UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: COLD SPRING ACQUISITION, LLC, d/b/a COLD SPRING HILLS CENTER FOR NURSING & REHABILITATION, Debtor.	Case No. 25-22002 (SHL) Chapter 11
M&T BANK, Plaintiff, v. COLD SPRING ACQUISITION, LLC, d/b/a COLD SPRING HILLS CENTER FOR NURSING & REHABILITATION, Defendant.	Adv. Pro. No. 25-07011 (SHL)

ORDER APPROVING SETTLEMENT AGREEMENT AND DISMISSING ADVERSARY PROCEEDING

Upon consideration of the motion, dated February 3, 2026 (the "Motion"), of Cold Spring Acquisition, LLC, d/b/a Cold Spring Hills Center for Nursing & Rehabilitation, the above-captioned debtor and debtor-in-possession (the "Debtor"), pursuant to Rules 7041 and 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for an order: (i) approving that certain December 11, 2025 *Settlement Agreement and Limited Release* executed by and between M&T Bank ("M&T") and Debtor, a true and correct copy of which being attached hereto as **Exhibit 1** (the "Proposed Settlement")[1]; and (ii) dismissing the instant Adversary Proceeding; and

[1] Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Proposed Settlement.

upon consideration of the evidence admitted and all objections, if any, to the Motion having been withdrawn, resolved, or overruled on the merits; and this Court having considered the legal and factual bases for the relief requested in the Motion; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED THAT:

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such; and

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.

C. Venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and

D. Proper, sufficient, and adequate notice of the Motion and the hearing on the Motion have been given in accordance with title 11 of the United States Code (the "Bankruptcy Code"), and the Bankruptcy Rules, and no other or further notice is necessary; and

E. The Debtor has consulted with the Official Committee of Unsecured Creditors appointed in the Debtor's chapter 11 case regarding the proposed Settlement; and

F. The Proposed Settlement includes limited releases by M&T and the Debtor for claims that were, or could have been, asserted in the Adversary Proceeding; and

G. The Proposed Settlement and the transactions, compromises, and releases provided therein are reasonable and appropriate under the circumstances, and the Debtor has demonstrated both: (i) good, sufficient, and sound business purposes and justification for the Proposed

Settlement and the transactions, compromises, and releases provided therein; and (ii) compelling circumstances for approval of the Proposed Settlement pursuant to Bankruptcy Rule 9019; and

H. Based upon the evidence and arguments, this Court has weighed the probability of success in the Adversary Proceeding, the complexity of the litigation involved therein, and the expense, inconvenience, and delay necessarily attending to it. This Court has also taken into account the paramount interest of creditors and, based on all of the foregoing, has determined that the relief requested in the Motion is fair and equitable, in the best interests of the Litigation Trust, and should be approved in all respects; and

I. In the absence of the Proposed Settlement, the Debtor faces litigation expense, risk, and delay. The Proposed Settlement resolves the disputes alleged in the Adversary Proceeding without the need for additional and uncertain litigation; and

J. The terms of the Proposed Settlement and the transactions, compromises, and releases provided therein were negotiated and agreed to by the Debtor and M&T, each of whom was represented by competent counsel, in good faith, without collusion, and as a result of arm's-length bargaining.

THEREFORE, IT IS HEREBY ORDERED, DETERMINED, ADJUDGED, AND DECREED THAT:

1. The Proposed Settlement is approved.

2. The Debtor and M&T are each authorized to take such steps and actions as may be necessary or appropriate to implement the terms of the Proposed Settlement and this Order.

3. The Debtor is authorized to pay to M&T the aggregate amount of FOUR HUNDRED FIFTY-FIVE THOUSAND FOUR HUNDRED FIFTY-FOUR AND 57/100 DOLLARS ($455,454.57) (the "Settlement Payment") within five (5) days of entry of this Order.

4. The Debtor is authorized to retain all other funds, which constitute property of the estate, and M&T Bank shall have no claim to, or interest in, those funds.

5. M&T is authorized to submit a *Stipulation Dismissing Adversary Proceeding*, substantially as the form attached to the Proposed Settlement as **Exhibit A**.

6. The terms and conditions of this Order shall be effective and enforceable upon its entry.

7. This Court retains jurisdiction with respect to all matters arising from or related to the Proposed Settlement or this Order.

Dated: March 24, 2026

/s/ Sean H. Lane
HONORABLE SEAN H. LANE

EXHIBIT 1

PROPOSED SETTLEMENT

SETTLEMENT AGREEMENT AND LIMITED RELEASE

This Settlement Agreement and Limited Release (this "Agreement") is entered into as of the 11th, day of December, 2025 (the "Effective Date"), by and among COLD SPRING ACQUISITION, LLC (the "Debtor"), a limited liability company organized under the laws of the state of New York and having a principal place of business located at 22 Pleasant Ridge Road, Spring Valley, New York 10977, and M&T BANK ("M&T"), a national banking corporation organized under the laws of the United States of America and having an address for the purpose of conducting business at One M&T Plaza, 345 Main Street, Buffalo, New York 14203. The Debtor and M&T are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, on January 2, 2025 (the "Petition Date"), Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), thereby commencing bankruptcy case No. 25-22002-shl (the "Chapter 11 Case"); and

WHEREAS, prior to the Petition Date, on August 21, 2014, Debtor entered into that certain *Asset Purchase Agreement* with UPR Care Corp. *d/b/a* Cold Spring Hills Center for Nursing and Rehabilitation ("UPR"), under which Debtor purchased certain of UPR's assets (the "Purchased Assets"); and

WHEREAS, Debtor believed in good faith that funds held in certain deposit accounts at M&T—accounts numbered XXXXXXXXXXXX1704 and XXXXXXXXXX4853 (the "M&T Accounts")—were included in the Purchased Assets and, as such, were property of the Debtor's chapter 11 estate; and

WHEREAS, M&T asserted, and continues to assert, that the M&T Accounts, and the funds held therein, were the property of UPR rather than Debtor or its chapter 11 estate, and were not included in the Purchased Assets; and

WHEREAS, on or about April 15, 2025, Debtor's Chief Restructuring Officer, Martin A. Cauz (the "CRO") was granted access to the M&T Accounts, after which the CRO caused the aggregate amount of Five Hundred Fifty Thousand Four Hundred Fifty-Four and 57/100 Dollars ($550,454.57) (the "Transferred Funds") to be transferred via wire transfer from M&T Account No. XXXXXXXXXXXX1704 to the Debtor's deposit account No. XXXXXXXXX2000 held at Metropolitan Commercial Bank (the "MCB Account"); and

WHEREAS, upon learning of the wire transfer of the Transferred Funds to the MCB Account, M&T asserted, and continues to assert, that Debtor was mistakenly granted access to the M&T Accounts; and

WHEREAS, upon learning of the wire transfer of the Transferred Funds to the MCB Account, M&T credited M&T Account No. XXXXXXXXXXXX1704 with funds in the amount of the Transferred Funds for the benefit of UPR; and

WHEREAS, on April 18, 2025, Debtor issued a *Subpoena for Rule 2004 Examination* and *Request for Production of Documents* (collectively, the "Subpoena") requesting the production of certain documents from M&T related to the M&T Accounts and the funds held therein; and

WHEREAS, on April 25, 2025, M&T filed its *M&T Bank's Motion to Quash Rule 2004 Subpoena* (the "Motion to Quash") arguing, among other things, that Debtor had no interest in the M&T Accounts and, as such, the Subpoena was improper [*see* Chapter 11 Case at ECF Doc. No. 284]; and

WHEREAS, on May 7, 2025, Debtor filed an *Objection to Motion to Quash Rule 2004 Subpoena* (the "Objection") disputing M&T's assertions in the Motion to Quash [*see* Chapter 11 Case at ECF Doc. No. 291], on May 9, 2025, M&T Filed a *Reply of M&T Bank to Debtor's Objection to Motion to Quash Rule 2004 Subpoena* (the "Reply," and collectively with the Motion to Quash and Objection, the "Subpoena Pleadings") [*see* Chapter 11 Case at ECF Doc. No. 295], and on June 20, 2025, the Bankruptcy Court entered an *Order Denying Motion to Quash* [*see* Chapter 11 Case at ECF Doc. No. 350]; and

WHEREAS, on May 30, 2025, M&T commenced Adversary Proceeding No. 25-07011-shl (the "Adversary Proceeding") against the Debtor by filing a *Verified Complaint* (the "Complaint") seeking, among other things, return of the Transferred Funds, to enjoin Debtor's use of the Transferred Funds, and a declaratory judgment that Debtor has no rights in the Transferred Funds or the M&T Accounts [*see* Adversary Proceeding at ECF Doc. No. 1]; and

WHEREAS, to date, Debtor has not interposed an Answer or otherwise responded to the Complaint, the deadline to do so being adjourned by agreement of the Parties and order of the Bankruptcy Court, as set forth further herein; and

WHEREAS, on May 30, 2025, M&T filed an *Order to Show Cause* (the "TRO Motion") in the Adversary Proceeding whereby M&T requested that the Bankruptcy Court enter an order granting a temporary restraining order and/or preliminary injunction prohibiting Debtor from using, utilizing, or transferring the Transferred Funds and requiring the Debtor to deposit the Transferred Funds into the Bankruptcy Court registry until the conclusion of the Adversary Proceeding [*see* Adversary Proceeding at ECF Doc. No. 2]; and

WHEREAS, on June 9, 2025, Debtor filed its *Opposition to M&T Bank's Motion for Temporary Restraining Order and/or Preliminary Injunction* (the "TRO Opposition," and collectively with the TRO Motion, the "TRO Pleadings"), wherein the Debtor opposed the relief sought in the TRO Motion [*see* Adversary Proceeding at ECF Doc. Nos. 8-9]; and

WHEREAS, following a June 10, 2025 hearing on the TRO Pleadings, the Bankruptcy Court entered an *Order Granting in Part/Denying in Part M&T's Motion for Temporary Restraining Order* (the "TRO Order"), wherein the Bankruptcy Court, among other things, required the Debtor to maintain, and prohibited Debtor's use of, the Transferred Funds up to and including June 23, 2025 (the "TRO") [*see* Adversary Proceeding at ECF Doc. No. 10]; and

WHEREAS, on July 2, 2025, M&T interposed upon Debtor: (i) *Plaintiff's First Set of Requests for Admission*; (ii) *Plaintiff's First Set of Interrogatories*; and (iii) *Plaintiff's First Set of Request for Production of Documents* (collectively, the "Discovery Demands");

WHEREAS, to date, Debtor has not responded to the Discovery Demands, the deadline to do so being adjourned by agreement of the Parties and order of the Bankruptcy Court, as set forth further herein; and

WHEREAS, the TRO, as well as Debtor's deadline to respond to the Complaint and Discovery Demands, were further extended on June 20, 2025, July 18, 2025, August 13, 2025, September 25, 2025, and November 3, 2025 [*see* Adversary Proceeding at ECF Doc. Nos. 11, 13-16]; and

WHEREAS, on July 17, 2025, M&T filed Proof of Claim No. 148 in the Chapter 11 Case asserting an administrative claim against Debtor pursuant to Bankruptcy Code Section 503 in the aggregate amount of Five Hundred Fifty Thousand Four Hundred Fifty-Four and 57/100 Dollars ($550,454.57) (the "Administrative Expense Claim") [*see* Proof of Claim No. 148]; and

WHEREAS, M&T, on the one hand, and Debtor, on the other hand, wish to compromise and settle their claims and disputes in both the Chapter 11 Case, to include the Administrative Expense Claim, and the Adversary Proceeding upon the terms and conditions set forth herein, subject to any exceptions set forth herein, so as to resolve any and all such disputes and claims by and among said parties while avoiding the costs and uncertainty of further litigation.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereby stipulate and agree as follows:

1. **Recitals**. The Parties acknowledge and agree that the recitals set forth above are true and accurate, form an integral part of this Agreement, and are incorporated herein by reference in all respects.

2. **Settlement Terms**.

a. **Settlement Payment**. Within five (5) business days from the Bankruptcy Court's entry of a final order approving this Agreement, Debtor shall pay to M&T the aggregate sum of **FOUR HUNDRED FIFTY-FIVE THOUSAND FOUR HUNDRED FIFTY-FOUR AND 57/100 DOLLARS ($455,454.57)** (the "Settlement Payment"). The Settlement Payment shall be made by Debtor to M&T in accordance with wire or ACH instructions to be provided by M&T. The Parties agree that the Settlement Payment is not an avoidable post-petition transfer of property of the Debtor's chapter 11 estate subject to Bankruptcy Code sections 549 or 550.

b. **Motion to Approve Agreement**. This Agreement is binding upon the Parties but is subject to Bankruptcy Court approval under Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). Within five (5) business days from the Parties' full execution of this Agreement, Debtor shall file a motion in the Adversary Proceeding and Chapter 11 Case pursuant to Bankruptcy Rule 9019 requesting that the Bankruptcy Court approve

this Agreement (the "9019 Motion"). In the event the Bankruptcy Court does not grant the 9019 Motion: (i) the Agreement shall be deemed null and void; (ii) none of the Parties shall be deemed to have waived any rights, claims and/or defenses that may have had existed before the execution of the Agreement; (iii) the Parties shall be restored to their respective positions immediately before execution of the Agreement; and (iv) neither the Agreement nor any exhibit, document, or instrument delivered hereunder, nor any statement, transaction, or proceeding in connection with the negotiation, execution, or implementation of the Settlement Agreement, shall be: (a) with prejudice to any Party; (b) deemed to be or construed as an admission by any of the Parties of any act, matter, proposition, or merit or lack of merit of any claim or defense; or (c) referred to or used in any manner or for any purpose in any subsequent proceeding in this action, or in any action in any other court or in any other proceeding. Provided, however, that if the Bankruptcy Court denies the 9019 Motion, the provisions of Section 2(b)(i) of this Agreement shall not apply to the Parties' respective obligations as set forth in Sections 2(c) and 2(h) of this Agreement, and such obligations shall survive the Bankruptcy Court's denial of the 9019 Motion as set forth therein.

c. **Response to Complaint and Discovery Demands**. The Parties agree that if the Bankruptcy Court denies the 9019 Motion, Debtor shall: (i) interpose an Answer to, or otherwise respond to, the Complaint on or before the tenth (10th) calendar day following the Bankruptcy Court entry of an order denying the 9019 Motion; and (ii) respond to the Discovery Demands on or before the thirtieth (30th) calendar day following the Bankruptcy Court entry of an order denying the 9019 Motion.

d. **Effective Date**. The Effective Date of this Agreement, and all of the terms set forth herein, shall be the later of: (i) execution of this Agreement by all Parties; (ii) payment of the Settlement Amount; and (iii) entry of a final order of the Bankruptcy Court granting the 9019 Motion (the "Effective Date").

e. **Dismissal of Adversary Proceeding**. Within five (5) business days from the Effective Date, M&T shall file a stipulation, substantially in the form attached hereto as **Exhibit A**, dismissing the Adversary Proceeding, and the claims asserted therein, with prejudice.

f. **Withdrawal of Administrative Expense Claim.** Within five (5) business days from the Effective Date, M&T shall file a *Withdrawal of Claim*, substantially in the form attached hereto as **Exhibit B**, with the Debtor's claims and noticing agent, Omni Agent Solutions, withdrawing the Administrative Expense Claim.

g. **Withdrawal of Allegations Against Debtor and CRO.** Upon the Effective Date, all allegations made by M&T against the Debtor or CRO in connection with the Subpoena, Subpoena Pleadings, TRO Pleadings, Adversary Proceeding, any related filings or proceedings, including Declarations made by David Canestri and James Thorman in support of M&T's motion, or otherwise, shall be withdrawn in their entirety, with prejudice. M&T shall not pursue, assert, or reassert any such allegations in any forum or proceeding.

h. **Withdrawal of Pleadings**. Within five (5) business days from the Effective Date, the Parties shall take any action deemed necessary, and cause to be filed whatever documents or pleadings deemed necessary, to withdraw the Subpoena and Subpoena Pleadings. Upon the

Effective Date, the Subpoena shall be void and have no effect, and M&T shall have no further obligations thereunder.

i. **Extension of TRO**. The Parties agree that the TRO shall remain in full force and effect, and the Debtor shall maintain the Transferred Funds as set forth in the TRO Order, unless and until the Bankruptcy Court enters a final order granting the 9019 Motion without the need for further order of the Bankruptcy Court extending the TRO. In the event that the Bankruptcy Court denies the 9019 Motion, the Parties shall immediately request that the Bankruptcy Court hold a status conference to consider whether to further extend the TRO, and any opposition to any such extension (the "Adjourned Status Conference"). The Parties hereby agree that the TRO shall remain in full force and effect, and the Debtor shall maintain the Transferred Funds as set forth in the TRO Order, up through and including the Adjourned Status Conference, without the need for further order of the Bankruptcy Court extending the TRO.

j. **Disclaimer of M&T Account**. Debtor agrees and acknowledges that it has no right, title, or interest in, or claim to, M&T Account No. XXXXXXXXXXXX1704 or any funds held therein, and that, to the best of Debtor's knowledge, UPR is the sole account holder having such right, title, or interest in, or claim to, M&T Account No. XXXXXXXXXXXX1704. M&T agrees and acknowledges that it will close M&T Account No. XXXXXXXXXXXX1704, and that any reference to "Cold Spring" will be removed from the account titles for any deposit account held by UPR at M&T unless, however, UPR subsequently acquires the right to use "Cold Spring" or any analogous designation as part of a future transaction by and between UPR and a third-party.

3. **No Admissions of Liability**. This Agreement is not in any way to be construed, and shall not be construed, as an admission by the Parties of any allegations made in connection with the Subpoena, Subpoena Pleadings, TRO Pleadings, and Adversary Proceeding, such allegations being hereby expressly disclaimed and withdrawn.

4. **M&T's Limited Release.** As of the Effective Date, M&T shall be deemed to have irrevocably and unconditionally, fully, finally and forever waived, released, acquitted and discharged Debtor, its directors, employees, officers, agents, representatives, the CRO, and the successors and assigns of any of the foregoing (the "Debtor Releasees") from any and all claims, causes of actions, suits, costs, debts, liabilities, obligations, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, and demands whatsoever, of whatever kind or nature, whether known or unknown, suspected or unsuspected, in law or equity, with M&T has, had, may have, or may claim against the Debtor Releasees solely in connection with the claims and causes of action asserted in the Adversary Proceeding.

5. **Debtor's Limited Release.** As of the Effective Date, Debtor, its directors and officers, and the CRO shall be deemed to have irrevocably and unconditionally, fully, finally and forever waived, released, acquitted and discharged M&T, its directors, employees, officers, agents, representatives, and the successors and assigns of any of the foregoing (the "M&T Releasees") from any and all claims, causes of actions, suits, costs, debts, liabilities, obligations, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, controversies, agreements,

promises, variances, trespasses, damages, judgments, executions, and demands whatsoever, of whatever kind or nature, whether known or unknown, suspected or unsuspected, in law or equity, with M&T has, had, may have, or may claim against the M&T Releasees solely in connection with the claims and causes of action asserted in the Adversary Proceeding.

6. **Expenses**. Each Party shall bear its own attorneys' fees and costs relating to the Chapter 11 Case, Adversary Proceeding, settlement negotiations, and the negotiation and execution of this Agreement. However, if either Party must commence an action to enforce the terms of this Agreement, the prevailing party shall be entitled to an award, in addition to any other claims or damages, of its costs and expenses including attorneys' fees, in connection with said enforcement action.

7. **Severability**. The Parties agree that if any provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid, void, or otherwise unenforceable, that provisions shall not be part of this Agreement, and the legality, validity and enforceability of the remining provisions of this Agreement shall not be affected by provision of this Agreement that is determined to be illegal, invalid, void, or otherwise unenforceable.

8. **Entire Agreement**. This Agreement constitutes the complete understanding between the Parties and it cannot be altered, amended, or modified in any respect, except by a writing duly executed by both Parties.

9. **Voluntary Act**. Each of the Parties does hereby warrant, with respect to itself only, that it is authorized and empowered to execute this Agreement. The Parties acknowledge that they have read this Agreement in its entirety, fully understood its terms, and voluntarily accepted the terms set forth herein. Further, each Party acknowledges that it has had an opportunity to consult with legal counsel and any other advisers of its choice with respect to the terms of this Agreement and it is signing this Agreement of its own free will.

10. **No Assignment**. Each Party hereby represents and warrants to the other Party that it has made no assignment, and hereafter will make no assignment of any claim, cause in action, right of action, or any other right released pursuant to this Agreement.

11. **Severability**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. The Agreement shall become effective when a counterpart has been signed by each Party and delivered to the other Party, in its original form or by electronic mail, facsimile, or other electronic means.

12. **Rules of Construction**. Section titles and headings contained in this Agreement are included only for ease of reference and shall have no substantive effect.

13. **Notices**. All notices, demands, or other communication to be provided pursuant to this Agreement shall be in writing and sent by both e-mail and Federal Express or other overnight delivery service, costs prepaid, to the Parties at the addresses set forth below, or to such other entity or address as any of them may designate in writing from time to time:

If to M&T:

M&T Bank
One M&T Plaza
345 Main Street
Buffalo, New York 14203
Attn: Ms. Miriam Dowd (mdowd@mtb.com)
Attn: Ms. Stacey Moar (smoar@mtb.com)

With a copy to:

Hodgson Russ LLP
140 Pearl Street, Suite 100
Buffalo, New York 14202
Attn: Mr. James C. Thoman, Esq. (jthoman@hodgsonruss.com)

If to Debtor:

Cold Spring Acquisition LLC
22 Pleasant Ridge Road
Spring Valley, New York 10977
Attn: Mr. Martin A. Cauz (mcauz@beechwoodconsultinggroup.com)

With a copy to:

Manatt, Phelps & Phillips, LLP
Times Square Tower
7 Times Square, 23rd Floor
New York, New York 10036
Attn: Mr. Schuyler G. Carroll, Esq. (SCarroll@manatt.com)

14. **Subsequent Jurisdiction**. The Bankruptcy Court shall retain jurisdiction to interpret and enforce the provisions of this Agreement, which shall be construed in accordance with New York law without regard to conflicts of law principles thereof.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of December 11, 2025.

M&T BANK

By: _____
Print Name: David J. Canestri
Title: SVP

COLD SPRING ACQUISITION, LLC

By: _____
Print Name: Martin A. Cauz
Title: Chief Restructuring Officer

EXHBIT A

Form of Proposed Order Approving the Settlement and Adversary Proceeding

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: COLD SPRING ACQUISITION, LLC, d/b/a COLD SPRING HILLS CENTER FOR NURSING & REHABILITATION, Debtor.	Case No. 25-22002 (SHL) Chapter 11
M&T BANK, Plaintiff, v. COLD SPRING ACQUISITION, LLC, d/b/a COLD SPRING HILLS CENTER FOR NURSING & REHABILITATION, Defendant.	Adv. Pro. No. 25-07011 (SHL)

STIPULATION AND ORDER FOR VOLUNTARY DISMISSAL OF ADVERSARY PROCEEDING WITH PREJUDICE

Plaintiff M&T Bank ("M&T") and Defendant Cold Spring Acquisition, LLC, d/b/a Cold Spring Hills Center for Nursing & Rehabilitation, the above-captioned debtor and debtor-in-possession (the "Debtor," and collectively with M&T, the "Parties," and each individually a "Party"), by and through their respective undersigned counsel, hereby stipulate and agree to the following:

1. On or about May 30, 2025, M&T filed and served an *Adversary Complaint* against the Debtor. *See* Adv. Pro. Doc. No. 1.

2. On or about May 30, 2025, M&T filed a *Motion for Temporary Restraining Order and/or Preliminary Injunction* (the "TRO Motion") wherein M&T requested an Order: (i) prohibiting the Debtor from using, utilizing, or transferring certain funds (the "Transferred Funds")

in Debtor's possession; and (ii) requiring the Debtor to deposit the Transferred Funds into the Court registry until the conclusion of the instant Adversary Proceeding. *See* Adv. Pro. Doc. No. 3.

3. On June 10, 2025, the Court: (i) granted in part and denied in part the TRO Motion; (ii) ordered that the Debtor continue to maintain the Transferred Funds on an administrative hold and prohibited the Debtor from using, utilizing, or otherwise transferring the Transferred Funds prior to and including June 23, 2025 (the "TRO"); and (iii) denied M&T's request that the Transferred Funds be deposited in the Court registry. *See* Adv. Pro. Doc. No. 10.

4. The TRO was extended by agreement of the Parties and the terms of the TRO remain in effect.

5. On December 11, 2025 the Parties entered into that certain *Settlement Agreement and Limited Release* that settled the claims that M&T asserted against Debtor in this Adversary Proceeding, which was approved by order of this Court on _____ __, 2026. *See* ECF Doc. No. __.

6. In accordance with Federal Rule of Bankruptcy Procedure 7041, and Federal Rule of Civil Procedure 41(a)(1), the Parties hereby stipulate to dismissal of M&T's claims against Debtor in this Adversary Proceeding and dismissal of this Adversary Proceeding with prejudice and without costs to any Party.

7. The provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

[*Signature Page Follows*]

Dated: _____, 2026

HODGSON RUSS LLP

By: _____
James C. Thoman, Esq.
Jon T. Powers, Esq.
140 Pearl Street, Suite 100
Buffalo, New York 14202
Tel: (716) 856-4000
Email: jthoman@hodgsonruss.com
Email: tpowers@hodgsonruss.com

Counsel to M&T Bank

MANATT, PHELPS & PHILLIPS, LLP

By: _____
Schuyler G. Carroll, Esq.
Megan Thibert-Ind, Esq.
Emily Whitely, Esq.
7 Times Square
New York, New York 10036
Tel: (212) 790-4500
Email: scarroll@manatt.com
Email: mthibert-Ind@manatt.com
Email: ewhitely@manatt.com

Counsel to Cold Spring Acquisition, LLC, d/b/a Cold Spring Hills Center for Nursing & Rehabilitation

SO ORDERED.

Signed _____, 2026

HONORABLE SEAN H. LANE, U.S.B.J

EXHIBIT B

Form of Withdrawal of Administrative Expense Claim

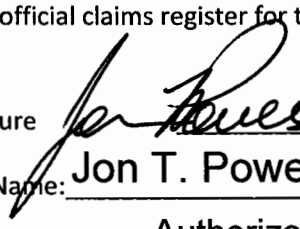
United States Bankruptcy Court for the District Southern District of New York

WITHDRAWAL OF CLAIM

Debtor Name and Case Number:	Cold Spring Acquisition, LLC; 25-22002-shl
Creditor Name and Address:	c/o Hodgson Russ LLP Attn: Jon T. Powers, Esq. 140 Pearl Street, Suite 100 Buffalo, New York 14202 Tel: (716) 848-1598 Email: tpowers@hodgsonruss.com
Court Claim Number (if known):	002-148
Date Claim Filed:	July 17, 2025
Total Amount of Claim Filed:	$550,454.57

I, the undersigned, am the above-referenced creditor, or an authorized signatory for the above-referenced creditor. I hereby withdraw the above-referenced claim and authorize the Clerk of this Court, or their duly appointed Claims Agent, to reflect this withdrawal on the official claims register for the above-referenced Debtor.

Dated:_____

Signature 

Print Name: Jon T. Powers

Title (if applicable): Authorized Signatory

DEFINITIONS

Debtor
The person, corporation, or other entity that has filed a bankruptcy case is called the debtor.

Creditor
A creditor is any person, corporation, or other entity to which the debtor owed a debt.

Proof of Claim
A form filed with the clerk of the bankruptcy court where the bankruptcy case was filed, to tell the bankruptcy court how much the debtor owed a creditor (the amount of the creditor's claim).

ITEMS TO BE COMPLETED ON THIS WITHDRAWAL OF CLAIM

Court, name of Debtor and Case Number:
Fill in the name of the federal judicial district where the bankruptcy was filed (for example, Central District of California), the name of the debtor in the bankruptcy case, and the bankruptcy case number. If you received a notice of the case from the court, all of this information is near the top of the notice.

Information about Creditor:
Complete the section giving the name and address of the creditor that was listed on the previously filed Proof of Claim form.

Information identifying the Claim that is to be withdrawn:
Complete the section giving the court claim number, date claim was filed and total amount of claim filed to help identify the claim that is to be withdrawn

Sign and print the name and title, if any, of the creditor or other person authorized to file this withdrawal of claim (attach copy of power of attorney, if any).

This form must be filed with the clerk of the bankruptcy court where the bankruptcy case was filed or, if applicable, with their duly appointed Claims Agent as per any procedure approved by the court in the above-referenced bankruptcy proceeding.