IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: America's Gardening Resource, Inc., *et al.*, Debtors.[1]	Chapter 11 Case No. 25-11180 (BLS) (Jointly Administered) **Objection Deadline: January 2, 2026 at 4:00 p.m. (ET)** **Hearing Date: January 21, 2026 at 11:00 a.m. (ET)**

DEBTORS' MOTION PURSUANT TO BANKRUPTCY RULE 9019 FOR APPROVAL OF SETTLEMENT WITH LISTRAK INC.

The above-captioned debtors and debtors-in-possession (collectively, the "Debtors" or the "Company"), by and through their undersigned counsel and pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), hereby request the entry of an Order approving a settlement between the Debtors and Listrak Inc. ("Listrak"). In support of this Motion, the Debtors respectfully state as follows:

Jurisdiction and Venue

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A), (B), and (O). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. Pursuant to Rule 9013-1(f) of the *Local Rules of the United States Bankruptcy Court for the District of Delaware*, the Debtors consent to entry of a final order by the Court in connection with the Motion to the extent that it is later determined that the Court, absent consent

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: America's Gardening Resource, Inc. (9604); Gardener's Home LLC (0498); Serac Corporation (9800); IGH, Inc. (9336); Innovative Gardening Solutions, Inc. (3325). The location of the Debtors' corporate headquarters and the Debtors' service address in these chapter 11 cases is 128 Intervale Road, Burlington, Vermont 05401.

of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

3. The statutory predicates for the relief requested herein are section 105 of the Bankruptcy Code and Rule 9019 of the Bankruptcy Rules.

General Background

4. On June 20, 2025, each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively, the "Chapter 11 Cases"). The Chapter 11 Cases are jointly administered.

5. A detailed description of the Debtors' business and the facts precipitating the filing of the Chapter 11 Cases is set forth in the *Declaration of David Baker in Support of First Day Motions* (the "First Day Declaration") [Docket No. 11]. Those facts are incorporated herein by reference.

6. The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

7. On July 2, 2025, the United States Trustee for Region 3 (the "U.S. Trustee") appointed a Committee of Unsecured Creditors (the "Creditors Committee") in the Chapter 11 Cases [Docket No. 52]. No trustee or examiner has been appointed in the Chapter 11 Cases.

Facts Relating to Settlement

8. As set forth in more detail in the First Day Declaration, prior to the Petition Date, the Debtors operated a multi-channel marketing business of gardening products, gardening equipment, and live goods for gardeners throughout the United States. The Company also manufactures its own products, which are sold as part of its retail line.

9. On or within 90 days before the Petition Date, based on the Debtors' books and records, Listrak received a transfer from the Debtors in the aggregate amount of $35,663.31 (the "Preference Payment").

10. On September 18, 2025, the Debtors sent Listrak a demand letter regarding its claim to avoid and recover the Preference Payment under sections 547 and 550 of the Bankruptcy Code (the "Preference Claim").

11. On September 3, 2025, Listrak filed a Proof of Claim in the bankruptcy case of America's Gardening Resource, Inc. (Case No. 25-11180 (BLS)) (the "AGR Case") in the amount of $55,109.00 for amounts owed under a services contract ("Claim No. 220").

12. On October 22, 2025, Listrak filed a Proof of Claim in AGR Case in the amount of $55,109.22 for amounts owed under a services contract ("Claim No. 255").

13. Following Listrak's receipt of the demand letter, the Debtors and Listrak, through counsel, reached a settlement with respect to the Preference Claim, Claim No. 220 and Claim No. 255 (the "Settlement"), without the need for the Debtors to commence a formal legal proceeding against Listrak.

14. The general terms of the Settlement, subject to the Court's approval, are as follows:

i. Within fifteen (15) days of the entry of an Order approving the Settlement and this Motion, Listrak shall pay the Debtors $13,000.00 (the "Settlement Payment") and withdraw Claim No. 220 and Claim No. 255.

ii. Listrak, its parent(s), subsidiaries, and affiliates shall release any and all claims they may have against the Debtors, their agents, affiliates, and assigns. The Debtors, post-confirmation Debtors, and their estates, upon receipt of the Settlement Payment, shall release any and all claims they may have against Listrak, its parents, subsidiaries, or affiliates, including claims pursuant to §§ 547 and 550 of the Bankruptcy Code.

Basis for Relief Requested

15. By this Motion, the Debtors seek entry of an Order approving the Settlement pursuant to Rule 9019 of the Bankruptcy Rules.

16. Bankruptcy Rule 9019(a) provides, in relevant part, that "[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement." Fed. Bankr. R. 9019(a). Bankruptcy Rule 9019(a) "empowers the Bankruptcy Court to approve compromises and settlements if they are in the best interests of the estate." *In re Drexel Burnham Lambert Group, Inc*., 134 B.R. 499, 505 (Bankr. S.D.N.Y. 1991). Under this authority, the Third Circuit has emphasized that "to minimize litigation and expedite the administration of a bankruptcy estate, compromises are favored in bankruptcy." *In re Key3Media Group, Inc.*, 336 B.R. 87, 93 (Bankr. D. Del. 2005) (internal quotations omitted); *see also Martin v. Myers (In re Martin),* 91 F.3d 389, 393 (3d Cir. 1996); *see also Protective Comm. for Indep. Stockholders of TMT Trailer Ferry Inc. v. Anderson*, 390 U.S. 414, 424 (1968) (settlement and compromise are "a normal part of the process of reorganization"); *In re Culmtech, Ltd*., 118 B.R, 237, 238 (Bankr. M.D. Pa. 1990) (observing that "compromises are favored in bankruptcy and . . . much of litigation in bankruptcy estates results in settlements").

17. "The authority to approve a compromise [or] settlement is within the sound discretion of the bankruptcy court." *In re Northwestern Corp.*, No. 03-12872, 2008 WL 2704341, at *6 (Bankr. D. Del. Jul. 10, 2008) ("In exercising this discretion, the bankruptcy court must determine whether the compromise is fair, reasonable, and in the best interests of the estate.") (quoting *In re Key3Media Group, Inc.*, 336 B.R. 87 at 92). In determining whether a settlement should be approved under Bankruptcy Rule 9019, the Court must "assess and balance the value of the claim that is being compromised against the value to the estate of the acceptance of the compromise proposal." *Id.* at 393. In striking this balance, the Court should consider "(i) the

probability of success in the litigation; (ii) the likely difficulties in collection; (iii) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (iv) the paramount interest of the creditors." *Id.* *See also In re TSIC, Inc.*, 393 B.R. 71, 78–79 (Bankr. D. Del. 2008). That said, courts generally defer to a plaintiff or trustee's business judgment when there is a legitimate business justification for the decision. *See In re Martin*, 91 F.3d at 395.

18. A review of the four factors set forth in *In re Martin* demonstrates that the Settlement is fair, reasonable, and in the best interests of the Debtors' estates and their creditors, and represents a sound exercise of the Debtors' business judgment. The Settlement provides for the prompt resolution of the Preference Claim, Claim No. 220 and Claim No. 250 for the Settlement Payment – thereby preserving value for the estates' unsecured creditors. Moreover, the Settlement avoids the significant cost, delay, and uncertainty associated with protracted litigation over the Preference Claim. Accordingly, the Debtors submit that approval of the Settlement is warranted.

19. *Probability of Success*. This factor weighs in favor of approving the Settlement. Although the Debtors believe that they have a strong case against Listrak with respect to avoiding the Preference Claim, Listrak could litigate potential affirmative defenses to reduce or eliminate the Preference Claim. In light of the uncertainty of this litigation and the significant costs associated therewith, the Debtors believe that this factor supports approving the Settlement.

20. *Difficulties of Collection.* While the Debtors have no information to believe that any potential judgment against Listrak will be uncollectible, actually obtaining such a judgment would entail significant time and administrative expense to the Debtors' estates. Thus, any recovery the Debtors ultimately realize would be decreased substantially by the costs in obtaining

it. Further, within fifteen (15) days of Court approval of the Settlement, Listrak will withdraw Claim No. 220 and Claim No. 255, preserving value for the Debtors' estates and increasing potential recoveries for other holders of general unsecured claims. Accordingly, the accelerated and guaranteed ability to obtain the Settlement Payment provides strong support for approval of the Settlement.

21. *Complexity of Litigation*. This factor weighs heavily in favor of a compromise. The financial burden of litigation on the estates would likely outweigh any benefit to creditors. Although preference claims do not raise issues of great complexity, the expense, inconvenience and delay of litigation weigh strongly in favor of approval of the Settlement.

22. *Paramount Interests of Creditors*. The Settlement is in the paramount interests of creditors. The Settlement achieves a consensual resolution of the Preference Claim, Claim No. 220 and Claim No. 255 and adds significant value for the estates through the Settlement Payment. By resolving potential disputes with Listrak in exchange for the Settlement Payment, the Settlement streamlines the claims resolution process and enhances the potential recoveries available to unsecured creditors. In addition, the Settlement includes mutual releases that eliminate the risk of future costly and burdensome litigation, thereby conserving estate resources and ensuring a more efficient and equitable distribution process. Accordingly, this factor further supports approval of the Settlement Agreement as fair, reasonable, and in the best interests of creditors under *In re Martin*.

23. For these reasons, the Debtors respectfully submit that the proposed settlement is fair, reasonable, in the best interest of Debtors' estates and creditors, and should be approved.

Notice

24. The Debtors served this Motion on the following parties: (a) the U.S. Trustee; (b) counsel for the Committee; (c) counsel to the prepetition secured lenders; (d) counsel for

Listrak; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

Conclusion

WHEREFORE, the Debtors request that the Court enter an Order: (i) granting this Motion; (ii) approving the Settlement; and (iii) granting such other and further relief as the Court finds just and proper.

Dated: December 17, 2025
Wilmington, Delaware

COLE SCHOTZ P.C.

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Counsel for Debtors and Debtors-in-Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: America's Gardening Resource, Inc., *et al.*, Debtors.[1]	Chapter 11 Case No. 25-11180 (BLS) (Jointly Administered) **Objection Deadline: January 2, 2026 at 4:00 p.m. (ET)** **Hearing Date: January 21, 2026 at 11:00 a.m. (ET)**

NOTICE OF DEBTORS' MOTION PURSUANT TO BANKRUPTCY RULE 9019 FOR APPROVAL OF SETTLEMENT WITH LISTRAK INC.

PLEASE TAKE NOTICE that, on December 17, 2025, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the *Debtors' Motion Pursuant to Bankruptcy Rule 9019 for Approval of a Settlement with Listrak Inc.* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court").

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion is scheduled for **January 21, 2026 at 11:00 a.m. (prevailing Eastern Time)** before the Honorable Brendan L. Shannon, United States Bankruptcy Court for the District of Delaware, 6th Floor, Courtroom No. 1, 824 North Market Street, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Motion and the entry of an order approving the Motion must be filed on or before **January 2, 2026 at 4:00 p.m. (prevailing Eastern Time) (the "Objection Deadline")** with the Court, 3rd Floor, 824 North Market Street, Wilmington, Delaware 19801, and served upon the following parties so as to be actually received by the Objection Deadline: (a) counsel for the Debtors, Cole Schotz P.C., 500 Delaware Avenue, Suite 600, Wilmington, Delaware 19801 (Attn: Patrick J. Reilley (PReilley@coleschotz.com) and Jack Dougherty (JDougherty@coleschotz.com) and 1201 Wills Street, Suite 320, Baltimore, MD 21231 (Attn: Gary Leibowitz (GLeibowitz@coleschotz.com), H.C. Jones III (HJones@coleschotz.com), and J. Michael Pardoe (mpardoe@coleschotz.com)); (b) counsel to the Debtors' prepetition lenders, Bank of America (Chapman & Cutler LLC, 1270 Avenue of the Americas, 30th Floor, New York, NY (10020-1708), Attn: Dan Flores, Esq. (dflores@chapman.com) and Alex Kress (akress@chapman.com)) and Northfield Savings Bank (Dinse P.C., 209 Battery St., Burlington VT 05402, Attn: Afi Ahmadi (aahmadi@dinse.com) and Molly Langan (mollylangan@dinse.com); (c) counsel to the Creditors' Committee, (Gibbons P.C., 300 Delaware Avenue, Suite 1015, Wilmington, DE 19801 (Attn: Katharina Earle

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: America's Gardening Resource, Inc. (9604); Gardener's Home LLC (0498); Serac Corporation (9800); IGH, Inc. (9336); Innovative Gardening Solutions, Inc. (3325). The location of the Debtors' corporate headquarters and the Debtors' service address in these chapter 11 cases is 128 Intervale Road, Burlington, Vermont 05401.

(kearle@gibbonslaw.com) and Robert K. Malone (rmalone@gibbonslaw.com); (d) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, (Attn: Hannah McCollum) and (e) any other party that has requested notice pursuant to Bankruptcy Rule 2002.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS OR RESPONSES TO THE MOTION ARE TIMELY FILED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: December 17, 2025
Wilmington, Delaware

COLE SCHOTZ P.C.

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Counsel for Debtors and Debtors-in-Possession

EXHIBIT A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: America's Gardening Resource, Inc., *et al.*, Debtors.[1]	Chapter 11 Case No. 25-11180 (BLS) (Jointly Administered) **Re: Docket No. ___**

ORDER APPROVING SETTLEMENT WITH LISTRAK INC.

Upon consideration of the Debtors' Motion Pursuant to Bankruptcy Rule 9019 for Approval of Settlement with Listrak Inc. (the "Motion"),[2] and it appearing that in the Debtors' sound business judgment, the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and it appearing that venue of these proceedings and the Motion is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the particular circumstances and no other or further notice need be given; upon the record herein, after due deliberation thereon, good and sufficient cause exists for granting of the relief as set forth herein.

IT IS HEREBY ORDERED THAT:

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[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: America's Gardening Resource, Inc. (9604); Gardener's Home LLC (0498); Serac Corporation (9800); IGH, Inc. (9336); Innovative Gardening Solutions, Inc. (3325). The location of the Debtors' corporate headquarters and the Debtors' service address in these chapter 11 cases is 128 Intervale Road, Burlington, Vermont 05401.

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

1. The Motion is GRANTED.

2. The Settlement between the Debtors and Listrak is approved.

3. Listrak, and its parent, subsidiaries, and affiliates hereby release Claim No. 220, Claim No. 255, and all other claims they may have against the Debtors and their estates. Within fifteen (15) days of the entry of this Order, Listrak shall pay the Debtors $13,000.00 and withdraw Claim No. 220 and Claim No. 255. Upon receipt of Listrak's payment, the Debtors and their estates shall release any and all claims they may have against Listrak.

4. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this order.