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

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

In re:

Northwest Senior Housing Corporation, *et al.*,  
  
Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**Related Docket No. 1735**

**CERTIFICATE OF NO RESPONSE AND CERTIFICATE OF COUNSEL**

Leif M. Clark, trustee (the “**Trustee**”) of the litigation trust (the “**Litigation Trust**”), files this *Certificate of No Response and Certificate of Counsel*, stating and certifying as follows:

1. On November 9, 2023, the Trustee filed the *Litigation Trustee’s Second Omnibus Objection to Administrative Claims (Priority Claims to be Reclassified)* [Docket No. 1735] (the “**Objection**”) and served the Objection via First-class mail, postage prepaid and/or email upon the claimants listed on the Certificate of Service included with the Objection. The Objection was also served via the Court’s CM/ECF system upon all parties receiving such electronic service in this bankruptcy case at the time of filing.

2. The deadline to file any responses to the Objection expired on December 11, 2023.

3. The *Edward C. Cerny III, Susan Kumar, Gale Swanson, and Martha P. Cerny*



*Trust's Response to Litigation Trustee's Second Omnibus Objection to Resident Claims (Related ECF No. 1735) [Docket No. 1742]* (the “**Cerny Response**”) was timely filed by C. Cerny III, Suzan Kumar, Gale Swanson, and Martha P. Cerny Trust (collectively, “**Cerny Trust**”) on November 16, 2023. Additionally, on December 12, 2023, a letter in apparent opposition to the Objection was filed by Douglas W. Cox on behalf of Let's Roll Promo (“**Let's Roll**”) [Docket No. 1751] (the “**Letter Response**”).

#### **Let's Roll's Letter Response**

4. In the Letter Response, Let's Roll Promo opposes “dismissing our claim to have funds due to us erased.” Letter Response at 1. Let's Roll filed Proofs of Claim nos. 7, 15, 16, and 17. Assuming the Court can consider the Letter Response,<sup>1</sup> the Trustee certifies that the Litigation Trust does not seek disallowance of claims filed by Let's Roll. Instead, the Trustee only seeks reclassification of the claims as Class 4 General Unsecured Claims for the reasons set forth in the Objection. Let's Roll's Letter Response does not oppose reclassification of its claims or provide any argument or evidence to rebut the basis of the Objection, which is that services provided are not entitled to priority status under Bankruptcy Code section 507(a)(4).

#### **Cerny Response**

5. The Cerny Trust “does not oppose a reclassification of its proof of claim as a general unsecured claim.” Cerny Response at ¶ 5. Instead, the Cerny Trust opposes the Objection only to the extent the Trustee seeks “disallowance or reduction and disallowance or [the claim] is targeted for reclassification as a Class 4 General Unsecured Claim as opposed to a Class 5 Participating Resident Refund Claim.” *Id.*

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<sup>1</sup> “It has been the law for the better part of two centuries ... that a corporation may appear in the federal courts only through licensed counsel.” *Rowland v. California Men's Colony, Unit II Men's Advisory Council*, 506 U.S. 194, 201-02, 113 S.Ct. 716, 121 L.Ed.2d 656 (1993); *see also United States v. Trowbridge*, 251 F.3d 157 (5th Cir. 2001) (finding that the trusts, as artificial entities, could not proceed without a lawyer).

### **Deemed Objection Responses of Certain Residents**

6. Pamela Sviglia and Merilou Love (the “**Creditors**”) filed responses to the *Edgemere Residents’ Trust First Omnibus Objection to Resident Claims* [Docket No. 1722] (the “**Residents’ Trust Objection**”), which each raise the same reclassification concerns raised in the Cerny Response. *See* Docket Nos. 1739, 1741. Thus, to facilitate the claims resolution process, the Trustee deems the Creditors’ responses to the Residents’ Trust Objection to be responses to the Objection.

### **Status of Resolutions Reached**

7. Through undersigned counsel, the Trustee engaged in discussions with counsel for the Creditors and the Cerny Trust, which resulted in resolutions with respect to their responses as outlined below and memorialized in the revised Proposed Order attached hereto as clean and redlined copies as Exhibit A and Exhibit B, respectively. Additionally, the following two paragraphs are intended to resolve concerns of the Cerny Trust and/or the Creditors:

8. The Objection seeks reclassification of the asserted priority portion of the claims of the Cerny Trust and the Creditors as “general unsecured claims” without specifying whether the claims should be reclassified as Class 4 General Unsecured Claims or Class 5 Participating Resident Claims. Objection at ¶ 17, 20, 22, Schedule 1. For the avoidance of doubt, the Trustee does not seek reclassification of the claims of the Cerny Trust or the Creditors as Class 4 General Unsecured Claims as opposed to Class 5 Participating Resident Claims. Indeed, the claims of Participating Former Residents who elected not to opt out of the Lifespace Settlement and release under Section 8 of the Plan should be reclassified as Class 5 Participating Former Resident Refund Claims. All of the other Disputed Claims should be reclassified as Class 4 General Unsecured Claims. The Trustee’s Proposed Order and attached Schedules, attached hereto in clean and redline

copies, have been revised accordingly.

9. Additionally, although the Trustee reserved the right “to file additional substantive or non-substantive objections to the Disputed Claims,”<sup>2</sup> through the Objection the Trustee merely seeks reclassification of the priority portion of claims, not disallowance or reduction of such claims or any other portion of the claim. Moreover, pursuant to Section 7.1 of the confirmed Plan the Trustee lacks the authority to assert any further objections to claims reclassified as Class 5 Participating Former Resident Refund Claims. The Proposed Order therefore finally resolves any objections the Trustee has to such claims, including the claims of the Cerny Trust and the Creditors and has been revised to clarify the same.

10. Through undersigned counsel, the Trustee attempted to make contact with Let’s Roll, but, as of the filing hereof, has not received a return call.

11. As noted above, the deadline for filing responses to the Objection has passed. Further, counsel for the Cerny Trust and the Creditors have each agreed that the revisions to the Proposed Order resolve their responses and, if the Court is willing to consider the Letter Response, Let’s Roll does not oppose reclassification of its claim. Accordingly, the Trustee respectfully requests that the Court enter the Proposed Order without the need for a hearing with respect to the Trustee’s Objection.

**WHEREFORE**, the Trustee and his counsel respectfully requests that the Court enter the order sustaining the Objection and for such other and further relief as the Court deems just and proper.

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<sup>2</sup> Objection at ¶ 27.

Dated: December 13, 2023  
Dallas, Texas

**POLSINELLI PC**

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

**CERTIFICATE OF SERVICE**

I hereby certify that on December 13, 2023, a true and correct copy of the foregoing *Certificate of No Response and Certificate of Counsel* was served via the Court's Electronic Case Filing system upon all parties receiving such electronic service in this case.

/s/ Trinitee G. Green  
Trinitee G. Green

**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**”)<sup>1</sup> 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

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

proceeding pursuant to 28 U.S.C. § 157(b)(2), and that the Trustee consents to entry of a final 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 either Class 4 or Class 5 general unsecured nonpriority claims (the “**Disputed Claims**”) as set forth on Schedule 1 and Schedule 2.
3. The claims of Participating Former Residents who elected not to opt out of the Lifespace Settlement and releases under Section 8 of the Plan, including the claims filed by Pamela Sviglia (Claim No. 186), Edward C. Cerny III, Suzan Kuman, Gale Swanson, and the Martha P. Cerny Trust (Claim No. 22), and the claim filed by Merilou Love (Claim Nos. 125 and 130) will be reclassified as Class 5 Participating Former Resident Refund Claims rather than Class 4 General Unsecured Claims.
4. 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.

5. 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 claimants.

6. 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.

7. In accordance with Section 7.1 of the confirmed Plan, the Litigation Trustee is not authorized to assert any objection(s) to claims reclassified as Class 5 Participating Former Resident Refund Claims. This Order therefore finally resolves any objections the Litigation Trustee has to such claims.

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

9. 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:

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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 <sup>1</sup>	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

<sup>1</sup> For the avoidance of doubt, the claims of Participating Former Residents who elected not to opt out of the Lifespace Settlement and releases under Section 8 of the Plan will be reclassified as Class 5 Participating Former Resident Refund Claims rather than Class 4 General Unsecured 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 <sup>1</sup>	Reason for Reclassification
									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.
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

#	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 <sup>1</sup>	Reason for Reclassification
									lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
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

#	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 <sup>1</sup>	Reason for Reclassification
									507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 115.
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

#	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 <sup>1</sup>	Reason for Reclassification
									507(b)(7) and is therefore not entitled to priority status.
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

#	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 <sup>1</sup>	Reason for Reclassification
									507(b)(7) and is therefore not entitled to priority status.
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 <sup>1</sup>	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.

<sup>1</sup> For the avoidance of doubt, claims on Schedule 2 will be reclassified as Class 4 General Unsecured 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 <sup>1</sup>	Reason for Reclassification
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.
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.

#	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 <sup>1</sup>	Reason for Reclassification
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.
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.

#	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 <sup>1</sup>	Reason for Reclassification
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.

**EXHIBIT B**

**(Redline Against Prior 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**”)<sup>12</sup> 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

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<sup>1</sup> Capitalized 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 either Class 4 or Class 5 general unsecured nonpriority claims (the “**Disputed Claims**”) as set forth on Schedule 1 and Schedule 2.
3. The claims of Participating Former Residents who elected not to opt out of the Lifespace Settlement and releases under Section 8 of the Plan, including the claims filed by Pamela Sviglia (Claim No. 186), Edward C. Cerny III, Suzan Kuman, Gale Swanson, and the Martha P. Cerny Trust (Claim No. 22), and the claim filed by Merilou Love (Claim Nos. 125 and 130) will be reclassified as Class 5 Participating Former Resident Refund Claims rather than Class 4 General Unsecured Claims.
4. ~~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.
5. ~~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~~claimants.

6. ~~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.

7. In accordance with Section 7.1 of the confirmed Plan, the Litigation Trustee is not authorized to assert any objection(s) to claims reclassified as Class 5 Participating Former Resident Refund Claims. This Order therefore finally resolves any objections the Litigation Trustee has to such claims.

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

9. ~~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

/s/ Trinitee G. Green

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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 <sup>1</sup>	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

<sup>1</sup> [For the avoidance of doubt, the claims of Participating Former Residents who elected not to opt out of the Lifespace Settlement and releases under Section 8 of the Plan will be reclassified as Class 5 Participating Former Resident Refund Claims rather than Class 4 General Unsecured 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 <sup>1</sup>	Reason for Reclassification
									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.
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

#	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 <sup>1</sup>	Reason for Reclassification
									lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
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

#	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 <sup>1</sup>	Reason for Reclassification
									507(b)(7) and is therefore not entitled to priority status. Additionally, the claim appears to be duplicative of claim 115.
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

#	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 <sup>1</sup>	Reason for Reclassification
									lease agreement as required by section 507(b)(7) and is therefore not entitled to priority status.
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

#	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 <sup>1</sup>	Reason for Reclassification
									507(b)(7) and is therefore not entitled to priority status.
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 <sup>1</sup>	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.

<sup>1</sup> [For the avoidance of doubt, claims on Schedule 2 will be reclassified as Class 4 General Unsecured 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 <sup>1</sup>	Reason for Reclassification
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.
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.

#	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 <sup>1</sup>	Reason for Reclassification
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.
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.

#	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 <sup>4</sup>	Reason for Reclassification
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.

Document comparison by Workshare Compare on Wednesday, December 13, 2023 10:22:01 AM

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Document 2 ID	iManage://work.polsinelli.law/ACTIVE/91588080/8
Description	#91588080v8<work.polsinelli.law> - Edgemere Proposed Order Omnibus Claims Objection (Second)
Rendering set	Standard

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Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count

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Moved to	0
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Format changes	0
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