

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

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In re: : Chapter 11
MIDWEST CHRISTIAN VILLAGES, INC. :
et al. : Case No. 24-42473-659
: Jointly Administered
Debtors. :
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**STIPULATION AND AGREED ORDER EXTENDING TO THE EXTENT SET FORTH
HEREIN THE CHALLENGE PERIOD IN THE SUPPLEMENTAL FINAL ORDER
(1) AUTHORIZING DEBTORS IN POSSESSION TO OBTAIN POST-PETITION
FINANCING; (2) AUTHORIZING DEBTORS IN POSSESSION TO USE CASH
COLLATERAL; (3) PROVIDING ADEQUATE PROTECTION; AND (4) GRANTING
LIENS, SECURITY INTERESTS AND SUPERPRIORITY CLAIMS [ECF NO. 377]**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”), the Official Committee of Unsecured Creditors (the “Committee”) appointed in these chapter 11 cases, UMB Bank, N.A., in its capacities as successor bond trustee under the Bond Indentures¹ and successor master trustee under the Master Indenture (in such capacities, the “Trustee”), and UMB Bank, N.A., in its capacity as lender with respect to the DIP Credit Agreement (the “DIP Lender,” and together with the Trustee, the Committee and the Debtors, the “Parties”) hereby enter into this stipulation and agreed order (the “Stipulation and Agreed Order”) concerning and extending the Investigation Period to the extent set forth herein:

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Supplemental Final Order (1) Authorizing Debtors In Possession To Obtain Post-Petition Financing; (2) Authorizing Debtors In Possession To Use Cash Collateral; (3) Providing Adequate Protection; And (4) Granting Liens, Security Interests And Superpriority Claims [ECF NO. 377] (the “Final DP Order”).



A. On July 16, 2024, each of the Debtors commenced with this Court a voluntary case under title 11 of the Bankruptcy Code and are operating their businesses and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

B. On August 8, 2024, the Office of the United States Trustee appointed the Committee pursuant to section 1102(a)(1) of the Bankruptcy Code. The Committee is currently comprised of the following members: (i) Donald H.; (ii) Select Rehabilitation, LLC; (iii) Michael C. & Jacqueline B.; (iv) Sentinel Technologies, Inc.; and (v) Penny F.

C. On October 1, 2024, the Court entered the Final DIP Order which provides the Committee with a period through October 7, 2024 to investigate and file an adversary proceeding or contested matter (a “Challenge”) (i) challenging the amount, validity, extent, enforceability, perfection or priority of the Bond Claim or the Pre-Petition Liens in respect thereof, or (ii) otherwise asserting any claims or causes of action against the Trustee or the holders of the Bonds on behalf of Debtors’ estates (the “Investigation Period”).

D. The Committee has determined (i) that it needs additional time to investigate certain potential claims related to cash generated prepetition by non-Obligated Debtors or from the proceeds of non-Obligated Debtors’ assets and (ii) that there is no valid basis to commence a Challenge as to the validity, priority and extent of the Trustee’s prepetition liens as to any other assets of the Debtors and that the Committee will not file any such Challenge.

E. The Committee has requested and the Parties have agreed to extend the Investigation Period to file a Challenge (i) challenging the amount, validity, extent, enforceability, perfection or priority of the Bond Claim or the Pre-Petition Liens, or (ii) otherwise asserting any claims or causes of action against the Trustee or the holders of the Bonds on behalf of Debtors’ estates, in each case so long as any such Challenge relates to cash

generated prepetition by non-Obligated Debtors or from the proceeds of non-Obligated Debtors' assets (the "Extended Investigation"); provided that the Committee expressly waives all other Challenge rights.

F. The Parties have agreed to extend the Investigation Period as to the Extended Investigation through October 28, 2024 on the terms and conditions set forth herein.

AGREED ORDER

Now therefore, upon the foregoing recitals, which are incorporated as though fully set forth herein, it is agreed and, upon Court approval hereof, it shall be ordered that:

1. The Investigation Period is hereby extended through and including October 28, 2024 solely for the Committee to investigate and pursue a Challenge related to the Extended Investigation. Other than with respect to the Extended Investigation, the Committee expressly waives all other Challenge rights and acknowledges that the Investigation Period for any other potential Challenge has expired.

2. The Parties reserve their rights regarding any further extension of the Investigation Period as to the Extended Investigation.


3. Except as expressly set forth in this Stipulation and Order, nothing contained in this Stipulation and Order shall constitute an amendment or modification to the Final DIP Order, and the Final DIP Order shall otherwise remain in full force and effect, and all Parties' respective rights, remedies, and limitations thereunder shall remain unaffected.

4. This Stipulation and Order shall be binding and effective upon execution by all the Parties hereto. This Stipulation and Order may not be amended or modified without the written consent of the Parties hereto. This Stipulation and Order may be executed in counterparts

by facsimile or other electronic transmission, each of which will be deemed an original, and all of which when taken together will constitute one document.

5. This Court retains exclusive jurisdiction over all matters arising from or related to the implementation of this Stipulation and Agreed Order.

No later than two (2) business days after the date of this Order, Schmidt Basch LLC shall serve a copy of the Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.


KATHY A. SURRATT-STATES
U.S. Bankruptcy Judge

DATED: October 8, 2024
St. Louis, Missouri
jjh

AGREED AS TO FORM AND SUBSTANCE:

<p>Dated: October 7, 2024</p> <p>SCHMIDT BASCH, LLC</p> <p>By: <u>/s/Andrew R. Magdy</u> Andrew R. Magdy #60390MO; 60390 Amanda M. Basch #59984MO; 59984 1034 S. Brentwood Blvd., Ste. 1555 St. Louis, MO 63117 314-721-9200/913-224-1622 (fax) amagdy@schmidtbasch.com abasch@schmidtbasch.com</p> <p>-and-</p> <p>Michael Traison, Esq. Michelle McMahon, Esq. Elizabeth M. Aboulafia, Esq. CULLEN AND DYKMAN LLP One Battery Park Plaza, 34th Floor New York, New York 10004 mtraison@cullenllp.com mmcmahon@cullenllp.com eaboulafia@cullenllp.com</p> <p><i>Counsel for the Official Committee of Unsecured Creditors of Midwest Christian Villages, Inc., et al.</i></p>	<p>Dated: October 7, 2024</p> <p>MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.</p> <p>By: <u>/s/Eric R. Blythe</u> Daniel S. Bleck, Esq. Eric R. Blythe, Esq. Aaron M. Williams, Esq. One Financial Center Boston, MA 02111 DSBleck@mintz.com ERBlythe@mintz.com AWilliams@mintz.com</p> <p><i>Counsel to UMB Bank, N.A.</i></p>
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<p>Dated: October 7, 2024</p> <p>DENTONS US LLP</p> <p>By: <u>/s/ Robert E. Richards</u> Stephen O'Brien (MoBar # 43977) 211 N Broadway Ste 3000 St. Louis, MO 63102 Telephone: (314) 241-1800 <u>stephen.obrien@dentons.com</u></p> <p>Robert E. Richards Samantha Ruben Elysa Chew 233 S. Wacker Drive, Suite 5900 Chicago, Illinois 60606-6404 Telephone: (312) 876-8000 robert.richards@dentons.com samantha.ruben@dentons.com <u>elysa.chew@dentons.com</u></p> <p><i>Counsel to the Debtors and Debtors-in-Possession</i></p>	
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