law Guide," which "protects a Florida resident's primary home from judgment creditors." (Ex. 31.)

137. A few days later, on September 24, 2025, Chu discussed a Termination and Release Agreement with Elephant Aspen Residences Inc., terminating the purchase of White Elephant Aspen Chalets Unit No. 3, located at 115 W. Bleeker Street, Aspen, CO 81611. Upon information and belief, the seller retained Chu's earnest money deposit of $1,750,000 and returned to Chu the remainder of the $25,000,000 purchase price.

138. Upon information and belief, after Chapter 7 Bankruptcy was declared, Chu sent a former employee of Tricolor to the headquarters to collect the titles to vehicles in Chu's name. The former employee stated that Chu asked him to retrieve the titles to his vehicles that Chu left in his office at Tricolor. Tricolor is currently in possession of those titles.

139. Most recently, in December 2025, Chu called former Board member Richard Anderson requesting to sell his custom Land Rover Defender. Despite Anderson expressly disclaiming any desire to purchase the vehicle, Chu shipped the vehicle to Anderson's home.

L. Defendants are Indicted.

140. On December 16, 2025, the DOJ unsealed its indictment charging Chu and Goodgame with charges including wire fraud, bank fraud, and conspiracy.

141. Both Chu and Goodgame were arrested on December 17, 2025. Goodgame faces up to thirty years in prison, and Chu faces a maximum potential sentence of life in prison.

142. Kollar and Seibold have pleaded guilty to fraud charges and are cooperating with the DOJ investigation.

143. Following the indictment and arrest, U.S. Attorney Jay Clayton said in a statement: "Fraud became an integral component of Tricolor's business strategy. The resulting billion-dollar collapse harmed banks, investors, employees, and customers."

M. The Trustee's Investigation Continues.

144. As of the date of filing this Complaint, the Trustee's investigation is ongoing as she and her advisors sift through more than two terabytes of data at the Company, and pursue Rule 2004 discovery and other investigatory methods to uncover the full scope of Defendants' misconduct.

COUNT I
Fraud (against all Defendants)

145. Defendants, in each of their capacities as Officers of Tricolor, created or caused to be created nearly 40,000 fake loans valued at over $683 million.

146. Defendants knowingly, and with the intent to defraud, made or caused to be made misrepresentations and omissions of material fact, or were made on Defendants' behalf.

147. In his capacity as Officer and as Tricolor's CEO and President, Chu created or caused to be created nearly 40,000 fake loans valued at over $683 million. Each one of these loans contained false statements of material fact that Chu falsely represented to Tricolor as accurate.

148. In his capacity as Officer and as Tricolor's CFO and Vice President, Kollar created or caused to be created nearly 40,000 fake loans valued at over $683 million. Each one of these loans contained false statements of material fact that Kollar falsely represented to Tricolor as accurate.

149. In his capacity as Officer and as Tricolor's COO, Goodgame created or caused to be created nearly 40,000 fake loans valued at over $683 million. Each one of these loans contained false statements of material fact that Goodgame falsely represented to Tricolor as accurate.

150. In his capacity as Officer and as Tricolor's Director of Treasury, Seibold created or caused to be created nearly 40,000 fake loans valued at over $683 million. Each one of these loans contained false statements of material fact that Seibold falsely represented to Tricolor as accurate.

151. These false loans were given the appearance of legitimate loans, but with fabricated or duplicated attributes.

152. Defendants knew that these loans were fabricated or represented that they were accurate with a reckless indifference to the truth.

BLACKROCK - EXHIBIT 2

153. Defendants intended to deceive, and did deceive, others at Tricolor into believing these loans were legitimate.

154. Tricolor relied in good faith on the misrepresentations of Defendants to issue further asset-backed securities based upon these fake loans.

155. In reliance on these misrepresentations, Tricolor paid Chu a bonus of $15 million in 2025 and a lavish compensation package as a reward for contributing to (what appeared to be) several years of resounding success at Tricolor which was based on the fabricated loans.

156. Moreover, in reliance on these misrepresentations, Tricolor became overleveraged by fake loans that were not backed by any real customers or collateral.

157. As a result, Tricolor became vulnerable to customer defaults, and finds itself in Chapter 7 bankruptcy after having insufficient cash or assets to repay its liabilities.

158. If not for Defendants' misrepresentations, Tricolor would not be bankrupt today.

159. Accordingly, the Court should grant judgment in favor of Plaintiff, finding that Defendants are liable for common law fraud and ordering Defendants to pay Plaintiff damages in an amount to be determined, and expenses to which Plaintiff is entitled, in an amount to be determined at trial.

COUNT II
Breach of Fiduciary Duty of Care (against all Defendants)

160. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

161. Chu was at all times a Manager of Tricolor Holdings and the CEO and President of Tricolor Holdings (and of each of Debtors). As an Officer of Tricolor, and/or as the CEO and President of Tricolor, Chu occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of care.

162. Kollar was at all times the CFO and Vice President of Tricolor Holdings. As an Officer of Tricolor, and/or as the CFO and Vice President of Tricolor, Kollar occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of care.

163. Goodgame was at all times an Officer of Tricolor Holdings. Goodgame served as the Vice President of Supply Chain and Analytics at Tricolor before being promoted to Chief Operating Officer in 2019—a position he held until Tricolor's bankruptcy. As an Officer of Tricolor, and/or as the COO of Tricolor, Goodgame occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of care.

164. Seibold was at all times the Director of Treasury of Tricolor Holdings. As an Officer of Tricolor, and/or as the Director of Treasury of Tricolor, Seibold occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of care.

165. Defendants owed Tricolor and its members a duty of care, including but not limited to, a duty to that a reasonably prudent person would exercise in similar circumstances.

166. Defendants breached this duty of care by intentionally making, or causing others to make, or failing to properly oversee others who made, false loans reported in Tricolor's accounting, and collateralizing them into asset-backed securities at a rate far greater than 80%, so that Tricolor could sell more asset-backed securities.

167. Defendants' actions in generating—or failing to properly oversee others who generated—false loans and collateralizing warehouse facilities at a rate greater than 80% had no business justification.

168. Tricolor has been, and continues to be, damaged as a direct and proximate result of Defendants' breach of their fiduciary duty of care, in an amount to be determined at trial.

COUNT III
Breach of Fiduciary Duty of Loyalty (against all Defendants)

169. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

170. Chu was at all times a Manager of Tricolor Holdings and the CEO and President of Tricolor Holdings (and of each of Debtors). As an Officer of Tricolor, and/or as the CEO and President of Tricolor, Chu occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of loyalty.

171. Kollar was at all times the CFO and Vice President of Tricolor Holdings. As an Officer of Tricolor, and/or as the CFO and Vice President of Tricolor, Kollar occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of loyalty.

172. Goodgame was at all times an Officer of Tricolor Holdings. Goodgame served as the Vice President of Supply Chain and Analytics at Tricolor before being promoted to Chief Operating Officer in 2019—a position he held until Tricolor's bankruptcy. As an Officer of Tricolor, and/or as the COO of Tricolor, Goodgame occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of loyalty.

173. Seibold was at all times the Director of Treasury of Tricolor Holdings. As an Officer of Tricolor, and/or as the Director of Treasury of Tricolor, Seibold occupied a position of trust and confidence and owed a Tricolor and its members a fiduciary duty of loyalty.

174. Defendants owed Tricolor and its members a duty of loyalty, including but not limited to, a duty to take actions on a disinterested and independent basis, in good faith, and with an honest belief that the action is in the best interest of Tricolor and its members.

175. Defendants breached their fiduciary duty of loyalty to Tricolor and its members by knowingly tolerating inadequate internal controls at Tricolor and failing to monitor subordinates' compliance to ensure that Tricolor did not make fictitious loans and overleverage itself.

176. Chu separately and independently breached his fiduciary duty of loyalty to Tricolor and its members by securing himself an outsized compensation package, including a $15 million special bonus. Chu additionally violated his fiduciary duty of loyalty by failing to disclose to the Board accurate information about the loans when pursuing his outsized compensation package.

177. Defendants separately and independently breached their fiduciary duty of loyalty by failing to disclose to Tricolor that the loans were fictitious. As Officers and employees of Tricolor, Defendants had a duty to disclose all material information to Tricolor. However, through acts and omissions, Defendants both concealed the fictitious loans from Tricolor and also failed to disclosure the true status of the loans.

178. Tricolor has been, and continues to be, damaged as a direct and proximate result of Defendants' breach of their fiduciary duty of loyalty, in an amount to be determined at trial.

COUNT IV
Breach of the Fifth Amended and Restated Limited Liability Agreement
(against all Defendants)

179. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

180. Pursuant to the LLC Agreement, Chu served as both a Manager and an Officer of Tricolor Holdings. Kollar, Goodgame and Seibold served as Officers of Tricolor Holdings.

181. Chu, in particular, served as the Chief Executive Officer and President of Tricolor Holdings.

182. As a Manager and Officer of Tricolor Holdings, Chu was bound by the LLC agreement.

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183. Kollar served as the Chief Financial Officer and Vice President of Tricolor Holdings.

184. Goodgame served as the Chief Operating Officer of Tricolor Holdings.

185. Seibold served as the Director of Treasury of Tricolor Holdings.

186. Pursuant to Section 11.3 of the LLC Agreement, each Defendant owed "fiduciary duties to [Tricolor Holdings] of the same kind and to the same extent" as he would "owe fiduciary duties to [Tricolor Holdings] and its Members if [Tricolor Holdings] were a corporation formed under the General Corporation Law of the State of Delaware and its Members were shareholders of [Tricolor Holdings]."

187. If Tricolor Holdings were a corporation formed under the General Corporation Law of the State of Delaware and its Members were shareholders of Tricolor Holdings, Defendants would owe fiduciary duties of care and loyalty in each of their roles as Officers of Tricolor Holdings, and Chu would also owe fiduciary duties of care and loyalty in his role as Manager.

188. Defendants therefore had a contractual duty to perform their roles commensurate with those fiduciary duties.

189. Defendants breached this contractual duty of care by intentionally making—or causing others to make—false loans reported in Tricolor's accounting, and collateralizing them into asset-backed securities at a rate far greater than 80%, so that Tricolor could sell more asset-backed securities.

190. Defendants breached their contractual duty of loyalty to Tricolor and its members by knowingly tolerating inadequate internal controls at Tricolor and failing to monitor subordinates' compliance to ensure that Tricolor did not make fictitious loans and overleverage itself.

191. Chu separately and independently breached his contractual duty of loyalty to Tricolor and its members by removing the Board directors adverse to him and securing himself an outsized compensation package, including a $15 million special bonus.

192. As a direct and proximate result of Defendants' breach, Tricolor was forced to default on its loans from its Lenders and declare bankruptcy.

193. Accordingly, the Court should grant judgment in favor of Plaintiff, finding that Defendants are liable for breach of contract and ordering Defendants to pay Plaintiff damages in an amount to be determined, and expenses to which Plaintiff is entitled, in an amount to be determined at trial.

COUNT V

Breach of the Implied Covenant of Good Faith and Fair Dealing (against all Defendants)

194. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

195. On December 30, 2021, the Fifth Amended and Restated Limited Liability Company Agreement of Tricolor Holdings, LLC dated December 30, 2021 sets out the powers and obligations of Managers and Officers of Tricolor.

196. Chu is a signatory to this agreement on behalf of Ganas Investors, LLC.

197. Chu was appointed by the Board of Managers to serve as the Chief Executive Officer of Tricolor, with powers enumerated under Section 5.12 and 5.13.

198. As Chief Executive Officer, Chu was empowered to have the "general executive powers concerning all the operations and business of [Tricolor]."

199. Kollar was appointed by the Board of Managers to serve as the Chief Financial Officer of Tricolor, with powers enumerated under Section 5.12.

200. Goodgame was appointed by the Board of Managers to serve as the Chief Operating Officer of Tricolor, with powers enumerated under Section 5.12.

201. Seibold was appointed by the Board of Managers to serve as the Director of Treasury of Tricolor.

202. As Treasurer, Seibold was empowered to have the "exercise such powers and duties as may be conferred upon, or assigned to, him or her by the Board or the Chief Executive Officer."

203. Defendants' obligations as officers of Tricolor required that their conduct comport with the implied covenant of good faith and fair dealing in exercising his executive powers concerning the business and operation of Tricolor.

204. Defendants breached the implied covenant of good faith and fair dealing by faking nearly 40,000 loans and overleveraging Tricolor.

205. Defendants also breached the implied covenant of good faith and fair dealing by failing to implement adequate internal controls to prevent fictitious loans and overleverage.

206. Defendants also breached the implied covenant of good faith and fair dealing by securing himself outsized compensation at the detriment of Tricolor's financial health,

207. As a result of the foregoing breach, Plaintiff has sustained damages in an amount to be determined at trial.

COUNT VI
Turnover of Estate Property (against Chu)
Pursuant to 11 U.S.C. § 542(a)

208. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

209. Under Section 542(a) of the Bankruptcy Code, an entity in possession of a debtor's property or an entity that owes a debt to the debtor shall deliver such property or pay such debt.

210. As of the date of this Complaint, Chu is in possession of property of Tricolor's estate. Such property and debts include, without limitation, cash, accounts receivable, and other matured payment obligations due and payable to the creditors, and any proceeds thereof.

211. Under Section 542(a), Chu shall deliver to Tricolor and account for such property or the value of such property.

212. Chu's refusal to deliver property impedes administration of the estate. Turnover is appropriate because the property is estate property within Section 541 and is necessary to the administration of this case.

213. Accordingly, Tricolor seeks an order compelling an immediate turnover and full accounting, with appropriate safeguards for any proven lienholder's interest. This includes, but is not limited to, the properties Chu owns that were acquired from proceeds of his fraud that are rightfully property of the estate, including the properties at 4544 Westway Ave., Highland Park, TX 75205; 1612 Gilcrest Drive, Beverly Hills, CA 90210; 4208 Beverly Drive, Highland Park, TX 75205; The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154; or, that recently sold including the property at 1431 Cobb Parkway South, Marietta, Georgia 30067.

COUNT VII
Avoidance of Preferential Transfers (against Chu)
Pursuant to 11 U.S.C. §§ 547(b), 550

214. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

215. Pursuant to section 547(b) of the Bankruptcy Code, a debtor in possession may avoid any transfer of an interest of the debtor in possession in property (a) to or for the benefit of a creditor, (b) for or on account of an antecedent debt owed by the debtor before such transfer was made, (c) made while the debtor was insolvent, (d) made on or within 90 days before the date of

the filing of the petition, (e) that enables such creditor to receive more in satisfaction of its claims than it would receive in a case under chapter 7 of the Bankruptcy Code if the transfer had not been made. 11 U.S.C. § 547(b)(1)–(5).

216. From June 12, 2025 to Tricolor's bankruptcy filing on September 10, 2025 (the "**Preference Period**"), Tricolor made the transfers (the "**Chu Transfers**") to or for the benefit of Chu in an aggregate amount of not less than $13 million, as listed in Appendix B.

217. Each Chu Transfer was made from Tricolor or one of its subsidiaries and constituted transfers of an interest in property of Tricolor.

218. The Chu Transfers were made to or for the benefit of Chu within the meaning of 11 U.S.C. § 547(b)(1) because the Chu Transfers either reduced or fully satisfied a debt or debts then owed by Tricolor to Chu.

219. Each of the Chu Transfers was made from a bank account owned by Tricolor, out of Tricolor's funds, and constituted a transfer of an interest in property of Tricolor.

220. Chu was a creditor of Tricolor at the time of each of the Chu Transfers by virtue of supplying the goods and services detailed above, for which Tricolor was obligated to pay. Each Chu Transfer was thus made for or on account of an antecedent debt owed by Tricolor before such Chu Transfer.

221. The Chu Transfers were made at a time when Tricolor was insolvent. Plaintiff is entitled to the presumption of insolvency for the Chu Transfers made during the Preference Period pursuant to 11 U.S.C. § 547(f). Each of the Chu Transfers was made during the Preference Period, as set forth in Appendix B.

222. The Chu Transfers enabled Chu to receive more in satisfaction of his claim against Tricolor than he would have received in a case under chapter 7 of the Bankruptcy Code had the

Chu Transfers not been made. As evidenced by the Bankruptcy Petition, Tricolor's liabilities exceed their assets to the point that unsecured creditors will not receive a full payout of their claims from its bankruptcy estate.

223. By reason of the foregoing, each of the Chu Transfers are avoidable pursuant to Section 547 of the Bankruptcy Code.

COUNT VIII
Actual Fraudulent Transfer (against Chu)
Pursuant to 11 U.S.C. §§ 548(a)(1)(A), 544(b), 6 Del. Code § 1304(a)(1), Tex. Bus. & Com. Code § 24.005(a)(1)

224. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

225. Chu secured funding from the Lenders for Tricolor while knowingly and intentionally misrepresenting Tricolor's financial condition.

226. Based on these misrepresentations, Chu persuaded the Board to pay him a $15,000,000 special bonus just months before Tricolor was forced to declare bankruptcy.

227. Chu also caused Tricolor to transfer millions of dollars to his personal bank account at Origin Bank and pay his Tricolor American Express card that he used for personal expenses.

228. At the time of each transfer from Tricolor to Chu's personal bank account and American Express card, Tricolor had at least one general unsecured creditor holding an allowable claim who, but for Debtors' bankruptcy filing, would have standing to bring claims to avoid and recover actual fraudulent transfers.

229. Chu directed Tricolor to transfer money to his personal bank account and to pay off his American Express card with the actual intent of hindering, delaying, and/or defrauding Tricolor's creditors and investors.

230. The payments to Chu are voidable pursuant to Section 548(a)(1)(A) and may be recovered from Defendants pursuant to Section 550.

231. Accordingly, Tricolor is entitled to a judgment (1) avoiding the fraudulent transfers under Section 548(a)(1)(A) and/or Section 544(b), and (2) recovering and preserving all such avoided transfers under Sections 550 and 551.

COUNT IX
Avoidance of Constructive Fraudulent Transfer (against Chu)
Pursuant to 11 U.S.C. §§ 548(a)(1)(B), 544(b), 6 Del. Code § 1304(a)(2), Tex. Bus. & Com. Code § 24.005(a)(2)

232. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

233. Plaintiff seeks to avoid the fraudulent transfers made on numerous occasions from Tricolor's accounts to Chu's personal bank account and his American Express credit card and to recover and preserve the value thereof.

234. On information and belief, Chu caused Tricolor to complete numerous transfers to benefit himself.

235. Tricolor did not receive reasonably equivalent value in exchange for the transfers.

236. Each of the transfers was made within the applicable lookback period.

237. On the date of each relevant transfer, Tricolor: (1) was insolvent or became insolvent as a result of such transfer; or (2) made such transfer to or for the benefit of an insider, or incurred such obligation to or for the benefit of an insider, under an employment contract and not in the ordinary course of business.

238. At the time of each of the fraudulent transfers, Chu was an insider given his role as CEO and President of Tricolor Holdings and the other Debtors.

239. These transfers were not made in the ordinary course of business.

240. At the time of each of the fraudulent transfers, Tricolor had numerous unsecured creditors holding an allowable claim who, but for Tricolor's bankruptcy filing, would have standing to bring claims to avoid and recover constructive fraudulent transfers.

241. Accordingly, Tricolor is entitled to a judgment (1) avoiding the fraudulent transfers under Sections 548(a)(1)(B) and/or 544(b) of the Bankruptcy Code, and (2) recovering and preserving all such avoided transfers under Sections 550 and 551 of the Bankruptcy Code.

COUNT X
Civil Conspiracy (against all Defendants)

242. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

243. Defendants were members of a combination of two or more persons, with an object to accomplish an unlawful purpose, or a lawful purpose by unlawful means, in their efforts to double pledge collateral, overleverage Tricolor, and conceal this information from Tricolor.

244. Specifically, Defendants worked together to falsify nearly 40,000 loans that were falsely represented to Tricolor as accurate.

245. In addition, through acts and omissions, Defendants worked in concert to conceal information about the actual status of the loans from Tricolor. With Chu's knowledge, Goodgame, Kollar and Seibold also fabricated and falsified backup records when audits of the borrowing bases were conducted to try and hide their fraud from Tricolor.

246. As direct and proximate result of their object, Defendants have caused Tricolor to sustain damages in an amount to be determined at trial.

COUNT XI
Unjust Enrichment (against Chu)

247. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

248. Chu was enriched and received direct, concrete economic benefits without legal or equitable justification, including, but not limited to, through receipt of funds from Tricolor.

249. Chu has unjustly retained the sums procured through, funded by, or serviced with Tricolor's assets—sums to which Chu had no lawful claim and for which Tricolor received no reciprocal benefit—to the detriment of Tricolor and its creditors, thereby shifting value from the company to Chu.

250. Tricolor suffered financial losses as a result of these transactions. Tricolor did not receive reasonably equivalent value for any of the transfers, the conduct at issue siphoned substantially all of Tricolor's assets; and the bankruptcy estate was left burdened with liabilities without corresponding assets or value.

251. There is a direct, proximate, and traceable relationship between Chu's enrichment and the losses accrued by Tricolor: the transfers emanated from Tricolor's accounts and were made directly to Chu.

252. No legitimate corporate purpose, consideration, or fair value supports these transfers. They were the product of self-dealing and other misconduct, conferred unique personal benefits upon Chu that were not shared by Tricolor, and were not supported by reasonably equivalent value or fair consideration.

253. Tricolor conferred a benefit in the form of corporate funds and value, Chu appreciated and accepted that benefit, and Chu's continued retention of that benefit in the form of real property, funds, and other property would be inequitable under the circumstances.

254. Equity and good conscience do not permit Chu to retain the benefits he wrongfully obtained at Tricolor's expense. Legal remedies are inadequate to the extent the relief required is

restitutionary and equitable in nature, including the recovery of specific, identifiable funds or assets traceable to Chu's unjust enrichment.

255. Accordingly, Tricolor is entitled to judgment for restitution in the amount of the benefits unjustly obtained, together with disgorgement of all proceeds traceable to the transfers, the imposition of a constructive trust and/or equitable lien over assets and proceeds in Chu's control, an accounting, and pre- and post-judgment interest at the maximum rate permitted by law, as well as such other and further equitable relief as the Court deems just and proper.

COUNT XII
Constructive Trust (against Chu)

256. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

257. A constructive trust is an equitable remedy imposed to prevent unjust enrichment where a defendant, through fraud, breach of fiduciary duty, unfair or unconscionable conduct, or abuse of confidence, acquires or retains property that which in equity and good conscience belongs to another.

258. As detailed in this Complaint, Chu engaged in fraudulent, unfair, and unconscionable conduct, including the diversion and misappropriation of Tricolor's funds.

259. As a result of this misconduct, Chu was directly and materially enriched. Chu obtained and continues to retain specific, identifiable property traceable to Tricolor.

260. Chu received and retains the fraudulent transfers by fraud, self-dealing, and wrongful diversion. Continued possession of such property is inequitable and would unjustly enrich Chu at the expense of Tricolor and its creditors.

261. Therefore, equity deems Chu a constructive trustee of the fraudulent transfers and all traceable proceeds, substitutions, products, and property (collectively, the "**Constructive Trust Property**") for the benefit of Plaintiff in its chapter 7 case.

262. The Constructive Trust Property is sufficiently specific and traceable: the transfers originated from identified Tricolor accounts and were directed to Chu, and can be followed into property acquired therewith.

263. Included in the Constructive Trust Property are the real estate properties held by Chu and Chu Family Investments LLC at (1) 9001 Collins Ave #S-201, Miami Beach, FL 33154; (2) 4208 Beverly Drive, Highland Park, TX 75205; (3) 4544 Westway Ave, Highland Park, TX 75205; and (4) 1612 Gilcrest Drive, Beverly Hills, CA 90210 (together, the "**Chu Real Estate**").

264. These properties were purchased with Tricolor funds which were fraudulently transferred from Tricolor to Chu for Chu's personal benefit.

265. Legal remedies are inadequate because Tricolor seeks restitutionary, in-kind relief as to specific funds and assets; equitable relief is necessary to permit tracing, preserve the Constructive Trust Property, and avoid dissipation. An accounting is warranted to identify all property constituting or derived from the Constructive Trust Property.

266. Accordingly, Tricolor seeks entry of judgment: (a) declaring and imposing a constructive trust over the Constructive Trust Property and all proceeds, products, offspring, and substitutions; (b) directing Chu, as constructive trustee, to convey, transfer, and turn over the Constructive Trust Property to Tricolor, including that the Court convey—or grant an interest in—each of the Chu Real Estate properties; (c) imposing, in the alternative, an equitable lien to the extent any portion of the Constructive Trust Property cannot be specifically traced; (d) ordering

an accounting and tracing of all relevant accounts and assets; and (e) awarding pre- and post-judgment interest and such other equitable relief as the Court deems just and proper.

COUNT XIII
Accounting (against all Defendants)

267. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if set forth herein.

268. The facts surrounding Defendants' unlawful actions and the accounts mentioned herein are so complex that adequate relief may not be obtained through standard discovery procedures, such as production and interrogatories.

269. Accordingly, Tricolor is entitled to an equitable accounting.

PRAYER FOR RELIEF

WHEREFORE, for the foregoing reasons, Plaintiff respectfully requests that this Court enter judgment against Defendants:

a) Granting damages for common law fraud, in an amount to be determined at trial;

b) Granting damages for breach of fiduciary duty, in an amount to be determined at trial;

c) Granting damages for breach of the Fifth Amended and Restated Limited Liability Company Agreement, in an amount to be determined at trial;

d) Granting damages for breach of the implied covenant of good faith and fair dealing, in an amount to be determined at trial;

e) Avoiding the avoidable Chu Transfers and directing Chu to return to Plaintiff the amount of the Chu Transfers, plus interest from the date of demand at the maximum legal rate and to the fullest extent allowed by applicable law;

f) Avoiding and recovering the fraudulent transfers as actual or constructive fraudulent transfers, in an amount to be determined at trial;

g) Granting damages for civil conspiracy, in an amount to be determined at trial;

h) Imposing a constructive trust upon Chu's Constructive Trust Property;

i) Ordering an equitable accounting;

j) An award of pre- and post-judgment interest; and

k) Such other and further relief as this Court deems just and equitable.

Dated: New York, New York
December 19, 2025

MCDERMOTT WILL & SCHULTE LLP

/s/ Julia M. Beskin
Julia M. Beskin (admitted *pro hac vice*)
919 Third Avenue
New York, New York 10022
Telephone: (212) 756-2000
E-mail: julia.beskin@srz.com

Darren Azman (admitted *pro hac vice*)
Jared M. Gerber (*pro hac vice* forthcoming)
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
E-mail: dazman@mwe.com
jmberger@mwe.com

Charles R. Gibbs (TX Bar No. 7846300)
Marcus A. Helt (TX Bar No. 24052187)
Grayson Williams (TX Bar No. 24124561)
2801 North Harwood Street
Suite 2600
Dallas Texas 75201
Telephone: (214) 295-8000
E-mail: crgibbs@mwe.com
mhelt@mwe.com
gwilliams@mwe.com

Counsel to the Chapter 7 Trustee

MCDERMOTT WILL & SCHULTE LLP
Charles R. Gibbs (TX Bar No. 7846300)
Marcus A. Helt (TX Bar No. 24052187)
Grayson Williams (TX Bar No. 24124561)
2801 North Harwood Street
Suite 2600
Dallas, Texas 75201
Telephone: (214) 295-8000
E-mail: crgibbs@mwe.com
mhelt@mwe.com
gwilliams@mwe.com

MCDERMOTT WILL & SCHULTE LLP
Darren Azman (admitted *pro hac vice*)
Jared M. Gerber (*pro hac vice* forthcoming)
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
E-mail: dazman@mwe.com
jmgerber@mwe.com

MCDERMOTT WILL & SCHULTE LLP
Julia M. Beskin (admitted *pro hac vice*)
919 Third Avenue
New York, New York 10022
Telephone: (212) 756-2000
Email: julia.beskin@srz.com

Counsel to the Chapter 7 Trustee

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

In re:	Chapter 7
TRICOLOR HOLDINGS, LLC, *et al*.,	Case No. 25-33487 (MVL)
Debtors. [1]	(Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*,	
Plaintiffs,	Adversary No. 3:25-ap-03126
v.	
DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD	
Defendants.	

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC d/b/a Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group,

TRUSTEE'S EMERGENCY MOTION FOR A TEMPORARY RESTRAINING ORDER AND FOR A PRELIMINARY INJUNCTION AGAINST DANIEL CHU

LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "**Tricolor**").

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TO THE HONORABLE MICHELLE V. LARSON:

COMES NOW Anne Elizabeth Burns, the duly appointed Chapter 7 Trustee ("**Trustee**") of Tricolor Holdings, LLC (the "**Debtor**") in the above-referenced Chapter 7 bankruptcy case (the "**Bankruptcy Case**") and plaintiff in the above-referenced Adversary Proceeding (the "**Adversary Proceeding**") and the associated the Adversary Proceeding complaint (Dkt. 1, the "**Adversary Complaint**"), and files her Emergency Motion For A Temporary Restraining Order And For A Preliminary Injunction Against Daniel Chu (the "**Motion**"), respectfully stating as follows:[1]

SUMMARY OF RELIEF REQUESTED

1. By this Motion, pursuant to section 105 of title 11 of the United States Code (the "**Bankruptcy Code**") and Rules 7064 and 7065 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), the Trustee requests entry of a temporary restraining order and preliminary injunction enjoining Daniel Chu ("**Chu**"), a Defendant to the Adversary Proceeding, and any of his agents, beneficiaries, assigns, and those acting in concert with him from transferring, encumbering or otherwise disposing of assets acquired or misappropriated from the Debtor, without further order of the Court, and requiring Chu to account for such assets to the Trustee.

2. Additionally, the Trustee requests that this Court not require the Trustee to provide any security in connection with this injunction as permitted under Rule 7065 of the Bankruptcy Rules. *See* Fed. R. Bankr. P. 7065 ("Fed. R. Civ. P. 65 applies in an adversary proceeding. But on application of a debtor, trustee, or debtor in possession, the court may issue a temporary restraining order or preliminary injunction without complying with subdivision (c) of that rule.").

[1] The Trustee is also planning on submitting a Motion For Setting And Request For Expedited Hearing of the Motion.

BLACKROCK - EXHIBIT 3

3. As set forth in detail in the Adversary Complaint, Chu (and his co-Defendants) blatantly misrepresented the amount of finance receivables on Tricolor's books to secure more and more financing from its lending banks and to issue more and more asset-backed securities to investors in amounts in excess of $600 million—ultimately leading to an avalanche of liabilities and an ensuing liquidity crisis, which have now resulted in the above-captioned bankruptcy case (the "**Bankruptcy Case**").

4. Chu leveraged the fraudulent loan receivables to paint a false rosy financial picture of Tricolor, then leveraged this falsely inflated financial condition to coerce Tricolor into paying him tens of millions in bonuses (on top of his salary). Chu used these funds he acquired via his fraud to fund his lavish lifestyle. Chu also regularly treated Tricolor as his personal piggy bank—taking funds that belong to Tricolor, and, by extension, Tricolor's creditors. This included using his company American Express card to purchase fixtures for his properties, hundreds of thousands of dollars' worth of private jet and first-class commercial air travel for himself and his family.

5. As set forth in more detail in the Adversary Complaint, Defendant Chu fraudulently induced Tricolor to transfer funds to himself (the "**Usurped Tricolor Funds**") in an aggregate amount of not less than $13 million. In the process, Chu has violated and continues to violate sections 542 and 548 of the Bankruptcy Code and the automatic stay. Furthermore, the facts surrounding Chu's unlawful actions require an equitable accounting to establish what assets in Chu's possession are rightly property of the Debtor.

6. By this Motion, the Trustee requests the issuance of a temporary restraining order and preliminary injunction: (i) restraining and prohibiting Chu from (a) collecting payments from anyone on account of any property (personal or real) acquired from use of monies collected via the Usurped Tricolor Funds, including properties Chu owns such as those at 4544 Westway Ave.,

Highland Park, TX 75205; 1612 Gilcrest Drive, Beverly Hills, CA 90210; 4208 Beverly Drive, Highland Park, TX 75205; The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154; or, that he recently sold including the property at 1431 Cobb Parkway South, Marietta, Georgia 30067 (the "**Properties**"), or (b) in any way transferring any interest in or to, including by pledge, hypothecation, sale, or otherwise of any of the Properties or other property related to the Usurped Tricolor Funds pending entry of a final judgment in this Adversary Proceeding absent Court authorization of such payment or transfer upon the filing of a motion by Chu after notice to the Trustee and a hearing on any such motion; (ii) requiring turnover of any payments whatsoever Chu receives from any person on account of, or related to any of the Properties or other property related to the Usurped Tricolor Funds; (iii) freezing any accounts into which prior payments on account of or related to any Property or other property related to the Usurped Tricolor Funds has been made, and which payments have not been comingled; (iv) commanding turn over all paper and electronic documents and files related to any of the Properties or property related to the Usurped Tricolor Funds; and (v) ordering that all payments on account of, or related to, any of the Properties or other property related to the Usurped Tricolor Funds be deposited in an escrow account managed by the Trustee, and which funds may not be used for any reason or purpose whatsoever pending judgment in this Adversary Proceeding or further order of this Court.

JURISDICTION AND VENUE

7. On September 10, 2025, the Debtor filed its voluntary petition for relief under Chapter 7 of title 11, United States Code, thereby initiating the Bankruptcy Case and creating its bankruptcy estate (the "**Estate**").

8. On December 19, 2025, the Trustee filed her Adversary Complaint initiating the Adversary Proceeding against Chu.

9. The Court has jurisdiction over the Bankruptcy Case, Adversary Proceeding, and the present Motion pursuant to 28 U.S.C. § 1334. This Motion constitutes a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of the Bankruptcy Case and this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

FACTUAL ALLEGATIONS

10. This Motion is supported by allegations set forth in the Adversary Complaint and the accompanying declaration of Anne Elizabeth Burns. A full recitation of the facts underlying Chu's misconduct is set forth in the Adversary Complaint.

A. Tricolor's Business and Corporate Organization.

11. Tricolor Holdings is a limited liability company founded in 2015 and organized under the laws of the State of Delaware, with its principal place of business at 6021 Connection Drive, 4th Floor, Irving, Texas 75039. It is the parent entity of the other Debtors.

12. Tricolor was a "buy here, pay here" subprime auto finance company, which meant that it was both an automobile dealer and finance company, offering in-house financing directly to its customers purchasing vehicles. Tricolor's origination of auto loans to the purchasers of the vehicles it sold (represented on Tricolor's books as finance receivables) was financed from warehouse line of credit with the Lenders (as defined below).

13. Tricolor's warehouse lending process was set out in its credit agreements with lenders, including the Credit Agreement dated November 13, 2020 between Tricolor Funding SPV 4 (borrower), Tricolor Auto Acceptance, LLC (servicer), lenders (from time to time), agents (from time to time), JPMorgan Chase Bank, N.A. (as the administrative agent) ("**JPM**"), and Vervent

Inc. (as the backup servicer), and Wilmington Trust, N.A. (as the collateral custodian and account bank) (the "**Credit Agreement**"). These lending institutions were JPM, Fifth Third Bank, LibreMax Capital, and Origin Bank (the "**Lenders**").

14. Tricolor Funding SPV 4, by the Credit Agreement's terms, was obligated to not exceed a collateralization rate of 80%. This means that the Lenders would only advance warehouse loans to Tricolor at amounts less than or equal to 80% of the value of Tricolor's recorded finance receivables (*i.e.*, its auto loans to Tricolor customers). This collateralization rate obligation was intended to protect the Lenders from a Tricolor default by limiting the amount that Tricolor could be loaned, as the finance receivables from auto loans served as collateral for the warehouse loans.

B. Chu's Control at Tricolor and Orchestration of the Fraud.

15. Chu was at all relevant times Chief Executive Officer and President of Tricolor Holdings, as well as a Manager of Tricolor Holdings. Chu also served as the Chief Executive Officer and President—as well as a Manager—of each of the other Debtors.

16. As set forth in the Adversary Complaint, from 2018 through 2025, Chu perpetuated a brazen double-pledging scheme to defraud Tricolor, its lenders, and other investors. In or about 2018, when Chu instructed Jerome Kollar ("**Kollar**") to pledge past-due loans that Tricolor had already charged-off as losses. To pay back the loans it secured from Lenders through the collateralized car loans, Tricolor used funds from one Lender to pay back another.

17. On December 16, 2025, the Department of Justice ("**DOJ**") unsealed its indictment charging Chu and David Goodgame with charges including wire fraud, bank fraud, and conspiracy. As stated in more detail in the indictment, the DOJ alleges that from in or about 2018 through in or about 2025 that Chu, together with the other Defendants, conspired to defraud the lenders and asset-backed securities investors of Tricolor Holdings, LLC and its affiliates and operated Tricolor

through systematic fraud. Over time, this series of fraudulent schemes had a profound effect on Tricolor, which obtained hundreds of millions of dollars in cash advances; on Chu, who used a portion of the funds to enrich himself; and on Tricolor's lenders, who extended billions in loans based on fabricated data and false statements. (Ex. 1.)

18. Unable to maintain its access to loans, and unable to sustain its business without substantial cash, Tricolor filed for Chapter 7 bankruptcy on September 10, 2025. By that time, the company's largest lenders had advanced and were owed more than $900 million as a result of the fraudulent double-pledging and collateral manipulation schemes that Chu had orchestrated.

C. Chu Used His Power Over the Company to Secure Outsized Compensation.

19. Beginning in 2022 and through the final weeks before bankruptcy, Chu demanded that the company pay him outsized bonuses premised on the company's financial performance—a performance that was false and the product of Chu's own fraud.

20. In or around January 2022, Chu demanded a $1.5 million bonus for 2021 from Tricolor's Board of Managers, because of the company's financial performance. (*See* Ex. 2.) Dann Adams (chair of the Compensation Committee), expressed skepticism of that amount of compensation worrying about the optics of a company whose brand image has been focused on high social impact paying its CEO a compensation package, which would put Chu in at least the top 10th percentile for *public* companies, and substantially higher than that of the average private company CEO. In response, Chu prepared a fourteen-slide presentation for the Board's meeting on March 17, 2023, claiming Tricolor's performance has been superior to its competitors due in large part to his efforts, and that the Compensation Committee process related to his bonus has been "grossly mismanaged." (Ex. 3).

21. In that presentation, Chu demanded, among other things: (1) a reallocation to cash compensation for 2022 and increase his bonus by $3 million, to reach a total of $5 million in 2022; (2) a new equity plan in 2023 with structure; (3) a base pay of $1,500,000 and bonus of $750,000 in 2023; and (4) a three-year severance package of $1,000,000 per year upon departure for any reason.

22. The Board approved, among other things, (1) a one-time grant of Restricted Stock Units valued at $1,500,000 as compensation for 2022 in lieu of a cash bonus, and (2) a base salary of $750,000 and a cash bonus of $750,000 to $1,500,000 (maximum) for 2023.

23. Later, in 2025, Tricolor paid Chu a bonus of $15 million for contributing to (what appeared to be) several years of resounding success at Tricolor which was based on the fabricated loans. As Tricolor approached collapse, and after Chu observed that the company was "definitely insolvent," he directed Kollar to pay him the final installments of a $15 million bonus. On or about August 19 and 20, 2025, Chu received two payments from Tricolor totaling $6.25 million. Chu used some of this money to purchase a multimillion-dollar property in Beverly Hills, California on or about August 27, 2025.

D. Chu Spent Corporate Funds on Lavish Personal Expenses.

24. In May 2023, the Board questioned millions of dollars' worth of personal purchases charged to Chu's company American Express credit card. Chu also used his company American Express credit card to purchase light fixtures from Lumens.com, disguised as a PayPal payment and designated as "Office Supplies," on December 2, 2022 for $5,673.10. Chu purchased these light fixtures to install in the property at The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154, and upon information and belief, the fixtures were installed in the Property.

25. On May 9, 2023, Chu emailed Tricolor's counsel at the law firm Reed Smith regarding the ongoing formal audit of his expenses, copying Board audit committee member Beth Brooke, attempting to pass off his personal expenses as necessary business expenses. Chu attempted to justify (among other things) over $422,000 in travel expenses by explaining that "All of this require travel which at my age is candidly, not generally desirable. So when I do travel, I choose to travel with my immediate family (We have a 2 year old) so that we're together." (Ex. 4.)

26. On May 11, 2023, Board audit committee member Beth Brooke emailed Reed Smith and Christian Donahue, Kathryn Petralia, and Dick Anderson, the members on the audit committee, to express concern about the compensation bonus for Chu in 2021 and 2022, as well as the personal American Express expenses. Brooke questioned who authorized an advance of $400,000 to Chu, considering that the Board had instructed the compensation committee to "hold up on finalizing" his compensation and bonus. Brooke closed her email with a prescient reflection: "If this is all because what [Chu] says, people do, with or without proper processes and approvals. If that is the case, [the auditor] is going to question everything. Rightfully so."

E. Chu Coerces the Board to End its Investigation into Chu's Misuse of Company Funds.

27. On May 31, 2023, to coerce the Board into ending its investigation into his improper use of his corporate card for personal expenses, Chu submitted a letter of resignation. Chu's power play worked, as the Board ultimately agreed to resolve its investigation into his personal expenses on favorable terms in order to keep Chu at the company given their understanding that the Company achieved significant success under Chu that was, in reality, a result of fraud. The Board agreed that Chu would only need to repay Tricolor $2,141,556 of the millions of dollars of personal expenses he attempted to pass off as business expenses.

28. Pursuant to the Fifth Amended and Restated Limited Liability Agreement of Tricolor Holdings LLC, holders of "at least a majority of the total Percentage Interests" in Tricolor Holdings, LLC could remove and replace a Manager in the Board, with the restriction that: (1) two Managers who are to be appointed by members holding a majority of "senior preferred" shares of Tricolor Holdings, (2) one Manager is to be appointed by Ganas Investors, LLC, and (3) one of the Managers appointed by the majority of the Percentage Interests must be someone who is not employed by or consultants to the Company or Ganas Investors LLC (or any of their affiliates). Thus, with respect to most Members of the Board, Chu had an unfettered ability to shape the Board, as Ganas Investors, LLC held 75% of the Percentage Interest in Tricolor Holdings, LLC. (Ex. 5, at Schedule A-1.) As Chu, in turn, was the sole Manager of Ganas Investors, LLC, and was empowered by Ganas Investors, LLC's limited liability agreement to have sole decision-making authority, this meant effectively that Chu had the sole ability to appoint and remove Tricolor Holdings Board members.

29. Exercising this power, in retaliation for Brooke questioning his personal spending of company funds, Chu executed a Consent on behalf of Ganas Investors, LLC on September 17, 2023, removing Brooke from the Tricolor Board of Managers. In her place, Chu appointed Andrew DeLuca, Tricolor's General Counsel, to the Board.

30. On December 27, 2023, just days before the next Board meeting where Board members would vote on Chu's compensation package, Chu executed two more consents on behalf of Ganas Investors, LLC, removing Antonio Garza and Dann Adams, the only two Board members on the Compensation Committee, from the Board effective immediately.

31. With the Board members most willing to check Chu's economic impulses removed from the Board, and having wiped out the entire Compensation Committee, Chu took the opportunity to squeeze even more value from the Board.

32. On January 3, 2024, the Board held a special meeting to vote on Chu's 2023 and 2024 compensation. The Board approved his 2023 salary of $1.5 million and a 2023 bonus of $1.5 million. The Board also approved a 2024 salary of $1.5 million. In a further boon to Chu, the Board voted to reduce the balance of Chu's promissory note to repay Tricolor for his personal expenses on his corporate American Express credit card from $2,141,556 to $1,443,057.

33. In 2025, Chu once more decided that $3,000,000 in compensation was not enough. On January 24, 2025, Chu presented a proposal, which argued that he was entitled to a "true-up" of at least $13 million, to compensate him for Tricolor's growth between 2018 and 2025.

34. On February 12, 2025, the Board held a meeting to discuss compensation for Chu in 2025 and approved a base salary of $2,000,000 and a bonus of $2,000,000. The Board also approved a one-time grant of profit interest in Tricolor to vest over a four-year period. Finally, the Board resolved to pay Chu a one-time payment of $15,000,000, to be offset by the $1,443,057 owed by Chu via Promissory Note to compensate for some of Chu's personal American Express purchases. On February 12, 2025, the Board held a meeting to discuss Chu's 2025 compensation. The Board did not retain a compensation consultant or negotiate with Chu, but instead acceded to Chu's demand for a base salary of $2 million and a bonus of $2 million; a one-time grant of profit interest in Tricolor to vest over a four-year period; **and a one-time payment of $15,000,000**, offset by the $1,443,057 owed by Chu via Promissory Note to compensate for some of Chu's personal American Express purchases.

35. From 2023 to the time of Tricolor's bankruptcy filing, Chu squeezed as much as he could out of Tricolor by misrepresenting Tricolor's financial condition and unilaterally removing Board members that questioned him. In 2025 alone, Chu received over $17,000,000 in compensation.

F. Investigation Reveals Millions Paid to Chu in the Lead-up to the Bankruptcy.

36. In the year leading up to the bankruptcy, Tricolor made payments to Chu totaling $29,605,737. Of that total, **$13,464,025 was paid out to Chu just over the ninety days leading up to the bankruptcy**. This $29.6 million included $2 million paid on February 28, 2025. It also comprised the aforementioned special bonus of $15 million paid to Chu less the $1,443,057 offset, which was paid to him in four installments: $500,000 paid on January 28, 2025; $1,500,000 paid on February 10, 2025; $4,000,000 paid on March 6, 2025; $500,000 paid on May 21, 2025; and $5,556,943 paid on June 11, 2025. Notably, these payments were all made on the false understanding of Tricolor's performance given Defendants' fraud.

37. When Tricolor paid over $29,000,000 to Chu in the year leading up to the bankruptcy, and especially when it paid over $13,000,000 of that amount in the ninety days leading up to the bankruptcy, these payments substantially diminished the amount of money Tricolor had remaining to pay its creditors.

38. Ultimately, Tricolor's Board requested on September 5, 2025, that Chu return the $15 million special bonus that was paid to him in a letter sent by Tricolor's counsel. (Ex. 6.) To date, Chu has not made this repayment nor has he indicated that he intends to do so.

G. Chu Purchased Assets Using His Usurped Tricolor Funds.

39. Chu used the funds he usurped from Tricolor to fuel his lavish lifestyle by purchasing multiple homes during his tenure as Tricolor's CEO, and maintaining multiple other properties at the same time.

40. In 2022, Chu purchased a property at The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154 for approximately $18,000,000. In or around January 2022, just days before signing a contract to pay $1.75 million deposit for the Miami property, Chu demanded a $1.5 million bonus from Tricolor's Board of Managers. Realizing that increased compensation would not come soon enough to pay that deposit, Chu used his influence and control over the staff and financial functions of Tricolor to cause Tricolor to make several multi-million dollar transfers to his personal bank account. Chu attempted to whitewash these transfers with a contrived narrative about a future share redemption. On January 27, 2022, Chu caused Tricolor to transfer $2,000,000 to his account purportedly as an advance on share redemption, Chu caused another transfer of $1,000,000 to his account at Origin Bank in March 2022 and $7,000,000 on April 15, 2022. On May 27, 2022, days before closing on the Miami property, Chu caused Tricolor to transfer $3,304,361 to his Origin Bank account, which he attributed to repayment of a purported loan he documented between him and Tricolor. On May 31, 2022, Chu signed closing documents for the property. That same day Chu caused Tricolor to transfer $1 million which he attributed to a repayment of a purported loan he documented between him and Tricolor. That same day, Chu paid $1,048,232.18 to purchase the property from the very same Origin Bank account.

41. In March 2023, the same month that the Board approved Chu's increased 2023 compensation package, he purchased a property at 4208 Beverly Drive, Highland Park, TX 75205 with a tax assessment of $4,599,440 in 2023.

42. In December 2024, Chu purchased property at 4544 Westway Ave, Highland Park, TX 75205 with a 2024 tax assessment of $2,063,260.

43. On February 18, 2025—just days after his $15,000,000 special bonus was approved—Chu executed a purchase agreement for a ski chalet at 115 W. Bleeker Street, Aspen, CO 81611, for approximately $25,000,000.

44. On August 29, 2025—just days before Tricolor's bankruptcy—a limited liability company operated by Chu called Chu Family Investments LLC purchased the property at 1612 Gilcrest Drive, Beverly Hills, CA 90210, for $2,650,000, with Origin Bank financing a $2.12 million mortgage. Upon information and belief, the remaining $530,000 came from the Usurped Funds.

45. On June 12, 2025, Chu purchased, via a holding entity, 1431 Cobb Parkway South, Marietta, Georgia 30067, and, shortly thereafter, on June 26, 2025, sold the property for more than $7,000,000.

H. Chu's Alienation of Assets from Potential Judgment Creditors.

46. Beginning in July 2025, as it became clear that the fraud at Tricolor was unsustainable and about to be revealed, Chu began alienating his assets to protect against Tricolor's creditors. For example, on August 21, 2025 JPM emailed Chu and Kollar following up on a call with a list of follow-up questions regarding "double pledge[d]" loans and Tricolor financials. (Ex. 7.) Then on August 26, 2025, Chu updated the Board of Directors of Tricolor Holdings "as to developments brough to his attention from JPMorgan regarding potential issues related to securitized loans and the Company's warehouse facility." (Ex. 8.) Notably, on August 29, 2025—just days before Tricolor's bankruptcy—Chu purchased the property at 1612 Gilcrest Drive, Beverly Hills, CA 90210, for $2,650,000 through a limited liability company.

47. On July 10, 2025, Chu listed for sale his property located at 4544 Westway Ave., Highland Park, TX 75205 for $2,099,999. The property remains listed for sale as of this filing, and his daughter Katie Chu is the real estate agent for this property. The Trustee recorded a Notice of Lis Pendens with respect to this property on December 24, 2025.

48. On August 29, 2025—just days before Tricolor's bankruptcy—a limited liability company operated by Chu called Chu Family Investments LLC purchased a property at 1612 Gilcrest Drive, Beverly Hills, CA 90210, for $2,650,000, with Origin Bank financing $2.12 million of the purchase. Upon information and belief, the remaining $530,000 came from funds Chu had defrauded from the company, and this property was purchased through an LLC—even though all of Chu's other real estate purchases were made under his own name—in an attempt to shield it from any personal liability of Chu. The Trustee recorded a Notice of Lis Pendens with respect to this property on January 7, 2026.

49. On September 9, 2025, Chu listed for sale his property located at 4208 Beverly Drive, Highland Park, TX 75205, for $10,990,000. The property is in contract for sale to a buyer for $7,700,000, with a sale set to close on or before December 30, 2025. On December 24, 2026, the Trustee recorded a Notice of Lis Pendens with respect to this property.

50. On September 15, 2025, Chu received an email from a law firm specializing in asset protection at his Tricolor email address sending a flow chart for a Family Limited Partnership to own investment assets. On September 16, 2025, Chu instructed the law firm to communicate through his Gmail email address (tricolor@gmail.com).

51. On September 17, 2025, Chu sent an email to himself at tricolor@gmail.com, including a link to an article from law firm Alper Law titled "Florida Homestead Law Guide," which "protects a Florida resident's primary home from judgment creditors." (Ex. 9.)

52. On September 18, 2025, Chu listed for sale his property located at The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154 for $24,900,000. The property remains for sale as of this filing. The Trustee recorded a Notice of Lis Pendens with respect to this property on January 5, 2026.

53. On September 24, 2025, Chu executed a Termination and Release Agreement with Elephant Aspen Residences Inc., terminating the purchase of White Elephant Aspen Chalets Unit No. 3, located at 115 W. Bleeker Street, Aspen, CO 81611. The seller retained Chu's earnest money deposit of $1,750,000 and returned to Chu the remainder of the $25,000,000 purchase price.

54. Most recently, in December 2025, Chu called former Board member Richard Anderson requesting to sell his custom Land Rover Defender estimated to be worth around $100,000. Despite Anderson expressly disclaiming any desire to purchase the vehicle, Chu shipped the vehicle to Anderson's home.

I. The Trustee Brings the Adversary Proceeding.

55. On December 19, 2025, the Trustee initiated the Adversary Proceeding seeking judgment against the Defendants for (1) fraud, (2) breach of the fiduciary duty of care, (3) breach of the fiduciary duty of loyalty, (4) breach of the Fifth Amended and Restated Limited Liability Agreement, (5) breach of the implied duty of good faith and fair dealing, (6) turnover of estate property, (7) avoidance of preferential transfers, (8) actual fraudulent transfer, (9) constructive fraudulent transfer, (10) civil conspiracy, (11) unjust enrichment, (12) constructive trust, and (13) an accounting, and awarding the Trustee her reasonable costs and attorney's fees, and granting the Trustee such other and further relief that the Court deems just and proper.

56. The Trustee's investigation into the full scope of Chu's fraud and usurpation of company funds remains ongoing.

LEGAL STANDARDS

57. Federal Rules of Bankruptcy Procedure 7064 and 7065 provide that Federal Rule of Civil Procedures 64 and 65 apply in adversary proceedings. Rule 64 provides that "[a]t the commencement of and throughout an action, every remedy is available that, under the law of the state where the court is located, provides for seizing a person or property to secure satisfaction of the potential judgment" and provides for remedies including arrest, attachment, garnishment, replevin, sequestration, and other corresponding or equivalent remedies. Fed. R. Civ. P. 64. Rule 65, in turn, enables the Court to issue a temporary restraining order or a preliminary injunction, pending trial, and relieves the Trustee from Rule 65(c)'s requirement to post security.[2]

58. The four elements of a preliminary injunction are: "(1) a substantial likelihood of success on the merits, (2) a substantial threat of irreparable injury if the injunction is not issued, (3) that the threatened injury if the injunction is denied outweighs any harm that will result if the injunction is granted, and (4) that the grant of an injunction will not disserve the public interest." *Janvey v. Alguire*, 647 F.3d 585, 595 (5th Cir. 2011).

59. "[W]hen a plaintiff asserts a cognizable claim to specific assets of the defendant or seeks an equitable remedy involving those assets, a court may issue injunctive relief to preserve the status quo pending judgment where the legal remedy might prove inadequate and the preliminary relief furthers the court's ability to grant the final relief requested." *Atlas Fin. Mortg., Inc. v. Warner* (*In re Atlas Fin. Mortg., Inc.*), No. 13-32683-BJH-7, 2014 WL 172283, at *3 (Bankr. N.D. Tex. Jan. 14, 2014).

[2] Rule 64 has been interpreted as "authorizing any meaningful interference with property to secure satisfaction of a judgment, including any state-authorized injunctive relief for freezing assets to aid in satisfying the ultimate judgment in a case." *U.S. ex rel. Rahman v. Oncology Assocs.*, 198 F.3d 489, 501 (4th Cir. 1999).

60. The Court has broad powers to craft injunctions for claims sounding in equity. *See Deckert v. Independence Shares Corp.*, 311 U.S. 282, 286-87 (1940) (holding that a district court had sufficient equitable powers to preliminarily freeze a defendant's assets in suits sounding in equity); *Ball v. Soundview Composite Ltd.* (*In re Soundview Elite Ltd.*), 543 B.R. 78, 116 (Bankr. S.D.N.Y. 2016) (issuance of a preliminary injunction freezing assets is an equitable remedy and within the discretion of the bankruptcy court); *c.f. Grupo Mexicano de Desarrollo S.A. v. All. Bond Fund, Inc.*, 527 U.S. 308, 333, (1999) (holding that "the District Court had no authority to issue a preliminary injunction preventing petitioners from disposing of their assets pending adjudication of respondents' contract claim for money damages"). Further, the Fifth Circuit has clarified that in *Grupo Mexicano* "the Supreme Court explicitly distinguished *Deckert*. . . . . Until the Court instructs us otherwise, we must continue to follow *Deckert*." *Animale Grp. Inc. v. Sunny's Perfume Inc.*, 256 F. App'x 707, 709 (5th Cir. 2007) (cleaned up).[3]

ARGUMENT

61. Each of the four prongs of the preliminary injunction tests favors the relief the Trustee seeks here:

A. Substantial Likelihood of Success on the Merits.

62. "To satisfy the first element of likelihood of success on the merits, the Trustee . . . must present a *prima facie* case in support of that claim." *In re Atlas Fin. Mortg., Inc.*, 2014 WL 172283, at *5 (citing *Janvey*, 647 F.3d at 595-96).

63. The Trustee has shown a substantial likelihood of success on the merits of the Trustee's Count VI, a claim that Chu has violated Section 542 of the Bankruptcy Code because he

[3] The Trustee brings this Motion pursuant to 11 U.S.C. § 105 which is exempt from traditonal equity jursipudunce regarding injunctive rleief. *See In re Dow Corning Corp.*, 280 F.3d 648, 657–58 (6th Cir. 2002) (finding that due to the statutory grant of power found in Section 105(a) of the Bankruptcy Code, "the bankruptcy court is not confined to traditional equity jurisprudence, and therefore, the bankruptcy court's *Grupo Mexicano* analysis was misplaced").

is in possession of property of Tricolor's estate including without limitation, the Properties, cash, accounts receivable, and other matured payment obligations due and payable to the creditors, and any proceeds thereof. *See, e.g.*, Adversary Complaint at ¶¶ 92–139.

64. Section 542(a) of the Bankruptcy Code is self-executing, and commands turnover by anyone in possession of property of the Estate. *See Nissan Motor Acceptance Corp. v. Baker*, 239 B.R. 484, 488–89 (N.D. Tex. 1999) (holding that section 542 "places the burden on [creditor] to return estate property" and that this is an "affirmative obligation on the creditor to return estate property unless it is of inconsequential value to the estate"). The above-cited evidence (*see supra* ¶¶ 39-45) demonstrates that from June 12, 2025, through Tricolor's bankruptcy filing on September 10, 2025, Tricolor made payments to or for the benefit of Chu in an aggregate amount of not less than $13 million, *i.e.*, the Usurped Tricolor Funds.

65. The Trustee has made a *prima facie* case for her actual fraudulent transfer (Count VIII) and constructive fraudulent transfer (Count IX) claims pursuant to 11 U.S.C. § 548 against Chu because the Adversary Complaint alleges that Chu secured funding from the Lenders for Tricolor while knowingly and intentionally misrepresenting Tricolor's financial condition and then coerced Tricolor's board of directors into paying him a $15 million special bonus. Tricolor then transferred funds to Chu's personal bank account and American Express card while Tricolor had at least one general unsecured creditor holding an allowable claim. Chu directed Tricolor to make these transfers with the actual intent of hindering, delaying, and/or defrauding Tricolor's creditors and investors. These transfers all fell within the applicable lookback period and, at the time, Chu was a Tricolor insider. The above-cited evidence (*see e.g.,* ¶¶ 46-54) demonstrates that Chu improperly took the Usurped Tricolor Funds, bought valuable assets, and put them in his own name or in the name of an entity he controls through fraudulent transfers.

66. The Trustee has also made a *prima facie* case to support her other causes of action. The Adversary Complaint contains seventy pages of detailed allegations describing the mechanics, scope, and fallout from Chu's fraud and the millions that Chu misappropriated from Tricolor.

67. The Trustee has made a *prima facie* case for her fraud claim (Count I) because the Adversary Complaint alleges in detail, in reliance on an on ongoing investigation by CRS Capstone Partners and Capstone's forensic accounting expert that has analyzed Tricolor's finance receivables, loan servicer reports, and Tricolor's historical financial statements. This preliminary analysis revealed that the Defendants created or caused to be created nearly 40,000 fake loans that he knew were fabricated in order to deceive others at Tricolor into believing they were legitimate. In reliance on these misrepresentations, Tricolor paid Chu a lavish compensation package and bonus and, because of Defendants' conduct, Tricolor became overleveraged and is now in bankruptcy.

68. The Trustee has made a prima facie case for her breach of fiduciary duty of care claim (Count II) because the Adversary Complaint alleges that Defendants' owed fiduciary duties to Tricolor and breached those duties by failing to properly oversee others who made false loans reported in Tricolor's accounting, and collateralizing them into asset-backed securities at a rate far greater than 80%, so that Tricolor could sell more asset-backed securities.

69. The Trustee has made a prima facie case for her breach of fiduciary duty of loyalty claim (Count III) because the Adversary Complaint alleges that Defendants' owed fiduciary duties to Tricolor and breached those duties by knowingly tolerating inadequate internal controls at Tricolor and failing to monitor subordinates' compliance to ensure that Tricolor did not make fictitious loans and overleverage itself. Defendants separately breached this duty by failing to disclose to Tricolor that the loans were fictitious. Finally, Chu also breached this duty by securing

himself an outsized compensation package while failing to disclose accurate information about the loans.

70. The Trustee has made a *prima facie* case for her breach of contract claim (Count IV) because the Adversary Complaint alleges that Defendants violated section 11.3 of Tricolor Holdings' Fifth Amended and Restated Limited Liability Agreement as that section required Defendants to perform their duties commensurate with a level of care and loyalty as if Tricolor was a corporation. Defendants violated these duties by both misrepresenting the finance receivables and by Chu removing Board members adverse to him to secure lavish a compensation package.

71. The Trustee has made a *prima facie* case for her breach of the implied covenant of good faith and fear dealing claim (Count V) because the Adversary Complaint alleges that Defendants owed these duties as CEO of Tricolor and he breached them by engaging in the fake loans and overleverage scheme.

72. The Trustee has made a *prima facie* case for avoidance of preferential transfers claim against Chu (Count VII) because the Adversary Complaint alleges that Tricolor made transfers to Chu in an aggregate amount of not less than $13 million at a time when Tricolor was insolvent.

73. The Trustee has made a *prima facie* case for her civil conspiracy claim against all Defendants (Count X) because the Adversary Complaint alleges that Defendants were members of a combination of two or more persons, with an object to accomplish an unlawful purpose, or a lawful purpose by unlawful means, in their efforts to double pledge collateral, overleverage Tricolor, and conceal this information from Tricolor.

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74. The Trustee has made a *prima facie* case for her unjust enrichment claim against Chu (Count XI) because the Adversary Complaint alleges that Chu was unjustly enriched through receipt of funds from Tricolor that he had no lawful claim that has caused Tricolor to suffer financial loss.

75. The Trustee has made a *prima facie* case for her constructive trust claim against Chu (Count XII) because the Adversary Complaint alleges that Chu engaged in fraudulent, unfair, and unconscionable conduct, including the diversion and misappropriation of Tricolor's funds, and, as a result of this misconduct, Chu was directly and materially enriched. Chu obtained and continues to retain specific, identifiable property traceable to Tricolor of which continued possession is unequitable.

76. The Trustee has made a *prima facie* case for her accounting claim against all defendants (Count XIII) because the Adversary Complaint alleges facts surrounding Chu's unlawful actions and the accounts that are so complex that adequate relief may not be obtained through standard discovery procedures, such as production and interrogatories.

77. In sum, the Trustee has made a *prima facie* showing that she will succeed on each of her claims. Any one of these showings would satisfy this standard.

B. <u>Substantial Threat of Irreparable Injury</u>

1. The Trustee Need Not Show Irreparable Injury When Seeking a Statutory Injunction

78. Because the Trustee is seeking to enforce an existing statutory injunction set forth under the bankruptcy statutes, she need not make a showing of a substantial threat of irreparable injury. Chu through his fraud procured at least $13 million that rightly belongs to Tricolor, and his failure to turn over property belonging to the bankruptcy estate is per se an irreparable injury under well-settled law.

79. As the Fifth Circuit has explained: "[i]n actions for a statutory injunction, the agency need not prove irreparable injury or the inadequacy of other remedies as required in private injunctive suits. A prima facie case of illegality is sufficient." *Commodity Futures Trading Comm'n v. Muller*, 570 F.2d 1296, 1300 (5th Cir. 1978).[4]

2. The Substantial Threat Of Irreparable Injury Due to No Adequate Remedy at Law.

80. Even assuming *arguendo*, that the Trustee must make a showing of irreparable harm, that requirement is readily satisfied here.

81. Under Fifth Circuit precedent, an injunction freezing assets is appropriate where—as here—a party is likely to dissipate assets to avoid paying a creditor. *See In re Atlas Fin. Mortg., Inc.*, 2014 WL 172283, at **5-6 ("the Court concludes that the Trustee carried his burden of proving a substantial threat of irreparable injury" because defendant was likely to transfer property without accounting to thwart repaying debtor should the Trustee prevail on their claims.). In *In re Atlas Financial Mortgage, Inc.*, the bankruptcy trustee showed that the defendant "freely transferred assets belonging to the Debtor or titled in the Debtor's name to suit his purpose, but often without monetary consideration or consideration of the impact of the transfer on the Debtor's third-party creditors" and would likely continue to dissipate assets absent injunctive relief. *Id*. Similarly, in *Prep Solutions, Ltd. v. Leicht*, "the Court finds that Prep Solutions has sufficiently shown a likelihood of dissipation of the funds to justify an asset freeze at this early stage. The

[4] *See also Middleton-Keirn v. Stone*, 655 F.2d 609, 611 (5th Cir. 1981) ("We take the position that in such a case, irreparable injury should be presumed from the very fact that the statute has been violated"); *Black Fire Fighters Ass'n of Dallas v. City of Dallas*, 905 F.2d 63, 67 (5th Cir. 1990) (Jones, J. concurring) ("[i]rreparable injury must be shown unless a statute unequivocally authorizes injunctive relief without such a showing"). Section 542(a) does not require any showing of injury as a condition of their effectiveness as it is self-executing. *See Nissan Motor Acceptance Corp.*, 239 B.R. at 488-89; *see also Off. Comm. of Unsecured Creditors v. PSS Steamship Co. (In re Prudential Lines Inc.)*, 107 B.R. 832, 835 n.4 (Bankr. S.D.N.Y. 1989) ("[w]here an act would violate the automatic stay, irreparable harm is established by the violation since Congress, by legislatively staying such acts, has determined that they cause irreparable injury to the estate"); *Clarkson Co. v. Shaheen*, 544 F.2d 624, 632 (2d Cir. 1976) (holding that the denial to a trustee of access to property of the estate "creates a prima facie showing of possible irreparable injury").

Trustee asserts that Defendants could easily move the proceeds in the frozen accounts derived from allegedly infringing activity 'outside the reach of the Court and thus thwart Prep Solutions' potential disgorgement remedy.'" No. 222CV00123JRGRSP, 2022 WL 1812298, at *5 (E.D. Tex. June 2, 2022). There, an asset freeze was needed to prevent irreparable injury as plaintiff demonstrated "sums in excess of seven figures" were moved out of PayPal accounts during the relevant time. *Id*; *see also United States ex rel. Rahman v. Oncology Assocs., P.C.*, 198 F.3d 489, 496-98 (4th Cir. 1999) (finding that a federal court may still "invoke equity to preserve the status quo pending judgment" where a plaintiff "asserts a cognizable claim to specific assets of the defendant or seeks a remedy involving those assets" post-*Grupo Mexicano*).

82. These cases are on all fours with the facts here. Chu has attempted to alienate assets acquired from the Usurped Tricolor Funds from potential judgment creditors in at least five different ways which would deprive the Trustee of any adequate remedy at law:

- On July 10, 2025, Chu listed for sale his property located at 4544 Westway Ave., Highland Park, TX 75205 for $2,099,999. His daughter Katie Chu is the real estate agent for this property.
- On August 29, 2025, a limited liability company operated by Chu purchased the property at 1612 Gilcrest Drive, Beverly Hills, CA 90210, for $2,650,000, with Origin Bank financing a $2.12 million mortgage. Upon information and belief, the remaining $530,000 came from the Usurped Funds.
- On September 9, 2025, Chu listed for sale his property located at 4208 Beverly Drive, Highland Park, TX 75205 for $10,990,000. The property is currently being sold for $7,700,000.

- On September 24, 2025, Chu executed a Termination and Release Agreement with Elephant Aspen Residences Inc., terminating the purchase of White Elephant Aspen Chalets Unit No. 3, located at 115 W. Bleeker Street, Aspen, CO 81611. The seller retained Chu's earnest money deposit of $1,750,000 and returned to Chu the remainder of the $25,000,000 purchase price.
- Chu sent a former employee of Tricolor to the headquarters to collect the titles to vehicles in Chu's name.
- Chu is attempting to sell a Land Rover worth approximately $100,000.

83. Considering this track-record, it is evident that without court intervention, Chu is likely to continue in his efforts to dissipate assets belonging to the bankruptcy Estate.

C. Balance of Harm.

84. The balance of harm, too, lies firmly with the Trustee (and, by extension, the Estate). The Trustee is seeking to maintain the status quo with respect to the Usurped Tricolor Funds to ensure that Estate property is not dissipated by requiring that the funds Chu fraudulently extracted from the Tricolor be placed into the Trustee's escrow account pending resolution of the Adversary Complaint. Should Chu succeed in the Adversary Proceeding, the funds will be there to return to him.

85. *In re Life Partners Holdings, Inc.* is instructive. There, "Plaintiffs have shown that the potential harm they face is much greater if the sale is permitted than Defendants face" by showing that they "will suffer the potential loss of a valuable asset that could be used to pay creditors of the estate" which outweighed defendants' losing the ability to pay back taxes and sell a property. *In re Life Partners Holdings, Inc.*, No. 15-40289-RFN-11, 2017 WL 11517832, at *3 (N.D. Tex. Dec. 12, 2017).

86. Thus, weighing the balance of harms demonstrates the appropriateness of the requested preliminary injunction.

D. Public Interest.

87. "In bankruptcy, the public policy is to have an orderly administration of the debtor's assets via their bankruptcy estate . . . preventing the dissipation of potential assets belonging to the debtor that, pursuant to 11 U.S.C. § 541, may be brought into the bankruptcy estate may be in the public interest, in general." *Villarreal v. N.Y. Marine & Gen. Ins. Co. (In re OGA Charters, LLC)*, 554 B.R. 415, 426 (Bankr. S.D. Tex. 2016). Further, "[t]o risk dissipation of one of the few assets potentially available to Stanford's fraud victims without full substantive consideration would disserve the public interest." *Janvey v. Alguire*, No. 3:09-CV-724-N, 2010 WL 11626677, at *2 (N.D. Tex. May 28, 2010). The Fifth Circuit has found that "[a] freezing order will serve the public interest here both by dissuading would-be fraudsters from preying on American citizens, and providing assurance to the public that courts will take action to promote . . . recovery of stolen assets when they can be readily located and traced to specific locations." *BOARDWELL, LLC Plaintiff, v. MONEXABA.VIP, et al., Defendants.*, No. 1:25-CV-01190, 2025 WL 3771432, at *4 (W.D. Tex. Aug. 14, 2025) (citing *Jacobo v. Doe*, No. 1:22-CV-00672-DAD-BAK (BAM), 2022 WL 2052637, at *6 (E.D. Cal. June 7, 2022) and *Gaponyuk v. Alferov*, No. 2:23-CV-01317-KJM-JDP, 2023 WL 4670043, at *3 (E.D. Cal. July 20, 2023) (finding that asset freeze will "serve the public's interest in stopping, investigating and remedying frauds")).

88. The public interest supports the enforcement of bankruptcy statutes. The public's trust in the bankruptcy laws, and this Court's ability to enforce its jurisdiction, require faithful obedience to the Bankruptcy Code, especially by insiders like Chu. The public interest, therefore, strongly supports the issuance of the injunction.

89. In addition, the public interest is further served by preventing Chu from dissipating assets that could rightfully be turned over to Tricolor creditors who otherwise may have been paid but for Chu's fraud which will in turn dissuade other would-be fraudsters and promote recovery of stolen assets to their rightful owners.

PRAYER FOR RELIEF

WHEREFORE, for the foregoing reasons, the Trustee respectfully requests that this Court enter an order providing for the temporary restraining order and preliminary injunction requested herein.

Dated: New York, New York
January 10, 2026

MCDERMOTT WILL & SCHULTE LLP

/s/ Charles R. Gibbs

Julia M. Beskin (admitted *pro hac vice*)
919 Third Avenue
New York, New York 10022
Telephone: (212) 756-2000
E-mail: julia.beskin@srz.com

Darren Azman (admitted *pro hac vice*)
Jared M. Gerber (*pro hac vice* forthcoming)
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
E-mail: dazman@mwe.com
jmgerber@mwe.com

Charles R. Gibbs (TX Bar No. 7846300)
Marcus A. Helt (TX Bar No. 24052187)
Grayson Williams (TX Bar No. 24124561)
2801 North Harwood Street
Suite 2600
Dallas Texas 75201
Telephone: (214) 295-8000
E-mail: crgibbs@mwe.com
mhelt@mwe.com
gwilliams@mwe.com

Counsel to the Chapter 7 Trustee

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CERTIFICATE OF SERVICE

I do hereby certify that on January 10, 2026, a true and correct copy of the foregoing document was served via CM/ECF for the United States Bankruptcy Court for the Northern District of Texas on all parties authorized to receive electronic notice and via overnight mail to:

Daniel Chu
The Four Seasons Residences
The Surf Club
9001 Collins Ave #S-201
Miami Beach, FL 33154

Jerome Kollar
1301 McClintock Drive
Denton, TX 76208-5292

David Goodgame
601 Arrowhead Road
Waxahachie, TX 75167-8595

Ameryn Seibold
616 Saddle Club Way
Princeton, TX 75407

/s/ Charles R. Gibbs
Charles R. Gibbs

CERTIFICATE OF CONFERENCE

The undersigned hereby certifies that on January 9, 2026, he caused Matthew Okin, Esq., whom he understood to be counsel for Daniel Chu to be notified about the relief sought in this motion, and that Mr. Okin stated that he had not appeared as counsel and had not at this time been retained as counsel in this matter, and that therefore he believes that said relief is opposed.

/s/ Charles R. Gibbs
Charles R. Gibbs

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

In re:	)	Chapter 7
TRICOLOR HOLDINGS, LLC, *et al*.,	)	Case No. 25-33487 (MVL)
Debtors. [1]	)	(Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*,	)	
Plaintiffs,	)	Adversary No. 3:25-ap-03126
v.	)	
DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, AND AMERYN SIEBOLD,	)	
Defendant.	)	

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC d/b/a Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "**Tricolor**").

ORDER GRANTING TRUSTEE'S EMERGENCY MOTION FOR A TEMPORARY RESTRAINING ORDER AND FOR A PRELIMINARY INJUNCTION AGAINST DANIEL CHU

ON THIS DATE the court considered the Emergency Motion for a Temporary Restraining Order and for a Preliminary Injunction Against Daniel Chu (the "Motion"), and the Court having reviewed the Motion and Adversary Proceeding Complaint, the Court finds that good cause exists to grant the Plaintiff's Motion. Accordingly, it the Court finds and concludes as follows**:**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue for this matter is proper in this district pursuant to 28 U.S.C. § 1409.

2. The Court concludes that the Plaintiff has demonstrated a prima facie case that a temporary restraining order and preliminary injunction is warranted in order to ensure that the Plaintiff's bankruptcy estate is made whole if the Court grants the relief requested in the Complaint. The Plaintiff have demonstrated a substantial likelihood of success on the merits of the Complaint. The Plaintiff has further demonstrated that it will suffer irreparable harm absent the requested preliminary injunction, because there exists a substantial risk, based on the Defendant's conduct, that the Defendant may dissipate his assets and any future judgment on the Complaint might not be satisfied by the Defendant. The Plaintiff has further demonstrated that the harm to the Defendant, if any, due to imposition of the preliminary injunction is minimal and is outweighed by the above-stated harm to the Plaintiff. Finally, the Plaintiff has demonstrated that a preliminary injunction is in the public interest because, among other reasons, the recovery of the Plaintiff's former property benefits the estate and the Plaintiff's creditors.

3. Plaintiff has made a prima facie case that defendant Chu fraudulently induced Tricolor to transfer funds to himself (the "**Usurped Tricolor Funds**") in an aggregate amount of not less than $13 million.

4. Accordingly, pursuant to section 105 of the Bankruptcy Code and Rules 7064 and 7065 of the Bankruptcy Rules, this Court finds it appropriate to enter the requested preliminary injunction, as provided herein.

5. The legal and factual bases set forth in the Complaint, the Motion, the Memorandum of Law, other supporting papers, and at the hearing establish just cause for the limited relief granted herein.

Accordingly, it is hereby:

6. **ORDERED** that the Motion is **GRANTED**; it is further

7. **ORDERED** that effective immediately and pending judgment in this Adversary Proceeding or further order of this Court, Defendant and any agents, beneficiaries, assigns, and those acting in concert with him are hereby are **RESTRAINED** and **PROHIBITED** from (a) collecting payments from anyone on account of any property (personal or real) acquired from use of monies collected via the Usurped Tricolor Funds, including properties Chu owns such as those at 4544 Westway Ave., Highland Park, TX 75205; 1612 Gilcrest Drive, Beverly Hills, CA 90210; 4208 Beverly Drive, Highland Park, TX 75205; The Four Seasons Residences, The Surf Club, 9001 Collins Ave #S-201, Miami Beach, FL 33154; or, that he recently sold including the property at 1431 Cobb Parkway South, Marietta, Georgia 30067 (the "Properties"), or (b) in any way transferring any interest in or to, including by pledge, hypothecation, sale, or otherwise of any of the Properties or other property related to the Usurped Tricolor Funds pending entry of a final judgment in this Adversary Proceeding absent Court authorization of such payment or transfer

upon the filing of a motion by Chu after notice to the Trustee and a hearing on any such motion; it is further

8. **ORDERED** effective immediately and pending judgment in this Adversary Proceeding or further order of this Court, should Defendant receive any payment whatsoever from any payment whatsoever from any person on account of, or related to, any of the Properties or other property related to the Usurped Tricolor Funds, Defendant is **COMMANDED** and **ORDERED** to turn over such payment to the Trustee, including by endorsing any instrument over to the Trustee, no later than two (2) business days after receipt by Defendant of the same; it is further

9. **ORDERED** that to the extent Defendant has any account into which prior payments on account of or related to any of the Properties or other property related to the Usurped Tricolor Funds has been made, and which payments have not been comingled, such account and funds are immediately **FROZEN** pending further order, and may not be used for any reason or purpose whatsoever pending further order of this Court; it is further

10. Defendant is **COMMANDED** and **ORDERED** to immediately turn over to the Trustee and her agents all paper and electronic documents and files related to the any of the Properties or property related to the Usurped Tricolor Funds, including the originals of any promissory notes by any borrower, the originals of any deeds of trust granted by any borrower, and the NoteSmith file related to the same; it is further

11. **ORDERED** that the Trustee shall deposit any and all payments on account of, or related to, any of the Properties or other property related to the Usurped Tricolor Funds in a segregated account, under her sole and exclusive authority, and which funds may not be used for

any reason or purpose whatsoever pending judgment in this Adversary Proceeding or further order of this Court.

12. Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure, the Plaintiff is relieved from posting any security pursuant to Rule 65(c) of the Federal Rules of Civil Procedure.

13. The Plaintiff shall serve a copy of this Order on counsel for the Defendant within three (3) business days from entry of this Order.

14. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

 # # # END OF ORDER # # #

Submitted by:

MCDERMOTT WILL & SCHULTE LLP

/s/ Charles R. Gibbs
Julia M. Beskin (admitted *pro hac vice*)
919 Third Avenue
New York, New York 10022
Telephone: (212) 756-2000
E-mail: julia.beskin@srz.com

Darren Azman (admitted *pro hac vice*)
Jared M. Gerber (*pro hac vice* forthcoming)
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
E-mail: dazman@mwe.com
jmgerber@mwe.com

Charles R. Gibbs (TX Bar No. 7846300)
Marcus A. Helt (TX Bar No. 24052187)
Grayson Williams (TX Bar No. 24124561)
2801 North Harwood Street
Suite 2600
Dallas Texas 75201
Telephone: (214) 295-8000
E-mail: crgibbs@mwe.com
mhelt@mwe.com
gwilliams@mwe.com

Counsel to the Chapter 7 Trustee

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

In re: TRICOLOR HOLDINGS, LLC, et al., Debtors.[1]	Chapter 7 Case No. 25-33487 (MVL) (Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*, Plaintiffs, v. DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD Defendants.	Adversary No. 3:25-ap-03126

THE UNITED STATES OF AMERICA'S
BRIEF IN SUPPORT OF ITS MOTION TO INTERVENE AND STAY DISCOVERY

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC d/b/a Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "Tricolor").

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PRELIMINARY STATEMENT

The United States of America (the "Government"), moves to intervene in the above-captioned adversary proceeding to stay all discovery, including depositions and witness testimony, pending resolution of the parallel criminal case, *United States* v. *Daniel Chu & David Goodgame*, 25 Cr. 579 (PKC) (S.D.N.Y.). The Court should also impose an immediate administrative stay to preserve the status quo while this motion is pending.

The adversary proceeding and the criminal case arise from the same alleged fraud scheme at Tricolor Holdings, LLC, the Debtor. Chapter 7 Trustee Anne Elizabeth Burns brought claims against defendants Daniel Chu, David Goodgame, Jerome Kollar, and Ameryn Seibold—the same individuals charged or cooperating in the criminal prosecution. The Trustee does not oppose the Government's intervention or its motion to stay discovery in the adversary proceeding until after the criminal trial has concluded, subject to the caveats set forth below.[2] Three defendants—Goodgame, Kollar, and Seibold—also consent to a full stay. Chu has indicated that he is likely to consent to the Government's intervention and stay of discovery, subject to the caveats and objections set forth below and is thus substantially agreed upon by the parties.[3] A certificate of conference as required by LBR 7007-1 accompanies this pleading.

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[2] The Trustee has indicated that she (i) does not oppose the Government intervening in the adversary proceeding; (ii) does not oppose a limited stay of discovery in the adversary proceeding until after the criminal trial; (iii) does not oppose the Government's request for an administrative stay of discovery pending resolution of the Government's motion; (iv) requests that the Court resolve her motion for a preliminary injunction and freezing order (Dkt. 6) and opposes postponing the hearing on that motion; and (v) requests that the Court maintain the current deadlines for the defendants in the adversary proceeding to respond to the complaint and that the Court resolve any related motions that may be brought.

[3] Chu has indicated that he (i) is inclined to consent to the Government's intervening in the adversary proceeding; (ii) is generally inclined to consent to a stay of discovery and evidentiary hearings, but objects to the Court resolving the Trustee's motion for a preliminary injunction and freezing order without Chu having the opportunity to take discovery and present evidence; and (iv) objects to the Government's request for an administrative stay of discovery pending resolution

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A stay is necessary to protect the integrity of the criminal prosecution. Without a stay, Chu and Goodgame can exploit civil discovery tools to circumvent the careful limits on criminal discovery imposed by the Federal Rules of Criminal Procedure. They could depose cooperating witnesses whose statements the government need not produce until trial. They could force others to choose between self-incrimination and waiving Fifth Amendment rights. And they could tailor their testimony based on information unavailable through proper criminal discovery channels. These risks are not speculative: Chu has already issued nineteen subpoenas demanding documents and depositions, with return dates as soon as this week. The Court must act now to preserve the integrity of both proceedings.

As the criminal case will likely resolve multiple factual issues also likely present in this litigation, a stay will not prejudice the parties in this matter. Because of the differing burdens of proof in the two proceedings, and the criminal defendants' right to a speedy trial, the criminal case will continue whether this matter is stayed. As it advances, the criminal case will likely marshal the evidence of, and adjudicate, Chu's and Goodgame's awareness of the fraudulent conduct alleged in both proceedings. The criminal case will also likely surface evidence regarding Chu's and Goodgame's control of Tricolor's business, the nature and value of Tricolor's indebtedness, and the relationship between Tricolor and its lenders. Without a stay, these matters would have to be litigated twice in different forums under different burdens of proof. If this action is stayed,

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of the Government's motions. The Government understands that Chu intends to file a response to the Government's motion and will, among other things, propose adjourning the hearing date on the preliminary injunction motion pending adjudication of the Government's motion. As set forth below, the Government agrees that no evidentiary hearing should be held at this time, it has no objection to staying the preliminary injunction motion, and it has no objection to adjourning the hearing while the Government's motion is pending.

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however, the criminal case will likely streamline and simplify these proceedings through collateral estoppel.

Accordingly, the Government respectfully requests that the Court stay discovery until the criminal case concludes and enter a temporary administrative stay of discovery to preserve the status quo while the Court adjudicates this motion.

BACKGROUND

I. THE CRIMINAL CASE

On December 15, 2025, a grand jury indicted Chu and Goodgame for orchestrating a massive fraud at Tricolor, a subprime auto lender and used car retailer. The Indictment charges Chu, the founder and former CEO of Tricolor, with organizing a continuing financial crimes enterprise, in violation of 18 U.S.C. § 225, and charges both defendants with conspiracy to commit bank fraud and wire fraud affecting a financial institution, in violation of 18 U.S.C. § 1349, bank fraud, in violation of 18 U.S.C. § 1344, and wire fraud affecting a financial institution, in violation of 18 U.S.C. § 1343. *See United States v. Chu*, No. 25 Cr. 579 (PKC) (S.D.N.Y. Dec. 15, 2024) (Dkt. 2) (the "Indictment").[4]

As alleged in the Indictment, from 2018 through September 2025, Chu directed Tricolor executives to defraud the company's lenders through various fraudulent schemes. (Indictment ¶ 1). Chief among these was "double pledging" collateral—using the same assets as collateral for multiple loans. *Id.* Chu also directed manipulation of the descriptions and classification of assets pledged as collateral for loans to make ineligible, near-worthless assets appear to meet lender requirements. *Id.* The fraud's scale was extraordinary. Tricolor obtained hundreds of millions in fraudulent advances. *Id.* Its lenders provided over $1 billion based on fabricated data and false

[4] The Indictment is attached as Exhibit 1 to the Declaration of Julia M. Beskin in Support of the Complaint. (Dkt. 1-2).

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statements. *Id.* Chu personally extracted millions, including over $17 million in 2025 alone. *Id.* ¶ 25.

In the summer of 2025, lenders confronted Chu and others at Tricolor with concerns about Tricolor's collateral. (Indictment ¶ 2). Chu and his conspirators initially tried to conceal the fraud and to falsely claim that the collateral issues were due to an administrative error. *Id.* Those efforts failed. *Id.* Chu, recognizing that Tricolor was, in his words, "basically history," turned his attention to extracting millions of dollars from the company. *Id.* At Chu's direction, Tricolor transferred over $6 million to Chu after lenders voiced concerns in or about late August 2025. *Id.*

After the fraudulent double-pledging and collateral manipulation schemes orchestrated by Chu and Goodgame unraveled, Tricolor was unable to maintain its access to loans and unable to sustain its business without substantial cash. (Indictment ¶ 3). On September 10, 2025, Tricolor filed for Chapter 7 bankruptcy. *Id.* By that time, the company's largest lenders had advanced and were owed more than $900 million because of the defendants' schemes. *Id.*

Two former Tricolor executives—CFO Jerome Kollar and finance director Ameryn Seibold—pleaded guilty on December 16, 2025, and agreed to cooperate with the Government, including by offering testimony when requested. *See United States v. Kollar*, No. 25 Cr. 584 (PKC) (S.D.N.Y.); *United States v. Seibold*, No. 25 Cr. 585 (PKC) (S.D.N.Y.). The criminal case, assigned to Judge P. Kevin Castel, is proceeding expeditiously. Since the initial pretrial conference on January 13, 2026, the Government has produced hundreds of thousands of documents in discovery. (*See* Affirmation of Justin V. Rodriguez at Exhibit A). The next conference before Judge Castel is scheduled for March 19, 2026. *Id.*

II. THE ADVERSARY PROCEEDING

On December 19, 2025, the Trustee initiated an adversary proceeding against Chu, Goodgame, Kollar, and Seibold. (Dkt. 1). Like the Indictment, the adversary proceeding complaint

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alleges that Chu, Goodgame, Kollar, and Seibold committed fraud while at Tricolor by misrepresenting Tricolor's finance receivables to secure financing from its lending banks. (Dkt. 1 ¶ 1). The complaint extensively references and attaches the Indictment. (*See id.* ¶¶ 11, 54, 56, 68).

According to the complaint, Tricolor "cloned or entirely fabricated loans with a receivable value of over $683 million, which allowed Tricolor to receive hundreds of millions of dollars more in credit from its lending banks than it had lent in auto loans to its consumers." (*Id*. 1 ¶ 10). The complaint further alleges that "from 2023 until the time of Tricolor's bankruptcy filing, as the Company was engaging in a rapidly growing and unsustainable fraud under Chu's leadership, Chu squeezed as much money as he could out of Tricolor by misrepresenting Tricolor's financial condition and unilaterally removing Board members that questioned him." (*Id.* ¶¶ 117). "In 2025 alone, Chu received over $17,000,000 in compensation" from Tricolor. (*Id.*)

On January 10, 2026, the Trustee filed a motion for a temporary restraining order and preliminary injunction enjoining Chu from "transferring, encumbering or otherwise disposing of assets acquired or misappropriated from the Debtor." (Dkt. 6 at ¶ 1). A hearing on the Trustee's motion has been noticed for February 26, 2026. (Dkt. 27).

Chu has moved aggressively to obtain discovery. On January 23, 2026, Chu filed ten subpoenas for documents and depositions, including subpoenas to Kollar and Seibold. (Dkt. 17-26). Then, on January 27 and 28, 2026, Chu filed another nine subpoenas, (Dkt. 28-36), and, on February 2, 2026, Chu filed another two amended subpoenas and four additional subpoenas, (Dkt. 39-44) for a total of 23 subpoenas. (Dkt. 17-26, 28-36, 39-44). The subpoenas call for deponents to produce documents as soon as February 2, 2026, and depositions as soon as this week. (Dkt. 17-26, 28-36, 39-44).

ARGUMENT

I. THE GOVERNMENT IS ENTITLED TO INTERVENE

The Government has both the right and the interest to intervene. Federal Rule of Civil Procedure 24(a)(2), as incorporated into the Adversary Proceeding through Rule 7024 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules"), provides that anyone may intervene as of right in an action when the applicant "claims an interest relating to the property or transaction that is the subject of the action" and the applicant "is so situated that 'disposing of the action may as a practical matter impair or impede the movant's ability to protect its interests….'" Alternatively, Rule 24(b)(2) provides for permissive intervention when the movant "has a claim or defense that shares with the main action a common question of law or fact." Both standards are satisfied here.

Courts "have allowed the government to intervene in civil actions … for the limited purpose of moving to stay discovery." *Twenty First Century Corp. v. LaBianca*, 801 F. Supp. 1007, 1009 (E.D.N.Y. 1992). The Government has a "discernible interest in intervening in order to prevent discovery in a civil case from being used to circumvent the more limited scope of discovery in the criminal matter." *SEC v. Chestman*, 861 F.2d 49, 50 (2d Cir. 1988). The stay of a pending matter is ordinarily within the trial court's wide discretion to control the course of litigation, including authority to control the scope and pace of discovery. *In re Ramu Corp.,* 903 F.2d 312, 318 (5th Cir.1990). *Dominguez v. Hartford Fin. Serv.Group Inc*., 530 F. Supp.2d 902, 904 (S.D. TX 2008).

Intervention is warranted here because the existing parties cannot adequately protect the Government's interest in enforcing federal criminal laws. *See Bureerong v. Uvawas*, 167 F.R.D. 83 (C.D. Cal. 1996). And allowing discovery and a trial here without intervention would impair the Government's ability to prosecute its criminal case. Many facts overlap between the Adversary

Proceeding and the criminal case, meaning witnesses may be required to testify multiple times on the same events. A civil trial or evidentiary hearing before the criminal trial creates serious risks of witness preparation that undermines the truth-seeking function of criminal proceedings.

Considering these circumstances, the Government respectfully submits that its unopposed application to intervene should be granted.

II. DISCOVERY SHOULD BE STAYED PENDING RESOLUTION OF THE CRIMINAL CASE

A. Applicable Law

Courts possess inherent authority to stay proceedings "to control the disposition of the causes on [their] docket with economy of time and effort," *Landis v. North American Co.*, 299 U.S. 248, 254 (1936), and "to control the scope and pace of discovery." *In re Ramu Corp.*, 903 F.2d 312, 318 (5th Cir. 1990). This authority includes a court's wide discretion to stay civil proceedings, postpone discovery, or impose protective orders and conditions during parallel criminal prosecutions "when the interests of justice seem to require such action." *United States v. Kordel*, 397 U.S. 1, 12 n.27 (1970); *see also DeLeon v. City of Corpus Christi,* 488 F.3d 649, 655 (5th Cir. 2007); *Mayo v. Tri-Bell Indus.*, 787 F.2d 1007, 1012 (5th Cir. 1986). The Fifth Circuit has recognized the propriety of such stays. *United States v. Little Al*, 712 F.2d 133, 136 (5th Cir. 1983); *SEC v. First Fin. Grp. of Tex., Inc.,* 659 F.2d 660, 668 (5th Cir. 1981). They are appropriate even when requested by the prosecution. *Kordel*, 397 U.S. at 12 n.27. And they are particularly "warranted … to preserve a defendant's Fifth Amendment right against self-incrimination" and "to prevent extending criminal discovery beyond the limits of Federal Rule of Criminal Procedure 16(b)." *Alcala v. Texas Webb Cnty.*, 625 F. Supp. 2d 391, 397 (S.D. Tex. 2009) (citing *SEC v. Dresser Industries, Inc.*, 628 F.2d 1368, 1376 (D.C. Cir. 1980)).

In bankruptcy cases, courts have stayed proceedings where Fifth Amendment rights of parties and witnesses are seriously implicated. *See, e.g.*, *In re Zinnel*, 2013 U.S. Dist. LEXIS 46114, 2013 WL 128439 (E.D. Cal. March 28, 2013) (granting stay of bankruptcy appeal where debtor was criminally accused of engaging in enterprise through which he allegedly obtained assets); *In re SK Foods, L.P.*, 2010 U.S. Dist. LEXIS 136188 (E.D. Cal. Dec. 9, 2010); (reversing denial of stay where bankruptcy litigation threatened principal's privilege against self-incrimination); *In re Marceca*, 131 B.R. 774, 778 (Bankr. S.D.N.Y. 1991) (granting stay pending criminal investigation).

Courts in this Circuit considering whether to grant a stay weigh six factors: "(1) the extent to which the issues in the criminal case overlap with those presented in the civil case; (2) the status of the criminal case, including whether the defendant has been indicted; (3) the private interests of the plaintiff in proceeding expeditiously, weighed against the prejudice to the plaintiff caused by a delay; (4) the private interests of and burden on the defendant; (5) the interests of the courts; and (6) the public interest." *Alcala*, 625 F. Supp. 2d at 398-99 (collecting cases); *see also Heller Healthcare Fin., Inc. v. Boyes*, No. Civ.A. 300CV1335D, 2002 WL 1558337, at *2 (N.D. Tex. July 15, 2002) (citing *Trs. of Plumbers & Pipefitters Nat'l Pension Fund v. Transworld Mech., Inc.*, 886 F. Supp. 1134, 1139 (S.D.N.Y. 1995)).

B. Application of the Stay Factors

All six factors considered within this Circuit favor a stay of discovery, including depositions and witness testimony, through the adversary proceeding while the criminal case is pending.

1. *Substantial Overlap Exists*

The extent of overlap between proceedings is the "most important factor" in determining whether a stay is appropriate. *S.E.C. v. AmeriFirst Funding, Inc.*, No. 3:07 Civ. 1188, 2008 WL

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866065, at *2 (N.D. Tex. Mar. 17, 2008) (quoting *Volmar Distribs., Inc. v. New York Post Co.*, 152 F.R.D. 36, 39 (S.D.N.Y. 1993)). And when there are "overlapping issues", that "weigh[s] heavily in favor of granting a stay." *State Farm Lloyds v. Wood*, No. 06 Civ. 503, 2006 WL 3691115, at *2 (S.D. Tex. Dec. 12, 2006). *Dominguez*, 530 F. Supp 2d at 904-906. The relevant question is whether substantially the same facts would be proven twice, wasting resources and burdening witnesses. *SEC v. Shkreli*, 15 Civ. 7175 (KAM), 2016 WL 1122029, at *4 (E.D.N.Y. Mar. 22, 2016); *Tuzman*, 15 Civ. 7057 (AJN), ECF No. 43, at 3. Dominguez, 530 F. Supp 2d at 907.

Here, the answer is unambiguously yes. The overlap between this proceeding and the criminal case is nearly complete. Both arise from the same alleged fraud scheme. Both involve the same four individuals. Both will require proof of substantially the same facts through the same witnesses.

2. *The Criminal Case is Proceeding Expeditiously*

Chu and Goodgame have already been indicted which weighs in favor of a stay. "[T]he strongest argument for granting a stay is where a party is under criminal indictment." *Shkreli*, 2016 WL 1122029, at *5 (quotation and citation omitted). For good reason: "the likelihood that a defendant may make incriminating statements is greatest after an indictment has issued, and second, the prejudice to the plaintiffs in the civil case is reduced since the criminal case will likely be quickly resolved." *Trustees of Plumbers and Pipefitters Nat'l Pension Fund, et al. v. Transworld Mechanical, Inc.*, 886 F. Supp. 1134, 1139 (S.D.N.Y. 1995).

Here, although a trial date has not yet been set in the criminal case, the proceeding is moving quickly. The Government has produced and is continuing to produce substantial discovery material. (See Affirmation of Justin V. Rodriguez). The Government also intends to request an expeditious trial date at or in advance of the next conference, currently scheduled for March 19, 2026. *Id.* The forward progress of the criminal case strongly favors a stay. *See Tuzman*, 15 Civ.

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7057 (AJN), at 3 (noting that an indictment normally weighs heavily in favor of a stay absent particular facts indicating that the criminal case may not be resolved expeditiously).

3. *The Trustee's Interests Do Not Outweigh the Need for a Stay*

The Trustee does not object to the stay of discovery, but requests that the Trustee's motion for a preliminary injunction still be adjudicated. Because Chu—who also generally consents to a stay—objects to proceeding to an evidentiary hearing on that motion, the Government's motion would effectively require a stay of the hearing on the Trustee's motion. But even if that is so, the Trustee's interest in an immediate hearing (and if necessary, discovery as part of that hearing) would not outweigh the compelling reasons for a stay. The criminal case is advancing rapidly. Resolution of the criminal charges will likely narrow or resolve issues in this adversary proceeding, ultimately serving the Trustee's interests. Indeed, the criminal case will likely also have the effect of freezing and preserving assets, and resolution of the criminal case may result in the forfeiture of assets that would otherwise be the subject of the preliminary injunction motion. And while the stay potentially prevents the adjudication of certain motions, the interest in resolving those motions is outweighed by the prejudice that civil discovery would inflict on the criminal case. This factor favors a stay.

4. *The Defendants' Interests Support a Stay*

A stay also protects defendants' interests. Without a stay, Chu and Goodgame face an impossible choice: assert their Fifth Amendment rights in civil discovery and suffer adverse inferences in this proceeding or waive those rights and jeopardize their criminal defense. Courts recognize this dilemma as a compelling reason for a stay. *See Shkreli*, 2016 WL 1122029, at *3 n.3 ("[C]riminal defendants frequently seek stays in parallel civil enforcement proceedings, often due to an adverse inference that can arise from a party's invocation of the Fifth Amendment

privilege against self-incrimination."). The stay eliminates this dilemma. It allows defendants, including the defendants cooperating with the Government in the criminal case, to fully participate in civil discovery after the criminal case concludes, when Fifth Amendment concerns no longer exist. Far from burdening defendants, the stay protects their constitutional rights while ensuring fair proceedings in both cases. This factor weighs in favor of a stay.

5. *Judicial Economy Favors a Stay*

Considerations of judicial economy also weigh in favor of granting a stay. Resolving common issues in the criminal case first will streamline this proceeding. The criminal case's outcome will likely affect the scope and conduct of the adversary proceeding, potentially establishing facts that narrow or resolve civil claims. Requiring witnesses to testify twice on the same events wastes judicial resources and burdens the truth-finding process. Courts routinely recognize these efficiency concerns. *See SEC v. One or More Unknown Purchasers of Sec. of Glob. Indus., Ltd.*, No. 11 Civ. 6500 (RA), 2012 WL 5505738, at *4 (S.D.N.Y. Nov. 9, 2012) ("[T]he Civil Case is likely to benefit to some extent from the Criminal Case no matter its outcome."); *LaBianca*, 801 F. Supp. at 1010-11 (recognizing judicial economy as a factor to be considered). A stay avoids duplicative proceedings and conserves this Court's resources. This factor supports the Government's application.

6. *The Public Interest Strongly Supports a Stay*

The public interest in this case is paramount. Allowing unfettered civil discovery would undermine the careful balance struck by Congress in the Federal Rules of Criminal Procedure. Criminal discovery is purposefully limited to prevent three specific harms: perjury and manufactured evidence, witness intimidation, and unfair surprise at trial. *Tuzman*, 15 Civ. 7057 (AJN), at 3-4 (internal citations and quotations omitted). These are not abstract concerns. Broad civil discovery allows criminal defendants to preview the prosecution's case, learn witness

identities, and tailor testimony accordingly—all while invoking the Fifth Amendment to avoid reciprocal disclosure. *See United States v. Percevault*, 490 F.2d 126, 129 (2d Cir. 1974) (noting that the Jencks Act, 18 U.S.C. § 3500, "represents a legislative determination that access to a witness' statements could be useful in impeaching a witness but was not intended to be utilized in preparation for trial"); *United States v. McCarthy*, 292 F. Supp. 937, 942 (2d Cir. 1968) ("The claimed need to see such statements in advance in order to prepare to rebut them is little more than open notice of an intention to tailor testimony to fit the statement."); *SEC v. Nicholas*, 569 F. Supp. 2d 1065, 1070 (C.D. Cal. 2008) (the criminal rules were "purposefully limited so as to prevent perjury and manufactured evidence, to protect potential witnesses from harassment and intimidation, and to level the playing field between the government and the defendant, who would be shielded from certain discovery by the Fifth Amendment").

The asymmetry here would be stark. Chu and Goodgame would depose witnesses (including cooperating co-conspirators whose statements the government need not produce until trial under 18 U.S.C. § 3500), propound interrogatories, and submit requests for admission—all while refusing to answer questions themselves. The Trustee would be powerless to obtain reciprocal discovery because of defendants' certain invocation of Fifth Amendment rights. *See, e.g.*, *SEC v. Calabrigo*, No. 22 Civ. 3096 (LJL), 2022 WL 4752427, at *5 (S.D.N.Y. Sept. 30, 2022) (discussing strategic use by a defendant of his Fifth Amendment right in civil proceedings); *Nicholas*, 569 F. Supp. 2d at 1070 (noting that when defendants invoke Fifth Amendment rights "the SEC would produce scores of documents and witness testimony only to be precluded from gathering reciprocal discovery from the defendants"). This is precisely the circumvention of criminal discovery rules that courts consistently reject. *See SEC v. Beacon Hill Asset Mgmt. LLC*, 2003 WL 554618, at *1 (S.D.N.Y. Feb. 27, 2003) ("The principal concern with respect to prejudicing the government's criminal investigation is that its targets might abuse civil discovery

to circumvent limitations on discovery in criminal cases."); *Bd. of Governors v. Pharaon*, 140 F.R.D. 634, 639 (S.D.N.Y. 1991) ("A litigant should not be allowed to make use of the liberal discovery procedures applicable to a civil suit as a dodge to avoid the restrictions on criminal discovery.").

The public also has a strong interest in ensuring that cooperating witnesses can fulfill their obligations without being subjected to premature depositions that may affect their credibility or willingness to testify. Kollar and Seibold have entered into cooperation agreements with the government. Forcing them to testify now—before the criminal trial—could compromise their cooperation, undermine the criminal prosecution, and discourage future cooperators from coming forward.

Therefore, to avoid circumvention of the criminal discovery restrictions, including the provisions that are designed to prevent a defendant from tailoring his testimony and obtaining asymmetrical discovery, and because Chu and Goodgame will not in any way be prejudiced in preparing and defending themselves, this factor weighs in favor of the Government's application.

III. THE COURT SHOULD ENTER AN IMMEDIATE ADMINISTRATIVE STAY.

Pursuant to its inherent authority to stay proceedings "to control the disposition of the causes on [their] docket with economy of time and effort," *Landis*, 299 U.S. at 254, and "to control the scope and pace of discovery." *In re Ramu Corp.*, 903 F.2d at 318, the Court should enter an immediate administrative stay to preserve the status quo and prevent the very harm the Government's motion is meant to avoid. Among other things, the 23 subpoenas that Chu issued in the last two weeks should be and the evidentiary hearing the Trustee's motion for a preliminary injunction should be stayed while the Court considers the Government's motion to intervene and stay discovery.

CONCLUSION

For the reasons set forth above, the Government respectfully requests that its application to intervene and for a stay of discovery in this Adversary Proceeding until the conclusion of the Criminal Case be granted. In addition, the Government respectfully requests that the Court issue an immediate temporary administrative stay of all discovery and evidentiary hearings while it considers the Government's motion to intervene and stay discovery.

Dated: New York, New York

February 4, 2026

Respectfully submitted,

BRETT A. SHUMATE
Assistant Attorney General
Civil Division

/s/ Dominique Sinesi
KIRK T. MANHARDT
MARY SCHMERGEL
DOMINIQUE SINESI
United States Department of Justice
Civil Division
1100 L Street, NW
Washington, D.C. 20005
Tel: (202) 514-0068
Dominique.sinesi@usdoj.gov

Certificate of Service

On February 4, 2026, I electronically submitted the foregoing Brief, motion and proposed order seeking leave to intervene and to stay discovery with the clerk of court for the U.S. Bankruptcy Court, Northern District of Texas, using the electronic case filing system of the court. I hereby certify that I have served all parties electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

/s/Dominique V. Sinesi
Dominique V. Sinesi

Certificate of Conference

On February 4, 2026, I electronically submitted the foregoing document with the clerk of court for the U.S. Bankruptcy Court, Northern District of Texas, using the electronic case filing system of the court. I hereby certify that counsel from the U.S. Attorney's Office for the Southern District of New York ("SDNY") sought to reach a consensual agreement on this motion and that the foregoing document sets forth each party's position with respect to the relief requested, as is represented by a certificate of conference prepared by the counsel in SDNY that accompanies this Certificate as Exhibit B. While the many parties do consent, counsel for Defendant Chu has not fully agreed to the relief sought.

/s/Dominique V. Sinesi
Dominique V. Sinesi

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

In re: TRICOLOR HOLDINGS, LLC, et al., Debtors.[1]	Chapter 7 Case No. 2-33487 (MVL) (Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*, Plaintiffs, v. DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD Defendants.	Adversary No. 3:25-ap-03126

Affirmation of Assistant United States Attorney Justin V. Rodriguez

JUSTIN V. RODRIGUEZ hereby affirms under penalty of perjury as follows:

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC d/b/a Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "Tricolor").

1. I am an Assistant United States Attorney ("AUSA") in the Office of Jay Clayton, United States Attorney for the Southern District of New York (the "Government").

2. I am one of the AUSAs in charge of the federal criminal cases *United States v. Chu and Goodgame*, No. 25 Cr. 579 (PKC) (S.D.N.Y.), *United States v. Kollar*, No. 25 Cr. 584 (PKC) (S.D.N.Y.), and *United States v. Seibold*, No. 25 Cr. 585 (PKC) (S.D.N.Y.). I have personal knowledge of the facts and circumstances set forth herein through my involvement in these criminal cases, including through my communications with others and review of documents.

3. On December 15, 2025, a grand jury in the Southern District of New York returned an indictment charging Daniel Chu and David Goodgame. The Indictment is attached as Exhibit 1 to the Declaration of Julia M. Beskin in Support of the Trustee's Complaint in this adversary proceeding. (Dkt. 1-2).

4. Two former Tricolor executives—CFO Jerome Kollar and finance director Ameryn Seibold—pleaded guilty on December 16, 2025 and agreed to cooperate with the Government, including by offering testimony when requested. *See United States v. Kollar*, No. 25 Cr. 584 (PKC) (S.D.N.Y.); *United States v. Seibold*, No. 25 Cr. 585 (PKC) (S.D.N.Y.).

5. The criminal case against Chu and Goodgame, which has been assigned to United States District Judge P. Kevin Castel, is proceeding expeditiously. Since the initial pretrial conference on January 13, 2026, the Government has produced hundreds of thousands of documents in discovery. The next conference before Judge Castel is scheduled for March 19, 2026. The Government intends to request an expeditious trial date at or in advance of the next conference.

By: /s/ Justin Rodriguez
Justin V. Rodriguez
Assistant United States Attorney
Telephone: (212) 637-2591

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

In re: TRICOLOR HOLDINGS, LLC, et al., Debtors.[1]	Chapter 7 Case No. 2-33487 (MVL) (Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*, Plaintiffs, v. DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD Defendants.	Adversary No. 3:25-ap-03126

L.B.R. 7007-1 CERTIFICATE OF CONFERENCE

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC d/b/a Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "Tricolor").

Pursuant L.B.R. 7007-1, the undersigned hereby states that the Government's motion to intervene in the above-captioned adversary proceeding and to stay all discovery, including depositions and witness testimony, pending resolution of the parallel criminal case, United States v. Daniel Chu & David Goodgame, 25 Cr. 579 (PKC) (S.D.N.Y.), and for an immediate administrative stay is largely unopposed, subject to the caveats and objections set forth in footnotes 2 and 3 of the Government's brief.

On January 25, 2026, January 27, 2026, and January 28, 2026, the undersigned conferred with counsel for Chapter 7 Trustee Anne Elizabeth Burns. Counsel for the Trustee communicated the Trustee's final position on the Government's motion in writing on January 30, 2026, the substance of which is summarized in footnote 2 of the Government's brief.

On January 26, 2026, January 28, 2026, and February 1, 2026, the undersigned conferred with counsel for Daniel Chu. Counsel for Mr. Chu communicated Mr. Chu's final position of the Government's motion in writing on February 1, 2026, the substance of which is summarized in footnote 3 of the Government's brief.

Respectfully submitted,

JAY CLAYTON
United States Attorney

By: /s/_____
Micah F. Fergenson
Justin V. Rodriguez
Assistant United States Attorneys
Telephone: (212) 637-2591

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

25CRIM579

UNITED STATES OF AMERICA

v.

DANIEL CHU and
DAVID GOODGAME,

Defendants.

SEALED INDICTMENT

25 Cr.

COUNT ONE
(Continuing Financial Crimes Enterprise)

The Grand Jury charges:

1. From at least in or about 2018 through in or about September 2025, DANIEL CHU and DAVID GOODGAME, the defendants, conspired to and did defraud the lenders and asset-backed securities investors of Tricolor Holdings, LLC and its affiliates ("Tricolor"), a subprime auto retailer and financing company. CHU, Tricolor's founder and chief executive officer ("CEO"), GOODGAME, Tricolor's chief operating officer, and others, operated Tricolor through systematic fraud. At CHU's direction, multiple Tricolor executives repeatedly defrauded lenders using various fraudulent schemes, including "double-pledging" collateral—pledging assets to support one loan and then pledging the same assets to another lender to support another loan. Other fraudulent schemes directed by CHU involved manipulating the descriptions and classification of assets pledged as collateral for loans to make ineligible, near-worthless assets appear to meet lender requirements. Over time, this series of fraudulent schemes had a profound effect on Tricolor, which obtained hundreds of millions of dollars in cash advances; on CHU, who used a portion of the funds to enrich himself; and on Tricolor's lenders, who provided over a billion dollars in funding based on Tricolor's fabricated data and false statements.

2. In the summer of 2025, lenders confronted DANIEL CHU, the defendant, and others at Tricolor with concerns about Tricolor's collateral. CHU and his conspirators initially tried to conceal the fraud and to falsely claim that the collateral issues were due to an administrative error. Those efforts failed. CHU, recognizing that Tricolor was, in his words, "basically history," turned his attention to extracting millions of dollars from the company. At CHU's direction, Tricolor transferred over $6 million to CHU after lenders voiced concerns in or about late August 2025.

3. After the fraudulent double-pledging and collateral manipulation schemes orchestrated by DANIEL CHU and DAVID GOODGAME, the defendants, unraveled, Tricolor was unable to maintain its access to loans and unable to sustain its business without substantial cash. On or about September 10, 2025, Tricolor filed for Chapter 7 bankruptcy. By that time, the company's largest lenders had advanced and were owed more than $900 million as a result of the defendants' schemes.

Background: Tricolor and its Lending Facilities

4. Founded in or about 2007, Tricolor sold and provided subprime financing for used cars, focusing specifically on Hispanic customers with limited or no credit history. By in or about 2025, Tricolor had grown to become the third-largest used auto retailer in Texas and California, operating approximately 65 retail centers in Texas, California, Nevada, Arizona, New Mexico, and Illinois, as well as a shared services center in Guadalajara, Mexico. At its peak, Tricolor employed over 1,500 people and generated approximately $1 billion in annual revenue in both 2023 and 2024. When the company filed for Chapter 7 bankruptcy on or about September 10, 2025, it had over 60,000 outstanding car loans.

5. Tricolor funded its operations substantially through cash advances from several

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lenders with which Tricolor had entered credit agreements. Under these agreements, Tricolor pledged certain assets to the lenders as collateral and received cash advances secured by that pledged collateral. Tricolor maintained inventory lines of credit collateralized by used cars in Tricolor's possession. The company also maintained multiple lines of credit collateralized by the car loans that Tricolor had issued to its customers—specifically, by the car loan receivables, meaning the forthcoming payments that would be received from borrowers until their loans were repaid. Each credit agreement specified eligibility requirements for collateral, and Tricolor generally did not receive a 100% advance rate on such eligible loans. Instead, Tricolor received advance rates at a lower amount, such as 60% to 80% of an eligible car loan's outstanding balance. In addition to these receivables-backed lines of credit, Tricolor also raised capital by securitizing car loan receivables—that is, organizing groups, or tranches, of the receivables into classes of bonds that were then sold to investors.

6. Tricolor maintained lines of credit with several financial institutions and investment management firms. In or about February 2018, Tricolor entered into a revolving line of credit agreement with a U.S. bank ("Lender-1") that reached approximately $25 million in commitments, collateralized by car loan receivables (the "Lender-1 Credit Line"). In or about January 2020, Tricolor entered into credit agreement with another U.S. bank ("Lender-2") for an inventory line that reached $87 million in commitment, supposedly secured by Tricolor's used vehicle inventory (the "Lender-2 Inventory Credit Line"). Beginning in or about August 2020, Tricolor established a series of warehouse lending facilities—short-term revolving credit facilities extended to loan originators to temporarily fund loans before sale to permanent investors. These warehouse facilities, associated with special purpose vehicles and referred to as "SPV3," "SPV4," "SPV5," and "SPV6," were collateralized by car loan receivables and involved various lenders including a

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California-based investment manager ("Lender-3") and U.S. banks. The SPV3 warehouse reached approximately $100 million in total commitment. The SPV4 warehouse ultimately reached approximately $770 million in total commitment, shared among multiple lenders including a U.S. bank ("Lender-4"), another bank ("Lender-5"), and junior mezzanine lenders based in New York, New York ("Lender-6" and "Lender-7"). In August 2022, Tricolor entered into the SPV6 warehouse with a U.S. bank ("Lender-8"), which reached $250 million in commitment. In March 2025, Tricolor entered into a mezzanine loan agreement with a New York, New York-based asset management firm ("Lender-9") for $35 million. By the time of bankruptcy, Tricolor owed approximately $923 million to lenders through these facilities.

7. Tricolor's lenders generally set eligibility criteria for the types of collateral that could be pledged in exchange for cash advances. These eligibility requirements for collateral were typically set out in credit agreements between the lender and Tricolor. For receivables-backed lines of credit, eligibility turned on, among other things, whether the car loan was current—meaning the customer was making timely payments—or past due, meaning the customer had missed a scheduled payment and the loan was delinquent. Loans that were more than 60 days past due were generally ineligible to serve as collateral under the terms of the credit agreements and could not be pledged in exchange for cash, and some lines of credit excluded loans more than 30 days past due.

8. As generally required under the loan agreements, Tricolor pledged cars and loans and requested advances by sending lenders borrowing base reports. These reports typically took the form of large Excel files with thousands of rows, one for each loan pledged to the facility. These borrowing base reports provided dozens of data points for each loan, including the outstanding principal balance, the vehicle identification number ("VIN") of the financed car, and

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data related to whether the loan was current or past due. These reports generally identified loans as being current, 0-15 days past due, 15-30 days past due, 30-60 days past due, and 61+ days past due, and included a column for the last payment date. Tricolor typically sent borrowing base reports and funding requests to lenders multiple times a week. At the conclusion of each month, Tricolor would generally send each lender a monthly servicer report ("MSR") that summarized the pledged collateral for the past month.

Tricolor's Fraud on its Lenders

9. For years, DANIEL CHU and DAVID GOODGAME, the defendants, Jerome Kollar, Tricolor's chief financial officer, and Ameryn Seibold, Tricolor's senior director of finance, and others, engaged in a series of frauds directed at each of Tricolor's lenders. These schemes operated through two primary mechanisms: first, CHU, GOODGAME, and their conspirators double-pledged the same collateral to multiple lenders, allowing Tricolor to borrow against the same assets, at the same time, repeatedly; second, they manipulated loan data to make ineligible, delinquent loans appear current and compliant with lender requirements. Additionally, to conceal their deceptions from lenders, auditors, and collateral managers, the conspirators fabricated and disseminated fictious backup records, such as records of fake customer payments. Under CHU's leadership, this activity became Tricolor's routine manner of business and eventually Tricolor's means of financial survival.

10. In or about 2018, Tricolor faced liquidity pressure. To address that problem, DANIEL CHU, the defendant, instructed Kollar to pledge delinquent loans to the Lender-1 Credit Line. These delinquent loans were typically so past due that Tricolor itself had charged them off as losses. To make these charged-off loans falsely appear to be performing loans that could serve as collateral (which they were not), CHU directed Kollar to create a fictitious portfolio company in Tricolor's dealer management system (which was used to track Tricolor's loans and their

associated data), transfer the charged-off loans to that new portfolio company in the dealer management system, and arrange for other Tricolor employees to manually enter fake payments on those charged-off loans in the dealer management system.

11. Over time, DANIEL CHU, the defendant, addressed liquidity constraints by repeatedly falsifying information regarding ineligible collateral to make it appear eligible to use as collateral. In January 2021, for example, CHU asked Kollar whether Tricolor had "anything we can pledge from [Lender-1] to [Lender-4] or [Lender-3] to get some liquidity," and Kollar responded, "I will look. What is 'there' typically is [ineligible] for those"—referring to the charged-off loans manipulated to look like they were performing loans. CHU and his co-conspirators fraudulently pledged charged-off loans to Lender-1 for years until Tricolor's collapse. In addition to orchestrating this fraud within Tricolor, CHU simultaneously served on the board of directors of Lender-1, a financial institution he defrauded for nearly a decade.

12. By at least in or about 2021, Tricolor's collateral manipulation also expanded beyond the Lender-1 Credit Line. To increase the amount of cash received from Lender-2, DANIEL CHU, the defendant, directed Kollar to keep sold vehicles on the borrowing base for the Lender-2 Inventory Credit Line, even though they were supposed to be removed once sold, a practice that continued through Tricolor's bankruptcy. For instance, on or about April 20, 2021, CHU texted Kollar and others that, "[i]n an ideal scenario, we buy and increase inventory by $10mm and then we can move the sold units off the borrowing base"—meaning Tricolor would increase its inventory by $10 million to give it enough cushion to remove the sold units that were fraudulently included on the Lender-2 Inventory Credit Line borrowing base. To further increase the amount of cash received from lenders, Tricolor also pledged to other lenders the loan receivables for cars that had been sold and financed, but that were still nonetheless pledged to the

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Lender-2 Inventory Credit Line.

13. As Tricolor's financing arrangements with lenders expanded, so did its use of fraud. From at least in or about 2022, DANIEL CHU and DAVID GOODGAME, the defendants, Kollar, Seibold, and others repeatedly manipulated borrowing base data (including loan performance data) for, and double-pledged collateral across, the SPV3, SPV4, SPV5 and SPV6 warehouses and the Lender-9 Credit Line. At CHU's direction and with GOODGAME's knowledge and approval, Kollar and Seibold, sometimes with the assistance of others, executed the schemes to defraud Tricolor's lenders by submitting fraudulent borrowing base reports. CHU directed Kollar to fraudulently obtain more liquidity, and Kollar, in turn, directed Seibold to submit fraudulent borrowing base reports. Kollar, Seibold, and others submitted borrowing base reports with false and manipulated data or already-pledged loans to the Lender-1 Credit Line, the Lender-2 Inventory Credit Line, the SPV3 warehouse, the SPV4 warehouse, the SPV5 warehouse, the SPV6 warehouse, and the Lender-9 Credit Line in order to fraudulently obtain cash advances.

14. As the risks and dollar size of the fraud dramatically increased, the conspirators' used the same fraudulent methods. Kollar, Seibold, and others manually edited collateral data in borrowing base reports provided to lenders so that ineligible loans would falsely appear to lenders to meet eligibility criteria when in fact the loans were significantly past due. They did this with the awareness and, at times, specific direction of DANIEL CHU, the defendant. For instance, on or about July 25, 2022, CHU texted Kollar, "Can we work the > 60s"—asking whether Kollar could manipulate data for loans over 60 days past due to make them appear eligible. In response to these requests, and to achieve CHU's overarching directives, Kollar and Seibold would manually change the data fields in borrowing base reports related to whether a loan was performing or past due by, for example, editing loans more than 60 days past due to appear current or paid within the past 60

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days. Kollar would also periodically update CHU on their progress. On November 16, 2022, for example, when CHU asked for an update on liquidity, Kollar responded: "We have $2.lm to [pledge] and with working DQ [delinquency] buckets we are getting $2.77M or ~$1.3m more. Will do a Bb [borrowing base] tomorrow and work to squeeze a little more out." In other words, by manipulating delinquency data in borrowing base reports, Kollar increased the volume of eligible loans, generating an additional $1.3 million in advanced funds from lenders. Similarly, on April 26, 2022, Kollar texted CHU: "We maxed the [Lender-4] one [*i.e.*, the SPV4 warehouse] for tomorrow by adding $1M when we should have only received $300k and working on the [Lender-3] [*i.e.*, the SPV 3 warehouse] today"—meaning that collateral manipulation had obtained $1 million more from the SPV4 warehouse than would have been possible without fraud.

15. At the defendants' direction and with their knowledge, Kollar and Seibold also double-pledged the same loans as collateral to multiple lenders and securitizations. For example, on March 1, 2023, Seibold described this double-pledging to DAVID GOODGAME, the defendant, writing that he was "taking accounts from SPV6 and pledging on SPV3 to get liquidity out of SPV3," to which GOODGAME jokingly responded with a crying emoji, followed by Seibold stating he was "then possibly taking SPV5 accounts and double pledging on SPV6." As another example, on September 8, 2023, when GOODGAME messaged Seibold about selling more inventory each week, Seibold explained that "We are bringing in between 6-8M a week on the main spvs right now" but that "[i]t's been tight just because of how close we are to maxing out the facilities" and that Tricolor was "[r]eally needing the securitization." Their conversation continued with Seibold explaining, "Spv6 is capped out. Spv4 is making it hard with this notional interest rate cap. Spv3 is capped out. We have some room on SPV5 but are trying to keep it relatively clean. Doing everything I can to make sure we still have as much as we can coming in.

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The audits are going to be tough." GOODGAME responded "ugh." Seibold replied, "Hopefully after this securitization we can keep them a bit cleaner" before sending an "lol" emoji, to which GOODGAME responded "Lol," as they joked about how Tricolor could not keep its lines of credit "clean" of fraud.

16. The growing risk and scale of the frauds eventually forced the conspirators to reckon with the possibility the frauds would be discovered. Seibold at various times raised concerns to DAVID GOODGAME, the defendant, among others, but GOODGAME always reassured Seibold and Seibold would continue. To minimize the risks of discovery, however, and with the knowledge of DANIEL CHU, the defendant, and GOODGAME, Kollar and Seibold fabricated and falsified backup records when audits of the borrowing bases were conducted, including loan payment ledgers and system records indicating to which lender a loan had been pledged. On July 22, 2021, for example, while an audit firm was conducting an audit of Tricolor's prior year financial statements, Kollar texted CHU, "We will need to make sure [the auditor] does not try to[t]ie out [Lender-1]," because a comparison of the manipulated data that was provided to Lender-1 to the real data in Tricolor's internal dealer management system would have revealed the fraud. CHU responded: "I know." Later, on July 28, 2023, in connection with another audit, CHU texted Kollar: "Can you reconstruct [Lender-1] BB," referring to the borrowing base of purported collateral pledged to Lender-1. Kollar responded, in part, "It includes loans that are not active."

17. By on or about August 21, 2025, Kollar had conducted an analysis comparing the collateral data in Tricolor's dealer management system to the fraudulent collateral data that Tricolor had provided to lenders to obtain capital. Using the fraudulent borrowing bases that Tricolor had sent to lenders, Kollar added up the total amount of purported collateral that Tricolor

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had pledged to lines of credit, securitizations, and other facilities, which totaled approximately $2.2 billion. When Kollar performed the same calculation using Tricolor's internal dealer management system, however, the real amount of Tricolor's available collateral was approximately $1.4 billion. In other words, Tricolor had pledged approximately $2.2 billion of collateral to lenders and investors, but Tricolor had only approximately $1.4 billion of real collateral. The difference—consisting of approximately $800 million in bogus collateral—resulted from the series of schemes and the conspiracy in which DANIEL CHU and DAVID GOODGAME, the defendants, Kollar, Seibold, and others participated.

The Frauds Unravel

18. As of in or about August 2025, Tricolor had still not completed an audit of its borrowing bases that had begun in or about February 2025. Lender-6 expressed concerns to Lender-4 about the unfinished audit. In reviewing Tricolor's borrowing base reports in or about August 2025, Lender-6 noticed discrepancies in Tricolor's data: loans that Tricolor reported as current—that is, as receiving timely payments from customers—did not show a corresponding reduction in the outstanding principal balance. This data made no sense as customers' payments would pay down a loan over time.

19. In or about August 2025, DANIEL CHU, the defendant, was alerted to the audit issue and then to the data discrepancies identified by Tricolor's lenders. The developing crisis prompted a series of calls among Tricolor executives, including, at times, CHU, DAVID GOODGAME, the defendant, Kollar, and another Tricolor executive ("Executive-1"). Some of these calls were secretly recorded by at least one participant, and sometimes calls were secretly recorded by multiple participants.

20. On or about August 17, 2025, for example, DANIEL CHU, the defendant, spoke with Kollar and Executive-1 about Lender-6's concerns regarding Tricolor's delay in completing

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the audit. CHU urged the team to find a solution, observing that "rather than conform all of our records to meet the audit, I think we need to, we need to rethink, kind of holistically, all of the processes that are resulting in this" delay. CHU then drew an "analogy" to when the team managed to obscure Tricolor's fraudulent use of "dead loans on the balance sheet" to borrow capital during the 2022 financial statement audit. CHU emphasized that his "point in that analogy" was that "rather than scrambling" to figure out, "okay, how are we gonna fabricate these loans? How are we gonna make up these loans? We just basically created around the problem with a structure, or I would say in this case, a policy, which, which made it, made all the math work." CHU then said, "we have a similar math problem today" and discussed with Kollar the buckets of manipulated loans and confirming exactly what fake data had been sent to the lenders on the SPV4 Warehouse.

21. During the August 17, 2025 call, DANIEL CHU, the defendant, proposed various lies the conspirators could tell to resolve the audit and explain the manipulated data. For example, CHU proposed that some of the manipulated, non-paying loans could be explained away by a purported "Trump administration deferment" policy. In fact, such a deferment policy did not actually exist at Tricolor. Nevertheless, CHU explained that, with this fictitious policy, "all I'm trying to do is, is alleviate the need to mess with any of these things and create a policy." CHU acknowledged, however, that "where we would have an issue is if, if they sent an auditor and they said, pull this up on your screen, right, that would be a problem." Kollar agreed, stating, "Yes. That would be bad,"—as Tricolor's internal records would not match the manipulated records and false excuses Tricolor provided to lenders and auditors.

22. The following day, on or about August 18, 2025, the Tricolor executives, including DANIEL CHU and DAVID GOODGAME, the defendants, Kollar, and Executive-1, continued to discuss how to conceal the fraud. During the call, CHU described how Lender-6 had identified,

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among other things, "$63 million of loans that have not had a payment in 180 days that are marked as current in the borrowing base." CHU complained that he did not understand how Seibold could "be doing this and not thinking that the balance has to reduce," saying it was "the stupidest fucking thing [he had] ever heard." Once Seibold was added to the call, CHU, in effect, demanded to know why Seibold had not thought to falsely reduce the balances in the borrowing base provided to lenders when Seibold fraudulently marked the loans as current. Seibold responded: "I've been holding 8,000 outstanding charge offs on every report for about … a long time." When CHU asked whether Seibold ever reduced the balance, Seibold explained: "We do, but some we don't. … I can't reduce by a full 8,000 without having us have millions of dollars in debts that we need to pay down…. I'm doing what I thought was what we needed."

23. The next day, on or about August 19, 2025, the Tricolor executives, including DANIEL CHU and DAVID GOODGAME, the defendants, Kollar, and Executive-1, spoke again by telephone. During the call, CHU described how he had spoken to a Lender-6 representative the prior evening. CHU recounted how he had told Lender-6, "look, if we were trying to commit fraud, we wouldn't be so stupid as to keep the same balances on there… Nobody would be that stupid. And he [the Lender-6 representative] goes, 'you're right.'" The participants on the August 19 call laughed in response. CHU also recounted how he told the representative of Lender-6 that it must be a "system issue." These were lies. As CHU well knew, the inconsistencies in the borrowing bases resulted from the frauds and the conspiracy among CHU, GOODGAME, and their co-conspirators, and not some supposed system issue.

24. On or about August 30, 2025, the Tricolor executives, including DANIEL CHU and DAVID GOODGAME, the defendants, Kollar, and Executive-1, discussed how they might reach a settlement with Lender-4, which, by that point, had identified double-pledged and manipulated

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collateral and terminated its lending facility. During this call, CHU compared Tricolor's circumstances to the circumstances of Enron, the energy trading firm that collapsed into bankruptcy following the discovery of accounting fraud and other misconduct. Specifically, CHU and the others discussed the possibility that they could blame the banks for purportedly ignoring red flags of their frauds and use that threat as leverage to extract a favorable settlement. CHU proposed using artificial intelligence tools to search for key words that GOODGAME could use in a discussion with Lender-4. After Executive-1 described an Enron-related litigation, CHU stated: "Enron obviously has a nice ring to it, right? <laugh>, I mean, Enron, Enron raises the blood pressure of the lender when they see that <laugh>. It, it has to, right? I'm not— […] Cause who wants to be thrown in the category?" CHU later said, "That Enron case is fucking perfect, I think."

25. Even as the frauds unraveled and Tricolor's insolvency became clear, DANIEL CHU, the defendant, continued to enrich himself. Throughout the fraud scheme, CHU had received tens of millions of dollars in compensation from Tricolor, including an annual salary, bonuses, management incentive units, and company-provided cars. CHU's annual salary was $1 million in 2023, which was raised to $2 million in 2025. He also received a $2 million bonus for 2024, two $125,000 securitization bonuses in 2025, and a $15 million bonus in 2025. During the 24-month period from August 2023 through August 2025, Tricolor made more than $19.3 million in salary and bonus net cash payments to CHU's bank accounts. As Tricolor approached collapse, and after CHU observed that the company was "definitely insolvent," he directed Kollar to pay him the final installments of his $15 million bonus. On or about August 19 and 20, 2025—roughly three weeks before Tricolor placed more than 1,000 employees on unpaid leaves of absence and before the company filed for bankruptcy—CHU received two payments from Tricolor totaling $6.25 million.

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CHU used some of this money to purchase a multi-million-dollar property in Beverly Hills, California on or about August 27, 2025. Days later, on September 6, 2025, Tricolor placed more than 1,000 of its employees on unpaid leaves of absence. On September 10, 2025, Tricolor filed for Chapter 7 bankruptcy.

Statutory Allegations

26. From at least in or about 2018 up to and including in or about September 2025, in the Southern District of New York and elsewhere, DANIEL CHU, the defendant, knowingly organized, managed, and supervised a continuing financial crimes enterprise, in that the defendant committed violations of Title 18, United States Code, Sections 1343 and 1344, including violations one through ten set forth below, which violations were part of a series of violations of those statutes committed by at least four persons acting in concert, and from which the defendant received $5,000,000 and more in gross receipts from such enterprise during a 24-month period. The series of violations, as defined by Title 18, United States Code, Section 225, includes the following violations set forth below:

27. In or about the years listed in the table below, in the Southern District of New York and elsewhere, DANIEL CHU, the defendant, knowingly executed, and attempted to execute, a scheme and artifice to defraud a financial institution, as that term is defined in Title 18, United States Code, Section 20, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such a financial institution, by means of false and fraudulent pretenses, representations, and promises, to wit, CHU, while the CEO of Tricolor, engaged in schemes to make a series of false statements to the financial institutions listed below regarding Tricolor's financial condition and the existence, nature, and value of its pledged loan collateral in order to fraudulently obtain money for Tricolor from those financial institutions.

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Violation Number	Financial Institution and Credit Agreement	Approximate Time Period
1	Lender-1 Lender-1 Credit Line	2018 to September 2025
2	Lender-2 Lender-2 Inventory Credit Line	2020 to September 2025
3	Lender-4 and Lender-5 SPV4 Warehouse	2020 to September 2025
4	Lender-5 SPV5 Warehouse	2021 to 2023
5	Lender-8 SPV6 Warehouse	2022 to September 2025

28. In or about the years listed in the table below, in the Southern District of New York and elsewhere, DANIEL CHU, the defendant, knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, for the purpose of executing such scheme and artifice, which affected a financial institution, to wit, CHU, while the CEO of Tricolor, engaged in schemes to make a series of false statements to lenders listed below, including multiple financial institutions, regarding Tricolor's financial condition and the existence, nature, and value of its pledged loan collateral in order to fraudulently obtain money for Tricolor from those lenders, and caused others to send and receive, emails, telephone calls, videoconferences, and other electronic communications, to and from the Southern District of New York and elsewhere, in furtherance of that scheme.

Violation Number	Financial Institution and Credit Agreement	Approximate Time Period
6	Lender-1 Lender-1 Credit Line	2018 to September 2025
7	Lender-2 Lender-2 Inventory Credit Line	2020 to September 2025

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8	Lender-4, Lender-5, Lender-6, Lender-7 SPV4 Warehouse	2020 to September 2025
9	Lender-5 SPV5 Warehouse	2021 to 2023
10	Lender-8 SPV6 Warehouse	2022 to September 2025

(Title 18, United States Code, Sections 225 and 2.)

COUNT TWO

(Conspiracy to Commit Bank Fraud and Wire Fraud Affecting a Financial Institution)

The Grand Jury further charges:

29. The allegations contained in paragraphs 1 through 24 of this Indictment are repeated and realleged as it fully set forth herein.

30. From at least in or about 2018 through in or about September 2025, in the Southern District of New York and elsewhere, DANIEL CHU and DAVID GOODGAME, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit bank fraud, in violation of Title 18, United States Code, Section 1344, and to commit wire fraud, which affected a financial institution, in violation of Title 18, United States Code, Section 1343.

31. It was a part and an object of the conspiracy that DANIEL CHU and DAVID GOODGAME, the defendants, and others known and unknown, knowingly would and did execute, and attempt to execute, a scheme and artifice to defraud a financial institution, as that term is defined in Title 18, United States Code, Section 20, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such a financial institution, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344, to wit, CHU, GOODGAME, and others agreed to make and cause to be made a series of false statements to multiple financial institutions regarding

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Tricolor's financial condition and the existence, nature, and value of its pledged loan collateral in order to fraudulently obtain money for Tricolor from those financial institutions.

32. It was further a part and an object of the conspiracy that DANIEL CHU and DAVID GOODGAME, the defendants, and others known and unknown, knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, which affected a financial institution, in violation of Title 18, United States Code, Section 1343, to wit, CHU, GOODGAME, and others agreed to make and cause to be made a series of false statements to lenders, including multiple financial institutions, regarding Tricolor's financial condition and the existence, nature, and value of its pledged loan collateral in order to fraudulently obtain money for Tricolor from those lenders, and sent and received, and caused others to send and receive, emails, telephone calls, videoconferences, and other electronic communications, to and from the Southern District of New York and elsewhere, in furtherance of that scheme.

(Title 18, United States Code, Section 1349.)

COUNT THREE
(Bank Fraud)

The Grand Jury further charges:

33. The allegations contained in paragraphs 1 through 24 of this Indictment are repeated and realleged as it fully set forth herein.

34. From at least in or about 2020 through in or about September 2025, in the Southern District of New York and elsewhere, DANIEL CHU and DAVID GOODGAME, the defendants,

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knowingly executed, and attempted to execute, a scheme and artifice to defraud a financial institution, as that term is defined in Title 18, United States Code, Section 20, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such a financial institution, by means of false and fraudulent pretenses, representations, and promises, to wit, CHU, GOODGAME, and others engaged in scheme to make a series of false statements to Lender-4 and Lender-5 in connection with the SPV4 Warehouse regarding Tricolor's financial condition and the existence, nature, and value of its pledged loan collateral in order to fraudulently obtain money for Tricolor from Lender-4 and Lender-5.

(Title 18, United States Code, Sections 1344 and 2.)

COUNT FOUR
(Wire Fraud Affecting a Financial Institution)

The Grand Jury further charges:

35. The allegations contained in paragraphs 1 through 24 of this Indictment are repeated and realleged as it fully set forth herein.

36. From at least in or about 2020 through in or about September 2025, in the Southern District of New York and elsewhere, DANIEL CHU and DAVID GOODGAME, the defendants, knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, for the purpose of executing such scheme and artifice, which affected a financial institution, to wit, CHU, GOODGAME, and others engaged in a scheme to make a series of false statements to Lender-4, Lender-5, Lender-6, and Lender-7 in connection with the SPV4 Warehouse regarding Tricolor's financial condition and the existence, nature, and value of its pledged loan collateral in

BLACKROCK - EXHIBIT 5

order to fraudulently obtain money for Tricolor from those lenders, and caused others to send and receive, emails, telephone calls, videoconferences, and other electronic communications, to and from the Southern District of New York and elsewhere, in furtherance of that scheme.

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATIONS

37. As a result of committing the offenses alleged in Counts One, Two, Three, and Four of this Indictment, DANIEL CHU and DAVID GOODGAME, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2)(A), and Title 28, United States Code, Section 2461(c), any and all property constituting, or derived from, proceeds the defendant obtained directly or indirectly, as a result of the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses.

Substitute Assets Provision

38. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without difficulty;

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it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981
Title 18, United States Code, Section 982;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)

[redacted]

JAY CLAYTON
United States Attorney

BLACKROCK - EXHIBIT 5

CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Michelle V. Larson

Signed March 26, 2026

United States Bankruptcy Judge

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

In re: TRICOLOR HOLDINGS, LLC, et al., Debtors.[1]	Chapter 7 Case No. 25-33487 (MVL) (Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*, Plaintiffs, v. DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD Defendants.	Adversary No. 3:25-ap-03126

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC d/b/a Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC. (collectively, "Tricolor").

BLACKROCK - EXHIBIT 6

ORDER GRANTING THE UNITED STATES OF AMERICA'S
MOTION TO INTERVENE AND STAY DISCOVERY

UPON consideration of the Motion and supporting Brief of the United States of America (the "Government") [Dkt. No. 50 & 51], to intervene in the above-captioned adversary proceeding and to stay all discovery, including depositions and witness testimony, pending resolution of the parallel criminal case, *United States* v. *Daniel Chu & David Goodgame*, 25 Cr. 579 (PKC) (S.D.N.Y.); it is hereby

FOUND and DETERMINED THAT:

1. Leave should be granted to the United States to intervene in the *infra* adversary proceeding (the "Adversary Proceeding").
2. Further, the Court finds that the Government's motion for a stay is sound and should be granted.

IT IS ORDERED THAT:

1. The motion is granted.
2. The Government is granted leave to intervene.
3. All discovery in this Adversary Proceeding is stayed until the conclusion of the Criminal Case, *United States v. Daniel Chu & David Goodgame*, 25 Cr. 579 (PKC) (S.D.N.Y.).
4. Nothing in this Order limits or prevents any party to this Adversary Proceeding from applying or moving: (a) to lift this stay; or (b) for other relief in the future.

END OF ORDER

Prepared and submitted by:

BRETT A. SHUMATE
Assistant Attorney General
Civil Division

/s/ Dominique Sinesi
KIRK T. MANHARDT
MARY SCHMERGEL
DOMINIQUE SINESI
Senior Trial Counsel
United States Department of Justice
Civil Division
1100 L Street, NW
Washington, D.C. 20005
Tel: (202) 514-0068
Dominique.sinesi@usdoj.gov

Attorneys for the United States

AGREED TO FORM AND SUBSTANCE:

By: /s/ James W. Bartlett, Jr.
Matthew S. Okin
Texas Bar No. 00784695
James W. Bartlett, Jr.
Texas Bar No. 00795238
Edward A. Clarkson, III
Texas Bar No. 24059118
OKIN ADAMS BARTLETT CURRY LLP
1113 Vine Street, Suite 240
Houston, Texas 77002
713-228-4100
346-247-7158 (fax)
jbartlett@okinadams.com

Counsel to Daniel Chu

By: /s/ Julia M. Beskin
Charles R. Gibbs
Texas Bar No. 7846300
Marcus A. Helt
Texas Bar No. 24052187
Greyson Williams
Texas Bar No. 24124561
MCDERMOTT WILL & SCHULTE LLP
2801 North Harwood Street, No. 2600
Dallas, Texas 75201-1664
214-295-8000
972-232-3098 (fax)
crgibbs@mcdermottlaw.com

-and-
Julia M Beskin (*pro hac vice*)
919 Third Avenue
New York, New York 10022
212-547-5400
212-547-5444 (fax)
jbeskin@mcdermottlaw.com

Counsel to Ch. 7 Trustee

By: /s/*Jason S. Brookner*
Jason S. Brookner (Texas Bar No. 24033684)
Lydia R. Webb (Texas Bar No. 24083758)
Amber M. Carson (Texas Bar No. 24075610)
GRAY REED
1601 Elm Street, Suite 4600
Dallas, TX 75201
Telephone: (214) 954-4135
Facsimile: (214) 953-1332
Email: jbrookner@grayreed.com
lwebb@grayreed.com
acarson@grayreed.com

Counsel to Jerry and Katie Kollar

CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Michelle V. Larson

Signed May 28, 2026

United States Bankruptcy Judge

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

In re:	Chapter 7
TRICOLOR HOLDINGS, LLC, *et al*.,	Case No. 25-33487 (MVL)
Debtors.[1]	(Jointly Administered)
ANNE ELIZABETH BURNS, as Chapter 7 Trustee for Tricolor Holdings, LLC, *et al.*,	
Plaintiff,	
v.	Adversary No. 3:25-ap-03126
DANIEL CHU, JEROME KOLLAR, DAVID GOODGAME, and AMERYN SEIBOLD,	
Defendants.	

ORDER STAYING PROCEEDINGS AND ABATING DEADLINES

[1] The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC.

Upon the Notice of Stay (the "Notice") filed by Plaintiff Anne Elizabeth Burns, in her capacity as the duly appointed Chapter 7 Trustee (the "Trustee") of the estates of the above-captioned Debtors, and Defendants Daniel Chu, David Goodgame, and Ameryn Seibold (together with the Trustee, the "Parties") seeking a stay of the above-captioned adversary proceeding and abatement of all currently scheduled deadlines pending the final disposition by the United States District Court for the Southern District of New York of the criminal case *United States v. Daniel Chu & David Goodgame*, 25 Cr. 579 (PKC) (S.D.N.Y.), including a plea entry, acquittal, conviction, or dismissal, pursuant to an agreement of the Parties at the April 30, 2026 hearing, it appearing that the relief requested is in the best interests of the Parties:

IT IS HEREBY ORDERED THAT:

1. For the reasons set forth at the Court's April 30, 2026 hearing, and pursuant to the Parties' agreement, the relief requested is GRANTED.
2. This adversary proceeding will be stayed and all currently scheduled deadlines in this adversary proceeding will be abated until final entry of judgment or dismissal in accordance with the Federal Rules of Criminal Procedure in the case styled *United States v. Daniel Chu & David Goodgame*, 25 Cr. 579 (PKC) (S.D.N.Y.), or further order of this Court.
3. This Order does not preclude any of the Parties from filing agreed notices, agreed motions, and agreed orders during the pendency of the stay, or otherwise seeking court intervention to enforce any existing agreements or otherwise protect their rights.

END OF ORDER

BLACKROCK - EXHIBIT 7

Prepared and submitted by:

MCDERMOTT WILL & SCHULTE LLP
Charles R. Gibbs (TX Bar No. 7846300)
Grayson Williams (TX Bar No. 24124561)
2801 North Harwood Street
Suite 2600
Dallas, Texas 75201
Telephone: (214) 295-8000
E-mail: crgibbs@mcdermottlaw.com
gwilliams@mcdermottlaw.com

Darren Azman (admitted *pro hac vice*)
Jared M. Gerber (admitted *pro hac vice*)
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
E-mail: dazman@mcdermottlaw.com
jmgerber@mcdermottlaw.com

Julia M. Beskin (admitted *pro hac vice*)
919 Third Avenue
New York, New York 10022
Telephone: (212) 756-2000
E-mail: jbeskin@mcdermottlaw.com

Counsel to the Chapter 7 Trustee