

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

SECURE HOME HOLDINGS LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 21-10745 (xxx)

(Joint Administration Pending)

**DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING DEBTORS TO
(A) FILE A CONSOLIDATED CREDITOR MATRIX IN LIEU OF SUBMITTING A
SEPARATE CREDITOR MATRIX FOR EACH DEBTOR; (B) FILE A
CONSOLIDATED LIST OF TOP 30 LARGEST UNSECURED CREDITORS; (C)
REDACT CERTAIN PERSONAL IDENTIFICATION INFORMATION FOR
INDIVIDUAL CREDITORS, AND (II) GRANTING RELATED RELIEF**

Secure Home Holdings LLC and certain of its affiliates, the debtors and debtors in possession in the above-captioned cases (collectively, the “**Debtors**,” or the “**Company**”), hereby move (this “**Motion**”) this Court for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), granting the relief described below. In support of this Motion, the Debtors rely upon the *Declaration of Amy V. Kothari in Support of Chapter 11 Petitions and Papers* (the “**First Day Declaration**”),² and respectfully represent as follows:

RELIEF REQUESTED

1. By this Motion, the Debtors respectfully request entry of an order (i) authorizing the Debtors to (a) file a consolidated creditor matrix in lieu of submitting a separate creditor matrix for each Debtor; (b) file a consolidated list of the Debtors’ thirty (30) largest general unsecured

¹ The Debtors in these chapter 11 cases, along with the last four digits of their respective tax identification numbers, are as follows: Secure Home Holdings LLC (1583); ACA Security Systems GP, LLC (5674); ACA Security Systems LP (3613); Hawk Creation, LLC (3525); and My Alarm Center, LLC (0273). The address of the Debtors’ corporate headquarters is 3803 West Chester Pike, Suite 100, Newtown Square, Pennsylvania 19073.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration.

creditors; and (c) redact certain personal identification information for individual creditors; and (ii) granting related relief.

JURISDICTION AND VENUE

2. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

3. The legal predicates for the relief requested herein are sections 105(a), 107(c), 342(a), and 521 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 1007 and 2002 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rules 1001-1(c), 1007-2, and 2002-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”).

4. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final judgment or order with respect to this Motion if it is determined that this Court would lack Article III jurisdiction to enter such final order or judgment absent the consent of the parties.

BACKGROUND

5. On the date hereof (the “**Petition Date**”), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”). The Debtors have requested that the Chapter 11 Cases be jointly administered.

6. The Debtors continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

7. To date, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) has not appointed a creditors’ committee in the Chapter 11 Cases, nor has any trustee or examiner been appointed therein.

8. The Debtors are a national provider of technologically advanced security solutions, including residential and commercial security systems, home automation systems, smoke and carbon monoxide detectors, and other security solutions in communities throughout the United States. The Debtors’ security solutions include, among others, home security equipment installation, monitoring and support services, “smart” home applications, alarm equipment and support services (smoke, fire, carbon monoxide, flood and intrusion), monitoring services, and premier home security, guard patrols and guard response services. The Debtors’ family of security solution brands include such well-known national and regional brands as My Alarm Center™, Alarm Monitoring Service of Atlanta, Hawk Security Services, ACS Security and LivSecure™.

9. Additional factual background regarding the Company’s business operations, corporate and capital structures, and restructuring efforts are described in greater detail in the First Day Declaration, filed contemporaneously with this Motion and incorporated herein by reference.

BASIS FOR RELIEF REQUESTED AND APPLICABLE AUTHORITY

I. THE DEBTORS SHOULD BE AUTHORIZED TO FILE A CONSOLIDATED CREDITOR MATRIX.

10. Local Rule 2002-1(f)(v) requires each debtor, or its duly retained agent, in jointly administered cases to maintain a separate creditor mailing matrix. Del. Bankr. L.R. 2002-1(f)(v). Local Rule 1001-1(c) permits the Court to modify the Local Rules “in the interest of justice.” *Id.* 1001-1(c). The Debtors submit that permitting them to maintain a single consolidated list of creditors (the “**Creditor Matrix**”), in lieu of filing a separate creditor matrix for each Debtor, is warranted. Requiring the Debtors to segregate and convert their computerized records to a Debtor-

specific creditor matrix format would be unnecessarily burdensome and likely would result in confusing and duplicative notices.³

11. The Debtors, working together with Kurtzman Carson Consultants LLC (“KCC”) as their notice and claims agent in these Chapter 11 Cases (the “**Proposed Notice and Claims Agent**”),⁴ have already prepared a single, consolidated list of the Debtors’ creditors in electronic format. The Debtors are prepared to make the Creditor Matrix available in electronic form to any party in interest who so requests (or in non-electronic form at such requesting party’s sole cost and expense) in lieu of submitting a mailing matrix to the clerk of the Court.

12. The relief requested is commonly granted in this District. *See, e.g., In re GNC Holdings, Inc.*, No. 20-11662 (KBO) (Bankr. D. Del. June 25, 2020) (waiving requirement that debtors maintain separate creditor matrices); *In re AAC Holdings, Inc.*, No. 20-11648 (JTD) (Bankr. D. Del. June 23, 2020) (same); *In re the Hertz Corp.*, No. 20-11218 (MFW) (Bankr. D. Del. May 28, 2020) (same); *In re Quorum Health Corp.*, No. 20-10766 (KBO) (Bankr. D. Del. May 7, 2020) (same); *In re Destination Maternity Corp.*, No. 19-12256 (BLS) (Bankr. D. Del. Oct. 22, 2019) (same); *In re Pernix Sleep, Inc.*, No. 19-10323 (CSS) (Bankr. D. Del. Apr. 11, 2019) (same).⁵

³ If any of the Debtors’ Chapter 11 Cases converts to a case under chapter 7 of the Bankruptcy Code, the applicable Debtor will maintain its own creditor mailing matrix.

⁴ Pursuant to the Debtors’ *Application for Authorization to Employ and Retain Kurtzman Carson Consultants LLC as Claims and Noticing Agent Effective as of the Petition Date*, filed contemporaneously herewith, the Debtors are seeking authority to appoint KCC as their claims and noticing agent under Local Rule 2002-1(f) and 28 U.S.C. 156(c), which empowers the Court to use outside facilities or services pertaining to the provisions of notice of the administrative information to parties in interest so long as costs of the services are paid for out of assets of the estate.

⁵ Because of the voluminous nature of the orders cited herein, they are not attached to this Motion, but are available upon request.

II. THE COURT SHOULD AUTHORIZE THE DEBTORS TO FILE A SINGLE CONSOLIDATED LIST OF THE DEBTORS' THIRTY LARGEST UNSECURED CREDITORS.

13. Additionally, Bankruptcy Rule 1007(d) requires a debtor to file a list containing information on its 20 largest unsecured creditors, excluding insiders. Fed. R. Bankr. P. 1007(d). This "Top 20" List is used to facilitate the appointment of a creditors' committee by the U.S. Trustee. *See In re Dandy Doughboy Donuts, Inc.*, 66 B.R. 457, 458 (Bankr. S.D. Fla. 1986) ("The purpose of the separate list of 20 largest creditors required by [Bankruptcy Rule 1007(d)] is to enable the clerk to identify members and the court to appoint immediately an unsecured creditors' committee in compliance with 11 U.S.C. 1102(a)(1).").

14. If a creditors' committee is ultimately deemed appropriate, a list of the Debtors' 30 largest creditors will be sufficient to aid in the U.S. Trustee's appointment of a creditors' committee. Compiling separate lists for each Debtor would consume a substantial amount of the Debtors' limited time and resources, with little, if any, attendant value to the Debtors' estates or the U.S. Trustee. Accordingly, the Debtors request that the Court waive the requirement that each of the Debtors file a Top 20 List and instead authorize the Debtors to file a single consolidated list of the Debtors' 30 largest unsecured creditors.⁶

15. The relief requested is commonly granted in this District. *See, e.g., In re GNC Holdings, Inc.*, No. 20-11662 (KBO) (Bankr. D. Del. June 25, 2020) (authorizing filing of list of top 30 unsecured creditors); *In re AAC Holdings, Inc.*, No. 20-11648 (JTD) (Bankr. D. Del. June 23, 2020) (same); *In re the Hertz Corp.*, No. 20-11218 (MFW) (Bankr. D. Del. May 28, 2020) (top 50); *In re Quorum Health Corp.*, No. 20-10766 (KBO) (Bankr. D. Del. May 7, 2020) (same); *In*

⁶ If any of the Debtors' Chapter 11 Cases converts to a case under chapter 7 of the Bankruptcy Code, the applicable Debtor will file an unconsolidated "Top 20" list within ten (10) days of any such conversion.

re Destination Maternity Corp., No. 19-12256 (BLS) (Bankr. D. Del. Oct. 22, 2019) (top 30); *In re Pernix Sleep, Inc.*, No. 19-10323 (CSS) (Bankr. D. Del. Apr. 11, 2019) (same).⁷

III. THE DEBTORS SHOULD BE PERMITTED TO REDACT CERTAIN PERSONAL IDENTIFICATION INFORMATION FOR CERTAIN CREDITORS.

16. Section 107(c) of the Bankruptcy Code provides that this Court “for cause, may protect an individual, with respect to the following types of information to the extent the court finds that disclosure of such information would create undue risk of identity theft . . . [a]ny means of identification . . . contained in a paper filed, or to be filed in a case under” the Bankruptcy Code. 11 U.S.C. § 107(c)(1)(A). Cause exists to authorize the Debtors to redact the home address information of individual creditors—many of whom are the Debtors’ employees and customers—and the names of the Debtors’ individual customers from the Creditor Matrix, because such information could be used to perpetrate identity theft or locate survivors of domestic violence or stalking who have otherwise taken steps to conceal their whereabouts. This risk is not merely speculative—in particular for these Debtors, most of whose customers have entrusted the Debtors to provide monitoring and security solutions for the very purpose of protecting their safety. In at least one recent chapter 11 case, the abusive former partner of a debtor’s employee exploited the publicly accessible creditor and employee information filed in the chapter 11 case to track the employee to her new address, which had not been publicly available until then, forcing the employee to change addresses again for her safety.⁸

17. Similarly, in *In re Dex Media, Inc.*, the U.S. Trustee objected to the debtors’ request to redact employees’ addresses, arguing that there was no basis for treating employees differently

⁷ Because of the voluminous nature of the orders cited herein, they are not attached to this Motion, but are available upon request.

⁸ This incident, which took place during the first *Charming Charlie* chapter 11 proceedings in 2017, is described in the “creditor matrix motion” filed in *In re Charming Charlie Holdings Inc.*, No. 19-11534 (CSS) (Bankr. D. Del. Jul. 11, 2019) [Docket No. 4].

from other creditors absent specific identifiable harm. Judge Gross rejected this argument, recognizing the importance of protecting individuals from unnecessary security risk:

I think, that in the present day, with the abuse of private information, that these addresses ought to be redacted, and so, you know, I just think that individuals whose only position is to have been former employees, for example, ought not to have their home addresses listed publicly. I think that [] creates a possibility of abuse and so, I am going to grant the order [to seal].

Hr'g Tr. at 21:13–21, *In re Dex Media, Inc.*, No. 16-11200 (KG) (Bankr. D. Del. May 18, 2016).

18. The Debtors propose to provide an unredacted version of the Creditor Matrix to the U.S. Trustee, counsel to any official committee of unsecured creditors appointed in the Chapter 11 Cases, this Court, and any other party in interest only after this Court has entered an order, after notice and a hearing, authorizing or directing the Debtors to do so. In addition, the Debtors will distribute to their current employees any notices that are received at the Debtors' corporate headquarters and are intended for an employee.

19. Accordingly, the Debtors respectfully submit that cause exists for purposes of section 107(c)(1) of the Bankruptcy Code to authorize the Debtors to redact personally identifiable information in respect of the Debtors' individual creditors and interest holders who are listed on the Creditor Matrix or any other document filed with the Court, including customer names and addresses of customers and employees. Absent such relief, the Debtors would needlessly render individuals more susceptible to identity theft and harassment and could jeopardize the safety of individuals who, unbeknownst to the Debtors—but whom the Debtors have entrusted for the very purpose of protecting their home and safety—are survivors of domestic violence or stalking by publishing their names and home addresses without any advance notice or opportunity to opt out or take protective measures.

20. In addition, the Debtors' customer lists represent years of effort to cultivate customer loyalty in a highly competitive and sensitive industry offering individuals, families, and businesses best-in-class home monitoring and ironclad residential security systems. If the Debtors were to publish these lists, their competitors would surely use such information for their advantage or, less scrupulous operators may even use the lists to harass the Debtors' customers with unwanted solicitations for goods and services. Any resulting erosion to the Debtors' customer base would place the Debtors at a significant disadvantage at a critical juncture in these Chapter 11 Cases. Furthermore, publishing such information may subject the Debtors to liability under consumer privacy laws.

21. Further, the relief requested herein is commonly granted in this District. *See, e.g., In re GNC Holdings, Inc.*, No. 20-11662 (KBO) (Bankr. D. Del. June 25, 2020) (authorizing debtors to redact home addresses of individual creditors); *In re AAC Holdings, Inc.*, No. 20-11648 (JTD) (Bankr. D. Del. June 23, 2020) (same); *In re Quorum Health Corp.*, No. 20-10766 (KBO) (Bankr. D. Del. May 7, 2020) (same); *In re Art Van Furniture, LLC*, No. 20-10553 (CSS) (Bankr. D. Del. Mar. 10, 2020) (same); *In re Clover Techs. Grp., LLC*, No. 19-12680 (KBO) (Bankr. D. Del. Feb. 4, 2020); *In re Destination Maternity Corp.*, No. 19-12256 (BLS) (Bankr. D. Del. Oct. 22, 2019) (same); *In re Loot Crate, Inc.*, No. 19-11791 (BLS) (Bankr. D. Del. Oct. 1, 2019) (authorizing the debtors to file lists of customer creditors under seal).⁹

22. Courts in this district have also recently emphasized the importance of authorizing debtors to redact individual creditors' and interest holders' personally identifiable information—in particular, home addresses. For example, in overruling the objection of the U.S. Trustee to similar redaction relief requested herein in *In re Art Van Furniture, LLC*, Chief Judge Sontchi

⁹ Because of the voluminous nature of the orders cited herein, they are not attached to this Motion, but are available upon request

noted that redaction is not a “burden of proof” issue, but rather “a common sense issue.” Hr’g Tr. at 25:6–7, *In re Art Van Furniture, LLC*, No. 20-10553 (CSS) (Bankr. D. Del. Mar. 10, 2020). Judge Sontchi also noted that “at this point and given the risks associated with having any kind of private information on the internet, [redaction] has really become routine [and] I think obvious relief.” *Id.* at 25:13–16. In overruling similar objections from the U.S. Trustee in *In re Clover Techs. Grp., LLC*, Judge Owens also made similar comments:

To me it is common sense. I don’t need evidence that there is, at best, a risk of identity theft and worse a risk of personal injury from listing someone’s name and address on the internet by way of the court’s electronic case filing systems and, of course, the claims agent’s website . . . The court can completely avoid contributing to the risk by redacting the addresses. And while there is, of course, an important right of access we routinely redact sensitive and confidential information for corporate entities and redact individual’s home addresses.

Hr’g Tr. at 24:21–25, 25:9–13, *In re Clover Techs. Grp., LLC*, No. 19-12680 (KBO) (Bankr. D. Del. Jan. 22, 2020).

23. Therefore, in light of the foregoing, and given that there is minimal, if any, benefit to the publish publishing of the names and home addresses of individuals and the Debtors’ customers in these Chapter 11 Cases, the Debtors respectfully submit that cause exists to authorize the Debtors to redact the home addresses of individuals and names and addresses of customers listed on the Creditor Matrix or any other document filed with the Court.

NOTICE

24. Notice of this Motion will be given to: (a) the Office of the United States Trustee for the District of Delaware; (b) the Internal Revenue Service; (c) the Securities and Exchange Commission; (d) the parties included on the Debtors’ consolidated list of their thirty (30) largest unsecured creditors; (e) the Office of the United States Attorney for the District of Delaware; (f) counsel to the First Lien Agents and the DIP Agents; and (g) the Banks (collectively, the “**Notice**

Parties”). As this Motion is seeking “first day” relief, notice of this Motion and any order entered in connection with the Motion will be served on all parties as required by Local Rule 9013-1(m). Due to the urgency of the circumstances surrounding this Motion and the nature of the relief in it, the Debtors respectfully submit that no further notice of this Motion is required.

NO PRIOR REQUEST

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

CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court enter an order, substantially in the form annexed hereto, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: April 25, 2021
Wilmington, Delaware

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*Proposed Counsel for the Debtors and
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EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

SECURE HOME HOLDINGS LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 21-10745 (xxx)

(Joint Administration Pending)

Related Docket No. _____

**ORDER (I) AUTHORIZING DEBTORS TO (A) FILE A CONSOLIDATED CREDITOR MATRIX IN LIEU OF SUBMITTING A SEPARATE CREDITOR MATRIX FOR EACH DEBTOR; (B) FILE A CONSOLIDATED LIST OF TOP 30 LARGEST UNSECURED CREDITORS; (C) REDACT CERTAIN PERSONAL IDENTIFICATION INFORMATION FOR INDIVIDUAL CREDITORS, AND
(II) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the Debtors for an order (this “**Order**”) (i) authorizing the Debtors to (a) file a consolidated creditor matrix in lieu of submitting a separate creditor matrix for each Debtor; (b) file a consolidated list of the Debtors’ thirty (30) largest general unsecured creditors; (c) redact certain personal identification information for individual creditors; and (ii) granting related relief; and upon consideration of the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the

¹ The Debtors in these chapter 11 cases, along with the last four digits of their respective tax identification numbers, are as follows: Secure Home Holdings LLC (1583); ACA Security Systems GP, LLC (5674); ACA Security Systems LP (3613); Hawk Creation, LLC (3525); and My Alarm Center, LLC (0273). The address of the Debtors’ corporate headquarters is 3803 West Chester Pike, Suite 100, Newtown Square, Pennsylvania 19073.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby;

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED, as set forth herein.
2. The requirement of Local Rule 2002-1(f)(v) that each Debtor, or its duly retained agent, maintain a separate creditor mailing matrix, is hereby waived. The Debtors are authorized to submit a consolidated creditor matrix in satisfaction of Local Rule 1007-2(a); *provided, however,* that if any of the Chapter 11 Cases convert to a case under chapter 7 of the Bankruptcy Code, the applicable Debtor shall file its own creditor matrix at that time.
3. The Debtors are authorized to file a consolidated list of the 30 largest unsecured creditors in these Chapter 11 Cases in lieu of each Debtor filing a list of its 20 largest unsecured creditors *provided, however,* that if any of the Chapter 11 Cases convert to a case under chapter 7 of the Bankruptcy Code, the applicable Debtor shall file a list of its twenty (20) largest creditors within ten (10) days of such conversion.
4. The Debtors are authorized to redact address information and other personally identifiable information of individual creditors, including the Debtors' employees and customers, listed on the Creditor Matrix and any other documents filed with the Court; *provided, however,* that the Debtors shall provide, on a confidential basis, an unredacted version of the Creditor Matrix to (i) the U.S. Trustee; (ii) any official committee of unsecured creditors appointed in the Chapter 11 Cases; (iii) this Court; and (iv) any other party in interest only after this Court has entered an order, after notice and a hearing, authorizing or directing the Debtors to do so; *provided, further,*

however, that any receiving party shall not transfer or otherwise provide such unredacted document to any person or entity not party to the request. When serving any notice in these cases on the Debtors' employees and customers, the Debtors' claims agent, and, where applicable, the Clerk of the Court, shall use the employee's and customer's home address.

5. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

6. This Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.