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Hearing Date and Time: March 18, 2015 at 10:00 a.m.  
Objection Deadline: March 11, 2015 at 4:00 p.m.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

SOUND SHORE MEDICAL CENTER OF  
WESTCHESTER, et al.

Chapter 11  
Case No. 13-22840 (rdd)

Debtors.

(Jointly Administered)

-----X  
**NOTICE OF MOTION FOR ORDER APPROVING  
OMNIBUS CLAIM OBJECTION PROCEDURES**

PLEASE TAKE NOTICE that upon the Motion of Sound Shore Medical Center of Westchester, and certain of its debtor affiliates, as debtors and debtors-in-possession (each a "**Debtor**" and collectively, the "**Debtors**") dated January 28, 2015, for an Order, pursuant to Section 105(a) of the Bankruptcy Code and Rule 3007 of the Federal Rules of Bankruptcy Procedure approving certain claim objection procedures, a hearing will be held before the Honorable Robert D. Drain, United States Bankruptcy Judge for the Southern District of New York, at the United States Bankruptcy Court, Southern District of New York, 300 Quarropas Street, White Plains, New York 10601 on the 18<sup>th</sup> day of March 2015 at 10:00 o'clock in the forenoon of that day, or as soon thereafter as counsel can be heard, to consider the entry of an Order approving the relief requested in the Motion and granting such other and further relief as is just and proper.

PLEASE TAKE FURTHER NOTICE, that objections to the relief requested shall be made in writing, shall state with particularity the grounds for the objection, and shall be filed with the Bankruptcy Court, in electronic format, by utilizing the Court's electronic case filing system at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov), or if the same cannot be filed electronically, by manually filing same with the Clerk of the Court together with a cd-rom containing same in Word,

Wordperfect or pdf format, with a hard copy provided to the Clerk's Office at the Bankruptcy Court for delivery to the Chambers of the Honorable Robert D. Drain and upon (i) Garfunkel Wild, P.C., 111 Great Neck Road, Great Neck, New York 11021, attention Burton S. Weston, Esq., Afsheen A. Shah, Esq., and Adam T. Berkowitz, Esq., counsel for the Debtors; (ii) Alston & Bird, LLP, 90 Park Avenue, New York, New York 10016, Attn: Martin G. Bunin, Esq. and Craig E. Freeman, Esq., counsel to the official committee of unsecured creditors; (iii) Togut, Segal and Segal, One Penn Plaza, New York, New York 10019, attention Frank Oswald, Esq., counsel to Montefiore Medical Center; and (iv) Office of the United States Trustee, 201 Varick Street, Room 1006, New York, New York 10014, Attn: Susan Golden, Esq., so as to be received no later than March 11, 2015 at 4:00 p.m.

**PLEASE TAKE FURTHER NOTICE** that the hearing on the Motion may be adjourned without further notice except as announced in open court on the Hearing Date, or at any adjourned hearing.

Dated: Great Neck, New York  
January 28, 2015

Respectfully submitted,

By: 

\_\_\_\_\_  
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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

SOUND SHORE MEDICAL CENTER OF  
WESTCHESTER, et al.<sup>1</sup>

Debtors.

Chapter 11  
Case No. 13-22840 (rdd)

(Jointly Administered)  
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**MOTION FOR ORDER APPROVING  
OMNIBUS CLAIM OBJECTION PROCEDURES**

Sound Shore Medical Center of Westchester ("SSMC"), and its debtor affiliates (each a "Debtor" and together, the "Debtors") respectfully move this Court for entry of an order approving omnibus claim objection procedures as described below, which will allow the Debtors to include certain claims in an omnibus objection notwithstanding the limitations imposed by Federal Rule of Bankruptcy Procedure 3007 ("Rule 3007"). In support of this motion (the "Motion"), the Debtors state as follows:

**SUMMARY OF RELIEF REQUESTED**

1. By this Motion, the Debtors request the entry of an order, pursuant to section 105(a) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 3007 of the

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital (0115), Howe Avenue Nursing Home, Inc., d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), The M.V.H. Corporation (1514) and New Rochelle Sound Shore Housing, LLC (0117). There are certain additional affiliates of the Debtors who are not debtors and have not sought relief under Chapter 11.

Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), substantially in the form annexed hereto as Exhibit A, approving certain claim objection procedures intended to streamline the claims process and conserve the estates' resources (the "Claims Objection Procedures").

### JURISDICTION

2. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (0). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### BACKGROUND

3. On May 29, 2013 (the "Petition Date"), each Debtor filed with this Court a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to administer their affairs as debtors-in-possession.

4. On June 10, 2013, the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Committee"). [Docket No. 67] The Committee has engaged and is represented by Alston & Bird LLP as its counsel. No trustee or examiner has been appointed in this case.

5. On July 25, 2013, the Court entered an Order establishing September 16, 2013 as the general deadline (the "General Bar Date") for the filing of Proofs of Claim against the Debtors' estates (the "General Bar Date Order"). [Dkt. No. 194]. The General Bar Date Order also established November 25, 2013 as the deadline for governmental units to file any such proofs of claim.

6. To date, a total of 861 (including 94 that have unliquidated unsecured amounts claimed) general unsecured claims (the "Unsecured Claims") have been filed against the

Debtors' estates asserting an aggregate liability of \$657 million. The Debtors intend to file objections to certain of the Unsecured Claims in accordance with the Claim Objection Procedures set forth herein.

7. On December 13, 2013, an Order was entered establishing January 31, 2014 at 4:00 p.m. as the deadline for filing administrative claims against the Debtors' estates (the "Administrative Bar Date Order"). [Dkt. No. 490]

8. Thus far, approximately 459 (including 45 that have unliquidated administrative amounts claimed) administrative claims (the "Administrative Claims") have been asserted against the Debtors' estates with an aggregate asserted liability which purportedly exceeds \$100 million. The Debtors also intend to file objections to certain Administrative Claims in accordance with the Claim Objection Procedures set forth herein.

9. On November 6, 2014, the Court entered its Findings of Fact, Conclusions of Law and Order Confirming First Amended Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Sound Shore Medical Center of Westchester, *et al.*

#### **RELIEF REQUESTED**

10. As part of the claims administration process, the Debtors have been reviewing all filed Unsecured Claims and Administrative Claims to determine whether objections should be filed as to any of the asserted claims. Section 502(a) of the Bankruptcy Code provides that a "claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest...objects." 11 U.S.C. § 502(a).

11. Based on the Debtors' ongoing review of the filed claims and a comparison thereof to the Debtors' books and records, the Debtors believe that the claims include, among other things, invalid, overstated, misclassified and/or otherwise objectionable claims and that many of such claims should be eliminated or reduced in accordance with the

Debtors' books and records. In short, the Debtors believe that the amounts of many of the administrative claims, as asserted, are significantly overstated.

12. The Debtors anticipate filing multiple objections to disputed Unsecured Claims and Administrative Claims and believe that, given the large number of claims that have been filed against the Debtors' estates and the estates' extremely limited resources, it would be most cost-effective and efficient to group claim objections together in omnibus claim objections. However, Rule 3007 prohibits the filing of a single objection to multiple claims "[u]nless otherwise ordered by the court or permitted by subdivision (d)." Fed. R. Bankr. P. 3007(c).

13. Rule 3007(d) would only allow joinder if disallowance of all claims is requested, in whole or in part, because (i) they are duplicative of other claims; (ii) they have been filed in the wrong case; (iii) they have been amended by subsequently filed proofs of claim; (iv) they are untimely; (v) they have been satisfied or released; (vi) they were presented in a form that does not comply with applicable rules, and the objector is unable to determine the validity of the claim because of non-compliance; (vii) they are interests, rather than claims; or (viii) they assert priority in an amount that exceeds the maximum amount under § 507 of the Bankruptcy Code. Fed. R. Bankr. P. 3007(d).

14. As stated above, various claims to which Debtors intend to object, including, without limitation, claims filed in amounts and/or classified in a manner inconsistent with the Debtors' books and records, do not fit within any of the categories for joinder stated in Rule 3007(d). Preparing and filing individual pleadings for each objection not specifically set forth in Bankruptcy Rule 3007(d) would be time consuming and costly, and create an undue burden for the Debtors and their estates. Therefore, the Debtors request that this Court allow the Debtors to file omnibus objections without regard to the category restrictions imposed by

Rule 3007(d). Permitting the Debtors to file objections in an omnibus motion on grounds in addition to those set forth in Bankruptcy Rule 3007(d) will ease the administrative burden on the Court and the administrative and financial burden on the Debtors' estate. Moreover, this Court is allowed to lift the restrictions of Rule 3007(d) pursuant to Rule 3007(c).

15. Accordingly, the Debtors request that, in addition to the grounds enumerated in Bankruptcy Rule 3007(d), that they, and other parties in interest, be permitted to file Omnibus Objections seeking reduction, reclassification, or disallowance of claims on one or more of the following additional grounds (the "Additional Permitted Grounds"):

- (a) the amount claimed contradicts the Debtors' books and records;
  - (b) the claims were incorrectly classified;
  - (c) the claims seek recovery of amounts for which the Debtors are not liable;
- and
- (d) the claims do not include sufficient documentation to ascertain the validity of such claim.

16. If such relief is granted, the Debtors will comply with the following other requirements for omnibus objections stated in Rule 3007(e):

- (a) state in a conspicuous place that claimants receiving the objection should locate their names and claims in the objection;
- (b) list claimants alphabetically, provide a cross-reference to claim numbers, and, if appropriate, list claimants by category of claims;
- (c) state the grounds for the objection to each claim;
- (d) state in the title that the objection is filed by the Debtors;
- (e) number omnibus objections by the Debtors consecutively; and

(f) include no more than 100 claims in any one omnibus objection.

See Fed. R. Bankr. P. 3007(e). The Debtors also will comply with the requirements for objections to claims set forth in Local Bankruptcy Rule 3007-1 and otherwise do their best to make the objections clear and understandable to the relevant claim holders by, among other things, grouping similar claims together.

17. In sum, the Debtors request that this Court approve their filing of omnibus claim objections without regard to the category restrictions of Rule 3007(d), but in accordance with the above-listed requirements of Rule 3007(e).

#### **BASIS FOR RELIEF REQUESTED**

18. Bankruptcy Rule 3007(c) provides that this Court can modify the requirements for filing Omnibus Objections. In addition, section 105(a) of the Bankruptcy Code provides, in pertinent part, 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). Under section 105(a), the Court has expansive equitable power to fashion any order or decree that is in the interest of preserving or protecting the value of a debtor’s assets. See, e.g., *Chinichian v. Campolongo (In re Chinichian)*, 784 F.2d 1440, 1443 (9th Cir. 1986) (“Section 105 sets out the power of the bankruptcy court to fashion orders as necessary pursuant to the purposes of the Bankruptcy Code.”) (citations omitted); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1069 (2d Cir. 1983) (“[A] bankruptcy judge must have substantial freedom to tailor his orders to meet differing circumstances.”).

19. Authorizing the Debtors to file Omnibus Objections on the Additional Permitted Grounds set forth above is an appropriate use of the Court’s power under section 105 and is consistent with the purpose of Bankruptcy Rule 3007, which is intended to protect the due



process rights of creditors while allowing for the efficient administration of large cases. Allowing the Debtors to file Omnibus Objections to 100 claims at a time on the Additional Permitted Grounds will not prejudice the rights of creditors. Bankruptcy Rule 3007(e) already allows the Debtors to file Omnibus Objections to no more than 100 claims, albeit on other grounds, and the Debtors will comply with Bankruptcy Rule 3007 in all other respects to preserve the due process rights of each creditor.

20. Furthermore, the filing of numerous individual claim objections is likely to materially delay the claims resolutions process, and, ultimately, the closure of these cases and distributions to the estates' creditors. Accordingly, the Debtors request that they be authorized to file Omnibus Objections on the Additional Permitted Grounds.

21. The Debtors reserve the right to seek modification of the Claims Objection Procedures as may be appropriate.

#### **NOTICE**

22. Notice of this Motion has been given to: (i) the Office of the United States Trustee; (ii) the Committee; and (iii) all parties required to be served pursuant to the Case Management Order, entered on June 4, 2013. In light of the nature of the relief requested herein, the Debtors submit that no further notice of the Motion is necessary or required.

#### **NO PRIOR REQUEST**

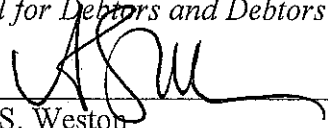
23. No prior request for the relief sought in this Motion has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request that this Court enter the proposed order annexed hereto as Exhibit A allowing the filing of omnibus claim objections without regard to the category restrictions of Rule 3007(d), but in accordance with the above-listed

requirements of Rule 3007(e), and grant such other relief as is appropriate and just.

Dated: January 28, 2015  
Great Neck, New York

GARFUNKEL WILD, P.C.  
*Counsel for Debtors and Debtors in Possession*

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**Exhibit A**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re:

SOUND SHORE MEDICAL CENTER OF  
WESTCHESTER, et al.<sup>2</sup>

Chapter 11  
Case No. 13-22840 (rdd)

Debtors.

(Jointly Administered)

-----X

**ORDER APPROVING OMNIBUS CLAIM OBJECTION PROCEDURES**

Upon the motion of Sound Shore Medical Center of Westchester ("SSMC"), and its debtor affiliates (each a "Debtor" and together, the "Debtors") for entry of an order approving omnibus claim objection procedures (the "Motion"); and the Court having jurisdiction to consider the Motion and the relief requested therein; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors and all parties-in-interest in these Chapter 11 cases; and it appearing that notice of the Motion was adequate and proper; and it appearing that no other or further notice need be given; and upon the Motion and the entire record of the proceedings before the Court; and after due deliberation and sufficient cause therefor, it is hereby

ORDERED, that the Motion is granted; and it is further

ORDERED, that the Debtors are hereby authorized to file omnibus objections to claims as requested in and on the terms set forth in the Motion, notwithstanding the limitations imposed by Federal Rule of Bankruptcy Procedure 3007; and it is further

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<sup>2</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital (0115), Howe Avenue Nursing Home, Inc., d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), The M.V.H. Corporation (1514) and New Rochelle Sound Shore Housing, LLC (0117). There are certain additional affiliates of the Debtors who are not debtors and have not sought relief under Chapter 11.

ORDERED, that this Court shall retain jurisdiction with respect to any matters related to or arising from the implementation of this Order.

Dated: \_\_\_\_\_  
White Plains, New York

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HON. ROBERT D. DRAIN  
United States Bankruptcy Judge