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COUNSEL TO THE DEBTORS AND
DEBTORS IN POSSESSION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**MOTION OF DEBTORS FOR ENTRY OF AN ORDER EXTENDING THE
DEBTORS' SEAL LIFTING DATE FOR THE NOTICE OF INTENT TO
RETAIN EXPERTS UNDER SEAL AND GRANTING RELATED RELIEF**

The above captioned debtors and debtors in possession (the “**Debtors**”) in the above-captioned cases (the “**Chapter 11 Cases**”) hereby move (the “**Motion**”), pursuant to sections 105(a) and 107(b) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 9018 of the Federal Rules of Bankruptcy Procedure (“**Bankruptcy Rules**”), and Rule 9077-1 of the Local Rules of the United States Bankruptcy Court for the Northern District of Texas (the “**Local Rules**”), for entry of an order, substantially in the form of Exhibit A attached hereto (the “**Proposed Order**”), extending the Seal Lifting Date for the Debtors’ *Notice of Intent to Retain*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



Experts (the “**Notice**”) which has been filed under seal [Docket No. 597]. In further support of this Motion, the Debtors, by and through their undersigned counsel, respectfully represent as follows:

BACKGROUND

1. On August 12, 2022, the Debtors filed the *Debtors’ Motion for Entry of Order Authorizing the Debtors’ Retention of Experts* (the “**Expert Retention Motion**”) [Docket No. 538], which the Court granted, in part, and denied, in part on August 24, 2022. *See* Docket No. 569.

2. The Court authorized and ordered the Debtors to: (i) file, under seal, the Notice, which shall (a) identify Debtors’ experts, (b) describe the nature of their role(s), (c) describe the material terms of their retention and (d) indicate whether such experts are disinterested; (ii) serve an unredacted form of the Notice upon the official committee of unsecured creditors appointed in these cases (the “**Committee**”), the United States Trustee (the “**US Trustee**”) and UMB Bank, N.A. (“**UMB**”).

3. On August 29, 2022, the Court entered the *Order Authorizing Debtors to File Notice of Intent to Retain Experts Under Seal* [Docket No. 595] (the “**Seal Order**”), which provided, among other things:

- a. The sealing of the Notice shall terminate on September 12, 2022 (the “**Seal Lifting Date**”), unless the Court orders otherwise.
- b. The Debtors are not precluded from seeking an extension of the Seal Lifting Date.
- c. Any objection or response to the Notice, including without limitation, any objection that proposed experts need to be retained pursuant to Bankruptcy Code section 327(a), must be filed no later than September 26, 2022.

4. Contemporaneously herewith, the Debtors filed the *Motion to Modify Amended Scheduling Order* [Docket No. 137] (the “**Scheduling Order Motion**”), requesting modifications to the *Amended Scheduling Order* [Adv., Dkt. No. 45] (the “**Scheduling Order**”), including,

without limitation, establishing November 29, 2022 as the date by which parties in the Adversary must disclose the names and addresses of experts (which shall include reports and materials required by Federal Rule of Civil Procedure 26(a)(2)(B)).

RELIEF REQUESTED

5. By this Motion, the Debtors request entry of an order granting: (i) an extension of the Seal Lifting Date to and through November 30, 2022; (ii) an extension of the deadline for parties to file objections, if any, to the Notice, from September 26, 2022 to a date following November 29, 2022 (or such other date that the Court may set for expert disclosures); and (iii) such other and further relief as the Court deems just and appropriate.

ARGUMENT

6. The Court is authorized to protect entities with respect to certain confidential information. *See* 11 U.S.C. § 107(b); 11 U.S.C. § 105(a) (authorizing the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title”).

7. Bankruptcy Rule 9018 implements Bankruptcy Code section 107(b) and provides in pertinent part:

On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information
. . . .

Fed. R. Bankr. P. 9018.

8. The Seal Order protects a significant asset of the Debtors’ estates, namely the claims asserted in the adversary proceeding (the “**Adversary**”) commenced by Debtor Northwest Senior Housing Corporation (the “**Plaintiff**”) against Intercity Investment Properties, Inc. (the “**Landlord**”) and Kong Capital, LLC (“**Kong**” and together with the Landlord, the “**Defendants**”). The Plaintiff would be significantly disadvantaged if it was forced to prematurely disclose the

names and addresses of experts in connection with estate claims asserted against Defendants in the Adversary. Accordingly, the Seal Order is critical to, among other things, preserve and maximize value of the Debtors' estates in these Chapter 11 Cases.

9. Because the Debtors have filed the Scheduling Order Motion that extends the deadline for disclosing the identity of experts, the Notice should remain under seal at least until the Court enters an order with respect to Scheduling Order Motion. Indeed, the benefits of the protections afforded to the Debtors, and, in particular, the Plaintiff, through the Court's Seal Order will be lost if the seal is lifted on September 12, 2022. Likewise, objections, if any, to the Notice should not be filed until after the seal is lifted with respect to the Notice.²

10. For these reasons and those asserted in the Expert Retention Motion and by counsel in oral argument on August 24, 2022, the relief requested herein is necessary and appropriate to preserve and maximize value of the Debtors' estates for the benefit of all creditors.

RESERVATION OF RIGHTS

11. Nothing contained herein is intended or should be construed as an admission of the validity of any claim against the Debtors or the waiver of the Debtors' rights in any respect with respect to any party in interest.

NOTICE

12. Notice of this Motion will be given to: (a) the U.S. Trustee; (b) counsel to the Committee; (c) counsel to UMB Bank, N.A., as Trustee; (d) Lifespace Communities, Inc. and counsel thereto; (e) the United States Attorney's Office for the Northern District of Texas; (f) the

² As required by the Court's August 24, 2022 ruling expressly stated in the Seal Order, on August 31, 2022, the Debtors provided unredacted copy of the Notice to counsel for: (i) UMB Bank, N.A., (ii) the official committee of unsecured creditors appointed in these Chapter 11 Cases, and (iii) the Office of the United States Trustee. Although the Court established September 26, 2022 as the deadline for filing objections, if any, to the Notice, the Debtors have received no informal comments as of the filing of this Motion.

Internal Revenue Service; (g) the United States Department of Justice; (h) the Texas State Attorney General; (i) the United States Securities and Exchange Commission; and (j) any party that has requested notice pursuant to Bankruptcy Rule 2002.

WHEREFORE, the Debtors respectfully request that the Court: (i) enter the proposed order substantially in the form attached hereto as Exhibit A, granting the relief requested herein; and (ii) provide such other relief as the Court deems appropriate and just.

Dated: September 9, 2022
Dallas, Texas

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COUNSEL TO THE DEBTORS
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Exhibit A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**ORDER EXTENDING THE DEBTORS' SEAL LIFTING DATE FOR THE NOTICE OF
INTENT TO RETAIN EXPERTS UNDER SEAL AND GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”) of the Debtors for entry of an order (the “**Order**”) extending the Seal Lifting Date for the *Notice of Intent to Retain Experts* (the “**Notice**”) which has been filed under seal [Docket No. 597]; and the Court having reviewed the Motion; and the Court

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having jurisdiction over this matter pursuant to 28 U.S.C. 157 and §§ 1334(b); and the Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that the Debtors consent to entry of a final order under 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 determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given, under the circumstances, and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The sealing of the Notice shall not terminate until November 30, 2022 (the “**Seal Lifting Date**”), unless the Court orders otherwise.
3. The Debtors are not precluded from seeking additional extensions of the Seal Lifting Date.
4. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.

End of Order

Ordered submitted by:

POLSINELLI PC

/s/ Trinitee G. Green

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