

Hearing Date: December 7, 2020 at 10:00 a.m. (Prevailing Eastern Time)
Objection Deadline: November 30, 2020 at 4:00p.m. (Prevailing Eastern Time)

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Counsel for the Estate and the Plan Administrator

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

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In re:

Chapter 11

FEDERATION EMPLOYMENT AND
GUIDANCE SERVICE, INC. d/b/a FECS¹,

Case No. 15-71074 (REG)

Debtor.

-----X

**SIXTH MOTION OF THE PLAN ADMINISTRATOR FOR ENTRY OF AN ORDER
EXTENDING THE TIME TO FILE OBJECTIONS TO PROOFS OF CLAIM**

Judith Pincus, as the Plan Administrator (the “Plan Administrator”)² for the Estate of Federation Employment and Guidance Service, Inc. d/b/a FECS (the “Estate”), by and through her counsel, Garfunkel Wild, P.C., hereby submits this motion (the “Motion”) to extend the time within which objections to the allowance of Administrative/Priority Claims, Secured Claims and FECS Class 4 Claims may be filed (the “Claims Objection Deadlines”). In support of the Motion, the Plan Administrator respectfully states as follows:

SUMMARY OF RELIEF REQUESTED

1. To date, a total of approximately 2,468 claims (the “Filed Claims”) have been filed against the Estate asserting an aggregate liability of approximately \$246 million, exclusive of

¹ The last four digits of the Debtor’s federal tax identification number are 4000.

² Unless otherwise defined, capitalized terms used herein have the meanings ascribed to them in the Plan (as defined below).

unliquidated amounts. Additionally, the Debtor included a number of claims on its Schedules of Assets and Liabilities (the “Scheduled Claims,” and together with the Filed Claims, the “Claims”).

2. The Plan Administrator has, to date, filed ten omnibus objections and one individual objection to claims [Docket Nos. 1127, 1128, 1129, 1162, 1167, 1182, 1183, 1205, 1207, 1221, 1231]. The relief requested by these objections, which has been granted by the Court thus far, has addressed approximately 208 Claims and has provided an aggregate benefit to the Estate in excess of \$2,600,000.00 [Docket Nos. 1154, 1155, 1156, 1158, 1170, 1172, 1194, 1195, 1215, 1213, 1227].

3. Additionally, the Plan Administrator and her counsel, is in the process of addressing various disputed Claims and, where possible, negotiating consensual resolutions as an alternative to filing objections. As a result of these efforts the Plan Administrator, working in conjunction with the Creditor Trustee, reached settlements in principal that will reduce the general unsecured claims pool in this Case by more than \$85,800,000.00 and eliminate more than \$45,800,000.00 in asserted Administrative and Priority Claims. These settlements included resolutions of the two largest outstanding unsecured claims in this Case, which will clear the way to bringing this Case to a conclusion. However, the Plan Administrator is still in the process of determining whether or not objections are appropriate or warranted or if further attempts to consensually resolve such disputed Claims should be undertaken where possible.

4. These efforts have allowed the Plan Administrator to make distributions to all Holders of Allowed Administrative and Priority Claims and the Plan Administrator is in the process of preparing to make an interim distribution to Holders of Allowed Unsecured Claims. To facilitate these processes, and to maximize the benefit to creditors and the Estate, the Plan Administrator is seeking an extension of the Claims Objection Deadline by approximately 180

days to May 24, 2021, without prejudice to the right to seek further extensions of the Claims Objection Deadlines.

JURISDICTION

5. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. §§ 157(b)(2)(A), (B), and (O). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

6. On March 18, 2015 (the "Petition Date"), Federation Employment and Guidance Service, Inc. d/b/a FEES (the "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 Eastern District of New York (the or this "Court"). The Debtor continued in possession of its remaining assets as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

7. The factual background relating to the commencement of this chapter 11 case is set forth in detail in the *Amended Affidavit of Kristin Woodlock Pursuant to Local Bankruptcy Rule 1007-4 and in Support of First Day Motions* [Docket No. 16], filed on the Petition Date and incorporated herein by reference.

8. On March 31, 2015, the United States Trustee appointed the Official Committee of Unsecured Creditors (the "Committee") [Docket No. 105].

9. On August 18, 2015, the Court entered an Order (the "Bar Date Order") setting October 5, 2015 as the general bar date for both general creditors of the Debtor's Estate, as well as governmental units, to file proofs of claim against the Debtor's Estate relating to the pre-petition

period, including, without limitation, proofs of claim asserting a priority under section 503(b)(9) of the Bankruptcy Code (the “General Bar Date”) [Docket No. 471].

10. By Order dated October 2, 2015 (the “Administrative Bar Date Order”), the Court established November 6, 2015 (the “Administrative Bar Date”) as the deadline for the filing of all claims asserting administrative priority which accrued from the Petition Date through August 31, 2015 [Docket No. 518].

11. On February 6, 2018, the Court entered an Order (the “Confirmation Order”) confirming the *Third Amended Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Federation Employment and Guidance Service, Inc. d/b/a FECS* (the “Plan”) [Docket No. 1050].

12. The Plan became effective March 1, 2018 and, pursuant to the Confirmation Order, Judith Pincus has been appointed as Plan Administrator and Robert N. Michaelson, Esq. has been appointed as Creditor Trustee [Docket No. 1056]. As such, they have the authority to, among other things, object to claims on behalf of the Estate.

13. Pursuant to the Plan the deadline for the filing of all claims asserting an administrative priority which accrued from September 1, 2015 through February 28, 2018 was April 16, 2018 (the “Supplemental Administrative Claims Bar Date”) and the deadline for filing claims relating to damages caused by the rejection of executory contracts was April 30, 2018 (the “Rejection Damages Bar Date”).

14. On May 18, 2018, the Plan Administrator, through counsel, filed a *Motion for an Order Approving Omnibus Claim Objection Procedures* (the “Omnibus Procedures Motion”)

[Docket No. 1082]. The Omnibus Procedures Motion was granted by Order of the Court dated June 8, 2018 (the “Omnibus Procedures Order”) [Docket No. 1096].

15. The Claims Objection Deadlines have previously been extended by Orders of the Court, and have most recently been extended to November 23, 2020 by the Order of this Court dated July 2, 2020 [Docket No. 1214].

RELIEF REQUESTED

16. By this Motion, the Plan Administrator seeks entry of an order further extending the Claims Objection Deadlines by approximately 180 days to May 24, 2021, without prejudice to the right to seek further extensions of the Claims Objection Deadlines.

BASIS FOR RELIEF REQUESTED

17. Section 105(a) of the Bankruptcy Code provides that “the court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a). Section 8.1 of the Plan provides that the Claims Objection Deadlines may be extended for cause, with or without notice. Section 8.1 further provides that “[t]he filing of a motion to extend the deadline to object to any Claims shall automatically extend such deadline until a Final Order is entered on such motion.”

18. The Plan Administrator submits that cause exists to grant the extension sought herein. Since the Effective Date, the Plan Administrator and her advisors have reviewed all of the Administrative, Priority and Secured Claims and have completed a review of all of the general unsecured claims. That review resulted in the Plan Administrator’s determination that many of those claims are invalid or overstated for a number of reasons. Accordingly, the Plan

Administrator has, to date, filed ten omnibus objections and one individual objection to the objectionable Claims, all but one of which have previously been heard and granted by the Court.³

19. Additionally, the Plan Administrator and the Creditor Trustee, as well as their respective counsels have been undertaking negotiations to resolve some of the largest outstanding claims against the Estate, which have resulted in agreements, including resolutions relating to the two largest outstanding unsecured claims in this Case, which will clear the way to bringing this Case to a conclusion. Further, the Plan Administrator has completed a review of all of the filed general unsecured Claims in this Case and is in the process of attempting to resolve certain objectionable claims through negotiations. Should the negotiations prove unsuccessful the Plan Administrator will file objections where necessary and is therefore seeking an extension of the Claims Objections Deadlines to allow this process to continue. These efforts have allowed the Plan Administrator to make distributions to all Holders of Allowed Administrative and Priority Claims and, as stated above, the Plan Administrator is in the process of preparing to make an interim distribution to Holders of Allowed Unsecured Claims.

20. Given the various post-effective date tasks required of the Plan Administrator and the Creditor Trustee, the number of Claims filed, the complexity of certain of the Claims, and the goal of both the Plan Administrator and the Creditor Trustee to consensually resolve Claims, where appropriate, additional time is required for the Claims objection process. Accordingly, the Plan Administrator submits that extending the Claims Objection Deadlines through and including May 24, 2021, is necessary, prudent, and in the best interests of the Debtor's Estate.

³ The *Plan Administrators Tenth Omnibus Objection to Certain Proofs of Claim Filed Against the Estate* [Docket No. 1231] is scheduled to be heard at the same hearing as this Motion.

NOTICE

21. Notice of this Motion has been given to the United States Trustee and counsel to the Oversight Committee. Entities who have filed a notice of appearance in accordance with Bankruptcy Rule 2002 shall receive notice through ECF. The Plan Administrator respectfully submits that such notice is sufficient, and requests that, except as provided herein, the Court find that no further notice of the relief requested is required.

NO PREVIOUS REQUEST

22. No previous request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Plan Administrator respectfully requests that the Court enter an order, substantially in the form annexed hereto as Exhibit A, granting the relief requested herein and grant such other and further relief as the Court may deem just and proper.

Dated: Great Neck, New York
November 19, 2020

GARFUNKEL WILD, P.C.

Counsel for the Estate and the Plan Administrator

By: /s/ Adam T. Berkowitz
Burton S. Weston, Esq.
Adam T. Berkowitz, Esq.
111 Great Neck Road
Great Neck, NY 11021
Telephone: (516) 393-2200
Facsimile: (516) 466-5964

Exhibit A

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

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In re:

Chapter 11

FEDERATION EMPLOYMENT AND
GUIDANCE SERVICE, INC. d/b/a FECS¹,

Case No. 15-71074 (REG)

Debtor.

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**ORDER GRANTING THE SIXTH MOTION OF THE PLAN
ADMINISTRATOR FOR ENTRY OF AN ORDER EXTENDING
THE TIME TO FILE OBJECTIONS TO PROOFS OF CLAIM**

This matter having come before the Court upon the motion (the “Motion”)² of Judith Pincus, as Plan Administrator (the “Plan Administrator”) for the Estate of Federation Employment and Guidance Service, Inc. d/b/a FECS (the “Estate”) seeking entry of an order extending the time within which objections to the allowance of Administrative/Priority Claims, Secured Claims, and FECS Class 4 Claims may be filed (the “Claims Objection Deadlines”); and the Court having reviewed the Motion; and notice having been provided to: (i) counsel for Oversight Committee, (ii) the Office of the United States Trustee, and (iii) those parties who have entered a notice of appearance in this Case; and no objections or other responses having been filed; and a hearing having been held on December 7, 2020; and the Court having found that the relief requested in the Motion is in the best interest of the Debtor’s Estate, creditors and other parties in interest; and it appearing that sufficient notice of the Motion has been given, and the Court having determined that the legal and factual bases set forth in the Motion establish cause for the relief granted therein;

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² Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Motion or in the Plan.

and after due deliberation and consideration of the Motion having been had; and it appearing that good and sufficient cause exists for granting the Motion;

NOW, THEREFORE, it is hereby

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

ORDERED, that the Claims Objection Deadlines are extended through and including May 24, 2021, without prejudice to the right to seek further extensions of the Claims Objection Deadlines.

Hearing Date: December 7, 2020 at 10:00 a.m. (Prevailing Eastern Time)
Objection Deadline: November 30, 2020 at 4:00 p.m. (Prevailing Eastern Time)

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

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In re:

Chapter 11

FEDERATION EMPLOYMENT AND
GUIDANCE SERVICE, INC. d/b/a FECS¹,

Case No. 15-71074 (REG)

Debtor.

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**NOTICE OF THE SIXTH MOTION OF THE PLAN ADMINISTRATOR
FOR ENTRY OF AN ORDER EXTENDING THE TIME TO
FILE OBJECTIONS TO PROOFS OF CLAIM**

PLEASE TAKE NOTICE, that Judith Pincus, as the Plan Administrator (the “Plan Administrator”) for the Estate of Federation Employment and Guidance Service, Inc. d/b/a FECS (the “Estate”), by and through her counsel, Garfunkel Wild, P.C., filed a motion (the “Motion”) for entry of an order extending the time within which objections to the allowance of Administrative/Priority Claims, Secured Claims, and FECS Class 4 Claims may be filed.

PLEASE TAKE FURTHER NOTICE, that a hearing on the Motion will be held before the Honorable Robert E. Grossman, United States Bankruptcy Judge for the Eastern District of New York, at the Alfonse M. D’Amato U.S. Courthouse, 290 Federal Plaza, Courtroom 860, Central Islip, New York 11722 on the 7th day of December 2020 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

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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, if any, to the relief requested in the Motion must be in writing, stating in detail the reasons therefor, and must be filed with the Clerk of the Bankruptcy Court, with a hard copy provided to the Clerk's Office at the Bankruptcy Court, Alfonse D'Amato U.S. Courthouse, 290 Federal Plaza, Central Islip, New York 11722 and shall be served upon (i) Garfunkel Wild, P.C., 111 Great Neck Road, Great Neck, New York 11021, attention Burton S. Weston, Esq. and Adam T. Berkowitz, Esq., counsel for Judith Pincus, as the Plan Administrator for for the Estate of Federation Employment and Guidance Service, Inc. d/b/a FECS; (ii), Pachulski, Stang, Ziehl and Jones, 780 Third Avenue, 34th Floor, New York, New York 10017, Attn: Robert J. Feinstein, Esq. and Ilan D. Sharf, Esq., counsel to the Oversight Committee; and (iii) the Office of the United States Trustee for the Eastern District of New York, Alfonse D'Amato Federal Courthouse, 560 Federal Plaza, Central Islip, New York 11722, Attn: Christine H. Black, Esq. and Stan Y. Yang, Esq., Assistant U.S. Trustees, so as to be received no later than November 30, 2020 at 4:00 p.m.

PLEASE TAKE FURTHER NOTICE, that if no objections are timely served and filed as set forth above, the relief requested in the Motion may be granted without further notice.

Dated: Great Neck, New York
November 19, 2020

GARFUNKEL WILD, P.C.

Counsel for the Estate and the Plan Administrator

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Burton S. Weston, Esq.
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