IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
SEQUENTIAL BRANDS GROUP, INC.,[1]	)	Case No. 21-11194 (MFW)
Debtor.	)	(Jointly Administered)

Hearing Date: to be scheduled if necessary
Objection Deadline: September 18, 2026 at 4:00 p.m. (prevailing Eastern time)

SECOND OMNIBUS OBJECTION (SUBSTANTIVE) OF THE LIQUIDATING TRUSTEE TO CERTAIN: (A) REDUCE AND ALLOW CLAIMS; (B) RECLASSIFY CLAIMS; AND (C) NO LIABILITY CLAIMS

CLAIMANTS RECEIVING THIS OBJECTION SHOULD CAREFULLY REVIEW THIS OBJECTION AND THE EXHIBITS AND SCHEDULES ATTACHED HERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIMS. CLAIMANTS RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES AND CLAIMS ON SCHEDULE 1, SCHEDULE 2, AND SCHEDULE 3 TO EXHIBIT A ATTACHED HERETO.

Drivetrain LLC, solely in its capacity as liquidating trustee of the SBGI Liquidating Trust (the "Liquidating Trustee"), by and through its undersigned counsel, submits this omnibus objection (the "Second Omnibus Objection") seeking entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), pursuant to sections 105(a) and 502 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 3007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 3007-1 of the Local Rules of

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The mailing address for each Debtor is 105 E. 34th Street, #249, New York, NY 10016. On September 26, 2022, the Court entered an order [Docket No. 646] closing the chapter 11 cases of the Debtors other than Case No. 21-11194 (JTD), *Sequential Brands Group, Inc.*

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Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), disallowing and expunging in full: (A) the claims listed on **Schedule 1** to the Proposed Order that overstate the amount owed by the Debtors' estates (the "Reduce and Allow Claims"); (B) the claims listed on **Schedule 2** to the Proposed Order that improperly assert (in whole or in part) a secured, priority, and/or administrative claim (the Reclassify Claims"); and (C) the claims listed on **Schedule 3** to the Proposed Order that assert undetermined, unliquidated amounts and/or such claims have attached insufficient information and documentation to determine each claim's value (the "No Liability Claims"). In support of this Second Omnibus Objection, the Liquidating Trustee relies on the *Declaration of Thomas G. FitzGerald in Support of First Omnibus Objection (Non-Substantive) of the Liquidating Trustee to Certain: (A) Reduce and Allow Claims; (B) Reclassify Claims; and (C) No Liability Claims* (the "Declaration"), attached hereto as **Exhibit B**, and respectfully states as follows:[2]

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 pursuant to the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012. The Court also has jurisdiction over this matter pursuant to Article XII of the Plan. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Liquidating Trustee confirms its consent pursuant to Rule 9013-1(f) of the Local Rules to the entry

[2] Capitalized terms not otherwise defined shall have the meanings ascribed to such terms in the *First Amended Joint Plan of Liquidation of Sequential Brands Group, Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [D.I. 380] (together with all exhibits thereto, and as may be amended, modified, or supplemented, the "Plan").

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. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The bases for the relief requested are sections 105(a) and 502(b) of the Bankruptcy Code, Bankruptcy Rules 3007 and 9014, and Local Rule 3007-1.

BACKGROUND

A. General Background

3. On August 31, 2021 (the "Petition Date"), the above-captioned reorganized debtors (the "Debtors") commenced these cases (the "Chapter 11 Cases") by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors have continued in the possession of their property and have continued to operate and manage their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or committee has been appointed in the Chapter 11 Cases.

4. A detailed description of the Debtors' business and facts precipitating the filing of the Chapter 11 Cases are set forth in the *Declaration of Lorraine DiSanto in Support of the Debtors' Chapter 11 Petitions and Requests for First Day Relief* [D.I. 3] (the "First Day Declaration"), which was filed on the Petition Date and which is fully incorporated herein by reference.

5. On November 3, 2021, the Court entered four orders approving the sale of substantially all of the Debtors' assets (the "Sale Transactions") to Gainline Galaxy Holdings LLC, Centric Brands, LLC, With You Inc., and JJWHP, LLC (collectively, the "Buyers") [D.I. 278, 279,

280, 281]. The Sale Transactions with the Buyers were consummated on November 9, 2021 and November 12, 2021.

6. On February 22, 2022, the Court entered an order [Docket No. 486] (the "Confirmation Order") confirming the Plan.

7. The Plan created the SBGI Liquidating Trust (the "Liquidating Trust") and appointed Drivetrain LLC as the Liquidating Trustee of the Liquidating Trust. Section IV.B.6 of the Plan provides that the Liquidating Trustee shall have the power and authority to: (i) prosecute and resolve: (a) objections to Claims; and (b) subject to obtaining necessary approval of the Bankruptcy Court, any claims for equitable subordination and recharacterization in connection with such objections; and (ii) prosecute, resolve, and satisfy Administrative/Priority Claims and Other Secured Claims. The Effective Date of the Plan occurred on March 3, 2022.

B. The Bar Dates

8. On October 24, 2021, the Bankruptcy Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment under Section 503(b)(9), (II) Setting a Bar Date for the Filing of Proofs of Claim by Governmental Units, (III) Setting a Bar Date for the Filing of Requests for Allowance of Administrative Expense Claims, (IV) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (V) Approving the Form of and Manner for Filing Proofs of Claim, (VI) Approving Notice of Bar Dates, and (VII) Granting Related Relief* [Docket No. 162] (the "Bar Date Order").

9. Pursuant to the Bar Date Order, the Bankruptcy Court established: (i) November 30, 2021 as the deadline for all non-governmental units, including claims arising under section 503(b)(9), to file proofs of claim (the "Claims Bar Date"); (ii) December 27, 2021 as the deadline for parties asserting a request for payment of administrative claims

("Administrative Claims") arising on or prior to November 15, 2021 to file a request for an Administrative Claim (excluding fee and expense claims of professionals retained in this case) (the "Administrative Claims Bar Date"); (iii) February 28, 2022 as the deadline for all governmental units holding claims (whether secured, unsecured priority, or unsecured non-priority) that arose (or are deemed to have arisen) prior to the Petition Date, including requests for payment pursuant to section 503(b)(9) of the Bankruptcy Code, to file proofs of claim (the "Governmental Bar Date"); (iv) if the Debtors file a previously unfiled schedule or amend or supplement the schedules after having given notice of the bar dates, the later of: (a) the Claims Bar Date or the Governmental Bar Date, as applicable; (b) 5:00 p.m. prevailing Eastern Time on the date that is the first business day that is twenty-one (21) days from the date the notice of the filing, amendment, or supplement is given; or (c) another time period as may be fixed by the Court as the deadline for holders of claims affected thereby to file proofs of claim; and (v) the later of: (a) the Claims Bar Date; (b) 5:00 p.m. prevailing Eastern Time on the date that is the first business day that is thirty (30) days following entry of an order approving the rejection of any executory contract or unexpired lease of the Debtors; and (c) any date that the Court may fix in the applicable order approving the rejection of executory contracts or unexpired leases of the Debtors as the deadline for all persons or entities asserting claims arising from such rejection to file proofs of claim.

10. On October 18 and 19, 2021, the Debtors filed their schedules of assets and liabilities and statements of financial affairs [Docket Nos. 189–222] (collectively, the "Schedules").

11. In accordance with the Bar Date Order, the Debtors caused notice of the bar dates and proof of claim forms to be served on, among others, the Debtors' known creditors and other

known parties in interest as of the Petition Date. *See Certificate of Service re Notice of Deadlines for the Filing of (I) Proofs of Claim, Including Requests for Payment Pursuant to Section 503(B)(9) of the Bankruptcy Code, (II) Administrative Claims, and (III) Rejection Damages Claims* [Docket No. 261].

C. The Claims Reconciliation Process

12. In the ordinary course of business, the Debtors maintained books and records (the "Books and Records") that reflect, among other things, the Debtors' liabilities and the amounts owed to their creditors. Article IV.B of the Plan provides for the Liquidating Trustee's access to and possession of the Books and Records.

13. The Debtors' register of claims, prepared by Kurtzman Carson Consultants, reflects that, as of the date hereof, approximately 125 proofs of claim have been filed in the Chapter 11 Cases.

14. Since the Effective Date, the Liquidating Trustee and its advisors have been reviewing and reconciling the proofs of claim filed against the Debtors in the Chapter 11 Cases.

15. The Liquidating Trustee and its advisors have been reviewing and analyzing claims with a view toward reconciling all claims for which the Liquidating Trustee is responsible. This process includes identifying categories of claims that may be targeted for disallowance and expungement, reduction, or reclassification.

16. To reduce the number of claims, and to avoid possible double recovery or otherwise improper recovery by claimants, the Liquidating Trustee anticipates filing one or more omnibus objections to claims.

RELIEF REQUESTED

17. By this Second Omnibus Objection and for the reasons described more fully below, the Liquidating Trustee: (a) objects to the Reduce and Allow Claims, Reclassify Claims, and No Liability Claims set forth on **Schedules 1, 2, and 3** attached to the Proposed Order, pursuant to sections 105(a) and 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007, Local Rule 30071-1, and the Bar Date Order, as applicable; and (b) respectfully requests entry of the Proposed Order attached as **Exhibit A**, modifying the claims shown on **Schedules 1, 2, and 3**, as set forth therein.

OBJECTION

18. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that "[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest . . . objects." 11 U.S.C. § 502(a). Once an objection to a claim is filed, the Court, after notice and hearing, shall determine the allowed amount of the claim. 11 U.S.C. § 502(b).

19. Section 502(b)(1) of the Bankruptcy Code provides, in relevant part, that a claim may not be allowed to the extent that it "is unenforceable against the debtor and property of the debtor, under any agreement or applicable law." 11 U.S.C. § 502(b). While a properly filed proof of claim is *prima facie* evidence of the claim's allowed amount, when an objecting party presents evidence to rebut a claim's *prima facie* validity, the claimant bears the burden of proving the claim's validity by a preponderance of evidence. *See In re Allegheny Int'l, Inc.*, 954 F.2d 167, 173–74 (3d Cir. 1992). The burden of persuasion with respect to the claim is always on the claimant. *See id.* at 174. The failure to allege facts and to provide adequate support for a claim eliminates the claim's *prima facie* validity. *See, e.g.*, *In re Jorczak*, 314 B.R. 474, 481–82 (Bankr. D. Conn. 2004) (discussing the evidentiary requirements and burden of proof with respect to the allowance of claims).

20. For the reasons set forth below, and based upon the Declaration, there is ample evidence to rebut the *prima facie* validity of each claim subject to this First Omnibus Objection.

A. Reduce and Allow Claims

21. The Liquidating Trustee has determined that each proof of claim listed on **Schedule 1** to **Exhibit A** is a claim which overstates the amount owed by the Debtors' estates. Certain of the Reduce and Allow Claims received postpetition payments, so the filed amounts listed on each of the Reduce and Allow Claims are no longer valid and should be reduced to account for such payments. Accordingly, the Plan Administrator seeks to disallow in part the Reduce and Allow Claims and reduce and allow such claims in the amounts indicated therein.

22. Modifying the allowed claim amounts of the Reduce and Allow Claims will ensure that the claimants do not receive an excess recovery on account of their claims thereby prejudicing other legitimate stakeholders in the Debtors' estates.

B. Reclassify Claims

23. Based upon a careful review and analysis of the Reclassify Claims, the Debtors' books and records, and the Claims Register, the Liquidating Trustee has determined that each of the Reclassify Claims listed on **Schedule 2** to **Exhibit A** improperly assert that the claims have a priority, administrative, or secured status, but do not meet the requirements of a proper secured, administrative claims, or other priority claims, as applicable. As such, each of the Improperly Classified Claims should be reclassified as a general unsecured claim.

24. Failure to properly classify the Reclassify Claims will result in the applicable claimants receiving an unwarranted recovery under the Plan to the detriment of other creditors who filed timely claims in the Chapter 11 Cases with the proper classification.

C. No Liability Claims

25. Based upon a careful review and analysis of the No Liability Claims, the Debtors' books and records, and the Claims Register, the Liquidating Trustee submits that it is appropriate to disallow the No Liability Claims in their entirety. Each of the No Liability Claims on **Schedule 3** to **Exhibit A** do not provide evidence of the validity and amount of the No Liability Claim and the Liquidating Trustee cannot ascertain a basis for each No Liability Claim after a reasonable review of the Debtors' books and records. Failure to disallow the No Liability Claims will result in the holders of the No Liability Claims to receive a recovery from the estates to which they are not entitled to, to the detriment of the legitimate stakeholders in the Debtors' estates. Accordingly, to avoid the possibility of unwarranted recoveries and to maintain an accurate claims register, the Debtor submits that the No Liability Claims should be disallowed.

RESPONSES TO THIS OBJECTION

26. To contest the Liquidating Trustee's determinations with respect to the Claims included in this Objection, a claimant must file and serve a written response to this Objection (a "Response") so that it is received no later than **September 18, 2026 at 4:00 p.m. (prevailing Eastern Time)** (the "Response Deadline"). Each Response to this Objection must be filed with the Office of the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, and served upon the following entities, so as to be actually received by no later than the Response Deadline:

PACHULSKI STANG ZIEHL & JONES LLP
Laura Davis Jones
Timothy P. Cairns
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, Delaware 19899
Email: tcairns@pszjlaw.com

27. Each Response to this Objection must, at a minimum, contain the following information:

i. a caption setting forth the name of the Court, the name of the Debtor, the above-captioned case number, and the title of the Objection to which the Response is directed;

ii. the name of the claimant, the claim number, and a description of the basis for the amount of the claim;

iii. the specific factual basis and supporting legal argument upon which the party will rely in opposing this Objection;

iv. all documentation and other evidence, to the extent it was not included with the proof of claim previously filed with the Court, upon which the claimant will rely to support the basis for and amounts asserted in the proof of claim and in opposing this Objection; and

v. the name, address, telephone number, fax number, and email address of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Liquidating Trustee should communicate with respect to the claim or the Objection and who possesses authority to reconcile, settle, or otherwise resolve the objection to the applicable Claim(s) on behalf of the claimant.

28. If a claimant fails to file and serve a Response by the Response Deadline, the Liquidating Trustee will present to the Court an appropriate order substantially in the form of the Proposed Order without further notice to the claimant or a hearing.

REPLIES TO RESPONSES

29. Consistent with Local Rule 9006-1(d), the Liquidating Trustee may, at its option, file and serve a reply to a Response no later than 4:00 p.m. (ET) one (1) day prior to the deadline for filing the agenda for any hearing to consider this First Omnibus Objection.

SEPARATE CONTESTED MATTERS

30. To the extent a Response is filed regarding any claim listed in this Objection and the Liquidating Trustee is unable to resolve the Response, the objection by the Liquidating Trustee to such claim asserted herein shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding an objection asserted in this Objection shall be deemed a separate order with respect to each claim subject thereto.

COMPLIANCE WITH LOCAL RULE 3007-1

31. To the best of the Liquidating Trustee's knowledge and belief, this Objection and related exhibits comply with Local Rule 3007-1. To the extent this Objection does not comply in all respects with the requirements of Local Rule 3007-1, the undersigned believes such deviations are not material and respectfully requests that any such requirement be waived.

RESERVATION OF RIGHTS

32. The Liquidating Trustee hereby reserves the right to object in the future to any of the proofs of claim listed in this Objection on any grounds, including but not limited to section 502(d) of the Bankruptcy Code, and to amend, modify, or supplement this Objection, including, without limitation, to object to amended or newly-filed claims.

33. Notwithstanding anything contained in this Objection or the attached exhibits and schedules, nothing herein shall be construed as a waiver of any rights that the Liquidating Trustee may have to exercise rights of setoff against holders of such claims.

NOTICE

34. Notice of this Objection has been provided to the following parties, or their counsel, if known: (a) the Office of the United States Trustee; (b) each of the claimants whose claims are subject to this Objection; and (c) all parties who have requested service of notices in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002. The Liquidating Trustee respectfully submits that such notice is sufficient under the circumstances.

NO PREVIOUS REQUEST

35. No previous request for the relief sought herein has been made by the Liquidating Trustee to this Court or any other court.

WHEREFORE, the Liquidating Trustee respectfully requests that the Court enter the Proposed Order, substantially in the form attached as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: August 28, 2026

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Timothy P. Cairns

Laura Davis Jones (DE Bar No. 2436)
Timothy P. Cairns (DE Bar No. 4228)
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, Delaware 19899 (Courier 19801)
Telephone: (302) 652-4100
Facsimile: (302) 652-4400
Email: ljones@pszjlaw.com
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Counsel to the Liquidating Trustee

PLEASE CAREFULLY REVIEW THIS OBJECTION AND THE ATTACHMENTS HERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS YOUR CLAIM.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
SEQUENTIAL BRANDS GROUP, INC.,[1]	)	Case No. 21-11194 (MFW)
Debtor.	)	(Jointly Administered)

Hearing Date: to be scheduled if necessary
Objection Deadline: September 18, 2026 at 4:00 p.m. (prevailing Eastern time)

NOTICE OF SECOND OMNIBUS OBJECTION (SUBSTANTIVE) OF THE LIQUIDATING TRUSTEE TO CERTAIN: (A) REDUCE AND ALLOW CLAIMS; (B) RECLASSIFY CLAIMS; AND (C) NO LIABILITY CLAIMS

PLEASE TAKE NOTICE that on August 28, 2026, Drivetrain LLC, as liquidating trustee of the SBGI Liquidating Trust appointed in the chapter 11 cases of the above-captioned debtors (the "Debtors"), filed the attached *Second Omnibus Objection (Substantive) of the Liquidating Trustee to Certain: (A) Reduce and Allow Claims; (B) Reclassify Claims; and (C) No Liability Claims* (the "Second Omnibus Objection") with the United States Bankruptcy Court for the District of Delaware (the "Court"), objecting to your claim(s) in these bankruptcy cases. Substantive rights may be affected. Your claim(s) may be disallowed and expunged as a result of the Second Omnibus Objection. Therefore, you should read the Second Omnibus Objection carefully. If you do not want the Court to disallow or expunge your claim(s), then you or your attorney must: (i) file a written response (a "Response") to the Second Omnibus Objection with the Court, as set forth in the Second Omnibus Objection; and (ii) serve the Response so that it is actually received by the undersigned counsel to the Liquidating Trustee **on or before September 18, 2026 at 4:00 p.m. (ET).**

PLEASE TAKE FURTHER NOTICE that if no Response to the Second Omnibus Objection is timely filed, served, and received in accordance with the above procedures, an order may be entered granting the relief requested in the Second Omnibus Objection without further notice or hearing. If a Response to the Second Omnibus Objection is timely filed, served, and

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The mailing address for each Debtor is 105 E. 34th Street, #249, New York, NY 10016. On September 26, 2022, 2022, the Court entered an order [Docket No. 646] closing the chapter 11 cases of the Debtors other than Case No. 21-11194 (JTD), *Sequential Brands Group, Inc.*

received in accordance with the above procedures, a hearing on the Second Omnibus Objection and the Response will be held before The Honorable Mary F. Walrath, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Courtroom 4, Wilmington, Delaware 19801 at a date and time to be determined. Only a Response made in writing and timely filed and received will be considered by the Court.

IF YOU FAIL TO FILE A RESPONSE IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE SECOND OMNIBUS OBJECTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: August 28, 2026

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Timothy P. Cairns

Laura Davis Jones (DE Bar No. 2436)
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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
SEQUENTIAL BRANDS GROUP, INC.,[1]	)	Case No. 21-11194 (MFW)
Debtor.	)	(Jointly Administered)
	)	**Re: Docket No. ____**

ORDER SUSTAINING SECOND OMNIBUS OBJECTION (SUBSTANTIVE) OF THE LIQUIDATING TRUSTEE TO CERTAIN: (A) REDUCE AND ALLOW CLAIMS; (B) RECLASSIFY CLAIMS; AND (C) NO LIABILITY CLAIMS

Upon consideration of the *Second Omnibus Objection (Substantive) of the Liquidating Trustee to Certain: (A) Reduce and Allow Claims; (B) Reclassify Claims; and (C) No Liability Claims* (the "Second Omnibus Objection")[2] in the above-captioned Chapter 11 Cases, pursuant to section 502 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 3007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 3007-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), for entry of an order modifying certain proofs of claim, all as more fully set forth in the Second Omnibus Objection; and the Court having considered the Declaration in support thereof; 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

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The mailing address for each Debtor is 105 E. 34th Street, #249, New York, NY 10016. On September 26, 2022, 2022, the Court entered an order [Docket No. 646] closing the chapter 11 cases of the Debtors other than Case No. 21-11194 (JTD), *Sequential Brands Group, Inc.*

[2] Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Second Omnibus Objection.

28 U.S.C. § 157 pursuant to the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and the Court also having jurisdiction over this matter pursuant to Article XII of the Plan; and consideration of the Second Omnibus Objection and the requested relief being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Second Omnibus Objection having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and the Court having reviewed the Second Omnibus Objection; and the Court having determined that the legal and factual bases set forth in the Second Omnibus Objection establish just cause for the relief granted herein; and it appearing that the relief requested in the Second Omnibus Objection is in the best interests of the Debtors' estates, creditors, and all parties in interest; 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 Second Omnibus Objection is granted as provided herein. Any response to the Second Omnibus Objection not otherwise withdrawn, resolved, or adjourned is hereby overruled.

2. The official claims register in the Chapter 11 Cases shall be modified in accordance with this Order.

3. Pursuant to sections 501 and 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1, each Reduce and Allow Claim listed on **Schedule 1** annexed hereto is reduced and allowed in the amount stated on **Schedule 1**.

4. Each of the claims identified on **Schedule 2** attached hereto is reclassified as a general unsecured claim. The reclassified claims identified on **Schedule 2** attached hereto shall

remain on the claims register, subject to the Debtors' or other party-in-interest's further objections on any substantive or non-substantive grounds.

5. Each of the claims identified on **Schedule 3** attached hereto is disallowed in its entirety.

6. The Liquidating Trustee's right to amend, modify, or supplement the Second Omnibus Objection, to file additional objections to any other claims (filed or not) that may be asserted, and to seek further reduction of any claim to the extent such claim has been paid, or for any other reason, are reserved and preserved.

7. All rights of the Liquidating Trustee to object to any claim at a later date, including the claims that are the subject of this Second Omnibus Objection, on any basis whatsoever, substantively or non-substantively, are reserved and preserved.

8. The Liquidating Trustee further reserves all rights to use any available defenses under section 502 of the Bankruptcy Code, or otherwise, to set off, or recoup against, or otherwise reduce all or any part of any claim. Further, any and all affirmative claims are specifically reserved and preserved and are not adversely affected by this Order.

9. Each of the claims and the objections by the Liquidating Trustee to such claims, as set forth on **Schedules 1, 2, and 3** attached hereto, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014 and Local Rule 3007-1. This Order shall be deemed a separate Order with respect to each such claim. Any stay of this Order pending appeal by any claimants whose claims are subject to this Order shall only apply to the contested matter that involves such claimant and shall not act to stay the applicability or finality of this Order with respect to the other contested matters listed in the Second Omnibus Objection or this Order.

10. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. The Liquidating Trustee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order and to seek additional relief as is necessary in the future.

12. The Clerk of the Court is authorized to take all steps necessary or appropriate to carry out this Order.

13. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

SCHEDULE 1

Reduce and Allow Claims

Reduce and Allow Claims
Sequential Brands Group, Inc., et al.
Case No.: 21-11194

	Creditor Name and Address	Claim Filed Date	Claim No.	Debtor Name	Claim Amount	Claim Type	Reduced Claim Amount		Reason for Allowed Amount
1	NYC Department of Finance Attn: Bankruptcy Unit Tax, Audit & Enforcement Divisic 375 Pearl Street New York, NY 10038	11/2/2021	67	Sequential Brands Group, Inc.	$67,690.75	Priority Claim	$56,515.77		Claim amount is for unpaid Corporation Tax and Commercial Rent. Documentation provided shows amount of claim to be lower than Claim Amount states. Claim is to be reduced and allowed in the lower amount.

SCHEDULE 2

Reclassify Claims

Reclassified Claims
Sequential Brands Group, Inc., et al.
Case No.: 21-11194

	Creditor Name and Address	Claim Filed Date	Claim No.	Debtor Name	Claim Amount	Claim Type	Reclassified Claim		Reason for Reclassification
1	Chatham Hedging Advisors, LLC 235 Whitehorse Lane Kennett Square, PA 19348	10/25/2021	16	Sequential Brands Group, Inc.	$18,750.00	Admin Priority	General Unsecured		Claimant asserts the Claim is entitled to administrative expenses status under 11 U.S.C. § 507(a)(2). Claim is not entitled to administrative expenses under 11 U.S.C. § 507(a)(2) as the expenses occurred was pre-petition and was not a necessary cost of preserving the estate under 11 U.S.C. § 503(b). As such, the Claim should be allowed as a general unsecured claim in the full amount.
2	Entourage Model and Talent Attn: Cindy Twedt 100 Congress Ave., Suite 2000 Austin, TX 78701	11/30/2021	84	Sequential Licensing, Inc.	$500.00	Priority	General Unsecured		Claimant asserts the Claim is entitled to priority of payment pursuant to 11 U.S.C. § 507(a)(4). Claim is not entitled to priority under section 507(a)(4) as it was not incurred within 180 days of the Petition Date. As such, the Claim should be allowed as a general unsecured claim in the full amount.
3	Michael Mankowski 359 Ortega Ridge Road Santa Barbara, CA 93108	10/25/2021	15	Sequential Brands Group, Inc.	$27,045.99	Priority	General Unsecured		Claimant asserts the Claim is entitled to priority of payment pursuant to 11 U.S.C. § 507(a)(4). Claim is not entitled to priority under section 507(a)(4) as it was not incurred within 180 days of the Petition Date. As such, the Claim should be allowed as a general unsecured claim in the full amount.

SCHEDULE 3

No Liability Claims

No Liability Claims
Sequential Brands Group, Inc., et al.
Case No.: 21-11194

	Creditor Name and Address	Claim Filed Date	Claim to Disallow	Debtor Name	Claim Amount	Claim Type	Basis for Claim Objection
1	NJ Division of Taxation Attn: Erica Hamlin P.O. Box 245 Trenton, NJ 08695	10/15/2021	13	American Sporting Goods Corp.	$75,000.00	Priority	Drivetrain and its retained professionals have determined that New Jersey's assessment of employee taxes for periods between January 2014 and June 2021 have no merit. Specifically, based on reasonable due diligence with respect to operations and employees, Drivetrain concluded that American Sporting Goods Corp. had no employees or offices in New Jersey during the periods alleged in the Claim. Therefore, the claim should be disallowed and expunged in its entirety.
2	NJ Division of Taxation Attn: Erica Hamlin P.O. Box 245 Trenton, NJ 08695	10/15/2021	14	Galaxy Brands, LLC	$77,500.00	Priority	Drivetrain and its retained professionals have determined that New Jersey's assessment of employee taxes for periods between October 2013 and June 2021 have no merit. Specifically, based on reasonable due diligence with respect to operations and employees, Drivetrain concluded that Galaxy Brands, LLC had no employees or offices in New Jersey during the periods alleged in the Claim. Therefore, the claim should be disallowed and expunged in its entirety.
3	State of New Jersey Division of Taxation 3 John Fitch Way, 5th Fl. P.O. Box 245 Trenton, NJ 08695	4/13/2023	127	Sequential Brands Group, Inc.	$12,500.00	Priority	Drivetrain and its retained professionals have determined that New Jersey's assessment of employee taxes for periods between April 2020 and June 2021 have no merit. Specifically, based on reasonable due diligence with respect to operations and employees, Drivetrain concluded that Sequential Brands Group, Inc. had no employees or offices in New Jersey during the periods alleged in the Claim. Therefore, the claim should be disallowed and expunged in its entirety.

EXHIBIT B

Declaration

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
SEQUENTIAL BRANDS GROUP, INC.,[1]	)	Case No. 21-11194 (MFW)
Debtor.	)	(Jointly Administered)

DECLARATION OF THOMAS G. FITZGERALD IN SUPPORT OF SECOND OMNIBUS OBJECTION (SUBSTANTIVE) OF THE LIQUIDATING TRUSTEE TO CERTAIN: (A) REDUCE AND ALLOW CLAIMS; (B) RECLASSIFY CLAIMS; AND (C) NO LIABILITY CLAIMS

Thomas G. FitzGerald makes this Declaration pursuant to 28 U.S.C. § 1746:

1. I am an authorized signatory of Drivetrain LLC, the Liquidating Trustee of the SBGI Liquidating Trust, created pursuant to the *First Amended Joint Plan of Liquidation of Sequential Brands Group, Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [D.I. 380] (together with all exhibits thereto, and as may be amended, modified, or supplemented, the "Plan").[2] I am generally familiar with the business and financial affairs of the above-captioned debtors and debtors in possession (the "Debtors" or the "Company"), as well as the Debtors' books and records. I am above 18 years of age and competent to testify.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The mailing address for each Debtor is 105 E. 34th Street, #249, New York, NY 10016. On September 26, 2022, 2022, the Court entered an order [Docket No. 646] closing the chapter 11 cases of the Debtors other than Case No. 21-11194 (JTD), *Sequential Brands Group, Inc.*

[2] Section IV.B.6 of the Plan provides that the Liquidating Trustee shall have the power and authority to: (i) prosecute and resolve (a) objections to Claims and (b) subject to obtaining necessary approval of the Bankruptcy Court, any claims for equitable subordination and recharacterization in connection with such objections; and (ii) prosecute, resolve, and satisfy Administrative/Priority Claims and Other Secured Claims. The Effective Date of the Plan occurred on March 3, 2022.

2. I submit this declaration (the "Declaration") in support of the *Second Omnibus Objection (Substantive) of the Liquidating Trustee to Certain: (A) Reduce and Allow Claims; (B) Reclassify Claims; and (C) No Liability Claims* (the "Second Omnibus Objection").[3]

3. I have reviewed the Second Omnibus Objection, and I am familiar, directly or through other personnel, agents, and attorneys, with the information contained therein and in the exhibits and schedules attached thereto. To the best of my knowledge, information, and belief, the information contained in the Second Omnibus Objection and the exhibits and schedules thereto is true and accurate.

A. Reduce and Allow Claims

4. After a review of the books and records, and after consultation with counsel to the Liquidating Trustee, I have determined that each of the Reduce and Allow Claims identified on **Schedule 1** attached to the order approving the Second Omnibus Objection is a claim which overstates the amount owed by the Debtors' estates. I understand that certain of the Reduce and Allow Claims received postpetition payments, so the filed amounts listed on each of the Reduce and Allow Claims are no longer valid and should be reduced to account for such payments. Accordingly, based upon my analysis, the Liquidating Trustee seeks to disallow in part the Reduce and Allow Clams and reduce and allow such claims in the amounts indicated.

B. Reclassify Claims

5. After a review of the books and records, and after consultation with counsel to the Liquidating Trustee, I believe that each of the Reclassify Claims listed on **Schedule 2** attached to the order approving the Second Omnibus Objection does not meet the requirements of a proper secured, administrative, or other priority claims, as applicable. For each of the Reclassify Claims,

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

further justification for the objection is included within **Schedule 2**. Accordingly, based upon my analysis and the advice of counsel, the Liquidating Trustee seeks to reclassify each of the Reclassify Claims as a general unsecured claim.

C. No Liability Claims

6. After a review of the books and records, and after consultation with counsel to the Liquidating Trustee, I have determined that each of the No Liability Claims on **Schedule 3** attached to the order approving the Second Omnibus Objection should be disallowed in their entirety. The No Liability Claims do not provide evidence of the validity and amount of the No Liability Claim after a reasonable review of the Debtor's books and records., thereby failing to adhere to the requirements under the Bankruptcy Code to sufficiently specify the amount sought. For each of the No Liability Claims, further justification for the objection is included within **Schedule 3**. Accordingly, based upon my analysis and the advice of counsel, the Liquidating Trustee seeks to disallow each of the No Liability Claims.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief, based on the information and records available to me.

Dated: August 28, 2026

Drivetrain LLC as Liquidating Trustee

By: */s/ Thomas G. FitzGerald*
Thomas G. FitzGerald