UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
TM36, LLC, *et al.*	§	Case No. 26-90386 (ARP)
Debtors.[1]	§	(Jointly Administered)

DEBTORS' MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. § 1121(D) EXTENDING THEIR EXCLUSIVE PERIODS TO FILE AND SOLICIT A PLAN

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at https://ecf.txsb.uscourts.gov/ within twenty-one days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within twenty-one days from the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully state as follows in support of this motion (the "Motion"):

PRELIMINARY STATEMENT

1. After a protracted fight over the final approval of their DIP financing, the Debtors' chapter 11 cases are now on track and progressing. As discussed during the hearings on the DIP motion, the Debtors have insured their equipment, and a contractor is in the process of gathering and securing their equipment which will allow them to resume operations. Additionally, the

[1] The Debtors in these chapter 11 cases, along with the last four digits of the Debtors' federal tax identification number, are TM36, LLC (5051), StopLoss Specialists, LLC (3801), StopLoss, LLC (8840), StopLoss Response Services, LLC (3350), and StopLoss Logistics, LLC (3569). The Debtors' service address is: 716 S. Frio Street, Suite 110, San Antonio, TX 78207.

Debtors have obtained approval to retain counsel to prosecute claims and collect accounts receivable that will be the cornerstone of a plan of reorganization.

2. The voluntary chapter 11 cases were filed on March 5, 2026. Therefore, the exclusive period to file a plan will not run until July 3, 2026. However, as part of the agreement to transfer the involuntary petition filed against StopLoss, LLC from Louisiana to this Court, the Debtors agreed that the petition date for StopLoss, LLC would remain January 20, 2026, the date when the involuntary was filed. As a result, the exclusivity period for only StopLoss, LLC would expire on May 20, 2026.

3. The Debtors require more time to continue working toward a chapter 11 plan for the benefit of all stakeholders. Accordingly, the Debtors respectfully request that the Court grant an extension of the Exclusive Periods (defined below) for all Debtors based on the voluntary petition date, without which the Debtors risk the confusion and distraction that would result from competing plans at a critical stage in the chapter 11 cases.

4. For these reasons and for those set forth below, the Debtors submit that sufficient "cause" exists under section 1121 of the Bankruptcy Code to extend the Exclusive Periods to file a chapter 11 plan and solicit acceptances thereof.

RELIEF REQUESTED

5. By this Motion, and pursuant to sections 105 and 1121(d) of title 11 of the United States Code (the "Bankruptcy Code"), the Debtors seek entry of an order, substantially in the form attached hereto (the "Proposed Order"), granting an extension of the Debtors' exclusive periods to file a chapter 11 plan (the "Exclusive Plan Period") and solicit votes thereon (the "Exclusive Solicitation Period" and, together with the Exclusive Plan Period, the "Exclusive Periods"), through and including September 1, 2026, and November 2, 2026, respectively. The requested

extensions would be without prejudice to the Debtors' right to seek additional extensions of the Exclusive Periods.[2]

JURISDICTION AND VENUE

6. The United States Bankruptcy Court for the Southern District of Texas (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of Texas*, dated May 24, 2012 (the "Amended Standing Order"). This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). The Debtors confirm their consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

7. Venue is proper pursuant to 28 U.S.C. § 1408.

BACKGROUND

8. On March 5, 2026 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. Prior to the Petition Date, StopLoss, LLC, was the subject of an involuntary petition filed in the Western District of Louisiana on January 20, 2026. As part of the agreement to transfer that case to this Court and then dismiss the involuntary case, the Debtors agreed with the involuntary petitioning creditors that they would maintain January 20, 2026, as the petition date only for StopLoss, LLC.

[2] Paragraph 30 of the *Procedures for Complex Chapter 11 Cases in the Southern District of Texas* (the "Complex Case Procedures") provides that "if a motion is filed that complies with these procedures to extend the time to take any action before the expiration of the period prescribed by the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, or a confirmed plan, the time for taking the action is automatically extended until the Court rules on the motion. An automatic extension under this rule does not require the issuance or entry of an order extending the time." By the filing of this Motion prior to the expiration of the Exclusive Plan Period, the Exclusive Plan Period is automatically extended until the Court resolves the Motion.

9. The Debtors are operating their businesses and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. These cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). No request for the appointment of a trustee or examiner has been made in the above-styled chapter 11 cases (the "Chapter 11 Cases"). On April 24, 2026, the United States Trustee (the "U.S. Trustee") appointed the Official Committee of Unsecured Creditors (the "Committee") [Docket No. 101].

10. A detailed description of the Debtors and their businesses, including the facts and circumstances giving rise to the Chapter 11 Cases, is set forth in the *Declaration of Pablo Bonjour in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 10] (the "First Day Declaration").

11. Since the Petition Date, the Debtors have worked diligently on numerous time-sensitive matters critical to these cases, including among other things:

(a) Obtaining approval of a number of "first day" and "second day" motions;

(b) retaining Susman Godfrey LLP as special litigation counsel and approval of a motion regarding ordinary course professionals who are, among other things, prosecuting actions to collect the Debtors' receivables;

(c) preparing and filing the Schedules and Statements;

(d) obtaining final approval of the DIP financing;

(e) establishing a claims bar date;

(f) opposing a motion for relief from stay;

(g) obtaining an extension of their removal deadline; and

(h) preparing for and attending various hearings, including heavily contested hearings on the Debtors' DIP financing.

BASIS FOR RELIEF

I. Section 1121(d) Permits Extension of the Exclusive Periods for "Cause"

12. Section 1121(b) of the Bankruptcy Code provides for an initial period of 120 days after the commencement of a chapter 11 case during which a debtor has the exclusive right to file a chapter 11 plan. Section 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan within the 120-day exclusive period, it has an exclusive period of 180 days after the commencement of the chapter 11 case to obtain acceptances of its plan. As noted herein, StopLoss, LLC has an earlier petition date than the other Debtors. Therefore, StopLoss, LLC's initial Exclusive Filing Period and Exclusive Solicitation Period are currently set to expire on May 20, 2026, and July 20, 2026, respectively. The other Debtors' initial Exclusive Filing Period and Exclusive Solicitation Period are currently set to expire on July 3, 2026, and September 1, 2026, respectively.

13. Section 1121(d) of the Bankruptcy Code allows the Court to extend the Exclusive Periods for "cause." 11 U.S.C. § 1121(d). Although the Bankruptcy Code does not define "cause" for the purposes of an extension request under section 1121(d), the legislative history of section 1121 indicates that Congress did not intend that the 120- and 180-day exclusive periods be strict limits. *See* H.R. Rep. No. 95–595, at 231–32 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5963 (noting that Congress intended to give Bankruptcy Courts flexibility to protect a debtor's interests by allowing a debtor an unimpeded opportunity to negotiate settlement of debts without interference from other parties in interest); *see also In re Timbers of Inwood Forest Assoc., Ltd.*, 808 F.2d 363, 372 (5th Cir. 1987) ("Any bankruptcy court involved in an assessment of whether 'cause' exists should be mindful of the legislative goal behind § 1121."); *In re Mirant Corp.*, 2004 WL 2250986, at *2 (N.D. Tex. Sept. 30, 2004) (noting that "[i]n virtually every case where an extension has been

granted, the debtor showed substantial progress had been made in negotiations toward reorganization").

14. The decision to extend the Exclusive Periods is left to the sound discretion of the Court and should be based upon the facts and circumstances of the Chapter 11 Cases. *See In re Adelphia Commc'ns Corp.*, 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006) (identifying factors courts consider in determining whether to extend exclusivity); *In re New Millennium Mgmt., LLC*, 2014 WL 792115, at *6 (Bankr. S.D. Tex. Feb. 25, 2014) (identifying the *Adelphia* factors as factors to consider in determining whether cause exists to extend exclusivity); *In re Express One Int'l, Inc.*, 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996) (same); *In re Washington-St. Tammany Elec. Coop., Inc.*, 97 B.R. 852, 854 (E.D. La. 1989) (noting that the decision to extend exclusivity "rests with the discretion of the Court").

15. In making the determination to affirm or deny a request to extend the Exclusive Periods for "cause," courts have considered a variety of factors, including the following:

a. The size and complexity of the debtor's case;

b. The necessity for sufficient time to permit the debtor to negotiate a chapter 11 plan and prepare adequate information;

c. The existence of good faith progress towards reorganization;

d. The fact that the debtor is paying its bills as they become due;

e. Whether the debtor has demonstrated reasonable prospects for filing a viable plan;

f. Whether the debtor had made progress in negotiations with its creditors;

g. The amount of time which has elapsed in the case;

h. Whether the debtor is seeking an extension of exclusivity in order to pressure creditors to submit to the debtor's reorganization demands; and

i. Whether an unresolved contingency exists.

See, e.g., New Millennium Mgmt., 2014 WL 792115, at *6; *see also Express One*, 194 B.R. at 100 (noting the nine factors listed above "have been identified by courts as being relevant in determining whether 'cause' exists"); *Adelphia*, 352 B.R. at 587 (same); *see also In re Borders Grp., Inc.*, 460 B.R. 818, 822 (Bankr. S.D.N.Y. 2011) (evaluating the nine factors set forth in *Adelphia* to hold that debtor established cause to extend exclusivity). Additionally, courts apply a more lenient standard when determining whether to grant a debtors' first request to extend exclusivity. *See In re Mirant Corp.*, 2004 WL 2250986, at *2 ("The debtor's burden gets heavier with each extension it seeks as well as the longer the period of exclusivity lasts."); *see also Borders*, 460 B.R. at 825 (noting that during the initial 120-day exclusive period courts have applied a lesser standard to determine whether the burden of showing a reasonable possibility of reorganization within a reasonable time has been satisfied).

16. Not all factors are relevant to every case, and courts tend to use a relevant set of factors in determining whether cause exists to grant an exclusivity extension in a particular chapter 11 case. *See, e.g.*, *In re Hoffinger Indus., Inc.*, 292 B.R. 639, 643–44 (B.A.P. 8th Cir. 2003) ("It is within the discretion of the bankruptcy court to decide which factors are relevant and give the appropriate weight to each"); *In re Serv. Merch. Co., Inc.*, 256 B.R. 744, 751–54 (Bankr. M.D. Tenn. 2000) (finding cause to extend where the debtors established six of the aforementioned factors); *Express One Int'l.*, 194 B.R. at 100 (identifying four of the factors as relevant in determining whether "cause" existed to extend exclusivity); *see also In re Dow Corning Corp.*, 208 B.R. 661, 670 (Bankr. E.D. Mich. 1997) ("When the Court is determining whether to terminate a debtor's exclusivity, the primary consideration should be whether or not doing so would facilitate moving the case forward. And that is a practical call that can override a mere toting up of the factors.").

II. Cause Exists to Extend the Debtors' Exclusive Periods

A. The Debtors' Chapter 11 Cases Are Complex

17. Courts regularly extend the exclusivity periods under section 1121(d) of the Bankruptcy Code in complex chapter 11 cases to afford the debtor time to lay the groundwork for an effective chapter 11 plan before beginning the formal plan formulation, negotiation, filing, and solicitation process. The size and complexity of a debtor's case alone may provide cause for extending a debtor's exclusivity periods. *See, e.g.*, *Express One*, 194 B.R. at 100–01 (approving debtor's third exclusivity extension, noting that "[t]he traditional ground for cause is the large size of the debtor and the concomitant difficulty in formulating a plan of reorganization"); *In re Perkins*, 71 B.R. 294, 296 (Bankr. W.D. Tenn. 1987) (approving five extensions of debtor's exclusivity because the debtor's case was unusually large and complex where there were only 100 creditors holding 225 claims totaling $10,000,000 against an estate valued at only $13,000,000); *In re Southwest Oil Co. of Jourdanton, Inc.*, 84 B.R. 448, 452 (Bankr. W.D. Tex. 1987) (citing *Perkins* as an example of a sufficiently large and complex case to justify an extension). This is consistent with the legislative history of section 1121 provides that "if an unusually large company were to seek reorganization under chapter 11, the court would probably need to extend the time in order to allow the debtor to reach an agreement." H.R. Rep. No. 95-595, at 232 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5963. Indeed, "[t]he large size of a debtor and the consequent difficulty in formulating a plan . . . for a huge debtor with a complex financial structure are important factors which generally constitute cause for extending the exclusivity periods." *See In re Texaco Inc.*, 76 B.R. 322, 326 (Bankr. S.D.N.Y. 1987).

18. These chapter 11 cases consist of five separate Debtor entities and involve heavily contested litigation on multiple prepetition projects. Further complicating the dynamics in this case, the largest target of that litigation is an affiliate of a prepetition secured lender who is not a

post-petition lender. The size and complexity of these chapter 11 cases, as well as the breadth of the legal issues involved, warrant the requested extension of the Exclusive Periods to file and confirm a plan.

B. The Debtors Need Sufficient Time to Negotiate a Plan and Prepare Adequate Information and Have Made Good Faith Progress Towards a Plan

19. Since the Petition Date, the Debtors have made significant progress in administering the chapter 11 cases, which also warrants extension of the Exclusive Periods. The Committee was not appointed for 50 days after the Petition Date, and Committee counsel has been engaged for less than three weeks. During the majority of this period, the Debtors were consumed with the contested final approval of the DIP financing. The work performed to date by the Debtors and their professionals has created a path for the Debtors to propose a plan. However, the Debtors require additional time to negotiate with all parties in interest, particularly the Committee.

C. Relatively Little Time Has Elapsed in the Chapter 11 Cases

20. This request for an extension of the Exclusive Periods is the Debtors' first such request and comes less than three months after the Petition Date. Under normal circumstances, the Debtors could have filed this Motion later in the case, but the unique fact of StopLoss, LLC having an earlier petition date required this Motion being filed now. Courts regularly grant a debtor's initial request for an exclusivity extension. The relative infancy of the chapter 11 cases supports the requested extension of the Exclusive Periods.

D. An Extension of the Exclusive Periods Will Not Prejudice Creditors and Is Not Intended to Pressure Creditors

21. Extending the Exclusive Periods benefits all parties in interest by preventing a drain on time and resources, which inevitably occurs when multiple parties with potentially divergent interests compete for the consideration of their own respective plans. This Motion is not filed for

purposes of delay but to afford the Debtors an opportunity to further develop a plan. The extension requested is reasonable and realistic in view of the circumstances of these chapter 11 cases.

E. Extension of Exclusive Periods Will Maximize Value for the Debtors' Estates

22. The Debtors seek to maintain exclusivity so parties with competing interests do not impede the Debtors' efforts to obtain stakeholder support for a value-maximizing plan. Extending exclusivity benefits all parties in interest by preventing the drain on time and the resources of the Debtors' estates that will occur when multiple parties, with potentially diverging interests, pursue the consideration of their own respective plans. All stakeholders in the chapter 11 cases benefit from continued stability and predictability that a centralized process provides, which can only occur while the Debtors remain the sole plan proponents. Additionally, even if the Court approves an extension of the Exclusive Periods, nothing prevents parties in interest from later arguing to the Court that cause supports termination of the Debtors' exclusivity, should such cause arise.

23. For the aforementioned reasons, the Debtors respectfully submit that cause exists to extend the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code, through and including September 1, 2026, and November 2, 2026, for the Exclusive Filing Period and Exclusive Solicitation Period, respectively, without prejudice to the Debtors' right to seek further extensions of the Exclusive Periods, as may be appropriate under the circumstances.

AUTOMATIC EXTENSION UNDER COMPLEX CASE PROCEDURES

24. Pursuant to paragraph 30 of the Complex Case Procedures, the Exclusive Periods shall automatically be extended until the Court rules on this motion without the necessity for the issuance or entry of an order extending the time.

WHEREFORE, the Debtors respectfully request that the Court enter an order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: May 19, 2026.

Respectfully submitted,

By: */s/ Aaron J. Power*
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Certificate of Service

I hereby certify that on May 19, 2026, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Aaron J. Power
Aaron J. Power

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
TM36, LLC, *et al.*	§	Case No. 26-90386 (ARP)
Debtors.[1]	§	(Jointly Administered)

ORDER PURSUANT TO 11 U.S.C. § 1121(D) EXTENDING THE DEBTORS' EXCLUSIVE PERIODS TO FILE AND SOLICIT A PLAN

[Relates to Docket No. ___]

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order") extending the Debtors' exclusive periods in which to file a chapter 11 plan (the "Exclusive Plan Period") and solicit acceptances thereof (the "Exclusive Solicitation Period" and, together with the Exclusive Plan Period, the "Exclusive Periods"), pursuant to section 1121(d) of title of title 11 of the United States Code (the "Bankruptcy Code"), as more fully set forth in the Motion; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. § 1408; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other

[1] The Debtors in these chapter 11 cases, along with the last four digits of the Debtors' federal tax identification number, are TM36, LLC (5051), StopLoss Specialists, LLC (3801), StopLoss, LLC (8840), StopLoss Response Services, LLC (3350), and StopLoss Logistics, LLC (3569). The Debtors' service address is: 716 S. Frio Street, Suite 110, San Antonio, TX 78207.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

parties in interest; and it appearing that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and the Court having reviewed the Motion; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. Pursuant to section 1121(d) of the Bankruptcy Code, the Debtors' Exclusive Plan Period in which to file a chapter 11 plan is extended to and including September 1, 2026.

2. Pursuant to section 1121(d) of the Bankruptcy Code, the Debtors' Exclusive Solicitation Period in which to solicit acceptances of a chapter 11 plan is extended to and including November 2, 2026.

3. Nothing herein shall prejudice the Debtors' or any other parties' rights under section 1121(d) of the Bankruptcy Code.

4. Nothing herein shall create, nor is intended to create, any rights in favor of or to enhance the status of any claim held by any party.

5. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

6. Notice of the Motion shall be deemed good and sufficient and the applicable requirements of the Bankruptcy Rules and the Bankruptcy Local Rules are satisfied by such notice.

7. Notwithstanding any Bankruptcy Rule to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

8. The Debtors are hereby authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

9. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _______________, 2026

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JUDGE ALFREDO PÉREZ
UNITED STATES BANKRUPTCY JUDGE