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*Proposed Counsel for the Debtors and  
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**IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

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In re: )  
 ) Chapter 11  
 )  
INSPIRED HEALTHCARE CAPITAL )  
HOLDINGS, LLC, *et al.*<sup>1</sup> ) Case No. 26-90004 (MXM)  
 )  
 ) (Jointly Administered)  
Debtors. )  
 )  
 )

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**DEBTORS’ OBJECTION TO THE INVESTOR CREDITOR’S  
MOTION FOR ORDER ALLOWING DEBTOR TO RELEASE THE RESIDENT LIST**

Inspired Healthcare Capital Holdings, LLC (“IHC” or the “Company”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) hereby file this Objection (the “Objection”) to the *Investor Creditor’s Motion for Order Allowing Debtor to Release the Resident List* [Docket No. 206] (the “Motion”). In support of the Objection, the Debtors respectfully state as follows:

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<sup>1</sup> The last four digits of Inspired Healthcare Capital Holdings, LLC’s federal tax identification number are 6696. There are 161 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/InspiredHealthcare>. The Debtors’ mailing address is 7033 East Greenway Parkway, Suite 250, Scottsdale, AZ 85254.

### PRELIMINARY STATEMENT

1. The Motion seeks inappropriate relief – public disclosure of Residents’ personal information contained in the unredacted list of residents (the “Resident List”)<sup>2</sup> to a single investor creditor (the “Investor Creditor”). And the Motion seeks this relief for inappropriate purposes: (a) attorney advertising and solicitation of potential clients for the Investor Creditor’s law firms (the “Law Firms”); and (b) discovery related to a pending arbitration. The Motion must be denied.

2. *First*, to the extent that the Investor Creditor seeks the unredacted creditor matrix (the “Creditor Matrix”), it is precluded by this Court’s order<sup>3</sup> expressly limiting the availability of the unredacted consolidated Creditor Matrix to (a) the Court, (b) the U.S. Trustee and (c) any statutory committee appointed in these Chapter 11 Cases. *See* Creditor Matrix Order ¶ 2.

3. With respect to the Resident List, the Creditor Matrix Order provides that the Resident List is available to parties-in-interest “only after the Court has entered an order, after notice and hearing, authorizing the Debtors to do so.” *See* Creditor Matrix Order ¶ 5(e). Thus, while the Creditor Matrix Order does not create a *per-se* bar on obtaining the Resident List, the Court retains the authority to deny access. In this instance, the Investor Creditor’s own

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<sup>2</sup> The Investor Creditor seeks access to the Resident List, but on account of the Motion’s reference to creditors, investors, and the Creditor Matrix, the Debtors query whether the Investor Creditor understands the differences between the Creditor Matrix and the Resident List. Not one of the Investor Creditor’s justifications even use the word “resident.” The Resident List plainly does not contain the information the Investor Creditor seeks. The Residents are unlikely to be investors, have claims against the third-party broker dealers, or possess information remotely related thereto. Accordingly, the disclosure of this information to the Investor Creditor would provide the Investor Creditor no utility in achieving their stated goals. Rather, it solely creates the unnecessary and unjustifiable risk that elderly residents will be harassed, further confused, and have their personal information improperly disseminated. Because the Investor Creditor may seek the Creditor Matrix and not the Resident List, out of an abundance of caution, the Debtors argue herein why disclosure of the Creditor Matrix is improper.

<sup>3</sup> The Order (I) Authorizing the Debtors to (A) File (1) a Consolidated Creditor Matrix, (2) a Consolidated List of Their 30 Largest Unsecured Creditors, and (3) 33 Consolidated Monthly Operating Reports; (B) Redact Certain Personally Identifiable Information for Individual Creditors; and (C) Implement Procedures to Protect Confidential Resident Information; (II) Establishing a Complex Service List; (III) Approving the Form and Manner of Notifying Creditors of Commencement of These Chapter 11 Cases; and (IV) Granting Related Relief [Docket No. 92] (the “Creditor Matrix Order”).

justifications—attorney advertising and non-bankruptcy litigation—demonstrate its purposes are improper, and as such the Court should deny the Investor Creditor access.

4. *Second*, the harm of providing the unredacted Resident List or Creditor Matrix outweighs any benefit. Nothing precludes the Law Firms from sending mail to the Debtors' communities. However, the Investor Creditor is seeking the names of residents and their personal information. The Debtors' residents are elderly, and targeted solicitation related to these bankruptcies will likely create confusion that may harm them. As the Motion relates to creditors, their interests and rights are already being represented by an official committee of unsecured creditors (the "Committee") and investors are represented by multiple ad hoc groups along with other representatives. Any information necessary for an investigation will be accessible to the Committee. Therefore, there is no need for targeted solicitation to protect the Debtors' creditors.

5. *Third*, The Motion's asserted purpose of obtaining the Resident List (or Creditor Matrix) as a form of discovery is inappropriate because the Investor Creditor is party to a pending arbitration (the "FINRA Arbitration") pursuant to which the Investor Creditor can, and must, obtain the information she needs directly from the broker against which the Investor Creditor is arbitrating. By seeking this information through the bankruptcy, and not the FINRA Arbitration, the Investor Creditor attempts to impermissibly circumvent the procedural safeguards of the FINRA Arbitration.

6. Likewise, the defendant broker knows who it solicited; who it recommended investments to; and who invested in any recommended investment. The broker, not the Debtors, is the appropriate target of discovery about parties who may have received similar advice from the defendant broker. The Investor Creditor thus has no legitimate need to seek this information from the Debtors.

7. *Finally*, the Motion argues that Law Firms have a first amendment right to advertise. This argument reveals that the Law Firms are the true movants and the Motion is intended to further their aims. The Law Firms lack standing to pursue their personal objectives in the Debtors' chapter 11 cases. The Law Firms are not creditors, investors or otherwise interested in the Debtors' chapter 11 cases.

8. Further, the Law Firms' first amendment argument misses the mark. The Creditor Matrix Order does not impinge on the Law Firms' first amendment rights or preclude them from advertising. Rather, the Creditor Matrix Order limits disclosure of personal information and ensures that communications directed at creditors come from official sources to avoid confusion that may interfere with or harm creditors or these bankruptcy proceedings.

9. The Motion's reliance on *In Re: GWG Holdings, Inc.* No. 22-90032 (Bankr. S.D. Tex. filed Apr. 20, 2022) (hereinafter "GWG") also misses the mark and is distinguishable from the facts in this case. The order sealing the matrix in GWG contemplated an unredacted version being made available to all requesting parties-in-interest. The Creditor Matrix Order in these cases does not. Accordingly, the Court should deny the Motion.

## **BACKGROUND**

### **I. The Chapter 11 Cases**

10. On February 2, 2026 (the "Petition Date"), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the "Chapter 11 Cases") in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division (the "Court").

11. On February 25, 2026, the U.S. Trustee for the Northern District of Texas appointed the Committee pursuant to section 1102 of the Bankruptcy Code. *See Appointment of the Official Unsecured Creditors' Committee* [Docket No. 161].

12. Additional information regarding the Debtors and these Chapter 11 Cases, including the Debtors' business operations, capital structure, financial condition, and the reasons for and objectives of these Chapter 11 Cases, is set forth in the First Day Declaration.<sup>4</sup>

13. In these cases, there are approximately 2,620 Residents living in the Debtors' Communities, with over 700 of such Residents residing in medically intensive memory-care units. The primary goal of the Debtors in these Chapter 11 Cases is to continue providing the Residents with the utmost quality of care and protecting the interests of the Debtors' Residents, just as the Debtors did before the commencement of these Chapter 11 Cases. Additionally, each community will have an experienced patient care ombudsman (each, a "PCO") to ensure the Residents are protected and afforded the care they need, deserve, and have come to expect from the Debtors. *See Order Directing Appointment of One or More Patient Care Ombudsmen Under 11 U.S.C. § 333 and Fed. R. Bankr. P. 2007.2* [Docket No. 250].

14. Debtors acted to protect the Residents on the Petition Date by filing the *Debtors' Emergency Motion for Entry of Order (i) Authorizing the Debtors to (a) file (1) a Consolidated Creditor Matrix, (2) a Consolidated List of their 30 Largest Unsecured Creditors, and (3) 33 Consolidated Monthly Operating Reports, (b) Redact Certain Personally Identifiable Information for Individual Creditors, and (c) Implement Procedures to Protect Confidential Resident Information; (ii) Establishing a Complex Service List; (iii) Approving the Form and Manner of Notifying Creditors of Commencement of These Chapter 11 Cases; and (iv) Granting Related Relief* (the "Creditor Matrix Motion") [Docket No. 4].

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<sup>4</sup> Capitalized terms not otherwise defined herein shall have the meaning as defined or otherwise ascribed to them in the *Declaration of M. Benjamin Jones in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 33] (the "First Day Declaration") or the Motion, as applicable.

15. On February 4, 2026, the Court heard the Creditor Matrix Motion. At the hearing, the Debtors explained that:

[T]he Debtors are seeking authority to redact personally identifiable information on certain bankruptcy dockets, such as the creditor’s matrix, schedules and statements, certificates of service, and the like. While the Debtors appreciate the necessity for transparency in these cases, we must also be sensitive to privacy concerns of individuals involved in these cases. However, the Debtors will provide unredacted versions of any creditor matrix or similar document[, such as the Resident List], to the Court, the U.S. Trustee, and any counsel to any Official Committee appointed in these cases.

*See* Hr’g Tr. 55:11–21, *In re Inspired Healthcare Capital Holdings, LLC*, No. 26-90004 (MXM) (Bankr. N.D. Tex. Feb. 4, 2026).

16. The Court agreed, explaining it “had an opportunity to review that motion again at Docket 4, which we’ll call just the creditor matrix motion. It has a lot of protections involved in there, which each of those makes sense to the Court.” Accordingly, the Court entered the Creditor Matrix Order.

17. As is relevant here, the Creditor Matrix Order explains:

1. The Debtors are authorized to file a Consolidated Creditor Matrix and a Consolidated Top 30 List. In lieu of submitting a formatted mailing matrix, the Debtors shall make available the Consolidated Creditor Matrix in electronic form to any entity who so requests and in non-electronic form at such requesting entity’s sole cost and expense.
2. **The Debtors are authorized to redact from any document filed or to be filed with the Court in these Chapter 11 Cases the names, home addresses, email addresses, and any other personally identifiable information of individuals or any other natural person.** The Debtors are also authorized to use a corporate address for any current and former officers and directors in the Consolidated Creditor Matrix and the Debtors’ schedules and statements, in lieu of personal mailing addresses; provided, however, **that the Debtors shall provide an unredacted version of the Consolidated Creditor Matrix to this Court, the U.S. Trustee, and counsel to any statutory committee appointed in these Chapter 11 Cases upon request;** provided further, that any receiving party shall not transfer or otherwise provide such unredacted document or the information contained therein to any person or entity not party to the request.

...

5(e). The Debtors (and/or their Claims and Noticing Agent) will make available the Resident List and an unredacted copy of any paper redacted pursuant to the Resident Confidentiality Procedures to (i) the Court, the U.S. Trustee, and the retained professionals of any statutory committee appointed in these Chapter 11 Cases (to be held on a strictly confidential, professional eyes only basis), and (ii) any other party in interest only after the Court has entered an order, after notice and hearing, authorizing the Debtors to do so; *provided* that any receiving party shall not transfer or otherwise provide such unredacted document to any person or entity not party to the request.

*See* Docket No. 92 (emphasis added).

18. As such, the Creditor Matrix Order provides essential protections to creditors, individuals, and the Debtors' Residents who otherwise have not consented to their private and personal information being disseminated.

### **OBJECTION**

#### **I. Under the Plain Language of the Creditor Matrix Order, the Investor Creditor is Not Entitled to the Consolidated Creditor Matrix**

19. Although the Investor Creditor styles the motion as an attempt to gain access to the Resident List, the Motion effectively requests the unredacted Creditor Matrix. The plain language of this Court's Creditor Matrix Order is binding. The **only** parties entitled to the unredacted version of the Consolidated Creditor Matrix are the U.S. Trustee and counsel to any statutory committee appointed in these Chapter 11 Cases. *See* Docket No. 92.

20. Thus, the only option available to Investor Creditor to gain access to the unredacted Creditor Matrix is to unwind this Court's Creditor Matrix Order. As such, to the extent the Investor Creditor seeks such relief, the Motion is in substance a motion to reconsider under Federal Rule of Civil Procedure 59(e). *See Washington v. UTMB*, No. 20-20434, 2022 WL 2527665, at \*1 (5th Cir. July 7, 2022) ("Regardless of how it is labeled or classified, a motion seeking reconsideration

is treated as a Federal Rule of Civil Procedure 59(e) motion if it is filed within the applicable 28-day time limit.”).

21. To prevail on such a motion, the Investor Creditor has the burden of establishing one of the following: “(1) an intervening change in controlling law; (2) the availability of new evidence not previously available; or (3) the need to correct a clear error of law or prevent manifest injustice.” *In re Benjamin Moore & Co.*, 318 F.3d 626, 629 (5th Cir. 2002). A Rule 59(e) motion “is an extraordinary remedy that should be used sparingly.” *Jones v. Stephens*, 998 F. Supp. 2d 529, 536 (N.D. Tex. 2014) (quoting *Templet v. HydroChem, Inc.*, 367 F.3d 473, 478–79 (5th Cir. 2004)).

22. As detailed herein, the Investor Creditor cannot satisfy any of the three prongs required to succeed on a Rule 59(e) motion: (a) the law on section 107(c) has not changed since this Court entered the Creditor Matrix Order, (b) there is no new evidence not previously available, and (c) the Court’s entry of the Creditor Matrix Order was correct on the merits. Likewise, there is no manifest injustice.

23. The reality of the dispute is that the Law Firms view the Creditor Matrix as a prospective client list. The guardrails protecting individual creditors from harassment and abuse also protect individual creditors from non-consensual advertising and solicitation. The Investor Creditor (but really, the Law Firms) explicitly argues that it seeks to advertise to and solicit potential clients. Missing out on an advertising opportunity, however, is not cause to reconsider under Rule 59(e).

**A. No Intervening Change in Controlling Law**

24. The Investor Creditor fails to identify “an intervening change in controlling law” because there has been no such change in law. As such, the Investor Creditor’s request cannot be granted under the first prong.

**B. No New Evidence**

25. Likewise, there is no new evidence now available that justifies reconsideration. The sub-factors required to satisfy this prong are:

- (1) the probability that the evidence would have changed the outcome of the trial;
- (2) whether the evidence could have been discovered earlier through the moving party’s due diligence; and
- (3) whether the evidence is merely cumulative or impeaching.

*In re Quanalyze Oil & Gas Corp.*, 250 B.R. 83, 90 (Bankr. W.D. Tex. 2000); *see also Infusion Res., Inc. v. Minimed, Inc.*, 351 F.3d 688, 696–97 (5th Cir. 2003).

26. The Investor Creditor does not put forth any arguments addressing any of these factors.

**C. No Clear Error or Law or Manifest Injustice**

27. Likewise, the Court did not err in entering the Creditor Matrix Order. Section 107(c) provides that the Court “for cause, may protect an individual, with respect to the following types of information to the extent the court finds that disclosure of such information would create undue risk of identity theft . . . [a]ny means of identification . . . contained in paper filed, or to be filed in a case under” the Bankruptcy Code. 11 U.S.C. § 107(c)(1)(A). Section 1028(d) of Title 18 of the United States Code defines “means of identification,” in relevant part, as:

any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual, including any—

- (A) name, social security number, date of birth, official State or government issued driver’s license or identification number, alien registration number, government passport number, employer or taxpayer identification number.

18 U.S.C. § 1028(d)(7). Further, Local Rule 1007-1(d) allows for the redaction of certain personal data identifiers from all documents and pleadings filed with the Court, including Social Security numbers, names of minor children, dates of birth, and financial account numbers. *See* N.D. Tex. L.B.R. 1007-1(d).

28. In enacting section 107(c)(1), Congress recognized the need to protect the identities and privacy of individuals who have dealings with debtors. Section 107(c)(1)(B) explicitly lists “[o]ther information” separate from the “means of identification,” and the definition of “means of identification” is itself a non-exhaustive list of personally identifiable information. *See* 11 U.S.C. § 107(c)(1); *see also* 2 Collier on Bankruptcy ¶ 107.04 (16th ed. 2024).

29. Further, section 107(c)(1)(A) holds that any “name or number” that can be used to identify someone when combined with any other information is confidential. *See* § 107(c)(1)(A) (cross-referencing 18 U.S.C. § 1028(d)(7)). Certainly, an address could be used in this way, and so while not explicitly mentioned, home address information fits squarely within the types of “means of identification” set forth by § 107(c)(1)(A).

30. Accordingly, although an individual creditor’s home address is not explicitly enumerated as a “means of identification,” it is nevertheless within the broad scope of section 107(c)(1)(B) and should be protected to avoid risks of, among other things, identity theft, domestic violence, harassment, stalking, or phishing scams. *See* Hr’g Tr. at 37:25–38:5, *In re THG Holdings LLC*, No. 19-11689 (JTD) (Bankr. D. Del. Aug. 22, 2019) [Docket No. 180] (“I think [that the list in 18 U.S.C. § 1028(d) is] an inclusive list. It wouldn’t seem to make much sense that I could order the names [of individuals] not to be disclosed, but [their] addresses had to be; that wouldn’t make any sense to me.”); Hr’g Tr. 18:18–20, 19:3–6, *In re Promise Healthcare Grp., LLC*, No. 18-12491 (CSS) (Bankr. D. Del. Dec. 4, 2018) [Docket No. 228] (noting that “to the extent Congress hasn’t

acted specifically to deal with this, I think it should” but that Congress has already acted “because there’s a mechanism for protecting this information”).

31. The risks to individuals when their information is disclosed are not speculative. For example, as described in the “creditor matrix motion” filed in *In re Charming Charlie Holdings Inc.*, No. 19-11534 (CSS) (Bankr. D. Del. Jul. 11, 2019) [Docket No. 4], the abusive former partner of a debtor’s employee used the publicly accessible creditor and employee information filed in the case to track the employee at her new address, which had not been publicly available until then, forcing the employee to change addresses again. *See id.* More recently, customers of a cryptocurrency company received phishing emails from purported legal advisors of the debtors. *See In re Celsius Network LLC*, No. 22-10964 (MG) (Bankr. S.D.N.Y. Nov. 30, 2022) [Docket No. 1527].

32. Considering this statutory backdrop and real-world consequences, courts in various jurisdictions,<sup>5</sup> including this one, have consistently stressed the importance of authorizing debtors to redact individual creditors’ personally identifiable information, particularly home addresses. In *AiBUY Holdco*, Judge Jernigan, granting similar relief requested herein, explained that individuals listed in public filings “may have gone to great efforts to shield their personal information” and

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<sup>5</sup> Hr’g Tr. at 24:21–25, 25:9–10, *In re Clover Techs. Grp., LLC*, No. 19-12680 (KBO) (Bankr. D. Del. Jan. 22, 2020) (“[t]o me it is common sense. I don’t need evidence that there is, at best, a risk of identity theft and worse a risk of personal injury from listing someone’s name and address on the internet by way of the court’s electronic case filing system and, of course, the claims agent’s website .... The court can completely avoid contributing to the risk by redacting the addresses. And while there is, of course, an important right of access we routinely redact sensitive and confidential information for corporate entities and redact individual’s home addresses.”); Hr’g Tr. at 60:22–25, *In re Forever 21, Inc.*, No. 19-12122 (KG) (Bankr. D. Del. Dec. 19, 2019) (“[w]e live in a new age in which the theft of personal identification is a real risk, as is injury to persons who, for personal reasons, seek to have their addresses withheld.”); Hr’g Tr. at 48:20–25, 49:1–8, *In re Anna Holdings, Inc.*, No. 19-12551 (CSS) (Bankr. D. Del. Dec. 3, 2019) (“I think it’s just plain common sense in 2019-soon-to-be 2020-to put as little information out as possible about people’s personal lives to [prevent] scams .... So, you know, it’s a real-life issue, and, of course, the issue of domestic violence is extremely important.”); *See* Hr’g Tr. at 21:13–21, *In re Dex Media, Inc.*, No. 16-11200 (KG) (Bankr. D. Del. May 18, 2016) (“Well, I think, that in the present day, with the abuse of private information, that these addresses ought to be redacted, and so... I just think that individuals whose only position is to have been former employees, for example, ought not to have their home addresses listed publicly. I think that... creates a possibility of abuse ....”).

“the risks to people having their private information so easily accessible on the internet” was sufficient to find “good cause to redact” such information. Hr’g Tr. at 37:9–13, 25, 38:1, *In re AiBUY Holdco, Inc.*, No. 22-31737 (SGJ) (Bankr. N.D. Tex. Nov. 1, 2022) [Docket No. 25]. Even though none of the shareholders or other individuals had expressed concerns regarding personal information, Judge Jernigan noted that cannot alone be dispositive as it is impossible “to know every individual[’s] situation.” *Id.* at 36:1–2, 37:8–9. While giving her approval of the methods proposed for those who show a need to obtain such information, Judge Jernigan expressed disapproval of allowing personal information to be just “a click away from anyone.” *Id.* at 38:2–5.

33. Accordingly, the Court did not err when it entered the Creditor Matrix Order. This order was, and remains, essential to protect individuals from harassment, abuse, unwanted solicitation, and other forms of harm. As such, the Investor Creditor fails to demonstrate that entry of the Creditor Matrix Order constituted a clear error of law.

34. The only remaining avenue the Investor Creditor has is to demonstrate that its requested relief will prevent a manifest injustice.

#### **D. There is No Manifest Injustice**

35. “[T]here is no general definition of manifest injustice.” *Jones v. Stephens*, 998 F. Supp. 2d 529, 536 (N.D. Tex. 2014). Nonetheless, satisfying the standard requires a showing “that there exists a fundamental flaw in the court’s decision that without correction would lead to a result that is both inequitable and not in line with applicable policy.” *See Tijerino v. Miller*, No. 23-7391, 2025 WL 1411931, at \*4 (E.D. La. 2025) (*quoting Bender Square Partners v. Factory Mut. Ins. Co.*, 2012 WL 1952265, at \*4 (S.D. Tex. May 30, 2012)).

36. The purposes of chapter 11 are many, but providing plaintiff law firms with advertising opportunities is not one. Bankruptcy courts typically disapprove of using bankruptcy tools for unrelated reasons. *See In re Synder*, 52 F.3d 1067 (5th Cir. 1995) (“Examination under Rule 2004 should not be used to obtain information for use in an unrelated case or proceeding pending before another tribunal.”). The very objective of the Creditor Matrix Order is to protect individual creditors from unwanted harassment. The fact that Investor Creditor and the Law Firms are unable to use the Creditor Matrix for their personal business ambitions means that the Creditor Matrix Order is serving its intended purpose. Accordingly, Investor Creditor cannot show manifest injustice.

## **II. Investor Creditor Has Not Articulated a Valid Justification for Access to the Resident List**

37. The Investor Creditor has no valid justification for the Resident List, and summarizes its request as follows:

(i) communications and attorney advertising directed to creditors listed on the Matrix, (ii) outreach to potential clients, including other creditors, and (iii) efforts to identify witnesses, documents, or other discovery relevant to third-party claims not presently before the Court, including claims against broker-dealers.

*See* Motion at 2.

38. To the extent that the Investor Creditor moves for the purposes of client solicitation or advertisement, it does so for the benefit of the Law Firms. The Law Firms plainly lack standing to seek the relief sought. Likewise, to the extent Investor Creditor moves for its own benefit in separate litigation, that too is prohibited, each point as further discussed below.

### **A. The Investor Creditor and the Law Firms Lack Standing to Unseal Documents Under Fifth Circuit Precedent**

#### **i. Investor Creditor Lacks Standing Under § 1109(b)**

39. Section 1109(b) provides seven enumerated categories of parties that may appear and be heard on any issue – including creditors. *See* 11 U.S.C. § 1109(b). But simply representing a creditor does not provide a party with the unfettered right to be heard on any matter. Rather, parties may “participate in the adjudication of any issue that may ultimately shape the disposition **of his or her interest.**” *In re The Roman Cath. Church of the Archdiocese of New Orleans*, No. 20-10846, 2026 WL 688166, at \*10 (Bankr. E.D. La. March 10, 2026) (quoting *Truck Ins. Exch. v. Kaiser Gypsum Co.*, 602 U.S. 268, 277–78 (2024)) (emphasis added). To that point, “case law on party-in-interest standing under § 1109(b) limits an objector to asserting its own rights—it may not assert the rights of others.” *Id.* (quoting *In re AIO US, Inc.*, 672 B.R. 261, 274 (Bankr. D. Del. 2025)); *see also In re Cypresswood Land Partners, I*, 409 B.R. 396, 416–17 (Bankr. S.D. Tex. 2009) (reasoning that “a complainant’s bid for standing may be defeated if... it is asserting a third party’s rights...”).

40. The Investor Creditor expressly states that two of the Motion’s bases are to advertise and to reach out to potential clients. This does not “shape the disposition” of the Investor Creditor’s interests. *See Archdiocese*, 2026 WL 688166, at \*10. Instead, these two justifications only further the interests of the Law Firms.

41. The Law Firms have no relation to this bankruptcy proceeding and are not parties-in-interest. *See In re Orchard at Hansen Park, LLC*, 347 B.R. 822, 825 (Bankr. N.D. Tex. 2006) (“A party in interest is generally understood to include all persons whose pecuniary interests are [] directly affected by the bankruptcy proceedings.”). They are not creditors, equity holders, and they lack constitutional standing as they have not suffered “an injury in fact” such that they have a “personal stake in the outcome of the controversy.” *Cypresswood Land Partners, I*, 409 B.R. at

416. Accordingly, the Investor Creditor cannot be heard on this matter to the extent it moves for the benefit of the Law Firms.

**ii. Investor Creditor Seeks the Resident List (and Creditor Matrix) for its Private Benefit**

42. Additionally, challenges to the sealing of documents concern the public right to court records. *See In re Genesis Glob. Holdco, LLC*, 652 B.R. 618, 630 (Bankr. S.D.N.Y. 2023) (denying request to unseal creditor matrix but noting basis for unsealing is public right).

43. The Fifth Circuit delineated a bright line rule about who has standing to vindicate a public right. When a movant seeks to unseal documents “to vindicate the public’s right” they may have standing. But, if a movant seeks documents “solely for their own private benefits in separate litigation[,]” the movant will not have standing. *See United States ex rel Hernandez v. Team Fin., L.L.C.*, 80 F.4th 571, 576–577 (5th Cir. 2023). Thus, news agencies may have standing to object to a confidentiality order. *See, e.g., Davis v. E. Baton Rouge Par. Sch. Bd.*, 78 F.3d 920, 926 (5th Cir. 1996) (reasoning the “[f]irst Amendment provides at least some protection for the news agencies’ efforts to gather the news.”). But litigants generally do not. *See Deus v. Allstate Ins. Co.*, 15 F.3d 506, 525–26 (5th Cir. 1994) (“The desire to intervene to pursue the vacating of the protective order and/or the unsealing of the record is not a justiciable controversy or claim, absent some underlying right creating standing for the movants... [movants are] already participating in a lawsuit against Allstate in federal court in Nevada. Thus, he can protect any interest he has in these materials by filing a discovery request in that case.”); *Boudreaux v. Axiall Corp.*, No. 24-30540, 2025 WL 1693075, at \*1–2 (5th Cir. June 17, 2025) (denying standing to unseal where movant was a litigant in an unrelated matter involving similar issues.).

44. The Investor Creditor’s admitted goal in obtaining these documents is to help the Law Firms market and solicit clients, and pursue non-bankruptcy claims. Accordingly, these bases

fall outside the public interest and are clearly for the private benefit of the Investor Creditor and the Law Firms. As such, the Investor Creditor lacks standing to appear and be heard for the purpose of unsealing the Resident List (or Creditor Matrix).

**B. The Pending Proceeding Rule Bars Investor Creditor from Using the Bankruptcy Forum to Gain a Litigation Advantage Elsewhere**

45. The Investor Creditor's third stated reason for unsealing—furthering non-bankruptcy litigation—also runs afoul of bankruptcy principles.

46. The pending proceeding rule limits the use of Rule 2004 to gather discovery “as a tactic to circumvent the safeguards of the Federal Rules of Civil Procedure.” *See In re Enron Corp.*, 281 B.R. 836, 841 (Bankr. S.D.N.Y. 2002). The pending proceeding rule applies both to adversary proceedings commenced in the bankruptcy case, and litigation elsewhere. *See In re Snyder*, 52 F.3d 1067 (5th Cir. 1995) (“Examination under Rule 2004 should not be used to obtain information for use in an unrelated case or proceeding pending before another tribunal.”); *In re Bd. Dir. of Hopewell Int’l Ins. Ltd.*, 258 B.R. 580, 585 (Bankr. S.D.N.Y. 2001) (“Hopewell is not seeking disclosure in connection with its general efforts to determine liabilities but in connection with a separate arbitration proceeding in which it is a litigant... The relief Hopewell seeks is particularly inappropriate as it involves an arbitration, which is supposed to take place with a minimum of court supervision or interference.”).

47. And, as stated above, the Fifth Circuit expressly denied movants the right to intervene and object to a sealing order when the purpose was for separate litigation. *See Deus*, 15 F.3d at 525–26 (5th Cir. 1994) (“[Movant] is already participating in a lawsuit against Allstate in federal court in Nevada. Thus, he can protect any interest he has in these materials by filing a discovery request in that case.”); *Axiall Corp.*, 2025 WL 1693075, at \*1–2 (same).

48. The procedural posture here is different than in *Deus, Axiall Corp.*, but the principle is clear – litigation in one forum cannot be used to escape procedural safeguards in another. By its own admission, Investor Creditor is moving to unseal for its benefit in the FINRA Arbitration. If successful, it would dodge the procedural safeguards of discovery in that forum. Most (if not all) of the Residents have no relation to the FINRA Arbitration. As such it is unlikely this information would be available to the Investor Creditor in the FINRA Arbitration.

49. The defendant broker is also a more appropriate target for the sought after discovery. Few (if any) of the Residents have any relation to the FINRA Arbitration but the defendant broker knows exactly: (i) who it solicited; (ii) who it recommended investments to; and (iii) who actually invested in any recommended investment. The Debtors do not. Accordingly, it makes little sense to collect this information from the Debtors.

50. Finally, by seeking this information through the bankruptcy, Investor Creditor shifts the cost of discovery from the proper targets—the broker dealers—to the Debtors.

### **III. The Residents Would Suffer Unnecessary Harm if the Resident List Was Provided to Investor Creditor**

51. A Resident’s choice to live in an assisted living facility, including a memory care unit, is an intensely private decision. It is quite possible that some Residents are fine with publicizing this choice, but it is similarly acceptable for some Residents to keep this personal, and possibly medical, decision private. The innumerable protections afforded to individuals’ privacy with respect to medical treatments and decisions makes clear that medical decisions are intended to be kept private unless the receiver of such treatment chooses to make his or her decision public. Accordingly, the Debtors’ Residents deserve, at the very least, to be the ones to decide whether to publicly disclose their status as Residents in a senior living facility or memory care unit.

52. If the Debtors' Residents were to receive mail specifically addressed to them, by name, at their assisted living facility, the Residents would immediately know that their status as Residents was provided to third parties without their consent. This could cause enormous harm—the exact kind of harm that the Debtors, along with the assistance of this Court and the U.S. Trustee, have worked tirelessly to prevent—to the Residents, especially those that seek privacy with respect to their medical choices and living arrangements. The Investor Creditor's justifications, which essentially boil down to client solicitation (granted it appears Investor Creditor intends to solicit creditors and investors and not Residents), do not outweigh this harm.

53. Moreover, Residents may believe that the Debtors caused their personal information to be publicly shared. The Debtors relationship with their Residents is principally one of trust. If Residents believe the Debtors betrayed that trust, the Debtors may find themselves, at minimum, spending time and resources addressing Residents' inquiries and complaints about the matter.

54. Finally, prohibiting the Investor Creditor and the Law Firms from accessing the Resident List does not unfairly restrict their ability to solicit the Residents, as the Investor Creditor and the Law Firms can still utilize mass-mailers, pamphlets put in common spaces, or other non-specific solicitation methods to solicit the Residents or mass media advertising for other creditors.

#### **IV. Investor Creditor Erroneously Relies on GWG in Support of its Arguments**

55. The Investor Creditor's reliance on Judge Isgur's ruling in *GWG Holdings, Inc.* is misplaced. The GWG case is a cautionary tale that demonstrates why the Investor Creditor should **not** receive the unredacted Creditor Matrix.

56. In *GWG*, the relevant "creditor matrix order" provided that:

[t]he Debtors shall provide an unredacted version of the Creditor Matrix . . . to . . .  
(z) **any party in interest**, upon request to the Debtors (email is sufficient) or to  
the Court that is **reasonably related** to the Chapter 11 Cases...

GWG Docket No. 145 (emphasis added) (the “GWG Matrix Order”).

57. The Debtors were flooded with requests for the unredacted creditor matrix, overwhelmingly from law firms purporting to represent parties-in-interest. *See In Re: GWG Holdings, Inc.* No. 22-90032, Docket No. 297, ¶ 9 (Bankr. S.D. Tex. May 25, 2022). The debtors provided the unredacted creditor matrix to the requesting parties pursuant to the creditor matrix order in that case. *Id.* However, the debtors quickly discovered that the unredacted creditor matrix was being used for mass mailing to solicit clients, which created confusion and numerous complaints from creditors who were being inundated with mass solicitations. *Id.*, ¶¶10–12. Thus, there was a cost to responding to the requests for the unredacted creditor matrix and a cost in the form of frustrated and angry creditors. The GWG debtors sought clarification from the court on the interpretation of the creditor matrix and that a request for attorney advertising was not reasonably related to the bankruptcy. The damage already done, the court denied the debtors’ request to clarify the creditor matrix order without any further findings. *See In Re: GWG Holdings, Inc.* No. 22-90032, Docket No. 455 (Bankr. S.D. Tex. Jun. 22, 2022).

58. Here, the posture is reversed. The Creditor Matrix Order bars the relief the Investor Creditor seeks, and it is the Investor Creditor, not the Debtors, seeking reconsideration from a final court order with respect to the unredacted Creditor Matrix. For all the reasons complained about by the GWG debtor, the Court should not grant the Motion. As the Court is aware, there are many different constituents, and the parties are well represented. Requiring the Debtors to provide the unredacted Creditor Matrix to every plaintiff firm will add administrative costs, add confusion,

potentially aggravate creditors, and interfere with the administration of these Chapter 11 Cases. Accordingly, the Court should deny the Motion.

59. Likewise, the safeguards for obtaining the Resident List are distinguishable from those in GWG. Here, the Court expressly retains the authority and discretion to deny access to the Resident List. *See* Creditor Matrix Order ¶ 5(e) (“The Debtors... will make available the Resident List... to... any other party in interest only after the Court has entered an order, after notice and hearing, authorizing the Debtors to do so.”). For the reasons stated herein, the Court should not authorize the Debtors to provide the Investor Creditor with the Resident List.

WHEREFORE, the Debtors respectfully request that the Court deny the Motion for the reasons stated herein.

Dated: March 23, 2026  
Dallas, Texas

**MCDERMOTT WILL & SCHULTE LLP**

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**CERTIFICATE OF SERVICE**

I hereby certify that on this date a true and correct copy of the foregoing Objection was served by the Court's CM/ECF system on all counsel of record registered in these Chapter 11 Cases through CM/ECF. Subject to the Court's approval of their retention and access to filing privileges, the Debtors' proposed claims and noticing agent will be filing a supplemental certificate of service on the docket to reflect any additional service of the foregoing Motion.

Dated: March 23, 2026  
Dallas, Texas

**MCDERMOTT WILL & SCHULTE LLP**

*/s/ Marcus A. Helt*

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