

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

In re:

Balance Point LLC,

Debtor.

Employer Tax I.D. No. 86-3295908

Chapter 11

Case No. 21-11279 (JKS)

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In re:

MECTA Corporation,

Debtor.

Employer Tax I.D. No. 93-0758275

Chapter 11

Case No. 21-11281 (JKS)

**MOTION OF DEBTORS FOR ENTRY OF AN ORDER DIRECTING  
JOINT ADMINISTRATION OF RELATED SUBCHAPTER V CASES**

The above-captioned debtors and debtors in possession (the “**Debtors**”)<sup>1</sup> hereby move (the “**Motion**”) for entry of an order, substantially in the form attached hereto as Exhibit A (the “**Order**”), pursuant to section 105(a) of title 11 of the United States Code (the “**Bankruptcy Code**”); Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”); and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), directing the joint administration of these subchapter V cases and the consolidation thereof for procedural purposes only. In support of the Motion, the Debtors rely upon the *Declaration of Adrian Kettering in Support of Chapter 11 Petitions and First Day Pleadings*, filed with the Court concurrently

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<sup>1</sup> The Debtors in these subchapter V cases, along with the last four digits of each Debtor’s federal tax identification number, are Balance Point LLC (5908) and MECTA Corporation (8275). The Debtors’ mailing address is 19799 SW 95<sup>th</sup> Avenue, Suite B, Tualatin, Oregon 97062.

herewith (the “**First Day Declaration**”). In further support of the Motion, the Debtors, by and through their undersigned proposed counsel, respectfully represent:

**JURISDICTION AND VENUE**

1. This Court has jurisdiction to consider this Motion under 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 as of February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b). Under Local Rule 9013-1(f), the Debtors consent to entry of a final order under Article III of the United States Constitution. Venue of these cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are Bankruptcy Code section 105(a), Bankruptcy Rule 1015(b), and Local Rule 1015-1.

**BACKGROUND**

3. On the date hereof (the “**Petition Date**”), each of the Debtors filed a voluntary petition in this Court commencing a case for relief and electing treatment under subchapter V of chapter 11 of the Bankruptcy Code (the “**Cases**”). The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of the Cases, is set forth in detail in the First Day Declaration and fully incorporated herein by reference.

4. Concurrently with the filing of this Motion, the Debtors have requested procedural consolidation and joint administration of the Cases pursuant to Bankruptcy Rule 1015(b). The Debtors continue to manage and operate their business as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108. No trustee or examiner has been requested in the Cases and no committees have yet been appointed.

**RELIEF REQUESTED**

5. By this Motion, the Debtors seek entry of an order directing the joint administration of these Cases and the consolidation thereof for procedural purposes only. Many of the motions, applications, hearings, and orders that will arise in these Cases will affect the Debtors jointly. For that reason, the Debtors respectfully submit that their interests, as well as the interests of their creditors and other parties in interest, would be best served by the joint administration of these Cases for procedural purposes only.

6. The Debtors further seek entry of an order directing the Clerk of the Court to maintain one file and one docket for both of the Cases under the case of Balance Point LLC. In addition, the Debtors seek the Court’s direction that separate docket entries be made on the docket of the other Case substantially as follows:

“An order has been entered in this case directing the procedural consolidation and joint administration of the subchapter V cases of Balance Point LLC and its affiliate that has concurrently commenced a subchapter V case. The docket in the case of Balance Point LLC, Case No. 21-11279, should be consulted for all matters affecting this case.”

The Debtors further request that the caption of these Cases be modified as follows to reflect their joint administration:

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

In re:

Balance Point LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 21-11279 (JKS)

(Jointly Administered)

<sup>1</sup>The Debtors in these subchapter V cases, along with the last four digits of each Debtor's federal tax identification number, are Balance Point LLC (5908) and MECTA Corporation (8275). The Debtors' mailing address is 19799 SW 95<sup>th</sup> Avenue, Suite B, Tualatin, Oregon 97062.

**BASIS FOR RELIEF**

7. Pursuant to Bankruptcy Rule 1015(b), if two or more petitions are pending in the same court by or against a debtor and an affiliate, "the court may order a joint administration of the estates." Local Rule 1015-1 further provides for joint administration of chapter 11 cases when "the joint administration of two or more cases pending in [the] Court under title 11 is warranted and will ease the administrative burden for the Court and the parties." Balance Point LLC is a wholly-owned direct subsidiary of MECTA Corporation. The Debtors, therefore, are "affiliates" within the meaning of Bankruptcy Code section 101(2) and, accordingly, this Court has the authority to grant the requested relief pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. Further, the Debtors essentially comprise a single business that relies on interconnected operations. Thus, this Court is authorized to consolidate the Debtors' cases for procedural purposes.

8. Joint administration of these Cases will ease the administrative burden on this Court and all parties in interest. Joint administration of these Cases will not prejudice creditors or other parties in interest because joint administration is purely procedural and will not impact the parties' substantive rights.

9. Local Rule 1015-1 provides additional authority for the Court to order joint administration of these chapter 11 cases:

An order of joint administration may be entered, without notice and an opportunity for hearing, upon the filing of a motion for joint administration pursuant to Fed. R. Bankr. P. 1015, supported by an affidavit, declaration or verification, which establishes that the joint administration of two or more cases pending in the Court under title 11 is warranted and will ease the administrative burden for the Court and the parties. An order of joint administration entered in accordance with this Local Rule may be

reconsidered upon motion of any party in interest at any time. An order of joint administration under this Local Rule is for procedural purposes only and shall not cause a “substantive” consolidation of the respective debtors’ estates.

Del. Bankr. L.R. 1015-1.

10. The First Day Declaration establishes that joint administration of the Debtors’ cases is warranted because it will ease the administrative burden on the Court and all parties in interest. Joint administration of the Debtors’ cases will eliminate the need for duplicate pleadings, notices, and orders in each of the respective dockets and will save the Court, the Debtors, and other parties in interest substantial time and expense when preparing and filing such documents. Further, joint administration will protect parties in interest by ensuring that they will be apprised of the various motions filed with the Court with respect to each of the Debtors’ cases. Therefore, joint administration of the Debtors’ cases is appropriate under Bankruptcy Rule 1015(b) and Local Rule 1015-1.

11. Courts in this district routinely order joint administration of related chapter 11 cases for procedural purposes. Accordingly, based on the foregoing facts and authorities, the Debtors submit that the relief requested in this Motion should be granted.

#### **NOTICE**

12. Notice of this Motion will be given to: (a) the Office of the United States Trustee for the District of Delaware; (b) the Subchapter V Trustee (to be appointed by the U.S. Trustee); (c) the parties included on the Debtors’ consolidated list of twenty (20) largest unsecured creditors; (d) any party that has requested notice pursuant to Bankruptcy Rule 2002; and (e) all parties entitled to notice pursuant to Local Rule 9013-1(m). The Debtors submit that, under the circumstances, no other or further notice is required.

**NO PRIOR REQUEST**

13. No prior motion for the relief requested herein has been made to this or any other court.

**WHEREFORE**, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A, (i) directing the joint administration of these Cases and consolidating them for procedural purposes only pursuant to Bankruptcy Code section 105(a), Bankruptcy Rule 1015(b), and Local Rule 1015-1; and (ii) granting such other and further relief as the Court deems appropriate.

Dated: September 30, 2021  
Wilmington, Delaware

Respectfully submitted,

**POLSINELLI PC**

/s/ Shanti M. Katona  
Shanti M. Katona (Del. Bar No. 5352)  
222 Delaware Avenue, Suite 1101  
Wilmington, Delaware 19801  
Telephone: (302) 252-0920  
Facsimile: (302) 252-0921  
[skatona@polsinelli.com](mailto:skatona@polsinelli.com)

-and-

Jeremy R. Johnson (*Pro Hac Vice* Pending)  
600 3rd Avenue, 42nd Floor  
New York, New York 10016  
Telephone: (212) 684-0199  
Facsimile: (212) 684-0197  
[jeremy.johnson@polsinelli.com](mailto:jeremy.johnson@polsinelli.com)

*Proposed Counsel to the Debtors and  
Debtors in Possession*

**Exhibit A**

**Proposed Order**

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

In re:

Balance Point LLC,

Debtor.

Employer Tax I.D. No. 86-3295908

Chapter 11

Case No. 21-11279 (JKS)

**Re: Docket No. \_\_**

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In re:

MECTA Corporation,

Debtor.

Employer Tax I.D. No. 93-0758275

Chapter 11

Case No. 21-11281 (JKS)

**Re: Docket No. \_\_**

**ORDER (I) DIRECTING JOINT ADMINISTRATION OF CASES, AND  
(II) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)<sup>1</sup> of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”),<sup>2</sup> for entry of an order (this “**Order**”) directing the joint administration of these Cases and the consolidation thereof for procedural purposes only; and upon the First Day Declaration; and this Court having found that it has jurisdiction to consider the Motion pursuant to 28 U.S.C. § 1334; and this Court having found that the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b), and that the Debtors consent to entry of a final order under Article III of the United States Constitution; and this Court having found that venue of these Cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

<sup>2</sup> The Debtors in these subchapter V cases, along with the last four digits of each Debtor’s federal tax identification number, are Balance Point LLC (5908) and MECTA Corporation (8275). The Debtors’ mailing address is 19799 SW 95<sup>th</sup> Avenue, Suite B, Tualatin, Oregon 97062.

notice is necessary; and this Court having reviewed the Motion and having heard statements in support of the Motion at a hearing held before this Court (the “**Hearing**”); and this Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration and at the Hearing establish just cause for the relief granted herein; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation thereon and good and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.
2. The above-captioned Cases shall be jointly administered by the Court and consolidated for procedural purposes only under the case of Balance Point LLC, Case No. 21-11279.
3. The caption of the jointly administered Cases shall read as follows:

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

In re:

Balance Point LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 21-11279 (JKS)

(Jointly Administered)

<sup>1</sup> The Debtors in these subchapter V cases, along with the last four digits of each Debtor’s federal tax identification number, are Balance Point LLC (5908) and MECTA Corporation (8275). The Debtors’ mailing address is 19799 SW 95<sup>th</sup> Avenue, Suite B, Tualatin, Oregon 97062.

4. The Clerk of this Court shall make a docket entry in the Case of Debtor MECTA Corporation substantially as follows:

“An order has been entered in this case directing the procedural consolidation and joint administration of the subchapter V cases of Balance Point LLC and its affiliate that has concurrently

commenced a subchapter V case. The docket in the case of Balance Point LLC, Case No. 21-11279, should be consulted for all matters affecting this case.”

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

6. Notice of the Motion as provided therein shall be deemed good and sufficient, and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

7. Notwithstanding the applicability of any Bankruptcy Rule, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

8. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the interpretation, implementation, or enforcement of this Order.

9. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of these Cases.

Dated: \_\_\_\_\_, 2021  
Wilmington, Delaware

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UNITED STATES BANKRUPTCY JUDGE