UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION
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IN RE:	Chapter 11Cases
Trajector Holdings, LLC	3:26-03286-JAB Lead Case
	Jointly Administered with:
Benefits Group Holdings, LLC	3:26-03289-JAB
Trajector Medical, LLC	3:26-03291-JAB
Infinite IP LLC	3:26-03293-JAB
Perfect Path, LLC	3:26-03295-JAB
Trajector Admin Services, LLC	3:26-03296-JAB
Benefits Insurance, LLC	3:26-03297-JAB
Myler Insurance Services Holdings, LLC	3:26-03298-JAB
AnchorSix Services, LLC	3:26-03299-JAB
Atvantage, LLC	3:26-03300-JAB
Trajector Media Services, LLC	3:26-03301-JAB
Globaltek BPO LLC	3:26-03302-JAB
Myler Disability Holdings, LLC	3:26-03304-JAB
Myler Disability, LLC	3:26-03306-JAB
Adduco Media, LLC	3:26-03307-JAB
Trajector Disability, LLC	3:26-03308-JAB
Contact Center 1, LLC	3:26-03309-JAB
Benefits Karma, LLC	3:26-03310-JAB
Executive Staffing Solutions, PLLC	3:26-03311-JAB
Ampry Holdings, LLC	3:26-03312-JAB
Concierge Staffing Service Management, LLC	3:26-03314-JAB
Trajector, Inc.	3:26-03315-JAB

Debtors. /

UNITED STATES TRUSTEE'S LIMITED OBJECTION TO THE DEBTORS' EMERGENCY APPLICATION, PURSUANT TO SECTIONS 105(a) AND 363(b) OF THE BANKRUPTCY CODE, FOR AUTHORIZATION TO EMPLOY AND RETAIN MARK C. HEALY AS CHIEF RESTRUCTURING OFFICER AND OTHER PERSONNEL AT MICHAEL MOECKER & ASSOCIATES, INC. TO PROVIDE ADVISORY SERVICES, EFFECTIVE AS OF THE PETITION DATE

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Guy A. Van Baalen, Acting United States Trustee for Region 21 ("United States Trustee"), through undersigned counsel, objects to Debtors' Emergency Application, Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code, for Authorization to Employ and Retain Mark C. Healy as Chief Restructuring Officer and Other Personnel at Michael Moecker & Associates, Inc. to Provide Advisory Services, Effective as of the Petition Date (Doc. 35; "CRO Application"). In support, the United States Trustee states as follows.

SUMMARY OF ARGUMENT

The United States Trustee objects to the CRO Application to the extent that it seeks broad indemnification or exculpation for Michael Moecker & Associates, Inc. ("MMA"). The indemnification inappropriately shifts risk for professional negligence onto the Debtors' unsecured creditors. The United States Trustee does not object to Mr. Healy, in his capacity as an executive officer, participating in the Debtors' D&O policy or receiving such indemnifications as are available under applicable state law.

BACKGROUND

1. On July 23, 2026, the above captioned debtors ("Debtors") filed voluntary petitions under chapter 11 of the Bankruptcy Code. These cases are jointly administered. (Doc. 63).

2. Debtors seek to employ a CRO to maximize the value of Debtors' assets and provide Debtors with the best opportunity to achieve a successful reorganization. (Doc. 35 at 3-4). The Debtors seek to employ Mark C. Healy as CRO and to employ his firm, MMA, to provide restructuring support and other services requested by Debtors and/or CRO. (*Id.* at 4). The scope of the proposed services includes:

> (a) assisting the Debtors in the design and implementation of a restructuring strategy to maximize the enterprise value of the Debtors; (b) in consultation

> with the Debtors and their advisors, representing the Debtors' interests in these Chapter 11 Cases in negotiations with creditors, secured lenders, and affiliated parties in debt restructuring activities to formulate and implement a Chapter 11 plan of reorganization; and (c) performing such other services consistent with the role of CRO and not duplicative of services provided by other professionals in these Chapter 11 Cases.

(*Id*.)

3. The CRO Application provides for a broad indemnification of MMA. (Doc. 35 at 8, 19), with no express exceptions for gross negligence, willful misconduct or fraudulent behavior. *Id.*

4. On July 24, 2026, the Court held a first day hearing on the CRO Motion, which the Court granted on a final basis except to the extent that it contemplated indemnification of MMA. The Court granted this indemnification on an interim basis until second day hearings on August 17, 2026 (Doc. 73).

OBJECTION

5. The United States Trustee objects to the CRO Application to the extent that it seeks indemnification of Michael Moecker & Associates, Inc. The United States Trustee does not object to Mr. Healy, in his capacity as an executive officer, participating in the Debtors' D&O policy or receiving such indemnifications as are available under applicable state law.

6. Through the CRO Application, the Debtors seek relief under 11 U.S.C. § 363(b) consistent with the crisis management procedures set forth in the J. Alix Protocols.[1] These protocols arose out of *In re Safety-Kleen Corp.*[2] and *In re Harnischfeger Industries Inc.*[3], where bankruptcy courts approved the United States Trustee's settlement of its objections to applications

[1] The full text of the Jay Alix Protocol is available at https://www.justice.gov/sites/default/files/ust/legacy/2014/08/11/J_Alix_Protocol_Engagement.pdf.
[2] Case No. 00-2303 (Bankr. D. Del. 2000).
[3] Case No. 99-2171 (Bankr. D. Del. 1999).

to retain a CRO and the CRO's firm as a restructuring advisor. The settlement acknowledged the hybrid nature of a CRO's engagement. CROs are not wholly traditional, salaried, corporate officers capable of being hired by debtors in possession without court authority. A debtor in possession's decision to engage a restructuring professional is, by definition, outside the ordinary course of business. Further, the duties of a CRO extend beyond those traditionally performed by traditional officers of a company. In settling, the United States Trustee recognized the dual nature of CRO engagements, the litigation risk arising from a CRO's legally uncertain status under a Bankruptcy Code that never contemplated their existence, and the debtors' legitimate need for CRO services at the time of a crisis. For over 20 years, the United States Trustee and the restructuring community have relied on the J. Alix Protocol to harmonize the relevant Code provisions to ensure that estate professionals (including CRO firms) remain conflict-free and, with the exception of the CRO's role, disinterested while recognizing the hybrid nature of the retention, which is part operations management and part professional financial service.

7. The strictures of the J. Alix Protocol are fully consistent with the "articulated business judgment rule" set forth in cases such as *In re Lionel Corp.*, 722 F.2d 1063 (2d Cir. 1983). The Court in that case rejected "the view that § 363(b) grants the bankruptcy judge *carte blanche.* Several reasons lead us to this conclusion: the statute requires notice and a hearing, and these procedural safeguards would be meaningless absent a further requirement that reasons be given for whatever determination is made; similarly, appellate review would effectively be precluded by an irreversible order; and, finally, such construction of § 363(b) swallows up Chapter 11's safeguards." *Lionel*, 722 at 1069. Close scrutiny is especially appropriate when the goal is to prevent inappropriate self-dealing or inappropriately shifting risk to third parties.

8. The J. Alix Protocol also restricts the indemnification of CROs and their affiliates

beyond whatever is permitted to executive officers under the corporate bylaws and applicable state law. This avoids the possibility of large administrative claims that would prejudice lower priority creditors of the estate. *See In re DEC Int'l, Inc.,* 282 B.R. 423, 426 (W.D. Wis. 2002) (explaining the policy reasons against excessive indemnifications). Specifically, among other concerns, "holding a fiduciary harmless for its own negligence is shockingly inconsistent with a strict standard of conduct" for professionals serving as fiduciaries to a debtor's bankruptcy estate "with obligations of fidelity, undivided loyalty, and impartial service in the interests of creditors." *Id*. at 426-27 (internal citations omitted).

9. Moreover, indemnification "should be determined on a case by case basis 'after a claim has been asserted for which indemnification is sought'" with "consideration of such matters as whether insurance might be available to protect a financial advisor, whether the estate could have obtained comparable services for the same price from another financial advisor that would forego indemnification and whether the adviser would have been willing to provide services without the disputed provision." *Id*. at 427 (internal citations omitted).

10. The CRO Application, which incorporates the indemnification provisions of the retention agreement, plainly provides for an indemnification in excess of that provided under the J. Alix Protocol. (Doc. No. 58 at 26). This indemnification prejudices unsecured creditors of the estate and should not be permitted.

11. At the very the least, should this Court be inclined to allow the indemnification provision in favor of MMA to stand, acts of gross negligence, willful misconduct, and fraudulent behavior and breaches of fiduciary duty should be carved out or excluded from such indemnification provision. *See, e.g., Id.* at 426-27 (noting that there is "considerable substance to the Trustees' argument, as well as something distinctly unpalatable about the idea of

indemnifying a professional advisor for its own negligence" and that "persons holding themselves out as professionals . . . generally cover the costs of their own negligent acts.").

WHEREFORE, the Court should enter an order: (i) sustaining this objection; and (ii) granting the CRO Application on a final basis as modified to address the objections of the United States Trustee set forth herein; and take such other actions as the Court deems necessary.

Dated: August 10, 2026.

Respectfully Submitted,

Guy A. Van Baalen,
Acting United States Trustee, Region 21

/s/ Jill Ellen Kelso
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing objection has been served electronically through CM/ECF on August 10, 2026, to all parties having appeared electronically in the instant matter.

/s/ Jill Ellen Kelso
Jill Ellen Kelso, Trial Attorney