

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re	:	Chapter 11
	:	
CANO HEALTH, INC.,	:	Case No. 24-10164 (KBO)
	:	
Debtor. ¹	:	Re: Docket No. 1492
-----	X	

**CERTIFICATION OF COUNSEL REGARDING ORDER
APPROVING STIPULATION AND AGREEMENT GRANTING DELIA
MORALES COLON LIMITED RELIEF FROM PLAN INJUNCTION**

The undersigned hereby certifies as follows:

1. Beginning on February 4, 2024 (the “**Petition Date**”) Cano Health, Inc. and certain of its subsidiaries (collectively, the “**Debtors**,” and following the Plan Effective Date (as defined below), the “**Reorganized Debtors**”) each commenced with the United States Bankruptcy Court for the District of Delaware (the “**Court**”) a voluntary case under chapter 11 of title 11 of the United States Code.

2. Prior to the Petition Date, Delia Morales Colon (“**Ms. Colon**”) commenced the personal injury action captioned *Delia M. Colon v. Francisco Reyes and Cano Health, LLC*, Case No. 23-CA-000287 (the “**Colon Litigation**”) in the Circuit Court for the State of Florida in and for the County of Hillsborough asserting claims against, among other parties, Debtor Cano Health, LLC.

3. On June 28, 2024, the Court entered an order [Docket No. 1148] (the “**Confirmation Order**”) confirming the *Modified Fourth Amended Joint Chapter 11 Plan of*

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is Cano Health, Inc. (4224) (“**CHI**”). On August 13, 2024, the Court entered an order closing the chapter 11 cases of CHI’s debtor affiliates, (collectively, the “**Closed Case Debtors**”). A complete list of the Closed Case Debtors may be obtained on the website of the Reorganized Debtor’s claims and noticing agent at <https://veritaglobal.net/canohealth>. The Reorganized Debtor’s mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.



Reorganization of Cano Health, Inc. and Its Affiliated Debtors [Docket No. 1125] (including any exhibits, schedules, and supplements thereto and as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the “**Plan**”). On the same day (the “**Plan Effective Date**”), the effective date of the Plan occurred. *See* Docket No. 1152.

4. Section 10.5 of the Plan and Paragraph 31 of the Confirmation Order establish the “**Plan Injunction**,” which supersedes the automatic stay in most respects and expressly prohibits (1) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind with respect to any prepetition claims against the Debtors or Reorganized Debtors, and (2) any effort to enforce, collect, or recover on any judgment based on any prepetition claims.

5. On October 15, 2024, Ms. Colon filed *Delia Morales Colon’s Motion for Relief from Plan Injunctions* [Docket No. 1492] (the “**Lift Stay Motion**”), in which Ms. Colon sought, among other things, limited relief from the Plan Injunction to prosecute the Colon Litigation, in part against, one or more of the Debtors, solely to recover against any available insurance policies.

6. The Reorganized Debtors and Ms. Colon have agreed to resolve the Lift Stay Motion and modify the Plan Injunction as more fully described in that certain *Stipulation and Agreement Granting Delia Morales Colon Limited Relief from Plan Injunction* (the “**Stipulation**”).

7. A proposed form of order approving the Stipulation is attached hereto as **Exhibit 1** (the “**Proposed Order**”). A true and correct copy of the Stipulation is attached to the Proposed Order as **Exhibit A**.

WHEREFORE, the Reorganized Debtors respectfully request entry of the Proposed Order, substantially in the form attached hereto as **Exhibit 1**, at the earliest convenience of the Court.

Dated: November 5, 2024
Wilmington, Delaware

/s/ Amanda R. Steele

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Exhibit 1

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re	X	
	:	Chapter 11
	:	
CANO HEALTH, INC.,	:	Case No. 24–10164 (KBO)
	:	
Debtor. ¹	:	Re: Docket No. 1492
	X	

**ORDER APPROVING STIPULATION AND AGREEMENT GRANTING DELIA
MORALES COLON LIMITED RELIEF FROM PLAN INJUNCTION**

Upon consideration of the *Stipulation and Agreement Granting Delia Morales Colon Limited Relief from Plan Injunction*, attached hereto as **Exhibit A** (the “**Stipulation**”), entered into by and between Cano Health, Inc. and the Closed Case Debtors (collectively, the “**Reorganized Debtors**,” and prior to the Plan Effective Date,² the “**Debtors**”) and Delia Morales Colon (“**Ms. Colon**”), resolving *Delia Morales Colon’s Motion for Relief from Plan Injunctions* [Docket No. 1492], and this matter being submitted on consent; and the Court having jurisdiction to consider the Stipulation pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having determined that the Stipulation is in the best interest of the Reorganized Debtors, the Debtors’ estates, and their creditors; and after due deliberation and sufficient cause appearing therefore,

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is Cano Health, Inc. (4224) (“**CHI**”). On August 13, 2024, the Court entered an order closing the chapter 11 cases of CHI’s debtor affiliates, (collectively, the “**Closed Case Debtors**”). A complete list of the Closed Case Debtors may be obtained on the website of the Reorganized Debtor’s claims and noticing agent at <https://veritaglobal.net/canohealth>. The Reorganized Debtor’s mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

² Capitalized terms used but not herein defined have the meanings ascribed to them in the Stipulation.

IT IS HEREBY ORDERED THAT

1. The Stipulation is hereby approved in its entirety in accordance with its terms and is incorporated herein by this reference.
2. Immediately upon the entry of this Order, the Stipulation shall become effective. Without limiting the foregoing, no stay of this Order shall be in effect, including but not limited to any stay contemplated under Fed.R.Bankr.P. 4001(a)(3).
3. The Reorganized Debtors and Ms. Colon are authorized to take any and all actions reasonably necessary to implement and effectuate the terms of the Stipulation.
4. This Court retains jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

EXHIBIT A

Stipulation

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re	X	
	:	Chapter 11
	:	
CANO HEALTH, INC.,	:	Case No. 24–10164 (KBO)
	:	
Debtor. ¹	:	Re: Docket No. 1492

**STIPULATION AND AGREEMENT GRANTING DELIA MORALES
COLON LIMITED RELIEF FROM PLAN INJUNCTION**

Cano Health, Inc. and the Closed Case Debtors (collectively, the “**Reorganized Debtors**” and, prior to the Plan Effective Date (as defined below), the “**Debtors**”) and Delia Morales Colon (“**Ms. Colon**,” and collectively with the Reorganized Debtors, the “**Parties**”), by and through their respective undersigned counsel, hereby enter into this stipulation (this “**Stipulation**”) and stipulate as follows:

RECITALS

A. **WHEREAS**, beginning on February 4, 2024 (the “**Petition Date**”), the Debtors each commenced with the Bankruptcy Court for the District of Delaware (the “**Court**”) a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

B. **WHEREAS**, prior to the Petition Date, Delia Morales Colon (“**Ms. Colon**”) commenced the personal injury action captioned *Delia M. Colon v. Francisco Reyes and Cano Health, LLC*, Case No. 23-CA-000287 (the “**Colon Litigation**”) asserting claims (the

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is Cano Health, Inc. (4224) (“**CHI**”). On August 13, 2024, the Court entered an order closing the chapter 11 cases of CHI’s debtor affiliates, (collectively, the “**Closed Case Debtors**”). A complete list of the Closed Case Debtors may be obtained on the website of the Reorganized Debtor’s claims and noticing agent at <https://veritaglobal.net/canohealth>. The Reorganized Debtor’s mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

“**Claims**”) against, among other parties, Debtor Cano Health, LLC, allegedly arising in connection with a motor vehicle accident (the “**Incident**”).

C. **WHEREAS**, on June 28, 2024, the Court entered an order [Docket No. 1148] (the “**Confirmation Order**”) confirming the *Modified Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and Its Affiliated Debtors* [Docket No. 1125] (including any exhibits, schedules, and supplements thereto and as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the “**Plan**”). On the same day (the “**Plan Effective Date**”), the effective date of the Plan occurred. *See* Docket No. 1152.

D. **WHEREAS**, section 10.5 of the Plan and Paragraphs 31 and 32 of the Confirmation Order establish the “**Plan Injunction**,” which supersedes the automatic stay in most respects and expressly prohibits (1) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind with respect to any prepetition claims against the Debtors or Reorganized Debtors, and (2) any effort to enforce, collect, or recover on any judgment based on any prepetition claims.

E. **WHEREAS**, on October 15, 2024, Ms. Colon filed *Delia Morales Colon’s Motion for Relief from Plan Injunctions* [Docket No. 1492] (the “**Lift Stay Motion**”), in which Ms. Colon sought, among other things, limited relief from the Plan Injunction to prosecute the Colon Litigation, in part against, one or more of the Debtors, solely to recover against any available insurance policies.

F. **WHEREAS**, the Parties have agreed, subject to approval of the Court, to resolve the Lift Stay Motion and modify the Plan Injunction for the limited purpose of allowing Ms. Colon to prosecute the Colon Litigation, nominally against the Debtors to recover, if at all,

solely from any available proceeds under the Debtors' insurance policies, subject to the terms and conditions set forth below.

STIPULATION

NOW, THEREFORE, UPON THE FOREGOING RECITALS, WHICH ARE INCORPORATED AS THOUGH FULLY SET FORTH HEREIN, IT HEREBY IS STIPULATED AND AGREED, BY AND AMONG THE PARTIES THAT:

1. This Stipulation shall have no force or effect unless and until approved by the Court (the approval date being the "**Stipulation Effective Date**").

2. Upon the Stipulation Effective Date, and except as otherwise provided herein, the Plan Injunction shall be modified for the limited purpose and solely to the extent necessary to permit Ms. Colon to prosecute the Colon Litigation nominally against the Debtors to recover, if at all, solely from any available proceeds under the Debtors' insurance policy number 02CSES74100 (the "**Insurance Policy**") issued by The Hartford Insurance Group (the "**Insurer**"), or any other applicable insurance policy; *provided that*, all other provisions of the Plan Injunction, including, without limitation, those provisions prohibiting the commencement or continuation of any judicial proceeding against the Debtors or Reorganized Debtors that was or could have been commenced prior to the Petition Date, and those provisions prohibiting any act to collect, assess, or recover a claim that arose prior to the Petition Date from the respective estates and/or assets or property of any of the Debtors or Reorganized Debtors, shall remain in full force and effect; *provided, further*, that nothing herein shall require the Reorganized Debtors to participate or otherwise expend any resources, financial or otherwise, in the Colon Litigation, or defend or pay defense costs, including, without limitation, costs associated with discovery conducted in connection with the Colon Litigation without further order of the Court.

3. Notwithstanding ¶ 2 of this Stipulation, pursuant to section 8.5(d) of the Plan, to the extent the Insurance Policy or any other insurance policy from which Ms. Colon seeks a recovery has a self-insured retention, retained limit, deductible, or similar provision (a “SIR”) Ms. Colon shall have an allowed Non-RSA GUC Claim against the Debtors solely up to the amount of the SIR that may be established upon any amount awarded to Ms. Colon in the Colon Litigation. Such SIR shall be considered satisfied pursuant to the Plan through allowance of the Non-RSA GUC Claim solely in the amount of the applicable SIR, if any, and treatment of such claim as set forth in the Plan. Nothing herein obligates the Debtors or the Reorganized Debtors to otherwise satisfy any SIR under the Insurance policy or any other insurance policy. Notwithstanding the foregoing, to the extent that any insurer is required to pay first-dollar-out coverage on Ms. Colon’s claims, nothing in this Stipulation shall affect such requirement.

4. In consideration of the foregoing modification of the Plan Injunction solely on the terms and conditions set forth herein, as of the Stipulation Effective Date, and except as otherwise provided herein, Ms. Colon hereby agrees to waive without prejudice: (i) any right to recover on account of any claim or cause of action that has been or could have been asserted against the Debtors prior to the date hereof, including the Colon Litigation, and exclusively shall be limited to obtaining any recovery in the Colon Litigation against the Insurance Policy or any other applicable insurance policies held by the Debtors or Reorganized Debtors and allowance of the Non-RSA GUC Claim and treatment of such claim as set forth in the Plan described in ¶ 3 hereof; (ii) any right to recovery for contractual, indemnity, retention, and contribution claims against the Debtors or Reorganized Debtors arising from or related to the Colon Litigation; (iii) any right to recovery related to the Colon Litigation against any party (other than the Insurer) to the extent such a party may assert indemnification or contribution claims against the Debtors

or Reorganized Debtors that are not treated as prepetition general unsecured claims; (iv) any claims that have been or may be filed or scheduled against any of the Debtors or Reorganized Debtors, including, but not limited to, any claims arising from, or related to, or in connection with the Colon Litigation or the Incident, except as other described in ¶ 3 hereof; and (v) any right (if any) to receive any distribution under the Plan.

5. On the Stipulation Effective Date, any motion filed by or on behalf of Ms. Colon that seeks to lift the Plan Injunction, including the Lift Stay Motion, shall be deemed satisfied by the relief set forth herein and any order approving this Stipulation.

6. Nothing contained in this Stipulation is intended to be or shall be construed as (i) a waiver by the Debtors or Reorganized Debtors of any claims or causes of action that may exist against any creditor or interest holder, (ii) an approval, assumption, or rejection of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code, or (iii) a waiver by the Debtors or Reorganized Debtors of their right to object to any and all proofs of claim relating to any action that has been or may be filed by Ms. Colon in the chapter 11 cases of the Debtors, except for the claim described in ¶ 3 hereof. Nothing contained in this Stipulation shall be construed, applied, or interpreted to change the terms of the Plan or the Confirmation Order in any respect. The limited relief set forth in this Stipulation shall not be construed as an admission of liability by the Debtors or Reorganized Debtors or their affiliates regarding any claim or cause of action arising from or in relation to the Colon Litigation or any other matter.

7. In the event that the terms of this Stipulation are not approved by the Court, it shall be null and void and have no force or effect, and the Parties agree that, in such

circumstances, this Stipulation (including statements in the Recitals) shall be of no evidentiary value whatsoever in any proceedings.

8. Notwithstanding the applicability of Bankruptcy Rule 4001(a)(3), the terms and provisions of this Stipulation immediately shall be effective and enforceable upon the Stipulation Effective Date, no stay shall be in effect, including but not limited to any stay contemplated under Fed.R.Bankr.P. 4001(a)(3), and shall thereafter be binding upon the Parties hereto and their respective affiliates and successors, including the Reorganized Debtors, their successors in interest, and assigns, including, without limitation, any trustee in bankruptcy.

9. This Stipulation shall constitute the entire agreement and understanding of the Parties relating to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter hereof.

10. Each of the undersigned who executes this Stipulation by or on behalf of a Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation on behalf of such Party.

11. This Stipulation may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation to present any copies, electronic copies, or facsimiles signed by the Parties here to be charged.

12. This Stipulation shall not be modified, altered, amended, or vacated without the written consent of both Parties hereto or by order of the Court.

13. This Stipulation shall be governed by, and construed in accordance with, the laws of the State of Delaware, except to the extent that the Bankruptcy Code applies, without

regard to principles of conflicts of law that would require the application of laws of another jurisdiction.

14. The Court shall retain jurisdiction to resolve any disputes or controversies arising from this Stipulation.

IN WITNESS WHEREOF, this Stipulation has been executed and delivered as of the day and year first below written.

Dated: November 5, 2024

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