Docket #0474 Date Filed: 08/03/2026

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re: WELLMADE FLOOR COVERINGS INTERNATIONAL, INC., *et al.*,[1] Debtors.	Chapter 11 Case No. 25-58764 (Jointly Administered) **Re: Dkt. No. 457**

DEBTORS' MOTION TO RECONSIDER ORDER REGARDING HAITAO LI'S MOTION FOR LEAVE TO FILE LATE PROOFS OF CLAIM

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully file this motion (the "Motion") for reconsideration of the Court's *Order Regarding Creditors' Motions* for *Leave* to *File Late Proofs of Claim* [D.I. 457] (the "Order"), entered on July 20, 2026, solely to the extent the Order grants the *Motion for Allowance to File Late Proof of Claim Due to Excusable Neglect* [D.I. 395] (the "Li Motion") filed by Haitao Li ("Li") and deems Claim Nos. 142 and 148 timely filed. In support of this Motion, the Debtors respectfully state as follows:

INTRODUCTION

1. The Debtors respectfully request that the Court reconsider its ruling on the Li Motion for several reasons. First, Li raised arguments at trial that directly contradicted – or were previously undisclosed – the Li Motion. For this reason, the Court should provide the Debtors an opportunity to provide evidence including but not limited to the declaration attached as Exhibit B.

[1] 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.

25587642608030000000000002

This declaration, and other evidence, establishes that no authorized representative of the Debtors advised Li that he could not use his 891771095@qq.com email address.

2. Second, the Debtors ask the Court to reconsider its ruling on the Li Motion because Li's reason for not checking his email account is not plausible. First, Li left the Debtors' employment in March 2025, well before the Bar Date Notice[2] was sent to him at his qq.com email address. Given that he no longer worked for Wellmade, he would have no legitimate reason to follow this alleged directive. Moreover, Li acknowledged in the Li Motion and in a subsequent *Omnibus Reply* [D.I. 416] that he was aware of the Debtors' bankruptcy in January, which directly contradicts the Court's findings of fact in the Order. His change of position for the first time at the July 16 hearing has caused manifest injustice so the Court should reconsider the Order.

JURISDICTION AND VENUE

3. The United States Bankruptcy Court for the Northern District of Georgia (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory and legal predicates for the relief requested herein are sections 105(a) and 502 of the Bankruptcy Code, Bankruptcy Rules 3007, 9006, 9023, and 9024, BLR 9023-1, BLR 9024-1, and the Court's inherent authority to reconsider and clarify its own orders.

BACKGROUND

I. Chapter 11 Cases

5. On August 4, 2025 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with this Court.

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[2] The capitalized but undefined terms herein shall have the meanings set forth in the *Response to Haitao Li's Motion for Leave to File Late Proof of Claim* [D.I. 402]

6. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

7. On August 14, 2025, the United States Trustee for Region 21 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Committee") in the above-captioned chapter 11 cases (the "Chapter 11 Cases").

8. No request has been made for the appointment of a trustee or an examiner.

9. Additional information regarding the Debtors' businesses, capital structure, and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the First Day Declaration [D.I. 14], which is fully incorporated herein by reference.

II. The Bar Date, Late-Filed Claims, and the Order

10. On September 4, 2025, the Debtors filed the *Debtors' Motion Seeking Entry of an Order (I) Setting a 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 Claims; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief* [D.I. 137] (the "Bar Date Motion").

11. Objections to the Bar Date Motion were filed by the Committee [D.I. 169] and by creditors Yucong Liu, Yixiang Zhang, and Cangen Han (collectively, the "Labor Plaintiffs") [D.I. 197] and after two hearings on the Bar Date Motion, on October 9, 2025, the Court entered the *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 Proof of Claims; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief* [D.I. 222] (the "Bar Date Order"), designating November 21, 2025 as the date by which all entities and individuals (except governmental units) are required to file proofs of claim in the Chapter 11

Cases.

12. A key topic at the hearings on the Bar Date Motion was ensuring that interested parties, including former workers, received and understood notice of the Bar Date and the proof of claim form. The Bar Date Order approved the form and manner of notice, including the Bar Date Notice and modified proof of claim form, which included language and translations in English, Mandarin, and Spanish, together with direct service by first-class mail and email and publication notice in Mandarin.

13. A Mandarin version of the Bar Date Notice was published in the *World Journal*, a daily Mandarin-language newspaper, on October 6, 2025. On October 16, 2025, Verita filed a Certificate of Service [D.I. 233] certifying service of the Claim Package by first-class mail and email. Li was listed on the applicable service exhibits as having been served with the Claim Package at the mailing and email addresses reflected in the Debtors' records, including 891771095@qq.com.

14. After the Bar Date passed, Li filed the Li Motion on June 9, 2026. Li also filed Claim No. 142 on June 1, 2026, asserting approximately $152,015.10, including a claimed priority amount, and later filed Claim No. 148. Li argued, among other things, that he did not receive notice of the Bar Date and that communications with counsel led him to believe his claim would be addressed with other worker claims. Li also acknowledged that he was aware of the Debtors' bankruptcy filing in January 2026.

15. The Debtors filed their *Response to Haitao Li's Motion for Leave to File Late Proof of Claim* [D.I. 402] (the "Response") on June 14, 2026.

16. On July 20, 2026, the Court entered the Order. The Order denied Mr. Wang's motion for want of prosecution, denied Mr. Deng's motion, and granted the Li Motion.

17. In granting the Li Motion, the Court concluded that Li had demonstrated excusable neglect under *Pioneer Investment Services Co. v. Brunswick Associates Limited Partnership*, 507 U.S. 380 (1993), based principally on the Court's findings that the Claim Package mailed to Mr. Li at former company housing and emailed to him at 891771095@qq.com was not reasonably calculated to provide notice to him under the circumstances.

18. The Debtors respectfully submit that reconsideration is warranted because the Order gives insufficient effect to the Debtors' compliance with the Court-approved Bar Date Order and noticing procedures, including emailing the bar date notice to Li at 891771095@qq.com.

RELIEF REQUESTED

19. By this Motion, the Debtors request that the Court reconsider the Order solely as to Li and deny the Li Motion. In the alternative, the Debtors request that the Court permit the Debtors to present evidence at a reconvened evidentiary hearing.

BASIS FOR RELIEF

I. Rule 59 Standard

20. A Rule 59(e) motion may be granted if the moving party demonstrates any of the following: (1) the judgment was based upon a manifest error of law or fact; (2) there is newly discovered or previously unavailable evidence; (3) to prevent manifest injustice; and (4) there is an intervening change in controlling law. *Life Receivables Ir. v. Goshawk Dedicated*, 2010 U.S. Dist. LEXIS 158227 at 3 (N.D. Ga. 2010).

21. The Federal Rules of Civil Procedure do not specifically provide for the filing of a motion for reconsideration. *Controlled Semiconductor, Inc. v. Control Systemation Inc*., No. 6:07-cv-1742-Orl-31KRS, 2008 U.S. Dist. LEXIS 87931, 2008 WL 4459085, at *1 (M.D. Fla. Oct. 1, 2008). It is widely recognized, however, that Rule 59(e) (which governs motions "to alter or

amend a judgment") encompasses motions for reconsideration. *Id*., citing 11 Charles Alan Wright, Arthur R. Miller, & Mary K. Kane, Federal Practice and Procedure 2d § 2810.1 (2007)).

22. Federal Rule of Civil Procedure 60(b)[3] provides that a court may provide relief from a judgment on the following grounds:

> (1) mistake, inadvertence, surprise, or excusable neglect;
> (2) newly discovered evidence that, with reasonable diligence, could not have been discovered in time to move for a new trial under Rule 59(b);
> (3) fraud (whether previously called intrinsic or extrinsic), misrepresentation, or misconduct by an opposing party;
> (4) the judgment is void;
> (5) the judgment has been satisfied, released, or discharged; it is based on an earlier judgment that has been reversed or vacated; or applying it prospectively is no longer equitable; or
> (6) any other reason that justifies relief.

II. Li Failed to Disclose Arguments and Evidence Until the July 16 Evidentiary Hearing.

23. Here, Li failed to disclose evidence and new arguments prior to the July 16 hearing, thereby depriving the Debtors of an opportunity to prepare for the hearing. Notably, he did not disclose his assertion that the Debtors' management told him not to use a qq.com email address in the United States. He had ample opportunity to do so given that he filed two replies to the Debtors' Response.

24. Because Li did not disclose this new argument and assertion until he was testifying on the stand (and through an interpreter), the Debtors did not have a fair opportunity to present evidence to rebut his arguments and assertions. This "surprise" by Li is grounds for the Court to reconsider the Order under Federal Rules of Civil Procedure 59 and 60, as made applicable in this

[3] While the Order is not yet final given that the appeal period has not run, the same factors apply in this instance under Rule 59. *See* Advisory Committee Note to Fed. R. Civ. P. 60 (any Rule 60 ground for relief may also be brought under Rule 59(e)).

case by Federal Rules of Bankruptcy Procedure 9023 and 9024. Moreover, to allow Li to rely on this argument without fair notice to the Debtors represents manifest injustice.

25. Since the July 16 hearing, the Debtors have investigated Li's assertion regarding the purported directive from management not to use his email address and have determined that it is meritless. The Debtors have obtained the Declaration of Hong Lan Sun, an employee of a non-debtor affiliate, who worked at the Debtors in 2025. Ms. Sun testified in her Declaration, attached hereto as Exhibit B, that Wellmade employees were not prohibited from using qq.com email addresses.[4]

26. The Court should consider this new evidence because of Li's shifting position and newly presented evidence at trial. He made no mention of the purported prohibition on email usage in his Reply and Amended Reply despite being aware that the Debtors had served him by email.

III. Li Was Aware of the Debtors' Bankruptcy in January 2026 and Is Estopped from Arguing to the Contrary.

27. Li admitted in two separate pleadings that he was aware of the Debtors' bankruptcy cases in January 2026. Judicial admissions of this nature bind parties. Any statement "made in a judicial proceeding" can qualify as a judicial admission—provided that the statement is a deliberate, clear, and unequivocal factual assertion. *BRP Colleague Inc. v. Gillen*, 2023 U.S. Dist. LEXIS 222144 at 3-4 (N.D. Ga. 2023), citing *Langdale Co. v. Nat'l Union Fire Ins. Co. of Pittsburgh*, 110 F. Supp. 3d 1285, 1293-94 (N.D. Ga. 2014), aff'd, 609 F. App'x 578 (11th Cir. 2015). Given that Li asserted that he was aware of the bankruptcy in January 2026 in two separate pleadings, his statements were deliberate, clear, and unequivocal.

[4] Ms. Sun also testified that Li indicted he would "send [George Chen] to jail" if the Debtors would not negotiate with Li. This demonstrates Li's malfeasance regarding this matter.

28. These judicial admissions are grounds for estoppel. "Judicial estoppel is an equitable concept intended . . . to protect the integrity of the judicial process by prohibiting parties from deliberately changing positions according to the exigencies of the moment." *Burnes v. Pemco Aeroplex, Inc*., 291 F.3d 1282, 1285 (11th Cir. 2002) (quoting *New Hampshire v. Maine*, 532 U.S. 742, 749-50, 121 S. Ct. 1808, 149 L. Ed. 2d 968 (2001)).

29. Li's deliberate change of positions when he realized that knowledge of the bankruptcy would work against his requested relief should not be rewarded.

30. Li filed his motion and claims more than five months after he admitted – twice – that he was aware of the Debtors' bankruptcy. Moreover, Li admits he was in contact with an attorney, Aaron Halegua, who advised him of a claims process. The Debtors respectfully submit that his lack of diligence should not be rewarded. To avoid manifest error, the Court should reconsider the Order.

IV. Li's Version of Events is Not Credible.

31. Finally, the Debtors respectfully request that the Court reconsider the Order because Li's timeline of events is not an adequate basis for relief. Reliance on his factual assertions would be manifest error.

32. Li claims that a purported directive from management regarding the use of his email address while he was an employee in the 2024-2025 timeframe precluded him from checking his qq.com email well after he left Wellmade's employment, *i.e.* in October 2025 when the Claim Package was served on him via email. Importantly, Li admitted at the evidentiary hearing that he provided the 891771095@qq.com email address to the Debtors as a part of his contact information.

33. Li's assertion about not checking his email rings hollow. He left Wellmade's employment in March 2025. The Claim Package was served on his qq.com email address in

October 2025. Given that Li had been granted a U.S. government issued work permit authorizing Wellmade workers to work in the U.S. for entities other than Wellmade, he would have no reason to follow Wellmade's directive regarding his email address (even if that had been given, which did not occur), particularly seven months after he left Wellmade.

34. The Court should therefore reconsider its adoption of Li's testimony on this point to avoid manifest error.

NOTICE

35. The Debtors will provide notice of this Motion to the following parties or their respective counsel, if known: (a) the Office of the U.S. Trustee for the Northern District of Georgia; (b) the Committee; (c) the Debtors' prepetition and postpetition lenders; (d) the Limited Service List; (e) Li; and (f) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court reconsider the Order solely to the extent it grants Li's motion for leave to file late proofs of claim and deems Claim Nos. 142 and 148 timely filed and upon reconsideration, deny Li's motion and disallow Claim Nos. 142 and 148 as untimely. Alternatively, the Debtors request that the Court permit an evidentiary hearing for further presentation of evidence.

Dated: August 3, 2026
Atlanta, Georgia

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/ John D. Elrod
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EXHIBIT A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re: WELLMADE FLOOR COVERINGS INTERNATIONAL, INC., *et al.*,[5] Debtors.	Chapter 11 Case No. 25-58764 (Jointly Administered) **Re: Dkt. No.**

ORDER GRANTING DEBTORS' MOTION TO RECONSIDER ORDER REGARDING HAITAO LI'S MOTION FOR LEAVE TO FILE LATE PROOFS OF CLAIM

[5] 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.

This matter came before the Court on the *Debtors' Motion to Reconsider Order Regarding Haitao Li's Motion for Leave to File Late Proofs of Claim* (the "Motion") filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"). The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

The Court, having considered the Motion, the record in these Chapter 11 Cases, and applicable law, finds that sufficient cause exists to grant the relief set forth herein. Accordingly, it is hereby

ORDERED that the Motion is **GRANTED** as set forth herein; and it is further

ORDERED that, upon reconsideration, Haitao Li's motion for leave to file late proofs of claim is **DENIED**; and it is further

ORDERED that Claim Nos. 142 and 148 are **DISALLOWED** as untimely; and it is further

ORDERED that, except as expressly modified herein, the Order remains in full force and effect; and it is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

[END OF ORDER]

Prepared and presented by:

GREENBERG TRAURIG, LLP

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EXHIBIT B

Sun Declaration

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:	)	
	)	Chapter 11
WELLMADE FLOOR COVERINGS INTERNATIONAL, INC., *et al.*,	)	Case No. 25 -58764
	)	
Debtor.	)	

DECLARATION OF HONG LAN SUN

I, Hong Lan Sun, pursuant to 28 U.S.C. § 1746 and under penalty of perjury, declare the following to the best of my knowledge, information, and belief:

1. I am an employee of Wellmade Floor Industries Co., Ltd. In February 2025, I worked at the Wellmade Industries MFR, N.A. LLC factory in Cartersville, Georgia.

2. Neither George Chen, Allen Chen, nor any manager from the Cartersville factory ever notified me or other employees, in writing or verbally, that we were prohibited from using Chinese email addresses such as qq.com.

3. When completing personal information forms for Wellmade, I and other Chinese workers provided our personal Chinese email addresses such as qq.com. From my experience working in the United States, these email accounts operate normally in the United States for sending and receiving emails. My qq.com email address received a claim submission email on October 14, 2025.

4. I am familiar with a former Wellmade（China）employee named Haitao Li.Mr. Li was once sent by Wellmade of China to the Cartersville factory to provide guidance on work.

5. Mr. Li worked at the Cartersville factory from May 20, 2024 through March 26, 2025.

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6. Mr. Li contacted me in May 2026 and July 2026 and told me some details about his claim and his communications with the New York attorney who Mr. Li believed represented him.

7. Mr. Li's July 2026 message contained threats against George Chen. He said that if he did not receive compensation from Wellmade, he would send George Chen to prison.

8. Attached hereto as Exhibit A is the chat record, translated from Mandarin to English using artificial intelligence, of our communication when he contacted me in July.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: August 3, 2026

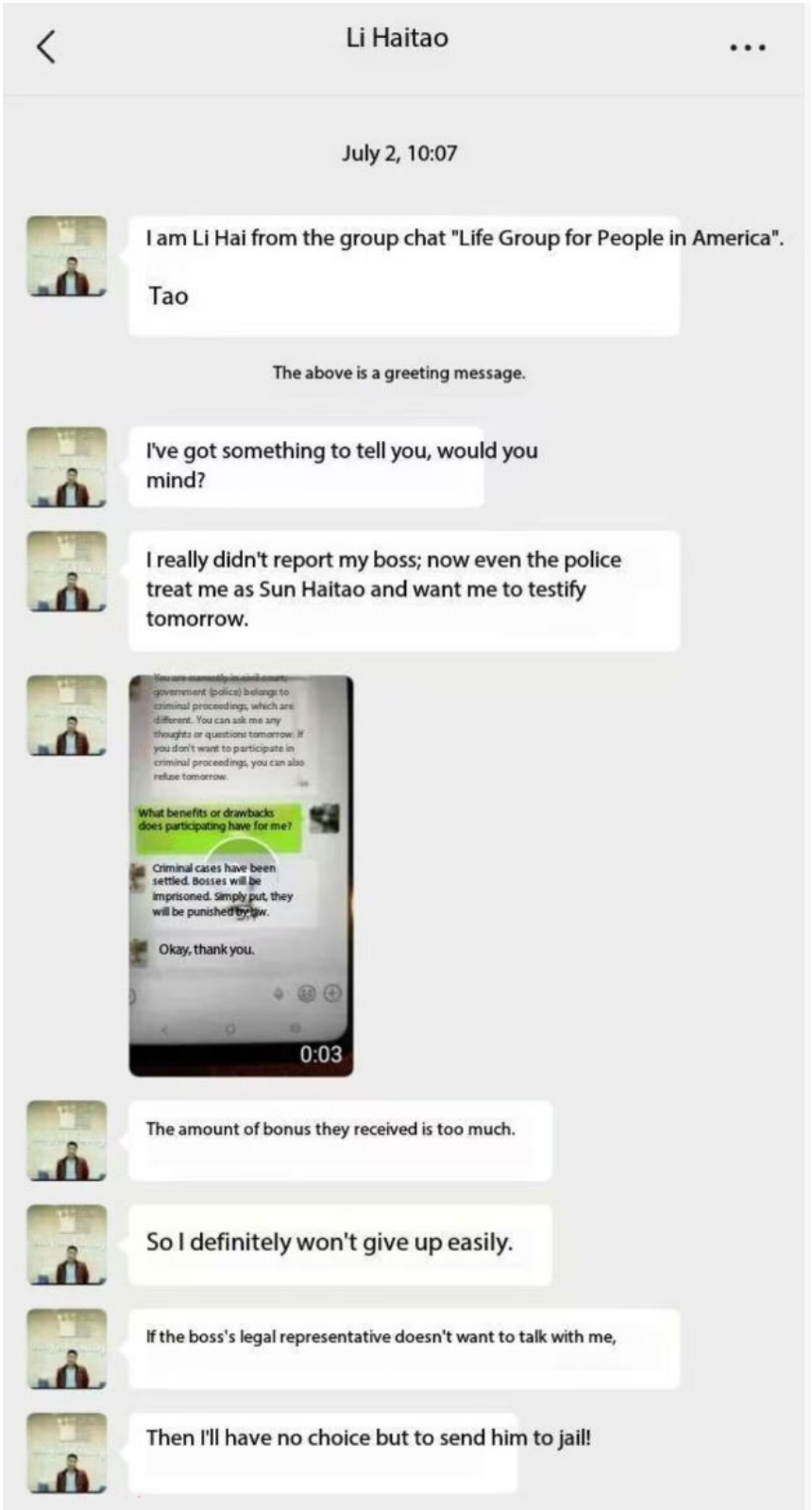
Hong Lan Sun

Hong Lan Sun

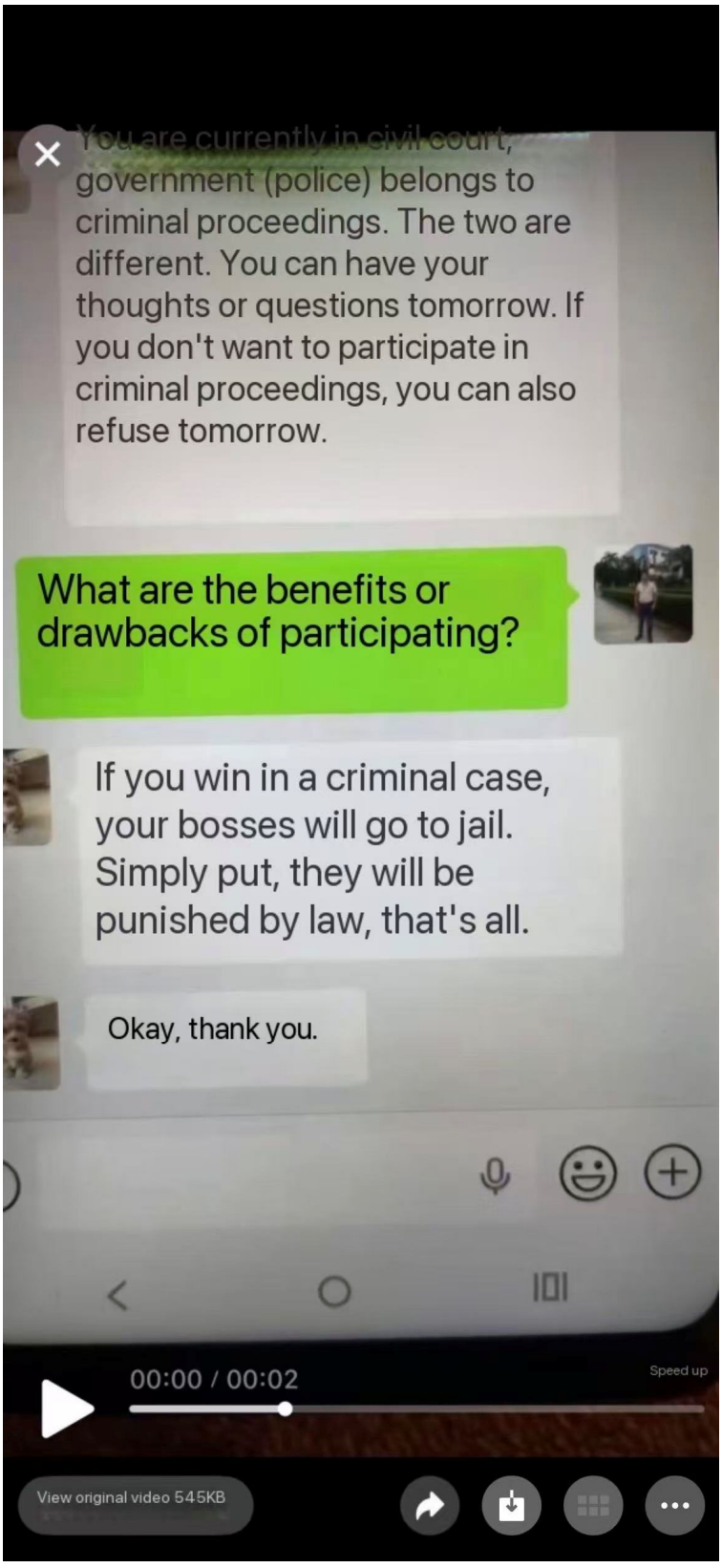
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EXHIBIT A

The following is the WeChat message sent to me by Li Haitao：



The following is the video content from this WeChat message (this is a chat segment between Li Haitao and someone else):



CERTIFICATE OF SERVICE

I hereby certify that on August 3, 2026, all ECF participants registered in this case were served electronically with the foregoing Declaration through the Court's ECF system at their respective email addresses registered with this Court. The Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC d/b/a Verita Global, will be filing a supplemental certificate of service on the docket to reflect any additional service of the foregoing Declaration, including service on Deng, Wang, and Li at the addresses provided in their Motions.

Dated: August 3, 2026
Atlanta, Georgia

Respectfully submitted,

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