

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	Chapter 7
	§	
PAINTED TREE HOUSTON, LLC, <i>et al.</i> ¹	§	Case No. 26-32918
	§	
	§	
Debtors.	§	(Jointly Administered)
	§	

**TRUSTEE'S EMERGENCY MOTION TO TERMINATE STRETTO, INC.
AS EXCLUSIVE CLAIMS AND NOTICING AGENT**

Pursuant to Local Rule 9013:

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT HEARING.

EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE.

¹ A complete list of the Debtors in these Chapter 7 cases may be obtained on the Court's website www.ecf.txsb.uscourts.gov. The Debtors' service address in these chapter 7 cases is: One Allied Drive, Suite 300, Little Rock, AR 72202.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE JEFFREY P. NORMAN, UNITED STATES BANKRUPTCY JUDGE:

Christopher R. Murray, (“Trustee”), the Chapter 7 trustee for the bankruptcy estates of the above-captioned debtors (each a “Debtor” and collectively, the “Debtors”), hereby files this *Motion to Terminate Stretto, Inc. as Exclusive Claims and Noticing Agent* (the “Motion”). **Relief is sought on an emergency basis in order to minimize costs and financial burdens on the estate. Relief is sought no later than September 21, 2026.**

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ and 1334. This is a core proceeding pursuant to 28 U.S.C. § 152(b)(2).

2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

3. This Court has constitutional authority to enter a final order regarding this Motion. 11 U.S.C. §§ 327 and 328 have no equivalent in state law, thereby rendering the Supreme Court’s opinion in *Stern v. Marshall* inapplicable. *See In re Carlew*, 469 B.R. 666, 672 (Bankr. S.D. Tex. 2012) (discussing *Stern v. Marshall*, 564 U.S. 462 (2011)). 11 U.S.C. § 105 also is a statutory base for the relief requested herein. In the alternative, employment and termination of professionals for the bankruptcy estate is an essential bankruptcy matter, triggering the “public rights” exception. *See id.*

BACKGROUND

4. On or around April 28, 2026 (the “Petition Date”) the Debtors each filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code. [Doc. No. 1].

5. On April 28, 2026, a Chapter 7 Trustee was appointed to serve each bankruptcy estate. Christopher R. Murray was one of the trustees appointed to serve as a Chapter 7 Trustee

(“Trustee”) to the Debtors’ bankruptcy estates. Soon after the Petition Date, all trustees, besides Christopher R. Murray, were removed and/or rejected their appointment as trustee for the Debtors, and Christopher R. Murray was appointed to serve as the Chapter 7 Trustee for *all* the Debtors’ bankruptcy estates.

6. On May 7, 2026, Trustee filed a Motion seeking Joint Administration of the Debtors’ bankruptcy cases (the “Joint Administration Motion”). [Doc. No. 13]. On May 8, 2026, the Court entered an order granting the Joint Administration Motion, which allowed consolidation of the Debtors’ cases (the “Joint Administration Order”). [Doc. No. 16].

7. Christopher R. Murray is the duly appointed, qualified, and acting Chapter 7 Trustee of the bankruptcy estates of the above-captioned debtors. The Debtors were limited liability companies.

8. On May 18, 2026, Trustee filed its Emergency Motion for Entry of an Order Authorizing Modified Notice Procedures (the “Motion for Notice Procedures”). [Doc. No. 133]. On May 18, 2026, the Court entered its Order Authorizing Modified Notice Procedures (the “Order”), which authorized the retention and appointment of Stretto, Inc. (“Stretto”) as the exclusive claims and noticing agent (in such capacity, the “Claims and Noticing Agent”) for the bankruptcy estates. Since then, the Claims and Noticing Agent has maintained a public register of claims filed in the bankruptcy cases.

9. The deadline for filing Proofs of Claim was August 25, 2026 (the “Deadline”).

10. Trustee believes that Stretto’s services are no longer necessary as the Deadline has passed. Trustee believes that notice may now be provided to creditors using standard procedures in a Chapter 7 bankruptcy. Terminating Stretto’s services will result in large financial savings to the estate. Trustee respectfully requests that the Court terminate Stretto’s retention as the

bankruptcy estates are no longer in need of Stretto's services.

RELIEF REQUESTED

11. Trustee seeks to terminate Stretto's services, effective as of the date the Court signs the proposed order, as the Deadline has passed, and Trustee no longer requires Stretto's services as exclusive claims and noticing agent.

12. Trustee retained the services of the Claims and Noticing Agent because a large number of individual creditors had not been adequately noticed regarding the cases and allowing for claims processing through Stretto would serve to expedite processing. Trustee, however, no longer requires the services of Stretto as the Claims and Noticing Agent. All creditors have been noticed, the 341 meeting has been conducted, and the deadline for filing proofs of claim has passed. Trustee therefore seeks an order authorizing him to terminate the retention and appointment of Stretto.

13. Accordingly, by this Motion, Trustee respectfully requests that the Court enter an order terminating the retention and appointment of Stretto as the Claims and Noticing Agent.

CONSENT AND PRIOR REQUESTS

14. Stretto has reviewed this Motion and consents to the relief requested and to entry of an order.

15. Trustee has not previously sought the relief requested in this Motion from this Court or any other court.

CONCLUSION

WHEREFORE, Trustee respectfully requests that the Court enter an order terminating the retention and appointment of Stretto as the Claims and Noticing Agent and granting such other and further relief as is just and proper.

Respectfully submitted,

NATHAN SOMMERS GIBSON DILLON PC

By: /s/ Iain L. C. Kennedy
Iain L. C. Kennedy
Attorney-in-Charge
Texas Bar. No. 24068094
Federal ID No. 1066018
1400 Post Oak Boulevard, Suite 300
Houston, Texas 77056
(713) 960-0303 (main)
(713) 892-4800 (fax)
ikennedy@nathansommers.com

ATTORNEY FOR CHRISTOPHER R.
MURRAY, CHAPTER 7 TRUSTEE

CERTIFICATE OF SERVICE

The undersigned certifies that on September 15, 2026, a true and correct copy of the foregoing Motion was served electronically on all parties registered to receive electronic notice of filings in this case via this Court's ECF notification system.

/s/ Iain L. C. Kennedy
Iain L. C. Kennedy

CERTIFICATE OF ACCURACY

I certify that the facts and circumstances described in the above pleading giving rise to the emergency request for relief are true and correct to the best of my knowledge, information, and belief. This statement is made pursuant to Bankruptcy Local Rule 9013-1(i).

/s/ Iain L. C. Kennedy
Iain L. C. Kennedy

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

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	§	Chapter 7
	§	
PAINTED TREE HOUSTON, LLC, <i>et al.</i> ²	§	Case No. 26-32918
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Debtors.	§	(Jointly Administered)
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**ORDER GRANTING TRUSTEE’S MOTION TO TERMINATE STRETTO, INC.
AS EXCLUSIVE CLAIMS AND NOTICING AGENT
[Relates to Doc. No 69]**

Upon Trustee’s Motion to Terminate Stretto, Inc. as Exclusive Claims and Noticing Agent (the “Motion”) of Christopher R. Murray, as the Chapter 7 Trustee (“Trustee”) for the estates of the above-captioned debtors (collectively, the “Debtors”), for entry of an order (this “Order”) authorizing Trustee to terminate the retention and appointment of Stretto, Inc. (“Stretto”) as the claims, noticing, and solicitation agent (in such capacity, the “Claims and Noticing Agent”). This Court previously approved Stretto’s retention and appointment as the Claims and Noticing Agent pursuant to that certain order entered on May 18, 2026 [Doc. No. 34] (the “Order”), and Stretto has assumed full responsibility for noticing and processing claims, preparation and maintenance of a claims register, and providing custody of all proofs of claim since that time, all as more fully set forth in the Motion. Upon consideration of the Motion, the Court finds that (i) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) venue of this proceeding and the Motion in this district is proper

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pursuant to 28 U.S.C. §§ 1408 and 1409; and (iv) the Motion was properly served in accordance with the Federal Rules of Bankruptcy Procedure, Trustee's notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances, and no further notice or service is required; (v) the requirement for the Claims and Noticing Agent no longer exists; (vi) the relief requested in this Motion is in the best interest of the Debtors' estates, their creditors, and other parties in interests; (vii) the legal and factual bases set forth in the Motion and at any hearing on the Motion establish just cause for the relief granted herein; and (viii) after due deliberation sufficient cause appearing therefor, it is HEREBY ORDERED THAT: .

1. The retention and appointment of Stretto as the Claims Agent is terminated effective as of the date of the entry of this Order.

2. Stretto is released and discharged as the Claims and Noticing Agent and shall bear no further responsibility in the Bankruptcy Case.

3. Stretto may reduce the public case administration website to a static homepage, and in the discretion of Trustee, may opt to deactivate the website altogether.

4. Stretto shall keep electronic copies of all records for one (1) year following the date of this Order (after which time Stretto may, but is not required to, destroy such records), and Stretto need not keep paper copies of such records.

5. Stretto may destroy (a) all excess copies of notices, pleadings, plan solicitation documents, customized envelopes, and other printed materials, and (b) all undeliverable and/or returned mail not previously destroyed.

6. Stretto shall be compensated by Trustee for the performance of services required hereunder, including all fees and expenses incurred through the termination of Stretto's employment, in accordance with the terms of the Retention Order.

Signed:

UNITED STATES BANKRUPTCY JUDGE