

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE:)	CHAPTER 11
)	
LAVIE CARE CENTERS, LLC, ¹)	CASE NO. 24-55507-pmb
)	
Debtors)	Cases Jointly Administered
)	
)	<u>Hearing Date:</u> December 18, 2025,
)	at 1:30 p.m. (ET)

RESPONSE TO OBJECTION TO PROOF OF CLAIM FILED BY
WANDA HALLOWAY, AS THE EXECUTRIX OF THE
ESTATE OF JOELLEN SOMMER [CLAIM NO. 5433]

COMES NOW Wanda Halloway, as the Executrix of the Estate of JoEllen Sommer (“Respondent”), and hereby files this Response to the Objection to her filed Proof of Claim in the Pennknoll Village Facility Operations, LLC Case, Case No. 55631-PMB (“**Pennknoll**”), Claim No. 5433, in the amount of \$150,000.00 (the “**Objection**”), showing as follows:

Prosecution of the Claim is Estopped Based on Agreed Order

1. Respondent filed a *Motion to Allow Late Filed Proof of Claim* [Doc. No. 909] (the “**Motion**”). The Motion was allowed by the Court pursuant to the *Agreed Order Granting Motion to Allow Late Filed Claim by Wanda Halloway, as Executrix of the Estate of Joellen Sommer*, entered on June 23, 2025 [Doc. No. 1089] (the “**Agreed Order**”). (the Claimant is hereafter referred to as “**Halloway**” and/or the “**Halloway Claim**”) The Agreed Order contained terms expressly finding and

¹ 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.kccllc.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.



determining that:

- a. an unsecured claim may be filed,
- b. in the amount of \$150,000.00, and, it
- c. “shall be deemed timely filed and shall be treated in accordance with, and subject to the provisions of, the Plan.”
- d. The express terms of the Agreed Order results in the Objection being estopped.
- e. The Objection should be immediately withdrawn and, if not, the Objection should be Overruled.
- f. The Agreed Order further provides, expressly, that “The GUC Trustee’s right to object to the Halloway Claim on any grounds apart from timeliness is hereby preserved.”
- g. The timeliness of the filing of the claim has been established as between the parties and may not be relitigated.
- h. Respondent incorporates herein, as if set forth in their entirety, the underlying Motion to Allow Late Filed Claim, the Agreed Order, signed by counsel for the GUC Trustee and the Halloway Claim, including all of its attachments. [Doc. Nos. 909 and 1089 and Claim No. 5433].
- i. In further support of this Response, Respondent, once again, sets forth why the Halloway Claim must be allowed as timely based on the underlying facts and circumstances, showing the Court as follows:

Background Underlying the Claim

2. Pennknoll is a company authorized and licensed to do business as a nursing home for the rendering of custodial or personal care to aged or disabled persons in Everett,

Bedford County, Pennsylvania.

3. On or about July 15, 2022, a medical professional negligence matter was initiated by a Writ of Summons in Bedford County Court of Commons Pleas on behalf Holloway, individually and as Executrix of Joellen Sommer against Pennknoll.
4. Joellen Sommer (“**Ms. Sommer**”) was a resident at Pennknoll from 2018 until her untimely death on July 16, 2020.
5. While a resident at Pennknoll, Ms. Sommer suffered multiple avoidable injuries; she experienced avoidable pain and suffering and experienced an untimely death.
6. On October 4, 2023, Respondent and Pennknoll agreed to settle Ms. Sommer’s claims against Pennknoll for \$150,000.00 with for the \$150,000.00 to be paid over 15 equal payments of \$10,000.00 starting in January 2025.²
7. On January 24, 2024, the Court signed off on a Stipulation between the parties that was part of the settlement terms that dismissed certain Defendants.
8. On April 30, 2024, Penknoll sent the Settlement Release to counsel for Respondent.
9. On June 11, 2024, Pennknoll copied counsel for Respondent on correspondence sent to the Bradford County court, including a Suggestion of Bankruptcy dated June 2, 2024.
10. On or about July 15, 2024, counsel for Respondent received at their mailing address a notice of claim, instructions for notice of claim, and a July 1, 2024, Notice of Continued 341 Meeting of Creditors.
11. These documents were scanned and saved in counsel for Respondent’s document management system, but counsel was not actually notified internally that the

² A copy of an email outlining the settlement terms is attached to Mr. Watto’s Declaration filed in support of the Motion.

documents were received.

12. On or about March 11, 2025, counsel for Respondent saw the notice of claim forms that were saved in counsel for Respondent's electronic file.

Bankruptcy Case Background

13. Pennknoll filed a voluntary Chapter 11 petition, Case No. 24-55631-pmb, on June 2, 2024, which case is jointly administered under the above captioned case for procedural purposes only. Debtors continue to operate their business and to manage their property as debtors and debtors-in-possession pursuant to 11 U.S.C. §§ 1107(a) and 1108.
14. Respondent was listed as a creditor in Pennknoll's Petition, [Doc. No. 8] on page 48 of 63 of Schedule E/F Creditors Who Have Nonpriority Unsecured Claims. It is disclosed, under perjury, as "address on file;" "litigation;" "unliquidated;" "contingent;" "disputed" and "undetermined." It is listed in micro sized font at line item 3.97 even though there was the aforementioned settlement of Respondent's claims against Pennknoll for \$150,000.00 payable over 15 equal payments of \$10,000.00 starting in January 2025, settled by and between the parties between October 4, 2023 and April 30, 2024, months prior to the filing of the Schedules and Statement of Financial Affairs.
15. The bar date for filing Proofs of Claim was August 30, 2024 (the "Bar Date").
16. The Court confirmed Debtors' Second Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization [Doc. No. 481] (hereinafter, "**the Plan**") with its Order entered on December 5, 2024 [Doc. No. 735]: Findings Of Fact, Conclusions Of Law, And Order Approving On Final Basis And Confirming

Debtors' Modified Second Amended Combined Disclosure Statement And Joint Chapter 11 Plan Of Reorganization (hereinafter, "**the Confirmation Order**").

Standards For Claims Objection

17. The Objection is "bare bones." It merely states that because it is late it should be disallowed despite the entered, final, Agreed Order to the contrary. Section 502(a) provides that "A claim or interest, proof of which is filed under section 501 of this title, is deemed allowed unless a party in interest ... objects." Once an objection is made, the burden shifts to the objecting party, in this case the GUC Trustee, to rebut the *prima facie*, validity of the proof of claim. A filed proof of claim is *prima facie* proof of its validity and amount. "A proof of claim executed and filed in accordance with these rules shall constitute *prima facie* evidence of the validity and amount of the claim." Bankruptcy Rule 3001(f). *See, In re Beasley*, 2019 WL 3403361, at 22 (Bankr. N.D. Al 2019) and *In re Crutchfield*, 492 B.R. 60, 69-70 (Bankr. M.D.Ga. 2013). Respondent used the proof of claim procedures and attached documents to support a *prima facially* valid claim, the GUC Trustee agreed, pursuant to an entered, Agreed Order that the claim would be deemed as timely and treated in accordance with and subject to the provisions of, the Plan. The Agreed Order expressly and solely preserved an objection basis *other than* timeliness. Any Objection now must, therefore, refute the legal sufficiency of the claim on some legitimate grounds other than timeliness. The burden shifts to the objecting party to prove why the claim should not be allowed as filed.
18. The Court should use its inherent powers pursuant to 11 U.S.C. §105 and apply judicial estoppel to overrule the objection to Respondent's claim. The doctrine of

judicial estoppel is invoked at the court's discretion. In this instance, the GUC Trustee, through counsel, approved an Agreed Order allowing the late-filed claim as timely, waiving the timeliness objection and then in the pending objection is objecting to the claim as untimely. A position that the GUC Trustee stipulated that he would not take. The objection should be overruled.

19. The GUC Trustee is collaterally estopped from objecting to Respondent's proof of claim. "Collateral estoppel, or issue preclusion, bars re-litigation of an issue previously decided in judicial or administrative proceedings if the party against whom the prior decision is asserted had a "full and fair opportunity" to litigate that issue in an earlier case. *See, Allen v. McCurry*, 449 U.S. 90, 95, 101 S.Ct. 411, 415, 66 L.Ed.2d 308 (1980). "The court applies the collateral estoppel law of the state in which the prior judgment was rendered. *Lusk v. Williams (In re Williams)*, 282 B.R. 267, 271-72 (Bankr. N.D. Ga. 2002) (Mullins, J.) (citing *In re Brownlee*, 83 B.R. 836, 838 (Bankr. N.D. Ga. 1988)). The five elements for the application of collateral estoppel under Georgia law are "(1) identity of parties or their privies; (2) identity of issues; (3) actual and final litigation of the issue in question; (4) essentiality of the adjudication to the earlier action; and (5) full and fair opportunity to litigate the issues in question." *Id.* at 272." All five of these elements have been met in the Agreed Order: the parties are identical; the issues are identical; the Agreed Order is a final order as to that issue; the Agreed Order was essential to the resolution of the Motion and there was a full and fair opportunity to litigate the issue of timeliness when the Motion was filed and set for hearing.
20. The GUC Trustee's objection to Respondent's proof of claim should be overruled

because the GUC has already, previously agreed to allow Respondent's claim as timely.

21. Respondent reserves the right to assert other defenses to preserve its claim should that become necessary despite a prepetition agreement to the amount of the claim and payment terms and the Agreed Order with the GUC Trustee allowing the claim as timely.

WHEREFORE, Wanda Holloway, as the Executrix of the Estate of JoEllen Sommer respectfully requests that objection to proof of claim, [Claim No. 5433] be overruled, and that the Court grant such other and further relief as is just and proper.

Respectfully submitted,
STEINFELD & STEINFELD, P.C.

/s/Shayna M. Steinfeld

Shayna M. Steinfeld, State Bar No. 622895

11B Lenox Pointe, NE, Atlanta, Georgia 30324

Tel: (404)636-7786, shayna@steinfeldlaw.com

shayna@steinfeldlaw.com

Attorneys for Wanda Holloway, as the Executrix of
the Estate of JoEllen Sommer

CERTIFICATE OF SERVICE

I certify that on November 20, 2025, I electronically filed the foregoing **RESPONSE TO OBJECTION TO CLAIM** with the Clerk of Court using the CM/ECF system, which will send notification to all Users who have consented to such service:

GUC Trustee, Ryniker Consultants, LLC, 1178 Broadway, 3rd Floor #1505, New York, NY 1001, Attn: Brian Ryniker (brian@rkc.llc)

McDermott Will & Emery LLP 1180 Peachtree Street NE, Suite 3350 Atlanta, GA 30309, Attn: Daniel M. Simon (dsimon@mwe.com)

McDermott Will & Emery LLP 444 West Lake Street, Suite 4000 Chicago, IL 60606, Attn: Emily C. Kiel (ekiel@mwe.com)

Office of the United States Trustee 362 Richard Russell Federal Building 75 Ted Turner Drive, SW Atlanta, GA 30303, Attn: Jonathan S. Adams (jonathan.s.adams@usdoj.gov)

Counsel to the GUC Trustee, Troutman Pepper Hamilton Sanders, LLP, 3000 Two Logan Square, Eighteenth and Arch Street, Philadelphia, PA 19103-2799, Attn: Francis J. Lawall (francis.lawall@troutman.com), 875 Third Avenue, New York N.Y. 10022, Att: Deborah Kovsky-Apap (Deborah.kovsky@troutman.com) and 1313 N. Market St., Suite 1000, Wilmington, DE 19801, Attn : Tori Remington (tori.remington@troutman.com)

This 20th day of November, 2025.

STEINFELD & STEINFELD, PC

/s/ Shayna M. Steinfeld

Shayna M. Steinfeld, Georgia Bar No. 622895

shayna@steinfeldlaw.com; (404) 636-7786

11B Lenox Pointe, NE, Atlanta, Georgia 30324

Attorneys for Wanda Halloway, as the Executrix of the Estate of JoEllen Sommer