

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

SAGA FORMATIONS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-11161 (BLS)

(Jointly Administered)

Hearing Date: October 29, 2025 @ 10:00 a.m. ET

Objection Date: October 29, 2025 @ 10:00 a.m. ET

CHAPTER 11 TRUSTEE'S MOTION FOR ENTRY OF AN ORDER SHORTENING  
NOTICE OF HEARING ON TRUSTEE'S MOTION FOR ENTRY OF AN ORDER  
APPROVING SETTLEMENT AGREEMENT WITH AMAZON

Claudia Z. Springer, not individually but as the Chapter 11 Trustee (the "Trustee") of the estates of Saga Formations, Inc. f/k/a Epic Creations, Inc., Pajeau, Inc. f/k/a Neuron Fuel, Inc., and Tangible Play, Inc. ("Tangible Play," together with Saga Formations, Inc. f/k/a Epic Creations, Inc. and Pajeau, Inc. f/k/a Neuron Fuel, Inc., collectively the "Debtors" and, each, a "Debtor"), respectfully moves (the "Motion to Shorten") as follows:

**RELIEF REQUESTED**

1. By this Motion to Shorten, the Trustee requests, pursuant to section 105(a) of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9006-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order") shortening the notice period for the hearing on the *Trustee's*

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Saga Formations, Inc. (9113); Pajeau, Inc. (8758); and Tangible Play, Inc. (9331).



*Motion for Entry of an Order Approving Settlement with Amazon*<sup>2</sup> (the “Motion”),<sup>3</sup> filed contemporaneously herewith.

### **JURISDICTION**

2. The Court has jurisdiction over the Motion to Shorten pursuant to 28 U.S.C. § 1334(b) 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 within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and the Motion to Shorten is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory basis for the relief requested herein is section 105 of the Bankruptcy Code, Bankruptcy Rules 2002 and 9006, and Rule 9006-1(e) of the Local Rules.

4. Pursuant to Local Rule 9013-1(f), the Trustee consents to the entry of a final order by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

### **RELEVANT BACKGROUND**

#### ***a. General Background***

5. On June 4-5, 2024, GLAS Trust Company LLC, in its capacity as administrative and collateral agent (“GLAS”) under the November 24, 2021, Credit and Guaranty Agreement and certain lenders under the same filed an involuntary chapter 11 petition against each Debtor. [D.I. 1]

---

<sup>2</sup> “Amazon” shall mean Amazon.com, Inc., Amazon.com Services, Inc., Amazon Web Services, Inc., and their direct and indirect subsidiaries and affiliates.

<sup>3</sup> Capitalized terms not defined herein are used as defined in the Motion, which is incorporated herein by reference.

6. On June 27, 2024, this Court entered an order directing joint administration of the Debtors' cases for procedural purposes. [D.I. 61].

7. On September 16, 2024, this Court entered an order for relief in the Debtors' involuntary Chapter 11 Cases and directed the appointment of a chapter 11 trustee as a default sanction based on the Debtors' failure to comply with their discovery obligations to GLAS and the petitioning lender creditors. [D.I. 147]

8. On September 23, 2024, the United States Trustee for Region 3 (the "U.S. Trustee") duly appointed the Claudia Z. Springer as chapter 11 trustee of each Debtor, subject to approval by the Court, *see* D.I. 152, and on October 7, 2024, this Court entered the *Order Approving the Appointment of Claudia Z. Springer as Chapter 11 Trustee*. *See* D.I. 180.

9. On January 31, 2024, the Trustee filed each Debtor's schedules of assets and liabilities and statement of financial affairs. [D.I. 483–488], and the Lease and Guaranty Agreement was listed in the Schedules for Tangible Play.

10. On October 14, 2025, the Trustee filed the *Second Amended Combined Disclosure Statement and Chapter 11 Plan for the Estates of Saga Formations, Inc., Pajeau, Inc., and Tangible Play, Inc.* [D.I. 971] (as modified, amended, or supplemented from time to time, the "Plan"). Confirmation of the Plan is set for October 29, 2025.

***b. The Dealings with Amazon***

11. Prior to the Petition Date, Tangible Play sold products to Amazon.com Services, Inc. pursuant to Amazon's Vendor Terms and Conditions and certain additional annual agreements (collectively, the "Vendor Agreements"). Tangible Play and certain of its non-Debtor affiliates also purchased certain advertising and other services from Amazon Web Services, Inc. under various separate agreements (collectively, the "Services Agreements").

12. Amazon has asserted post-petition administrative claims as well as setoff and recoupment claims (the “Deduction”) against certain Tangible Play funds held in a Tangible Play account with Amazon.com Services, Inc. (the “Tangible Play Account”) with a present balance of approximately \$935,000. By the Deduction, Amazon sought to withhold \$847,000 of those funds on account of the Deduction. The Trustee disputed the validity of the \$847,000 Deduction.

13. As set forth in the Motion, the parties have now agreed that \$638,927.00 of the funds held in the Tangible Play Account shall be released to Tangible Play, with the remainder allocated to Amazon for the Deduction (the “Settlement Agreement”).

**CERTIFICATION PURSUANT TO LOCAL RULE 9006-1(e)**

14. In accordance with Local Rule 9006-1(e), prior to the filing of this Motion and Motion to Shorten, the Trustee reached out to GLAS and the U.S. Trustee to ascertain if either would oppose permitting the Motion to be heard on October 29, 2025 at 10:00 am (ET). The U.S. Trustee takes no position with respect to the Motion to Shorten and GLAS does not object the Motion to Shorten.

**BASIS FOR RELIEF**

15. Under Bankruptcy Rule 9006, the Court may order time periods set by the Bankruptcy Rules to be reduced “for cause shown.” Fed. R. Bank. P. 9006(c)(1). In exercising such discretion, the court should “consider the prejudice to parties entitled to notice and weigh this against the reasons for hearing the motion on an expedited basis.” *In re Phila. Newspapers, LLC*, 690 F.3d 161, 171–72 (3d Cir. 2012) (noting the commonality of such motions “[g]iven the accelerated time frame of bankruptcy proceedings”). Local Rule 9006-1(e) likewise provides for shortened notice “by order of the Court, on written motion . . . specifying the exigencies justifying shortened notice.” Del. Bankr. L.R. 9006-1(e).

16. Pursuant to section 102(1) of the Bankruptcy Code, the phrase “after notice and a hearing” requires only such notice and opportunity for a hearing as may be appropriate under the circumstances. 11 U.S.C. § 102(1) (2018). Section 105(a) of the Bankruptcy Code provides that the Court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions” of the Bankruptcy Code. *Id.* § 105(a).

17. Here, time is of the essence as the parties desire to commence the obligations under the Settlement Agreement as expeditiously as possible which would mean that the Settlement Agreement funds would come into the Debtors’ estates prior to or just as the wind down process begins. Moreover, granting the requested relief will not unfairly prejudice any of the Debtors’ creditors or other parties in interest because the Motion and underlying Settlement Agreement provides a substantial benefit to the Debtors’ estates, namely Tangible Play’s.

18. Therefore, the Trustee respectfully requests the Court to shorten notice of the Motion and submits that shortening notice of the Motion as requested herein is reasonable under the circumstances.

19. For these reasons, the Trustee respectfully submits that allowing the Motion to be considered on shortened notice at a hearing on October 29, 2025 at 10:00 am (ET), is reasonable and appropriate under the circumstances.

### **CONCLUSION**

**WHEREFORE**, the Trustee respectfully requests entry of an order, substantially in the form of the proposed order, attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: October 23, 2025  
Wilmington, Delaware

**PASHMAN STEIN WALDER  
HAYDEN, P.C.**

/s/ Alexis R. Gambale

Henry J. Jaffe (No. 2987)  
Joseph C. Barsalona II (No. 6102)  
Alexis R. Gambale (No. 7150)  
824 N. Market Street, Suite 800  
Wilmington, DE 19801  
Telephone: (302) 592-6496  
Email: hjaffe@pashmanstein.com  
jbarsalona@pashmanstein.com  
agambale@pashmanstein.com

-and-

**JENNER & BLOCK LLP**

Catherine Steege (admitted *pro hac vice*)  
Melissa Root (admitted *pro hac vice*)  
William A. Williams (admitted *pro hac vice*)  
353 N. Clark Street  
Chicago, Illinois 60654  
Telephone: (312) 923-2952  
Email: csteege@jenner.com  
mroot@jenner.com  
wwilliams@jenner.com

*Co-Counsel to the Trustee*

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

In re:

SAGA FORMATIONS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-11161 (BLS)

(Jointly Administered)

Hearing Date: October 29, 2025 @ 10:00 a.m. ET

Objection Date: October 29, 2025 @ 10:00 a.m. ET

**NOTICE OF HEARING REGARDING CHAPTER 11 TRUSTEE'S MOTION FOR  
ENTRY OF AN ORDER SHORTENING NOTICE OF HEARING  
ON TRUSTEE'S MOTION FOR ENTRY OF AN ORDER  
APPROVING SETTLEMENT AGREEMENT WITH AMAZON**

**PLEASE TAKE NOTICE** that, today, Claudia Z. Springer, Esq., in her capacity as Chapter 11 Trustee (the "Trustee") of Saga Formations, Inc. ("Saga"), Pajeau, Inc. ("Pajeau"), and Tangible Play, Inc. ("Tangible Play," together with Epic and Neuron Fuel, collectively the "Debtors") filed the *Chapter 11 Trustee's Motion for Entry of an Order Shortening Notice of Hearing on Trustee's Motion for Entry of an Order Approving Settlement Agreement with Amazon* (the "Motion to Shorten").

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the Motion to Shorten must (a) be in writing, (b) be filed with the Clerk of the Bankruptcy Court, 824 Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801, on or before **October 29, 2025 at 10:00 a.m. (ET)** (the "Objection Deadline"), and (c) served as to be received on or before the Objection Deadline upon (i) the Debtors, (ii) counsel to the Trustee, Jenner & Block LLP, 353 N. Clark Street, Chicago, Illinois 60654, Attn: Catherine Steege (csteege@jenner.com) and Melissa Root (mroot@jenner.com); (iii) co-counsel to the Trustee, Pashman Stein Walder Hayden, P.C., 824 N. Market Street, Suite 800, Wilmington, DE 19801, Attn: Henry J. Jaffe (hjaffe@pashmanstein.com), Joseph C. Barsalona II (jbarsalona@pashmanstein.com) and Alexis R. Gambale (agambale@pashmanstein.com), and (iv) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware, 19801, Attn: Linda J. Casey (Linda.Casey@usdoj.gov).

**PLEASE TAKE FURTHER NOTICE** that only objections made in writing and timely filed and received, in accordance with the procedures above, will be considered by the Bankruptcy Court at such hearing.

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Saga Formations, Inc. (9113); Pajeau, Inc. (8758); and Tangible Play, Inc. (9331).

**PLEASE TAKE FURTHER NOTICE THAT A FINAL HEARING ON THE MOTION TO SHORTEN WILL BE HELD ON OCTOBER 29, 2025 AT 10:00 A.M. (ET) BEFORE THE HONORABLE BRENDAN L. SHANNON, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, 6<sup>TH</sup> FLOOR, COURTROOM 1, WILMINGTON, DELAWARE 19801.**

**IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION TO SHORTEN WITHOUT FURTHER NOTICE OR HEARING.**

Dated: October 23, 2025  
Wilmington, Delaware

**PASHMAN STEIN WALDER HAYDEN, P.C.**

/s/ Alexis R. Gambale  
Henry J. Jaffe (No. 2987)  
Joseph C. Barsalona II (No. 6102)  
Alexis R. Gambale (No. 7150)  
824 N. Market Street, Suite 800  
Wilmington, DE 19801  
Telephone: (302) 592-6496  
Email: hjaffe@pashmanstein.com  
jbarsalona@pashmanstein.com  
agambale@pashmanstein.com

-and-

**JENNER & BLOCK LLP**  
Catherine Steege (admitted *pro hac vice*)  
Melissa Root (admitted *pro hac vice*)  
William A. Williams (admitted *pro hac vice*)  
353 N. Clark Street  
Chicago, Illinois 60654  
Telephone: (312) 923-2952  
Email: csteege@jenner.com  
mroot@jenner.com  
wwilliams@jenner.com



**Exhibit A**

**Proposed Order**

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

In re:

SAGA FORMATIONS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-11161 (BLS)

(Jointly Administered)

**ORDER SHORTENING NOTICE OF HEARING ON  
CHAPTER 11 TRUSTEE’S MOTION FOR AN ORDER  
APPROVING SETTLEMENT AGREEMENT WITH AMAZON**

Upon the motion (the “Motion to Shorten”)<sup>2</sup> of Claudia Z. Springer, Esq., in her capacity as Chapter 11 Trustee (the “Trustee”) of Debtors for entry of an order (the “Order”) shortening notice of the *Trustee’s Motion for Entry of an Order Approving Settlement with Amazon* (the “Motion”), the Court having reviewed the Motion to Shorten and found that the relief requested therein is justified under the circumstances,

**IT IS HEREBY ORDERED THAT:**

1. The Motion to Shorten is **GRANTED**.
2. The Motion will be considered at the hearing scheduled for October 29, 2025 at 10:00 am (ET) (the “Hearing”).
3. Objections, if any, to the relief requested in the Motion must be filed and served so as to be received by the Trustee by no later than the time set for the Hearing.

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Saga Formations, Inc. (9113); Pajeau, Inc. (8758); and Tangible Play, Inc. (9331).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion to Shorten.

4. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.