

IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

In re:	)	)	Chapter 11
LAVIE CARE CENTERS, LLC, <sup>1</sup>	)	)	Case No. 24-55507 (PMB)
Debtors.	)	)	(Jointly Administered)
	)	)	Hearing Date: Oct. 22, 2024 at 9:30 a.m. (ET)
	)	)	Obj. Deadline: Oct. 14, 2024 at 4:00 p.m. (ET)

**NOTICE OF HEARING ON OCTOBER 22, 2024 AT 9:30 A.M. (PREVAILING EASTERN TIME) AND DEADLINE TO OBJECT TO DEBTORS’ MOTION FOR ENTRY OF ORDER EXTENDING EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF**

**PLEASE TAKE NOTICE** that on September 30, 2024, LaVie Care Centers, LLC (“LaVie”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) filed the *Debtors’ Motion for Entry of Order Extending Exclusive Periods to File a Chapter 11 Plan and Solicit Acceptances Thereof* (the “Motion”), seeking a 90-day extension of the Debtors’ exclusive periods to file and solicit a chapter 11 plan.

**PLEASE TAKE FURTHER NOTICE THAT** a hearing (the “Hearing”) on the Motion will be held on **October 22, 2024, at 9:30 a.m. (prevailing Eastern Time)** in Courtroom 1202, at the Richard B. Russell Federal Building and United States Courthouse, 75 Ted Turner Dr. SW, Atlanta, Georgia 30303, which may be attended in person or via the Court’s Virtual Hearing Room. You may join the Virtual Hearing Room through the “Dial-in and Virtual Bankruptcy Hearing Information” link at the top of the homepage of the Court’s website, [www.ganb.uscourts.gov](http://www.ganb.uscourts.gov), or the link on the judge’s webpage, which can also be found on the Court’s website. Please also review the “Hearing Information” tab on the judge’s webpage for further information about the hearing. You should be prepared to appear at the hearing via video, but you may leave your camera in the off position until the Court instructs otherwise. Unrepresented persons who do not have video capability may use the telephone dial-in information on the judge’s webpage.

**PLEASE TAKE FURTHER NOTICE THAT if you object to the relief requested in the Motion, you must file your objection with the Bankruptcy Clerk at the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division, 75 Ted Turner Dr.**

<sup>1</sup> The last four digits of LaVie Care Centers, LLC’s federal tax identification number are 5592. There are 282 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/LaVie>. The location of LaVie Care Centers, LLC’s corporate headquarters and the Debtors’ service address is 1040 Crown Pointe Parkway, Suite 600, Atlanta, GA 30338.



**SW, Room 1340, Atlanta, GA 30303 and serve a copy** on (i) LaVie Care Centers, LLC, c/o Ankura Consulting Group, LLC, 485 Lexington Avenue, 10th Floor, New York, NY 10017 (Attn: M. Benjamin Jones); (ii) counsel to the Debtors, McDermott Will & Emery LLP, 1180 Peachtree St. NE, Suite 3350, Atlanta, Georgia 30309 (Attn: Daniel M. Simon) and 444 West Lake Street, Suite 4000, Chicago, IL 60606 (Attn: Emily C. Keil); (iii) counsel to the Committee, Troutman Pepper Hamilton Sanders LLP, 3000 Two Logan Square, Eighteenth and Arch St., Philadelphia, PA 19103 (Attn: Francis J. Lawall) and 875 Third Avenue, New York, NY 10022 (Attn: Deborah Kovsky-Apap); and (iv) the United States Trustee of the Northern District of Georgia, 362 Richard B. Russell Building, 75 Ted Turner Drive, S.W., Atlanta, GA 30303 (Attn: Jonathan S. Adams) by **October 14, 2024 at 4:00 p.m. (prevailing Eastern Time)** (the “Objection Deadline”). **If you do not file a response or objection by the Objection Deadline, the Court may grant the relief requested in the Motion without further notice.**

**PLEASE TAKE FURTHER NOTICE THAT** copies of the Motion and other related documents are available free of charge on the Debtors’ case information website (<https://www.veritaglobal.net/lavie>) or can be requested from Kurtzman Carson Consultants, LLC d/b/a Verita by calling (877) 709-4750 (United States/Canada toll-free) or +1 (424) 236-7230 (International) or by clicking the “Submit an Inquiry” option at <https://www.veritaglobal.net/lavie/Inquiry>.

**PLEASE TAKE FURTHER NOTICE THAT your rights may be affected by the relief requested in the Motion. You should read the Motion carefully and discuss it with your attorney, if you have one in these bankruptcy cases. If you do not have an attorney, you may wish to consult one.**

Dated: Atlanta, Georgia  
September 30, 2024

**MCDERMOTT WILL & EMERY LLP**

/s/ Daniel M. Simon

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IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

	)	
In re:	)	Chapter 11
	)	
LAVIE CARE CENTERS, LLC, <i>et al.</i> <sup>1</sup>	)	Case No. 24-55507 (PMB)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	

**DEBTORS’ MOTION FOR ENTRY OF ORDER EXTENDING EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF**

LaVie Care Centers, LLC (“LaVie”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), hereby move (the “Motion”)<sup>2</sup> for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), granting the relief described below. In further support of the Motion, the Debtors respectfully state as follows:<sup>3</sup>

**RELIEF REQUESTED**

1. By the Motion, the Debtors respectfully request entry of the Proposed Order, pursuant to section 1121(d) of title 11 of the United States Code (the “Bankruptcy Code”),

<sup>1</sup> The last four digits of LaVie Care Centers, LLC’s federal tax identification number are 5592. There are 282 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/LaVie>. The location of LaVie Care Centers, LLC’s corporate headquarters and the Debtors’ service address is 1040 Crown Pointe Parkway, Suite 600, Atlanta, GA 30338.

<sup>2</sup> Capitalized terms used but not immediately defined are defined later in this Motion. Capitalized terms not otherwise defined herein shall have the meanings attributed to such terms in the Combined Disclosure Statement and Plan (as defined herein).

<sup>3</sup> A detailed description of the Debtors and their businesses, including the facts and circumstances giving rise to the Debtors’ chapter 11 cases, is set forth in the *Declaration of M. Benjamin Jones in Support of Chapter 11 Petitions and First Day Pleadings* (the “First Day Declaration”) [Docket No. 17].

extending by 90 days (a) the period during which the Debtors have the exclusive right to file a chapter 11 plan, through and including December 30, 2024 (the “Exclusive Filing Period”), and (b) the period during which the Debtors have the exclusive right to solicit votes on a chapter 11 plan, through and including February 27, 2025 (the “Exclusive Solicitation Period” and, together with the Exclusive Filing Period, the “Exclusive Periods”), without prejudice to the Debtors’ right to seek further extensions of the Exclusive Periods.

### **JURISDICTION AND VENUE**

2. The Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409. The legal predicate for the relief requested herein is Bankruptcy Code section 1121(d).

### **BACKGROUND**

#### **I. The Chapter 11 Cases**

3. On June 2, 2024 (the “Petition Date”), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “Court”). The Debtors are operating their businesses and managing their property as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

4. On June 13, 2024, the Office of the United States Trustee for Region 21 (the “U.S. Trustee”) appointed an official committee in the Chapter 11 Cases (the “Committee”). *See Appointment and Notice of Appointment of Committee of Creditors Holding Unsecured Claims* [Docket No. 112]. To date, no trustee or examiner has been appointed in the Chapter 11 Cases.

## II. The Sale Process

5. On June 10, 2024, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Approving Bidding Procedures and Bid Protections, (II) Scheduling Certain Dates and Deadlines with Respect Thereto, (III) Approving the Form and Manner of Notice Thereof, (IV) Establishing Notice and Procedures for the Assumption and Assignment of Contracts and Leases, (V) Authorizing the Assumption and Assignment of Assumed Contracts, and (VI) Authorizing the Sale of Assets* [Docket No. 104] (the "Bidding Procedures and Sale Motion").

6. On June 27, 2024, the Court entered the *Order (I) Approving Bidding Procedures and Bid Protections, (II) Scheduling Certain Dates and Deadlines with Respect Thereto, (III) Approving the Form and Manner of Notice Thereof, (IV) Establishing Notice and Procedures for the Assumption and Assignment of Contracts and Leases, (V) Authorizing the Assumption and Assignment of Assumed Contracts, and (VI) Authorizing the Sale of Assets* [Docket No. 177] (the "Bidding Procedures Order"), which, among other things, set the bid deadline for September 5, 2024 and scheduled the auction for September 11, 2024.

7. Despite the Debtors' robust marketing and sale process, which resulted in multiple indications of interest and facility site visits, the Debtors did not receive any qualified bids on or after the September 5 deadline, other than a letter from the DIP Lenders (already deemed to be a "Qualified Bidder" under the Bidding Procedures Order) that they intended to attend and participate at the auction. Accordingly, the Debtors, in their business judgment and after consultation with the "Consultation Parties", canceled the auction and corresponding sale hearing.

## III. The Plan

8. On July 23, 2024, the Debtors filed the *Debtors' Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization* [Docket No. 273]. On August 7, 2024, the Debtors

filed the *Debtors' Motion for Entry of Order (I) Approving Disclosure Statement, (II) Scheduling Confirmation Hearing, (III) Establishing Procedures for Solicitation and Tabulation of Votes on Plan, (IV) Approving Certain Forms and Notices, and (V) Granting Related Relief* [Docket No. 316] (the "Solicitation Procedures Motion").

9. On August 26, 2024, the Debtors jointly with the Committee and the DIP Lenders filed the *Joint Motion for Order Authorizing and Directing Mediation* [Docket No. 346] by which the parties sought authority and direction of a mediation by the Honorable Jeffery W. Cavender to facilitate settlement discussions between the Debtors, Committee, and DIP Lenders. On August 26, 2024, the Bankruptcy Court entered an Order authorizing and directing mediation. *See* Docket No. 347. The mediation commenced in-person at the Atlanta offices of McDermott on the afternoon of September 9, with representatives from the Debtors, the Committee, Omega, and the Plan Sponsor attending. The mediation was adjourned later that evening, and continued in a full-day session on September 11. The mediation then continued remotely over Zoom, email, and phone calls for the next several days.

10. The mediation culminated in a global settlement with respect to the Debtors' chapter 11 plan and in the days that followed, the Debtors worked in good faith with the parties to document those terms in the *Debtors' Second Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization* [Docket No. 461] (the disclosure statement portion thereof, the "Disclosure Statement" and the chapter 11 plan portion thereof and all exhibits thereto and as amended, supplemented, or otherwise modified, the "Plan", and together with the Disclosure Statement, as amended, supplemented, or otherwise modified, the "Combined Disclosure Statement and Plan"), filed on September 26, 2024. On September 30, 2024, the Court approved, on a conditional basis, the solicitation of the Combined Disclosure Statement and Plan, and

anticipate the commencement of solicitation in the coming days, with a combined hearing on the adequacy of the Disclosure Statement and the confirmation of the Plan scheduled for November 14, 2024.

11. Accordingly, for the reasons discussed herein, the Debtors seek an extension of the Exclusive Periods to allow the Debtors additional time to proceed with the Chapter 11 Cases, including soliciting, confirming, and consummating what likely will be a consensual Plan.

### **BASIS FOR RELIEF REQUESTED AND APPLICABLE AUTHORITY**

12. Bankruptcy Code section 1121(b) provides for an initial period of 120 days after the commencement of a chapter 11 case during which a debtor has the exclusive right to file a plan. *See* 11 U.S.C. § 1121(b). Bankruptcy Code section 1121(c)(3) provides that if a debtor files a plan within the Exclusive Filing Period, it has an initial period of 180 days after the commencement of the chapter 11 case to obtain acceptance of such plan. *See* 11 U.S.C. § 1121(c)(3). Bankruptcy Code section 1121(d) permits the Bankruptcy Court to extend the Exclusive Periods for “cause.” *See* 11 U.S.C. § 1121(d). For the reasons set forth herein, the Debtors believe that such “cause” exists to extend the Exclusive Periods by 90 days each.

#### **I. Bankruptcy Code Section 1121(d) Permits the Court to Extend the Exclusive Periods for “Cause.”**

13. The plan exclusivity periods are intended to afford debtors the opportunity to propose a plan and to solicit acceptances of the plan without the disruption that might be caused by the filing of competing plans by third parties. It is well established that the decision to extend a debtor’s exclusivity periods is committed to the sound discretion of the Court and should be based upon the facts and circumstances of a particular case.<sup>4</sup> *See First Am. Bank of New York v.*

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<sup>4</sup> Although the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (“BAPCPA”) amended Bankruptcy Code section 1121(d) by prohibiting extensions of the Exclusive Filing Period and Exclusive Solicitation Period beyond 18 and 20 months of the petition date, respectively, there was no revision to the

*Southwest Gloves and Safety Equip., Inc.*, 64 B.R. 963, 965 (D. Del. 1986); *In re Mid-State Raceway, Inc.*, 323 B.R. 63, 68 (Bankr. N.D.N.Y. 2005); *In re Reetz*, 61 B.R. 412, 414 (Bankr. W.D. Wis. 1986). Although the Bankruptcy Code does not define “cause” for purposes of an extension request under Bankruptcy Code section 1121(d), courts have looked to its legislative history for guidance. *See In re Burns & Roe Enters., Inc.*, No. 00-41610 RG, 2005 WL 6289213, at \*4 (D.N.J. Nov. 2, 2005) (noting that the exclusive periods under Bankruptcy Code section 1121 are intended “to promote an environment in which the debtor’s business may be rehabilitated and a consensual plan may be negotiated”) (quoting H.R. Rep. No. 103-835, at 36 (1994)); *In re Gibson & Cushman Dredging Corp.*, 101 B.R. 405, 409 (E.D.N.Y. 1989); *In re Amko Plastics, Inc.*, 197 B.R. 74, 77 (Bankr. S.D. Ohio 1996). Such legislative history indicates that Congress did not intend the 120- and 180-day exclusivity periods to be a hard and fast limit. *See Amko Plastics, Inc.*, 197 B.R. at 77 (noting that Congress intended courts to have flexibility in dealing with extensions of exclusivity); *Gaines v. Perkins (In re Perkins)*, 71 B.R. 294, 297 (W.D. Tenn. 1987) (“The hallmark of [section 1121(d)] is flexibility.”). Rather, Congress intended that the debtor’s exclusivity periods be of an adequate length, given the circumstances, for a debtor to formulate, negotiate, and draft a viable plan without the disruptions that would occur with the filing of competing plans of reorganization. *See Geriatrics Nursing Home v. First Fidelity Bank, N.A.*, 187 B.R. 128, 133 (D.N.J. 1995) (“The opportunity to negotiate its plan unimpaired by competition, the court held, is meant to allow the debtor time to satisfy all creditors and win support for its restructuring scheme and thus ensure its survival as a business.”). This period of exclusivity affords a debtor an opportunity to propose a chapter 11 plan and solicit acceptances thereof without the potential value deterioration and disruption to business operations that would ensue from the

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standards for obtaining interim extensions. Accordingly, pre-BAPCPA case law continues to apply and must be examined in the context of the Chapter 11 Cases.



filing and solicitation of competing plans by non-debtor parties. Further, the legislative history indicates that “cause” should be interpreted in such a way “to allow the debtor to reach agreement.” H.R. Rep. No. 95-595 at 231-32 (1978).

14. To determine whether “cause” exists to grant an extension of the Exclusive Periods, courts analyze the following factors:

- (a) the size of the debtor and difficulty in formulating a plan;
- (b) the necessity of sufficient time to negotiate a plan and prepare adequate information to allow a creditor to determine whether to accept the plan;
- (c) the existence of good faith progress towards reorganization;
- (d) whether the debtor is paying its debts as they come due;
- (e) whether the debtor has demonstrated reasonable prospects for filing a viable plan;
- (f) whether the debtor has made progress in negotiating with creditors;
- (g) the length of time the case has been pending;
- (h) whether the debtor is seeking an extension to pressure creditors to submit to its demands; and
- (i) whether or not unresolved contingencies exist.

*See, e.g., Sportsman’s Link, Inc. v. USPG Portfolio Two, LLC (In re Sportsman’s Link)*, No. 07-10454, 2007 WL 7023830, at \*2 (Bankr. S.D. Ga. Dec. 3, 2007); *In re Friedman’s, Inc.*, 336 B.R. 884, 888 (Bankr. S.D. Ga. 2005); *In re Dow Corning Corp.*, 208 B.R. 661, 664–65 (Bankr. E.D. Mich. 1997); *In re Adelpia Commc’ns Corp.*, 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006); *In re Cent. Jersey Airport Servs., LLC*, 282 B.R. 176, 184 (Bankr. D.N.J. 2002); *In re Express One Int’l Inc.*, 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996).

15. Not all of the above factors are relevant to every case and courts may consider the relevant subset of factors to determine whether cause exists to grant an exclusivity extension in a

particular chapter 11 case. *See, e.g., In re Express One Int'l, Inc.*, 194 B.R. at 100-01 (identifying four of the factors as relevant in determining whether “cause” exists to extend exclusivity); *In re United Press Int'l, Inc.*, 60 B.R. 265, 269 (Bankr. D.D.C. 1986) (finding that the debtor showed “cause” to extend exclusivity based upon three of the factors); *In re Pine Run Trust, Inc.*, 67 B.R. 432, 435 (Bankr. E.D. Pa. 1986) (relying on two factors in holding that cause existed to extend exclusivity). The Debtors respectfully submit that, as detailed below, consideration of the relevant factors supports the requested extensions of the Exclusive Periods.

## **II. Good Cause Exists to Extend the Exclusive Periods**

16. This is the Debtors’ first request for an extension of its Exclusive Periods. The Debtors submit that the factors discussed below weigh in favor of such extension.

### **A. The Chapter 11 Cases are Large and Complex**

17. The Chapter 11 Cases are sufficiently large and complex to warrant the requested extension of the Exclusive Periods. There are 282 Debtors involved in the Chapter 11 Cases, including Debtors that operate 43 skilled nursing facilities across the United States and are responsible for the care of the several thousand residents of those facilities. While maintaining operations and prioritizing resident care at their facilities has been their primary focus during the Chapter 11 Cases, the Debtors also have addressed critical vendor-related issues in the ordinary course of business, commenced and concluded a marketing and sale process for substantially all of their assets, responded to various formal and informal discovery requests from multiple parties, and engaged in intense settlement negotiations regarding numerous complicated Plan-related issues with the Committee, the DIP Lenders, Omega, and other key stakeholders. As discussed above, the Combined Disclosure Statement and Plan now reflects the terms of the settlement reached amongst the Debtors, the Committee, the DIP Lenders, and the Plan Sponsor. Moreover,

the Debtors are now authorized to solicit and seek confirmation of the Combined Disclosure Statement and Plan. Solicitation alone will require mailing and tabulation of thousands of solicitation packages to voting creditors in six voting classes. Thus, the Debtors submit that the size and complexity of the Chapter 11 Cases weigh in favor of granting the requested extension of the Exclusive Periods.

**B. The Debtors Have Made Good Faith Progress Since the Petition Date.**

18. Since the Petition Date, the Debtors have made significant and material progress toward advancing the Chapter 11 Cases in the past four months, including the following:

- (a) **Obtaining First Day Relief.** Upon entering chapter 11, the Debtors immediately sought to stabilize their operations through various operational first day motions and orders. Such relief allowed the Debtors to, among other things, maintain operations and prioritize resident care, continue to use their existing cash management system, and pay certain prepetition obligations in the ordinary course.
- (b) **Obtaining Debtor-in-Possession Financing.** Following extensive negotiations pre- and postpetition with their lenders and the Committee, the Court entered interim and final orders approving, among other things, the Debtors' post-petition financing, which provided critical financing and access to cash collateral to finance the Debtors' operations throughout the Chapter 11 Cases.
- (c) **Filing Schedules and Statements.** The Debtors filed their schedules and statements after compiling information from books, records, and other documents relating to claims, assets, and contracts of each Debtor.
- (d) **Sale and Marketing Efforts.** As discussed above, the Debtors, with the assistance of Stout Capital, LLC, commenced a robust sale and marketing process in July 2024. Despite receiving indications of interest and conducting multiple site visits, the Debtors ultimately did not receive any qualified bids by the requisite deadline set forth in the Bidding Procedures Order, other than a letter from the DIP Lenders regarding their intent to participate in any auction. As such, the Debtors canceled the auction and sale hearing and will not be proceeding with a sale transaction at this time.
- (e) **Discovery Requests.** As soon as the Committee was appointed in these Chapter 11 Cases, the Debtors provided access to a data room with thousands of documents to assist with the Committee getting up to speed

and the Debtors continued to respond to informal discovery requests from the Committee in the weeks that followed. The Debtors also engaged in good faith with the Committee regarding its proposed Rule 2004 requests with respect to the Debtors' new operators.

- (f) **Analysis of Claims and Causes of Action.** At the request of their independent manager, Mr. James D. Decker, the Debtors thoroughly analyzed various potential estates claims and causes of action, laying the necessary groundwork for the recently concluded Plan-related settlement discussions amongst key stakeholders.
- (g) **Negotiations with Creditors.** The Debtors have, throughout the Chapter 11 Cases, sought to reach consensual resolution of issues raised by their key creditor constituencies and other creditors, including fulsome negotiations with the Committee through a consensual mediation process. The Debtors' willingness to negotiate with their creditors and other constituents is well documented in these Chapter 11 Cases, including most recently through the Debtors' active and good faith participation in the Plan settlement process.

19. In sum, the continued good faith efforts and progress exhibited by the Debtors in the Chapter 11 Cases thus far support a further extension of the Exclusive Periods.

**C. Additional Time is Necessary to Negotiate and Prepare Adequate Information to Allow Creditors to Determine Whether to Accept the Plan.**

20. Since the Petition Date, the Debtors and their professionals have focused much of their time, energy, and resources on administering the Chapter 11 Cases in the ordinary course of business, marketing their facilities for potential sale, and negotiating with vendors and other creditors, including the Committee. As noted above, solicitation of the Plan will commence in the days that follow, and granting the requested extension of the Exclusive Periods will ensure that the Debtors have a full and fair opportunity to amend the Combined Disclosure Statement and Plan as necessary without the distraction, cost, and delay of a competing plan process. *See In re Energy Conversion Devices, Inc.*, 474 B.R. 503, 507 (Bankr. E.D. Mich. 2012) ("In enacting section 1121, Congress intended to allow the debtor a reasonable time to obtain confirmation of a plan without the threat of a competing plan. It was intended that . . . a debtor should be given the unqualified

opportunity to negotiate a settlement and propose a plan of reorganization without interference from creditors and other interests.”) (internal quotation and citation omitted). Accordingly, the Debtors submit that this factor weighs in favor of extending the Exclusive Periods.

**D. The Debtors Have Paid Their Debts in the Ordinary Course as They Came Due.**

21. The Debtors have made and will continue to make timely payments on their undisputed post-petition obligations in the ordinary course, meaning that the requested extension of the Exclusive Periods will not prejudice the legitimate interests of post-petition creditors. As such, this factor also weighs in favor of extending the Exclusive Periods.

**E. The Debtors are Not Seeking an Extension to Pressure Creditors.**

22. Granting the requested extensions of the Exclusive Periods will not pressure the Debtors’ creditor constituencies or grant the Debtors any unfair bargaining leverage. The Debtors have no ulterior motive in seeking an extension of the Exclusive Periods. To the contrary, the Debtors have been in regular communications with the Committee, the DIP Lenders, and the Plan Sponsor, as well as other creditors, on numerous issues facing their estates. The Debtors are not seeking an extension to pressure their creditors to take any action, but only to ensure that the Debtors can pursue the resolution of the Chapter 11 Cases, including by proposing, confirming, and consummating the Combined Disclosure Statement and Plan, free from distraction or competing plan proposals. Therefore, this factor also weighs in favor of extending the Exclusive Periods.

**F. The Debtors Have Reasonable Prospects for Filing a Viable Plan.**

23. As discussed above, the Debtors filed the Combined Disclosure Statement and Plan on September 26, 2024. *See* Docket No. 461. Accordingly, the Debtors believe that that they have reasonable prospects for proposing, confirming, and consummating what should be a largely

consensual Combined Disclosure Statement and Plan. Accordingly, the Debtors believe that this factor weighs in favor of extending the Exclusive Periods.

**G. The Debtors Face Unresolved Contingencies, Including Personal Injury and Other Tort Claims.**

24. The Debtors currently face hundreds of unresolved personal injury, wrongful death, and other tort claims filed by current and former residents of their facilities (or representatives thereof). The existence of such unresolved contingencies weighs in favor of granting the requested extension of the Exclusive Periods.

**H. Termination of the Debtors' Exclusive Periods Would Adversely Impact the Chapter 11 Cases.**

25. Termination of the Exclusive Periods, particularly at this stage of the Chapter 11 Cases, would adversely impact the Debtors' efforts to preserve and maximize the value of their estates and would further complicate the progression of the Chapter 11 Cases. Such termination may disincentivize creditors from negotiating with the Debtors and could undermine the settlement reached by and among the Debtors, the Committee, and the DIP Lenders. Moreover, the proposal and solicitation of any competing plan would greatly complicate and increase the cost of administering the Chapter 11 Cases, further justifying the requested extension of the Exclusive Periods.

26. Based upon the foregoing, the Debtors respectfully submit that cause exists in the Chapter 11 Cases to extend the Exclusive Periods as requested herein.

**NOTICE**

27. The Debtors will provide notice of this Motion to the following parties and/or their respective counsel, as applicable: (a) the U.S. Trustee; (b) the Internal Revenue Service; (c) the United States Attorney for the Northern District of Georgia; (d) the Attorney General for the State of Georgia; (e) the Georgia Department of Revenue; (f) the Centers for Medicare and Medicaid

Services; (g) the states attorneys general for states in which the Debtors conduct business; (h) counsel to the Committee; (i) counsel to the Debtors' prepetition lenders; (j) counsel to the DIP Lenders; and (k) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Debtors submit that no other or further notice is required.

**NO PRIOR REQUEST**

28. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: Atlanta, Georgia  
September 30, 2024

**MCDERMOTT WILL & EMERY LLP**

*/s/ Daniel M. Simon*

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*Counsel for the Debtors and Debtors-in-Possession*

**CERTIFICATE OF SERVICE**

I hereby certify that on September 30, 2024, all ECF participants registered in this case were served electronically with the foregoing Motion through the Court’s ECF system at their respective email addresses registered with this Court. The Debtors’ claims and noticing agent, Kurtzman Carson Consultants LLC d/b/a Verita Global, will be filing a supplemental certificate of service on the docket to reflect any additional service of the foregoing Motion, including on the Limited Service List.

Dated: Atlanta, Georgia  
September 30, 2024

**MCDERMOTT WILL & EMERY LLP**

*/s/ Daniel M. Simon*

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*Counsel for the Debtors and Debtors-in-Possession*



**EXHIBIT A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

In re:	)	
	)	Chapter 11
LAVIE CARE CENTERS, LLC, <i>et al.</i> <sup>1</sup>	)	Case No. 24-55507 (PMB)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	<b>Related to Docket No. ___</b>

**ORDER EXTENDING EXCLUSIVE PERIODS  
TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF**

Upon the motion (the “Motion”)<sup>2</sup> of the Debtors filed on September 30, 2024 at Docket No. [ ] for entry of an order (this “Order”) extending by 90 days the Debtors’ exclusive periods

<sup>1</sup> The last four digits of LaVie Care Centers, LLC’s federal tax identification number are 5592. There are 282 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/lavie>. The location of LaVie Care Centers, LLC’s corporate headquarters and the Debtors’ service address is 1040 Crown Pointe Parkway, Suite 600, Atlanta, GA 30338.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

to (i) file a chapter 11 plan, through and including December 30, 2024 (the “Exclusive Filing Period”), and (ii) solicit votes thereon, through and including February 27, 2025 (the “Exclusive Solicitation Period” and, together with the Exclusive Filing Period, the “Exclusive Periods”), without prejudice to the Debtors’ right to seek further extensions of the Exclusive Periods, all as more fully set forth in the Motion; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby

**ORDERED, ADJUDGED, AND DECREED that:**

1. The Motion is GRANTED as set forth herein.
2. The Exclusive Filing Period is extended through and including December 30, 2024.
3. The Exclusive Solicitation Period is extended through and including February 27, 2025.
4. The entry of this Order is without prejudice to the Debtors’ right to request further extensions of the Exclusive Periods.
5. The Debtors are authorized to take all actions necessary to implement the relief granted in this Order.

6. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

END OF ORDER

Prepared and presented by:

/s/ Daniel M. Simon

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