.9/24 Entered 0 Page 1 of 17	07/19/24 16:10:03 Desc Main
	Stattes Ray
	Talley South
	Order Filed on July 19, 2024 by Clerk U.S. Bankruptcy Court District of New Jersey
Case No.:	24-12364
Chapter:	11
Hearing Date	:
Judge:	Altenburg
	Case No.: Chapter: Hearing Date

### ORDER SUSTAINING THE DEBTORS' FIRST OMNIBUS OBJECTION FOR ENTRY

The relief set forth on the following pages, numbered two (2) through <u>four (4)</u>, is **ORDERED**.

DATED: July 19, 2024

/B/4

Honorable Andrew B. Altenburg, Jr. United States Bankruptcy Court

#### Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 2 of 17

#### SIDLEY AUSTIN LLP

Matthew A. Clemente (admitted *pro hac vice*) One South Dearborn Chicago, Illinois 60603 Telephone: (312) 853-7000 Facsimile: (312) 853-7036 Email: mclemente@sidley.com

Maegan Quejada (admitted *pro hac vice*) 1000 Louisiana Street, Suite 5900 Houston, Texas 77002 Telephone: (713) 495-4500 Facsimile: (713) 495-7799 Email: mquejada@sidley.com

Michael A. Sabino (admitted *pro hac vice*) 787 Seventh Avenue New York, New York 10019 Telephone: (212) 839-5300 Facsimile: (212) 839-5599 Email: msabino@sidley.com

#### FOX ROTHSCHILD LLP

Joseph J. DiPasquale, Esq. Mark E. Hall, Esq. Michael R. Herz, Esq. 49 Market Street Morristown, New Jersey 07960 Telephone: (973) 992-4800 Facsimile: (973) 992-9125 Email: jdipasquale@foxrothschild.com mhall@foxrothschild.com

Counsel for the Debtors and Debtors in Possession

#### UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY

In re:

BOWFLEX INC., et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-12364 (ABA)

(Jointly Administered)

#### ORDER SUSTAINING THE DEBTORS' FIRST OMNIBUS OBJECTION FOR ENTRY OF AN ORDER EXPUNGING AND/OR MODIFYING CERTAIN CLAIMS

The relief set forth on the following pages, numbered two (2) through three (3) is hereby **ORDERED**.

<sup>&</sup>lt;sup>1</sup> The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's federal tax identification number, are: BowFlex Inc. (2667) and BowFlex New Jersey LLC (3679). The Debtors' service address is 2114 Main Street, Suite 100-341, Vancouver, WA 98660.

#### Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 3 of 17

Page 2	
DEBTOR:	BOWFLEX INC., et al.
CASE NO:	24-12364 (ABA)
CAPTION:	Order Sustaining The Debtors' First Omnibus Objection For Entry Of An Order Expunging and/or
	Modifying Certain Claims

**THIS MATTER** having been opened before the Court upon the first omnibus objection (the "<u>Objection</u>")<sup>1</sup> of BowFlex Inc. and its debtor affiliate, as debtors and debtors in possession in the above captioned chapter 11 cases (collectively, the "<u>Debtors</u>"), seeking entry of an order pursuant to sections 105(a) and 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-2, expunging and/or modifying the claims listed on <u>Schedules A through F</u> hereto for the reasons set forth in the Objection; and the Court having jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and consideration of the Objection being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that proper and adequate notice of the Objection has been given and that no other or further notice is necessary; and upon the record herein; and the Court having determined that the relief sought by the Objection is in the best interest of the Debtors' estates and creditors; and after due deliberation and good and sufficient cause appearing therefor;

#### **IT IS HEREBY ORDERED THAT:**

1. The Objection is SUSTAINED as set forth herein.

2. Each of the Claims listed on <u>Schedules A through F</u> attached to this Order are hereby expunged and/or modified as set forth therein.

3. The Debtors are authorized to take any action necessary or appropriate to give effect to this Order and the relief granted herein.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Objection.

#### Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 4 of 17

 

 Page 3

 DEBTOR:
 BOWFLEX INC., et al.

 CASE NO:
 24-12364 (ABA)

 CAPTION:
 Order Sustaining The Debtors' First Omnibus Objection For Entry Of An Order Expunging and/or Modifying Certain Claims

4. The Debtors' claims and noticing agent, Epiq Corporate Restructuring, LLC, is hereby authorized and directed to make such revisions to the official claims register as are necessary to reflect the relief granted in this Order.

5. Nothing in the Objection or this Order shall be deemed or construed to (a) constitute an admission as to the validity or priority of any claim against the Debtors, (b) an implication or admission that any particular claim is of a type specified or defined in this Order or the Objection, and/or (c) constitute a waiver of the Debtors' rights to dispute any claim on any other grounds.

6. The objection to each claim addressed in the Objection and as set forth in **Schedules A though F** attached hereto, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim that is the subject of the Objection and this Order. Any stay of this Order pending appeal by any claimant whose claims are subject to this Order shall only apply to the contested matter that involves such claimant and shall not stay the applicability and/or finality of this Order with respect to any other contested matters addressed in the Objection and this Order.

7. The requirement set forth in Local Rule 9013-1(a)(3) that any motion or other request for relief be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Objection or otherwise waived.

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

9. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 5 of 17

# Schedule "A"

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 6 of 17

Claimant	Claim Number	Date Filed	Debtor	Total Current Amount		Reason for Disallowance
BARR, JAMES	10177	5/13/2024	BOWFLEX INC.	\$	21,634.62	Amended by Claim Number 10194.
BARR, JAMES	10178	5/13/2024	BOWFLEX INC.	\$	625,000.00	Amended by Claim Number 10195.
BARR, JAMES, IV	10176	5/13/2024	BOWFLEX INC.	\$	24,038.46	Amended by Claim Number 10193.
BARR, JAMES, IV	10193	5/14/2024	BOWFLEX INC.	\$	88,942.31	Amended by Claim Number 10196.
COMPUNET INC	10005	3/7/2024	BOWFLEX INC.	\$	26,996.14	Amended by Claim Number 10072.
COMPUNET INC	10072	4/15/2024	BOWFLEX INC.	\$	51,380.34	Amended by Claim Number 10145.
COMPUNET INC	10145	5/6/2024	BOWFLEX INC.	\$	51,473.68	Amended by Claim Number 10146.
EMPLOYMENT SOLUTIONS PERSONNEL SERVICES	10004	3/6/2024	BOWFLEX INC.	\$	36,409.63	Amended by Claim Number 10138.
EMPLOYMENT SOLUTIONS PERSONNEL SERVICES	10138	5/2/2024	BOWFLEX INC.	\$	37,026.09	Amended by Claim Number 10163.
GALES, BRANDY	10006	3/10/2024	BOWFLEX INC.	\$	2,800.00	Amended by Claim Number 10027.
GALES, BRANDY	10027	3/17/2024	BOWFLEX INC.	\$	2,800.00	Amended by Claim Number 10109.
HAZE TECHNOLOGIES INCORPORATED	6	3/22/2024	Multiple Debtors	\$	28,600.00	Amended by Claim Number 10107.
HERMAN-SCHEER	10046	4/1/2024	BOWFLEX INC.	\$	60,400.00	Amended by Claim Number 10210.
KONOLD, AINA	10118	4/26/2024	BOWFLEX INC.	\$	29,961.54	Amended by Claim Number 10119.
KONOLD, AINA	10119	4/26/2024	BOWFLEX INC.	\$	29,961.54	Amended by Claim Number 10128.
OPTIV SECURITY INC	10182	5/13/2024	BOWFLEX INC.	\$	1,865.66	Amended by Claim Number 10198.
VCR100 INC	10015	3/14/2024	BOWFLEX INC.	\$	6,205.00	Amended by Claim Number 10049.

Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 7 of 17

# Schedule "B"

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 8 of 17

Claimant	Claim Number	Date Filed	Debtor	Total Current Amount		Reason for Disallowance
FLANAGAN BARONE & OBRIEN LLC	10167	5/9/2024	BOWFLEX NEW JERSEY LLC	\$	4,145.00	Duplicative of Claim Number 10166.
GO CONFIGURE LLC	30009	5/13/2024	BOWFLEX NEW JERSEY LLC	\$	162,527.00	Duplicative of Claim Number 30008.
GRIMES, JOHN E	14	4/16/2024	Multiple Debtors	\$	7,246.11	Duplicative of Claim Number 10111.
KIMMEL, KYLIE	10188	5/14/2024	BOWFLEX NEW JERSEY LLC	\$	425,000.00	Duplicative of Claim Number 10187.
MORRA, KATIE	42	5/22/2024	BOWFLEX INC.	\$	1,000,000.00	Duplicative of Claim Number 41.
PATSNAP UK LTD	15	4/16/2024	BOWFLEX INC.	\$	6,817.50	Duplicative of Claim Number 10.
R&B VENDING	26	4/30/2024	BOWFLEX INC.	\$	1,585.00	Duplicative of Claim Number 7.
REYNOLDS, GREGORY DARYL	10038	3/23/2024	BOWFLEX INC.	\$	43,855.00	Duplicative of Claim Number 2.
ROGERS	30002	4/19/2024	BOWFLEX INC.	\$	67,000.00	Duplicative of Claim Number 10099.
ROONEY, PAMELA	10197	5/14/2024	BOWFLEX NEW JERSEY LLC	\$	55,000.00	Duplicative of Claim Number 34.
VCR100 INC	10116	4/25/2024	BOWFLEX INC.	\$	4,800.00	Duplicative of Claim Number 10049, as amounts claimed in Claim No. 10116 are included in Claim Number 10049.

Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 9 of 17

# Schedule "C"

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 10 of 17

Claimant	Claim Number	Date Filed	Debtor	Total Current Amount	Reason for Disallowance
ALVAREZ, ANGELA	10207	5/30/2024	BOWFLEX NEW JERSEY LLC	\$ 2,843.00	Filed after General Bar Date.
BECKER, ERROL	40	5/17/2024	BOWFLEX INC.	\$ 1,163.50	Filed after General Bar Date.
FOSTER GARVEY PC	20004	5/16/2024	BOWFLEX INC.	\$ 9,723.61	Filed after General Bar Date.
KEKAHUNA, ANDREA	38	5/15/2024	BOWFLEX INC.	\$ 1,122.40	Filed after General Bar Date.
KOTZ, CHRISTIE E	10205	5/25/2024	BOWFLEX INC.	\$ 2,415.38	Filed after General Bar Date.
LEAVITT, TIMOTHY D	10209	6/2/2024	BOWFLEX INC.	\$ 5,283.00	Filed after General Bar Date.
MORRA, KAITIE	30015	5/16/2024	BOWFLEX INC.	\$ 1,000,000.00	Filed after General Bar Date.
MORRA, KATIE	41	5/20/2024	BOWFLEX INC.	\$ 1,000,000.00	Filed after General Bar Date.
SIMON, BEN	30019	5/31/2024	BOWFLEX INC.	\$ 102,700.00	Filed after General Bar Date.
SOVOS COMPLIANCE LLC	10208	5/31/2024	BOWFLEX INC.	\$ 4,536.11	Filed after General Bar Date.
WHEELER, DAVID	30021	6/6/2024	BOWFLEX INC.	\$ 890.40	Filed after General Bar Date.
YEUNG, LILY	30018	5/30/2024	BOWFLEX INC.	\$ 399.99	Filed after General Bar Date.

Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 11 of 17

# Schedule "D"

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 12 of 17

Claimant	Claim Numbe r	Date Filed	Debtor	Total Current Amount	Reason for Disallowance
ANDRADE, HEATHER	10014	3/14/2024	BOWFLEX INC.	\$ 900.00	Insufficient documentation and support attached to claim.
ARMSTRONG, RYAN CHRISTOPHER	10092	4/17/2024	BOWFLEX INC.	\$ 100,000,000. 00	Insufficient documentation and support attached to claim.
COSPER, GABRIELLE	10011	3/14/2024	BOWFLEX INC.	\$ 1,806.00	Insufficient documentation and support attached to claim.
DAY, KEVIN	10013	3/14/2024	BOWFLEX INC.	\$ 5,000.00	Insufficient documentation and support attached to claim.
FASON, LEON	10096	4/18/2024	BOWFLEX INC.	\$ 1,315.00	Insufficient documentation and support attached to claim.
FEURER, JESSICA	25	4/30/2024	BOWFLEX INC.	\$ 2,400.00	Insufficient documentation and support attached to claim.
FEURER, JESSICA	10019	3/14/2024	BOWFLEX INC.	\$ 2,200.00	Insufficient documentation and support attached to claim.
FOSTER GARVEY PC	30014	5/14/2024	BOWFLEX INC.	\$ 9,723.61	Insufficient documentation and support attached to claim.
GREENE, BRIAN	10021	3/14/2024	BOWFLEX INC.	\$ 1,194.07	Insufficient documentation and support attached to claim.
IKWUEME, REX	10087	4/16/2024	BOWFLEX INC.	\$ 6,000.00	Insufficient documentation and support attached to claim.
JONES, VICTORIA	10077	4/16/2024	BOWFLEX INC.	\$ 1,000.00	Insufficient documentation and support attached to claim.
KHODAI, OMID	10108	4/23/2024	BOWFLEX INC.	\$ 4,000.00	Insufficient documentation and support attached to claim.
MARTINEZ, ARTHUR	10033	3/21/2024	BOWFLEX INC.	\$ 4,000.00	Insufficient documentation and support attached to claim.
MARTINEZ, KATHY	10022	3/14/2024	BOWFLEX INC.	\$ 1,800.00	Insufficient documentation and support attached to claim.
MOLLIN, RICHARD C	20	4/23/2024	BOWFLEX INC.	\$ 250.00	Insufficient documentation and support attached to claim.
MORRIS, RANDALL	10080	4/16/2024	BOWFLEX INC.	\$ 3,500.00	Insufficient documentation and support attached to claim.
POYNTER, PATRICE	10097	4/18/2024	BOWFLEX INC.	\$ 1,084.00	Insufficient documentation and support attached to claim.
PRABHU	10126	<del>4/30/2024</del>	BOWFLEX INC.	<del>\$ 3,703.26</del>	Insufficient documentation and support attached to claim.
ROGERS, JOSHUA	10099	4/19/2024	BOWFLEX INC.	\$ 67,000.00	Insufficient documentation and support attached to claim.

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 13 of 17

SIMMONS, ROBERT	10084	4/16/2024	BOWFLEX INC.	\$ 1,600.19	Insufficient documentation and support attached to claim.
WALLIS, JOSHUA	10024	3/15/2024	BOWFLEX INC.	\$ 1,600.00	Insufficient documentation and support attached to claim.

160740796.1

Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 14 of 17

# Schedule "E"

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 15 of 17

Claimant	Claim Number	Date Filed	Debtor	Total Current Amount	Modified Claim Amount (if applicable)	Reason for Disallowance/Modification
ARCHIVE SYSTEMS INC	10029	3/18/2024	BOWFLEX INC.	\$ 1,407.18	\$ 131.76	According to the Debtors' books and records, a portion of the claim was satisfied in the amount of \$1,275.42 on March 20, 2024.
ARIZONA DEPARTMENT OF REVENUE	10150	5/8/2024	BOWFLEX INC.	\$ 61,000.00		The Debtors' books and records do not show any amounts due and owing on account of this claim.
CITY WIDE FACILITY SOLUTIONS	10031	3/21/2024	BOWFLEX INC.	\$ 3,318.62		Claimant's claim is not supported by the Debtors' books and records. The proof of claim is also duplicative of the amounts asserted by Duncan Sales Inc., dba City Wide Facility Solutions in Claim Number 24.
CLARK PUBLIC UTILITIES	10052	4/3/2024	BOWFLEX INC.	\$ 1,498.69	\$ 1,298.96	According to the Debtors' books and records, a portion of the claim was satisfied in the amount of \$199.73 on May 20, 2024
COUNTY INDUSTRIAL SUPPLY LLC	10039	3/26/2024	BOWFLEX INC.	\$ 3,436.00	\$ 1,051.05	According to the Debtors' books and records, claimant is only owed \$1,051.05. Claim Number 10039 includes invoices which were previously paid.
HOPE TIMBER PALLET & RECYCLING LLC	10067	4/12/2024	BOWFLEX INC.	\$ 37,212.31	\$ 22,188.00	According to the Debtors' books and records, claimant is only owed \$22,188, which is different than what is claimed in Claim Number 10067.
LIU, XIAOTONG	10112	4/25/2024	BOWFLEX INC.	\$ 17,886.80		Claim was satisfied by a non-debtor, and accordingly, there is no basis for a claim against the Debtors.
MITCHELL, BREANN	10003	3/6/2024	BOWFLEX INC.	\$ 10,400.00		According to the Debtors' books and records, claimant is only owed \$5,200, which is different than what is claimed in Claim Number 10003. Claimant filed another proof of claim in the amount of \$5,200.00 (Claim Number 10035), and accordingly, the Debtors are seeking to disallow Claim Number 10003.
NEOU LLC	30013	5/14/2024	BOWFLEX INC.	\$ 130,370.00	\$ 37,483.87	According to the Debtors' books and records, \$92,370 of the claim was partially satisfied on May 15, 2024, and the remaining expense covering the period from March 16, 2024 to April 22, 2024 totals to \$37,483.8'
SOLARWINDS NORTH AMERICA	10059	4/10/2024	BOWFLEX INC.	\$ 1,306.52		The Debtors' books and records do not support the claim as stated.
TRACKSTREET INC	18	4/19/2024	BOWFLEX INC.	\$ 6,848.10		The Debtors' books and records do not support the claim as stated.
WESTERN EXTERMINATOR	10137	5/2/2024	BOWFLEX INC.	\$ 1,815.32	\$ 1,570.74	According to the Debtors' books and records, claimant is only owed \$1,570.74, which is different than what is claimed in Claim Number 10137.
ZHANG, LIMING	10102	4/22/2024	BOWFLEX INC.	\$ 73,130.00		Claim was satisfied by a non-debtor, and accordingly, there is no basis for a claim against the Debtors.

Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 16 of 17

# Schedule "F"

## Case 24-12364-ABA Doc 535 Filed 07/19/24 Entered 07/19/24 16:10:03 Desc Main Document Page 17 of 17

Claimant	Claim Number	Date Filed	Debtor	Claim Amount	Remaining Claim Amount (if applicable)	Reason for Disallowance
COMFORTROL INC	10053	4/4/2024	BOWFLEX INC.	\$ 8,699.23	\$ 6,568.36	According to the Debtors' books and records, a portion of the claim was satisfied on May 8, 2024.
CYBERSOURCE CORPORATION	10060	4/10/2024	BOWFLEX INC.	\$ 13,050.60		Claimant's claim was satisfied as a result of the Debtors' sale closing.
DATADOG INC	10012	3/14/2024	BOWFLEX INC.	\$ 54,882.85		Claimant's claim was satisfied as a result of the Debtors' sale closing.
EMPLOYMENT SOLUTIONS PERSONNEL SERVICES	10163	5/9/2024	BOWFLEX INC.	\$ 42,111.22		Claim has been satisfied on account of its prepetition debts and post-petition amounts are being paid in the ordinary course.
EXPRESS EMPLOYMENT PROFESSIONALS	10114	4/25/2024	BOWFLEX INC.	\$ 18,861.32		Claim satisfied in full on May 2, 2024.
GO CONFIGURE LLC	30008	5/13/2024	BOWFLEX INC.	\$ 162,527.00		Claim has been satisfied on account of its prepetition debts and post-petition amounts are being paid in the ordinary course.
LAKE FOREST BANK & TRUST COMPANY NA	10200	5/14/2024	BOWFLEX INC.	\$ 85,060.10		Claim satisfied in full on May 15, 2024.