

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF MISSISSIPPI  
ABERDEEN DIVISION**

In re:	)	
	)	
	)	
UNITED FURNITURE INDUSTRIES, INC., <i>et al.</i> <sup>1</sup>	)	Case No. 22-13422-SDM
	)	Chapter 11
Debtors.	)	Jointly Administered
	)	

DEREK HENDERSON as the LIQUIDATING  
TRUSTEE of the UFI LIQUIDATING TRUST

Plaintiff

v.

Adv. Proc. No. 25-01013-SDM

MANTUA MANUFACTURING COMPANY

**MOTION FOR APPROVAL OF COMPROMISE AND SETTLEMENT**

COMES NOW the Plaintiff, Derek Henderson, duly appointed liquidating trustee of the UFI Liquidating Trust (“**Liquidating Trustee**”) and Mantua Manufacturing Company (“**Mantua**”) files this *Motion for Approval of Compromise and Settlement* (the “**Motion**”) pursuant to Fed.R.Bankr.P. 9019. In support of the Motion, the Trustee respectfully represents as follows:

1. By the Motion, the Liquidating Trustee seeks approval of a compromise and settlement with Mantua to resolve the claims in this Adversary Proceeding in exchange for

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<sup>1</sup> The Debtors in these Chapter 11 cases, and the last four digits of each Debtor’s federal tax identification number, are as follows: United Furniture Industries, Inc. (2576); United Furniture Industries NC, LLC.(9015); United Furniture Industries CA, Inc. (9966); FW Acquisition, LLC (2133); Furniture Wood, Inc. (9186);United Wood Products, Inc. (1061); Associated Bunk Bed Company (0569); UFI Royal Development, LLC (8143); UFI Exporter, Inc. (6518); UFI Transportation, LLC (9471); and LS Logistics, LLC (7004).

payment of \$72,019.68 (the “**Settlement**”). As explained below, the parties believe that their arms-length settlement is fair, equitable, and in the best interest of the estates given the respective parties’ probability of success in litigating the matter, and the attendant expense, inconvenience, and delay in doing so. Accordingly, the Motion should be approved.

2. This Adversary Proceeding seeks recovery of transfers under §§ 547, 550, and objection to claims under § 502(d) of the Bankruptcy Code, and was brought pursuant to Rule 7001 of the Federal Rules of Bankruptcy Procedure. The Liquidating Trustee sought to recover a total of \$90,024.60 from Mantua.

3. After negotiation between the parties, the parties agreed to the Settlement and seek approval by the Court thereof. It is requested that the Court grant this Motion and allow the parties ample time to effectuate the Settlement, after which time the Liquidating Trustee will dismiss this Adversary Proceeding with prejudice.

4. Having considered each other’s respective positions and the costs and risks of litigation, the Liquidating Trustee seeks the Court’s approval of the parties’ Settlement set forth herein.

### **CONCLUSION**

5. For all the foregoing reasons, the Liquidating Trustee and Mantua respectfully requests that this Court grant the Motion (i) approving the settlement and compromise between the Liquidating Trustee and Mantua pursuant to Bankruptcy Rule 9019 and (ii) such other relief as the Court deems appropriate.

THIS the 7th day of March, 2025.

Respectfully submitted,

**DEREK A. HENDERSON,**  
**Liquidating Trustee of UFI Liquidating Trust**

By: /s/ Douglas C. Noble

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***Counsel to Liquidating Trustee***

**CERTIFICATE OF SERVICE**

I do hereby certify that the foregoing pleading was filed electronically through the Court's CM/ECF system and served electronically on all parties enlisted to receive service electronically and to the party listed below:

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SO CERTIFIED, this the 7th day of March, 2025.

/s/ Douglas C. Noble