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

| | | |
|---|---|---|
| In re: | ) | Chapter 11 |
| | ) | |
| PACIFICA OF THE VALLEY CORPORATION,[1] | ) | Case No. 26-11060 (TMH) |
| | ) | |
| Debtor. | ) | |
| | ) | |

**Hearing Date: To Be Scheduled If Necessary**
**Objection Deadline: November 10, 2026 at 4:00 p.m. (ET)**

**MOTION OF DEBTOR FOR ENTRY OF AN ORDER, PURSUANT TO SECTION 1121(d) OF THE BANKRUPTCY CODE, EXTENDING THE EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF**

The above-captioned debtor and debtor in possession (the "Debtor") states as follows in support of this motion (the "Motion"):

## Relief Requested

1. The Debtor seeks entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Order"), pursuant to section 1121(d) of title 11 of the United States Code (the "Bankruptcy Code"): (a) extending the period during which the Debtor has the exclusive right to file a chapter 11 plan (the "Exclusive Filing Period") by 120 days, through and including **March 1, 2027**; (b) extending the period during which the Debtor has the exclusive right to solicit acceptances thereof (the "Exclusive Solicitation Period" and together with the Exclusive Filing Period, the "Exclusive Periods") by 120 days, through and including **April 30, 2027**, in each case without prejudice to the Debtor's right to seek further extensions of the Exclusive Periods; and (c) granting related relief. Absent the relief requested, the Exclusive Filing Period will expire on November 1, 2026, and the Exclusive Solicitation Period will expire on December 31, 2026.

[1] The Debtor in this chapter 11 case, along with the last four digits of the Debtor's federal tax identification number, is 7312. The Debtor's mailing address is 9449 San Fernando Road, Sun Valley, CA 91352.



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## Jurisdiction and Venue

2. The United States District Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the United States Bankruptcy Court for the District of Delaware (the "Court") under 28 U.S.C. § 157 pursuant to the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Debtor confirms its consent, pursuant to Rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105(a) and 1121(d) of the Bankruptcy Code, Rule 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Local Rule 9006-2.[2]

## Background

5. On July 4, 2026 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtor has been operating its business as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

6. A detailed description of the Debtor's business and facts precipitating the filing of the Debtor's chapter 11 proceeding is set forth in the *Declaration of Precious Mayes in Support of Emergency First-Day Motions* [Docket No. 16].

[2] Pursuant to Local Rule 9006-2, because this Motion is filed prior to the expiration of the Exclusive Filing Period, the Exclusive Periods are automatically extended until the Court acts on this Motion, without the necessity for the entry of a bridge order.

7. On July 20, 2026, the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed an Official Committee of Unsecured Creditors (the "Committee") [Docket No. 78]. No request for the appointment of a trustee or examiner has been made in this chapter 11 case.

8. On September 17, 2026, the Debtor filed its schedules of assets and liabilities and statement of financial affairs [Docket Nos. 200, 201] (the "Schedules and SOFA").

9. On July 7, 2026, the Debtor filed the *Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Use Cash Collateral and (B) Grant Liens and Superpriority Administrative Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* [Docket No. 13] (the "Cash Collateral Motion"). On July 9, 2026, the Court entered an interim order on the Cash Collateral Motion [Docket No. 57]. On August 11, 2026, the Court entered a second interim order on the Cash Collateral Motion [Docket No. 148].

10. On September 27, 2026, the Debtor filed the *Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Obtain Postpetition Secured Financing and (B) Utilize Cash Collateral; (II) Granting Liens and Superpriority Administrative Expense Claims; (III) Granting Adequate Protection; (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing; and (VI) Granting Related Relief* [Docket No. 217] (the "DIP Motion"). On September 30, 2026, the Court entered an order granting the relief requested in the DIP Motion on an interim basis [Docket No. 229]. A final hearing on the DIP Motion was held on October 15, 2026. The Court entered a final order on the DIP Motion (the "Final DIP Order") on October 15, 2026 [Docket No. 250].

11. On September 30, 2026, the Debtor filed a motion to extend the period within which the Debtor may remove civil actions [Docket No. 230]. The Court entered an order extending such period on October 13, 2026 [Docket No. 243].

12. On October 5, 2026, the Debtor filed a motion to extend the time within which the Debtor must assume or reject unexpired leases of nonresidential real property pursuant to section 365(d)(4) of the Bankruptcy Code [Docket No. 234]. The Court entered an order extending such period on October 21, 2026 [Docket No. 259].

**Basis for Relief**

13. Section 1121(b) of the Bankruptcy Code provides a debtor with the exclusive right to file a chapter 11 plan during the first 120 days after the order for relief. 11 U.S.C. § 1121(b). If the debtor files a plan within that period, section 1121(c)(3) of the Bankruptcy Code provides that no other party in interest may file a plan unless the debtor fails to obtain acceptances of its plan within 180 days after the order for relief. 11 U.S.C. § 1121(c)(3). These exclusive periods afford a chapter 11 debtor the opportunity to formulate and propose a confirmable plan and to solicit acceptances thereof without the disruption that might be caused by the filing of competing plans by non-debtor parties. Section 1121(d) of the Bankruptcy Code allows the court to extend the debtor's exclusive periods for cause:

> (1) Subject to paragraph (2), on request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section.
>
> (2)(A) The 120-day period specified in paragraph (1) may not be extended beyond a date that is 18 months after the date of the order for relief under this chapter.
>
> (B) The 180-day period specified in paragraph (1) may not be extended beyond a date that is 20 months after the date of the order for relief under this chapter.

11 U.S.C. § 1121(d).

14. A bankruptcy court has discretion to extend a debtor's exclusive periods based upon the facts and circumstances of a particular case. *See First Am. Bank of N.Y. v. Sw. Gloves & Safety Equip., Inc.*, 64 B.R. 963, 965 (D. Del. 1986); *203 N. LaSalle St. P'ship v. Bank of Am., N.A.*, No. 99 C 7110, 1999 U.S. Dist. LEXIS 19425, at *12 (N.D. Ill. 1999); *In re Mid-State Raceway, Inc.*, 323 B.R. 63, 68 (Bankr. N.D.N.Y. 2005); *In re Reetz*, 61 B.R. 412, 414 (Bankr. W.D. Wis. 1986). Although the Bankruptcy Code does not define "cause" for purposes of an extension request under section 1121(d), courts have looked to the legislative history of that section for guidance. *See In re Gibson & Cushman Dredging Corp.*, 101 B.R. 405, 409 (E.D.N.Y. 1989); *In re Amko Plastics, Inc.*, 197 B.R. 74, 77 (Bankr. S.D. Ohio 1996). The legislative history indicates that Congress did not intend for the initial exclusive periods to be set in stone. *See Amko Plastics*, 197 B.R. at 77 (finding that courts should have flexibility in dealing with extensions of exclusivity periods); *In re Perkins*, 71 B.R. 294, 297 (W.D. Tenn. 1987) ("The hallmark of [section 1121(d)] is flexibility.").

15. Congress intended that the debtor's exclusive periods be of sufficient length to afford the debtor a full and fair opportunity to negotiate, formulate, and draft a confirmable chapter 11 plan without the disruptions that would occur with the filing of competing plans. *See Geriatrics Nursing Home, Inc. v. First Fidelity Bank, N.A.*, 187 B.R. 128, 133 (D.N.J. 1995) ("The opportunity to negotiate its plan unimpaired by competition . . . is meant to allow the debtor time to satisfy all creditors and win support for its restructuring scheme and thus ensure its survival as a business."). Congress has recognized that, depending on the facts and circumstances of a particular case, an exclusive period of only 120 days may not provide a debtor with adequate time in which to propose a plan:

> The court is given the power, though, to increase . . . the 120-day period depending on the circumstances of the case. [T]he bill allows the flexibility for individual cases that is not available today. For example, if an unusually large company were to seek reorganization under chapter 11, the Court would probably need to extend the time in order to allow the debtor to reach an agreement.

H.R. Rep. No. 95-595, at 232 (1977).

16. In determining whether cause exists for an extension of exclusivity, bankruptcy courts consider a variety of factors, including:

(a) the size and complexity of the case;

(b) the necessity for sufficient time to permit the debtor to negotiate a plan of reorganization and prepare adequate information;

(c) the existence of good faith progress toward reorganization;

(d) the fact that the debtor is paying its bills as they become due;

(e) whether the debtor has demonstrated reasonable prospects for filing a viable plan;

(f) whether the debtor has made progress in negotiations with its creditors;

(g) the amount of time which has elapsed in the case;

(h) whether the debtor is seeking an extension of exclusivity in order to pressure creditors to submit to the debtor's reorganization demands; and

(i) whether an unresolved contingency exists.

*In re Adelphia Commc'ns Corp.*, 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006); *see also Cont'l Cas. Co. v. Burns & Roe Enters., Inc.*, No. 05-2529 (KSH), 2005 U.S. Dist. LEXIS 26247, at *11–12 (D.N.J. 2005); *In re Cent. Jersey Airport Servs., LLC*, 282 B.R. 176, 184 (Bankr. D.N.J. 2002); *In re Dow Corning Corp.*, 208 B.R. 661, 664–65 (Bankr. E.D. Mich. 1997).

17. Not all of the above factors are necessary or relevant in determining whether to grant an extension of the exclusive periods in a particular case. *See, e.g.*, *In re Express One Int'l, Inc.*, 194 B.R. 98, 100–01 (Bankr. E.D. Tex. 1996) (relying upon only four factors in determining whether cause existed to support an extension); *In re United Press Int'l, Inc.*,

60 B.R. 265, 269 (Bankr. D.D.C. 1986) (finding that cause existed to extend exclusivity based on only three factors).

18. Application of the above factors to the facts and circumstances of this chapter 11 case demonstrates that cause exists to extend the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code.

19. *The Debtor's Chapter 11 Case is Large and Complex*. As of the Petition Date, the Debtor had over $50 million in total secured indebtedness. In addition, the Debtor has a wide variety of other parties in interest, from various vendors and contractual counterparties to local, state, and federal agencies.

20. *The Debtor Has Made Good-Faith Progress*. During its short time in chapter 11, the Debtor has made significant progress in negotiating with its stakeholders and administering this chapter 11 case. The Debtor has obtained first day relief and filed its Schedules and SOFA. The Debtor has also requested approval of DIP financing and use of cash collateral and has obtained approval of DIP financing on a final basis. The Debtor is exploring a sale of its assets to the DIP lender, Axios Capital Solutions, LLC, either through a chapter 11 plan or a private sale, as contemplated by the *Plan Term Sheet*, a copy of which is attached as an exhibit to the Final DIP Order. *See* Docket No. 250-1.

21. *The Debtor is Paying Its Bills as They Come Due*. Since the Petition Date, the Debtor has paid its undisputed postpetition obligations in the ordinary course or as otherwise provided by Court order.

22. *Extending the Exclusive Periods Will Not Prejudice Creditors*. The Debtor is requesting an extension of the Exclusive Periods to focus on expeditiously transitioning its business to a buyer and achieving confirmation of a chapter 11 plan. Continued exclusivity will

permit the Debtor to maintain flexibility so that a competing plan by another third party does not derail the Debtor's efforts toward a plan process. All stakeholders will benefit from such continued stability and predictability.

23. *The Debtor is Not Pressuring Creditors by Requesting an Extension of the Exclusive Periods*. The Debtor has been diligently moving this chapter 11 case forward. The Debtor's request for an extension of the Exclusivity Periods is not requested for the impermissible purpose of pressuring creditors to agree to a plan. Conversely, an extension of the Exclusivity Periods is in the best interests of the Debtor, its estate, and all stakeholders, as it will allow the Debtor to procure the best recovery for its creditors and help to ensure a successful conclusion to this chapter 11 case.

24. *The Chapter 11 Case is Less Than Four Months Old*. The Debtor's request for an extension of the Exclusive Periods is the Debtor's first such request and comes less than four months after the Petition Date. During this short time, the Debtor has made significant progress as described herein. The Debtor continues to pursue a sale process and is working toward the filing and solicitation of a chapter 11 plan.

25. For these reasons, the Debtor submits that cause exists to extend the Exclusive Periods as requested herein.

**Notice**

26. The Debtor will provide notice of this Motion to the following parties, or their counsel if known: (a) the U.S. Trustee; (b) the Committee; and (c) all parties requesting notice pursuant to Bankruptcy Rule 2002. The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

27. No prior request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, the Debtor respectfully requests entry of the Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and granting such other and further relief as the Court deems just and proper.

Dated: October 27, 2026

**PACHULSKI STANG ZIEHL & JONES LLP**

*/s/ Laura Davis Jones*
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*Counsel to the Debtor and Debtor in Possession*

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

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| In re: | ) | Chapter 11 |
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| PACIFICA OF THE VALLEY CORPORATION,[1] | ) | Case No. 26-11060 (TMH) |
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| Debtor. | ) | |
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**Hearing Date: To Be Scheduled If Necessary**
**Objection Deadline: November 10, 2026 at 4:00 p.m. (ET)**

**NOTICE OF MOTION OF DEBTOR FOR ENTRY OF AN ORDER, PURSUANT TO SECTION 1121(d) OF THE BANKRUPTCY CODE, EXTENDING THE EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF**

**PLEASE TAKE NOTICE** that on October 27, 2026, the above-captioned debtor and debtor in possession (the "Debtor") filed the *Motion of Debtor for Entry of an Order, Pursuant to Section 1121(d) of the Bankruptcy Code, Extending the Exclusive Periods to File a Chapter 11 Plan and Solicit Acceptances Thereof* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

**PLEASE TAKE FURTHER NOTICE** that any responses to the Motion must be in writing and filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Third Floor, Wilmington, Delaware 19801, and served upon the undersigned, so as to be received on or before **4:00 p.m. (prevailing Eastern Time) on November 10, 2026**.

**PLEASE TAKE FURTHER NOTICE** that at the same time, you must also serve a copy of the response or objection upon: (a) the Debtor, Pacifica of the Valley Corp. d/b/a Pacifica Hospital of the Valley, 9449 San Fernando Road, Sun Valley, CA 91352; (b) co-counsel for the Debtor, (i) Dentons US LLP, 601 S. Figueroa Street, #2500, Los Angeles, CA 90017,

[1] The Debtor in this chapter 11 case, along with the last four digits of the Debtor's federal tax identification number, is 7312. The Debtor's mailing address is 9449 San Fernando Road, Sun Valley, CA 91352.

Attn: Tania M. Moyron (tania.moyron@dentons.com) and Samuel Maizel (samuel.maizel@dentons.com), and Dentons US LLP, 1221 Avenue of the Americas, New York, NY 10020, Attn: John Beck (john.beck@dentons.com) and Geoffrey Miller (geoffrey.miller@dentons.com), and (ii) Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19899, Attn: Laura Davis Jones (ljones@pszjlaw.com); (c) the Office of the United States Trustee, 844 King St., Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum (hannah.mccollum@usdoj.gov); and (d) counsel to the Official Committee of Unsecured Creditors, Sills Cummis & Gross, P.C., One Riverfront Plaza, Newark, NJ 07102, Attn: Andrew H. Sherman (asherman@sillscummis.com) and Boris I. Mankovetskiy (bmankovetskiy@sillscummis.com).

**PLEASE TAKE FURTHER NOTICE** THAT IF AN OBJECTION IS PROPERLY FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, A HEARING ON THE MOTION WILL BE HELD ON **A DATE AND TIME TO BE DETERMINED** BEFORE THE HONORABLE THOMAS M. HORAN, UNITED STATES BANKRUPTCY JUDGE FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, THIRD FLOOR, WILMINGTON, DELAWARE 19801. ONLY OBJECTIONS MADE IN WRITING AND TIMELY FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT AT SUCH HEARING.

**PLEASE TAKE FURTHER NOTICE** THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: October 27, 2026

**PACHULSKI STANG ZIEHL & JONES LLP**

*/s/ Laura Davis Jones*

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*Counsel to the Debtor and Debtor in Possession*

**Exhibit A**

**Proposed Order**

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

| | | |
|---|---|---|
| In re: | ) | Chapter 11 |
| | ) | |
| PACIFICA OF THE VALLEY CORPORATION,[1] | ) | Case No. 26-11060 (TMH) |
| | ) | |
| Debtor. | ) | **Ref. Docket No. ____** |
| | ) | |

**ORDER, PURSUANT TO SECTION 1121(d) OF THE BANKRUPTCY CODE, EXTENDING THE DEBTOR'S EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF**

Upon the motion (the "Motion")[2] of the above-captioned debtor and debtor in possession (the "Debtor") for entry of an order (this "Order"), pursuant to section 1121(d) of the Bankruptcy Code: (a) extending the Exclusive Filing Period; (b) extending the Exclusive Solicitation Period, in each case without prejudice to the Debtor's right to seek further extensions of the Exclusive Periods; and (c) granting related relief, all as more fully set forth in the Motion; and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157 pursuant to the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtor's estate, its creditors, and other parties in interest; and the Court having found that the

[1] The Debtor in this chapter 11 case, along with the last four digits of the Debtor's federal tax identification number, is 7312. The Debtor's mailing address is 9449 San Fernando Road, Sun Valley, CA 91352.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Debtor's notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing, if any, before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing, if any, establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED as set forth herein.

2. Pursuant to section 1121(d) of the Bankruptcy Code, the Exclusive Filing Period is extended through and including **March 1, 2027**.

3. Pursuant to section 1121(d) of the Bankruptcy Code, the Exclusive Solicitation Period is extended through and including **April 30, 2027**.

4. The extension of the Exclusive Periods granted herein is without prejudice to the Debtor's right to seek further extensions of the Exclusive Periods consistent with section 1121(d) of the Bankruptcy Code.

5. The Debtor is authorized to take such actions as are necessary to implement the relief granted by this Order.

6. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.