

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

In re:	)	
GENESIS CARE PTY LIMITED, <i>et al.</i> , ¹	)	Chapter 11
Debtors.	)	Case No. 23-90614 (DRJ)
	)	(Jointly Administered)

**STATEMENT OF THE PROSKAUER AD HOC GROUP IN RESPONSE TO
DEBTORS' MOTION FOR CONDITIONAL DISCLOSURE STATEMENT APPROVAL**

[Relates to Docket No. 707]

Certain unaffiliated lenders and/or investment advisors to lenders holding approximately (a) 10% of the principal amount of DIP loans outstanding under the Senior Secured Superpriority Debtor-In-Possession Credit Agreement, dated as of June 2, 2023 holding DIP New Money Claims and DIP Roll-Up Claims and (b) 10% of the principal amount of the prepetition secured loans outstanding under the Senior Facilities Agreement, dated October 23, 2018 (collectively, the “Proskauer Ad Hoc Group”), hereby submit this statement in response to the *Debtors’ Motion for Entry of an Order (I) Conditionally Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Debtors’ Proposed Joint Plan of Reorganization, (III) Approving the Form of Ballot and Notices in Connection therewith, and (IV) Scheduling Certain Dates with Respect Thereto* [Docket No. 707], and respectfully states as follows:²

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://restructuring.ra.kroll.com/GenesisCare>. The location of Debtors’ principal place of business and the Debtors’ service address in these chapter 11 cases is: 2270 Colonial Blvd., Fort Myers, FL 33907.

² Capitalized terms used by not defined herein shall have the meaning ascribed to them in the Plan [Docket No. 828].

1. The Proskauer Ad Hoc Group represents certain unaffiliated lenders and/or investment advisors to lenders holding approximately (a) 10% of the principal amount of DIP loans outstanding under the Senior Secured Superpriority Debtor-In-Possession Credit Agreement, dated as of June 2, 2023 (the “DIP Credit Agreement”) holding DIP New Money Claims and DIP Roll-Up Claims and (b) 10% of the principal amount of the prepetition secured loans outstanding under the Senior Facilities Agreement, dated October 23, 2018.

2. The DIP Roll-Up Claims are the fulcrum security under the Plan and, as such, will receive 100% of the Reorganized Debtors’ equity. *See* Plan at Art II. C. The equity is subject to dilution on account of, among other things, a potential Rights Offering. *Id.*

3. The Disclosure Statement is missing critical information to fairly assess the Plan, including (a) the Rights Offering Documents, the Rights Offering Backstop Commitment Agreement and the Put Option Premium payable to the Backstop Parties (collectively, the “Rights Offering Documents”) and (b) the New Money Exit Facility Documents. The Plan provides that these critical documents will be filed in a Plan Supplement “prior to the Confirmation Hearing to the extent available” and can be amended “up the Effective Date.” Plan Art. I at ¶ 158. Without this information, the Plan is basically a placeholder.

4. Notwithstanding the lack of basic information, the Proskauer Ad Hoc Group does not, at this time, object to the Disclosure Statement’s conditional approval. The Proskauer Ad Hoc Group has had regular and productive discussions with the Required Lenders’ advisors (Akin Gump and Houlihan Lokey) who have explained that the New Money Exit Facility and Rights Offering Documents do not yet exist and that discussions are in flux in terms of sizing, pricing and other terms. The Proskauer Ad Hoc Group has advised the Company of its interest in an opportunity to provide exit capital to facilitate the Debtors’ emergence from Chapter 11 and that

they fully expect to have the opportunity to receive equal treatment and participate on a pro rata basis in all exit capital transactions, including any Rights Offering, Rights Offering Backstop Commitment and New Money Exit Facility (each as defined in the Plan), which is required under the terms of the DIP Credit Agreement, the Bankruptcy Code and applicable law. *See* Ex. A. The Proskauer Ad Hoc Group intends to continue to work collaboratively and constructively with the Debtors and Required Lenders to facilitate the Debtors' prompt exit from Chapter 11.

5. That said, nothing in this statement should be understood as a waiver of any rights of the Proskauer Ad Hoc Group, and all such rights are hereby expressly reserved.

Respectfully submitted this 2nd day of October, 2023.

GRAY REED

By: /s/Jason S. Brookner

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-and-

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**COUNSEL TO THE
PROSKAUER AD HOC GROUP**

Certificate of Service

The undersigned hereby certifies that on the 2nd day of October, 2023, he caused a true and correct copy of the foregoing document to be served via the Court's CM/ECF System.

/s/Jason S. Brookner

Jason S. Brookner

Exhibit A



Proskauer Rose LLP Eleven Times Square New York, NY 10036-8299

October 2, 2023

d 212.969.3470
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Via E-Mail

www.proskauer.com

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Re: In re Genesis Care Pty Limited, et al.

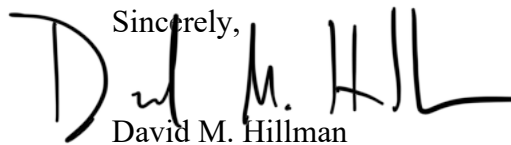
Dear Josh and Steve:

We represent the ad hoc group of lenders identified on Exhibit A hereto. Our group consists of unaffiliated lenders and/or investment advisors to lenders holding approximately (a) 10% of the principal amount of DIP loans outstanding under the “Senior Secured Superpriority Debtor-In-Possession Credit Agreement,” dated as of June 2, 2023 and (b) 10% of the principal amount of the prepetition secured loans outstanding under the Senior Facilities Agreement, dated October 23, 2018.

We are reviewing the Company’s proposed Chapter 11 Plan and Disclosure Statement that were recently filed. We understand based on discussions with Scott Alberino of Akin Gump that the New Money Exit Facility and Rights Offering Documents (as defined in the Plan) do not yet exist and discussions are in flux.

Our clients are interested in an opportunity to provide exit capital to facilitate the Debtors’ emergence from Chapter 11 and are eager to engage with the Company and its advisors. Our clients fully expect to have the opportunity to receive equal treatment and participate on a pro-rata basis in all exit capital transactions, including any Rights Offering, Rights Offering Backstop Commitment and New Money Exit Facility (each as defined in the Plan).

As our fiduciaries, we expect the Debtors’ directors to scrupulously avoid granting exclusive investment opportunities to a select subset of the Company’s existing DIP Lenders, particularly without market scrutiny and/or an equal opportunity afforded to all DIP Lenders.

Sincerely,

David M. Hillman

cc: Scott L. Alberino



Proskauer Rose LLP Eleven Times Square New York, NY 10036-8299

Annex A

1. Funds managed by CELF Advisors LLP, or affiliates thereof
2. Funds advised by Intermediate Capital Managers Limited and ICG Alternative Investment Limited and ICG Australia (represented by 'Salamanca Sarl', lender of record) and Salamanca Sarl action on behalf of its compartment 1
3. Nomura Special Investments Singapore Pte. Ltd.
4. Perpetual Corporate Trust Ltd ACF Channel Investment Management Ltd ATF Revolution Private Debt Fund I and Perpetual Corporate Trust Ltd ACF Channel Investment Management Ltd ATF Revolution Private Debt Fund II
5. QIC Limited as Trustee for Queensland Investment Trust No. 2