

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

Prodigy Investment Holdings, Inc.,¹

Reorganized Debtor.

Chapter 11

Case No. 23-11120 (BLS)

Jointly Administered

Hearing Date: October 23, 2024 at 11:00 a.m. (ET)

Objection Deadline: October 16, 2024 at 4:00 p.m. (ET)

THE DISTRIBUTION TRUSTEE'S THIRD OMNIBUS (SUBSTANTIVE)
OBJECTION TO CERTAIN (I) MISCLASSIFIED CLAIMS, (II) OVERSTATED AND
MISCLASSIFIED CLAIMS, (III) OVERSTATED CLAIMS,
AND (IV) NO LIABILITY CLAIMS

THIS OBJECTION SEEKS TO DISALLOW CERTAIN FILED PROOFS OF CLAIM. CLAIMANTS SHOULD CAREFULLY REVIEW THIS OBJECTION AND THE SCHEDULES ATTACHED TO THIS OBJECTION TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIMS. CLAIMANTS RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES AND CLAIMS ON SCHEDULES 1 THROUGH 4 TO EXHIBIT A ATTACHED HERETO. CLAIMANTS SHOULD NOTE THAT CLAIMS MAY BE LISTED ON MULTIPLE SCHEDULES AND BE OBJECTED TO ON MULTIPLE GROUNDS.

Steven Balasiano, in his capacity as the distribution trustee (the “Distribution Trustee”) of the PTRS Distribution Trust (the “Distribution Trust”) established in the above-captioned chapter 11 case (the “Chapter 11 Case”) of the reorganized debtor (“Prodigy” or the “Reorganized Debtor”),² by and through its undersigned counsel, hereby files this omnibus objection (the “Objection”), for entry of an order, substantially in the form attached hereto as Exhibit A (the “Proposed Order”), modifying or disallowing and expunging certain proofs of claim filed by claimants (the “Claimants,” and each individually “Claimant”) set forth on Schedule 1 (the “Misclassified Claims”), Schedule 2 (the “Overstated and Misclassified Claims”), Schedule 3 (the “Overstated Claims”), and Schedule 4 (the “No Liability Claims,” and together with the

¹ The Reorganized Debtor in this Chapter 11 Case, along with the last four digits of the Reorganized Debtor's federal tax identification number, is: Prodigy Investments Holdings, Inc. (9565). The location of the Reorganized Debtor's service address is: 3350 Virginia St., 2nd Floor, Miami, FL 33133.

² For the avoidance of doubt, references to the Debtors (defined herein) and the Chapter 11 Cases pertain to the time before the entry of the Case Closing Order (defined herein), while references to the Reorganized Debtor and the Chapter 11 Case pertain to the period after the Effective Date (defined herein) and entry of the Case Closing Order, as applicable.



Misclassified Claims, the Overstated and Misclassified Claims, the Overstated Claims, and the No Liability Claims, the “Disputed Claims,” and each a “Disputed Claim”) to the Proposed Order.

In support of this Objection, the Distribution Trustee submits the *Declaration of Steven Balasiano in Support of the Distribution Trustee’s Third Omnibus (Substantive) Objection to Certain (I) Misclassified Claims, (II) Overstated and Misclassified Claims, (III) Overstated Claims, and (IV) No Liability Claims* (the “Balasiano Declaration”), attached hereto as **Exhibit B**, and respectfully states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Objection 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 as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Pursuant to rule 9013-(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the Distribution Trustee consents to the entry of a final order by this Court in connection with this Objection to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue of the Chapter 11 Case and this Objection in this Court is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief requested herein are section 502 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 3003 and 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rule 3007-1.

BACKGROUND³

I. THE CHAPTER 11 CASE

3. On August 7, 2023, Proterra Inc (“Proterra”) and its affiliate, Proterra Operating Company, Inc. (together with Proterra, the “Debtors”) filed voluntary petitions for relief in the United States Bankruptcy Court for the District of Delaware (the “Court”), commencing the Chapter 11 Cases. Additional details regarding the Debtors and the facts and circumstances supporting the relief requested herein are set forth in the *Declaration of Gareth T. Joyce in Support of First Day Relief* [D.I. 16].

4. On October 6, 2023, the Debtors filed their schedules of assets and liabilities and statements of affairs [D.I. 336–339] and on January 9, 2024, the Debtors filed their amended schedules of assets [D.I. 839] (collectively, the “Schedules”).

5. On November 29, 2023, the Court entered the *Order (A) Authorizing and Approving the Debtors’ Entry into the Asset Purchase Agreement, (B) Authorizing the Sale of the Debtors’ Powered Assets Free and Clear of all Liens, Claims, Interests, and Encumbrances, (C) Approving the Assumption and Assignment of the Assumed Executory Contracts and Unexpired Leases, and (D) Granting Related Relief* [D.I. 664] (the “Powered Sale Order”). The sale transaction subject to the Powered Sale Order closed on February 1, 2024. *See Notice of Proterra Powered Sale Closing* [D.I. 968].

6. On January 9, 2024, the Court entered the *Order (A) Authorizing and Approving the Debtors’ Entry into the Asset Purchase Agreements, (B) Authorizing the Sale of the Debtors’ Transit and Battery Lease Assets Free and Clear of all Liens, Claims, Interests, and Encumbrances, (C) Approving the Assumption and Assignment of the Assumed Executory*

³ Capitalized terms not defined herein shall have the meanings ascribed to them in the Plan (as defined herein).

Contracts and Unexpired Leases, and (D) Granting Related Relief [D.I. 833] (the “Transit and Battery Leases Sale Order”). The sale of the Transit Assets (as defined in the Sale Closing Notice, defined herein) subject to the Transit and Battery Leases Sale Order closed on January 11, 2024. See *Notice of Proterra Battery Lease Sale Closing* [D.I. 1010] (the “Sale Closing Notice”); see also *Notice of (I) Proterra Transit Sale Closing and (II) Third Amendment to Battery Lease Asset Purchase Agreement by and Among the Debtors and Phoenix Motor, Inc.* [D.I. 879]. The sale of the Battery Assets (as defined in the Sale Closing Notice) subject to the Battery Leases APA (defined below) closed on February 7, 2024. See *Sale Closing Notice*; see also *Notice of Filing of Second Amendment to (I) Battery Lease Asset Purchase Agreement and (II) Transit Asset Purchase Agreement, Each by and Among the Debtors and Phoenix Motor, Inc. and Rescheduling Sale Hearing with Respect to Proterra Transit* [D.I. 743] (the “Battery Leases APA”).

7. On March 1, 2024, the Debtors filed the *Fifth Amended Joint Chapter 11 Plan of Reorganization for Proterra Inc and its Debtor Affiliate* [D.I. 1154] (the “Plan”).

8. On March 6, 2024, the Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Fifth Amended Joint Chapter 11 Plan of Reorganization of Proterra Inc and its Debtor Affiliate* [D.I. 1180] (the “Confirmation Order”), confirming the Plan and all supplements thereto, including approval of the Distribution Trust Agreement (the “DTA”).

9. The Plan went effective on March 13, 2024 (the “Effective Date”). See *Notice of (I) Entry of Confirmation Order, (II) Occurrence of Effective Date, and (III) Final Deadlines for Filing Certain Claims* [D.I. 1208] (the “Notice of Effective Date”).

10. On March 22, 2024, the Court entered the *Order (I) Amending Case Caption to Reflect Change of Debtors’ Names, (II) Closing Proterra Operating Company, Inc’s Chapter 11 Case; and (III) Granting Related Relief* [D.I. 1233] (the “Case Closing Order”) authorizing the

Debtors and Distribution Trust to amend the case caption used in the Chapter 11 Cases to reflect the changes of their respective legal names. As such, the Proterra Operating Company, Inc., Case No. 23-11121 (BLS), was closed while the lead case, Proterra Inc, Case No. 23-11120 (BLS), remained open. Furthermore, the caption was amended to reflect the new name of the Reorganized Debtor in the remaining Chapter 11 Case, Prodigy Investments Holdings, Inc.

11. Pursuant to the Plan, as of the Effective Date, the Distribution Trust was established, for among other reasons, to provide for distributions to the Distribution Trust's Beneficiaries. *See* Plan, Art. IV. To that end, the Plan and the DTA authorize the Distribution Trustee to pursue objections to, and estimation and settlements of, all Disputed Claims. *See* Plan, Art. IV.C.7.

II. THE CLAIMS RESOLUTION PROCESS

12. On September 5, 2023, the Court entered the *Order Establishing Bar Dates for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof* [D.I. 187] (the "Bar Date Order"), setting forth certain dates by which parties holding prepetition claims against the Debtors were required to file proofs of claim.

13. On or around October 11, 2023, Verita Global (*f/k/a* Kurtzman Carson Consultants LLC) ("Verita"), the Debtors' claims and noticing agent, mailed the Bar Date Order and proof of claim form to all of the Debtors' creditors and other known parties in interest as of the Petition Date (the "Bar Date Notice"). *See* Certificates of Service [D.I. 467, 1058].

14. The Bar Date Order established November 13, 2023, 4:00 p.m. (prevailing ET), as the deadline for all entities (except for governmental units and holders of administrative claims) holding claims against the Debtors that arose or are deemed to have arisen prior to the Petition Date to file proofs of claim (the "General Bar Date"). *See* Bar Date Order. The deadline for governmental units to file proofs of claim against the Debtors was February 3, 2024 at 4:00 p.m.

(ET) (the “Governmental Bar Date”) and the deadline for holders of administrative claims to file proofs of claim against the Debtors was April 12, 2024 (the “Administrative Bar Date,” and together with the General Bar Date and Governmental Bar Date, the “Bar Dates” and each as applicable, the “Applicable Bar Date”). *See* Notice of Effective Date.

III. THE DISPUTED CLAIMS

A. Proofs of Claim and Claims Reconciliation

15. The Debtors’ register of claims (the “Claims Register”), as maintained by Verita, includes more than 1400 proofs of claim that were filed against the Debtors.

16. In the ordinary course of business, the Debtors maintained books and records (the “Books and Records”) that reflect, among other things, the nature and amount of the liabilities the Debtors owed to their creditors. The Reorganized Debtor and their professionals began, and the Distribution Trustee and his professionals have continued, reviewing, comparing, and reconciling the proofs of claim (including any supporting documentation) with the Schedules, the Claims Register, and the Books and Records. The claims reconciliation process includes identifying particular categories of claims that may be subject to objection. While this review, analysis, and reconciliation is ongoing, the Distribution Trustee has determined that certain claims should be disallowed and expunged for one or more reasons. Accordingly, the Distribution Trustee files this Objection seeking the relief requested below.

B. The Misclassified Claims

17. The Misclassified Claims set forth on Schedule 1 to the Proposed Order allege that all or a portion of each Claimant’s Disputed Claim is entitled to administrative and/or priority treatment under the Bankruptcy Code. However, based on a review of the Misclassified Claims and the supporting documentation submitted therewith, the Distribution Trustee has determined

that the Misclassified Claims listed on Schedule 1 are improperly classified as priority claims or administrative expense claims.

18. Accordingly, the Misclassified Claims listed on Schedule 1 to the Proposed Order should be reclassified as general unsecured, non-priority claims, as indicated in the “Reclassified Claim” column.

C. The Overstated and Misclassified Claims

19. The Overstated and Misclassified Claims set forth on Schedule 2 to the Proposed Order assert amounts and priority status that differ from those reflected in the Books and Records. In evaluating the Overstated and Misclassified Claims, the Distribution Trustee thoroughly reviewed the Books and Records, each Disputed Claim, as well as any supporting documentation, and has determined that the amount of each Overstated and Misclassified Claim is indeed overstated. In addition, the Distribution Trustee has determined that the claims are improperly classified.

20. Accordingly, the Overstated and Misclassified Claims should be (i) reduced to the amounts specified in the “Modified Claim” column on Schedule 2 of the Proposed Order, and (ii) reclassified as general unsecured, non-priority claims, as also indicated in the “Modified Claim” column on Schedule 2 of the Proposed Order.

D. The Overstated Claims

21. The Overstated Claims set forth on Schedule 3 to the Proposed Order assert amounts that differ from those reflected in the Books and Records. In evaluating the Overstated Claims, the Distribution Trustee thoroughly reviewed the Books and Records, each Disputed Claim, as well as any supporting documentation, and has determined that the amount of each Overstated Claim is indeed overstated.

22. Accordingly, the Overstated Claims should be reduced to the amounts specified in the “Modified Claim” column on Schedule 3 of the Proposed Order.

E. The No Liability Claims

23. The No Liability Claims set forth on Schedule 4 to the Proposed Order are claims for which the Debtors do not have any liability or existing payment obligations according to the Books and Records. In evaluating the No Liability Claims, the Distribution Trustee thoroughly reviewed the Books and Records, each Disputed Claim, as well as any supporting documentation, and has determined that the Distribution Trust is not liable or does not have any payment obligation due and owing on account of each No Liability Claim. Accordingly, the No Liability Claims set forth on Schedule 4 to the Proposed Order should be disallowed and expunged in their entirety.

RELIEF REQUESTED

24. By this Objection, the Distribution Trustee respectfully requests entry of the Proposed Order disallowing and expunging the Disputed Claims, as applicable.

BASIS FOR RELIEF

25. 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).

26. Section 502(b)(1) of the Bankruptcy Code provides 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 claim is *prima facie* evidence of the claim’s allowed amount, when an objecting party rebuts 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 is always on the claimant.”); *see also* 11 U.S.C. § 501; Fed. R. Bankr. P. 3001(f).

A. The Misclassified Claims

27. The Distribution Trustee objects to each of the Misclassified Claims set forth on Schedule 1 to the Proposed Order that allege all or a portion of their claims are entitled to administrative and/or priority treatment under the Bankruptcy Code. The Distribution Trustee has reviewed the Misclassified Claims and their supporting documentation and determined that the proofs of claim listed on Schedule 1 are improperly classified as priority or administrative expense claims.

28. Failure to reduce and reclassify the Misclassified Claims will result in Claimants receiving undue priority and an unwarranted recovery from the Distribution Trust to the detriment of other creditors. Thus, the relief requested herein is necessary to prevent any improper or unjustified distribution of Distribution Trust funds and to facilitate the administration of the claims allowance process.

29. Accordingly, the Distribution Trustee requests that the Misclassified Claims listed on Schedule 1 to the Proposed Order be reclassified as general unsecured, non-priority claims, as indicated in the “Reclassified Claim” column.

B. The Overstated and Misclassified Claims

30. The Distribution Trustee objects to each of the Overstated and Misclassified Claims set forth on Schedule 2 to the Proposed Order that assert an amount and priority status that differs from those reflected in the Books and Records. The Distribution Trustee has reviewed the Overstated and Misclassified Claims and their supporting documentation and determined that the proofs of claim listed on Schedule 2 are indeed overstated and improperly classified.

31. Failure to reduce and reclassify the Overstated and Misclassified Claims will result in Claimants receiving undue priority and an unwarranted recovery from the Distribution Trust to the detriment of other creditors. Thus, the relief requested herein is necessary to prevent any

improper or unjustified distribution of Distribution Trust funds and to facilitate the administration of the claims allowance process.

32. Accordingly, the Distribution Trustee requests that the Overstated and Misclassified Claims be reduced to the amounts specified in the “Modified Claim” column on Schedule 2 of the Proposed Order. The Distribution Trustee further requests that the claims be reclassified as general unsecured, non-priority claims, as also indicated in the “Modified Claim” column on Schedule 2 of the Proposed Order.

C. The Overstated Claims

33. The Distribution Trustee objects to each of the Overstated Claims set forth on Schedule 3 to the Proposed Order that assert amounts that differ from those reflected in the Books and Records. The Distribution Trustee has reviewed the Overstated and Misclassified Claims and their supporting documentation and determined that the Disputed Claims listed on Schedule 3 are indeed overstated.

34. Failure to reduce the Overstated Claims will result in Claimants receiving an unwarranted recovery from the Distribution Trust to the detriment of other creditors. Thus, the relief requested herein is necessary to prevent any improper or unjustified distribution of Distribution Trust funds and to facilitate the administration of the claims allowance process.

35. Accordingly, the Distribution Trustee requests that the Overstated Claims be reduced to the amounts specified in the “Modified Claim” column on Schedule 3 of the Proposed Order.

D. The No Liability Claims

36. The Distribution Trustee objects to each of the No Liability Claims set forth on Schedule 4 to the Proposed Order because the Distribution Trust does not have any liability or existing payment obligations according to the Books and Records. The Distribution Trustee has

reviewed the No Liability Claims and their supporting documentation and determined that the Distribution Trust is not liable or does not have any payment obligation due and owing on account of the Disputed Claims listed on Schedule 4 to the Proposed Order. *See* Balasiano Declaration at ¶ 3.

37. Failure to disallow the No Liability Claims will result in Claimants receiving an unwarranted recovery from the Distribution Trust to the detriment of other creditors. Thus, the relief requested herein is necessary to prevent any improper or unjustified distribution of Distribution Trust funds and to facilitate the administration of the claims allowance process.

38. Accordingly, the Distribution Trustee requests that the No Liability Claims set forth on Schedule 4 to the Proposed Order be disallowed and expunged in their entirety.

RESPONSES TO THE OBJECTION

39. **Filing and Service of Responses:** To contest the Objection, a Claimant must file and serve a written response to the Objection (a “Response”) so that it is actually received by the Clerk of the Court and the parties in the following paragraph no later than 4:00 p.m. (ET) on October 16, 2024 (the “Response Deadline”). Claimants should locate their names and Disputed Claims on Schedules 1 through 4 to the Proposed Order, and carefully review the Objection. A Response must address each ground upon which the Distribution Trustee objects to a particular Disputed Claim. A hearing to consider the Distribution Trustee’s Objection, if necessary, will be held on October 23, 2024 at 11:00 a.m. (ET), before the Honorable Brendan L. Shannon, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801 or via telephone and videoconference (the “Hearing”).

40. Each Response must be filed and served upon the following entities at the following addresses:

Office of the Clerk of the United States Bankruptcy Court
for the District of Delaware
824 North Market Street, 3rd Floor
Wilmington, Delaware 19801

-and-

LOWENSTEIN SANDLER LLP

Jeffrey L. Cohen, Esq.
Eric S. Chafetz, Esq.
Daniel B. Besikof, Esq.
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-and-

MORRIS JAMES LLP

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Brya M. Kelson, Esq.
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Counsel to the Distribution Trustee

41. **Content of Responses:** Every Response to the Objection must contain, at a minimum, the following:

1. 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;
2. the name of the Claimant and description of the basis for the amount of the Disputed Claim;

3. a concise statement setting forth the reasons why a particular Disputed Claim should not be disallowed and expunged for the reasons set forth in the Objection, including, but not limited to, the specific factual and legal bases upon which the Claimant will rely in opposing the Objection at the Hearing;
4. all documentation or other evidence relating to the Disputed Claim in question, to the extent not already included with the Claimant's proof of claim, upon which the Claimant will rely in opposing the Objection at the Hearing;
5. the name, address, telephone number, 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 Claimant; and
6. the name, address, telephone number, and fax number of the person(s) (who may be the Claimant or a legal representative thereof) to whom the Distribution Trustee should serve any reply to the Response.

42. **Timely Response Required; Hearing:** If a Response is properly and timely filed and served in accordance with the above procedures, the Distribution Trustee will endeavor to reach a consensual resolution with the Claimant. If no consensual resolution is reached, the Court will conduct a hearing with respect to the Objection and the Response on October 23, 2024 at 11:00 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 any such hearing.

43. **Adjournment of Hearing:** The Distribution Trustee reserves the right to adjourn the Hearing on any Disputed Claim included in the Objection. In the event that the Distribution Trustee so adjourns the Hearing, the Distribution Trustee will state that the Hearing on that particular Disputed Claim has been adjourned on the agenda for the Hearing on the Objection, which agenda will be served on the person designated by the Claimant in its Response.

44. If a Claimant whose Disputed Claim is subject to the Objection, and who is served with the Objection, fails to file and serve a timely Response in compliance with the foregoing

procedures, the Distribution Trustee will present to the Court an appropriate order disallowing and expunging the Disputed Claims without further notice to the Claimant.

SEPARATE CONTESTED MATTER

45. To the extent a Response is filed regarding any individual claim listed in this Objection and the Distribution Trustee is unable to resolve the Response, the Objection by the Distribution Trustee to such 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 Objection shall be deemed a separate order with respect to each claim subject thereto.

RESERVATION OF RIGHTS

46. The Distribution Trustee expressly reserves the right to amend, modify, or supplement this Objection, and to file additional objections to any other claims (filed or not) that may be asserted against the Reorganized Debtor and/or the Distribution Trust. Should one or more of the grounds for objection stated in the Objection be withdrawn or overruled, the Distribution Trustee reserves the right to object to each of the Disputed Claims or any other proofs of claim on any other grounds.

47. Notwithstanding anything contained in the Objection, or the exhibits and schedules attached hereto, nothing herein will be construed as a waiver of any rights that the Reorganized Debtor, the Distribution Trustee or any successors thereto, may have to enforce any other rights, including but not limited to the right of setoff against the Disputed Claims or any other claim filed by the Claimant.

48. Nothing in this Objection shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against the Reorganized Debtor and/or the Distribution Trustee under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the

Reorganized Debtor's, the Distribution Trustee's, or any other party in interest'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 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 Reorganized Debtor's estate or the Distribution 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.

COMPLIANCE WITH LOCAL RULE 3007-1

49. The undersigned counsel to the Distribution Trustee on behalf of the Distribution Trustee has reviewed the requirements of Local Rule 3007-1 and certifies that the Objection substantially complies with that Local Rule. To the extent that the Objection does not comply in all respects with the requirements of Local Rule 3007-1, the Distribution Trustee believes such deviations are not material and respectfully requests that any such requirement be waived.

NOTICE

50. Notice of this Objection will be given to: (i) the U.S. Trustee; (ii) each Claimant listed on the schedules and affected by the relief requested herein; and (iii) all parties who, as of the filing of the Objection, have filed a renewed notice of appearance and request for service of papers pursuant to Local Rule 2002-1(b) and the Confirmation Order. A copy of this Objection is also available on the Reorganized Debtor's case website at <https://veritaglobal.net/proterra>. In light of the nature of the relief requested herein, the Distribution Trustee submits that no other or further notice is required.

[Remainder of page intentionally left blank]

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

Dated: September 10, 2024
Wilmington, Delaware

MORRIS JAMES LLP

/s/ Siena B. Cerra

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-and-

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Counsel to the Distribution Trust

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

In re:

Prodigy Investment Holdings, Inc.,¹

Reorganized Debtor.

Chapter 11

Case No. 23-11120 (BLS)

Jointly Administered

Hearing Date: October 23, 2024 at 11:00 a.m. (ET)

Objection Deadline: October 16, 2024 at 4:00 p.m. (ET)

**NOTICE OF THE DISTRIBUTION TRUSTEE’S THIRD OMNIBUS (SUBSTANTIVE)
OBJECTION TO CERTAIN (I) MISCLASSIFIED CLAIMS, (II) OVERSTATED AND
MISCLASSIFIED CLAIMS, (III) OVERSTATED CLAIMS, AND
(IV) NO LIABILITY CLAIMS**

PLEASE TAKE NOTICE that Steven Balasiano, in his capacity as the distribution trustee (the “Distribution Trustee”) of the PTR A Distribution Trust (the “Distribution Trust”) established in the above-captioned chapter 11 case (the “Chapter 11 Case”) of the reorganized debtor (“Prodigy” or the “Reorganized Debtor”), files *The Distribution Trustee’s Third Omnibus (Substantive) Objection to Certain (I) Misclassified Claims, (II) Overstated and Misclassified Claims, (III) Overstated Claims, and (IV) No Liability Claims* (the “Objection”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). **Your claim(s) may be disallowed and expunged as a result of the Objection. Therefore, you should read the attached Objection carefully.**

**PLEASE TAKE FURTHER NOTICE THAT YOUR RIGHTS MAY BE
AFFECTED BY THE OBJECTION AND BY ANY FURTHER CLAIM OBJECTION**

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is: Prodigy Investments Holdings, Inc. (9565). The location of the Reorganized Debtor’s service address is: 3350 Virginia St., 2nd Floor, Miami, FL 33133.

THAT MAY BE FILED BY THE DISTRIBUTION TRUSTEE OR OTHERWISE. THE RELIEF SOUGHT HEREIN IS WITHOUT PREJUDICE TO THE DISTRIBUTION TRUSTEE'S RIGHT TO PURSUE FURTHER OBJECTIONS IN CONNECTION WITH YOUR CLAIM(S) SUBJECT TO THE OBJECTION IN ACCORDANCE WITH APPLICABLE LAW AND APPLICABLE ORDERS OF THE BANKRUPTCY COURT.

PLEASE TAKE FURTHER NOTICE that, if the holder of a claim that is the subject of the Objection wishes to respond to the Objection, the holder must file a written response with the Clerk of the United States Bankruptcy Court for the District of Delaware, 3rd Floor, 824 North Market Street, Wilmington, Delaware 19801 and serve it on the undersigned counsel so as to be received on or before on or before October 16, 2024 at 4:00 p.m. (ET).

PLEASE TAKE FURTHER NOTICE that, responses to the Objection must contain, at a minimum, the following: (a) a caption setting forth the name of the Bankruptcy Court, the above-referenced case number and the title of the Objection to which the response is directed; (b) the name of the claimant, his/her/its claim number, and a description of the basis for the amount of the claim; (c) the specific factual basis and supporting legal argument upon which the claimant will rely in opposing this Objection; (d) any supporting documentation, to the extent it was not included with the proof of claim previously filed with the clerk or claims agent, upon which the claimant will rely to support the basis for and amounts asserted in the proof of claim; and (e) the name, address, email address, telephone number, and fax number of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Distribution Trustee should communicate with respect to the claim or the Objection and who possesses authority to reconcile, settle, or otherwise resolve the Objection to the Disputed Claim on behalf of the claimant.

PLEASE TAKE FURTHER NOTICE that, if no response to the Objection is timely filed and received in accordance with the above procedures, an Order may be entered sustaining the Objection and disallowing and expunging the Claim without further notice or a hearing. If a response is properly filed, served and received in accordance with the above procedures and such response is not resolved, a hearing to consider such response and the Objection will be held before the Honorable Brendan L. Shannon, United States Bankruptcy Court, 824 North Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801 on October 23, 2024 at 11:00 a.m. (ET). Only a response made in writing and timely filed and received will be considered by the Court at the hearing.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY SUSTAIN THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.

[Remainder of page intentionally left blank]

Dated: September 10, 2024
Wilmington, Delaware

MORRIS JAMES LLP

/s/ Siena B. Cerra

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Counsel to the Distribution Trust

EXHIBIT A

Proposed Order

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

In re:

Prodigy Investment Holdings, Inc.,¹

Reorganized Debtor.

Chapter 11

Case No. 23-11120 (BLS)

Jointly Administered

Re: Docket No. ____

**ORDER SUSTAINING THE DISTRIBUTION TRUSTEE’S THIRD OMNIBUS
(SUBSTANTIVE) OBJECTION TO CERTAIN (I) MISCLASSIFIED CLAIMS, (II)
OVERSTATED AND MISCLASSIFIED CLAIMS, (III) OVERSTATED CLAIMS, AND
(IV) NO LIABILITY CLAIMS**

Upon the objection (the “Objection”)² of Steven Balasiano, in his capacity as the distribution trustee (the “Distribution Trustee”) of the PTR A Distribution Trust (the “Distribution Trust”) established in the above-captioned chapter 11 case (the “Chapter 11 Case”) of the reorganized debtor (“Prodigy” or the “Reorganized Debtor”), to certain proofs of claim filed by the claimants (the “Claimants”) on Schedule 1 (the “Misclassified Claims”), Schedule 2 (the “Overstated and Misclassified Claims”), Schedule 3 (the “Overstated Claims”), and Schedule 4 (the “No Liability Claims,” and together with the Misclassified Claims, the Overstated and Misclassified Claims, the Overstated Claims, and the No Liability Claims, the “Disputed Claims”); and this Court having reviewed the Objection and the Balasiano Declaration; and this Court having determined that the relief requested in the Objection is in the best interests of the Distribution Trustee, the Distribution Trust, the Reorganized Debtor, its estate, its creditors, and other parties

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is: Prodigy Investments Holdings, Inc. (9565). The location of the Reorganized Debtor’s service address is: 3350 Virginia St., 2nd Floor, Miami, FL 33133.

² Capitalized terms not defined herein shall have the meanings ascribed to them in the Objection.

in interest and that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and this Court having jurisdiction to consider the Objection and the relief requested therein in accordance with 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; and consideration of the Objection and the relief requested therein being a core proceeding under 28 U.S.C. § 157(b)(2); and this Court having authority to enter a final order consistent with Article III of the United States Constitution; and venue being proper before this Court under 28 U.S.C. §§ 1408 and 1409; 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 all of the proceedings before this Court; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Objection is SUSTAINED as set forth herein.
2. Any response to the Objection not otherwise withdrawn, resolved, or adjourned is hereby overruled on the merits.
3. Each of the Misclassified Claims listed under the column titled “Claim Number” on the attached Schedule 1 is hereby reclassified and modified in accordance with the column titled “Reclassified Claim.” The Misclassified Claims listed in the column titled “Reclassified Claim” on the attached Schedule 1 shall remain on the Claims Register as modified, unless such Misclassified Claims are otherwise disallowed and/or modified by this Order or another order of this Court, subject to the Distribution Trustee’s, or any other parties’ further objections on any substantive or non-substantive grounds.

4. Each of the Overstated and Misclassified Claims listed under the column titled “Claim Number” on the attached Schedule 2 is hereby reduced, reclassified, and modified in accordance with the columns titled “Modified Claim.” The Overstated and Misclassified Claims listed in the column titled “Modified Claim” on the attached Schedule 2 shall remain on the Claims Register as modified, unless such Overstated and Misclassified Claims are otherwise disallowed and/or modified by this Order or another order of this Court, subject to the Distribution Trustee’s, or any other parties’ further objections on any substantive or non-substantive grounds.

5. Each of the Overstated Claims listed under the column titled “Claim Number” on the attached Schedule 3 is hereby reduced and modified in accordance with the columns titled “Modified Claim.” The Overstated Claims listed in the column titled “Modified Claim” on the attached Schedule 3 shall remain on the Claims Register as modified, unless such Overstated Claims are otherwise disallowed and/or modified by this Order or another order of this Court, subject to the Distribution Trustee’s, or any other parties’ further objections on any substantive or non-substantive grounds.

6. The No Liability Claims listed on the attached Schedule 4 are disallowed and expunged in their entirety.

7. Notwithstanding Local Rule 3007-1(f)(iii), the rights of the Distribution Trustee or any other party to: (i) file subsequent objections to any claims listed on any of the Schedules annexed hereto on any ground, substantive or non-substantive (as permitted by the Court); (ii) amend, modify or supplement the Objection, including, without limitation, filing objections to further amended or newly-filed claims; (iii) seek to expunge or reduce any claim to the extent all or a portion of such claim has been paid; and (iv) settle any claim for less than the asserted amount, are expressly preserved. Additionally, should one or more of the grounds for objection stated in

the Objection be overruled, the Distribution Trustee's and any other parties' rights to object to the Modified Claims on any other grounds are preserved. For the avoidance of doubt, leave from the requirements of Local Rule 3007-1(f)(iii) is hereby granted.

8. The objection to each claim, as addressed in the Objection and as set forth in the attached Schedules, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014 and Local Rule 3007-1. This Order shall be deemed a separate order with respect to each such claim that is the subject of the Objection. Any stay of this Order pending appeal by any Claimants whose claims are subject to this Order shall only apply to the contested matter that involves such Claimant and shall not act to stay the applicability and/or finality of this Order with respect to any other contested matters addressed in the Objection and this Order.

9. Verita is authorized and directed to modify the Claims Register to comport with the relief granted by this Order.

10. Nothing in this Order or the Objection is intended or shall be construed as a waiver of any of the rights the Distribution Trustee or any other party may have to enforce rights against the Claimants, including but not limited to any right of setoff.

11. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.

12. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.

SCHEDULE 1

Misclassified Claims

Prodigy Investment Holdings, Inc., et al., (f/k/a Proterra Inc)
Case No. 23-11120 (BLS)

Schedule 1 - Misclassified Claims

SEQ. NO.	NAME OF CLAIMANT	DATE FILED	DEBTOR NAME	CLAIM NUMBER	ASSERTED CLAIM CLASSIFICATION STATUS		RECLASSIFIED CLAIM	REASON FOR MODIFICATION
1	Argo Partners as Transferee of Kerwin Associates, LLC	8/29/2023	Proterra Operating Company, Inc. 23-11121	60	Administrative: \$50,000.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$50,000.00</u>	Claim is for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, Claim should be reclassified as a non-priority general unsecured claim .
					Total Claim Amount \$50,000.00		Total Claim Amount \$50,000.00	
2	Clean Tactics LLC	8/31/2023	Proterra Inc. 23-11120	70	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$1,210.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$1,210.00</u>	Claim is for pre-petition services, which are not entitled to priority status under section 507(a)(4) of the Bankruptcy Code. Claim is not a claim by a current or former employee of the Debtors. As a result, the claim is not entitled to priority, and should be reclassified as a general unsecured claim.
					Total Claim Amount \$1,210.00		Total Claim Amount \$1,210.00	
3	Farient Advisors LLC	10/10/2023	Proterra Inc. 23-11120	205	Administrative: \$14,001.25 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$14,001.25</u>	Claim is for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, the Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$14,001.25		Total Claim Amount \$14,001.25	
4	John Efird Company	9/18/2023	Proterra Inc. 23-11120	134	Administrative: \$560.50 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$560.50</u>	Claim is for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, the Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$560.50		Total Claim Amount \$560.50	
5	Lock-Ridge Tool Company Inc.	10/31/2023	Proterra Operating Company, Inc. 23-11121	674	Administrative: \$12,261.11 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$12,261.11</u>	Claim is for prepetition goods received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, the Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$12,261.11		Total Claim Amount \$12,261.11	
6	Project Genetics LLC	9/11/2023	Proterra Operating Company, Inc. 23-11121	104	Administrative: \$7,631.25 Secured: \$0.00 Priority Unsecured: \$28,027.50 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$35,658.75</u>	Portion of the Claim sought to be reclassified is for prepetition services, which are not entitled to priority status under section 503(b)(9) the-Bankruptcy Code. As such, that portion of the Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$35,658.75		Total Claim Amount \$35,658.75	
7	Quanta Laboratories	9/15/2023	Proterra Operating Company, Inc. 23-11121	130	Administrative: \$1,100.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$1,100.00</u>	Claim is for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$1,100.00		Total Claim Amount \$1,100.00	
8	RELX Inc. dba LexisNexis	10/03/2023	Proterra Operating Company, Inc. 23-11121	186	Administrative: \$15,950.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$15,950.00</u>	Claim is for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$15,950.00		Total Claim Amount \$15,950.00	
9	Salazar, Miguel	11/27/2023	Proterra Inc. 23-11120	1219	Administrative: \$26,188.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$26,188.00</u>	Claim is for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. Claim includes no supporting documentation. However, Claimant's scheduled claim for pre-petition services matches his asserted claim amount of \$26,188.00. As such, the Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$26,188.00		Total Claim Amount \$26,188.00	
10	Tech Graphics Private Limited	9/25/2023	Proterra Operating Company, Inc. 23-11121	160	Administrative: \$14,700.00 Secured: \$0.00 Priority Unsecured: \$15,000.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$29,700.00</u>	Portion of the Claim is for prepetition services, which are not entitled to priority status under section 507(a)(4) of the Bankruptcy Code. No portion of the Claim is a claim by a current or former employee of the Debtors. As a result, this portion of the Claim is not entitled to priority, and should be reclassified as a general unsecured claim. Additionally, another portion of the Claim asserts priority for prepetition services, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, that portion of the Claim should be reclassified as a non-priority general unsecured claim.
					Total Claim Amount \$29,700.00		Total Claim Amount \$29,700.00	

SEQ. NO.	NAME OF CLAIMANT	DATE FILED	DEBTOR NAME	CLAIM NUMBER	ASSERTED CLAIM CLASSIFICATION STATUS	RECLASSIFIED CLAIM	REASON FOR MODIFICATION
11	Vovk, Tatyana	11/1/2023	Proterra Inc. 23-11120	658	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$4,143.75 <u>General Unsecured: \$0.00</u> Total Claim Amount \$4,143.75	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$4,143.75</u> Total Claim Amount \$4,143.75	Claim is for prepetition services, which are not entitled to priority status under section 507(a)(4) of the Bankruptcy Code. Claim is not a claim by a current or former employee of the Debtors. As a result, the Claim is not entitled to priority, and should be reclassified as a general unsecured claim.
12	Wurth-Electronics ICS Inc.	10/17/2023	Proterra Operating Company, Inc. 23-11121	283	Administrative: \$23,385.56 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$4,715.67</u> Total Claim Amount \$28,101.23	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$28,101.23</u> Total Claim Amount \$28,101.23	Portion of the Claim in the amount of \$16,975.68 are for prepetition goods received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, that portion of the Claim should be reclassified as a general unsecured claim.
13	Zing	8/16/2023	Proterra Inc. 23-11120	12	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$51,596.18 <u>General Unsecured: \$0.00</u> Total Claim Amount \$51,596.18	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$51,596.18</u> Total Claim Amount \$51,596.18	Claim is for prepetition services, which are not entitled to priority status under section 507(a)(4) of the Bankruptcy Code. Claim is not a claim by a current or former employee of the Debtors. As a result, the Claim is not entitled to priority, and should be reclassified as a general unsecured claim.
Total					\$270,470.77	\$270,470.77	

SCHEDULE 2

Overstated and Misclassified Claims

Prodigy Investment Holdings, Inc., et al., (f/k/a Proterra Inc)
Case No. 23-11120 (BLS)

Schedule 2 - Overstated & Misclassified Claims

SEQ. NO.	NAME OF CLAIMANT	DATE FILED	DEBTOR NAME	CLAIM NUMBER	ASSERTED CLAIM		MODIFIED CLAIM		REASON FOR MODIFICATION
1	Ace Vending Company	10/21/2023	Proterra Inc. 23-11120	393	Administrative: \$25,319.25 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$21,826.25</u>		Portion of the Claim is for prepetition goods sold in the amount of \$21,826.25 that were received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a non-priority general unsecured claim. According to the Books and Records, a portion of the administrative Claim was paid in the amount of \$3,493.00. Accordingly, the Claim should be reduced and reclassified as a general unsecured claim in the amount of \$21,826.25.
2	Addison Group DBA CVPartners	8/16/2023	Proterra Inc. 23-11120	7	Administrative: \$53,403.90 Secured: \$0.00 Priority Unsecured: \$15,150.00 <u>General Unsecured: \$11,865.60</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$45,037.44</u>		Portion of the Claim is for prepetition services, but improperly asserts priority under section 503(b)(9) of the Debtors. As a result, the Claim is not entitled to priority, and should be reclassified as a general unsecured claim. According to the Books and Records, a portion of the administrative Claim was paid in the amount of \$35,381.95. Accordingly, the Claim should be reduced and reclassified as a general unsecured claim in the amount of \$45,037.44.
3	Bentech Inc	11/22/2023	Proterra Operating Company, Inc. 23-11121	1206	Administrative: \$242,431.39 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$204,121.88</u>		Portion of the Claim is for prepetition goods sold in the amount of \$204,121.88 that were received by the Debtors outside of the section 503(b)(9) 20-day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a non-priority general unsecured claim. According to the Books and Records, Claimant was paid \$38,008.63. The Books and Records do not contain support for a remaining section 503(b)(9) administrative Claim balance in the aggregate amount of \$300.88. Accordingly, the Claim should be reduced and reclassified as a non-priority general unsecured claim in the amount of \$204,121.88.
4	Cromer Foods	8/18/2023	Proterra Inc. 23-11120	45	Administrative: \$33,194.96 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$4,844.99</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$12,624.11</u>		According to the Books and Records, Claimant received a cure payment in the amount of \$17,947.82, of which \$5,445.88 was for the section 503(b)(9) administrative expense portion of the Claim and \$13,578.84 was for the general unsecured portion of the Claim. According to the Books and Records, Claimant received an additional payment on account of the section 503(b)(9) portion of the Claim in the amount of \$6,391.12. Accordingly, the Claim should be reduced and reclassified as a non-priority general unsecured claim in the amount of \$12,624.11.
5	Euler Hermes Agent for USSC GROUP, INC.	10/24/2023	Proterra Inc. 23-11120	467	Administrative: \$36,241.34 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$32,188.00</u>		Portion of the Claim is for prepetition goods in the amount of \$32,188.00 that were received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a general unsecured claim. Another portion of the Claim is for prepetition goods in the amount of \$4,053.34 that were received by the Debtors within the section 503(b)(9) 20- day window. According to the Books and Records, Claimant was paid \$4,053.34 on account of the section 503(b)(9) administrative expense Claim. Accordingly, the Claim should be reduced and reclassified as a non-priority general unsecured claim in the amount of \$32,188.00.
6	Hain Capital Investors Master Fund, LTD as Transferee of NSK Industries	10/26/2023	Proterra Operating Company, Inc. 23-11121	531	Administrative: \$22,307.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$23,510.12</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$23,477.12</u>		Portion of the Claim is for prepetition goods sold in the amount of \$252.00 that were received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a general unsecured claim. According to the Books and Records, Claimant was paid \$22,055.00 on account of the section 503(b)(9) administrative expense Claim. Claimant was also paid \$285.00 on account of the general unsecured Claim. Accordingly, the Claim should be reduced and reclassified as a general unsecured claim in the amount of \$23,477.12

SEQ. NO.	NAME OF CLAIMANT	DATE FILED	DEBTOR NAME	CLAIM NUMBER	ASSERTED CLAIM		MODIFIED CLAIM		REASON FOR MODIFICATION
7	HARSCO RAIL, LLC.	10/16/2023	Proterra Inc. 23-11120	284	Administrative: \$3,474.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$474.00</u>		Portion of the Claim are for prepetition goods sold in the amount of \$474.00 that were received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a general unsecured claim. Another portion of the Claim is for prepetition goods in the amount of \$3,000.00 that were received by the Debtors within the section 503(b)(9) 20- day window. According to the Books and Records, Claimant was paid \$3,000.00 on account of the section 503(b)(9) administrative expense Claim. Accordingly, the Claim should be reclassified as a general unsecured claim in the amount of \$474.00.
8	Laserform and Machine, Inc.	9/13/2023	Proterra Operating Company, Inc. 23-11121	115	Administrative: \$40,028.21 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$53,907.34</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$54,564.56</u>		Portion of the Claim is for prepetition goods in the amount of \$657.12 that were received by the Debtors outside of the section 503(b)(9) 20- day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a general unsecured claim. Another portion of the Claim is for prepetition goods in the amount of \$38,658.99 that were received by the Debtors. According to the Books and Records, Claimant has been paid \$38,658.99 on account of the section 503(b)(9) administrative expense Claim. Additionally, the Books and Records do not include support for a remaining administrative claim in the amount of \$1,369.12. Accordingly, the Claim should be reduced and reclassified as a non-priority general unsecured claim in the amount of \$54,564.56.
9	M1 Graphics Co., Inc.	08/23/2023	Proterra Operating Company, Inc. 23-11121	54	Administrative: \$853.20 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$0.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$178.20</u>		Portion of the Claim is for prepetition goods in the amount of \$178.20 that were received by the Debtors outside of the section 503(b)(9) 20-day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. As such, this portion of the Claim should be reclassified as a general unsecured claim. Another portion of the Claim is for prepetition goods in the amount of \$675.00 that were received by the Debtors. According to the Books and Records, Claimant has been paid \$675.00 on account of the section 503(b)(9) administrative expense Claim. Accordingly, the Claim should be reduced and reclassified as a non-priority general unsecured claim in the amount of \$178.20.
10	Ron Whites Air Compressor Sales, Inc.	11/13/2023	Proterra Inc. 23-11120	1117	Administrative: \$1,539,958.42 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$585,617.53</u>		Administrative: \$85,402.80 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$1,611,098.73</u>		Portion of the Claim is for cancellation delivery fees for goods that, according to the Books and Records, were never received by the Debtors in the amount of \$1,025,481.20. The Distribution Trustee was unable to reach an agreement with Claimant's counsel despite attempts at reconciling this portion of the Claim. As such, the Distribution Trustee objects to this portion of the Claim as it is not entitled to priority status under section 503(b)(9) and should be reclassified as a general unsecured claim. Another portion of the Claim is for prepetition goods in the amount of \$429,074.42 that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$429,074.42 on account of the section 503(b)(9) administrative expense Claim. Accordingly, the section 503(b)(9) administrative expense portion of the Claim should be reduced to \$85,402.80 and the remaining portion of the Claim in the amount of \$1,611,098.73 should be reclassified as a non-priority general unsecured claim.
11	Watson Engineering Inc.	11/10/2023	Proterra Operating Company, Inc. 23-11121	1004	Administrative: \$57,843.10 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$406,026.17</u>		Administrative: \$53,359.70 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$406,386.57</u>		Portion of the Claim is for prepetition goods in the amount of \$360.40 that were received by the Debtors outside of the section 503(b)(9) 20-day window, which are not entitled to priority status under section 503(b)(9) of the Bankruptcy Code. Another portion of the Claim is for prepetition goods in the amount of \$4,123.00 that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$4,123.00 on account of the section 503(b)(9) administrative expense Claim. Accordingly, the section 503(b)(9) administrative expense portion of the Claim should be reduced to \$53,359.70 and the remaining portion of the Claim in the amount of \$406,386.57 should be reclassified as a general unsecured claim.

SCHEDULE 3

Overstated Claims

Prodigy Investment Holdings, Inc., et al., (f/k/a Proterra Inc)
Case No. 23-11120 (BLS)

Schedule 3 - Overstated Claims

SEQ. NO.	NAME OF CLAIMANT	DEBTOR NAME	DATE FILED	CLAIM NUMBER	ASSERTED CLAIM		MODIFIED CLAIM		REASON FOR MODIFICATION
1	Advanced Wheel Sales, LLC	Proterra Inc. 23-11120	10/17/2023	258	Administrative: \$116,530.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$21,172.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$21,172.00</u>		According to the Books and Records, a portion of the Claim is for returned and credited goods in the amount of \$2,310.00, which are not entitled to section 503(b)(9) administrative claim status under the Bankruptcy Code. Additionally, the Books and Records reflect that the Claimant has been paid \$114,220.00 on account of the section 503(b)(9) administrative portion of the Claim. Accordingly, the Claim should be reduced to the general unsecured claim amount of \$21,172.00.
2	Altro USA, Inc.	Proterra Operating Company, Inc. 23-11121	8/18/2023	39	Administrative: \$2,838.87 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$21,303.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$21,303.00</u>		A portion of the Claim is a \$2,838.87 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$2,838.87 on account of the section 503(b)(9) administrative portion of the Claim. Accordingly, the Claim should be reduced to the general unsecured claim amount of \$21,303.00.
3	Digi-Key Electronics	Proterra Operating Company, Inc. 23-11121	8/28/2023	47	Administrative: \$1,969.79 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$4,222.53</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$4,222.53</u>		A portion of the Claim is a \$1,969.79 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$1,969.79 on account of the section 503(b)(9) administrative portion of the Claim. Accordingly, the Claim should be reduced to the general unsecured claim amount of \$4,222.53.
4	Itr, LLC D/B/A All City Tow Service	10/2/2023	Proterra Operating Company, Inc. 23-11121	190	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: <u>\$86,547.85</u> <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$86,547.85	Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: <u>\$42,213.85</u> <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$42,213.85	According to the Books and Records, a portion of the Claim was paid in the amount of \$44,334.00. Accordingly, the Claim should be reduced to the general unsecured claim \$42,213.85.
5	Kolors By Keisler, LLC	Proterra Inc. 23-11120	9/11/2023	102	Administrative: \$50,364.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$119,646.00</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$119,646.00</u>		A portion of the Claim is a \$50,364.00 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$49,900.00 on account of the section 503(b)(9) administrative portion of the Claim. The Books and Records do not support the remaining asserted administrative section 503(b)(9) claim balance in the amount of \$464.00. Accordingly, the Claim should be reduced to the general unsecured claim amount of \$119,646.00.
6	Lucerix International Corporation	Proterra Operating Company, Inc. 23-11121	10/5/2023	198	Administrative: \$210.10 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$7,624.08</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$7,624.08</u>		A portion of the Claim is a \$210.10 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$210.10 on account of the section 503(b)(9) administrative portion of the Claim. Accordingly, the Claim should be reduced as a general unsecured claim in the amount of \$7,624.08.
7	Romeo RIM, Inc.	Proterra Operating Company, Inc. 23-11121	8/29/2023	37	Administrative: \$37,791.12 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$57,592.60</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$57,592.60</u>		A portion of the Claim is a \$37,791.12 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$37,791.12 on account of the section 503(b)(9) administrative portion of the Claim. Accordingly, the Claim should be reduced to the general unsecured claim amount of \$57,592.60
8	Sportworks Global LLC	Proterra Inc. 23-11120	9/6/2023	92	Administrative: \$10,285.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$26,197.60</u>		Administrative: \$0.00 Secured: \$0.00 Priority Unsecured: \$0.00 <u>General Unsecured: \$26,197.60</u>		A portion of the Claim is a \$10,285.00 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid \$10,285.00 on account of the section 503(b)(9) administrative portion of the Claim. Accordingly, the Claim should be reduced to the general unsecured claim of \$26,197.60.

SCHEDULE 4

No Liability Claims

Prodigy Investment Holdings, Inc., et al., (f/k/a Proterra Inc)
Case No. 23-11120 (BLS)

Schedule 4 - No Liability Claims

SEQ. NO.	NAME OF CLAIMANT	DATE FILED	DEBTOR NAME	CLAIM NUMBER	ASSERTED CLAIM AMOUNT	REASON FOR DISALLOWANCE
1	Argo Partners as Transferer of Capelin Solutions LLC	11/13/2023	Proterra Operating Company, Inc. 23-11121	1106	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u> \$77,310.00 Total Claim Amount: \$77,310.00	The Debtors' contract with the Claimant was assumed and assigned and the Claimant was paid the cure costs totaling \$77,310.00. <i>See</i> D.I. 880. As such, the Distribution Trustee has no liability for the Claim.
2	Bizlink Technology, Inc.	10/11/2023	Proterra Operating Company, Inc. 23-11121	211	Administrative: \$291,856.51 Secured: Priority Unsecured: <u>General Unsecured:</u> Total Claim Amount: \$291,856.51	Claimant asserts an administrative section 503(b)(9) claim in the amount of \$291,856.51 for goods that were received by the Debtors . According to the Books and Records, Claimant has been paid on account of the administrative claims. As such, no balance is due on the administrative section 503(b)(9) claim and the Distribution Trustee has no liability for the Claim.
3	Capelin Solutions LLC	11/13/2023	Proterra Operating Company, Inc. 23-11121	1106	Administrative: \$13,788.4 Secured: Priority Unsecured: <u>General Unsecured:</u> Total Claim Amount: \$13,788.4	The Debtors' contract with the Claimant was assumed and assigned and the Claimant was paid the cure costs totaling \$77,310.00. <i>See</i> D.I. 880. As such, the Distribution Trustee has no liability for the Claim.
4	Colorado Department of Revenue	10/23/2023	Proterra Operating Company, Inc. 23-11121	421	Administrative: Secured: Priority Unsecured: \$1,913.86 <u>General Unsecured:</u> Total Claim Amount: \$1,913.86	Claimant asserts a \$1,913.86 Claim for Sales & Use Tax for the tax quarter ending 9/30/2023. According to the Books and Records, the Actual Tax amount due on the Sales & Use Tax return has been paid. Accordingly, no balance is due on the priority unsecured claim and the Distribution Trustee has no liability for the Claim.
5	Engineered Machined Products, Inc.	10/6/2023	Proterra Inc. 23-11120	200	Administrative: \$47,520.00 Secured: Priority Unsecured: <u>General Unsecured:</u> Total Claim Amount: \$47,520.00	Claimant asserts \$47,520.00 section 503(b)(9) administrative claim for goods that were received by the Debtors within the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid on account of the administrative Claim. As such, no balance is due on the administrative section 503(b)(9) claim and the Distribution Trustee has no liability for the Claim.

SEQ. NO.	NAME OF CLAIMANT	DATE FILED	DEBTOR NAME	CLAIM NUMBER	ASSERTED CLAIM AMOUNT	REASON FOR DISALLOWANCE
6	Heilind Electronics, Inc.	10/31/2023	Proterra Inc. 23-11120	639	Administrative: \$223,223.2 Secured: Priority Unsecured: <u>General Unsecured:</u> \$414.47.00 Total Claim Amount: \$223,637.67	The Debtors' contract with the Claimant was assumed and assigned and the Claimant was paid the cure costs totaling \$214,259.46. <i>See</i> D.I. 880. As such, the Distribution Trustee has no liability for the Claim.
7	Seifert Graphics, Inc.	9/22/2023	Proterra Operating Company, Inc. 23-11121	154	Administrative: \$118,096.83 Secured: Priority Unsecured: <u>General Unsecured:</u> Total Claim Amount: \$118,096.83	The Debtors' contract with the Claimant was assumed and assigned and the Claimant was paid the cure costs totaling \$316,923.98. <i>See</i> D.I. 880. As such, the Distribution Trustee has no liability for the Claim.
8	Seifert Graphics, Inc.	9/22/2023	Proterra Operating Company, Inc. 23-11121	454	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u> \$328,825.88 Total Claim Amount: \$328,825.88	The Debtors' contract with the Claimant was assumed and assigned and the Claimant was paid the cure costs totaling \$316,923.98. <i>See</i> D.I. 880. As such, the Distribution Trustee has no liability for the Claim.
9	Sigma Machine, Inc.	11/13/2023	Proterra Operating Company, Inc. 23-11121	1046	Administrative: \$872,750.00 Secured: Priority Unsecured: <u>General Unsecured:</u> \$912,936.65 Total Claim Amount: \$1,785,686.65	The Debtors' contract with the Claimant was assumed and assigned and the Claimant was paid the cure costs, \$1,262,476.78. <i>See</i> D.I. 880. As such, the Distribution Trustee has no liability for the Claim.
10	Softchoice Corp.	9/28/2023	Proterra Operating Company, Inc. 23-11121	177	Administrative: \$3,495.00 Secured: Priority Unsecured: <u>General Unsecured:</u> \$25.24 Total Claim Amount: \$3,520.24	Claimant asserts a \$3,495.00 administrative section 503(b)(9) claim and a \$25.24 general unsecured claim for goods that were received by the Debtors outside of the section 503(b)(9) 20-day window. According to the Books and Records, Claimant has been paid on account of the administrative and general unsecured claims. As such, no balance is due on either the administrative or general unsecured claims and the Distribution Trustee has no liability for the Claim.

EXHIBIT B

Balasiano Declaration

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

In re:

Prodigy Investment Holdings, Inc.,¹

Reorganized Debtor.

Chapter 11

Case No. 23-11120 (BLS)

Jointly Administered

**DECLARATION OF STEVEN BALASIANO IN SUPPORT OF
THE DISTRIBUTION TRUSTEE’S THIRD OMNIBUS (SUBSTANTIVE) OBJECTION
TO CERTAIN (I) MISCLASSIFIED CLAIMS, (II) OVERSTATED AND
MISCLASSIFIED CLAIMS, (III) OVERSTATED CLAIMS, AND
(IV) NO LIABILITY CLAIMS**

Pursuant to 28 U.S.C. § 1746, I, Steven Balasiano, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge and belief:

1. Pursuant to the Confirmation Order, I was appointed the trustee (the “Distribution Trustee”), of the PTR A Distribution Trust (the “Distribution Trust”) established in the above-captioned chapter 11 case (the “Chapter 11 Case”) of the reorganized debtor (“Prodigy” or the “Reorganized Debtor”).

2. Given my current position as the Distribution Trustee, I am familiar with the Distribution Trust’s day-to-day operations, books and records, business, and financial affairs. This declaration (the “Declaration”) is submitted in support of *The Distribution Trustee’s Third Omnibus (Substantive) Objection to Certain (I) Misclassified Claims, (II) Overstated and*

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is: Prodigy Investments Holdings, Inc. (9565). The location of the Reorganized Debtor’s service address is: 3350 Virginia St., 2nd Floor, Miami, FL 33133.

Misclassified Claims, (III) Overstated Claims, and (IV) No Liability Claims (the “Objection”) filed contemporaneously herewith.²

3. Except as otherwise indicated, all statements in this Declaration are based upon (i) my personal knowledge, and/or (ii) my review (or the review of persons under my supervision) of the Books and Records, the Schedules filed in these Chapter 11 Cases, the relevant proofs of claim, and the Claims Register, as well as relevant documents and other information prepared or collected by the Debtors’ employees or professionals, and/or the Distribution Trustee’s and the Reorganized Debtor’s consultants or professionals. In making my statements, which are based on my review (or the review of persons under my supervision) and reasonable efforts to research the Disputed Claims in the Books and Records, and have relied upon these parties accurately recording, preparing, or collecting such documentation and other information. I understand the Debtors’² practice was to contemporaneously prepare and/or file documents and records, which were noted and recorded in the books, records, and/or files of the Debtors and which were maintained and relied upon by the Debtors in the ordinary course of business.

4. If I were called to testify as a witness in this matter, I could and would competently testify to each of the facts set forth herein based upon my personal knowledge, review of documents and/or opinion based on such review of documents. I am authorized to execute this Declaration on behalf of the Distribution Trust and the Reorganized Debtor.

5. In preparing this Declaration, I, or persons under my supervision or employed by the Distribution Trust, have reviewed the Claims Register maintained by Verita, which contains the record of all parties that filed proofs of claim in connection with this Chapter 11 Case.

² All capitalized terms used and not defined herein shall have the meanings ascribed to them in the Objection.

² For the avoidance of doubt, references to the Debtors and the Chapters 11 Cases pertain to the time period before the entry of the Case Closing Order, while references to the Reorganized Debtor and the Chapter 11 Case pertain to the period after the Effective Date and entry of the Case Closing Order, as applicable.

A. The Misclassified Claims

6. The Misclassified Claims listed on Schedule 1 and the supporting documentation submitted therewith were reviewed to confirm that the Disputed Claims listed under the column heading “Claim Number” were filed incorrectly as administrative and/or priority claims and should instead be classified as non-priority, general unsecured claims. In particular, with respected to the Misclassified Claims, the Books and Records reflect that these claims do not qualify for administrative or priority treatment. Based on the foregoing, I believe the Misclassified Claims do not qualify for administrative or priority treatment and should be modified and reclassified as set forth on Schedule 1 to the Proposed Order.

B. The Overstated and Misclassified Claims

7. The Overstated and Misclassified Claims listed on Schedule 2 and the supporting documentation submitted therewith were reviewed to confirm that the Disputed Claims listed under the column heading “Claim Number” are indeed overstated and improperly classified. In particular, with respected to the Overstated and Misclassified Claims, the Books and Records reflect that the Debtors’ liability is limited to a lesser amount than that asserted by the Claimants and that the claims do not qualify for administrative or priority treatment. Accordingly, I believe the Overstated and Misclassified Claims should be reduced and reclassified as set forth on Schedule 2 to the Proposed Order.

C. The Overstated Claims

8. The Overstated Claims listed on Schedule 3 and the supporting documentation submitted therewith were reviewed to confirm that the Disputed Claims listed under the column heading “Claim Number” are indeed overstated. In particular, with respected to the No Liability Claims, the Books and Records reflect that the Debtors’ liability is limited to a lesser amount than

that asserted by the Claimants. Based on the foregoing, I believe that the Overstated Filed Claims should be reduced to the amounts set forth on Schedule 3 to the Proposed Order.

D. The No Liability Claims

9. The No Liability Claims listed on Schedule 4 and the supporting documentation submitted therewith were reviewed to confirm that the Distribution Trust is not liable or does not have any payment obligation due and owing on account of these Disputed Claims. In particular, with respect to the No Liability Claims, the Books and Records reflect that the Distribution Trust has no liability or payment obligation due and owing on account of the No Liability Claims because there is no associated record of liability in the Books and Records. Based on the foregoing, I believe that the No Liability Claims set forth on Schedule 3 to the Proposed Order should be disallowed and expunged in their entirety.

10. The information contained in the Objection and in the Schedules attached to the Proposed Order is true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing information is true and correct to the best of my knowledge, information, and belief.

Dated: September 10, 2024

/s/ Steven Balasiano
Steven Balasiano
Distribution Trustee of the Distribution Trust