

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§ Chapter 11
	§
NEIGHBORS LEGACY HOLDINGS,	§ Case No. 18-33836-11 (MI)
INC., <i>et al.</i> , ¹	§
	§
Debtors.	§

UNSECURED CREDITOR TRUSTEE'S MOTION FOR ENTRY
OF AN ORDER (I) TERMINATING THE UNSECURED CREDITOR TRUST,
(II) AUTHORIZING POST-TERMINATION WIND-DOWN ACTIVITIES,
(III) DISCHARGING THE TRUSTEE AND OVERSIGHT COMMITTEE,
(IV) AUTHORIZING DESTRUCTION OF THE TRUST BOOKS
AND RECORDS, AND (V) GRANTING RELATED RELIEF

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.

A HEARING WILL BE CONDUCTED ON THIS MATTER ON DECEMBER 10, 2025 AT 10:00 AM IN COURTROOM 404, 4th FLOOR, 515 RUSK, HOUSTON, TEXAS 77002. YOU MAY PARTICIPATE IN THE HEARING EITHER IN PERSON OR BY AN AUDIO AND VIDEO CONNECTION.

AUDIO COMMUNICATION WILL BE BY USE OF THE COURT'S DIAL-IN FACILITY. YOU MAY ACCESS THE FACILITY AT 832-917-1510. ONCE CONNECTED, YOU WILL BE ASKED TO ENTER THE CONFERENCE ROOM NUMBER. JUDGE ISGUR'S CONFERENCE ROOM NUMBER IS 954554. VIDEO COMMUNICATION WILL BE BY USE OF THE GOTOMEETING PLATFORM.

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at www.veritaglobal.net/neighbors. The location of Debtors' principal place of business and the Debtors' service address was: 10800 Richmond Avenue, Houston, Texas 77042.



CONNECT VIA THE FREE GOTOMEETING APPLICATION OR CLICK THE LINK ON JUDGE ISGUR'S HOME PAGE. THE MEETING CODE IS "JUDGE ISGUR". CLICK THE SETTINGS ICON IN THE UPPER RIGHT CORNER AND ENTER YOUR NAME UNDER THE PERSONAL INFORMATION SETTING.

HEARING APPEARANCES MUST BE MADE ELECTRONICALLY IN ADVANCE OF BOTH ELECTRONIC AND IN-PERSON HEARINGS. TO MAKE YOUR APPEARANCE, CLICK THE "ELECTRONIC APPEARANCE" LINK ON JUDGE ISGUR'S HOME PAGE. SELECT THE CASE NAME, COMPLETE THE REQUIRED FIELDS AND CLICK "SUBMIT" TO COMPLETE YOUR APPEARANCE.

Mark Shapiro, solely in his capacity as the Unsecured Creditor Trustee (the "Trustee") of the Unsecured Creditor Trust (the "Trust") established pursuant to the confirmed *First Amended Joint Plan of Liquidation of Neighbors Legacy Holdings, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 772] (the "Plan") of the above-captioned debtors (collectively, the "Debtors") filed in the above-captioned Chapter 11 cases (the "Chapter 11 Cases"), files this motion (the "Motion") seeking entry of an order in a form substantially similar to that attached hereto as **Exhibit B** (the "Proposed Order") in accordance with the Plan Documents (defined below) (i) terminating the Trust, (ii) authorizing the Trustee's post-termination wind-down activities, (iii) discharging the Trustee and Oversight Committee from duties, obligations, and liability under the Plan Documents and Distribution Order, (iv) authorizing destruction of the Trust's books and records three (3) years after termination of the Trust, and (v) granting related relief. Pursuant to section 4.8 of the Trust Agreement (defined below), the Trustee submits the *Unsecured Creditor Trustee's Certification Regarding Disputed Claims and Unsecured Creditor Trust Assets*, attached hereto as **Exhibit A** (the "Certification") and, in support of the Motion, respectfully states as follows:

SUMMARY OF RELIEF REQUESTED²

1. The Trust is one of two trusts established by the Plan – the other trust is the Liquidating Trust, which has been terminated pursuant to the Plan by prior Order of the Bankruptcy Court. The Oversight Committee was established pursuant to the Trust Agreement to oversee the administration of the Trust.

2. The Trustee was appointed pursuant to the Plan as the exclusive trustee of the Trust Assets and was tasked with, among other things, to pursue and resolve Retained Causes of Action; reconcile, object to and resolve Class 4 General Unsecured Claims including Disputed Claims, pay Trust obligations and taxes, if any, and make distributions of the Trust Assets to Holders of Allowed Class 4 General Unsecured Claims.

3. As described below, all Claims have been reconciled and either Allowed or Disallowed and all Disputed Claims have been disposed of. Further, with the exception of a reserve for fees and expenses to be incurred in winding down the Trust, all Trust Assets have been distributed to Allowed Class 4 General Unsecured Claims in accordance with the Plan, Confirmation Order, Trust Agreement, and Distribution Order. Other than the relief sought by this Motion and certain limited administrative steps required to effectuate such relief and wind down the Trust, the Trustee submits that he has fulfilled all obligations under the Plan Documents.

4. The Plan provides that the Trust may be terminated, either after the Bankruptcy Court has entered a final order closing the Debtors' Chapter 11 Cases, or if the Trustee has administered all the Trust Assets and performed all duties required by the Plan and Trust Agreement.³ The Trust is not requesting a Court order closing the Chapter 11 Cases and granting

² Capitalized terms used in this section are defined either above or below this section. Capitalized terms not otherwise defined in this document shall have the meaning ascribed to them in the Plan.

³ See Plan, Art. V.R.

a final decree, as that function is within the sole purview of the Liquidating Trust and not this Trust.⁴ However, the Trustee has administered all the Trust Assets and performed all duties required by the Plan Documents, subject to certain administrative wind-down activities, and the Plan provides that the Trustee may continue winding up the affairs of the Trust, even after termination of the Trust.

5. Accordingly, the Trustee believes all conditions have been met for the relief requested herein and requests entry of the Proposed Order terminating the Trust; authorizing the Trustee to take all necessary actions to wind down the Trust; and discharging the Trustee, Oversight Committee, and their respective directors, affiliates, employees, employers, agents, professionals, and representatives, from duties, obligations, and liabilities under the Plan Documents.

6. Finally, the Plan requires the Trustee to retain the Trust Books and Records for three (3) years after the termination of the Trust, therefore, the Trustee will hold the Trust Books and Records for such period, and requests authorization to dispose of the Trust Books and Records after such three-year period, without further order of the Court.

JURISDICTION AND VENUE

7. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

8. The predicates for the relief sought herein are sections 105, 1141 and 1142 of Title 11 of the United States Code (the “Bankruptcy Code”), Rules 3020 and 9013 of the Federal Rules

⁴ Plan, Art. V.F.

of Bankruptcy Procedure, Rule 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas, and the Procedures for Complex Chapter 11 Cases in the Southern District of Texas.

BACKGROUND

A. GENERAL BACKGROUND

9. On July 12, 2018, Neighbors Legacy Holdings, Inc. and fifty of its affiliates and subsidiaries each commenced a case by filing a petition for relief under Chapter 11 of the Bankruptcy Code.

10. On February 20, 2019, the Debtors filed the Plan and, on March 22, 2019, the Court entered that certain *Order Approving Debtors' Second Amended Disclosure Statement and Confirming Debtors' First Amended Joint Plan of Liquidation of Neighbors Legacy Holdings, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 847] (the "Confirmation Order"), confirming the Plan.

11. The Confirmation Order approved the appointment of Marc Shapiro to serve as Unsecured Creditor Trustee from and after the Effective Date of the Plan.⁵

12. On April 8, 2019 (the "Effective Date"),⁶ the Plan became effective and the Trust, as governed by that certain Unsecured Creditor Trust Agreement (the "Trust Agreement" and, together with the Plan and Confirmation Order, the "Plan Documents"), was also created and effective. A copy of the Trust Agreement was attached as Exhibit B to the *Notice of Filing Plan Supplement in Support of First Amended Joint Plan of Liquidation of Neighbors Legacy Holdings, Inc. and its Debtor Affiliates under Chapter 11 of the Bankruptcy Code* filed on March 15, 2019 [Docket No. 802].

⁵ See Confirmation Order, ¶ 17.

⁶ See Docket No. 862.

13. The Plan created two trusts to facilitate the wind-down of the Debtors: the Trust, which is responsible for administering and distributing the Unsecured Creditor Trust Assets (the “Trust Assets”) for the benefit of Allowed Class 4 General Unsecured Claims (the Trustee of which is the movant herein), and the Liquidating Trust, which is responsible for all other Claims and assets.⁷

14. The Liquidating Trust is also responsible for undertaking “all administrative functions of the Chapter 11 Cases that are not granted to the Unsecured Creditor Trustee, including the ultimate closing of the Chapter 11 Cases;” therefore, the Trustee is not requesting in this Motion that this Court close the Chapter 11 Cases and grant a final decree, as that function is solely within the purview of the Liquidating Trustee.⁸

15. The Liquidating Trustee was authorized to terminate the Liquidating Trust and perform post-termination wind-down activities pursuant to the Liquidating Trustee’s motion and this Court’s *Order Authorizing the Liquidating Trustee to Take all Necessary Actions to Terminate the Liquidating Trust* entered on September 8, 2023 [Docket No. 1251].

16. According to the Plan, the Trust was originally scheduled to terminate on April 8, 2024, however, pursuant to this Court’s *Order (I) Approving Unsecured Creditor Trustee’s Motion for Entry of an Order Extending Duration of Unsecured Creditor Trust* [Docket No. 1269], the duration of the Trust was first extended for one year, to April 8, 2025.⁹ Pursuant to the Court’s

⁷ See Plan, Art. V.

⁸ Plan, Art. V.F. The closing of the Chapter 11 Cases is not among the powers, rights, and responsibilities granted to the Unsecured Creditor Trust. See Plan, Art. V.G. See also Trust Agreement, § 10.1 (a) (“[N]either this [Trust] Agreement nor the continued existence of the Unsecured Creditor Trust shall prevent the Debtors or Liquidating Trust from closing the Chapter 11 Cases pursuant to section 350 of the Bankruptcy Code and obtaining a final decree pursuant to Bankruptcy Rule 3022.”).

⁹ Pursuant to Article V of the Plan:

The Plan Trusts shall have an initial term of five (5) years from the Effective Date, provided however, that, if warranted by the facts and circumstances, and subject to the approval of the Court, upon a finding that an

Order Granting Unsecured Creditor Trustee's Second Motion for Entry of an Order Extending Duration of Unsecured Creditor Trust [Docket No. 1281] (the "Second Extension Order"), the Trust is now set to expire on April 8, 2026.

17. Pursuant to Article 4 of the Trust Agreement, an Oversight Committee was established and such Oversight Committee has been involved in overseeing the administration of the Trust and the pursuit of applicable causes of actions and claim objections from time to time, as requested by the Trustee.¹⁰

B. LIQUIDATION OF THE TRUST ASSETS

18. Pursuant to the Plan, the Trust was initially funded by the Debtors with a transfer of \$275,000, to be used primarily for administration of the Trust.¹¹ In addition, the Trust was transferred various Retained Causes of Action, which included claims against directors and officers (some of which was covered by insurance).¹² The Debtors' accounts receivable were not included in the Retained Causes of Action, as those were transferred to the Liquidating Trust.¹³ Further, while avoidance actions were transferred to the Trust, most traditional avoidance actions did not exist, as the Debtors essentially operated on a COD basis prior to the filing of the Petitions.

extension of the term of either Plan Trust is necessary to accomplish the purpose of the respective Plan Trust, the applicable Plan Trustee shall be authorized to extend the Plan Trust for six (6) months or longer provided that such extension is approved by the Bankruptcy Court within six (6) months of the beginning of such extended term.

Plan, Art. V.R

¹⁰ See Trust Agreement, § 4.4.

¹¹ See Plan, Art. V.D and Trust Agreement, § 1.5.

¹² See Plan, Art. V.D.

¹³ See Plan, Art. I.A.122 & 139.

19. Among the Retained Causes of Action pursued by the Trustee were claims against directors and officers and the Trustee has completed the pursuit of all causes of action that he, along with the Oversight Committee, has deemed advisable to pursue. In some cases, the pursuit of causes of action was done using special counsel retained on a contingency basis.

20. As a result of the pursuit of the Retained Causes of Action and insurance policies, the Trustee recovered on behalf of the Trust a net amount (after contingency fees and litigation expenses) of approximately \$1.8 million.

C. CLAIMS RECONCILIATION AND DISTRIBUTION TO TRUST BENEFICIARIES

21. As stated above, the Plan Documents appointed the Trustee to, among other things, pursue and resolve Retained Causes of Action, “reconcile, object to and resolve issues involving Class 4 Claims,” pay Trust obligations and taxes, and make Distributions to Holders of Allowed Class 4 Claims.¹⁴

22. The deadline to file objections to claims was extended from time to time through December 31, 2020.¹⁵

23. The official claims register, prepared and maintained by the Debtors’ claims agent, reflects that over 1,700 proofs of claim were filed against the Debtors’ estates, and that such claims, coupled with the claims scheduled by the Debtors, represented in the aggregate in excess of \$1.5 billion in unsecured, non-priority claims (collectively, the “Claims”).

24. Since the Effective Date, the Trustee and his advisors worked diligently to reconcile and object to Claims and have, among other things, (i) reviewed the Claims, including any supporting documentation filed together with any proof of claim, (ii) successfully obtained

¹⁴ See Plan, Art. V.G. The Plan provides that “[e]ach Holder of a Class 4 General Unsecured Claim shall receive its Pro Rata share of the Unsecured Creditor Trust Interests.” Plan, Art. III.C.4.

¹⁵ See Docket Nos. 1005, 1032, 1064, 1099, 1151.

disallowance of multiple General Unsecured Claims on various grounds including that such Claims were duplicate Claims or were late-filed Claims, (iii) objected to multiple additional Claims resulting in a significant modification of those Claims, (iv) informally objected to multiple additional Claims resulting in a significant reduction of those Claims by way of stipulation or claim withdrawal, and (v) held periodic meetings with the Oversight Committee to review operations and discuss administration of the Trust. Several of the larger Claims were resolved by litigation and/or settlement, including litigation that was pursued by the Liquidating Trust against holders of asserted Class 4 Claims.

25. As described above, the Trust completed the claims reconciliation and allowance process disposing of all Disputed Claims and, based on those efforts, there remained approximately \$65 million in Allowed Class 4 Claims within the purview of the Trust (exclusive of the Prepetition Deficiency Claim) – down from the initial \$1.5 billion in Claims.

26. Pursuant to the *Unsecured Creditor Trustee's Motion for Entry of an Order (I) Approving Proposed Allowed Class 4 General Unsecured Claims; (II) Authorizing Distributions to Allowed Class 4 General Unsecured Claims According to the Proposed Procedures; (III) Authorizing the Reversion to the Trust of Undeliverable or Unclaimed Distributions; and (IV) Granting Related Relief* [Docket No. 1283] (the “Distribution Motion”) and the order granting the Distribution Motion [Docket No. 1288] (the “Distribution Order”), on January 17, 2025, the Trust made a distribution of the first \$1,000,000.00 from the Trust Assets on a Pro Rata basis in final satisfaction of the Allowed Class 4 General Unsecured Claims listed in the Distribution Table attached to the Distribution Order.

27. In accordance with the Plan Documents and Distribution Order, on October 27, 2025, the Trust also made a distribution to the Holder of the Prepetition Deficiency Claim of the

remaining Trust Assets and the Reverted Funds (defined in the Distribution Motion), less fees, expenses and a reserve necessary to wind down the trust, in final satisfaction of the Prepetition Deficiency Claim by causing a wire payment to be made in the total amount of \$30,623.65 to the Holder of the Prepetition Deficiency Claim.

28. On November 4, 2025, the Trust filed the *Unsecured Creditor Trustee's Notice of (I) Distribution to Allowed Class 4 General Unsecured Claims; (II) Reversion to the Trust of Undeliverable and Unclaimed Distributions; and (III) Distribution of Reverted Funds to Prepetition Deficiency Claim Holder* [Docket No. 1297] (the "Distribution Notice") providing notice that, among other things, the distribution had been made to Allowed Class 4 General Unsecured Claims listed in the Distribution Table and a distribution had been made to the Prepetition Deficiency Claim Holder. The Distribution Notice also listed all Reverted Funds from undelivered or unclaimed Property and all De Minimis Funds from De Minimis Beneficiaries (defined in the Distribution Notice) who had failed to submit their tax information to the Trust, which funds had collectively reverted to the Trust pursuant to the Plan Documents and Distribution order. Claimants were further notified that, in accordance with the Distribution Order, the Trustee had determined in his reasonable discretion that it was not economically feasible to make a distribution of the Reverted Funds to the Holders of the largest Allowed Class 4 Claims, therefore, pursuant to the Distribution Procedures set forth in the Distribution Motion, the Trustee had made a distribution of the Reverted Funds to the Prepetition Deficiency Claim Holder.

29. The Trustee expects to incur additional costs and expenses in connection with the wind-down of the Trust, after which he will make a donation (in accordance with the Trust Agreement and Distribution Order, as further provided in footnote 19, *infra*) of any remaining funds in the Trust to a non-religious charitable organization benefitting cancer research.

BASIS FOR RELIEF

A. TERMINATION OF THE TRUST

30. As described above, the duration of the Trust has been extended twice and, pursuant to the Second Extension Order, the Trust is set to terminate on April 8, 2026.

31. The Plan provides that the Trust may be terminated earlier if (a) the Court has entered a final order closing the Chapter 11 Cases pursuant to Bankruptcy Code § 350(a); *or* the Trustee has administered all the Trust Assets and performed all duties required by the Plan and the Trust Agreement.¹⁶

32. As indicated above, the Plan granted to the Liquidating Trust the administrative function of closing the Chapter 11 Cases, therefore, the Trustee by this Motion is not requesting the Court to enter an order closing the cases.¹⁷ However, since all Trust Assets have been fully administered and distributed and all Trust duties have been performed, with the exception of the remaining administrative tasks necessary to wind down the Trust and the final donation of unused fee and expense reserve amounts to a charitable organization, the Trustee believes all conditions have been met under the Plan Documents and Distribution Order and seeks an order of this Court terminating the Trust.

B. WINDING DOWN THE TRUST

33. Upon the termination of the Trust, the Trustee and the Trust's professionals will be required to perform certain post-termination activities required by the Trust Agreement to wind

¹⁶ See Plan, Art. V.R. It should be noted that although section 10.1(b) of the Trust Agreement permits the Trust to be terminated only after the Court has closed the Chapter 11 Cases *and* the Trustee has administered all the Trust assets and performed all duties under the Plan Documents; the language of the Plan is controlling on this issue (requiring only one of the two conditions) because the Trust Agreement states in section 1.4 that, to the extent there is a conflict between the provisions of the Plan and the Trust Agreement, the Plan shall have controlling effect over the Trust Agreement. See Trust Agreement, § 1.4.

¹⁷ See Plan, Art. V.F.(j).

down the Trust, such as filing the final tax return, retaining the Trust Books and Records for three years, and performing other administrative acts (collectively, the “Wind-Down Activities”).

34. Plan Article V.S (*Wind Down of Plan Trusts*), provides, in relevant part, as follows:

After the termination of each of the Plan Trusts and for the purpose of liquidating and winding down the affairs of the Plan Trusts, the Plan Trustees shall continue to act as such over their respective Plan Trust until their duties have been fully performed. Prior to the final Distribution of the remaining Plan Trusts’ Assets, the Plan Trustees shall be entitled to reserve from the Plan Trusts’ Assets any and all amounts required to provide for their own reasonable costs and expenses, in accordance with the terms of the Plan Trusts’ Agreements, until such time as the winding down of the Plan Trusts is completed.¹⁸

35. As described above, the Plan, Trust Agreement, and Distribution Order allow the Trustee to reserve necessary funds to terminate and wind down the Trust, therefore, the Trustee seeks approval to reserve approximately \$38,000 to pay for Wind-Down Activities. After paying the costs and expenses of the Wind-Down Activities, the Trustee will make a donation of any remaining Trust Assets, including any remaining reserve amounts, to a qualifying charitable organization benefitting cancer research in accordance with the Trust Agreement and Distribution Order.¹⁹

36. Accordingly, the Trustee seeks authorization to perform the Wind-Down Activities upon termination of the Trust and, since the Trust Agreement allows the Wind-Down Activities to

¹⁸ Plan, Art. V.S. *See also* Trust Agreement, § 10.2 (procedures for continuance of Trust after Trust termination for purposes of liquidating and winding up the affairs of the Trust); and Distribution Order, ¶ 4.

¹⁹ Section 10.1(c) of the Trust Agreement provides:

If at any time the Trustee determines that the expense of administering the Unsecured Creditor Trust is likely to exceed the value of the remaining Unsecured Creditor Trust Assets, the Trustee may (i) donate any balance to a non-religious charitable organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, that is unrelated to the Debtors and any insider of the Debtors and (ii) dissolve the Unsecured Creditor Trust. If the aims or purposes of any charities satisfying the conditions of clause (i) above relate to benefitting cancer research, then the Trustee shall choose any recipients of any donations from among such charities.

Trust Agreement, § 10.1(c). *See also* Distribution Order, ¶ 4.

be performed after the termination of the Trust, there is no reason to keep the Trust open and it should be terminated as of the date of this Court's entry of the Proposed Order.

C. DISCHARGE OF THE TRUSTEE AND OVERSIGHT COMMITTEE

37. Section 10.2 of the Trust Agreement provides “[e]xcept as otherwise specifically provided herein, upon the termination of the Unsecured Creditor Trust, the Trustee shall have no further duties or obligations hereunder.”²⁰

38. Further, section 4.8 (*Termination of the Oversight Committee*) of the Trust Agreement provides:

Upon the certification by the Trustee that all Disputed Claims have been disposed of and all Unsecured Creditor Trust Assets have been distributed, abandoned or otherwise disposed of, the members of the Oversight Committee shall resign their positions, whereupon they shall be discharged from further duties and responsibilities.²¹

In accordance with the Trust Agreement, the Trustee submits the Certification attached hereto as **Exhibit A** certifying that all Disputed Claims²² have been disposed of and all Trust Assets have been distributed, abandoned or otherwise disposed of in accordance with the Plan Documents and Distribution Order.

39. Accordingly, since only the Wind-Down Activities remain, the Trust requests that the members of the Oversight Committee shall be deemed to have resigned their positions effective upon entry of the Proposed Order terminating the Trust and, further, the Trust seeks a discharge of the Trustee, the Oversight Committee, and their respective directors, affiliates, employees, employers, agents, professionals, and representatives from any further duties, obligations, and liabilities under the Plan Documents upon entry of the Proposed Order.

²⁰ Trust Agreement, § 10.2.

²¹ Trust Agreement, § 4.8.

²² The Plan defines a “Disputed Claim” as any Claim that has not yet been allowed. *See* Plan, Art. I.A. (42).

D. DESTRUCTION OF TRUST RECORDS

40. The Trust Agreement provides in section 10.2 that, after termination of the Trust, “the Trustee shall retain for a period of three years the books, records, lists of the Unsecured Creditor Trust Beneficiaries, the Trust Register, and other documents and files that have been delivered to or created by the Trustee” (collectively, the “Trust Books and Records”).²³

41. Further, the Confirmation Order provides that the Trustee “shall be authorized to take any action as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan, whether or not specifically referred to in the Plan or any exhibits or supplement thereto, without further order of the Court except as specifically required.”²⁴ Therefore, although the Plan and Trust Agreement do not specifically state that the Trust Books and Records may be disposed of after three years after termination of the Trust, the Trustee submits that this is implied by the Plan and Trust Agreement language and is authorized by the Confirmation Order as an action necessary or appropriate to effectuate the terms of the Plan and Trust Agreement.

42. Accordingly, consistent with the Plan Documents, the Trustee seeks authority to dispose of the Trust Books and Records after three (3) years after the termination of the Trust.

43. The Trustee, in the exercise of his business judgment and upon consultation with the Trust’s professionals, believes the relief sought herein is reasonable, fair and equitable, and is in the best interests of the Unsecured Creditor Trust Beneficiaries.

²³ Trust Agreement, § 10.2. *See also* Plan, Art. V.S.

²⁴ Confirmation Order, § 17.

NOTICE

44. Notice of this Motion will be given to: (a) Holders of asserted and scheduled Class 4 General Unsecured Claims, and/or their counsel of record, if any; (b) the U.S. Trustee; (c) the Debtors through their counsel of record; (d) the Liquidating Trustee and/or her counsel of record; and (e) those parties registered to receive electronic notification via the Court's CM/ECF noticing system. The Trustee respectfully submits that such notice is sufficient and proper under the circumstances and that no other or further notice is required.

CONCLUSION

WHEREFORE, based on the foregoing, the Trustee respectfully requests that the Court: (a) grant this Motion; (b) enter the Proposed Order in a form substantially similar to the form attached hereto as **Exhibit B** and (c) grant such other and further relief as may be just and proper under the circumstances.

Dated: November 4, 2025

Respectfully submitted,

By: /s/ Ayala A. Hassell

Michael D. Warner (TX Bar No. 00792304)

Ayala A. Hassell (TX Bar No. 01009800)

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***Counsel for Mark Shapiro, Unsecured
Creditor Trustee***

CERTIFICATE OF SERVICE

I hereby certify that on November 4, 2025, a true and correct copy of the above and foregoing was caused to be served through this Court's CM/ECF noticing system to all parties registered to receive notices in these cases.

/s/ Ayala A. Hassell
Ayala A. Hassell

EXHIBIT A

CERTIFICATION OF TRUSTEE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§ Chapter 11
	§
NEIGHBORS LEGACY HOLDINGS, INC., <i>et al.</i> , ¹	§ Case No. 18-33836-11 (MI)
	§
Debtors.	§

UNSECURED CREDITOR TRUSTEE'S CERTIFICATION REGARDING
DISPUTED CLAIMS AND UNSECURED CREDITOR TRUST ASSETS

I, Mark Shapiro, solely in my capacity as the Unsecured Creditor Trustee (the “Trustee”) of the Unsecured Creditor Trust (the “Trust”) established pursuant to the confirmed *First Amended Joint Plan of Liquidation of Neighbors Legacy Holdings, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 772] (the “Plan”) of the above-captioned debtors (collectively, the “Debtors”), in connection with the *Unsecured Creditor Trustee’s Motion for Entry of an Order (I) Terminating the Unsecured Creditor Trust, (II) Authorizing Post-Termination Wind-Down Activities, (III) Discharging the Trustee and Oversight Committee, (IV) Authorizing Destruction of the Trust Books and Records, and (V) Granting Related Relief* (the “Motion”) hereby certify as follows:

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at www.veritaglobal.net/neighbors. The location of Debtors’ principal place of business and the Debtors’ service address was: 10800 Richmond Avenue, Houston, Texas 77042.

1. All Disputed Claims² have been disposed of and, subject to the reserve amounts and the Wind-Down Activities described in the Motion, all Unsecured Creditor Trust Assets have been distributed, abandoned or otherwise disposed of.

Pursuant to 28 U.S.C. § 1746, I certify under penalty of perjury that the facts set forth in the foregoing certification are true and correct to the best of my knowledge, information, and belief.

Dated: November 4, 2025

/s/ Mark Shapiro

Mark Shapiro
Senior Managing Director
B. Riley Advisory Services

²Capitalized terms not otherwise defined in this document shall have the meaning ascribed to them in the Plan.

EXHIBIT B

PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE: NEIGHBORS LEGACY HOLDINGS, INC., <i>et al.</i>,¹ Debtors.	§ § § § § §	Chapter 11 Case No. 18-33836-11 (MI)
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**ORDER GRANTING UNSECURED CREDITOR TRUSTEE’S MOTION
FOR ENTRY OF AN ORDER (I) TERMINATING THE UNSECURED
CREDITOR TRUST, (II) AUTHORIZING POST-TERMINATION
WIND-DOWN ACTIVITIES, (III) DISCHARGING THE TRUSTEE AND
OVERSIGHT COMMITTEE, (IV) AUTHORIZING DESTRUCTION OF
THE TRUST BOOKS AND RECORDS, AND (V) GRANTING RELATED RELIEF**

(Related Docket No. ____)

Upon the Motion (the “Motion”) by the Unsecured Creditor Trustee (the “Unsecured Creditor Trustee”) of the Unsecured Creditor Trust (the “Trust”), established pursuant to the confirmed Plan² of the above-captioned debtors (collectively, the “Debtors”), seeking entry of an order (this “Order”) in accordance with the Plan, Confirmation Order, and Trust Agreement, (i) terminating the Trust, (ii) authorizing the Trustee’s post-termination Wind-Down activities, (iii) discharging the Trustee and Oversight Committee from duties, obligations, and liability under the Plan, Confirmation Order, Trust Agreement, and Distribution Order (iv) authorizing destruction of the Trust’s books and records three years after termination of the Trust, and (v) granting related relief; and upon the Certification of the Trustee; and this Court having jurisdiction over this matter

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at www.veritaglobal.net/neighbors. The location of Debtors’ principal place of business and the Debtors’ service address was: 10800 Richmond Avenue, Houston, Texas 77042.

² Unless otherwise noted, the capitalized terms herein shall have the definitions ascribed to them in the Motion or the Plan Documents.

pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this 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 this Court having found that the Unsecured Creditor Trustee's notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and it appearing that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, **IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED as set forth herein.
2. The Trust is hereby terminated and the Trustee is hereby discharged from all duties under the Plan, Confirmation Order, Trust Agreement, and Distribution Order without further order of this Court.
3. The members of the Oversight Committee are hereby deemed to have resigned their positions and the Trustee, the Oversight Committee, and their respective directors, affiliates, employees, employers, agents, professionals, and representatives are hereby discharged and released from any and all duties, obligations, and liabilities under or related to the Plan, Confirmation Order, Trust Agreement, and Distribution Order except as may be expressly provided for herein.
4. The Trustee and the Trust's professionals are hereby authorized to take such actions after the termination of the Trust as may be necessary or appropriate to effectuate the final wind-down of the Trust and perform the Wind-Down Activities as described in the Motion; and, in accordance with the Plan, Trust Agreement, and Distribution Order, the Trustee is authorized to

reserve sufficient funds, estimated to be approximately \$38,000, to pay for such actions and Wind-Down Activities.

5. Upon three (3) years after the termination of the Trust, the Trustee is hereby authorized, but not required, to destroy or otherwise dispose of the books, records, lists of the Beneficiaries, the registry of claims and Beneficiaries, and other Trust documents and files that have been delivered to, created by, maintained by, or in the possession of, the Trustee.

6. The Trustee, the Debtors, the claims agent, and the Clerk of the Court are authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this Order in accordance with the Motion.

7. The terms and conditions of this Order will be immediately effective and enforceable upon its entry.

8. This Court retains exclusive jurisdiction and power to enforce this Order or resolve any dispute arising from or related to this Order.

Dated: _____, 2025

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE