**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	§	**Chapter 11**
	§	
VISION2SYSTEMS LLC	§	**Case No. 25-40583-mxm11**
	§	
Debtor.	§	

NORTHRIDGE CHURCH'S NOTICE AND OBJECTION TO DEBTOR'S AMENDED PLAN OF LIQUIDATION AND JOINDER TO UNITED STATES TRUSTEE'S OBJECTIONS

TO THE HONORABLE MARK X. MULLIN, U.S. BANKRUPTCY JUDGE:

COMES NOW Northridge Church in the above-captioned Chapter 11 bankruptcy case (the "Bankruptcy Case") of Vision2Systems LLC (the "Debtor"), the debtor and debtor-in-possession, and files this its *Objection to Debtor's Amended Plan of Liquidation and Joinder to United States Trustee's Objection*, and in support of which, would respectfully show the Court as follows:

I. Summary

1. Northridge Church files this notice of its objection to confirmation of the plan and its election to opt out of the plan. This notice is in addition to the ballots served on Debtor by mail.

2. Northridge Church adopts and incorporates by reference the objections and arguments made in the U.S. Trustee's Objection to Disclosure Statement in Support of Plan of Liquidation of Vision2Systems LLC (the "Disclosure Statement Objection," ECF 131), along with the further objection filed at ECF 155. Specifically, Northridge Church objects to confirmation for the following reasons:

- Section 11.7 of the Amended Plan violates the United States Bankruptcy Code by imposing nonconsensual third-party releases (the "Third-Party Releases") on creditors who do not return ballots ("Ballots") with an "opt-out" election checked.
- The Amended Plan provides that Class 3 general unsecured creditors (the "Class 3 Claimants") who opt out of the Third-Party Releases shall not be entitled to share in the pro rata GUC Settlement Distribution Amount.
- The Amended Plan does not provide for an independent third party to serve as post-confirmation trustee but instead provides for Paul Baldwin ("Mr. Baldwin") to manage and wind down the Post-Confirmation Debtor.
- The Confirmation Order should specify that the Plan does not release claims of governmental entities exercising their police and regulatory authority.
- The Confirmation Order should include language providing that the Post-Confirmation Debtor shall be required to file post-confirmation reports until the case is dismissed, converted, or closed.
- The Confirmation Order should provide that the Post-Confirmation Debtor should pay United States Trustee quarterly fees due as of the confirmation on or before the Effective Date.
- To the extent churches' claims against the Debtor's principals would be released without agreement or consent, the plan is objectionable and should not be confirmed.
- The injunction in Section 11.5 of the plan is broadly worded and may be construed to prevent further action against the principals who are not released without modification of the plan.

II. Facts

3. The Debtor filed the original Plan of Liquidation of Vision2Systems LLC and original Disclosure Statement on August 11, 2025. ECF 124 and 125.

4. On September 15, 2025, the United States Trustee filed her Disclosure Statement Objection [ECF 134], which raised the following confirmation objections:

- The Plan contained impermissible third-party releases.
- The Plan did not provide for an independent third party to serve as post-confirmation trustee but instead provided for Mr. Baldwin to manage and wind down the Post-Confirmation Debtor.
- The Plan did not provide that nothing within it released the claims of governmental entities exercising their police and regulatory authority

ECF 134.

5. At the September 22, 2025, hearing on the Original Disclosure Statement, the Court stated that it would defer consideration of the United States Trustee's confirmation objections to the confirmation hearing itself.

6. On October 2, 2025, the Debtor filed the Amended Plan and Amended Disclosure Statement. ECF 142, 143.

7. The Amended Plan still imposes the Third-Party Release upon all Holders of Claims and Interests unless they return an opt out form.

8. The Amended Plan still does not provide for an independent third party to serve as post-confirmation trustee but instead provided for Mr. Baldwin to manage and wind down the Post-Confirmation Debtor, or that of CGC which is also not an independent third party.

9. The Amended Plan still does not provide that nothing within it released the claims of governmental entities exercising their police and regulatory authority

10. The Debtor filed a Second Amended Plan of Liquidation of Vision2Systems LLC at November 17, 2025, at 5:13 p.m.

11. Northridge Church asked the Debtor to provide documentation for its in-house accounting and reconciliation, both in a lawsuit filed prior this Bankruptcy and in this proceeding. Debtor provided an updated spreadsheet showing its own alleged final accounting, but Debtor has not provided Northridge Church with any documents showing support for its accounting methods or any documents that might indicate discrepancies with the accounting. Debtor has concealed this information and has not provided it to Northridge Church, or to Northridge Church's knowledge, other creditors.

12. To date, the only reason Debtor has given churches to accept the plan is that Debtor claims nothing will be left anyway. But the plan does not explain where the donation funds of hundreds of churches went, regardless of whether the loss was through gross misfeasance or intentional malfeasance, or how distribution of funds to churches in class 3 will be addressed if at all.

13. To the extent church claims against the Debtor's principals would be released without agreement or consent, the plan is objectionable.

14. The U.S. Trustee has a pending motion to convert the bankruptcy to a Chapter 7 proceeding, which the Court should grant.

III. ARGUMENT AND AUTHORITY

15. The Amended Plan must be fair to all creditors and comply with the Bankruptcy Code and applicable law. Although the Amended Plan corrects some of the flaws of the original plan and the original disclosure statement, the Amended Plan is still flawed and unconfirmable because it imposes non-consensual third-party releases in

violation of the express ruling of the Supreme Court in *Harrington v. Purdue Pharma L.P.*, 144 S. Ct. 2071, 2082-88 (2024).

16. The Plan purports to force the Third-Party Release on creditors and non-voting equity unless they timely execute an opt-out, even if they do not or cannot vote on the Plan.

17. Consistent with the United States Trustee's position documented in the Disclosure Statement Objection, the United States Trustee opposes the use of the opt-out mechanism in the Plan because it does not satisfy the requirements to establish actual consent as defined under applicable state law. Absent voluntary and knowing consent, the Amended Plan's Third-Party Release is improper and renders the Amended Plan unconfirmable. *Harrington v. Purdue Pharma L.P.*, 144 S. Ct. 2071, 2082-88 (2024).

18. Northridge Church objects to the use of the opt-out procedures to bind creditors because such procedures render the Amended Plan unconfirmable and adopts and incorporates, by reference, the arguments made in the Disclosure Statement Objection.

19. Northridge Church further adopts by reference and incorporates herein all of the objections of the U.S. Trustee at ECF 155.

IV. PRAYER

WHEREFORE, PREMISES CONSIDERED, Northridge Church respectfully requests that the court sustain its objections, deny the plan, convert the bankruptcy to a Chapter 7 proceeding, and grant Northridge Church such other and further relief to which it may be justly entitled at law or in equity.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned attorney hereby certifies that a true and correct copy of the foregoing instrument was served upon the counsel and parties of record, electronically through the Bankruptcy Court's Electronic Case Filing System on those parties that have consented to such service on November 17, 2025.

/s/ Kyle Carney
Kyle T. Carney