

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:) In Proceedings Under Chapter 11
)
MIDWEST CHRISTIAN VILLAGES, INC.,) Case No. 24-42473-659
et al.,¹) Jointly Administered
Debtors.) Honorable Kathy Surratt-States,
)
)
) Hearing Date: March 26, 2025
) Hearing Time: 10:00 a.m. (CDT)
) Objection Deadline: March 19, 2025

**APPLICATION FOR APPROVAL OF STIPULATION AND AGREED ORDER FOR
THE RESOLUTION OF THE TURNOVER OF FUNDS WITH REGARD TO THE
CHRISTIAN HOMES, INC. DEFERRED COMPENSATION PLAN AND NOTICE OF
HEARING**

PLEASE TAKE NOTICE THAT a hearing on the approval of the *Stipulation and Agreed Order for the Resolution of the Turnover of Funds with regard to the Christian Homes, Inc Deferred Compensation Plan* is scheduled for **March 26, 2025 at 10:00 a.m. (Central Daylight Time)** in Courtroom 7 North, of the Thomas F. Eagleton United States Courthouse, 111 South Tenth Street, St. Louis, Missouri. At the hearing, Debtors will be requesting entry of the Stipulation and Agreed Order between Christian Homes, Inc., the other debtors in these cases, and VALIC (“Stipulation and Agreed Order”), a copy of which is attached as Exhibit “1”. Pursuant to the Stipulation and Agreed Order, the Debtors are obtaining close to or approximately \$1,850,000 of funds held in the Christian Homes, Inc. Deferred Compensation Plan. Creditors

¹ The address of the Debtors headquarters is 2 Cityplace Dr, Suite 200, Saint Louis, MO 63141-7390. The last four digits of the Debtors’ federal tax identification numbers are: (i) Midwest Christian Villages, Inc. [5009], (ii) Hickory Point Christian Village, Inc. [7659], (iii) Lewis Memorial Christian Village [3104], (iv) Senior Care Pharmacy Services, LLC [1176], (v) New Horizons PACE MO, LLC [4745], (vi) Risen Son Christian Village [9738], (vii) Spring River Christian Village, Inc. [1462], (viii) Christian Homes, Inc. [1562], (ix) Crown Point Christian Village, Inc. [4614], (x) Hoosier Christian Village, Inc. [3749], (xi) Johnson Christian Village Care Center, LLC [8262], (xii) River Birch Christian Village, LLC [7232], (xiii) Washington Village Estates, LLC [9088], (xiv) Christian Horizons Living, LLC [4871], (xv) Wabash Christian Therapy and Medical Clinic, LLC [2894], (xvi) Wabash Christian Village Apartments, LLC [8352], (xvii) Wabash Estates, LLC [8743], (xviii) Safe Haven Hospice, LLC [6886], (xix) Heartland Christian Village, LLC [0196], (xx) Midwest Senior Ministries, Inc. [3401]; (xxi) Shawnee Christian Nursing Center, LLC [0068]; and (xxii) Safe Haven Hospice, LLC [6886].



and parties-in-interest should review the Stipulation and Agreed Order for the details and logistics of the proposed turnover of the funds.

Creditors and parties-in-interest who wish to participate at the hearing and appear telephonically or by Webex, as may be permitted by the Court, should contact the Courtroom Deputy, John Howley, at 314-244-4808 or by email at John_Howley@moeb.uscourts.gov.

ANY OBJECTIONS OR EXCEPTIONS TO ENTRY OF THE STIPULATION AND AGREED ORDER MUST BE FILED PER THE ELECTRONIC CASE FILING REQUIREMENTS OF THE COURT ON OR BEFORE MARCH 19, 2025.

PLEASE TAKE FURTHER NOTICE that your rights may be affected. You should read the Stipulation and Agreed Order carefully and discuss it with your attorney, if you have one in the chapter 11 cases. (If you do not have an attorney, you may wish to consult one).

PLEASE TAKE FURTHER NOTICE that if you do not want the Court to grant the relief requested in the Stipulation and Agreed Order, or if you want the Court to consider your views thereon, then you or your attorney must attend the hearing. If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought and may enter an order granting the relief requested in the Stipulation and Agreed Order.

Dated: March 4, 2025

Respectfully submitted,

/s/ David A. Sosne

David A. Sosne MoBar # 28365

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EXHIBIT “1”

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:) In Proceedings Under Chapter 11
)
MIDWEST CHRISTIAN VILLAGES, INC.,) Case No. 24-42473-659
<i>et al.</i> , ¹) Jointly Administered
Debtors.) Honorable Kathy Surratt-States
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) Hearing date: March 26, 2025
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**STIPULATION AND AGREED ORDER FOR THE
RESOLUTION OF THE TURNOVER OF FUNDS WITH REGARD TO THE
CHRISTIAN HOMES, INC. DEFERRED COMPENSATION PLAN**

Christian Homes, Inc. (“CHI”), one of the debtors and debtors in possession in these cases along with the other above captioned debtors and debtors in possession (the “Other Debtors”), on the one hand, and The Variable Annuity Life Insurance Company (“VALIC”), on the other hand, by and through their respective authorized representatives, hereby enter into this stipulation and agreed order (the “Stipulation and Agreed Order”) concerning any and all claims of CHI against VALIC to the extent set forth herein. CHI and the Other Debtors are sometimes collectively referred to as the Debtors.

¹ The address of the Debtors headquarters is 2 Cityplace Dr, Suite 200, Saint Louis, MO 63141-7390. The last four digits of the Debtors’ federal tax identification numbers are: (i) Midwest Christian Villages, Inc. [5009], (ii) Hickory Point Christian Village, Inc. [7659], (iii) Lewis Memorial Christian Village [3104], (iv) Senior Care Pharmacy Services, LLC [1176], (v) New Horizons PACE MO, LLC [4745], (vi) Risen Son Christian Village [9738], (vii) Spring River Christian Village, Inc. [1462], (viii) Christian Homes, Inc. [1562], (ix) Crown Point Christian Village, Inc. [4614], (x) Hoosier Christian Village, Inc. [3749], (xi) Johnson Christian Village Care Center, LLC [8262], (xii) River Birch Christian Village, LLC [7232], (xiii) Washington Village Estates, LLC [9088], (xiv) Christian Horizons Living, LLC [4871], (xv) Wabash Christian Therapy and Medical Clinic, LLC [2894], (xvi) Wabash Christian Village Apartments, LLC [8352], (xvii) Wabash Estates, LLC [8743], (xviii) Safe Haven Hospice, LLC [6886], (xix) Heartland Christian Village, LLC [0196], (xx) Midwest Senior Ministries, Inc. [3401]; (xxi) Shawnee Christian Nursing Center, LLC [0068]; and (xxii) Safe Haven Hospice, LLC [6886].

1. On July 16, 2024, Debtors filed voluntary petitions for relief pursuant to chapter 11 of the Bankruptcy Code.

2. Prior to the filing of the above referenced cases, CHI established and sponsored the Christian Homes, Inc. Deferred Compensation Plan in accordance with section 457 of the Internal Revenue Code (the“457 Plan”) through VALIC for the purpose of offering a plan that would permit employees to defer income taxation on retirement savings.

3. At the time of the filing of the above-referenced cases, the amount contained in the 457 Plan was approximately \$1,800,000. The funds are held through various investments, such as mutual funds or annuities. The terms of the 457 Plan provide that these assets continue to be owned by the plan sponsor.

4. CHI has asserted that the funds in the 457 Plan constitute assets of its bankruptcy estate that would be subject to distribution to pay administrative and other claims of the CHI and its estate. VALIC does not dispute the case law that holds that the funds of the 457 Plan belong to the estate of the applicable chapter 11 debtor.

5. Upon the filing of these cases, the Debtors gave notice to VALIC as well as to the participants of the 457 Plan of the filing of the bankruptcy cases. The Debtors further provided the participants with timely notice of the bar date by which claims were to be filed in these cases.

6. CHI has asserted and VALIC has admitted that after the filing of these cases, VALIC distributed approximately \$11,500 of funds to certain participants of the 457 Plan. Upon learning of these distributions, CHI requested that VALIC either claw back or replenish the funds in the 457 Plan. VALIC reviewed such distributions and has either through claw backs or replenishment, had the funds that were transferred placed back into the 457 Plan.

7. CHI has requested that VALIC make arrangements to liquidate and turnover the funds in the 457 Plan to CHI so that CHI could administer upon such funds and make distribution of them in accordance with the requirements of the Bankruptcy Code, through a plan of liquidation or otherwise. VALIC has agreed to accommodate CHI and in connection therewith, has, per the instructions of CHI, froze the investment options of the plan participants and placed certain funds in the 457 Plan portfolio previously held in variable investment options into a money market investment option under the investment arrangement established under the 457 Plan.

8. Counsel for Debtors, on the one hand, and counsel for VALIC, on the other hand, commenced discussions in an effort to reach agreement for the turnover of the 457 Plan funds and to address such other issues, such as record retention and liquidation and termination of the 457 Plan. Pursuant to the discussions, an agreement has been reached for the orderly termination or liquidation of the 457 Plan, the turnover of the funds in the 457 Plan to CHI, and the resolution of all collateral issues relating thereto, such as record retention and notification of plan participants. The agreement has been reduced to writing as set forth in the Transition Information Form and Agreement, an unexecuted format of which is attached hereto as Exhibit A (the “Agreement”) and is incorporated herein. As part of the Agreement, Debtors intend to seek Court approval of this Stipulation and Agreed Order after giving notice to those on the latest Master Service and Master Notice Lists as well as to the plan participants.

9. This Stipulation and Agreed Order resolves any potential disputed claims of VALIC and constitutes a global and total resolution of the claims and issues of the Debtors and VALIC with regard to the 457 Plan.

10. The amount of the funds at the time of liquidation and turnover of the 457 Plan funds to CHI is expected to be approximately \$1,850,000 at the time the funds are turnover to CHI.

The precise amount of the funds at the time of turnover will depend upon the value of the funds at the time they are fully liquidated.

11. The Debtors have provided a copy of this Stipulation and Agreed Order to counsel for each of UMB Bank, N.A. and the Official Unsecured Creditors' Committee prior to Debtors filing its motion seeking its approval.

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. All of the foregoing recitals are specifically incorporated into this Order and made a part hereof.

2. This Stipulation and Agreed Order is approved.

3. CHI and, to the extent applicable, the Other Debtors are authorized to finalize, perform and implement the terms and conditions of the Agreement and this Stipulation and Agreed Order.

4. VALIC has agreed to perform and implement the terms and conditions of the finalized Agreement and the Stipulation and Agreed Order in a timely manner to ensure a prompt turnover of the funds, as specifically provided in the finalized Agreement.

5. The funds shall be paid as directed by CHI and consistent with the finalized Agreement.

6. This Stipulation and Agreed Order shall be binding and effective upon execution by the parties hereto. This Stipulation and Agreed Order may not be amended or modified without the consent of the parties hereto. This Stipulation and Agreed Order may be executed in counterparts by electronic transmission, each of which will be deemed an original and all of which

when taken together will constitute one document. The signature of any counsel for the parties to this Stipulation and Agreed Order below is a representation that the counsel have authority to enter into this Stipulation and Agreed Order on behalf of their respective clients.

7. This Stipulation and Agreed Order shall be binding on all plan participants and any trustees, successors, liquidating agents or anyone claiming through Debtors and shall survive any conversion of these cases to another chapter or dismissal of these cases.

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

9. No later than two (2) business days after the entry of this order, the Debtors shall serve a copy of this order on the notice parties and shall file a certificate of service.

SO ORDERED:

Date: _____

The Honorable Kathy Surratt-States

AGREED AS TO FORM AND SUBSTANCE:

/s/ David A. Sosne

David A. Sosne MoBar # 28365

SUMMERS COMPTON WELLS LLC

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For the Variable Annuity Life Insurance Company

/s/ Stephanie Smith

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Vice President, The Variable Annuity Life Insurance Company

EXHIBIT A

Transition Information Form and Agreement

This document describes certain events that will occur during the transition of the **Christian Homes, Inc. Deferred Compensation Plan** ("Plan"). Plan Sponsor/Employer direction and authorization by **Employer Name** ("Employer") is required as described herein. Transition of the Plan cannot occur without all of the information and direction/authorization requested herein.

1. **Blackout Period:** Participant access to Plan accounts via internet and voice response has already been terminated at the direction of the Employer and will not be reinstated. The Variable Annuity Life Insurance Company ("VALIC") will not be responsible for notifying the Plan participants of the blackout.
2. **Wire Transfer Dates:** The following is the date Service Provider is targeting for transition of Plan assets:
[Enter the Liquidation date plus 2 days] Wire all assets
3. **Liquidation:** VALIC will wire the entire net proceeds to **[Wire Receiver]** following our receipt and reconciliation. Each mutual fund company is required, pursuant to federal law, to process redemption requests within seven days of receipt. Normally, the mutual fund companies process redemption requests one business day and wire the proceeds the next business day. Please note, however, that VALIC will not be responsible for any delays in the redemptions or the wires. VALIC is targeting a liquidation date of **[Enter the Date immediately preceding the Wire Date for Variable and Fixed assets]** and a wire date of **[Enter the Liquidation date plus 2 days]**. A Plan-level report will be provided along with the wire.
4. **VALIC Annuity Contract(s) Utilized to Fund the Plan which will be included in the transition:**
VALIC's Portfolio Director Group Fixed and Variable Deferred Annuity Contract (policy form # UITG-194-TRMC): Series 2, 6, 12, and 13.2 ("Contract")
 - The Contract imposes no charges at the time of cash surrender or withdrawal; however, the Contract does impose a transfer restriction on Accumulation Values in the Fixed Account Plus. That restriction limits amounts withdrawn or transferred to another funding entity to 20% per Certificate Year. This restriction does not apply to the requested withdrawal.
 - A copy of the Annuity Contract is available upon request.

5. **Transfer Information:** Please provide the following information regarding to whom the funds shall be transferred:

Contact name: _____

▪ Contact Mailing Address: _____

▪ Telephone Number: _____

▪ Email Address: _____

Full wire instructions:

Account Name: _____

Bank Name: _____

Bank's Physical Address: _____

ABA Routing Number: _____

Bank Account Number: _____

Wire Text Information: _____

6. Data Files: The Employer or its successor will receive the following data files in an Excel spreadsheet:

- Final Valuation Reports – The following reports are generally sent via email within 24 hours of the wires:
 - Plan Level Report – This report gives an overall picture of the total amount of the transfer by investment vehicle.
 - Participant Level Report – This report provides the total amount of the transfer by participant and investment vehicle. This report will include historical contribution/distribution information by account.

In addition, VALIC agrees to retain all Plan records related to the Plan for six years following the transfer of the assets. VALIC shall provide such other records as requested by the Employer from time to time.

7. Fees: Any outstanding fees owed by Employer to VALIC shall be deducted from the amount to be transferred.

8. Abandoned Property:

The Employer authorizes Service Provider to resolve stale-dated checks through escheatment to the applicable state unless your document or policies/procedures state otherwise (in that case, please contact us with further direction).

9. Release of VALIC: Employer agrees that payment to and receipt by **[Wire Receiver]** of any Plan assets permitted to be transferred under the terms of the VALIC Annuity Contract shall fully discharge VALIC **[and/or VRSCO, as applicable]** from all responsibility and liability that may accrue with respect to such assets after the date of the transfer. Employer shall assume the responsibility for the future administration of such assets after the date of such transfer from VALIC. Neither the Employer nor VALIC intend this assumption of responsibility by Employer to apply to acts or omissions of VALIC during the period that the Plan assets were invested in the VALIC Annuity Contract.

10. Execution: Signature of the Plan Sponsor or Employer below shall constitute agreement to any terms of this document that are not included in the Annuity Contract or other agreement with VALIC or its affiliates. Nothing in this document shall modify or supersede any terms of the VALIC Annuity Contract(s) or any Agreement with VALIC and/or its affiliates. The requested transition will not occur until this document has been properly executed, and all timelines will be adjusted for any execution date and receipt by VALIC of the executed document after **[Due date for DocuSign]**.

This Agreement may be executed in multiple counterparts, in one or more of the following: hard copy, digital or electronic. Each such counterpart shall be deemed an original, and all counterparts so executed shall constitute one Agreement, binding upon all parties hereto, notwithstanding that all of such parties may not have executed the same counterpart.

PLAN SPONSOR/EMPLOYER:

VALIC:

Signature of Authorized Representative of the
Plan Sponsor/Employer

Signature

Print Name

Title

Date

Print Name

Administrative Officer

Title

Date