

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

In re:)	Chapter 11
)	
)	Case No. 20-12088 (MFW)
)	
MEA RemainCo Holdings, LLC, <i>et al.</i> ,)	
)	
Debtor. ¹)	Hearing Date: Jan. 4, 2022 at 10:30 a.m. (ET)
)	Obj. Deadline: Dec. 15, 2021 at 4:00 p.m. (ET)
)	

THIS FOURTH OMNIBUS OBJECTION SEEKS TO MODIFY AND/OR DISALLOW AND EXPUNGE CERTAIN CLAIMS. CLAIMANTS RECEIVING THIS OBJECTION SHOULD CAREFULLY REVIEW SCHEDULE 1 TO THE PROPOSED ORDER TO DETERMINE IF THEIR CLAIM IS SUBJECT TO THIS OBJECTION AND, IF APPLICABLE, FILE A RESPONSE BY THE RESPONSE DEADLINE FOLLOWING THE INSTRUCTIONS SET FORTH HEREIN.

**FOURTH OMNIBUS OBJECTION (SUBSTANTIVE) OF THE LIQUIDATION
TRUSTEE TO CERTAIN REDUCE AND ALLOW CLAIMS
PURSUANT TO SECTION 502 OF THE BANKRUPTCY CODE,
BANKRUPTCY RULE 3007, AND LOCAL RULE 3007-1**

Terry S. Park, in his capacity as the Liquidation Trustee (the “**Liquidation Trustee**”) of the MEA RemainCo Holdings, LLC (f/k/a Energy Alloys Holdings, LLC) Liquidation Trust (the “**Liquidation Trust**”), by and through his undersigned counsel, hereby submits this omnibus objection (the “**Fourth Omnibus Objection**”), pursuant to section 502 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended (the “**Bankruptcy Code**”), Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 3007-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), to each of the claims (collectively, the “**Disputed Claims**”)

1 The Debtor in this chapter 11 case, along with the last four digits of its federal tax identification number, is MEA RemainCo Holdings, LLC (f/k/a Energy Alloys Holdings, LLC) (4144). The mailing address for the Debtor is c/o Terry S. Park, 3731 Wilshire Blvd, Suite 635, Los Angeles, CA 90010.

identified on Schedule 1 to the proposed form of order (the “**Proposed Order**”) attached hereto as **Exhibit A**, and requests the entry of an order modifying each Disputed Claim as indicated in further detail below and in the schedule attached to the Proposed Order. In support of this Fourth Omnibus Objection, the Liquidation Trustee relies upon the *Declaration of Michele Michaelis in Support of the Fourth Omnibus Objection (Substantive) of the Liquidation Trustee to Certain Reduce and Allow Claims Pursuant to Section 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1* (the “**Michaelis Declaration**”) attached hereto as **Exhibit B**. In further support of this Fourth Omnibus Objection, the Liquidation Trustee respectfully states as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (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 District of Delaware, dated February 29, 2012. In accordance with Local Rule 9013(f), the Liquidation Trustee confirms his consent to the entry of a final order by the Court in connection with this Fourth Omnibus Objection to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders of judgments in connection herewith consistent with Article III of the United States Constitution.

2. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested herein are section 502 of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1.

BACKGROUND

A. The Chapter 11 Cases

4. On September 9, 2020 (the “**Petition Date**”), the Debtors commenced these chapter 11 cases (these “**Cases**”) by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code in this Court. From and after the Petition Date, through the Effective Date (as defined below) of the Plan (as defined below), each Debtor possessed its assets as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

5. On May 18, 2021, the Debtors filed with the Court the *Debtors’ Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation* (as confirmed and with all exhibits thereto, the “**Plan**”) [Docket No. 429].

6. On June 28, 2021, the Court entered the *Order (I) Approving the Debtors’ Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation on a Final Basis and (II) Confirming the Debtors’ Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation* (the “**Confirmation Order**”) [Docket No. 508]² confirming the Plan. The Plan became effective on July 8, 2021 (the “**Effective Date**”).

7. Additional factual background regarding the Debtors, including their business operations, their corporate and capital structure, and the events leading up to the filing of these Cases, is set forth in greater detail in the *Declaration of Bryan Gaston in Support of Debtors’ Chapter 11 Petitions and First Day Motions* [Docket No. 11].

8. The Confirmation Order and Article XI of the Plan provide for substantive consolidation of the Debtors’ estates into a single consolidated estate for, *inter alia*, distributions

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them by the Plan or the Confirmation Order, as applicable.

to the Holders of Allowed Claims under the Plan. As a result of substantive consolidation, as of the Effective Date, among other things: (i) all assets and liabilities of the Debtors were merged; (ii) all guarantees or responsibility of one Debtor of the obligations of any other Debtor were eliminated; (iii) all claims filed against any Debtor are deemed a single obligation of the Debtors; and (iv) intercompany claims between Debtors were extinguished.

9. The Plan and the Confirmation Order also provide for the establishment of the Liquidation Trust on the Effective Date.³ Further, the Plan and the Confirmation Order provide for the appointment of Terry S. Park as the Liquidation Trustee whose duties shall commence as of the Effective Date.⁴ Under the Plan, the Liquidation Trustee is authorized to object to Claims made against the Debtors.⁵

B. The Bar Dates

10. On September 10, 2020, the Court entered an order [Docket No. 28] appointing Epiq Corporate Restructuring, LLC (“**Epiq**”) as the claims and noticing agent in these Cases. Epiq is authorized to maintain all proofs of claim filed against the Debtors and an official claims register (the “**Claims Register**”) by docketing all proofs of claim in a claims database.

11. On December 28, 2020, the Court entered the *Order (I) Establishing Bar Dates and Related Procedures for Filing (A) Proofs of Claim (Including for Administrative Expense Claims Arising Under Section 503(b)(9) of the Bankruptcy Code) and (B) Administrative Expense Requests and (II) Approving the Form and Manner of Notice Thereof* (the “**Bar Date Order**”) [Docket No. 276] establishing: (i) the first business day that is 30 days after the date of service, which was February 1, 2021 at 5:00 p.m. (prevailing Eastern Time), as the last date for persons or

³ Plan § IX.B.; Confirmation Order ¶ 12.

⁴ Plan § IX.A.; Confirmation Order ¶ 12.

⁵ Plan § IX.H.1.

entities other than governmental units to file proofs of prepetition claims, including administrative expense claims arising pursuant to section 503(b)(9) of the Bankruptcy Code (the “**General Bar Date**”); (ii) March 8, 2021 at 5:00 p.m. (prevailing Eastern Time) as the last date for governmental units to file proofs of claim (the “**Government Bar Date**”); and (iii) regarding rejection damages, the later of the General Bar Date and thirty days after a claimant is served with notice of an Order of the Bankruptcy Court authorizing the Debtors’ rejection of the applicable Executory Contract (the “**Rejection Damages Bar Date**” and, together with the General Bar Date and the Government Bar Date, the “**Bar Dates**”).

12. Notice of the Bar Dates [Docket No. 277] was mailed to all known creditors and equity holders on December 31, 2020 [Docket No. 295] and published in the national edition of the New York Times on January 1, 2021 [Docket No. 304].

C. **The Claims Resolution Process**

13. In the ordinary course of business, the Debtors maintained books and records (the “**Books and Records**”) that reflect, *inter alia*, the Debtors’ liabilities and the amounts owed to their creditors. Section IX.H.2 of the Plan provides for the Liquidation Trustee’s access to and/or possession of the Books and Records.

14. The Debtors’ Claims Register prepared by Epiq reflects that as of the date of this Fourth Omnibus Objection, 161 proofs of claim have been filed in these Cases.

15. The Liquidation Trustee and his advisors have been reviewing and reconciling the filed proofs of claim with the Books and Records to determine the validity of the asserted claims. This reconciliation process includes identifying particular categories of claims that may be targeted for disallowance, expungement and/or modification. To avoid possible improper recovery by claimants, the Liquidation Trustee is filing this Fourth Omnibus Objection to the Disputed Claims

and reserves all rights to file additional objections to other claims the Liquidation Trustee determines to be invalid, in whole or in part.

RELIEF REQUESTED

16. By this Fourth Omnibus Objection, and for the reasons described more fully below, the Liquidation Trustee objects to the claims set forth on Schedule 1 to the Proposed Order pursuant to section 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1. Accordingly, the Liquidation Trustee respectfully requests entry of the Proposed Order substantially in the form attached hereto as Exhibit A.

OBJECTION

17. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that “[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest . . . objects.” 11 U.S.C. § 502(a). Once an objection to a claim is filed, the Court, after notice and a hearing, shall determine the allowed amount of the claim. *See* 11 U.S.C. § 502(b).

18. Section 502(b)(1) of the Bankruptcy Code provides, in part, that a claim may not be allowed to the extent that it “is unenforceable against the debtor and property of the debtor, under any agreement or applicable law.” 11 U.S.C. § 502(b). While a properly filed proof of claim is *prima facie* evidence of the claim’s allowed amount, when an objecting party presents evidence to rebut a claim’s *prima facie* validity, the claimant bears the burden of proving the claim’s validity by a preponderance of evidence. *See In re Allegheny Int’l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992). The burden of persuasion with respect to the claim is always on the claimant. *See id.* The failure to allege facts and to provide sufficient support for a claim deprives the claim of *prima facie* validity. *See e.g., In re Jorczak*, 314 B.R. 474, 481-82 (Bankr. D. Conn.

2004) (discussing the evidentiary requirements and burden of proof with respect to the allowance of claims).

Reduce and Allow Claims

19. For the reasons set forth herein and in Schedule 1 to the Proposed Order, the Liquidation Trustee objects to the Disputed Claims identified on Schedule 1 and requests such claims be reduced and allowed in the amount identified under the column labeled “Modified Claim Amount” for the reasons set forth in Schedule 1.

20. Based on the Liquidation Trustee’s careful review of the Books and Records, the schedules of assets and liabilities and statements of financial affairs filed by each Debtor, the Claims Register and each of the proofs of claim identified on Schedule 1 attached to the Proposed Order, including supporting documentation provided by the claimant, if any, the Liquidation Trustee has determined that a portion of the Disputed Claims are not due and owing to the claimant with respect to such claims.

21. Most of the Disputed Claims, except Sequence Nos. 5 and 11, assert a general unsecured claim in Canadian Dollars (“CAD”). To convert CAD to United States Dollars (“USD”), the Liquidation Trustee applied the exchange rate as of the Petition Date which was 1 CAD = .7608 USD. Unless these Disputed Claims are reduced to account for the exchange rate difference, the claimants would receive a disproportionately large distribution in contravention of the provisions and policies of the Bankruptcy Code and to the detriment of the Liquidation Trust and the other creditors.

22. Regarding the Disputed Claim listed as Sequence No. 5, claimant asserts a general unsecured claim but failed to provide any supporting documentation. The amount of the general unsecured claim exceeds the amount reflected in the Books and Records. As such, the Liquidation

Trustee requests that this claim be reduced to accurately reflect the amount owed to the claimant according to the Books and Records.

23. Regarding the Disputed Claim listed as Sequence No. 11, the claimant asserts a general unsecured claim that was significantly higher than the Books and Records. Upon consultation with the claimant, it was agreed that the correct amount of the general unsecured claim should be \$240,560.00.

24. Accordingly, the Liquidation Trustee requests that the Disputed Claims be reduced and allowed.

RESPONSES TO THIS OBJECTION

25. To contest the Fourth Omnibus Objection, a claimant must file and serve a written response (the “**Response**”) with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801. In addition, such claimant must serve its Response upon the following entity, so that the Response is received no later than **December 15, 2021 at 4:00 p.m. (ET)** (the “**Response Deadline**”): Cousins Law LLC, Brandywine Plaza West, 1521 Concord Pike, Suite 301, Wilmington, Delaware 19803, Attn: Scott D. Cousins (scott.cousins@cousins-law.com).

26. Every Response must contain, at a minimum, the following information:

- (a) a caption setting forth the name of the Court, the above-referenced case number, and the title of the Objection to which the Response is directed;
- (b) the name of the Respondent and a description of the basis for the amount and classification asserted in the Disputed Claim (as defined in the Fourth Omnibus Objection), if applicable;
- (c) a concise statement setting forth the reasons why the Disputed Claim should not be disallowed, reclassified, reduced, or otherwise modified for the reasons set forth in the Fourth Omnibus Objection, including, but not limited to, the specific factual and legal bases upon which the Respondent

will rely in opposing the Fourth Omnibus Objection at the Hearing (as defined below);

- (d) all documentation or other evidence of the Disputed Claim, to the extent not included with the proof of claim, upon which the Respondent will rely in opposing the Fourth Omnibus Objection at the Hearing;
- (e) the name, address, telephone number, email address and fax number of the person(s) (who may be the claimant or a legal representative thereof) possessing ultimate authority to reconcile, settle, or otherwise resolve the Disputed Claim on behalf of the Respondent; and
- (f) the name, address, telephone number, email address and fax number of the person(s) (who may be the claimant or a legal representative thereof) to whom the Liquidation Trustee should serve any reply to the Response.

27. If a Response is properly and timely filed and served in accordance with the above procedures, the Liquidation Trustee will endeavor to reach a consensual resolution with the claimant. If no consensual resolution is reached, the Court will conduct a hearing (the “**Hearing**”) with respect to the Fourth Omnibus Objection and such Response on **January 4, 2022 at 10:30 a.m. (ET)**, or such other date and time as parties filing Responses may be notified. Only those Responses made in writing and timely filed and received will be considered by the Court at the Hearing.

28. The Liquidation Trustee reserves the right to seek an adjournment of the Hearing on any Response to this Fourth Omnibus Objection, which adjournment will be noted on the notice of agenda for the Hearing. The agenda will be served on the person designated by the claimant in its Response.

29. If claimant fails to timely file a Response by the Response Deadline, the Liquidation Trustee may present to the Court an appropriate order otherwise modifying the Disputed Claims without further notice to the claimant or a hearing.

30. To the extent a Response is filed regarding any individual claim listed in this Fourth Omnibus Objection and the Liquidation Trustee is unable to resolve the Response, each claim shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding an objection asserted in this Fourth Omnibus Objection shall be deemed a separate order with respect to each claim subject thereto.

REPLIES TO RESPONSES

31. In accordance with Local Rule 9006-1(d), the Liquidation Trustee may, at his option, file and serve a reply to a Response no later than 4:00 p.m. (prevailing Eastern Time) one day prior to the deadline for filing the agenda for any hearing to consider the Fourth Omnibus Objection.

RESERVATION OF RIGHTS

32. The Liquidation Trustee expressly reserves the right to amend, modify, or supplement this Fourth Omnibus Objection, and to file additional objections to any claims filed in these Cases including, without limitation, the Disputed Claims that are the subject of this Fourth Omnibus Objection. Should the grounds for this Fourth Omnibus Objection be dismissed or overruled, the Liquidation Trustee reserves the right to object further to the claims on any non-substantive and/or substantive grounds in the future in accordance with Local Rule 3007- 1.

33. Nothing in this Fourth Omnibus Objection shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against the Liquidation Trust under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Liquidation Trustee's right to dispute any claim; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Fourth Omnibus Objection; (e) an admission as to the validity, priority, enforceability, or perfection of

any lien on, security interest in, or other encumbrance on property of the Liquidation Trust; or (f) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law.

STATEMENT OF COMPLIANCE WITH LOCAL RULE 3007-1

34. The undersigned representative of Cousins Law LLC (“**Cousins Law**”) has reviewed the requirements of Local Rule 3007-1 and certifies that this Fourth Omnibus Objection substantially complies with such Local Rule. To the extent that the Fourth Omnibus Objection does not comply in all respects with the requirements of Local Rule 3007-1, Cousins Law believes such deviations are not material and respectfully requests that any such requirement be waived.

NOTICE

35. Notice of this Fourth Omnibus Objection has been given to: (i) the United States Trustee for the District of Delaware; (ii) the claimants whose Disputed Claims are subject to this Fourth Omnibus Objection; and (iii) any party that has requested notice in these Cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Liquidation Trustee respectfully submits that no further notice is required.

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WHEREFORE, the Liquidation Trustee respectfully requests that the Court enter the Proposed Order, granting the relief requested in the Fourth Omnibus Objection and such other and further relief as may be just and proper.

Dated: December 1, 2021
Wilmington, Delaware

/s/ Scott D. Jones

Scott D. Cousins (No. 3079)

Scott D. Jones (No. 6672)

COUSINS LAW LLC

Brandywine Plaza West

1521 Concord Pike, Suite 301

Wilmington, Delaware 19803

Telephone: (302) 824-7081

Facsimile: (302) 295-0331

Email: scott.cousins@cousins-law.com
scott.jones@cousins-law.com

*Counsel to Terry S. Park, solely in his capacity
as the Liquidation Trustee of the MEA
RemainCo Holdings, LLC (f/k/a Energy Alloys
Holdings, LLC) Liquidation Trust*