IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
AMERICAN SIGNATURE, INC., *et al.*,[1]	)	Case No. 25-12105 (JKS)
Debtors.	)	(Jointly Administered)

Objection Deadline: September 22, 2026 at 4:00 p.m. (ET)
Hearing Date: October 14, 2026 at 1:30 p.m. (ET)

DEBTORS' MOTION FOR APPROVAL OF SETTLEMENT BY AND BETWEEN DEBTORS AND CIT

The above-captioned debtors and debtors-in-possession (collectively, the "Debtors") respectfully state as follows in support of this motion (the "Motion"):

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A (the "Proposed Order"), pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and sections 105 and 363 of title 11 of the United States Code (the "Bankruptcy Code"): (a) approving a remittance agreement (the "Agreement") by and between the Debtors and The CIT Group/Commercial Services, Inc. ("CIT" and together with the Debtors, the "Parties"); and (b) granting related relief. A true and correct copy of the Agreement is attached as Exhibit 1 to the Proposed Order.[2]

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: American Signature, Inc. (6162); American Signature Home Inc. (8573); American Signature USA Inc. (6162); ASI Pure Promise Insurance LLC (6162); ASI Elston LLC (7520); ASI – Laporte LLC (6162); ASI Polaris LLC (6162); ASI Thomasville LLC (6162); and American Signature Woodbridge LLC (6162). The Debtors' business address is 4300 E. 5th Avenue, Columbus, OH 43235.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

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2. In further support of this Motion, the Debtor submits the *Declaration of Rudolph Morando in Support of Debtors' Motion for Approval of Settlement By and Between Debtors and CIT* (the "Declaration"), which is attached hereto as **Exhibit B**.

Jurisdiction and Venue

3. 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") pursuant to 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 matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Debtors confirm their consent, pursuant to Rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), to the entry of a final order by the Court in connection with this Motion to the extent that it is later 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.

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

5. The statutory bases for the relief requested herein are sections 105 and 363 of the Bankruptcy Code and Bankruptcy Rule 9019.

Background

6. On November 22, 2025 (the "Petition Date"), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On November 25, 2025, the Court entered an order [Docket No. 72] authorizing the procedural consolidation and joint administration of these chapter 11 cases pursuant to

Bankruptcy Rule 1015(b) and Local Rule 1015-1. On December 4, 2025, the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed an official committee of unsecured creditors [Docket No. 119] (the "Committee"). No request for the appointment of a trustee or examiner has been made in these chapter 11 cases (the "Chapter 11 Cases").

The CIT Factoring Program

7. In the ordinary course of its business, CIT factored, purchased, was assigned and/or made other financial accommodations with respect to certain accounts receivable arising from the sale of goods and/or provision of services by numerous vendors (collectively, "Factored Accounts") to the Debtors which are clients of CIT and/or certain clients of refactoring clients of CIT (referred to herein collectively as, the "CIT Clients").[3] Prior to the filing of the Bankruptcy Case, CIT received and/or the CIT Clients received payments and/or other transfers from the Debtors on Factored Accounts, including payments within the 90 days prior to the Petition Date (the "Preference Period"), which may have been to or for the benefit of CIT and/or the Clients, thus, potentially exposing CIT and/or the CIT Clients to claims under Chapter 5 of the Bankruptcy Code (collectively, the "Avoidance Claims")

8. Prior to the Petition Date, the Debtors entered into an agreement with PNC Bank, National Association (the "Bank") to issue an Irrevocable Standby Letter of Credit dated June 9, 2017 in the face amount of $5,000,000.00 for the benefit of CIT, which ultimately was for the amount of $7,193,865 (as amended and supplemented, the "Letter of Credit") to induce CIT to factor, purchase, be assigned, and/or make other financial accommodations with respect to the Factored Accounts

[3] The CIT Clients are (a) Behold Washington, (b) Bernet Intl FIB, (c) Dickson Furniture Int'l LLC, (d) Elements Int'l, (e) Furniture World Direct, (f) Hughes Furniture, (g) Linon Home Decor Products, and (h) Palmetto Home LLC.

9. Upon the filing of these Chapter 11 Cases, CIT initiated a draw on the Letter of Credit and received $7,193,865.00 (the "LOC Proceeds") from the Bank as the result of such draw. CIT has applied the LOC Proceeds to the payment of certain Factored Accounts (each and collectively, "Applied Accounts" and the "Application") pursuant to the following schedule:

	Vendor		Amount	Ref.
1.)	DICKSON FURNITURE INTL LL	$	3,970,226	
2.)	PALMETTO HOME LLC		1,424,094	
3.)	ELEMENTS INT'L		350,000	
4.)	LINON HOME DECOR PRODUCTS		348,488	
5.)	BERNET INTL FIB		142,093	
6.)	FURNITURE WORLD DIRECT		30,929	
7.)	BEHOLD WASHINGTON		8,403	
8.)	**Total Invoice Amount**	**$**	**6,274,233**	[A]
9.)	**Total LC Amount**	**$**	**7,193,865**	[B]
10.)	**Net Amount Due to / (from) CIT**	**$**	**(919,632)**	[A-B]

10. After the Application, approximately $919,517.01 of the LOC Proceeds remains in the possession of CIT ("LOC Balance") which are not needed by CIT to satisfy any amounts owed on Applied Accounts but which remain subject to CIT's right under applicable law and the terms of the Letter of Credit.

The Proposed Remittance Agreement

11. The Parties have engaged in good faith, arms' length negotiations in an effort to arrange for the refund of the LOC Balance to the Debtors. As a result of these negotiations, the Parties have agreed to the terms of the Agreement, the material terms of which are summarized as follows:[4]

[4] The summary is qualified in its entirety by reference to the Agreement. In the event of any conflict between this summary and the Agreement, the Agreement controls.

(a) CIT shall remit the LOC Balance to the Debtors within ten (10) business days of the later of the date (a) the order approving this Motion becomes final and non-appealable or (b) CIT receives a copy of the approval order and an IRS Form W-9 completed by the Debtors related to the wire transfer instructions;

(b) Effective immediately upon CIT's remittance of the LOC Balance to the Debtors, the Debtors and their estates shall release CIT and all CIT Clients from/for any and all claims related to: (i) any payment, transfer, remittance, credit, deduction and/or other conveyance to or for the benefit of CIT, (ii) any payment, transfer, remittance, credit, deduction and/or other conveyance to or for the benefit of any CIT Client with respect to any Factored Account, (iii) any Factored Account, (iv) the Letter of Credit and/or any draw thereon and/or application or use thereof and/or (v) any Avoidance Claims (collectively, "Released Claims");

(c) CIT agrees that it shall not assert any claim in the Bankruptcy Case with respect to the Applied Accounts or CIT's remittance of the LOC Balance to the Debtors; and

(d) The Debtors agree to indemnify CIT against any and all claims as the result of: (i) breach of any representation and warranty made by the Debtors to CIT and/or (ii) breach of any covenant or agreement on the part of the Debtors related to the Agreement.

Basis for Relief

I. Entry into the Agreement Is Appropriate under Bankruptcy Rule 9019

12. The settlement embodied in the Agreement is the type of compromise that is recognized as a favored method of minimizing litigation, expediting the administration of the bankruptcy estate, and providing for the efficient resolution of bankruptcy cases. *See In re Martin*, 91 F.3d 389, 393 (3d Cir. 1996). Bankruptcy Rule 9019 provides that, "[o]n motion by the [debtor

in possession] and after notice and a hearing, the court may approve a compromise or settlement." Fed. R. Bankr. P. 9019(a). In deciding whether to approve a settlement pursuant to Bankruptcy Rule 9019, courts consider whether "the compromise is fair, reasonable, and in the interest of the estate." *In re Marvel Entm't Grp., Inc.*, 222 B.R. 243, 249 (D. Del. 1998) (quoting *In re Louise's, Inc.*, 211 B.R. 798, 801 (D. Del. 1997)). Although approval of a compromise is within the Court's discretion, the Court does not substitute its judgment for that of a trustee or debtor in possession. *See In re World Health Alternatives, Inc.*, 344 B.R. 291, 296 (Bankr. D. Del. 2006); *In re Parkview Hosp.-Osteopathic Med. Ctr.*, 211 B.R. 603, 610 (Bankr. N.D. Ohio 1996). Accordingly, courts generally defer to a debtor's business judgment when there is a "legitimate business justification" for the decision. *In re Martin*, 91 F.3d at 395.

13. The Third Circuit has provided "four criteria that a bankruptcy court should consider" in determining whether to approve a compromise: "(1) the probability of success in litigation; (2) the likely difficulties in collection; (3) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (4) the paramount interest of the creditors." *Id.* at 393 (citing *In re Neshaminy Office Bldg. Assocs.*, 62 B.R. 798, 803 (E.D. Pa. 1986)). When applying the *Martin* factors to a particular motion, "[t]he court is not supposed to have a 'mini-trial' on the merits, but should 'canvass the issues to see whether the settlement falls below the lowest point in the range of reasonableness.'" *In re Jasmine, Ltd*, 258 B.R. 119, 123 (D.N.J. 2000) (quoting *Neshaminy*, 62 B.R. at 803); *see also In re TSIC, Inc.*, 393 B.R. 71, 79 (Bankr. D. Del. 2008) (quoting *Protective Comm. for Indep. S'holders of TMT Trailer Ferry v. Anderson*, 390 U.S. 414, 425 (1968)) ("Basic to the process of evaluating a proposed settlement, then, is the 'need to compare the terms of the compromise with the likely rewards of the litigation.'"); *In re World Health*, 344 B.R. at 296 (citations and internal quotation marks omitted)

("In the final analysis, 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.").

14. The Debtors submit that the compromise embodied in the Agreement is fair, reasonable, and in the best interests of the Debtors, their creditors, and their estates, and that it satisfies each of the applicable *Martin* factors.

15. First, the probability of success in litigation favors approval of the settlement. While neither CIT nor the Debtors are currently pursuing litigation regarding the return of the LOC Balance, any disagreement among the Parties would require litigation, and the ultimate outcome of such litigation is uncertain. While the settlement provides for the waiver of the Avoidance Actions against the CIT Clients, the prosecution of such Avoidance Action are subject to all defenses of the CIT Clients. The compromise set forth in the Agreement eliminates these risks.

16. Second, the likely difficulties in collection favors settlement. Because CIT has drawn the LOC Proceeds, the Debtors would need to commence litigation against CIT to demand turnover. Moreover, with respect to the waiver of Avoidance Actions against the CIT Clients, any recovery from the CIT Client defendants would need to be paid by CIT to their clients from the LOC Proceeds thereby reducing the LOC Balance to be refunded to the estates. The Agreement eliminates the need for the estates to devote resources to any unnecessary litigation.

17. Third, the complexity of litigation and the attendant expense, inconvenience, and delay strongly favor approval of the settlement. Resolution of the disposition of the LOC Proceeds and related disputes would require substantial work on the part of the Debtors and their professionals, resulting in additional administrative costs to the Debtors' estates. The settlement

would allow the Debtors to eliminate any uncertainty as to this matter, as well as the associated administrative costs.

18. Finally, the paramount interests of creditors strongly favor approval of the settlement because it will provide for collection of $919,517.01 for the Debtors' estates, while avoiding the time, cost, and risk of contested litigation.

19. Accordingly, the Debtors believe that the compromise embodied in the Agreement is fair, reasonable, and in the best interests of the Debtors and their estates and stakeholders. Moreover, the Agreement is the product of active, good faith discussions and arms' length negotiations among the Parties. For these reasons, the Debtors believe that the compromise embodied in the Agreement represents a beneficial outcome for the Debtors' estates and should be approved pursuant to Bankruptcy Rule 9019.

II. Entry into the Agreement Is Appropriate Under Sections 363 and 105(a)

20. Pursuant to section 363(c)(1) of the Bankruptcy Code, a debtor in possession may "enter into transactions . . . in the ordinary course of business . . . and may use property of the estate in the ordinary course of business without notice or a hearing." 11 U.S.C. § 363(c)(1). Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that a debtor in possession, "after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1); *see also Martin*, 91 F.3d at 395 n.2 ("Section 363 of the Code is the substantive provision requiring a hearing and court approval; Bankruptcy Rule 9019 sets forth the procedure for approving an agreement to settle or compromise a controversy.").

21. Moreover, pursuant to section 105(a) of the Bankruptcy Code, the Court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). This section recognizes bankruptcy courts' broad equitable powers to "craft flexible remedies that, while not expressly authorized by the Code, effect the result the Code

was designed to obtain." *Official Comm. of Unsecured Creditors of Cybergenics Corp. ex rel. Cybergenics Corp. v. Chinery*, 330 F.3d 548, 568 (3d Cir. 2003).

22. "Settlement agreements frequently involve the disposition of assets of the estate." *Martin*, 91 F.3d at 394. To the extent that sections 363(b) and 105(a) of the Bankruptcy Code apply to the compromise embodied in the Agreement, the Debtors seek authority thereunder for entry of the Proposed Order approving the Agreement.

23. In determining whether authorization of the use, sale, or lease of property of the estate is appropriate, courts normally apply the business judgment standard. *See Martin*, 91 F.3d at 395; *see also In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999) (stating that a trustee or debtor in possession need only have a "sound business purpose" to justify use of estate property pursuant to section 363(b) of the Bankruptcy Code). Under the business judgment standard, so long as a debtor's decision is reasonable and in the best interests of the bankruptcy estate, courts generally defer to the business judgment of the debtor's management. *See In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005) ("Overcoming the presumptions of the business judgment rule on the merits is a near-Herculean task. Delaware courts have said that it may be accomplished by showing either irrationality or inattention.").

24. The terms of the Agreement reflect a sound exercise of the Debtors' business judgment. If the Debtors were to engage in litigation as described above, they would incur considerable professional fees and other expenses and may not prevail in the litigation. The compromise set forth in the Agreement avoids the incurrence of these costs and provides for a recovery to the Debtors' estates. Accordingly, the Debtors' entry into the Agreement should be authorized and approved pursuant to sections 363(b) and 105(a) of the Bankruptcy Code to the extent that such sections apply to the Agreement.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

25. The Debtors seek to consummate the settlement embodied in the Agreement and obtain the proceeds therefrom as soon as reasonably practicable for the benefit of the Debtors' estates and stakeholders. As such, to ensure that the relief requested in the Motion is implemented expeditiously, the Debtors request that the Court waive the notice requirements under Bankruptcy Rule 6004(a), if applicable, and the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

Notice

26. The Debtors will provide notice of this Motion to the following parties or their counsel, if known: (a) the Office of the United States Trustee; (b) the Committee; (c) the DIP Agent and the Prepetition ABL Agent; (d) the Prepetition Term Agent; (e) CIT; and (f) all parties requesting notice pursuant to Bankruptcy Rule 2002. The Debtors submit that no other or further notice is necessary.

No Prior Request

27. No prior request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, for reasons set forth herein and in the Declaration, the Debtors respectfully request the entry of the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court deems just and proper.

Dated: September 8, 2026

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Laura Davis Jones

Laura Davis Jones (DE Bar No. 2436)
David M. Bertenthal (CA Bar No. 167624)
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, Delaware 19899 (Courier 19801)
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Counsel to the Debtors and Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
AMERICAN SIGNATURE, INC., *et al.*,[1]	)	Case No. 25-12105 (JKS)
Debtors.	)	(Jointly Administered)

Objection Deadline: September 22, 2026 at 4:00 p.m. (ET)
Hearing Date: October 14, 2026 at 1:30 p.m. (ET)

NOTICE OF DEBTORS' MOTION FOR APPROVAL OF SETTLEMENT BY AND BETWEEN DEBTORS AND CIT

PLEASE TAKE NOTICE that on September 8, 2026, the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), filed the *Debtors' Motion for Approval of Settlement By and Between Debtors and CIT* (the "Motion") with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 (the "Bankruptcy Court").

PLEASE TAKE FURTHER NOTICE that any response or objection to the Motion must be filed with the Bankruptcy Court on or before **September 22, 2026 at 4:00 p.m. (prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the response or objection upon: (i) counsel to the Debtors, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19801, Attn: Laura Davis Jones (ljones@pszjlaw.com) and David M. Bertenthal (dbertenthal@pszjlaw.com); (ii) counsel to the

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: American Signature, Inc. (6162); American Signature Home Inc. (8573); American Signature USA Inc. (6162); ASI Pure Promise Insurance LLC (6162); ASI Elston LLC (7520); ASI – Laporte LLC (6162); ASI Polaris LLC (6162); ASI Thomasville LLC (6162); and American Signature Woodbridge LLC (6162). The Debtors' business address is 4300 E. 5th Avenue, Columbus, OH 43235.

Official Committee of Unsecured Creditors, (a) Kelley Drye & Warren LLP, 3 World Trade Center, 175 Greenwich Street, New York, NY 10007, Attn: Jason Adams (jadams@kelleydrye.com), and (b) Cole Schotz P.C., 500 Delaware Avenue, Suite 200, Wilmington, DE 19801, Attn: Justin Alberto (jalberto@coleschotz.com);(iii) counsel to the DIP Agent and Prepetition ABL Agent, (a) Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola (jventola@choate.com), Jonathan D. Marshall (jmarshall@choate.com), and Lucas B. Barrett (lbarrett@choate.com), and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801, Attn: Daniel J. DeFranceschi (defranceschi@rlf.com), John H. Knight (knight@rlf.com), and Matthew P. Milana (milana@rlf.com); (iv) counsel to the Prepetition Term Loan Agent, (a) Goldberg Kohn, 55 East Monroe Street, Chicago, IL 60603-5792, Attn: Randall L. Klein (randall.klein@goldbergkohn.com) and Zachary J. Garrett (zachary.garrett@goldbergkohn.com), and (b) Blank Rome LLP, 1201 North Market Street, Suite 800, Wilmington, DE 19801, Attn: Stanley B. Tarr (stanley.tarr@blankrome.com); and (v) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Malcolm M. Bates (malcolm.m.bates@usdoj.gov).

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

PLEASE TAKE FURTHER NOTICE THAT IF AN OBJECTION OR RESPONSE IS RECEIVED, A HEARING WILL BE HELD ON **OCTOBER 14, 2026 AT 1:30 P.M. (PREVAILING EASTERN TIME)** BEFORE THE HONORABLE J. KATE STICKLES, UNITED STATES BANKRUPTCY JUDGE, AT THE UNITED STATES BANKRUPTCY

COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, FIFTH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

Dated: September 8, 2026

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Laura Davis Jones

Laura Davis Jones (DE Bar No. 2436)
David M. Bertenthal (CA Bar No. 167624)
919 North Market Street, 17th Floor
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Counsel to the Debtors and Debtors in Possession

Exhibit A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
AMERICAN SIGNATURE, INC., *et al.*,[1]	)	Case No. 25-12105 (JKS)
Debtors.	)	(Jointly Administered)
	)	**Docket Ref. No. ___**

ORDER APPROVING SETTLEMENT
BY AND BETWEEN DEBTORS AND CIT

Upon consideration of the motion (the "Motion")[2] of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for entry of an order (this "Order") approving the Agreement by and between the Debtors and CIT, as more fully set forth in the Motion; and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 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 the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the 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 the Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and the Court having reviewed the Motion and determined that the legal and factual bases set forth in the Motion establish just cause for the relief

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: American Signature, Inc. (6162); American Signature Home Inc. (8573); American Signature USA Inc. (6162); ASI Pure Promise Insurance LLC (6162); ASI Elston LLC (7520); ASI – Laporte LLC (6162); ASI Polaris LLC (6162); ASI Thomasville LLC (6162); and American Signature Woodbridge LLC (6162). The Debtors' business address is 4300 E. 5th Avenue, Columbus, OH 43235.

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

granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.

2. Pursuant to Bankruptcy Rule 9019 and sections 363 and 105(a) of the Bankruptcy Code, the Agreement, in the form attached hereto as **Exhibit 1**, is approved in its entirety and is incorporated herein by reference.

3. The Parties are authorized to take any and all actions necessary to effectuate the terms of this Order and the Agreement.

4. The stay of this Order provided by any Bankruptcy Rule (including, without limitation, Bankruptcy Rule 6004) is hereby waived, and this Order shall be effective and enforceable immediately upon its entry.

5. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order and the Agreement.

Exhibit 1

Agreement

REMITTANCE AGREEMENT

THIS REMITTANCE AGREEMENT (this "Agreement") is made this 3rd day of September, 2026, by and among American Signature, Inc. and certain of its affiliates (each and/or collectively, prepetition, the "Company" and post-petition[1], the "Debtor"), and The CIT Group/Commercial Services, Inc. ("CIT").

WHEREAS, on November 22, 2025 (the "Petition Date"), the Debtor filed voluntary petitions for relief[2] under Title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (the "Bankruptcy Code") in the Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") commencing the Bankruptcy Case;

WHEREAS, CIT factored, purchased, was assigned and/or made other financial accommodations with respect to certain accounts receivable arising from the sale of goods and/or provision of services by numerous vendors (collectively, "Factored Accounts") to the Company which are clients of CIT and/or certain clients of refactoring clients of CIT (each and collectively, the "Clients");

WHEREAS, in the ordinary course, CIT requested that the Company arrange to have a standby letter of credit issued for the benefit of CIT as beneficiary to induce CIT to factor, purchase, be assigned and/or make other financial accommodations with respect to the Factored Accounts;

WHEREAS, upon the Company's application, PNC Bank, National Association (the "Bank") issued an Irrevocable Standby Letter of Credit dated June 9, 2017 in the face amount of $5,000,000.00 for the benefit of CIT, which ultimately was for the amount of $7,193,865 (as amended and supplemented, the "Letter of Credit");

WHEREAS, pursuant to the terms and conditions of the agreements between CIT and the Clients, some of the Factored Accounts were handled on a notification basis and some were handled on a non-notification basis, meaning, in the former case, that the Company was directed to pay amounts owed on a Factored Account to CIT and, in the latter case, that the Company was directed to pay amounts owed on a Factored Account to the respective Client;

WHEREAS, on November 25, 2025, CIT initiated a draw on the Letter of Credit and received $7,193,865.00 (the "LOC Proceeds") from the Bank as the result of such draw;

WHEREAS, CIT has applied the LOC Proceeds to the payment of certain Factored Accounts (each and collectively, "Applied Accounts" and the "Application");

WHEREAS, after the Application, approximately $919,517.01 of the LOC Proceeds remains in the possession of CIT ("LOC Proceeds Balance") which are not needed by CIT to

[1] Affiliates which are debtors are American Signature USA Inc., American Signature Woodbridge LLC, American Signature Home Inc., ASI-LaPorte LLC, ASI Elston LLC, ASI POLARIS LLC, ASI Pure Promise Insurance LLC and ASI Thomasville LLC.

[2] All of which are jointly administered under Case No. 25-12105 (collectively, the "Bankruptcy Case")

satisfy any amounts owed on Applied Accounts but which remain subject to CIT's right under applicable law and the terms of the LOC;

WHEREAS, prior to the filing of the Bankruptcy Case, CIT received and/or the Clients received payments and/or other transfers from the Company on Factored Accounts, including payments within the 90 days prior to the Petition Date (the "Preference Period"), which may have been to or for the benefit of CIT and/or the Clients, thus, potentially exposing CIT and/or the Clients to claims under Chapter 5 of the Bankruptcy Code (collectively, the "Avoidance Claims");

WHEREAS, CIT desires to dispose of the LOC Proceeds Balance and release certain of its rights in relation to the LOC Proceeds Balance in exchange for certain consideration;

WHEREAS, the Debtor has represented and warranted to CIT that it is the only party with an interest in the LOC Proceeds Balance and is solely entitled to the LOC Proceeds Balance, and no other party has made a claim to the LOC Proceeds Balance;

WHEREAS, based on the representations and agreement herein, CIT has agreed to remit to the Debtor the LOC Proceeds Balance to the Debtor, subject to the conditions set forth herein;

WHEREAS, following good faith negotiations through their respective attorneys, the Debtor and CIT have agreed to the terms of this Agreement.

NOW, THEREFORE, for certain good and valuable consideration as described herein, and in consideration of the mutual covenants and promises hereinafter set forth, the receipt, adequacy and sufficiency of which is hereby acknowledged, it is hereby agreed by the parties to this Agreement as follows:

1. Recitals.

The recitals set forth above: (i) are expressly incorporated herein, (ii) are a substantive, contractual part of this Agreement, (iii) shall be deemed to be warranties and representations of the respective parties to this Agreement and (iv) are confirmed by the parties as true and correct.

2. Approval of Agreement.

The Debtor, through counsel, shall promptly file a motion and all other necessary papers to seek and obtain a final and non-appealable order of the Bankruptcy Court, approving this Agreement and the Debtor's execution thereof (the "Approval Order"), which order shall be in a form acceptable to all parties to this Agreement.

3. Remittance.

CIT shall remit the LOC Proceeds Balance to the Debtor in accordance with the wire transfer instructions set forth below within ten (10) business days of the later of the date: (a) the Approval Order becomes final and non-appealable or (b) CIT receives a copy of the Approval Order and an IRS Form W-9 completed by the Debtor in the name of the party holding the bank account designated in the wire transfer instructions. The timing of the remittances herein shall

be further subject to CIT being able to confirm with the target bank, the wire instructions provided herein and the Debtor shall cooperate with CIT in confirming such wire instructions.

4. Release.

Effective immediately upon CIT's remittance of the LOC Proceeds Balance to the Debtor, the Debtor and the Debtor's estate**,** each on their own behalf and on behalf of their successors, assigns, affiliates, and representatives (including any current or subsequently appointed committees, chapter 11 or chapter 7 trustee and/or any trustee of a liquidating trust or similar fiduciary under any confirmed plan and/or other mechanism) (collectively, the "Releasing Parties") fully and forever release, acquit, discharge, and covenant not to sue CIT and its successors, assigns, affiliates, officers, directors, members, employees, equity holders, partners, agents, consultants, advisors (including, without limitation, financial advisors, lawyers, and accountants) (collectively, "Affiliated Parties") (collectively, Affiliated Parties of CIT and CIT, "CIT Parties") and all Clients and their Affiliated Parties from/for any and all claims, disputes, deductions, taken credits, untaken credits, losses, actions, suits, rights, damages, costs, fees, expenses (including attorneys' fees), compensation, accounts, demands, obligations, liabilities, controversies, and causes of action of every character, nature, kind, or description whatsoever, known or unknown, liquidated or unliquidated, fixed, disputed or contingent, foreseen or unforeseen, suspected or unsuspected, material or immaterial, legal or equitable and, however arising, which the Releasing Parties now have or may hereafter have by reason of any matter, cause, thing, or subject matter related to: (i) any payment, transfer, remittance, credit, deduction and/or other conveyance to or for the benefit of CIT, (ii) any payment, transfer, remittance, credit, deduction and/or other conveyance to or for the benefit of any Client with respect to any Factored Account, (iii) any Factored Account, (iv) the Letter of Credit and/or any draw thereon and/or application or use thereof and/or (v) any Avoidance Claims (collectively, "Released Claims"). The Debtor further covenants not to sue any CIT Party, any Client and/or any Affiliated Party of a Client with respect to a Released Claim. CIT agrees that it shall not assert any claim in the Bankruptcy Case with respect to the Applied Accounts or CIT's remittance of the LOC Proceeds Balance to the Debtor. The Clients and their Affiliated Parties are 3rd party beneficiaries of this provision.

5. Remittance Instructions

The LOC Proceeds Balance shall be sent by federal funds, bank wire transfer to:
Huntington National Bank
7 Easton Oval
Columbus, OH 43219
ABA Route No.: 044000024
Swift: HUNTUS33
Account No.: 01893827538
For credit to: American Signature, Inc.
Reference: Remittance Agreement Payment
Attn: Joy McArthur

The Debtor agrees that CIT may make payment strictly on the basis of the account number listed above even if such account number identifies a party other than the name of the account party listed

above. In the event the account number listed above is incorrect, the Debtor agrees to be fully liable for any losses, costs and expenses arising therefrom. The Debtor shall reimburse CIT for all bank wire charges incurred or paid by CIT in making remittances pursuant to this Agreement. Any such charges may be deducted from the LOC Proceeds Balance. Additionally, the Debtor authorizes the Bank to which such wire instructions refer to disclose information regarding such account to CIT in order to permit CIT to confirm the accuracy and validity of these transfer instructions.

6. Representations and Warranties of the Parties.

Each of the parties hereto represents, warrants and covenants to each of the other parties hereto that:

(a) Each has: (i) reviewed all aspects of this Agreement, (ii) has carefully read and fully understands all the provisions of this Agreement, (iii) had a full opportunity to consult with legal counsel of its own choice concerning the matters set forth in this Agreement and (iv) consulted with such counsel to the extent deemed appropriate in order to fully understand the terms, conditions, purpose and effect of this Agreement.

(b) Each has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly and validly executed and delivered by each party hereto and, assuming the due authorization, execution and delivery by each of the other parties hereto, constitutes the legal, valid and binding obligation of such party enforceable against it in accordance with the terms of the Agreement, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and by such principles of equity as may affect the availability of equitable remedies.

(c) The remittance hereunder and any accommodations by CIT herein constitute new value to the Debtors.

7. Indemnification.

In consideration of CIT's execution of this Agreement and its performance hereunder, the Debtor agrees to indemnify and hold the CIT Parties harmless against any and all claims, demands, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, costs, expenses or disbursements suffered or incurred by such CIT Parties (including, without limitation, reasonable attorneys' fees and expenses) as the result of: (i) breach of any representation and warranty made by the Debtor to CIT and/or (ii) breach of any covenant or agreement on the part of the Debtor related to this Agreement.

8. Further Assurances.

Each of the parties hereto agrees that, upon another party's request, each shall do, make, procure, execute or deliver all acts, things, writings and assurances as are necessary or appropriate to effectuate the intent of this Agreement.

9. Expense of Litigation.

The parties hereto shall each bear their respective attorneys' fees and costs associated with the negotiation and implementation of this Agreement. However, if any action is commenced by any party hereto to enforce the provisions of this Agreement, the prevailing party shall be entitled to an award, in addition to any other claims or damages, of its costs and expenses including reasonable attorneys' fees, in connection with said action.

10. Miscellaneous.

This Agreement may be executed in one or more counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same agreement. A facsimile or electronically transmitted signature shall constitute an original signature for the purposes of binding the parties hereunder and shall have the same force and effect as an original signature. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to the application of conflicts of law rules; and shall be binding upon the parties hereto and their respective successors and assigns including, without limitation, any current or subsequently appointed committees, chapter 11 or chapter 7 trustee and/or any trustee of a liquidating trust or similar fiduciary under any confirmed plan and/or other mechanism. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. The parties hereto acknowledge that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or supplements thereto. This Agreement may not be amended or changed in any respect or in any manner other than by a writing signed by the parties hereto. No course of dealing between the parties hereto shall change or modify this Agreement. Each party hereto understands and agrees that neither the making of this Agreement, nor anything contained herein, shall be construed or considered in any way to be an admission of guilt, wrongdoing, tortious act, breach of contract, or violation of common law, or noncompliance with federal, state or local law, statute, order or regulation, or any other wrongdoing whatsoever. All headings used herein are for convenience of reference only and do not constitute a substantive part of this Agreement and shall not affect its interpretation. Each party to this Agreement hereby agrees that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine any claims or disputes among the parties pertaining directly or indirectly to this Agreement or any matter arising therefrom. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY WAIVES TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATED TO THIS AGREEMENT.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, effective as of the date first written above.

THE CIT GROUP/COMMERCIAL SERVICES, INC.

By: _____
Name: Anthony Masci
Title: Executive Director

AMERICAN SIGNATURE, INC.
as and for the Debtors and Debtors in Possession

By: */s/ Rudolph Morando*
Name: Rudolph Morando
Title: Co-Chief Restructuring Officer

Exhibit B

Declaration

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
AMERICAN SIGNATURE, INC., *et al.*,[1]	)	Case No. 25-12105 (JKS)
Debtors.	)	(Jointly Administered)

DECLARATION OF RUDOLPH MORANDO IN SUPPORT OF DEBTORS' MOTION FOR APPROVAL OF SETTLEMENT BY AND BETWEEN DEBTORS AND CIT

I, Rudolph Morando, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am a Managing Director with Berkeley Research Group, LLC and the co-Chief Restructuring Officer ("co-CRO") of American Signature, Inc. ("Plaintiff" or "Debtor") and each of the above-captioned affiliated debtors and debtors in possession (collectively, the "Debtors"). I became the co-CRO of the Debtors on or about November 8, 2025. In such capacity, I am familiar with the Debtors' businesses, financial affairs, and day-to-day operations.

2. I submit this declaration in support of *Debtors' Motion for Approval of Settlement By and Between Debtors and CIT* filed concurrently herewith (the "Settlement Motion").[2] Except as otherwise indicated, the facts set forth herein are based upon my personal knowledge, my review of relevant documents, information provided to me by employees of or advisors to the Debtors, or

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: American Signature, Inc. (6162); American Signature Home Inc. (8573); American Signature USA Inc. (6162); ASI Pure Promise Insurance LLC (6162); ASI Elston LLC (7520); ASI – Laporte LLC (6162); ASI Polaris LLC (6162); ASI Thomasville LLC (6162); and American Signature Woodbridge LLC (6162). The Debtors' business address is 4300 E. 5th Avenue, Columbus, OH 43235.

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

my opinion based upon my experience, knowledge, and information concerning the Debtors' operations. If called upon to testify, I would testify competently to the facts set forth herein.

3. For the reasons set forth in the Settlement Motion, Plaintiff seeks approval of the *Remittance Agreement* (the "Settlement Agreement"), a copy of which is attached as Exhibit 1 to the Proposed Order, and authority to take all actions necessary to effectuate the terms of the Settlement Agreement. The Settlement Agreement is by and between the Debtors and The CIT Group/Commercial Services, Inc. ("CIT") (Debtors and CIT collectively, the "Parties").

4. I understand that in the ordinary course of its business, CIT factored, purchased, was assigned and/or made other financial accommodations with respect to certain accounts receivable arising from the sale of goods and/or provision of services by numerous vendors (collectively, "Factored Accounts") to the Debtors which are clients of CIT and/or certain clients of refactoring clients of CIT (referred to herein collectively as, the "CIT Clients"). Prior to the filing of the Bankruptcy Case, CIT received and/or the CIT Clients received payments and/or other transfers from the Debtors on Factored Accounts.

5. Prior to the Petition Date, the Debtors entered into an agreement with PNC Bank, National Association (the "Bank") to issue an Irrevocable Standby Letter of Credit dated June 9, 2017 in the face amount of $5,000,000.00 for the benefit of CIT, which ultimately was for the amount of $7,193,865 (as amended and supplemented, the "Letter of Credit") to induce CIT to factor, purchase, be assigned, and/or make other financial accommodations with respect to the Factored Accounts

6. Upon the filing of these Chapter 11 Cases, CIT initiated a draw on the Letter of Credit and received $7,193,865.00 (the "LOC Proceeds") from the Bank as the result of such draw. CIT has applied the LOC Proceeds to the payment of certain Factored Accounts. I understand that

approximately $919,517.01 of the LOC Proceeds remains in the possession of CIT ("LOC Balance") which are not needed by CIT to satisfy any amounts owed for the Factored Accounts but which remain subject to CIT's right under applicable law and the terms of the Letter of Credit.

7. The Parties have engaged in good faith, arms' length negotiations in an effort to arrange for the refund of the LOC Balance to the Debtors. As a result of these negotiations, the Parties have agreed to the terms of the Agreement, the material terms of which are summarized as follows:[3]

(a) CIT shall remit the LOC Balance to the Debtors within ten (10) business days of the later of the date (a) the order approving this Motion becomes final and non-appealable or (b) CIT receives a copy of the approval order and an IRS Form W-9 completed by the Debtors related to the wire transfer instructions;

(b) Effective immediately upon CIT's remittance of the LOC Balance to the Debtors, the Debtors and their estates shall release CIT and all CIT Clients from/for any and all claims related to: (i) any payment, transfer, remittance, credit, deduction and/or other conveyance to or for the benefit of CIT, (ii) any payment, transfer, remittance, credit, deduction and/or other conveyance to or for the benefit of any CIT Client with respect to any Factored Account, (iii) any Factored Account, (iv) the Letter of Credit and/or any draw thereon and/or application or use thereof and/or (v) any Avoidance Claims (collectively, "Released Claims");

(c) CIT agrees that it shall not assert any claim in the Bankruptcy Case with respect to the Applied Accounts or CIT's remittance of the LOC Balance to the Debtors; and

[3] The summary is qualified in its entirety by reference to the Agreement. In the event of any conflict between this summary and the Agreement, the Agreement controls.

(d) The Debtors agree to indemnify CIT against any and all claims as the result of: (i) breach of any representation and warranty made by the Debtors to CIT and/or (ii) breach of any covenant or agreement on the part of the Debtors related to the Agreement.

8. I have executed the Settlement Agreement (as has CIT).

9. Based on my review of the Settlement Agreement and all facts known to me, I believe that the Settlement Agreement with CIT is fair, reasonable, and in the best interests of the Debtor's estate and its creditors, and that it satisfies the applicable *Martin* factors discussed in the Settlement Motion. Of particular importance, the Settlement Agreement provides the estates an immediate cash recovery of the LOC Balance, and it eliminates any risk of uncertainty regarding the ultimate outcome of potential litigation seeking recovery of these assets.

10. While I understand the settlement provides for the waiver of potential avoidance actions against the CIT Clients, the prosecution of such avoidance actions would be subject to all defenses of the CIT Clients. Specifically, any recovery from the CIT Client defendants on avoidance actions would likely be reimbursed to the CIT Client from the letter of credit and result in a reduction of the LOC Balance to be refunded to the estates. The Settlement Agreement eliminates the need for the estates to devote resources to such unnecessary litigation and avoids the expense of attorneys' fees and delay of litigating these matters.

11. Finally, the Settlement Agreement is beneficial to the estate and creditors because it resolves pending claims filed by certain CIT Clients.

12. I believe the Settlement Agreement falls well within my reasonable business judgment as co-CRO of the Debtors and should be approved by this Court. To the best of my

knowledge, the settlement process was conducted in good faith and at arms' length. I fully support recovery of the LOC Balance on the terms set forth in the Settlement Agreement.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Dated: September 8, 2026

/s/ Rudolph Morando
Rudolph Morando
Co-Chief Restructuring Officer of
American Signature, Inc. and its Affiliated Debtors