

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

In re:

ADVANTAGE HOLDCO, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 20-11259 (TMH)

(Jointly Administered)

**Re: D.I. 1522, 1535, 1536, 1537, 1540, 1542,
1543, 1544, 1545, 1546, 1547, 1555, 1561,
1562, 1564, 1565, 1568, 1569, 1570, 1571,
1572, 1573**

**DISSOLVING DEBTORS' JOINDER IN SUPPORT OF OBJECTION AND
RESERVATION OF RIGHTS OF THE UNITED STATES TRUSTEE TO
FILINGS BY MIGUEL FLORES AND RELATED ENTITIES**

The Debtors, the Estates, and the Dissolving Debtors (the “Dissolving Debtors”)² hereby submit this joinder (the “Joinder”) to the *Objection and Reservation of Rights of the United States Trustee to Filings by Miguel Flores and Related Entities* [D.I. 1565] (the “Objection”) and reserve all rights regarding filings recently made in the above-captioned cases by Miguel Flores, Red & Blue Car Rental Inc., Melissa Holding LLC, and/or Primary Colors Leasing LLC [D.I. 1522, 1535, 1536, 1537, 1540, 1542, 1543, 1544, 1545, 1546, 1547, 1561, 1562, 1564, 1568, 1569, 1570, 1571, 1572, 1573, et seq.] (together, the “Filings”). In support of this Joinder, the Dissolving Debtors respectfully state:

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Advantage Holdco, Inc. (4832); Advantage Opco, LLC (9101); Advantage Vehicles LLC (6217); E-Z Rent A Car, LLC (2538); Central Florida Paint & Body, LLC (1183); Advantage Vehicle Financing LLC (7263); and RAC Vehicle Financing, LLC (8375). The Debtors’ address is 2003 McCoy Road, Orlando, Florida 32809.

² All capitalized terms not defined herein shall have the meaning ascribed to them in the Plan (as defined herein).

PRELIMINARY STATEMENT & RELEVANT BACKGROUND

1. The Debtors filed chapter 11 petitions in this Court more than five years ago on May 26, 2020.

2. Mr. Flores, Red & Blue Car Rental, Inc., Melissa Holding LLC, and Primary Colors Leasing LLC do not appear in the creditor matrix [D.I. 2] or schedules of assets and liabilities and statements of financial affairs [D.I. 221-223, 225-228 & 230-236], or the claims register. The general bar date passed almost five years ago on October 23, 2020. *See* D.I. 497. None of Mr. Flores, Red & Blue Car Rental, Inc., Melissa Holding LLC, or Primary Colors Leasing LLC filed proofs of claim.

3. On July 1, 2020, the Court entered an order approving the sale of certain of the Debtors' assets to Sixt Rent A Car, LLC ("Sixt") [D.I. 327] (the "Sixt Sale Order").

4. On July 1, 2020, the Court entered an order approving the sale of certain of the Debtors' assets to Orlando Rentco, LLC ("Orlando Rentco") [D.I. 330] (the "Orlando Rentco Sale Order").

5. On December 13, 2021, the Court entered an order (the "Confirmation Order") confirming the Debtors' chapter 11 plan of liquidation [D.I. 1079] (the "Plan"), which became effective on January 31, 2022 (almost four years ago). *See* D.I. 1120. None of Mr. Flores, Red & Blue Car Rental, Inc., Melissa Holding LLC, or Primary Colors Leasing LLC ever filed an objection to confirmation and each of the foregoing are therefore bound by the terms of the Plan and Confirmation Order.

6. In July, Miguel Flores began filing letters (collectively with the pleadings filed, the "Filings") with the Court, which escalated from expressing interest in monetizing the Dissolving Debtors' assets, to purporting to self-adjudicate Mr. Flores' rights. To date, Mr. Flores has filed

twenty (20) Filings. To the best of the Dissolving Debtors' understanding, Mr. Flores asserts that such assets should be preserved and/or prioritized. However, as discussed more fully herein, such assets were either sold to third-party buyers years ago, rejected pursuant to the Plan, or are worthless.

7. On October 10, 2025, Mr. Flores filed the *Motion to Preserve Estate Property (Net Operating Losses)* [D.I. 1547] (the "Motion").

8. On November 10, 2025, the Office of the United States Trustee (the "U.S. Trustee") filed its Objection to the Motion and Mr. Flores's other Filings arguing that, *inter alia*, Mr. Flores and his related entities lacked standing in this case.

DISCUSSION

9. In addition to the arguments set forth by the U.S. Trustee in its Objection, which the Dissolving Debtors incorporate by reference, the Dissolving Debtors object to the Motion and the other Filings by Mr. Flores and his related entities because the assets referenced therein were either sold to third-party buyers years ago, rejected pursuant to the Confirmation Order and Plan, or are likely worthless, as detailed below:

- a. The Advantage Brand and Intellectual Property/Trademarks: Mr. Flores has referenced "the Advantage brand" and intellectual property/trademarks in several of the Filings. *See* D.I. 1522 & 1562. However, Orlando Rentco, LLC already acquired these assets years ago in accordance with the Asset Purchase Agreement attached as Exhibit A to Orlando Rentco Sale Order [D.I. 330-1] (the "APA"). Specifically, the APA provided that Orlando Rentco, LLC acquired the names "Advantage", "Simply Wheelz", "E-Z", "Advantage Rent a Car," "E-Z Rent a Car," (together, the "Names"), all trademarks and copyrights associated with the Names and in each case, any translations, adaptations, derivations, and combinations thereof, and all domains associated with the Names. *See* APA, Art. II.1(l) & Ex. F.
- b. Airport Concession Agreements: Certain of the Dissolving Debtors' airport concession agreements were acquired by Sixt and Orlando Rentco. *See generally* Orlando Rentco Sale Order; Sixt Sale Order. In the *Notice of Filing of Statement of Interest Regarding Abandoned Airport Leases* [D.I. 1540], Mr. Flores declared

his interest and readiness in reactivating certain airport concession leases at various airports that were not assumed by Sixt or Orlando Rentco.³ All of the Dissolving Debtors' airport concession leases that were not otherwise sold to Sixt and Orlando Rentco were rejected pursuant to the Plan.⁴ Further, Mr. Flores and his associated entities failed to object to either of the sale motions or confirmation and are therefore bound by the terms of those sale orders and the Plan and the Confirmation Order. Finally, to the best of the Dissolving Debtors' knowledge, all or nearly all of the airports Mr. Flores referenced have conducted their own processes to fill the space formerly occupied by Advantage and have successfully secured new tenants.

- c. Associated Licenses for Customer Databases: Mr. Flores also “request[ed] that [his] interest be recorded and considered prior to any financial disposition of assets” including “associated license[s] for customer data basis.” D.I. 1522. Any of the Dissolving Debtors' interests in any licenses have already been disposed of. Specifically, Orlando Rentco acquired “all IT Assets at the Locations” it purchased.⁵ Sixt did not acquire any of the Dissolving Debtors' IT assets. *See* Sixt APA, Art. 2.2(s). No other licenses were assumed or assigned by the Dissolving Debtors and were therefore rejected on the effective date.⁶ Further, Flores never filed an objection to confirmation and is therefore bound by the terms of the confirmed plan and confirmation order.
- d. Net Operating Losses and Other Tax Attributes: The Plan does not specifically address the disposition of the Dissolving Debtors' NOLs, to the extent any even existed. Most importantly, IRC Section 382 generally limits a “loss corporation's” ability to use its pre-change NOLs after an “ownership change” occurs (defined as a more-than-50-percentage-point increase in stock ownership by 5% or more shareholders over a three-year period). Here, all of the equity in Advantage Holdco, Inc. was cancelled pursuant to the Plan. *See* Plan Art. VII.A.15.b. As such, any NOLs, to the extent they even existed, are likely worthless and cannot be transferred. In addition, each of the Dissolving Debtors have been voluntarily dissolved or cancelled for several years, again evidencing the lack of any existence

³ Mr. Flores referenced leases at the following airports: Los Angeles International Airport (LAX), San Diego International (SAN), Phoenix Sky Harbor (PHX), El Paso International (ELP), Albuquerque International (ABQ), Austin-Bergstrom (AUS), San Antonio International (SAT), Raleigh-Durham (RDU), and Chicago O'Hare International (ORD). *Id.*

⁴ *See* Plan Art. III.A. (“[T]he Debtors were successful in transferring certain of their Concession Agreements to two parties, [Sixt] and [Orlando Rentco]. The Debtors rejected the Concession Agreements and related leases that were not acquired by Sixt or Orlando Rentco pursuant to the Sale Orders.”).

⁵ Orlando Rentco acquired all of the IT Assets at six airports (MIA, TPA, ATL, CLT, DFW, and BNA). *See generally* Orlando Rentco Sale Order, Ex. A.

⁶ *See* Confirmation Order ¶ 7 (“Except as otherwise expressly provided under the Combined Disclosure Statement and Plan or herein, any and all Executory Contracts that have not been assumed or assumed and assigned by the Debtors as of the Effective Date shall be deemed rejected effective as of the Effective Date.”).

of any of the Debtors' former equity and therefore the inability of Mr. Flores or any of his entities to utilize these supposed NOLs in any fashion. Last, even if by some miracle there were any NOLs available, the Plan states that under the Insolvency Exception of 108 of the Tax Code, a taxpayer is not required to include cancellation of debt income ("CODI") in gross income.⁷ As a consequence of such exclusion, a taxpayer-debtor must reduce its tax attributes by the amount of CODI that it excluded from gross income. In general, NOLs are the first tax attribute reduced. Under the Plan, Holders of Allowed Claims received less than full payment on their Claims. As a result, the Dissolving Debtors' liability to Holders of such Claims in excess of the amount satisfied by Distributions under the Plan was canceled, and therefore would likely have resulted in CODI income to the Dissolving Debtors. Certain CODI income triggered under the Plan would not have been recognized as income under section 108 of the Tax Code and the Dissolving Debtors invariably would have had to first reduce their NOLs by the amount of such excluded income. As a result, the Dissolving Debtors' NOLs, to the extent they even existed, were likely substantially reduced, if not eliminated entirely.

RESERVATION OF RIGHTS

The Dissolving Debtors reserve all rights and remedies regarding any future filings Mr. Flores, Red & Blue Car Rental Inc., Melissa Holding LLC, and/or Primary Colors Leasing LLC may make in these cases.

CONCLUSION

WHEREFORE, the Dissolving Debtors respectfully request that the Court deny the Motion and grant such other and further relief as this Court deems just and proper.

Further, the Dissolving Debtors are concerned with the over 20 voluminous filings that Mr. Flores has made to date in a relatively short timeframe, and with the possibility that these will continue. This is even more concerning since Mr. Flores apparently does not intend to attend the

⁷ See Plan, Art. XVIII.D.1.a. ("Under section 108 of the Tax Code, a taxpayer is not required to include CODI in gross income (a) if the taxpayer is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that case (the "Bankruptcy Exception"), or (b), to the extent that the taxpayer is insolvent immediately before the discharge (the "Insolvency Exception"). Instead, as a consequence of such exclusion, a taxpayer-debtor must reduce its tax attributes by the amount of CODI that it excluded from gross income. In general, tax attributes will be reduced in the following order: (a) net operating losses ("NOLs"); (b) most tax credits; (c) capital loss carryovers; (d) tax basis in assets (but not below the amount of liabilities to which the debtor remains subject); (e) passive activity loss and credit carryovers; and (f) foreign tax credits. Alternatively, the taxpayer can elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the Tax Code.")

hearing on this matter that he has pursued so aggressively in order to state his case further and answer any questions that the Court may have. The Dissolving Debtors would request that the Court consider requiring Mr. Flores to seek Court permission prior to making any further filings after the Court's ruling on this matter.

November 20, 2025
Wilmington, Delaware

Respectfully submitted,

COLE SCHOTZ P.C.

/s/ Jack M. Dougherty

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