

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
	)	
LL Flooring Holdings, Inc., <i>et al.</i> , ¹	)	Case No. 24-11680 (BLS)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	Hearing Date: January 26, 2026 at 10:30 a.m. (ET)
	)	Objection Deadline: December 29, 2025 at 4:00 p.m. (ET)

**LIQUIDATING TRUSTEE’S MOTION FOR AN ORDER APPROVING
SETTLEMENT AGREEMENT WITH GENESIS CREDIT PARTNERS LLC**

Steven Balasiano, solely in his capacity as the liquidating trustee (the “Liquidating Trustee”) of the LL Flooring Liquidating Trust (the “Liquidating Trust”) appointed in the above-captioned cases (the “Chapter 11 Cases”), hereby files this motion (the “Motion”) seeking entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), pursuant to section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”) and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (i) approving the Settlement Agreement and Release (the “Settlement Agreement”),² attached to the Proposed Order as **Exhibit 1**, entered into by the Liquidating Trustee and Genesis Credit Partners LLC (“GCP”, and together with the Liquidating Trustee, the “Parties”) regarding the Liquidating Trustee’s Objection (as defined below) to the *Combined Fourth Monthly and Final Fee Application of Genesis Credit Partners LLC, Co-*

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their respective tax identification numbers, are as follows: LL Flooring Holdings, Inc. (0817); LL Flooring, Inc. (9199); Lumber Liquidators Leasing, LLC (N/A); LL Flooring Services, LLC (5960); and Lumber Liquidators Foreign Holdings, LLC (4568). The address for correspondence related to the Debtors and/or the Liquidating Trust is c/o LL Flooring Liquidating Trust, 27 Crimson King Drive, Bear, DE 19701.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Settlement Agreement.

Financial Advisor to the Official Committee of Unsecured Creditors, for Allowance of Compensation and Reimbursement of Expenses for the Monthly Period from December 1, 2024 through December 20, 2024 and the Final Period from August 23, 2024 through December 20, 2024 [Docket No. 808] (the “Final Fee Application”) and (ii) granting related relief. In support of the Motion, the Liquidating Trustee respectfully represents as follows:

Jurisdiction

1. The United States District Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. §1334, which was referred to the United States Bankruptcy Court for the District of Delaware (the “Court”) under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b) and, pursuant to Rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the Liquidating Trustee consents to entry of final orders or judgments by this Court if it is determined that this Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

2. Venue is proper in this District under 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested in the Motion are section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019.

Background

A. The Chapter 11 Cases

4. On August 11, 2024 (the “Petition Date”), LL Flooring Holdings, Inc. and its affiliated debtors (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) each commenced a voluntary case under chapter 11 of the Bankruptcy

Code with the Court. Since the Petition Date, the Debtors have remained in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

5. On August 21, 2024, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the Official Committee of Unsecured Creditors (the “Committee”) in the Chapter 11 Cases pursuant to section 1102(a)(1) of the Bankruptcy Code [Docket No. 116].

6. On September 23, 2024, the Committee applied to the Court for an order authorizing the retention and employment of GCP as co-financial advisor to the Committee, effective as of August 23, 2024. *See* Docket No. 350.

7. On October 15, 2025, the Court entered the *Order Approving Application to Employ Genesis Credit Partners LLC as Co-Financial Advisor to the Official Committee of Unsecured Creditors Effective as of August 23, 2024* [Docket No. 448] (the “GCP Retention Order”) authorizing the retention and employment of GCP as co-financial advisor to the Committee.

8. On November 4, 2025, the Debtors filed their *Amended Joint Chapter 11 Plan of Liquidation for LL Flooring Holdings, Inc. and its Affiliated Debtors* [Docket No. 527] (the “Plan”), which the Court approved on December 18, 2024 by entering the *Findings of Fact, Conclusions of Law, and Order Approving the Disclosure Statement on a Final Basis and Confirming the Second Amended Joint Chapter 11 Plan of Liquidation for LL Flooring Holdings, Inc. and its Affiliated Debtors* [Docket No. 701].

9. On December 20, 2024 (the “Effective Date”), the effective date of the Plan occurred. *See* Docket No. 718.

10. Following the Effective Date, GCP provided certain post-Effective Date professional services (the “Post-Effective Date Services”) to the Liquidating Trust.

11. On January 29, 2025, GCP filed its Final Fee Application seeking the approval on a final basis and payment of GCP’s professional fees incurred in the Chapter 11 Cases in the total amount of \$1,313,120.00³ (the “GCP Fees”) for services rendered, and reimbursement of GCP’s net expenses in the amount of \$10,464.39 (the “GCP Expenses”), with the hearing to consider approval of the Final Fee Application adjourned to a date to be determined.

12. On February 19, 2025, the U.S. Trustee filed the *Objection of the United States Trustee to the Combined Fourth Monthly and Final Fee Application of Genesis Credit Partners LLC, Co-Financial Advisor to the Official Committee of Unsecured Creditors, for Allowance of Compensation and Reimbursement of Expenses for the Monthly Period from December 1, 2024 through December 20, 2024 and the Final Period from August 23, 2024 through December 20, 2024* [Docket No. 819] (the “U.S. Trustee Objection”).

13. The Liquidating Trustee lodged an informal objection to the Final Fee Application (the “Liquidating Trustee’s Objection”).⁴

The Settlement Agreement

14. After arm’s-length negotiations over several months, the Parties have resolved the Liquidating Trustee’s Objection as set forth in the Settlement Agreement, which requires, among other things, that GCP waive the unpaid Hold-Back Amount, waive any amounts relating to Post-Effective Date Services and pay to the Liquidating Trustee the amount of \$180,000 in cash. A

³ Of the GCP Fees, a total of \$119,642.26 is currently being held-back and remains unpaid (the “Hold-Back Amount”).

⁴ By agreement of the Parties, the deadline for the Liquidating Trustee to object to the Final Fee Application is December 19, 2025.

more detailed explanation of the terms and conditions of the Settlement Agreement are set forth in the table below. To the extent the following summary is inconsistent with the Settlement Agreement, the terms of the Settlement Agreement shall control.

Parties to the Settlement Agreement	Steven Balasiano, solely in his capacity as the Liquidating Trustee of the LL Flooring Liquidating Trust and the Debtors' estates in the Chapter 11 Cases and Genesis Credit Partners LLC
Settlement Terms	GCP shall (a) waive (i) the unpaid Hold-Back Amount totaling \$119,642.26 in the Chapter 11 Cases (the " <u>GCP Fee Reduction</u> ") and (ii) any amounts outstanding relating to Post-Effective Date Services and (b) pay, or cause to be paid, to the Liquidating Trustee the amount of \$180,000.00 U.S. Dollars (the " <u>Settlement Payment</u> "). ⁵
Releases from Liability	Mutual releases exchanged between the Parties.
Effectiveness and Conditions	The effectiveness of the Settlement Agreement is conditioned on Court approval of this Motion.

15. The Liquidating Trustee believes that the Settlement Agreement resolves the Liquidating Trustee's Objection to the Final Fee Application in a timely and efficient manner, without expending significant Liquidating Trust resources on litigation of the Liquidating Trustee's Objection, and represents an arm's-length and reasoned compromise considering the relevant facts and circumstances of the Chapter 11 Cases.

Basis for Relief

16. The Court, pursuant to section 105(a) of the Bankruptcy Code, has broad authority to issue orders necessary to implement the provisions of the Bankruptcy Code. *See* 11 U.S.C. § 105(a).

⁵ A proposed final order approving the Final Fee Application reflecting the GCP Fee Reduction will be submitted by GCP following entry of order approving this Motion.

17. Bankruptcy Rule 9019(a) provides that, after notice and a hearing, the Court may approve a compromise or settlement. *See* FED. R. BANKR. P. 9019(a).

18. The decision to approve a settlement “is within the sound discretion of the bankruptcy court.” *In re World Health Alternatives, Inc.*, 344 B.R. 291, 296 (Bankr. D. Del. 2006); *see also In re Neshaminy Off. Bldg. Assoc.*, 62 B.R. 798, 803 (E.D. Pa. 1986) (cited with approval in *Martin*). The Court need not decide the numerous questions of law or fact raised by the underlying litigation or claims, but rather should canvas the issues to see whether the settlement falls below the lowest point in the range of reasonableness. *See In re W.T. Grant and Co.*, 699 F.2d 599, 608 (2d Cir. 1983), cert. denied, 464 U.S. 22 (1983); *see also World Health Alts.*, 344 B.R. at 296 (stating that “the court does not have to be convinced that the settlement is the best possible compromise. Rather, the court must conclude that the settlement is within the reasonable range of litigation possibilities.” (internal citations and quotations omitted)).

19. The standard for approval of a settlement under Bankruptcy Rule 9019 is whether the proposed settlement is fair, equitable, and in the best interests of the estate. *See Myers v. Martin (In re Martin)*, 91 F. 3d 389, 393 (3d Cir. 1996); *World Health Alts.*, 344 B.R. at 296.

20. In determining whether to approve a settlement under Bankruptcy Rule 9019, courts in the Third Circuit generally consider:

- i. the probability of success in the litigation;
- ii. the difficulties, if any, to be encountered in the matter of 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 and a proper deference to their reasonable views in the premises.

Martin, 91 F. 3d at 393; *World Health Alts.*, 344 B.R. at 296.

21. Courts apply the same standard to settlements in bankruptcy cases involving liquidating trusts. *See, e.g., In re Wash. Mut., Inc.*, 848 F. App'x 84, 87 (3d Cir. Mar. 23, 2021), *aff'g* 2020 WL 1332922 (D. Del. Mar. 23, 2020); *In re Health Diagnostic Labs., Inc.*, 2016 WL 6068812, at *9 (Bankr. E.D. Va. Oct. 14, 2016) (using *Martin* factors to approve settlement agreement under Bankruptcy Rule 9019 between liquidating trust and debtor's pre-petition law firm); *see also In re Managed Storage Int'l, Inc.*, 2020 WL 1532390, at *1 (D. Del. Mar. 31, 2020) (applying *Martin* factors to the facts of a preference avoidance action to determine whether the factors reasonably support a settlement).

22. Here, the Liquidating Trustee submits that the *Martin* standard for approval of the Settlement Agreement under Bankruptcy Rule 9019 is met for several reasons, including, but not limited to, the facts that:

- i. Execution of the Settlement Agreement Avoids Litigation Risk: The Settlement Agreement eliminates the risk and uncertainty of litigation of the Liquidating Trustee's Objection and approval of the Final Fee Application.
- ii. Execution of the Settlement Agreement Reduces Costs: By avoiding protracted litigation, the Settlement Agreement minimizes the legal fees and expenses that would otherwise be borne by the Liquidating Trust in prosecuting the Liquidating Trustee's Objection and therefore is in the best interest of the estate and creditors.
- iii. Execution of the Settlement Agreement Promotes Judicial Economy: The Settlement Agreement streamlines the resolution of the Liquidating Trustee's Objection to the Final Fee Application and therefore conserves the resources of the Parties and the Court.

23. The Liquidating Trustee submits that the Settlement Agreement is fair, equitable and in the best interests of the estate considering the facts and circumstances of the Chapter 11 Cases. By entering into the Settlement Agreement, the Liquidating Trust will avoid incurring further fees and expenses related to litigating the Liquidating Trustee's Objection, which will inure

to the benefit of creditors. Moreover, the Court's approval of this Motion will avoid the inherent uncertainty and delay involved in litigation.

24. Absent the approval of the Settlement Agreement, the Liquidating Trustee would be required to engage in expensive and time-consuming litigation (including discovery) in connection with the Liquidating Trustee's Objection. This would result in the expenditure of significant professional fees and delayed and diminished distributions to the beneficiaries of the Liquidating Trust. The benefits to the Liquidating Trust under the Settlement Agreement exceed any benefits that would be obtained through litigation given the complexities, uncertainties, delays, and costs associated with litigation. In fact, the Settlement Agreement results in a cash payment to the Liquidating Trust, which will increase the amount of funds available for distribution to creditors.

25. In short, approval of the Settlement Agreement is in the best interests of the estate and creditors. The Settlement Agreement (i) is fair and equitable; (ii) obviates the expense, delay, inconvenience, and uncertainty that would attend litigation of the Liquidating Trustee's Objection to the Final Fee Application; and (iii) advances the paramount interests of all creditors. Accordingly, the Settlement Agreement satisfies Bankruptcy Rule 9019 and should be approved by the Court.

No Prior Request

26. No prior request for the relief sought in the Motion has been made to this or any other court.

Notice

27. The Liquidating Trustee will provide notice of this Motion to the following parties or their respective counsel, if known: (a) the U.S. Trustee; (b) GCP; and (c) all parties who have

filed a post-Effective Date renewed request for notices pursuant to Bankruptcy Rule 2002. The Liquidating Trustee submits that, in light of the nature of the relief requested, no other or further notice need be given.

Conclusion

WHEREFORE, for the reasons stated herein, the Liquidating Trustee respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested in the Motion and such other and further relief as the Court deems just and proper.

Dated: December 11, 2025
Wilmington, Delaware

/s/ Patrick J. Reilley

COLE SCHOTZ P.C.

Justin R. Alberto (No. 5126)

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Counsel to the Liquidating Trustee

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

LL Flooring Holdings, Inc., *et al.*,¹

Debtors.

)

) Chapter 11

)

) Case No. 24-11680 (BLS)

)

) (Jointly Administered)

)

) **Hearing Date: January 26, 2026 at 10:30 a.m. (ET)**

) **Objection Deadline: December 29, 2025 at 4:00 p.m. (ET)**

**NOTICE OF LIQUIDATING TRUSTEE’S MOTION FOR AN ORDER APPROVING
SETTLEMENT AGREEMENT WITH GENESIS CREDIT PARTNERS LLC**

PLEASE TAKE NOTICE that on December 11, 2025, Steven Balasiano, solely in his capacity as the liquidating trustee (the “Liquidating Trustee”) in the above-captioned chapter 11 cases, by and through his undersigned counsel, filed the *Liquidating Trustee’s Motion for an Order Approving Settlement Agreement With Genesis Credit Partners LLC* (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 will be held on **January 26, 2026 at 10:30 a.m. (ET)** before the Honorable Brendan L. Shannon, United States Bankruptcy Judge for the District of Delaware, at the Court, 824 North Market Street, 6th Floor, Courtroom No. 1, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the entry of an order granting the relief sought in the Motion must be in writing and filed with the Court on or before **December 29, 2025 at 4:00 p.m. (ET) (the “Objection Deadline”)**. At the same time, you must serve a copy of the response or objection upon the undersigned counsel to the Liquidating Trustee so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

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¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their respective tax identification numbers, are as follows: LL Flooring Holdings, Inc. (0817); LL Flooring, Inc. (9199); Lumber Liquidators Leasing, LLC (N/A); LL Flooring Services, LLC (5960); and Lumber Liquidators Foreign Holdings, LLC (4568). The address for correspondence related to the Debtors and/or the Liquidating Trust is c/o LL Flooring Liquidating Trust, 27 Crimson King Drive, Bear, DE 19701.

Dated: December 11, 2025
Wilmington, Delaware

/s/ Patrick J. Reilley

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Counsel to the Liquidating Trustee

Exhibit A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
	)	
LL Flooring Holdings, Inc., <i>et al.</i> , ¹	)	Case No. 24-11680 (BLS)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	Re: Docket No. ____

**ORDER APPROVING SETTLEMENT
AGREEMENT WITH GENESIS CREDIT PARTNERS LLC**

Upon consideration of the *Liquidating Trustee's Motion for an Order Approving Settlement Agreement with Genesis Credit Partners LLC* (the "Motion");² and the United States District Court for the District of Delaware having jurisdiction to consider this Motion under 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Liquidating Trustee's notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and that no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their respective tax identification numbers, are as follows: LL Flooring Holdings, Inc. (0817); LL Flooring, Inc. (9199); Lumber Liquidators Leasing, LLC (N/A); LL Flooring Services, LLC (5960); and Lumber Liquidators Foreign Holdings, LLC (4568). The address for correspondence related to the Debtors and/or the Liquidating Trust is c/o LL Flooring Liquidating Trust, 27 Crimson King Drive, Bear, DE 19701.

² Capitalized terms used but not defined herein shall have the meanings ascribed to the terms in the Motion.

of the relief requested therein at a hearing before this Court, if any (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.
2. The Settlement Agreement, attached hereto as **Exhibit 1**, is APPROVED in its entirety, and the Liquidating Trustee is authorized to enter into and effectuate the Settlement Agreement and its terms.
3. The Liquidating Trustee is authorized to take any action necessary or appropriate to give effect to this Order and the relief granted herein.
4. This Order shall be effective and enforceable by its terms immediately upon entry.
5. The Court shall retain jurisdiction with respect to any matter arising from or related to this Order, including the interpretation, enforcement and implementation of this Order.

Exhibit 1

Settlement Agreement

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SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (the “Settlement Agreement”) is made by and between: (1) Steven Balasiano, solely in his capacity as liquidating trustee (the “Liquidating Trustee”) on behalf of the LL Flooring Liquidating Trust (the “Trust”) and the Debtors’ estates in the Chapter 11 Cases (as defined herein); and (2) Genesis Credit Partners LLC (“GCP”). Hereinafter, the Liquidating Trustee and GCP are referred to collectively as the “Parties”).

WHEREAS, on August 11, 2024, the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), commencing the chapter 11 cases (the “Chapter 11 Cases”) jointly administered as *In re LL Flooring Holdings, Inc.*, et al., Case No. 24-11680 (BLS).

WHEREAS, on August 21, 2024, the Office of the United States Trustee (the “UST”) appointed the Official Committee of Unsecured Creditors (the “Committee”) pursuant to section 1102(a)(1) of the Bankruptcy Code [ECF No. 116] and the Committee thereafter selected professionals, including GCP to serve as its financial adviser in the Chapter 11 Cases;

WHEREAS, by Order entered on October 15, 2024 [ECF No. 448], the Bankruptcy Court approved the Committee’s application seeking to authorize the employment and retention of GCP as co-financial advisor to the Committee effective as of August 23, 2024 (the “GCP Retention Order”);

WHEREAS, on November 4, 2025, the Debtors filed their *Amended Joint Chapter 11 Plan of Liquidation for LL Flooring Holdings, Inc. and its Affiliated Debtors* [ECF No. 527] (the “Plan”),¹ which the Bankruptcy Court approved on December 18, 2024, by entering the *Findings of Fact, Conclusions of Law, and Order Approving the Disclosure Statement on a Final Basis and Confirming the Second Amended Joint Chapter 11 Plan of Liquidation for LL Flooring Holdings, Inc. and its Affiliated Debtors* [ECF No. 701] (the “Confirmation Order”). The effective date of the Plan was December 20, 2024. See ECF No. 718 (the “Effective Date”);

WHEREAS, GCP provided certain post-Effective Date professional services (the “Post-Effective Date Services”) for the Trust;

WHEREAS, on January 29, 2025, GCP filed its *Combined Fourth Monthly and Final Fee Application of Genesis Credit Partners LLC, Co-Financial Advisor to the Official Committee of Unsecured Creditors, for Allowance of Compensation and Reimbursement of Expenses for the Monthly Period from December 1, 2024 through December 20, 2024 and the Final Period from August 23, 2024 through December 20, 2024* [ECF No. 808] (the “Final Fee”

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Plan.

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Application”), seeking the approval on a final basis and payment of GCP’s professional fees in the total amount of \$1,313,120.00² (the “GCP Fees”) for services rendered, and reimbursement of GCP’s net expenses in the amount of \$10,464.39 (the “GCP Expenses”), with the hearing to consider approval of the Final Fee Application adjourned to a date to be determined;

WHEREAS, issues have been raised concerning the Final Fee Application, including formal objections raised by the UST in its objection to the Final Fee Application dated February 19, 2025 [ECF No. 819] (the “UST Objection”) and informal objections by the Liquidating Trustee;

WHEREAS, following good faith negotiations, the Parties desire to avoid the cost and uncertainty of further litigation and seek to resolve, settle and compromise all disputes between them, including, but not limited to, disputes relating to the Final Fee Application, without admission of any wrongdoing or liability, on the terms set forth herein; and

WHEREAS, GCP has agreed to the GCP Fee Reduction (as defined herein) and to pay the Settlement Payment (as defined herein) to the Trust, subject to the terms and conditions set forth below, in full and final settlement of all issues raised or that could have been raised by the Liquidating Trustee regarding the Final Fee Application in exchange for the releases and other consideration set forth herein.

NOW, THEREFORE, in reliance upon and in consideration of the representations, warranties and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

SETTLEMENT AGREEMENT

1. Incorporation of Recitals. The recitals and prefatory phrases and paragraphs set forth above are hereby incorporated in full into, and made a part of, this Settlement Agreement.
2. Tax Documentation, the GCP Fee Reduction and the Settlement Payment. The Trust shall deliver to GCP a completed IRS Form W-9 together with its delivery of the executed Settlement Agreement. In exchange for the full execution of this Settlement Agreement by, or on behalf of, each of the Parties hereto, and the releases described in paragraph 10 of this Settlement Agreement, GCP shall (a) waive (i) the unpaid Hold-Back Amount totaling \$119,642.26 in the Chapter 11 Cases (the “GCP Fee Reduction”) and (ii) any amounts outstanding relating to Post-Effective Date Services and (b) pay, or cause to be paid, to the Liquidating Trustee the amount of \$180,000.00 U.S. Dollars (the “Settlement Payment”). The Settlement Payment shall be made in accordance with the payment instructions set forth in Exhibit A hereto. The Settlement Payment shall be made by GCP to the Trust

² Of the GCP Fees, a total of \$119,642.26 is currently being held-back and remains unpaid (the “Hold-Back Amount”).

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within ten business days after: (i) entry of a Final Order (as defined in paragraph no. 3 below) approving this Settlement Agreement (the “Final Settlement Order”) and (ii) delivery of the IRS Form W-9 to GCP (the “Payment Deadline”). Subject to the Liquidating Trustee’s receipt of the Settlement Payment set forth in this Settlement Agreement, and the inclusion of the GCP Fee Reduction in the proposed Final Fee Order, the Liquidating Trustee will consent to and not in any way object to or otherwise contest entry of entry of a Final Order approving the Final Fee Application (the “Final Fee Order”). If the Settlement Payment is not paid by GCP on or before the Payment Deadline, or as otherwise agreed to by the Parties in writing, this Settlement Agreement shall become null and void.

3. Bankruptcy Court Approval Required. Notwithstanding paragraph 104 of the Confirmation Order and Section IV.C.5.d of the Plan, the Parties agree to seek Bankruptcy Court approval of this Settlement Agreement. No later than ten (10) days after the full execution of this Settlement Agreement, the Liquidating Trustee shall prepare and file a motion (the “Motion”) with the Bankruptcy Court (in form and substance acceptable to GCP) for entry of the Final Settlement Order. In the event that the Bankruptcy Court does not grant the Motion by entry of such Final Order, this Agreement shall be null and void and of no force and effect against the Parties. An order will be considered to be a “Final Order” if the order is not subject to any timely appeal.
4. No Waiver. It is understood and agreed by the Parties that this Settlement Agreement represents a compromise and settlement of the Liquidating Trustee’s objection to GCP’s Final Fee Application. Notwithstanding anything to the contrary herein, in the event that (i) GCP enters into a settlement with any other party that provides for a reduction of GCP’s fees in an amount greater than the GCP Fee Reduction agreed to under this Settlement Agreement, or (ii) the Bankruptcy Court enters the Final Fee Order, but in doing so reduces GCP’s fees in an amount greater than the GCP Fee Reduction (each, a “Greater Reduction”), the GCP Fee Reduction under this Settlement Agreement shall be deemed adjusted to reflect the Greater Reduction, and any such additional Greater Reduction shall be paid to the Liquidating Trustee notwithstanding anything in this Settlement Agreement to the contrary. The Liquidating Trustee agrees that pending entry of the Final Settlement Order and Final Fee Order, the Liquidating Trustee shall not take any action to impede the entry of such Final Settlement Order and Final Fee Order, or take any action to seek, advocate for, suggest or in any way support implementation of any Greater Reduction.
5. No Admission. It is understood and agreed by the Parties that this Settlement Agreement is a compromise and settlement of disputed matters and the execution, delivery, and performance of this Settlement Agreement (and any releases and other agreements related hereto) shall not be deemed or construed as an admission of liability or responsibility at any time or for any purpose whatsoever. In the event that the settlement contemplated in this Settlement Agreement is not consummated (for any reason whatsoever), then (a) the entry into this Settlement Agreement by the Parties shall not be deemed or construed as (i) a waiver or release of any claims, arguments, or defenses held by or otherwise available to any of the Parties, or (ii) an admission of liability or responsibility by any of the Parties; (b) each Party shall have the right to assert or otherwise maintain all claims, arguments, and defenses available to it, including, without limitation, all claims, arguments, and defenses available to it immediately prior to entering into this Settlement Agreement; and (c) the

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Settlement Payment (as provided in paragraph 2) shall be promptly returned to GCP and GCP's rights with respect to all outstanding fees and expenses for Post-Effective Date Services shall be preserved.

6. Voluntary Agreement. The Parties each acknowledge and agree that each of them is entering into this Settlement Agreement freely and voluntarily (after having received legal advice from the counsel of their respective choosing) and not acting under any misapprehension as to the effect hereof and has acted and does hereby act freely and voluntarily and not under any coercion or duress, and acknowledge that good and valuable consideration was and has been received. The Parties each declare that this Settlement Agreement is freely and fairly made and that, except as specifically referenced in this Settlement Agreement, there are no other agreements, oral or written or otherwise, pertaining to the subject matter of this Settlement Agreement.
7. Entire Agreement. This Settlement Agreement is an integrated instrument, containing the entire understanding among the Parties regarding the matters addressed herein and, except as set forth expressly in this Settlement Agreement, no representations, warranties, or promises have been made or relied upon by the Parties. This Settlement Agreement shall prevail over prior communications between the Parties or their representatives regarding the matters contained herein.
8. Further Assurances. Each of the Parties shall execute and deliver any additional papers, documents, and other assurances, and shall do any acts and things reasonably necessary in connection with the performance hereunder and to carry out the intent of this Settlement Agreement. The Parties further agree not to take any action that may frustrate the intent or purpose of this Settlement Agreement.
9. Execution and Due Authority. This Settlement Agreement may be executed in multiple counterparts, each of which shall be deemed an original. Each person executing this Settlement Agreement represents and warrants that he or she is duly authorized to execute and to legally bind the person or entity on whose behalf he or she is executing this Settlement Agreement.
10. Attorney Fees and Costs. Each Party shall bear its own costs and expenses in connection with this matter, including legal fees and expenses.
11. Mutual Release. Upon (i) the Liquidating Trustee's receipt of the Settlement Payment and (ii) entry of the final order approving the Final Fee Application that includes the GCP Fee Reduction, each of (x) the Liquidating Trustee, for and on behalf of the Liquidating Trust and the Debtors' estates, on the one hand, and (y) GCP on the other hand, do forever waive, release, acquit and forever discharge each other and all of their respective past or present officers, directors, employees, representatives, agents and professionals, and all of their respective subsidiaries, affiliates, successors and assigns, from any and all claims, demands, rights, liabilities or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, whether asserted or unasserted, that are based upon, related to, or arising out of or in connection with the GCP Retention Order, GCP's services pursuant to the GCP Retention Order, the Final Fee Application, and GCP's Post-Effective Date Services for the Liquidating Trust. Nothing in this Settlement

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Agreement shall release, waive, adversely affect or in any way limit or invalidate: (a) rights, claims or remedies of any Party arising under or pursuant to this Settlement Agreement; or (b) GCP's right to seek the entry the Final Fee Order, which shall reflect the GCP Fee Reduction entered in accordance with this Settlement Agreement. For avoidance of doubt, the Liquidating Trustee shall not object to GCP retaining any fee payments received in accordance with the *Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and (II) Granting Related Relief* [ECF No. 209]; provided, however, the receipt and retention of such payments shall not conflict with the terms of this Settlement Agreement or any Final Fee Order.

12. Headings. Section headings contained in this Settlement Agreement are for purposes of organization only and shall not constitute a part of this Settlement Agreement.
13. Construction. This Settlement Agreement is the product of arm's-length negotiations among the signatory parties regarding a compromise of disputed claims, and no Party shall be deemed to be the drafter of the Settlement Agreement or any provision of this Settlement Agreement, nor shall any part of this Settlement Agreement be construed against another Party on the basis of that Party's identity as the drafter of any part of this Settlement Agreement.
14. Binding Agreement. This Settlement Agreement shall be binding upon the Parties and each of their respective executors, heirs, successors, and assigns.
15. Governing Law. This Settlement Agreement shall be governed in all respects by, and interpreted in accordance with, the laws of the State of Florida, without giving effect to choice of law principles.
16. Amendments. No amendments to the terms of this Settlement Agreement shall be valid unless made in writing and signed by all Parties.

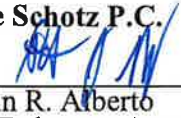
[SIGNATURE PAGES FOLLOW]

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IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of
December 4, 2025.

On behalf of the Liquidating Trustee, on behalf of the LL Flooring Liquidating Trust and the Debtors' Estates in the Chapter 11 Cases

Cole Schotz P.C.

By: 

Justin R. Alberto

500 Delaware Avenue, Suite 600

Wilmington, Delaware 19801

Email: jalberto@coleschotz.com

Counsel to the Liquidating Trustee

On behalf of GCP:

Pashman Stein Walder Hayden, P.C

By: 

John W. Weiss, Esq.

101 Crawfords Corner Road, Suite 4202

Holmdel, NJ 07733

Email: jweiss@pashmanstein.com

Counsel to GCP

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Exhibit A: Settlement Payment Instructions

Intentionally Omitted