

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

SC HEALTHCARE HOLDING, LLC *et al.*,

Debtors.¹

Chapter 11

Case No. 24-10443 (TMH)

Jointly Administered

Ref. Docket Nos. 521

**RESERVATION OF RIGHTS IN RESPONSE TO
MOTION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR DISCOVERY AND EXAMINATION OF THE
PETERSEN NON-DEBTOR ENTITIES PURSUANT TO BANKRUPTCY RULE 2004**

The above-captioned debtors and debtors in possession (each, a “Debtor” and, collectively, the “Debtors”) hereby respond as follows to the *Motion of the Official Committee of Unsecured Creditors for Discovery and Examination of the Petersen Non-Debtor Entities Pursuant to Bankruptcy Rule 2004* [Docket No. 521] (the “2004 Motion”):

PRELIMINARY STATEMENT

1. By the 2004 Motion, the Official Committee of Unsecured Creditors (the “Committee”) seeks authority to (i) to serve the 21 document production requests attached to the 2004 Motion (the “Document Requests”), presumably on each of the Debtors and certain non-Debtors, and (ii) thereafter to seek deposition testimony. Although certain of the Document Requests are irrelevant, overly broad, and otherwise overly burdensome, the Debtors do not object

¹ The last four digits of SC Healthcare Holding, LLC’s tax identification number are 2584. The mailing address for SC Healthcare Holding, LLC is c/o Petersen Health Care Management, LLC 830 West Trailcreek Dr., Peoria, IL 61614. Due to the large number of debtors in these Chapter 11 Cases, whose cases are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information is available on a website of the Debtors’ claims and noticing agent at www.kcellc.net/Petersen.



to the relief sought by the Committee in the 2004 Motion—the authority to serve the Document Requests and initiate the discovery process. The Debtors do, however, reserve their rights as set forth below.

2. Moreover, the Debtors have been producing documents relevant to the Document Requests since the beginning of the chapter 11 cases and will continue to do so. The July 18, 2024 deadline suggested by the Committee is unreasonable and, thus, should not apply. However, the Debtors will meet and confer with the Committee on a reasonable deadline. As stated, the Debtors are willing to produce relevant, non-privileged documents, subject to a reasonable scope, outlined and agreed to by the parties.

RESERVATION OF RIGHTS

3. The Debtors do not, subject to reservation of all available rights and remedies available to them in the discovery process under all applicable discovery and procedural rules, customs, and practices, object to the granting of authority to the Committee to serve the Document Requests. The Debtors intend to comply with the reasonable Document Requests as soon as reasonably practicable. However, the Debtors fully reserve their rights with respect to the Committee's discovery, including, without limitation, to object to any of the Document Requests and to seek protective orders with respect to the use by the Committee of documents produced in response to the Document requests where necessary. The Debtors also fully reserve their rights to object to, and to seek protective orders in connection with, depositions that the Committee may seek to take related to the Document Requests.

4. The Debtors submit that not objecting to the Committee's service of the Document Requests is not intended as, and should not be deemed as, a waiver of their right to object in the normal course to discovery sought by the Committee, and, further, that the Court granting authority

to the Committee at this time, if it is inclined to do so, simply to serve the Discovery Requests, should not be interpreted as a ruling on any of the Debtors' rights and remedies in the discovery process ahead.

5. For the reasons set forth herein, the Debtors do not object to the Court granting the Committee authority to serve the Discovery Requests, but otherwise fully reserve their rights as set forth herein. The Debtors further request such other and further relief as is just and proper and to which they may be entitled.

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Dated: June 20, 2024
Wilmington, Delaware

Respectfully submitted,

**YOUNG CONAWAY STARGATT &
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/s/ Shella Borovinskaya

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