

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

In re:

WELLMAD FLOOR COVERINGS  
INTERNATIONAL, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-58764

(Jointly Administered)

**DEBTORS' REPLY IN SUPPORT OF MOTION SEEKING ENTRY OF AN ORDER (I)  
SETTING A BAR DATE FOR FILING PROOFS OF CLAIM; (II) SETTING AN  
AMENDED SCHEDULES BAR DATE; (III) SETTING A REJECTION DAMAGES BAR  
DATE; (IV) APPROVING THE FORM OF AND MANNER FOR FILING PROOFS OF  
CLAIM; (V) APPROVING NOTICE OF THE BAR DATES; AND (VI) GRANTING  
RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this *Reply in Support of its Motion Seeking Entry of an Order (I) Setting a Bar Date for Filing Proofs of Claim; (II) Setting an Amended Schedules Bar Date; (III) Setting a Rejection Damages Bar Date; (IV) Approving the Form of and Manner For Filing Proofs of Claim; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief* (the “Motion”). In response to *Creditors Yucong Liu, Yixiang Zhang, and Cangen Han's Limited Objection to Debtors' Motion Seeking Entry of an Order Setting a Bar Date for Filing Proofs of Claim and Other Relief* [Docket No. 171] (the “Objection”) filed by Yucong Liu, Yixiang Zhang, and Cangen Han (the “Labor Plaintiffs”)<sup>2</sup> and in support of the Motion, the Debtors respectfully state as follows:

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Wellmade Industries MFR. N.A LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.

<sup>2</sup> The Committee of Creditors Holding Unsecured Claims (the “Committee”) also filed a *Limited Objection of the Committee of Creditors Holding Unsecured Claims to Debtors' Motion Seeking Entry of an Order (I) Setting Bar Date for Filing Proofs of Claims; (II) Setting an Amended Schedules Bar Date; (III) Setting a Rejection Damages Bar Date; (IV) Approving the Form of and Manner for Filing Proofs of Claim; (V) Approving Notice of the Bar Dates; and (VI)*



### **PRELIMINARY STATEMENT**

1. The procedures proposed by the Debtors provide *all* creditors with ample notice and a clear process for filing Proofs of Claim and achieve administrative and judicial efficiency. Indeed, the proposed procedures will provide comprehensive notice and clear instructions to all creditors, on the one hand, and allow these chapter 11 cases to move forward quickly with a minimum of administrative expense and delay, on the other hand.

2. The Objection seeks unnecessary and burdensome procedures that will cause confusion, delay claims resolution, and ultimately reduce the funds available for creditors and equity holders. Moreover, the Objection seeks relief from the automatic stay, in a deficient manner, to certify a class and continue litigation in a stayed district court proceeding. The Labor Plaintiffs seek to skip all procedural safeguards that the Bankruptcy Code has in place and participate in a procedure focused on noticing only tort creditors in a manner that will overburden the Debtors and delay distributions in these cases.

3. Allowing the Labor Plaintiffs to unnecessarily delay the claims process will harm all creditors and the Debtors' estates. Therefore, the Court should reject the modification to the claims process proposed in the Objection.

### **ARGUMENT**

#### **A. The Labor Plaintiffs' Objection is an Improper attempt to seek relief from stay based on inadmissible facts.**

4. Prior to addressing the substance of the Objection, the Debtors first address its material factual and procedural defects.

##### ***i. Any facts based on the Halegua Declaration should be stricken.***

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*Granting Related Relief* [Docket No. 169] (the "Committee Limited Objection") on September 15, 2025. The Committee and the Debtors have since reached an agreement in principle with respect to the issues raised in the Committee Limited Objection. The terms of this agreement will be explained in more detail on the record at the hearing on this Motion.

5. First, the majority of factual allegations in the Objection that rely on the Halebua Declaration are speculative, procedurally improper, and should be ignored. *See* Objection ¶¶ 2-6.

6. The Halebua Declaration, attached as Exhibit A to the Objection, is inadmissible hearsay and cannot be relied upon for the statements made in the Objection. Halebua makes allegations from newspapers,<sup>3</sup> information gleaned from his clients of which he has no personal knowledge,<sup>4</sup> and even opposing counsel.<sup>5</sup> Halebua, an attorney hired after the incident giving rise to the Labor Plaintiffs' claims, does not have personal knowledge of the facts set forth in his declaration as he was not present at the time of many of the events he references. *See* Fed. R. Evid. 602.

7. The Halebua Declaration is, at its essence, a self-serving declaration full of allegations that are the subject of an entirely separate proceeding that is currently stayed pursuant to 11 U.S.C. § 362. The declaration cannot be used to establish the truth of those allegations. *See* Fed. R. Evid. 602. Halebua is essentially asking this Court to pre-judge the allegations pending before a different court which have not been established, and which the Debtors contest. His bare assertions should be given no weight in determining whether the Motion should be granted.<sup>6</sup>

8. Moreover, by filing his declaration and designating himself as a witness (of facts he cannot possibly have personal knowledge of), it is unclear whether Halebua is proceeding in this Bankruptcy Case as Labor Plaintiffs' counsel or as a representative of potential collective

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<sup>3</sup> *See* Objection, Exhibit A ¶ 8.

<sup>4</sup> *See Id.* at ¶¶ 4, 12-19, 23-28, 32-36.

<sup>5</sup> *See Id.* at ¶¶ 9-11. Counsel for the Debtors deny that they stated, in the context described by Mr. Halebua, that they do not believe that the Agency Workers were employees. Moreover, whether or not the Labor Plaintiffs are "employees" as that term is defined under the FLSA is irrelevant to the issues currently before the Court.

<sup>6</sup> The Debtors reserve all rights with respect to its claims and defenses asserted in the District Court Litigation and by the Labor Plaintiffs generally.

action and class action claimants. It seems to be the latter as the three Labor Plaintiffs have not argued that they have not or would not receive proper notice of the Claims Bar Date.<sup>7</sup>

9. The relief requested in the Objection is not for procedures to insure that creditors get sufficient notice of the Claims Bar Date, but rather for the Court to permit Mr. Halegua to go on a fishing expedition for new claimants that he can represent in the District Court Litigation. Such request is both procedurally and legally improper.<sup>8</sup>

***ii. The relief sought by the Labor Plaintiffs is a violation of the automatic stay.***

10. The Labor Plaintiffs are improperly using their objection to ignore the automatic stay and seek prejudgment on issues not properly before the Court. In fact, the Labor Plaintiffs note that “Labor Plaintiffs are well-aware that possible alternatives to issuing their proposed notice would include (i) seeking relief from the automatic stay to permit the District Court to certify a collective under the FLSA and oversee a notice process, or (ii) moving for certification of a class (or multiple classes) under Rule 7023 of the Federal Rules of Bankruptcy Procedure.” What the Labor Plaintiffs fail to recognize is that these are not “possible alternatives” but stay relief is mandatory for the actions that the Labor Plaintiffs propose.

11. To certify a class in the Bankruptcy Case, a class claimant must take the following steps: (i) move to extend Rule 7023 to its proof of claim, (ii) “show that the benefits derived from the use of the class claim device are consistent with the goals of bankruptcy” and (iii) “satisfy the requirements of Rule 23.” *In re Musicland Holding Corp.*, 362 B.R. 644, 651 (Bankr. S.D.N.Y.

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<sup>7</sup> See Objection p. 1 n. 1 (“The Labor Plaintiffs are listed as creditors on the Debtors’ most recent Schedules of Assets and Liabilities and intend to file Proofs of Claim in the near future.”).

<sup>8</sup> As stated in more detail below, to the extent Halegua is seeking to proceed as a representative of the claimants under Bankruptcy Rule 2019 and ultimately file a class proof of claim he must do so in accordance with the Bankruptcy Rules. See *In re North Bay General Hosp., Inc.*, 404 B.R. 443, 454 (Bankr. S.D. Tex. 2009) (“Failure to comply with Bankruptcy Rule 2019 alone can result in this Court refusing to permit an entity to be heard or further intervene in this case and hold invalid any authority given, procured or received by [the] entity.”) (citing *In re Ionosphere Clubs, Inc.*, 101 B.R. 844, 852 (Bankr. S.D.N.Y. 1989)).

2007) (“[W]hile class proofs of claim in bankruptcy are not prohibited, the right to file one is not absolute.”). A class claimant is not permitted to take these steps until an objection to the class claimants’ claim is filed. *See In re Charter Co.*, 876 F.2d 866, 874 (11<sup>th</sup> Cir. 1989) (“In the Eleventh Circuit, a contested matter does not exist in the claims process until an objection to the proof of claim is file.”). The Debtors have not yet notified creditors of the Claims Bar Date, much less object to a proof of claim, such that certification of a class at this point in the Bankruptcy Case is premature. *See In re Circuit City Stores, Inc.*, 2010 Bankr. LEXIS 1774, \*16 (Bankr. E.D. Va. May 28, 2010) (“Class certification would necessarily have to occur either before the petition date or after a motion to make Bankruptcy Rule 7023 applicable is granted, unless the court were to grant relief from stay to pursue class certification in another court.”).

12. The Labor Plaintiffs have also not moved for relief from the automatic stay. The automatic stay affords a debtor fundamental protections under the bankruptcy laws. *See A.H. Robins Co. v. Piccinin (In re A.H. Robins Co.)*, 788 F.2d 994, 998 (4th Cir.), *cert. denied*, 479 U.S. 876 (1986) (stating that the automatic stay “is to protect the debtor from an uncontrollable scramble for its assets in a number of uncoordinated proceedings in different courts, to preclude one creditor from pursuing a remedy to the disadvantage of other creditors, and to provide the debtor and its executives with a reasonable respite from protracted litigation, during which they may have an opportunity to formulate a plan of reorganization for the debtor”); *see also Midlantic Nat’l Bank v. New Jersey Dep’t of Env’tl. Protection*, 474 U.S. 494, 503, *reh’g denied*, 475 U.S. 1090 (1986) (the automatic stay is “one of the most fundamental protections provided [to the debtor] by the bankruptcy laws”). It is designed, *inter alia*, to give the debtor a “breathing spell” after the commencement of a chapter 11 case, shielding debtors from creditor harassment and a multitude of litigation in a variety of forums at a time when the debtor’s personnel should be focusing on

restructuring. *See, e.g., S.I. Acquisition, Inc. v. Eastway Delivery Service, Inc. (In re S.I. Acquisition, Inc.)*, 817 F.2d 1142, 1146 (5th Cir. 1987) (stating that the automatic stay “imposes a moratorium on all actions against the debtor or its property and assets” and thereby “ensures a respite for the debtor so that it may attempt to reorganize or decide to liquidate and promotes the overriding policy of equal distribution of a debtor’s assets among creditors”); *Soares v. Brockton Credit Union (In re Soares)*, 107 F.3d 969, 978 (1st Cir. 1997) (“Bankruptcy law forbids creditors from continuing judicial proceedings against bankrupts.”).

13. The Labor Plaintiffs have not properly sought relief from the automatic stay. *See* Bankruptcy Rule 4001(a) (requiring the movant to file a Motion pursuant to Rule 9014 in order to seek relief from the automatic stay). Moreover, relief from the automatic stay may be granted only upon a showing of cause. *See* 11 U.S.C. 362(d)(1). Not only have the Labor Plaintiffs failed to move for relief from stay but they have also failed to establish that cause exists for this Court to grant relief from the automatic stay.

14. Against the current of the strong policy in favor of maintaining the automatic stay, due to which “even the slightest interference with the administration [of the Debtors’ estates] may be enough to preclude relief,” *see In re U.S. Brass Corp.*, 173 B.R. 1000, 1006 (Bankr. E.D. Tex. 1994), the party seeking to lift or modify the automatic stay bears the initial burden to show cause why the stay should be lifted. The Labor Plaintiffs’ reliance on *In re Buffets, LLC, et al.*, No. 16-50557-rbk, ECF No. 1378 (Bankr. W.D. Tx. Oct. 17, 2016) for arguing that they should be granted relief to distribute FLSA notice to employees is unpersuasive for two reasons. *See* Objection ¶ 26. First, the movants in *In re Buffets, LLC*, properly sought relief from stay in the bankruptcy case, which the Labor Plaintiffs have failed to do. Second, the bar date in that case had already passed and the court was able to determine whether sufficient notice was actually provided to that

particular group of claimants. Whether or not notice was sufficiently provided to creditors is a key consideration for the Court in determining both whether cause exists to grant relief from stay and whether certification of a class should be allowed in a bankruptcy case. *See In re Metro Transp. Co.*, 82 B.R. 351, 353 (Bankr. E.D. Pa. 1988) (noting unsecured creditors face a difficult task of producing evidence to establish that the balance of hardships tips in their favor to obtain stay relief).

15. The Labor Plaintiffs have failed to move and demonstrate that modifying the stay is proper. *See e.g. In re Bally Total Fitness of Greater N.Y., Inc.*, 402 B.R. 616, 621 (Bankr. S.D.N.Y. 2009) (denying the motions for class certification and for an order listing the automatic stay).

**B. The Debtors' Proposed Notice Procedures Comply with Due Process and the Bankruptcy Code.**

16. The procedures provided in the Motion are sufficient to provide both actual and constructive notice of the Claims Bar Date. To determine the adequacy of notice to a creditor, the case law distinguishes between “known” and “unknown” creditors. *See In re RML, LLC*, 662 B.R. 858, 868 (Bankr. S.D.N.Y. 2024) (“What constitutes ‘reasonable notice’ principally depends on the status of the parties and whether the creditor is a ‘known’ or an ‘unknown’ creditor.”). Generally speaking, the former is a creditor (or potential creditor) whose identity is either known or is reasonably ascertainable by the debtor, while the latter is one whose identity, although potentially discoverable upon investigation, does not come to the knowledge of the debtor in the ordinary course of business. *See In re Charter Co.*, 125 B.R. 650, 655 (M.D. Fla. 1991) (“Unknown creditors include those whose identities or claims are not ‘reasonably ascertainable’ and those who have merely conceivable, conjectural, or speculative claims.”); *Tulsa Prof'l Collection Serv., Inc.*

*v. Pope*, 485 U.S. 478, 490 (1988) (holding that notice is required to parties whose name and address are “reasonably ascertainable”).

17. A creditor’s identity is “reasonably ascertainable” if that creditor can be identified through “reasonably diligent efforts.” *Mennonite Bd. of Missions v. Adams*, 462 U.S. 791, 798 n.4 (1983). But this does not require the debtor to engage in “impracticable and extended searches . . . in the name of due process.” *See Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 317 (1950). Rather, the required search is limited to a debtor’s “books and records.” *See In re Tronox Inc.*, 2024 Bankr. LEXIS 1819, \*31 (Bankr. S.D.N.Y. Aug. 5, 2024) (citing *Chemetron Corp. v. Jones*, 72 F.3d 341, 347 (3d Cir. 1995)).

18. Since the Petition Date, the Debtors have been collecting information to provide actual notice of the Claims Bar Date to any individual that worked for the Debtors, both directly or through third-party contracting agencies, in the two (2) years leading up to the Petition Date. This process has included, but is not limited to, (i) reviewing the Debtors’ personal records and (ii) contacting each third-party contracting agency that the Debtors have used and asking them to provide any individuals, along with contact information, that previously worked for the Debtors.

19. Thus, the Debtors have gone well beyond reviewing their books and records to ascertain their known creditors and provide those creditors with actual knowledge. *See e.g. In re Nat’l Steel Corp.*, 316 B.R. 510, 518 (Bankr. N.D. Ill. 2004) (“It is not the duty of the Debtors to make JFE or any of its creditors aware of every potential claim they may have against the Debtors. To the contrary, it was JFE’s responsibility to explore, investigate and file a proof of claim against the Debtors, not the other way around.”); *In re Brooks Fashion Stores, Inc.*, 124 B.R. 436, 445 (Bankr. S.D.N.Y. 1991) (“[I]t is not the Debtor’s duty to search out each conceivable or



possible creditor and urge that person or entity to make a claim against it.”) (quoting *Charter Crude Oil Co. v. Petroleos Mexicanos*, 125 Bankr. 650 (M.D. Fla. 1991)).

20. As the Debtors receive any information of additional individuals, they are promptly providing that information to their Claims Noticing Agent who is updating the Debtors’ service list, providing notice of the Debtors’ bankruptcy filing to these individuals, and assisting the Debtors in providing notice of the Claims Bar Date to these individuals in accordance with the procedures outlined in the Motion. Based on the efforts made by the Debtors to date, the Debtors believe that any individual who previously worked at the Debtors (directly or as an independent contractor) will receive actual notice of the Claims Bar Date. *See In re Tronox Inc.*, 2024 Bankr. LEXIS 1819, \*31 (Bankr. S.D.N.Y. Aug. 5, 2024) (“The Debtors were not required, by due process, to canvass the community to unearth possible claimants.”); *In re Peabody Energy Corp.*, 579 B.R. 208, 216-17 (Bankr. E.D. Mo. 2017) (“The Debtors were not required to conduct a search of the Tri-State Mining District to see who lives there and may have become ill.”); *Placid Oil Co.*, 753 F.3d 151, 156 (5th Cir. 2014) (“[T]o conclude that a creditor is known, a court must determine that, at a minimum, a debtor has ‘specific information’ related to an actual injury suffered by the creditor.”).

21. Additionally, the Debtors’ proposed process for providing actual notice to the Debtors is more than sufficient to inform creditors of the Claims Bar Date in this case, as U.S. Mail has long been held as the proper means for providing actual notice to a creditor.<sup>9</sup> *See Mullane*

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<sup>9</sup> The other service methods that the Labor Plaintiffs argue are supported in FLSA cases like *De la Fuente v. Columbia Recycling Corp.*, are allowed only *after* the class has been certified, which has not occurred here. *See De la Fuente v. Columbia Recycling Corp.*, 704 F. Supp. 3d 1351, 1356 (N.D. Ga. 2023) (“[T]he importance of certification, at the initial stage, is that it authorizes either the parties, or the court itself, to facilitate notice of the action to similarly situated employees.”). Further, the Court in *De la Fuente* did not actually rule that service through email or social media apps was “better” or even “required” but just simply ordered the Defendants to provide that information to the Plaintiffs. *Id.* at 1358 (“The Court further DIRECTS Defendants to provide to Plaintiffs the name, last-known address, last-known email address, last-known telephone number, any known WhatsApp contact information ...”). The Labor

*v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 317 (1950) (“Where the names and post office addresses of those affected by a proceeding are at hand, the reasons disappear for resort to means less likely than the mails to apprise them of its pendency.”); *Placid Oil Co. v. Shelton Prop. Rural Acreage, L.L.C. (In re Placid Oil Co.)*, 450 Fed. Appx. 323, 325 (5th Cir. 2011) (“[T]he Court has recognized that mail service is an inexpensive and efficient mechanism that is reasonably calculated to provide actual notice.”) (internal quotations omitted); *In re Gov’t Sec. Corp.*, 107 B.R. 1012, 1020 (S.D. Fla. 1989) (“[T]he Trustee’s service of the notice and claim forms by first class mail was appropriate, and is in fact a procedure which has been found to be acceptable when balanced with the additional costs of other methods of notice.”) (internal citations omitted); *In re Circuit City Stores, Inc.*, 2010 Bankr. LEXIS 1774, \*24 (Bankr. E.D. Va. May 28, 2010) (“Known creditors must receive actual notice by mail of the claims bar date.”).

22. To the extent that any potential creditor is not identified through the above process, the Debtors intend to provide constructive notice (via publication) in a sufficient manner often approved by courts in similar cases. For example, courts, including those in the Eleventh Circuit, have consistently found publication notice sufficient for unknown claimants, including unknown tort claimants. See, e.g., *In re Anchor Glass Container Corp.*, 325 B.R. 892, 895 (Bankr. M.D. Fla. 2005) (citing *Matter of GAC Corp.*, 681vF.2d 1295, 1300 (11th Cir. 1982)) (“The Eleventh Circuit has recognized that publication notice is legally adequate notice to unknown creditors.”); *In re Charter Co.*, 125 B.R. at 655 (“[P]ublication notice is sufficient for those creditors whom the debtor can reasonably assume to have abandoned their property interest.”); *Chemetron Corp. v. Jones*, 72 F.3d 341, 348 (3d Cir. 1995) (“Having held that claimants were ‘unknown’ creditors, we have little difficulty holding that the notice which Chemetron published in the New York Times

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Plaintiffs have not served defendants with any discovery nor provided any basis for why they are entitled to such information.

and the Wall Street Journal was sufficient.”); *Mullane v. Central Hanover Bank & Trust Co.*, 339 U.S. 306, 317, 70 S. Ct. 652, 94 L. Ed. 865 (1950) (“[In] the case of persons missing or unknown, employment of an indirect and even a probably futile means of notification is all that the situation permits and creates no constitutional bar to a final decree foreclosing their rights.”).

23. Notification by publication will generally suffice for unknown creditors. Furthermore, debtors are not required to publish notice in an excessive number of publications. *See In re Best Prods. Co., Inc.*, 140 B.R. 353 (Bankr. S.D.N.Y. 1992) (finding it impracticable to expect a debtor to publish notice in every newspaper that an unknown creditor possibly may read); *In re Gov’t Sec. Corp.*, 107 B.R. 1012, 1021 (S.D. Fla. 1989) (holding that one day publication in the Wall Street Journal was constructive notice of SIPA liquidation to customer in Peru despite fact that only 30 copies of the Journal were sent to the entire country); *In re Chicago, Milwaukee, St. Paul & Pacific R.R. Co.*, 112 Bankr. 920 (N.D. Ill. 1990) (holding publication notice in the Wall Street Journal adequate under bankruptcy law); *Wright v. Placid Oil Co.*, 107 Bankr. 104 (N.D. Tex. 1989) (holding publication in The Wall Street Journal sufficient notice to unknown creditor injured in Louisiana). In fact, courts have recognized that while publication notices may not be read, publication is still sufficient. *See In re Tronox Inc.*, 2024 Bankr. LEXIS 1819, \*31 (Bankr. S.D.N.Y. Aug. 5, 2024). (“[B]ankruptcy proceedings, and many other legal proceedings, need a mechanism to provide finality as to the persons who are entitled to participate, and publication notices are given effect and are enforced even if claimants do not actually see them.”).

24. Moreover, supplemental and specific notice to the Labor Plaintiffs is not required.<sup>10</sup> Objection ¶¶ 23-24. For example, in *In re RML, LLC*, the bankruptcy court for the Southern

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<sup>10</sup> Based on an agreement reached with the Committee to resolve their Limited Objection, the Debtors have agreed to include a few sentences in Mandarin Chinese in the Bar Date Notice and on the Claims Noticing Agent’s website. The Debtors believe this addition is more than sufficient to provide notice to any potential claimants, especially given that multi-language notices are not required. *See In re Caribbean Petroleum Corp.*, 2010 WL 5093632 (Bankr. D. Del.

District of New York held that the Talc Claimants received sufficient notice of the claims bar date even though the bar date notice “did not mention talc at all.” *In re RML, LLC*, 662 B.R. 858, 869 (Bankr. S.D.N.Y. 2024). The court acknowledged that no case has held “that due process require[s] such exertions.” *Id.*; see also *In re Energy Future Holdings Corp.*, 949 F.3d 806, 822-23 (3d Cir. 2020) (holding debtors’ extensive noticing program sufficient to satisfy due process, but nowhere holding a program of such extent necessary); *Williams v. Placid Oil Co. (In re Placid Oil Co.)*, 753 F.3d 151, 158 (5th Cir. 2014) (“We have never required bar date notices to contain information about specific potential claims. To the contrary, we have determined that publication in the national edition of the Wall Street Journal discharges the pre-confirmation claims of unknown creditors.”); *In re Peabody Energy Corp.*, 579 B.R. 208, 218 (Bankr. E.D. Mo. 2017) (“[T]he Debtors were not required to set forth in the Deadline Notice information about the nature of potential claims such as the information the Joplin parties suggest would have informed them that they should file claims.”).

25. Sufficiency of a bar date notice should consider the sufficiency of service on “its creditors as a whole.” *In re Gov’t Sec. Corp.*, 107 B.R. at 1021 (“The court must balance the needs of notification of potential claimants with the interest of existing creditors and claimants.”). The Respondents have provided no argument as to why such time and money should be spent by the Debtors in providing notice to potential tort claimants over notice provided to all other creditors of the Debtors. *Id.* (“A bankrupt estate’s resources are always limited and the bankruptcy court

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Dec. 8, 2010) (finding that the English-only documents did not prejudice the debtors’ Spanish-speaking claimants that resided in Puerto Rico); *Storage Tech. Corp. v. Comité Pro Rescate de La Salud (In re Storage Tech. Corp.)*, 117 B.R. 610, 621 (Bankr. D. Colo. 1990) (finding that where the evidence showed that Spanish and English were used indiscriminately in Puerto Rico, failure to provide notice of a bar date in Spanish in Puerto Rico did not deprive the potential claimants of due process).

must use discretion in balancing these interests when deciding how much to spend on notification.”).<sup>11</sup>

26. The Debtors submit that the proposed procedures provided in the Motion provide for more than adequate notice of the Bar Dates to all potential creditors in satisfaction of the requirements of the Bankruptcy Rules and consistent with the underlying policies of the Bankruptcy Code. Accordingly, the Debtors respectfully submit that the Bar Dates and the form and manner of providing notice thereof are appropriate in light of the circumstances, inure to the benefit of all parties in interest, and should be approved.

### **CONCLUSION**

WHEREFORE, the Debtors respectfully request entry of an order, (a) overruling the Objection, (b) granting the Motion, and (c) granting such other relief as is just and proper.

Dated: September 26, 2025

Respectfully submitted,

**GREENBERG TRAURIG, LLP**

/s/ John D. Elrod

John D. Elrod (Ga. Bar. No. 246604)

Allison J. McGregor (Ga. Bar. No. 860865)

Terminus 200

3333 Piedmont Road, NE, Suite 2500

Atlanta, Georgia 30305

Telephone: (678) 553-2100

Email: elrodj@gtlaw.com

Allison.McGregor@gtlaw.com

*Counsel for the Debtors and Debtors in Possession*

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<sup>11</sup> The additional language and procedures proposed by the Respondents are not alleged to help notify anyone except potential tort/FLSA claimants. *See* Labor Plaintiffs’ Objection ¶ 27 (“The notice and procedure proposed by Plaintiffs in Appendix D is designed to be a more streamlined and efficient method for effecting notice *to the Labor Claimants.*”) (emphasis added). However, these potential claimants are not the only creditors of the Debtors and any additional funds spent in soliciting tort claimants will decrease the amount of recovery to unsecured creditors as a whole. *See In re CHARTER CO.*, 113 B.R. at 728 (“[T]his Court does not find any basis to require a more stringent notice requirement for unknown tort claimants than for unknown trade creditors.”).