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Counsel to the Official Committee of Unsecured Creditors

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

In re:	§	Chapter 11
	§	
Buckingham Senior Living Community, Inc.,	§	Case No. 25-80595 (MVL)
	§	
	§	Related to Docket Nos. 437 & 438
Debtor.	§	

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' OBJECTION TO THE MOTION OF THE DEBTOR FOR ENTRY OF AN ORDER (A) APPROVING DISCLOSURES IN COMBINED PLAN AND DISCLOSURE STATEMENT ON AN INTERIM BASIS, (B) ESTABLISHING PROCEDURES FOR SOLICITATION AND TABULATION OF VOTES TO ACCEPT OR REJECT THE PLAN, (C) APPROVING THE FORM OF BALLOT AND SOLICITATION MATERIALS, (D) ESTABLISHING VOTING RECORD DATE, (E) FIXING THE DATE, TIME, AND PLACE FOR THE COMBINED HEARING ON FINAL APPROVAL OF THE DISCLOSURE STATEMENT AND CONFIRMATION OF THE PLAN AND THE DEADLINE FOR FILING OBJECTIONS THERETO, AND (F) APPROVING RELATED NOTICE PROCEDURES AND DEADLINES

The Official Committee of Unsecured Creditors (the "Committee") files this objection (the "Objection") to the *Motion of the Debtor for Entry of an Order (A) Approving Disclosures in Combined Plan and Disclosure Statement on an Interim Basis, (B) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, (C) Approving the Form of*

Ballot and Solicitation Materials, (D) Establishing Voting Record Date, (E) Fixing the Date, Time, and Place for the Combined Hearing on Final Approval of the Disclosure Statement and Confirmation of the Plan and the Deadline for Filing Objections Thereto, and (F) Approving Related Notice Procedures and Deadlines [Docket No. 438] (the "Solicitation Motion")[1] and represents as follows:

PRELIMINARY STATEMENT

1. The Court should deny the Solicitation Motion because the Debtor has proposed a chapter 11 plan that cannot be confirmed and it would be a complete waste of limited estate resources to proceed with solicitation. In particular, the Debtor is administratively insolvent and has no funding or financing available to pay its chapter 11 administrative expenses in full upon the effective date of a plan as required by section 1129(a)(9)(A) of the Bankruptcy Code. At the same time, the Debtor, insiders and the secured bondholders are seeking to grant themselves broad plan releases while leaving administrative claimants unpaid. If the Debtor cannot pay its administrative expenses, the case needs to be converted to chapter 7 rather than continuing to run up postpetition expenses that the Debtor cannot pay.

2. Moreover, the Plan and Disclosure Statement and Solicitation Procedures do not provide creditors with the information necessary to make an informed judgment regarding the proposed Plan, as required by section 1125 of the Bankruptcy Code. While the Plan proposes to contribute causes of action to a GUC Trust, there is no funding available to pursue those causes of action and no information is provided to explain how those causes of action could be pursued. At its core, the Plan and Disclosure Statement leave unresolved fundamental questions regarding administrative solvency, creditor recoveries, trust governance, and the treatment of assets

[1] Capitalized terms not specifically defined herein shall have the meanings set forth in the Solicitation Motion, or the Plan and Disclosure Statement (as defined below), as applicable.

negotiated for the benefit of unsecured creditors. The Debtor seeks to require creditors to vote on the Plan before disclosing critical information, including the final Wind-Down Budget, the GUC Trust Agreement, the identity of key fiduciaries, and the funding necessary to administer the GUC Trust and pursue estate causes of action. Creditors are therefore being asked to evaluate the Plan without information necessary to assess whether the Plan is feasible, and what distributions unsecured creditors can reasonably expect to receive.

3. The Committee is also deeply concerned by the Plan and Disclosure Statement's broad release provisions. The Plan and Disclosure Statement seek releases for a wide range of insiders, bondholders, lenders, and other non-debtor parties, while providing insufficient disclosure regarding the claims being released, the value of those claims, and the consideration allegedly supporting such releases. Compounding these concerns, the proposed opt-out framework relies heavily on deemed consent and creates a substantial risk that creditors may unknowingly waive valuable rights.

4. In addition, the proposed Solicitation Procedures provide creditors with only a brief period to review and evaluate material information that will not be disclosed until the Plan Supplement is filed. Given that the creditor body consists largely of elderly residents and estate representatives for former residents, the compressed timeline significantly impairs creditors' ability to understand the Plan and exercise informed voting rights.

5. Finally, the Plan fails to adequately explain and protect the GUC Allocation negotiated by the Committee during the sale process specifically for the benefit of unsecured creditors. The treatment, preservation, administration, and ultimate distribution of those funds remain insufficiently disclosed despite their importance to creditor recoveries.

6. For these reasons, and as more fully set forth below, the Committee respectfully submits that the Plan and Disclosure Statement and Solicitation Procedures should not be approved unless the foregoing deficiencies are cured and creditors are provided with the information necessary to make an informed judgment regarding the Plan and Disclosure Statement.

BACKGROUND

I. The Chapter 11 Case

7. On November 17, 2025 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Case") in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Court"). Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtor continues to operate its businesses as debtor-in-possession. No trustee or examiner has been appointed in the Chapter 11 Case.

8. On December 3, 2025, the United States Trustee (the "UST") appointed the Committee, which consists of the following members: (i) Thomas C. Ryan; (ii) Lee Adcock Hunnell; (iii) Thomas A. Willet, Trustee of the Prillaman Living Trust; (iv) Manuel Ariel Payan, Co-Executor of the Estate of Margaret Payan; and (v) Steven Dyer, for the Estate of Robert Dyer. See Notice of Appointment of the Official Unsecured Creditors' Committee [Docket No. 102].

9. On December 5, 2025, the Committee selected Greenberg Traurig as its counsel, and on December 12, 2025, the Committee selected Kane Russell Coleman Logan PC as its co-counsel.

II. The Plan and Disclosure Statement, and the Solicitation Motion

10. On June 10, 2026, the Debtor filed the *Debtor's Combined Disclosure Statement and Chapter 11 Plan of Liquidation* [Docket No. 437] (the "Plan and Disclosure Statement") and

the Solicitation Motion [Docket No. 438]. The solicitation procedures set forth in the Solicitation Motion are referred to herein as the "Solicitation Procedures."

11. On June 19, 2026, counsel for the Debtor and counsel for the Committee met and conferred over the Committee's list of open issues with the Solicitation Motion, Plan, and Disclosure Statement.

12. On June 23, 2026, counsel for the Debtor agreed, via email, to extend the Committee's deadline to object to the Solicitation Motion to July 1, 2026.

13. A hearing to consider conditional approval of the Disclosure Statement on an interim basis and the Solicitation Motion is scheduled for July 9, 2026 at 1:30 p.m. (prevailing Central Time). *See* Docket No. 442.

14. The Plan further provides that the professional fees, costs, and expenses of the Committee allowed in excess of $1.5 million "may only be paid their Pro Rata Share of the GUC Allocation and Net Proceeds from Retained Causes of Action" held by the GUC Trust. *See* Plan and Disclosure Statement, Art. IV.N. In other words, payment of Committee professional fees in excess of $1.5 million, which the Debtor asserts is "an agreed-upon cap under the DIP Order," is contingent upon recoveries realized by the GUC Trust from litigation and other Retained Causes of Action and will reduce the funds otherwise available for distribution to general unsecured creditors.

III. The Solicitation Procedures

15. The Solicitation Motion seeks approval of the Disclosure Statement, the Solicitation Procedures, the Solicitation Packages, the forms of ballots for voting classes, and the

form of non-voting status notice and accompanying opt-out form, all of which contain the language describing the releases, exculpation, and injunction from Article X of the Plan.

16. Under the proposed Solicitation Procedures, only holders of Class 2 Secured Bondholder Claims and Class 4 General Unsecured Claims are entitled to vote on the Plan because those classes are impaired. Holders of claims in those classes will receive a Solicitation Package containing, among other things, the Plan and Disclosure Statement, the Confirmation Hearing Notice, the Interim Approval and Procedures Order, a ballot (which includes the election to opt out of the Third-Party Release), and instructions for voting. To vote, a creditor must hold a claim in Class 2 (Secured Bondholder Claims) or Class 4 (General Unsecured Claims) that is allowed for voting purposes under the Solicitation Procedures, including scheduled claims, timely filed proofs of claim, or claims temporarily allowed under Bankruptcy Rule 3018. The ballot also contains an election allowing creditors to opt out of the Third-Party Release. The current proposed deadline to vote and submit the opt-out form is July 31, 2026.

OBJECTION

I. Legal Standard

17. Pursuant to section 1125(b) of the Bankruptcy Code, the proponent of a plan may not solicit its acceptance unless there is transmitted to creditors "the plan or a summary of the plan, and a written disclosure statement approved, after notice and a hearing by the court as containing adequate information." 11 U.S.C. § 1125(b). Section 1125 of the Bankruptcy Code requires a plan proponent to provide holders of impaired claims with adequate information to enable them to reach an informed judgment about the plan. The Bankruptcy Code defines "adequate information" as:

> information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records, including a discussion of the potential material Federal tax consequences of the plan to the

> debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan . . . .

11 U.S.C. § 1125(a)(1); *see also In re Divine Ripe, L.L.C.*, 554 B.R. 395, 413 (Bankr. S.D. Tex. 2016) (denying approval of proposed disclosure statement that did not contain adequate information).

18. Implicitly, such adequate information includes a representation that the proposed plan is one that can be confirmed. If there is a defect that makes a plan patently unconfirmable, the Court may consider and resolve that issue at the disclosure statement stage before requiring parties to proceed with solicitation of the plan and a contested confirmation hearing. *See In re Am. Cap. Equip., LLC*, 688 F.3d 145, 153–54 (3d Cir. 2012); *see also In re U.S. Brass Corp.*, 194 B.R. 420, 422 (Bankr. E.D. Tex. 1996) ("Disapproval of the adequacy of a disclosure statement may sometimes be appropriate where it describes a plan of reorganization which is so fatally flawed that confirmation is impossible.").

19. Courts have recognized that "if it appears there is a defect that makes a plan inherently or patently unconfirmable, the Court may consider and resolve that issue at the disclosure stage before requiring the parties to proceed with solicitation of acceptances and rejections and a contested confirmation hearing." *Am. Cap. Equip., LLC*, 688 F.3d at 154 (3d Cir. 2012) (the Court's equitable powers under section 105 of the Bankruptcy Code permit the Court to control its own docket and, therefore, to decline to approve a disclosure statement when the plan it supports may not be confirmable). A plan is patently unconfirmable when confirmation defects cannot be overcome by creditor voting and the confirmation defects "concern matters upon which all material facts are not in dispute or have been fully developed at the disclosure statement hearing." *Id.* at 154–55.

20. The Plan and Disclosure Statement do not contain adequate information in accordance with section 1125 of the Bankruptcy Code to allow a typical unsecured creditor to make an informed judgment about whether to accept or reject the Plan for the following reasons.

II. The Plan and Disclosure Statement Fail to Pay Administrative Expenses in Full.

21. Section 1129(a) of the Bankruptcy Code sets forth the requirements for confirming a chapter 11 plan. Among other things, a plan must comply with the applicable provisions of the Bankruptcy Code. 11 U.S.C. § 1129(a)(1). The Debtor bears the burden of establishing that the Plan complies with all elements of section 1129. *See In re Cypresswood Land Partners, I*, 409 B.R. 396, 422 (Bankr. S.D. Tex. 2009).

22. The Plan and Disclosure Statement cannot be confirmed unless the Debtor satisfies the requirements of section 1129(a)(9)(A) of the Bankruptcy Code, which requires payment in full of allowed administrative expense claims on the effective date unless a claimant agrees to different treatment. The Debtor bears the burden of proving that all administrative claims will be paid in full as a condition to confirmation. *See Matter of Christopher*, 28 F.3d 512, 516 (5th Cir. 1994) ("Additionally, the plan of reorganization cannot be confirmed under § 1129(a)(9)(A) unless the plan provides for the payment in cash and in full of persons holding "claims" for administrative expenses under §§ 503 and 507"); *see also In re Briscoe Enters., Ltd., II*, 994 F.2d 1160, 1163–65 (5th Cir. 1993) (recognizing that "preponderance of the evidence is the debtor's appropriate standard of proof both under § 1129(a) and in a cram down"); *In re Continental Common, Inc.*, No. 10-37542, 2011 WL 6370632, at *3 (Bankr. N.D. Tex. Dec. 9, 2011) (noting that a plan proponent has the burden to prove the requirements for confirmation by a preponderance of the evidence, including compliance with section 1129(a)(9)).

23. Here, the Plan and Disclosure Statement fail to provide any meaningful assurance that administrative claims will, in fact, be paid in full. To the contrary, the Plan and Disclosure Statement repeatedly acknowledge uncertainty regarding the amount of administrative expenses, professional fees, wind-down expenses, trust administration costs, and other post-confirmation obligations. The Debtor has not disclosed the final Wind-Down Budget, has not disclosed the amount of administrative claims expected to be asserted, and has not provided creditors with sufficient information to determine whether available funds are adequate to satisfy all administrative obligations in full.

24. Significantly, the Plan and Disclosure Statement expressly provide that payment of professional fee claims and other wind-down obligations remains subject to limitations tied to the Trustee Winddown Reserve and future budgeting determinations. *See* Plan and Disclosure Statement, Art. IV(N). Similarly, the Plan Supplement, which has not been filed as of the date of this Objection, is expected to contain the Wind-Down Budget and other information necessary to evaluate administrative solvency. *See* Plan and Disclosure Statement, Art. III.A; *see also* Solicitation Motion, ¶ 52. Creditors are therefore being asked to vote without knowing whether the estate is administratively solvent.

25. The Committee submits that an administratively insolvent Debtor cannot satisfy section 1129(a)(9) of the Bankruptcy Code. If the Debtor lacks sufficient funds to pay all administrative claims in full, then confirmation is not available under the Bankruptcy Code. The Court should not permit the Debtor to proceed with a liquidating chapter 11 plan that shifts insolvency risk onto administrative creditors while simultaneously seeking confirmation and broad third-party releases. *See* 11 U.S.C. § 1129(a)(9).

a. Chapter 7 Conversion May Be the Appropriate Relief

26. If the Debtor cannot demonstrate that all administrative claims will be paid in full, the appropriate remedy is conversion of the case to chapter 7, not confirmation of an underfunded chapter 11 plan that releases insiders and bondholders while leaving chapter 11 administrative expenses unpaid. The Chapter 11 Case should be converted to chapter 7 to permit administration by an independent trustee pursuant to chapter 7 of the Bankruptcy Code. Creditors and administrative claimants are entitled to the protections afforded by the chapter 7 liquidation process, including oversight by a chapter 7 trustee and the statutory priority scheme established by the Bankruptcy Code.

27. If the Debtor ultimately cannot demonstrate the ability to pay administrative claims in full, the Committee respectfully submits that continuation of this chapter 11 process is inappropriate and conversion to chapter 7 is the proper result.

b. Releases of Insiders or Bondholders Are Inappropriate if Administrative Expenses Are Not Paid.

28. The Debtor's inability to demonstrate administrative solvency is particularly troubling given the releases sought under the Plan. Creditors are being asked to release claims against insiders, bondholders, lenders, trustees, and other non-debtor parties at a time when the Debtor has not established that administrative expense claims will be paid in full as required by section 1129(a)(9) of the Bankruptcy Code. The Debtor seeks to extinguish potentially valuable claims while simultaneously indicating that the estate is administratively solvent and incapable of satisfying its highest priority obligations. Under these circumstances, the Debtor has failed to demonstrate that the proposed releases are fair, appropriate, or supported by adequate consideration.

29. At a minimum, before solicitation or confirmation may proceed, the Debtor must disclose and establish (i) the total amount of asserted and anticipated administrative claims; (ii) the total amount of projected professional fees; (iii) the final Wind-Down Budget; (iv) the amount remaining in the Trustee Winddown Reserve; (v) all projected post-confirmation administrative expenses; and (vi) the specific source of funds available to satisfy such obligations in full.

30. Absent such evidence, the Debtor cannot meet its burden under section 1129(a)(9), and the Plan and Disclosure Statement should not be approved.

III. The Plan and Disclosure Statement Contain Overbroad Debtor and Third-Party Releases

a. The Debtor Release and the Third-Party Release

31. Article X.A.1 contains the Debtor Release. Under the Debtor Release, the Debtor, Wind-Down Debtor, and estate release virtually all claims and causes of action they may have against the Released Parties arising out of or relating to the Debtor, the Chapter 11 Case, the sale process, the DIP financing, the Plan, and related transactions through the Effective Date. *See* Plan and Disclosure Statement, Art. X.A.1.

32. Article X.A.2 of the Plan and Disclosure Statement contains the Third-Party Release. Under the Third-Party Release, creditors and other Releasing Parties are deemed to release a similarly broad universe of claims against the Released Parties arising from the Debtor, the Chapter 11 Case, the sale process, financing arrangements, plan negotiations, and implementation of the Plan. *See* Plan and Disclosure Statement, Art. X.A.2.

33. These releases permanently extinguish claims and causes of action held by the estate and by creditors against a broad universe of parties. As such, creditors cannot make an informed judgment concerning the Plan unless the Disclosure Statement clearly identifies the

claims being released, the parties receiving the benefit of those releases, and the consideration supporting them.

b. The Released Parties Are Defined Broadly

34. The definition of "Released Parties" includes the Debtor, the Wind-Down Debtor, the Debtor's directors and officers, the DIP lender, the Plan Administrator, the GUC Trustee, the Committee and its members, the Bond Trustee, the bondholders, and a broad universe of their current and former affiliates, managers, officers, equity holders, advisors, attorneys, accountants, consultants, representatives, employees, and other professionals. *See* Plan and Disclosure Statement, Art. III.A. As drafted, the releases extend far beyond traditional estate fiduciaries and encompass numerous non-debtor parties whose conduct may never have been investigated, litigated, or subjected to creditor scrutiny.

c. The Plan and Disclosure Statement Provide Insufficient Information Regarding the Releases

35. The Plan and Disclosure Statement do not identify any specific claims being released, estimate the value of such claims, or explain what consideration is being provided by each category of Released Parties in exchange for receiving such releases. Adequate information under section 1125 of the Bankruptcy Code requires disclosure sufficient to permit creditors to evaluate the estate's assets and potential causes of action, as well as the consequences of relinquishing those rights. *See, e.g.*, *Krystal Cadillac-Oldsmobile GMC Truck, Inc. v. Gen. Motors Corp.*, 337 F.3d 314, 321–23 (3d Cir. 2003) (holding that section 1125(a)(1) requires a debtor to disclose all known "legal and equitable property interests," including "contingent assets [such] as any cause of action [the debtor] may have") (citing *In re Coastal Plains*, 179 F.3d 197, 208 (5th Cir. 1999)).

36. As a result, creditors are being asked to surrender potentially valuable rights against a broad universe of non-debtor parties without sufficient information to evaluate the nature or value of the claims being relinquished or the adequacy of the consideration allegedly supporting the releases. Without that information, creditors cannot make an informed judgment regarding the proposed releases or meaningfully evaluate the Debtor's recommendation that creditors vote in favor of the Plan.

d. The Opt-Out Structure Relies Upon Deemed Consent

37. The definition of "Releasing Parties" is equally significant because it determines who will be deemed to grant the Third-Party Release. "Releasing Parties" include not only the Released Parties themselves, but also: (i) all creditors who vote to accept the Plan; (ii) creditors who abstain from voting and do not affirmatively opt out; (iii) creditors who vote to reject the Plan but do not affirmatively opt out; and (iv) creditors in classes deemed to accept the Plan who do not affirmatively opt out through the Release Opt-Out Form. *See* Plan and Disclosure Statement, Art. III.A.

38. In other words, a creditor's rejection of the Plan does not prevent that creditor from becoming a Releasing Party. Unless a creditor affirmatively checks the opt-out box and timely submits the appropriate ballot or opt-out form, the creditor will generally be deemed to have granted the Third-Party Release.

39. This framework relies on deemed consent through inaction. Many creditors may reasonably assume that voting against the Plan preserves their claims against non-debtor parties. However, under the proposed Solicitation Procedures, a creditor who rejects the Plan but fails to affirmatively opt out still becomes a Releasing Party and is deemed to release claims against the Released Parties. Likewise, non-voting creditors in Classes 1 and 3 who receive only a Notice of

Non-Voting Status may nevertheless grant releases if they fail to submit an opt-out form. As a result, the effectiveness of the Third-Party Release depends not merely on how creditors vote, but on whether they take the additional step of affirmatively opting out of the release provisions.

40. The Committee is particularly concerned because many creditors are elderly individuals, family members of former residents, or estate representatives who may not be represented by bankruptcy counsel. Under these circumstances, there is a substantial risk that creditors will unintentionally forfeit valuable claims without understanding either the scope of the releases or the consequences of failing to opt out.

41. Accordingly, the Committee objects to approval of the Third-Party Release provisions. At a minimum, the Disclosure Statement and solicitation materials must clearly and prominently disclose that (i) voting against the Plan does not preserve claims against Released Parties; (ii) creditors must affirmatively opt out of the releases; (iii) failure to complete and timely return an opt-out election may result in claims being released; and (iv) the releases extend to bondholders, trustees, insiders, lenders, and numerous other non-debtor parties.

e. The Releases Should Not Be Approved

42. The releases should not be approved at this time because the Debtor has not demonstrated that the releases in favor of the Debtor's officers and directors who served in such capacity during the Chapter 11 Case, the Trustee, the bondholders, or the DIP Lender are necessary, fair, supported by adequate consideration, or accompanied by sufficient disclosures to permit informed consent. Nor has the Debtor identified the claims being released, their potential value, or the consideration being provided by the various Released Parties receiving the benefit of those releases. Accordingly, the Committee submits that the Third-Party Releases should not be

approved absent a consensual resolution with the Committee and a sufficient evidentiary record establishing that the releases are appropriate.

IV. The Debtor Should Not Have Unilateral Authority to Extend Voting and Opt-Out Deadlines.

43. The proposed Solicitation Procedures permit the Debtor, in its sole discretion, to extend the Voting Deadline and Release Opt-Out Deadline. The Committee objects to granting the Debtor unilateral authority over deadlines that directly affect creditor voting rights and release elections. Extensions of such deadlines may materially affect voting outcomes, solicitation efforts, negotiations among stakeholders, and creditor participation.

44. The Committee is a fiduciary for all unsecured creditors and has played a central role throughout this Chapter 11 Case. Given the significance of any extension of voting or release deadlines, the Committee should be included as a consultation party before any such extension is implemented.

45. Accordingly, the Solicitation Procedures should be modified to provide that the Debtor may extend voting or release deadlines only after consultation with the Committee and notice to major parties in interest.

V. The Compressed Solicitation Timeline Deprives Creditors of a Meaningful Opportunity to Evaluate Material Information.

46. The proposed schedule in the Solicitation Motion provides that the Plan Supplement will be filed on July 24, 2026, while ballots and release elections are due on July 31, 2026. As a result, creditors will have only seven days to evaluate material information before voting. This compressed timeline is particularly concerning because the Plan Supplement will contain critically important information presently unavailable to creditors, including "(i) the GUC Trust Agreement, (ii) the identity of the GUC Trustee, (iii) the Plan Administrator Agreement, (iv)

the identity of the Plan Administrator, (v) the Schedule of Retained Causes of Action, and (vi) the Wind-Down Budget, as well as such other information as may be necessary to effectuate the Plan." *See* Solicitation Motion, ¶ 52.

47. These are not ministerial details. Rather, they directly affect creditor recoveries, trust governance, litigation strategy, administrative expenses, and the overall implementation of the Plan. Creditors cannot make an informed decision regarding acceptance or rejection of the Plan without reviewing these materials. Providing only one (1) week to evaluate such information is particularly unreasonable in a case involving a large population of elderly residents and family representatives who often require additional time to review information and consult advisors.

48. Accordingly, the Committee requests that the Voting Deadline and Release Opt-Out Deadline be extended to a date that is no less than fourteen (14) days after the Plan Supplement is filed.

VI. The Committee Should Have a Direct Role in Preparation and Approval of the GUC Trust Agreement.

49. The Plan and Disclosure Statement provide that the GUC Trust will be established pursuant to a GUC Trust Agreement to be filed with the Plan Supplement and entered into by the Debtor and the GUC Trustee. *See* Plan and Disclosure Statement, Art. III.A. The Plan further provides that the Committee will select the GUC Trustee, subject to the Debtor's reasonable consent. *See* Plan and Disclosure Statement, Art. III.A.

50. While the Committee recognizes the value of selecting the GUC Trustee, the Plan and Disclosure Statement do not afford the Committee any formal role in negotiating or approving the GUC Trust Agreement itself. This omission is particularly troubling because the GUC Trust will hold and administer the principal assets designated for the benefit of unsecured creditors, including the GUC Allocation and the Retained Causes of Action.

51. Because the GUC Trust exists exclusively for the benefit of unsecured creditors, the Committee, as the statutory fiduciary for those creditors, should have a direct and meaningful role in negotiating, drafting, and approving the GUC Trust Agreement. The Plan should therefore be modified to require that the GUC Trust Agreement be in form and substance reasonably acceptable to the Committee.

VII. The Plan Is Not Feasible Because It Provides No Dedicated Funding for the GUC Trust.

52. The feasibility of the Plan and Disclosure Statement is further undermined by its failure to provide meaningful funding for operation of the GUC Trust. The GUC Trust is expected to assume responsibility for administering the GUC Allocation, investigating and prosecuting Retained Causes of Action, resolving disputed unsecured claims, making distributions to creditors, preparing reports, retaining professionals, and administering the trust over what may be a multi-year period. Yet the Plan and Disclosure Statement provide no dedicated trust funding mechanism to permit the GUC Trustee to perform these obligations.

53. Indeed, the Plan and Disclosure Statement appear to provide funding mechanisms for the Wind-Down Debtor and Plan Administrator through the Trustee Winddown Reserve and Wind-Down Budget, while leaving the GUC Trustee to perform substantial duties without similar protection or funding. This issue is particularly significant because, as previously noted, many of the potential defendants in causes of action that could be brought by the GUC Trustee will be given broad releases from liability under the Plan. As a result, the Plan not only fails to provide concrete funding for the GUC Trustee, it strips away contingent recoveries that could be available to pay trust expenses and claims. At the same time, the Plan and Disclosure Statement place the burden of investigating and pursuing those claims upon the GUC Trustee without ensuring that sufficient funds exist to perform that work.

54. A liquidating trust cannot effectively function without funding for professionals, litigation expenses, claim reconciliation, tax compliance, and trust administration. The Plan and Disclosure Statement therefore fail to demonstrate a realistic path for implementation of the GUC Trust and distribution of trust assets.

55. Accordingly, the Committee objects to confirmation on feasibility grounds under section 1129(a)(11) of the Bankruptcy Code. The Plan should be amended to require adequate funding for the GUC Trust, including sufficient reserves to allow the GUC Trustee to investigate and prosecute Retained Causes of Action and administer the trust for the benefit of unsecured creditors.

VIII. The Disclosure Statement Fails to Adequately Explain and Protect the GUC Allocation Negotiated for Unsecured Creditors.

56. The Plan and Disclosure Statement acknowledge that, during the sale process, the Committee negotiated an allocation of the incremental auction value for the benefit of unsecured creditors. Specifically, the Plan and Disclosure Statement state that, as a result of the auction negotiations, approximately $7,391,075 (less certain limited closing expenses) was placed in escrow and designated "solely for the benefit of unsecured creditors" and that such amount "shall be used as determined by the Committee." *See* Plan and Disclosure Statement, Art. IV(D)(6). Notwithstanding the significance of this recovery, the Plan and Disclosure Statement fail to provide adequate information concerning the ultimate treatment, administration, preservation, and distribution of this fund.

57. These omissions are particularly significant because the GUC Allocation represents the largest non-litigation source of recovery available to unsecured creditors and was separately negotiated by the Committee as consideration for unsecured creditors during the sale process.

Creditors are entitled to understand whether that value will remain exclusively available for their benefit.

58. Moreover, the Plan and Disclosure Statement create substantial uncertainty regarding the preservation of this allocation. For example, the Plan and Disclosure Statement provide that any allowed Bondholder Diminution Claim shall be paid from the proceeds of Retained Causes of Action before any distributions from those proceeds are made to unsecured creditors. *See* Plan and Disclosure Statement, Art. IV.P. The Plan and Disclosure Statement provide little information regarding the nature, amount, or likelihood of any such diminution claims. As a result, creditors cannot determine whether value negotiated for their benefit may be eroded through post-confirmation disputes.

59. The Committee further objects to the extent the Plan could be construed to permit any party to divert, surcharge, encumber, or otherwise dilute the GUC Allocation that was expressly negotiated and earmarked for unsecured creditors through the sale process. Any plan that alters or impairs the benefit of that negotiated allocation must clearly disclose the proposed treatment and provide supporting legal and factual justification.

60. Accordingly, the Disclosure Statement does not provide adequate information concerning the GUC Allocation and should not be approved unless the Debtor supplements the Plan and Disclosure Statement to address these concerns. Absent such disclosure, holders of General Unsecured Claims cannot make an informed judgment regarding the value of the Plan as required by section 1125 of the Bankruptcy Code.

IX. Unsecured Creditors Should Be Made Aware That the Committee Does Not Support the Plan

61. To the extent the Court approves the Solicitation Motion and authorizes the Debtor to commence solicitation, the Committee requests that the Disclosure Statement, the Solicitation

Package, and such other materials as the Court deems appropriate be modified to include a clear and broad disclaimer that the Committee does not support the Plan in the form attached hereto as **Exhibit A**. This request is reasonable and appropriate under the circumstances where unsecured creditors may have a limited opportunity to review the Solicitation Package and vote on the Plan. *See In re Benefytt Techs., Inc.*, Case No. 23-90566 (CML) (Bankr. S.D. Tex. July 25, 2023) [Docket No. 330] (directing that the solicitation package include a solicitation letter from the Committee).

RESERVATION OF RIGHTS

62. The Committee expressly reserves and preserves all rights to amend, modify, or supplement this Objection at any time and for any reason. The Committee also expressly reserves and preserves all rights to make additional arguments at or prior to any hearing(s) on the Solicitation Motion.

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WHEREFORE, the Committee respectfully requests that the Court enter an order (i) denying interim approval of the Disclosure Statement and solicitation procedures unless the foregoing deficiencies are cured; (ii) requiring supplemental disclosures prior to solicitation; (iii) deny confirmation of the Plan unless modified to address the objections raised herein; and (iv) granting such other and further relief as the Court deems just and equitable.

Dated: July 1, 2026

GREENBERG TRAURIG, LLP

/s/ *James T. Grogan III*

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CERTIFICATE OF SERVICE

I hereby certify that on July 1, 2026, a true and correct copy of the foregoing pleading was served via CM/ECF to all parties authorized to receive electronic notice in this case.

/s/ *James T. Grogan III*
James T. Grogan III

Exhibit A

Disclaimer of the Committee

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Counsel to the Official Committee of Unsecured Creditors

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

In re:	§	Chapter 11
	§	
Buckingham Senior Living Community, Inc.,	§	Case No. 25-80595 (MVL)
	§	
	§	Related to Docket No. 437
Debtor.	§	

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' DISCLAIMER REGARDING DEBTOR'S COMBINED DISCLOSURE STATEMENT AND CHAPTER 11 PLAN OF LIQUIDATION

On June 10, 2026, the Debtor filed the *Debtor's Combined Disclosure Statement and Chapter 11 Plan of Liquidation* [Docket No. 437] (the "Plan" and the "Disclosure Statement," as applicable).

The Official Committee of Unsecured Creditors (the "Committee") does not support the Plan and does not recommend that creditors vote to accept the Plan. The Committee has objected to approval of the Disclosure Statement [Docket No. [•]] and intends to object to confirmation of the Plan because the Committee believes the Plan contains material deficiencies, including issues relating to, among other things, disclosure, solicitation procedures, releases, creditor recoveries, and confirmability. Accordingly, neither the Plan, the Disclosure Statement, the solicitation materials, nor any ballots, notices, release provisions, or other documents distributed in connection therewith should be construed as reflecting the Committee's endorsement of the Plan or a recommendation that creditors vote in favor of the Plan.

The inclusion of the Committee in any such materials likewise should not be interpreted as support for the Plan, the Disclosure Statement, the proposed releases, or the treatment of creditors thereunder.

The Committee expressly reserves all rights to object to confirmation of the Plan, challenge the adequacy of disclosures and solicitation procedures, oppose the proposed releases, and seek such other and further relief as may be appropriate.

Dated: July 1, 2026

GREENBERG TRAURIG, LLP

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