IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	Chapter 11
MODIVCARE INC., *et al.*,	Case No. 25-90309 (ARP)
Debtors.[1]	(Jointly Administered)

MOTION OF DEBTORS FOR ENTRY OF AN ORDER
<u>EXTENDING THE TIME FOR DEBTORS TO UPDATE BUSINESS FORMS</u>

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at https://ecf.txsb.uscourts.gov/ within twenty-one days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within twenty-one days from the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

ModivCare Inc. and its debtor affiliates in the above-captioned cases, as debtors and debtors in possession (collectively, the "***Debtors***"), respectfully state as follows in support of this motion (this "***Motion***"):

RELIEF REQUESTED

1. By this Motion, the Debtors hereby seek entry of an order, substantially in the form attached hereto (the "***Order***"), extending the October 14, 2025 deadline established by paragraph 18 of the *Final Order (A) Authorizing Debtors to (I) Continue Existing Cash Management System, (II) Maintain Existing Business Forms, and (III) Continue Intercompany Transactions; and (B)*

[1] A complete list of each of the Debtors in these chapter 11 cases (the "***Chapter 11 Cases***") and the last four digits of each Debtor's taxpayer identification number (if applicable) may be obtained on the website of the Debtors' claims and noticing agent at https://www.veritaglobal.net/ModivCare. Debtor ModivCare Inc.'s principal place of business and the Debtors' service address in these Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1100 & 1200, Denver, Colorado 80237.

Granting Related Relief [Docket No. 388] (the "***Final Cash Management Order***")[2] for the Debtors to update certain electronic Business Forms to be labeled with "Debtor In Possession" (the "***Business Forms Deadline***"), by 45 days through and including November 28, 2025, without prejudice to the Debtors' right to seek further extensions of the Business Forms Deadline.

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the Southern District of Texas (the "***Court***") has jurisdiction to consider this Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and the Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested herein are section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "***Bankruptcy Code***"), rule 9006(b) of the Federal Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***"), rule 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the "***Bankruptcy Local Rules***"), and the Procedures for Complex Cases in the Southern District of Texas.

BACKGROUND

4. On August 20, 2025 (the "***Petition Date***"), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code. The Chapter 11 Cases are jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

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[2] Capitalized terms used but not defined herein have the meanings given to them in the Final Cash Management Order.

5. On September 5, 2025, the U.S. Trustee appointed an official committee of unsecured creditors [Docket No. 124]. No request for the appointment of a trustee or an examiner has been made in the Chapter 11 Cases.

6. The factual background regarding the Debtors, including their business, their capital structure, and the events leading to the commencement of the Chapter 11 Cases is set forth in the *Declaration of Chad J. Shandler in Support of Chapter 11 Petitions and First Day Relief* [Docket No. 14] filed on the Petition Date.

7. On September 29, 2025, the Court entered the Final Cash Management Order which, among other things, established the Business Forms Deadline.

8. The Business Forms Deadline requires the Debtors to "use reasonable efforts to ensure . . . electronic Business Forms are labeled 'Debtor In Possession' within fifteen (15) days following entry of [the Final Cash Management Order] . . . ." Final Cash Management Order, ¶ 18. The Final Cash Management Order further provides that the establishment of the Business Forms Deadline is without prejudice to the Debtors seeking additional extensions of the Business Forms Deadline, including by entering into a written stipulation with the U.S. Trustee regarding such deadline extension. *Id.*

<u>EFFORTS TO COMPLY WITH THE BUSINESS FORMS DEADLINE</u>

9. Since the Petition Date, the Debtors have been working diligently to ensure their Cash Management System complies with all requirements set forth in the cash management orders entered in the Chapter 11 Cases, including the Final Cash Management Order. However, despite the Debtors' diligent efforts, given the complexity of the Debtors' Cash Management System applicable to the 71 Debtors in the Chapter 11 Cases, it is taking the Debtors longer than anticipated to coordinate getting their applicable Business Forms in compliance as set forth in the Final Cash

Management Order. Accordingly, for the reasons set forth below, the Debtors request more time to achieve Business Form compliance as contemplated therein.

10. More specifically, to date, the Debtors have worked to resolve issues that were complicating compliance with the Business Forms Deadline. One issue being that the Debtors' various software programs utilized in the ordinary course of business were incorrectly linking certain of the Debtors' Business Forms with case numbers assigned to different Debtor entities in the Chapter 11 Cases – thereby making the debtor-in-possession designations required by the Final Cash Management Order incorrect. The Debtors resolved this issue by developing a formula to accurately associate the applicable Debtor's chapter 11 case number with such Debtor's accounts from which payments are being made.

11. Notwithstanding this development, additional issues persist and further efforts requiring coordination across the Debtors' organization and with the Debtors' Banks and other third parties is necessary to achieve comprehensive Business Form compliance. To this end, the Debtors' financial advisor, FTI Consulting, Inc., and employees are coordinating on these additional compliance-related efforts for their Business Forms which include, but are not limited to, evaluating and changing the Debtors' check and direct deposit templates, and communicating both internally and externally with numerous parties regarding the changes that need to be made to their various electronic Business Forms. Indeed, these coordination efforts have identified a risk that, to the extent certain Business Forms suffer from even the smallest of formatting issues, the Debtors may not receive revenues associated with such improperly formatted Business Forms. Should this risk become a reality, the Debtors would face significant business disruption. Accordingly, the Debtors are proceeding cautiously and submit that the efforts needed to ensure

their Business Forms are in compliance with the terms of the Final Cash Management Order should not be rushed.

12. Further, with respect to certain of the Debtors' business lines, upon initial evaluation, the labeling of "Debtors in Possession" on certain electronic forms may prove not to be possible and may fall outside the "reasonable efforts" compliance contemplated by the Final Cash Management Order. Again, the Debtors need more time to evaluate such issues. The Debtors estimate that these additional compliance related efforts pertaining to their various electronic Business Forms may take at least a month longer to effectively implement, to the extent applicable. In light of the forgoing, the Debtors submit that an extension of the Business Forms Deadline by 45 days, through and including November 28, 2025, is warranted.

13. Before filing the Motion, the Debtors reached out to counsel for the U.S. Trustee requesting an extension of the Business Forms Deadline by stipulation, as contemplated by paragraph 18 of the Final Cash Management Order, but did not receive a response.[3] Consequently, the Debtors and the U.S. Trustee have been unable to agree on a further extension of the Business Forms Deadline by stipulation at this time. Accordingly, the Debtors have filed this Motion to allow sufficient time to comply with the Business Forms Deadline or otherwise reach agreement with the U.S. Trustee.

BASIS FOR RELIEF

14. Section 105(a) of the Bankruptcy Code provides that the Court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code]." 11 U.S.C. § 105(a). Pursuant to Bankruptcy Rule 9006(b)(1), "when an act

[3] It is the Debtors' understanding that the lack of response from counsel for the U.S. Trustee is due to the shutdown of the United States federal government, which began on October 1, 2025. As of the filing of this Motion, the federal shutdown remains ongoing and the Debtors have been unable to attempt to consensually resolve with counsel for the U.S. Trustee the Business Forms Deadline extension requested herein.

is required or allowed to be done at or within a specific period . . . by order of the court, the court for cause may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefore is made before the expiration of the period originally prescribed." Fed. R. Bankr. P. 9006(b).

15. As stated above, the Court entered the Final Cash Management Order, which contains the requirements imposed by the Business Forms Deadline established therein, pursuant to several provisions of the Bankruptcy Code, including sections 105(a), 345, 363(b)(1), 363(c)(1), 364(a), and 1107(a). The entry of the Order will ensure that the Final Cash Management Order's requirements continue to be enforced while balancing the Debtors' need for more time to comply, which was a scenario expressly contemplated by the Final Cash Management Order. *See* Final Cash Management Order, ¶ 18 ("the Debtors shall use reasonable efforts to ensure that such electronic Business Forms are labeled "Debtor In Possession" within fifteen (15) days following entry of this Final Order, *without prejudice to seeking an additional extension of such deadline. The Debtors may obtain a further extension* of the 15-day time period referenced in this paragraph *by entering into a written stipulation with the U.S. Trustee and filing such stipulation on the Court's docket without the need for further Court order*").

16. As described more fully above, the Debtors are putting forth the efforts necessary to reasonably comply with the Business Forms Deadline, as contemplated by the Final Cash Management Order, but need more time to carry out their further efforts. Accordingly, the Debtors submit that entry of the Order is appropriate and necessary.

NOTICE

17. Notice of this Motion will be given to the parties on the Debtors' Master Service List and all parties that have requested or that are required to receive notice pursuant to Bankruptcy

Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

18. A copy of this Motion is available on (a) the Court's website, at www.txs.uscourts.gov, and (b) the website maintained by the Debtors' claims and noticing agent, Kurtzman Carson Consultants, LLC d/b/a Verita Global, at https://www.veritaglobal.net/ModivCare.

[*Remainder of page intentionally left blank*]

WHEREFORE, the Debtors respectfully request that the court enter the Order, granting the relief requested herein and such other relief as is just and proper.

Dated: October 14, 2025
Houston, Texas

Respectfully submitted,

/s/ Timothy A. ("Tad") Davidson II

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Attorneys for the Debtors and Debtors in Possession

CERTIFICATE OF SERVICE

I certify that on October 14, 2025, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties registered to receive electronic notices.

/s/ Timothy A. ("Tad") Davidson II
Timothy A. ("Tad") Davidson II

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	:	Chapter 11
MODIVCARE INC., *et al.*,	:	Case No. 25-90309 (ARP)
Debtors.[1]	:	(Jointly Administered)

ORDER EXTENDING THE TIME FOR DEBTORS
TO UPDATE BUSINESS FORMS
[Relates to Docket No. ___]

Upon the motion (the "***Motion***")[2] of the above-captioned debtors (the "***Debtors***") for entry of an order (this "***Order***") extending the Business Forms Deadline, as more fully set forth in the Motion; and the Court having reviewed the Motion; and the Court having jurisdiction to consider the Motion; and the relief requested therein in accordance with 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and the Court having determined that there is good and sufficient cause for the relief granted in this order, it is hereby

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1 A complete list of each of the Debtors in these chapter 11 cases (the "***Chapter 11 Cases***") and the last four digits of each Debtor's taxpayer identification number (if applicable) may be obtained on the website of the Debtors' claims and noticing agent at https://www.veritaglobal.net/ModivCare. Debtor ModivCare Inc.'s principal place of business and the Debtors' service address in these Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1100 & 1200, Denver, Colorado 80237.

2 Capitalized terms used but not defined herein have the meanings given to them in the Motion.

ORDERED, ADJUDGED AND DECREED THAT:

1. The Business Forms Deadline is extended through and including November 28, 2025.

2. Except as expressly set forth in this Order, all terms and conditions of the Final Cash Management Order remain in full force and effect.

3. This Order is without prejudice to the ability of the Debtors and the U.S. Trustee to agree to further extensions of the Business Forms Deadline or to seek further relief from the Court, including waiving further compliance with the Business Forms Deadline, to the extent that an agreement cannot be reached.

4. The terms and conditions of this Order are immediately effective and enforceable upon its entry.

5. The Debtors are authorized to take all actions necessary or appropriate to implement the relief granted in this Order in accordance with the Motion.

6. The Court retains jurisdiction regarding the implementation, interpretation and enforcement of this Order.

Signed: ____________, 2025

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UNITED STATES BANKRUPTCY JUDGE