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*Co-Counsel for Steven D Sass LLC,
as GUC Distribution Trustee*

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In re:

Astria Health,

Remaining Debtor.

Case No. 19-01189-11

**MOTION OF THE GUC
DISTRIBUTION TRUSTEE FOR
AN ORDER AUTHORIZING
THE FILING OF OMNIBUS
OBJECTIONS WITH RESPECT
TO CATEGORIES OF CLAIMS
CONSISTING OF TWO OR
MORE CLAIMS**

MOTION FOR ORDER AUTHORIZING
FILING OF OMNIBUS OBJECTIONS - 1

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1 Steven D. Sass LLC, in its capacity as GUC Distribution Trustee¹ for the Astria
2 Health GUC Distribution Trust (the “Trustee”), hereby moves (the “Motion”),
3 pursuant to sections 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-
4 1532 (the “Bankruptcy Code”), and Rule 3007 of the Federal Rules of Bankruptcy
5 Procedure (the “Bankruptcy Rules”) for entry of an order, substantially in the form
6 attached hereto as Exhibit A (the “Proposed Order”), authorizing the Trustee to file
7 omnibus objections to any categories of general unsecured claims consisting of two
8 or more claims.² In support of the Motion, the Trustee respectfully represents as
9 follows:
10

11 **JURISDICTION AND VENUE**

12 1. This court has jurisdiction over the Motion under 28 U.S.C. §§ 157 and
13 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper under
14 28 U.S.C. §§ 1408 and 1409(a).
15

16 **BACKGROUND**

17 2. On May 6, 2019 (the “Petition Date”), the Debtors commenced
18 voluntary cases under chapter 11 of the Bankruptcy Code in the United States
19 Bankruptcy Court for the Eastern District of Washington. From and after the Petition
20
21

22 ¹ Capitalized terms used but not otherwise defined in this Motion shall have the meanings ascribed
to them in the Plan (defined below).

23 ² As used herein, “claim” has the meaning set forth in section 101(5) of the Bankruptcy Code.

1 Date, the Debtors continued to operate as debtors in possession pursuant to sections
2 1107 and 1108 of the Bankruptcy Code. The court entered an order jointly
3 administering the Debtors' chapter 11 cases on the Petition Date [Docket No. 10].
4 On June 30, 2021, the court entered a final decree closing all but the above-captioned
5 case [Docket No. 2590].
6

7 3. On December 23, 2020, the court entered an *Order Confirming*
8 *Modified Second Amended Joint Chapter 11 Plan of Reorganization of Astria Health*
9 *and Its Debtor Affiliates* [Docket No. 2217] (the "Confirmation Order"), which,
10 among other things confirmed the *Modified Second Amended Joint Chapter 11 Plan*
11 *of Reorganization of Astria Health and Its Debtor Affiliates* [Docket No. 2196] (the
12 "Plan").
13

14 4. The effective date of the Plan occurred on January 15, 2021 [Docket
15 No. 2264] (the "Effective Date"). On the Effective Date, pursuant to the Plan, the
16 GUC Distribution Trust was established, the Trustee was appointed, and the Trustee
17 was authorized to, *inter alia*, jointly pursue the reconciliation of, objections to,
18 and/or settlement of asserted general unsecured claims. *See Plan*, §§ III(F), (H), (M).
19

20 **RELIEF REQUESTED**

21 5. By this Motion, in order to streamline and minimize the cost of the
22 general unsecured claim reconciliation and objection process, the Trustee
23 respectfully requests that the court enter the Proposed Order, substantially in the

MOTION FOR ORDER AUTHORIZING
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1 form attached hereto as Exhibit A, granting the Trustee authority to file omnibus
2 objections with respect to any category of general unsecured claims that consists of
3 two or more claims, including but not limited to: (i) claims that are inconsistent with
4 the Debtors' books and records, (ii) claims that are incorrectly classified, and (iii)
5 claims that are inadequately supported.
6

7 **BASIS FOR RELIEF**

8 6. Bankruptcy Rule 3007(d) lists certain categories of claim objections
9 that may be filed as omnibus objections, including objections on the grounds that the
10 claims subject to objection (i) duplicate other claims, (ii) have been filed in the
11 wrong case, or (iii) have been amended by subsequently filed proofs of claim, have
12 been satisfied or released during the case, but Bankruptcy Rule 3007(d)'s
13 enumerated list does not include objections to claims on several grounds that are
14 relevant in these cases. These include objections to claims that are (a) inconsistent
15 with the applicable Debtor's books and records, (b) incorrectly classified, or (c)
16 inadequately supported, among others.
17

18 7. In order to streamline and minimize the costs of the claim objection
19 process, the Trustee respectfully requests that the court expand the categories of
20 general unsecured claims that may be objected to on an omnibus basis to include any
21 category of general unsecured claims that consists of two or more claims, including,
22 but not limited to, claims that are (i) inconsistent with the applicable Debtor's books
23

MOTION FOR ORDER AUTHORIZING
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1 and records, (ii) incorrectly classified, or (iii) inadequately supported, consistent
2 with section 105(a) of the Bankruptcy Code (providing that “[t]he court may issue
3 any order, process, or judgment that is necessary or appropriate to carry out the
4 provisions of this title”) and Bankruptcy Rule 3007(c) (providing that objections to
5 more than one claim may be joined together if permitted by Bankruptcy Rule
6 3007(d) or otherwise ordered by the court).

8 8. Here, authorization for the Trustee to file omnibus objections on these
9 bases or with respect to any other category of claims consisting of two or more
10 general unsecured claims is necessary to streamline the claims and distribution
11 process. If the requested relief is granted, the Trustee will be able to efficiently group
12 claims in a comparatively small number of objections rather than filing numerous
13 individual objections on identical grounds.

15 9. Moreover, any claimants whose claims are objected to by way of a
16 resulting omnibus objection will not be prejudiced because the objection and/or its
17 accompanying notice will set forth with specificity the claims objected to, the basis
18 or bases of the objection, and the steps that must be taken to contest it, and any such
19 objection will otherwise comply with the requirements of Bankruptcy Rule 3007 and
20 Rule 3007-1 of the Local Rules of the United States Bankruptcy Court for the
21 Eastern District of Washington.

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NO PRIOR REQUEST

11. No other or prior motion for the relief sought herein has been made to this court or any other court.

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1 incorrectly classified, and (iii) claims that are inadequately supported; and (b) grant
2 such other and further relief as the court deems just and proper.

3 Respectfully submitted this 31st day of March, 2022.
4

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15 *Co-Counsel for Steven D Sass LLC,*
16 *as GUC Distribution Trustee*
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MOTION FOR ORDER AUTHORIZING
FILING OF OMNIBUS OBJECTIONS - 7

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Exhibit A

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**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON**

IN RE:

ASTRIA HEALTH,

Remaining Debtor

Chapter 11

Case No. 19-01189-11

**ORDER GRANTING MOTION OF
THE GUC DISTRIBUTION TRUSTEE
FOR AN ORDER AUTHORIZING THE
FILING OF OMNIBUS OBJECTIONS
WITH RESPECT TO CATEGORIES
OF CLAIMS CONSISTING OF TWO
OR MORE CLAIMS**

ORDER AUTHORIZING FILING
OF OMNIBUS OBJECTIONS

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1 This matter came before the court on the *Motion of the GUC Distribution*
2 *Trustee for an Order Authorizing the Filing of Omnibus Objections With Respect*
3 *to Categories of Claims Consisting of Two or More Claims* (the “Motion”).
4 Capitalized terms not defined in this Order shall have their meanings as set forth in
5 the Motion.

6 This court has found that it has jurisdiction over this matter pursuant to 28
7 U.S.C. §§ 157 and 1334 and has authority to enter a final order consistent with
8 Article III of the United States Constitution; that venue of this proceeding and the
9 Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and that
10 the notice of the Motion was appropriate under the circumstances and no other
11 notice need be provided. Having reviewed the Motion and all documents filed in
12 support of or opposition thereto; having heard the statements of counsel at any
13 hearing before this court; and upon the record in this matter; and after due
14 deliberation thereon; and this court having determined that just cause has been
15 established for the relief granted herein, it is hereby **ORDERED** as follows:

- 16 1. The Motion is granted as set forth herein.
- 17 2. The GUC Distribution Trustee is authorized to file omnibus objections
18 with respect to any category of general unsecured claims that consists of two or
19 more claims, including but not limited to: (i) claims that are inconsistent with the
20 Debtors’ books and records, (ii) claims that are incorrectly classified, and (iii)
21 claims that are inadequately supported.

ORDER AUTHORIZING FILING
OF OMNIBUS OBJECTIONS - 2 -

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3. The terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

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//End of Order//
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Submitted by:

POLSINELLI PC

Jane Pearson, WSBA #12785
Co-Counsel for Steven D Sass LLC,
as GUC Distribution Trustee

ORDER AUTHORIZING FILING
OF OMNIBUS OBJECTIONS - 3 -

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