## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND (Baltimore Division)

In re:

\*
CITY HOMES III, LLC

\* BANKR. CASE NO: 13-25370-MMH

\*
Debtors

# NOTICE OF MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT BETWEEN PLAN TRUSTEE AND ELIGIBLE LEAD PAINT CLAIMANTS REGARDING ALLOCATION OF LIBERTY MUTUAL MID-ATLANTIC INSURANCE CO. SETTLEMENT TRUST

PLEASE TAKE NOTICE THAT Zvi Guttman, the Plan Trustee for the captioned post-confirmation debtor, and its post-confirmation debtor and non-debtor affiliates (respectively, the "Plan Trustee" and "City Homes"), has filed a *Motion for Approval of Settlement Agreement Between Plan Trustee and Eligible Lead Paint Claimants Regarding Allocation of Liberty Mutual Mid-Atlantic Insurance Co. Settlement Trust (the "Motion to Approve") pursuant to Fed. R. Bankr. P. 9019(a), seeking Court approval of a settlement between the Plan Trustee on the one hand, and the Holders of Lead Paint Claims against City Homes on the other hand, who assert claims for the period of time when City Homes was covered by insurance issue by Liberty Mutual Mid-Atlantic Insurance Co., formerly Merchants & Business Men's Mutual Insurance Company (respectively, the "Liberty Mutual Claimants" and "Liberty Mutual").* 

By separate settlement, Liberty Mutual funded a \$3,392,055.00 Settlement Trust for the benefit of the Liberty Mutual Claimants. Under the Settlement Agreement: (i) the Plan Trustee will allocate and distribute the funds in the Settlement Trust on a *pro rata* basis among the Liberty Mutual Claimants enumerated in the Motion, (ii) the Liberty Mutual Claimants will release the City Homes Releasees from any and all Claims, including those arising out of or in any way relating to any of the following: (a) lead paint at a property owned or managed by City Homes or any of its affiliates, officers, or directors; (b) residency at a property owned or managed by City Homes or any of its affiliates, officers, or directors; (c) visitation at a property owned or managed by City Homes or any of its affiliates, officers, or directors; and (d) the obligation of City Homes and the Trustee to preserve and maximize the Lead-Paint Insurance Rights under the Plan, and (iii) the Liberty Homes Claimants will dismiss the City Homes Releasees from any pending Baltimore City Litigation, with prejudice, and shall not thereafter make a claim or file a suit that is inconsistent with the releases provided for herein.

Copies of the Motion to Approve, the Settlement Agreement, and the proposed Order thereon can be viewed at and downloaded from the Court (Pacer.gov) or

<u>https://guttman.lawyer/city-homes</u>, or requested from the Plan Trustee or his counsel at the addresses set forth below.

YOUR RIGHTS MAY BE AFFECTED BY THE MOTION, THE SETTLEMENT AGREEMENT, AND ANY ORDER ENTERED BY THE COURT APPROVING THE SETTLEMENT. If you wish to file an objection to the proposed settlement you must file your objection with the Bankruptcy Court at the United States Bankruptcy Court for the District of Maryland, 101 W. Lombard St., Baltimore, MD 21201 (www.mdb.uscourts.gov), Case No. 13-25370-MMH, and serve your objection on the following: (i) Plan Trustee, Zvi Guttman, c/o The Law Offices of Zvi Guttman, P.A., Post Office Box 32308, Baltimore, Maryland 21282, Zvi@ZviGuttman.com; (ii) counsel for the Plan Trustee, David G. Sommer, Esq., Gallagher Evelius & Jones LLP, 218 N. Charles Street, Suite 400, Baltimore, MD 21201, dsommer@gejlaw.com; (iii) Office of the United States Trustee, 101 West Lombard Street, Suite 2625, Baltimore, MD 21201 (Attn: Gerard R. Vetter, Assistant U.S. Trustee); and (iv) counsel for the Lead Paint Claimants identified by an (\*) below. An objection must state the facts and legal grounds on which the objection is based. Objections must be filed and served no later than 21 days after the date of this Notice. The Court, in its discretion, may conduct a hearing or determine the matter without a hearing regardless of the filing of an objection. If no timely objection is filed the proposed settlement may be authorized without further order or notice.

You may contact the undersigned for additional information.

June 17, 2022

/s/ Zvi Guttman

Zvi Guttman (06902)
The Law Offices of Zvi Guttman, P.A.
Post Office Box 32308
Baltimore, Maryland 21282
(410) 580-0500 Phone
(410) 580-0700 Fax
Zvi@ZviGuttman.com

Respectfully submitted,

/s/ David G. Sommer

David G. Sommer (Fed. Bar No. 27581)
Paul S. Caiola (Fed. Bar No. 23940)
Gallagher Evelius & Jones LLP
218 N. Charles Street, Suite 400
Baltimore, MD 21201
(410) 727-7702
pcaiola@gejlaw.com
dsommer@gejlaw.com

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 17th day of June 2022, copies of the foregoing Notice of Motion and Hearing on Motion to Approve Settlement Agreement with Liberty Mutual Mid-Atlantic Insurance Company were served as follows:

#### CM/ECF

Paul S Caiola pcaiola@gejlaw.com, cclark@gejlaw.com; ceyler@gejlaw.com

Richard L. Costella <u>rcostella@tydings.com</u>, <u>jmurphy@tydings.com</u>

G. David Dean <u>ddean@coleschotz.com</u>, <u>PRatkowiak@coleschotz.com</u>

Mark Edelson <u>Medelson@mdattorney.com</u>, <u>dlawal@mdattorney.com</u>

Kristen S. Eustis <u>kristen.s.eustis@usdoj.gov</u>

John Patrick Gill jpg@shapirosher.com, msw@shapirosher.com

Evan M. Goldman medelson@goldmangoldman.com

Jonathan Adam Grasso igrasso@coleschotz.com

Jonathan Adam Grasso jon@piercemccoy.com

Zvi Guttman <u>zvi@zviguttman.com</u>, <u>zviguttman@gmail.com</u>, <u>zviguttman@outlook.com</u>

Zvi Guttman @gmail.com, zviguttman@outlook.com, MD55@ecfcbis.com

John C Kilgannon jck@stevenslee.com, pam@stevenslee.com

Harry Lee <u>hlee@steptoe.com</u>

Katherine A. (UST) Levin Katherine.A.Levin@usdoj.gov, amy.busch@usdoj.gov

Kevin Clark Maclay <a href="mailto:kmaclay@capdale.com">kmaclay@capdale.com</a>

John Marks Moore mark@markmoorelaw.com, andy@markmoorelaw.com

Cara Leigh O'Brien(\*) cobrien@ektlaw.com

Todd E. Phillips tphillips@capdale.com, cecilia-querrero-caplin-

6140@ecf.pacerpro.com

Shannon Jacob Posner sjposner@posner-law.com

Wendy Dworshak Pullano wpullano@bregmanlaw.com, kristy@bregmanlaw.com;

drigterink@bregmanlaw.com

Kami Elizabeth Quinn quinnk@gotofirm.com

David Sommer @gejlaw.com, ceyler@gejlaw.com; gomara@gejlaw.com

Nicholas Adam Szokoly nick.szokoly@murphyfalcon.com

Joshua Robert Taylor irtaylor@steptoe.com

US Trustee - Baltimore USTPRegion04.BA.ECF@USDOJ.GOV

Irving Edward Walker <u>iwalker@coleschotz.com</u>, <u>jdonaghy@coleschotz.com</u>;

pratkowiak@coleschotz.com pratkowiak@coleschotz.com

### 1st Class Mail, Postage Pre-paid,

Robert L. Hoegle Nelson Mullins 101 Constitution Avenue, NW | Suite 900 Washington, D.C., 20001 William C. Burgy, Esq.(\*)
Peter T. Nicholl, Esq.
The Law Offices of Peter T. Nicholl
36 South Charles St, Suite 1700
Baltimore, MD 21201

David F. Albright, Jr., Esq.(\*) 201 North Charles Street, 5th Floor Baltimore, MD 21201

Brian S. Brown, Esq.(\*) Brown & Barron, LLC 7 St. Paul Street, Suite 800 Baltimore, Maryland 21202

Thomas F. Yost, Jr., Esq.(\*) Michael A. Pulver, Esq. The Yost Legal Group 341 N. Calvert Street, Suite 100 Baltimore, MD 21202

/s/ Zvi Guttman

Zvi Guttman (06902)
The Law Offices of Zvi Guttman, P.A.
Post Office Box 32308
Baltimore, Maryland 21282
Zvi@zviguttman.com
(410) 580 0500 Phone

Counsel to the Trustee