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COUNSEL TO LEIF M. CLARK, TRUSTEE
OF THE EDMERE LITIGATION TRUST

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,

Liquidating Debtors.

Chapter 11

Case 22-30659 (MVL)

(Jointly Administered)

**LITIGATION TRUSTEE'S SECOND OMNIBUS OBJECTION TO CLAIMS
(PRIORITY CLAIMS TO BE RECLASSIFIED)**

THIS IS AN OBJECTION TO YOUR CLAIM. SUBSTANTIVE RIGHTS MAY BE AFFECTED BY THIS OMNIBUS OBJECTION TO CLAIMS AND BY ANY FURTHER OBJECTION THAT MAY BE FILED. CLAIMANTS RECEIVING THIS OMNIBUS OBJECTION TO CLAIMS SHOULD LOCATE THEIR NAMES AND CLAIMS IN THIS OBJECTION AND ITS EXHIBIT(S).

IF YOU OPPOSE THE RELIEF REQUESTED IN THIS OBJECTION, YOU MUST FILE A WRITTEN RESPONSE IN THIS CASE AND SUCH RESPONSE MUST EXPLAIN THE FACTUAL AND/OR LEGAL GROUND(S) FOR YOUR OPPOSITION WITHIN THIRTY (30) DAYS FROM THE DATE OF SERVICE SHOWN IN THE CERTIFICATE OF SERVICE ATTACHED TO THIS OBJECTION. IF YOU DO NOT TIMELY FILE SUCH A WRITTEN RESPONSE, THE COURT MAY DEEM THIS OBJECTION TO BE UNOPPOSED BY YOU AND ENTER AND ORDER SUSTAINING THE OBJECTION AS TO YOUR CLAIM.

AN EVIDENTIARY HEARING ON THIS MATTER WILL BE HELD ON DECEMBER 20, 2023 AT 9:30 A.M. (PREVAILING CENTRAL TIME) AT THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS, 1100



223065923110900000000001

COMMERCE ST., 14TH FLOOR, COURTROOM NO. 2, DALLAS, TEXAS 75242. ANY RESPONSE TO THIS OBJECTION SHALL BE IN WRITING AND FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE ST., RM. 1254, DALLAS, TEXAS 75242-1496, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY.

FOR FURTHER INFORMATION, OR TO ACCESS PLEADINGS, DOCUMENTS, AND OTHER INFORMATION ABOUT THESE CASES, INCLUDING COPIES OF THE CLAIMS DISPUTED HEREIN WITHOUT CHARGE, VISIT [HTTPS://WWW.KCCLLC.NET/EDGEMERE](https://www.kccllc.net/edgemere).

Leif M. Clark, Trustee (the “**Trustee**”) of the Edgemere Litigation Trust (the “**Edgemere Litigation Trust**”) created and established pursuant to section 4.2 the Plan, as defined below, hereby files this objection (this “**Objection**”) to certain Other Priority Claims, as defined by Section 1.110 of the Plan, pursuant to section 502(a) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 3001 and 3007 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”), and Rules 3007-1 and 3007-2 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “**Local Rules**”) for entry of an order, substantially in the form attached hereto as Exhibit A (the “**Proposed Order**”), granting the relief requested herein and such other and further relief as the Court deems just and proper. In support of this Objection, the Trustee respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b). The Trustee consents to entry of a final order under Article III of the United States Constitution.

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

3. The bases for the relief sought in this Objection are 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 the rules 3007-1 and 3007-2 of the Local Bankruptcy Rules of this Court (the “**Local Rules**”).

BACKGROUND

4. On April 14, 2022 (the “**Petition Date**”), Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation (the “**Liquidating Debtors**,” and, prior to the Effective Date, as defined herein, the “**Debtors**”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas (the “**Court**”), commencing the above-captioned cases (the “**Chapter 11 Cases**”).

5. The Debtors’ capital and debt structures and the events leading to the filing of the Chapter 11 Cases is set forth in detail in the *Declaration of Nick Harshfield in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 7] (the “**First Day Declaration**”).

6. On April 28, 2022, the Office of the United States Trustee for the Northern District of Texas (the “**U.S. Trustee**”) appointed the official committee of unsecured creditors (the “**Committee**”) pursuant to Bankruptcy Code section 1102(a)(1). *See* Docket Nos. 135, 142, and 150.

7. On April 20, 2022, the Court approved the retention of Kurtzman Carson Consultants, LLC (“**KCC**”) as the Debtors’ claims, noticing, and administrative agent in these Chapter 11 Cases. *See* Docket No. 110.

8. On June 8, 2022, the Court entered an *Order (I) Establishing Bar Dates, (II) Approving Form and Manner of Notice Thereof, and (III) Approving Procedures for Filing Proofs of Claims* [Docket No. 386] (the “**Bar Date Order**”). Among other things, the Bar Date Order set July 21, 2022 at 4:00 p.m. (prevailing Central Time) (the “**General Bar Date**”) as the general date for filing proofs of claim. Attached as Exhibit 1 to the Bar Date Order was the “Notice of Deadline

for Filing Proofs of Claim” (the “**Bar Date Notice**”). KCC served and published the Bar Date Notice in both the Dallas Morning News and the New York Times National Edition. *See* Docket Nos. 427, 431, and 437.

9. On December 30, 2022, KCC filed a *Certificate of Service* [Docket No. 978] (the “**Solicitation Certificate**”), which evidences service of solicitation materials in accordance with the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Authorizing Kurtzman Carson Consultants LLC to Act as the Voting Agent with Respect to the Plan; (III) Approving Solicitation and Notice Procedures; (IV) Approving Manner and Forms of Ballots, Notices and Related Documents; and (V) Granting Related Relief* [Docket No. 947] (the “**Solicitation Procedures Order**”). Supplemental Solicitation Certificates were filed on January 6, 2023; January 17, 2023; January 20, 2023; and January 27, 2023. Docket Nos. 1006, 1048, 190, 1138.

10. On April 7, 2023, the Court entered its *Findings of Fact, Conclusions of Law, and Order Confirming Chapter 11 Plan of Plan Sponsors* [Docket Nos 1393, 1394] (the “**Confirmation Order**”),¹ confirming the *Fourth Amended Chapter 11 Plan of the Plan Sponsors Dated February 17, 2023* [Docket No. 1241] (the “**Plan**”).

11. Section 4.2. of the Plan provided for the creation of the Litigation Trust. Pursuant to Section 7.1 of the Plan, the Trustee has “the exclusive authority to file, settle, compromise, withdraw, or litigate to judgment any objections to Claims . . . other than Claims relating to Resident Claimants in Class 5 and Class 6[,] which will be addressed by the Residents Trust Trustee.” As a result, this Objection is limited to proofs of claims that would fall within Class 1, if allowed, and with respect to Other Priority Claims asserted by residents, such claims would not be

¹Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Confirmation Order, Plan, and Disclosure Statement.

classified and treated under Classes 5 and 6 of the Plan.²

12. On May 22, 2023, notice was provided to identify the selected Trustee. *See* Docket No. 1526.

13. On June 13, 2023 (the “**Effective Date**”), all conditions to the occurrence of the Effective Date set forth in the Plan and Confirmation Order were satisfied or waived in accordance therewith, and the Effective Date of the Plan occurred. On June 20, 2023, the *Notice of (I) Entry of Findings of Fact, Conclusions of Law, and Order Confirming Chapter 11 Plan of Plan Sponsors; (II) Effective Date of Plan Sponsors’ Chapter 11 Plan; and (III) Certain Post-Effective Date Deadlines* [Docket No. 1620] (the “**Effective Date Notice**”) was filed.

14. On July 25, 2023, the Court entered the *Order Granting Debtors’ Motion to Extend the Deadline to Object to Claims*, which extended the claims objection deadline from June 9, 2023 to October 4, 2023. *See* Docket No. 1659.

15. On October 10, 2023, the Court entered the *Order Granting Litigation Trustee’s Motion to Extend the Deadline to Object to Claims*, which extended the claims objection deadline from October 4, 2023 to October 4, 2024. *See* Docket No. 1728. This Objection is, therefore, timely filed.

16. Approximately twenty-two (22) residents filed claims asserting that all or some portion of their asserted claims should be allowed and treated as Other Priority Claims, and approximately thirteen (13) non-resident claimants assert all or some portion of their asserted claims should be allowed and treated as Other Priority Claims.

² If the Court sustains the Objection and reclassifies one or more of the Other Priority Claims asserted by residents, such reclassified claim(s) will be subject to further review, evaluation and/or objection by the Residents Trustee.

RELIEF REQUESTED

17. By this Objection, the Trustee requests entry of an order, substantially in the form attached hereto as Exhibit A (the “**Proposed Order**”), reclassifying the claims identified on Schedule 1 to the Proposed Order, with respect to resident claims (the “**Resident Claims**”) as they do not meet the requirements of Bankruptcy Code section 507(a)(7), and claims identified on Schedule 2 to the Proposed Order, with respect to non-resident claims (the “**Non-Resident Claims**”) as they do not meet the requirements of Bankruptcy Code section 507(a)(4) for allowance as priority claims. All such claims (the “**Disputed Claims**”) should be reclassified as general unsecured claims. Each schedule details the specific reasons why the Disputed Claims should be reclassified.

BASIS FOR OBJECTION

18. “A claim or interest, proof of which is filed under section 501 [of the Bankruptcy Code], is deemed allowed, unless a party in interest . . . objects.” 11 U.S.C. § 502(a). The Trustee is a party in interest with authority to object to the Claims. Bankruptcy Rule 3007(d) authorizes omnibus objections for claims that, inter alia, “duplicate other claims . . . have been filed in the wrong case” and for claims that “assert priority in an amount that exceeds the maximum amount under § 507 of the Code.” FED. R. BANKR. P. 3007(d)(1), (d)(2), (d)(8). Additionally, under Bankruptcy Rule 3007(f) “[t]he finality of any order regarding a claim objection included in an omnibus objection shall be determined as though the claim had been subject to an individual objection.” FED. R. BANKR. P. 3007(f).

19. Though a proof of claim filed in accordance with the Bankruptcy Rules constitutes prima facie evidence of the validity and the amount of the claim,³ such presumptive validity is lost

³ FED. R. BANKR. P. 3001(f); *see also In re Jack Kline Co., Inc.*, 440 B.R. 712, 742 (Bankr. S.D. Tex. 2010).

if an objecting party refutes at least one of the allegations that are essential to the claim's legal sufficiency. *See In re Fidelity Holding Co., Ltd.*, 837 F.2d 696, 698 (5th Cir. 1988). Once the presumption of validity is refuted, the burden shifts to the claimant to establish the validity of its claim by a preponderance of the evidence. *Id.* Despite the shifting of burdens during the claim objection process; however, "the ultimate burden of proof always lies with the claimant." *In re Armstrong*, 347 B.R. 581, 583 (Bankr. N.D. Tex. 2006) (citing *Raleigh v. Ill. Dep't of Rev.*, 530 U.S. 15 (2000)).

I. THE RESIDENT PRIORITY CLAIMS

20. The Trustee objects to the Claims set forth in **Schedule 1** for the reasons stated therein. After reviewing the Debtors' books and records, the Resident Claims, including any supporting documentation, and the Claims Register, the Trustee believes that each Resident Claim is only enforceable against the Debtors as a general unsecured claim. Schedule 1 sets forth the specific basis (or bases) for the Trustee's objection to each Disputed Claim.

21. In each of the Resident Claims, the claimant asserts entitlement to priority status pursuant to Bankruptcy Code section 507(a)(7), which conveys priority status to "allowed unsecured claims of individuals, to the extent of \$3,350 for each such individual, arising from the deposit, before the commencement of the case, of money in connection with the purchase, lease, or rental of property, or the purchase of services, for the personal, family, or household use of such individuals, that were not delivered or provided." 11 U.S.C. § 507(a)(7).

22. Each of the Resident Claims rely on an Edgemere Life Care Agreement (the "**Life Care Agreements**") as the basis for the claimant's purported entitlement to priority status. But the Life Care Agreements are not lease agreements. *See e.g., Jackim v. CC-Lake, Inc.*, 363 Ill. App. 3d 759, 843 N.E. 2d 1113 (Ill. App. Ct., 1st Dist. 2005) (life care agreement is not a lease; life care

provider and resident do not have a landlord-tenant relationship). Nor are they contracts for the purpose of purchasing property. As a result, amounts paid pursuant to the terms of the Life Care Agreements do not amount to “money [paid] in connection with the purchase, lease, or rental of property” for the purpose of section 507(a)(7). Thus, the Resident Claims are not entitled to priority status thereunder, and they should be reclassified as general unsecured claims as set forth in Schedule 1. As noted in footnote 2 hereof, Resident Claims, other than as asserted priority claims, are subject to the review, evaluation and potential objection of the Residents Trustee. Thus, the Trustee makes (and will make) no conclusion as to whether these claims should be allowed as general unsecured claims.

II. THE NON-RESIDENT PRIORITY CLAIMS

23. The Trustee objects to the Claims set forth in **Schedule 2** for the reasons stated therein. After reviewing the Debtors’ books and records, the Non-Resident Claims, including any supporting documentation, and the Claims Register, the Trustee believes that each Resident Claim is only enforceable against the Debtors as a general unsecured claim. Schedule 2 sets forth the specific basis (or bases) for the Trustee’s objection to each Claim.

24. In each of the Non-Resident Claims, the claimant asserts entitlement to priority status pursuant to Bankruptcy Code section 507(a)(4), which conveys priority status to:

(4) Fourth, allowed unsecured claims earned within 180 days before the date of the filing of the petition . . . for —

(A) wages, salaries, or commissions, including vacation, severance, and sick leave pay earned by an individual; or

(B) sales commissions earned by an individual or by a corporation with only 1 employee, acting as an independent contractor in the sale of goods or services for the debtor in the ordinary course of the debtor's business if, and only if, during the 12 months preceding that date, at least 75 percent of the amount that the individual

or corporation earned by acting as an independent contractor in the sale of goods or services was earned from the debtor.

11 U.S.C. § 507(a)(7).

25. A review of the supporting documents attached to the Non-Resident Claims reveals that they are based upon contracts for services rendered rather than claims for wages, salaries, or commissions earned within the 180-day period preceding the petition date. Additionally, there is no evidence attached to the Non-Resident Claims to establish that any of the claimants are employees of the Debtors or independent contractors of the Debtors as required by section 507(a)(4). As a result, none of the Non-Resident Claims are entitled to priority status and they should be reclassified as general unsecured claims as set forth in Schedule 2.

SEPARATE CONTESTED MATTER

26. Each of the above objections to the Disputed Claims constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. The Trustee requests that any order entered by this Court with respect to an objection asserted herein shall be deemed a separate order with respect to each Claim.

RESERVATION OF RIGHTS

27. The Trustee expressly reserves the right to amend, modify or supplement this Objection and to file additional substantive or non-substantive objections to the Disputed Claims objected to herein, or any other claims (filed or not) that may be asserted against the Liquidating Debtors. Should one or more of the grounds of objection stated in this Objection be overruled, the Trustee reserves the right to object on other stated grounds or on any other grounds that the Trustee discovers. In addition, the Trustee reserves the right to seek further reduction of any claim for any reason and reserves the right to raise further objections.

COMPLIANCE WITH LOCAL RULES

28. This Objection includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated, and a discussion of their application to this Objection. The Trustee objects to no more than 100 proofs of claim herein. The Trustee has served notice of this Objection on those persons whose names appear in the signature blocks on the Disputed Claims, and in accordance with Bankruptcy Rule 7004. Moreover, the Trustee has notified claimants that a copy of their claim may be obtained from the Trustee upon request. Accordingly, the Trustee submits that this objection satisfies Local Rule 3007-2.

NOTICE

29. Notice of this Objection has been provided to each of the affected claimants listed on Schedules 1-2 at the address provided on each of the Disputed Claims and via email, as described more particularly on the Certificate of Service attached hereto. Notice has also been provided via the Court's CM/ECF system to each claimant's attorney that has filed a notice of appearance in these cases and via email to each claimant's attorney listed as a notice party or signatory on the Disputed Claims as set forth on the Certificate of Service attached hereto.

WHEREFORE, the Trustee respectfully requests that the Court enter an order, substantially similar to the form attached as Exhibit A, granting (i) the relief requested herein and (ii) such other and further relief as it deems just and proper.

Dated: November __, 2023
Dallas, Texas

Respectfully submitted,

POLSINELLI PC

/s/ Trinitee G. Green

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– and –

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achampion@polsinelli.com

COUNSEL LEIF M. CLARK, TRUSTEE
OF THE EDGEMERE LITIGATION TRUST

CERTIFICATE OF SERVICE

The undersigned certifies that on November __, 2023 she caused a copy of the foregoing *Litigation Trustee's Second Omnibus Objection to Claims (Priority Claims to be Reclassified)* to be filed electronically using the CM/ECF system, which provides service of the objection on the parties registered to receive ECF notice and the undersigned further certifies that on or before November __, 2023, she caused service to be delivered on the parties listed below in the manner(s) indicated.

/s/ Trinitee G. Green

Trinitee G. Green

Claimant/Notice Party	Via First Class Mail	Via Email
Office of the United States Trustee c/o Lisa Lambert		Lisa.L.Lambert@usdoj.gov
Resident ID 117	Address Redacted	Email Address Redacted
Resident ID 127	Address Redacted	Email Address Redacted
Resident ID 127	Address Redacted	Email Address Redacted
Resident ID 127	Address Redacted	Email Address Redacted
Resident ID 212	Address Redacted	Email Address Redacted
Resident ID 212	Address Redacted	Email Address Redacted
Resident ID 217	Address Redacted	Email Address Redacted
Resident ID 282	Address Redacted	Email Address Redacted
Resident ID 292	Address Redacted	Email Address Redacted
Resident ID 1387	Address Redacted	Email Address Redacted
Resident ID 1387	Address Redacted	Email Address Redacted
Resident ID 1387	Address Redacted	Email Address Redacted
Resident ID 1402	Address Redacted	Email Address Redacted
Resident ID 1403	Address Redacted	Email Address Redacted
Resident ID 1411	Address Redacted	Email Address Redacted

Resident ID 1411	Address Redacted	Email Address Redacted
Resident ID 1438	Address Redacted	Email Address Redacted
Resident ID 1443	Address Redacted	Email Address Redacted
Resident ID 1443	Address Redacted	Email Address Redacted
Resident ID 1455	Address Redacted	Email Address Redacted
Resident ID 1461	Address Redacted	Email Address Redacted
Resident ID 1461	Address Redacted	Email Address Redacted
Douglas Cox d/b/a Let's Roll Promo	Attn: Douglas W. Cox 6940 Lakeview Circle Rowlett, Tx 75089	doug@letsrollpromo.com
A+ Student Staffing	Attn: Betsy Garner 4100 Harry Hines Blvd Suite 350 Dallas, Tx 75219	Bgarner@apluspeople.com
Joh O'Sullivan	John O'Sullivan 1120 Bellmont Ct. Bedford, Tx 76022	sullytx@msn.com
Dallas MD Associates	Attn: Dr. Muhammad Kahn 13853 Myatt Ave. Frisco, Tx 75035	makmiester@gmail.com
Music Therapy Solutions	Attn: Tiffany Ann Wyndham Hunt P.O. Box 2551 Forney, Tx 75126	tiffany@musictherapysolutions.com
John Constantini	John Constatnini 265 Encina Irving, Tx 75038	Jconstantini_OJ@yahoo.com
A+ Staffing	Attn: Betsy Garner 4100 Harry Hines Blvd Suite 350 Dallas, Tx 75219	Bgarner@apluspeople.com

Laura Irrgang	Attn: Laura Irrgang 7263 CR 3207 Lone Oak, Tx 75453	laurairrgang@gmail.com
Sweet Steel	Attn: Susan J. Manaois 3617 Doubletree Court Plano, Tx 75023	sweetsteel@flash.net

EXHIBIT A
Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,

Liquidating Debtors.

Chapter 11

Case 22-30659 (MVL)

(Jointly Administered)

**ORDER SUSTAINING LITIGATION TRUSTEE’S SECOND OMNIBUS
OBJECTION TO CLAIMS (PRIORITY CLAIMS TO BE RECLASSIFIED)**

Upon the second omnibus objection to claims (the “**Objection**”)¹ of Leif M. Clark, trustee of the Edgemere Litigation Trust (the “**Trustee**”) seeking to reclassify certain proofs of claim pursuant to Bankruptcy Code section 502; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334(b); and the Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that the Trustee consents to entry of a final

¹Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Objection.

order under Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Objection in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having determined that the relief requested in the Objection is in the best interests of the Liquidating Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Objection has been given, under the circumstances, and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore,

IT IS ORDERED, ADJUDGED AND DECREED THAT:

1. The Objection is SUSTAINED as set forth herein.
2. Pursuant to Bankruptcy Code section 502, the claims listed on Schedule 1 and Schedule 2 attached hereto are reclassified in whole or in part as general unsecured nonpriority claims (the “**Disputed Claims**”) as set forth on Schedule 1 and Schedule 2.
3. Kurtzman Carson Consultants, LLC, as the claims and noticing agent in these cases, is authorized and directed to update the Claims Register to reflect all relief granted in this Order.
4. Notwithstanding anything to the contrary contained herein, nothing herein shall affect the validity, nature, amount, allowability, priority, or otherwise seek to reclassify any non-Priority Claims or portions of non-Priority Claims that may have been asserted by the claimant.
5. The Trustee’s rights to amend, modify, or supplement the Objection, to file additional objections to the Disputed Claims or any other claims (filed or not) that may be asserted against the Liquidating Debtors, and to seek further reduction of any claim to the extent such claim has been paid, are preserved. Additionally, should one or more grounds of objection stated in the Objection be overruled, the Trustee’s rights to object on other stated grounds or on any other grounds that the Trustee discovers are further preserved.

6. Notwithstanding any Bankruptcy Rule or Local Rule to the contrary, this Order shall be immediately effective and enforceable upon its entry

7. This Court shall retain jurisdiction over any and all matters arising from the interpretation, implementation, or enforcement of this Order.

End of Order

Order submitted by:

POLSINELLI PC

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-and-

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COUNSEL TO LEIF M. CLARK, TRUSTEE
OF THE EDGEMERE LITIGATION TRUST

SCHEDULE 1

Resident Priority Claims

#	Claim No.	Resident I.D. No.	Date Claim Filed	Debtor Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to be Reclassified as General Unsecured Claim	Reason for Reclassification
1.	75	117	7/5/22	22-30659	\$240,402.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
2.	49	127	6/12/22	22-30659	\$664,050.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
3.	101	212	7/19/22	22-30659	\$274,762.80	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
4.	102	212	7/19/22	22-30660	\$274,762.80	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.

#	Claim No.	Resident I.D. No.	Date Claim Filed	Debtor Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to be Reclassified as General Unsecured Claim	Reason for Reclassification
5.	164	217	8/22/22	22-30659	\$463,430.00	\$463,430.00	\$0.00	\$463,430.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
6.	165	217	8/22/22	22-30660	\$463,430.00	\$463,340.00	\$0.00	\$463,340.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 164.
7.	102	282	6/28/22	22-30659	\$590,000.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
8.	93	292	7/15/22	22-30659	\$555,273.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.

#	Claim No.	Resident I.D. No.	Date Claim Filed	Debtor Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to be Reclassified as General Unsecured Claim	Reason for Reclassification
9.	12	1387	7/20/22	22-30659	\$784,600.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
10.	137	1387	7/20/22	22-30659	\$784,600.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 12.
11.	115	1387	7/20/22	22-30659	\$2,663,991.60	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
12.	123	1387	7/20/22	22-30659	\$2,663,991.60	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 115.

#	Claim No.	Resident I.D. No.	Date Claim Filed	Debtor Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to be Reclassified as General Unsecured Claim	Reason for Reclassification
13.	138	1387	7/20/22	22-30659	\$2,663,991.60	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 115.
14.	186	1387	7/12/23	22-30659	\$449,100.00	\$449,100.00	\$0.00	\$449,100.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
15.	23	1402	5/19/22	22-30659	\$589,095.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
16.	22	1403	5/17/22	22-30659	\$269,910.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.

#	Claim No.	Resident I.D. No.	Date Claim Filed	Debtor Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to be Reclassified as General Unsecured Claim	Reason for Reclassification
17.	53	1411	6/15/22	22-30659	\$420,000.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
18.	148	1438	7/15/22	22-30659	\$865,601.90	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
19.	128	1443	7/21/22	22-30659	\$452,952.00	unliquidated	\$0.00	unliquidated	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
20.	113	1455	7/20/22	22-30659	\$333,164.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.

#	Claim No.	Resident I.D. No.	Date Claim Filed	Debtor Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to be Reclassified as General Unsecured Claim	Reason for Reclassification
21.	109	1461	7/20/22	22-30659	\$432,224.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
22.	183	1461	3/21/23	22-30659	\$432,224.00	\$3,350.00	\$0.00	\$3,350.00	The supporting documentation indicates that the claim is based on a contract for life care, not a rental or lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 109.

SCHEDULE 2

Non-Resident Priority Claims

#	Claim No.	Claimant	Date Claim Filed	Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to Reclassify as General Unsecured Claim	Reason for Reclassification
1.	7	Douglas Cox d/b/a Let's Roll Promo	5/2/22	22-30659	\$209.22	\$209.22	\$0.00	\$209.22	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
2.	15	Douglas Cox d/b/a Let's Roll Promo	5/3/22	22-30659	\$101.00	\$101.00	\$0.00	\$101.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
3.	16	Douglas Cox d/b/a Let's Roll Promo	5/3/22	22-30659	\$418.73	\$418.73	\$0.00	\$418.73	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
4.	17	Douglas Cox d/b/a Let's Roll Promo	5/4/22	22-30659	\$538.00	\$538.00	\$0.00	\$538.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.

#	Claim No.	Claimant	Date Claim Filed	Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to Reclassify as General Unsecured Claim	Reason for Reclassification
5.	25	A+ Student Staffing	5/16/22	22-30659	\$9,235.58	\$9,235.58	\$0.00	\$9,235.58	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
6.	30	Joh O'Sullivan	5/25/22	22-30659	\$675.00	\$675.00	\$0.00	\$675.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
7.	37	Dallas MD Associates	5/25/22	22-30659	\$1,750.00	\$1,750.00	\$0.00	\$1,750.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
8.	39	Music Therapy Solutions	6/1/22	22-30659	\$264.00	\$264.00	\$0.00	\$264.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
9.	40	John Constantini	6/1/22	22-30659	\$600.00	\$600.00	\$0.00	\$600.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.

#	Claim No.	Claimant	Date Claim Filed	Case No.	Asserted Claim Amount	Asserted Priority Claim Amount	Revised Priority Amount	Amount to Reclassify as General Unsecured Claim	Reason for Reclassification
10.	68	A+ Staffing	6/20/22	22-30659	\$9,235.58	\$8,717.82	\$0.00	\$8,717.82	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status. Additionally, the claim appears to be duplicative of claim 25.
11.	76	Laura Irrgang	7/5/22	22-30659	\$300.00	\$300.00	\$0.00	\$300.00	No supporting documentation; not wages, salary, or commission.
12.	167	Sweet Steel	8/24/22	22-30660	\$250.00	\$250.00	\$0.00	\$250.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status.
13.	168	Sweet Steel	8/24/22	22-30659	\$250.00	\$250.00	\$0.00	\$250.00	The supporting documentation indicates that the claim is for services provided, not wages, salary, and commission as required by section 507(a)(4) and is therefore ineligible for priority status. Additionally, the claim is duplicative of claim 167.