

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)

**CERTIFICATION OF COUNSEL REGARDING ORDER APPROVING
STIPULATION AND SETTLEMENT AGREEMENT RESOLVING CLAIMS
FILED BY NAVISTAR, INC. N/K/A INTERNATIONAL MOTORS, LLC**

The undersigned counsel to Steven Balasiano, solely 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”) hereby certifies as follows:

1. On August 7, 2023, Proterra Inc (“Proterra”) and its affiliate, Proterra Operating Company, Inc. (“Proterra Operating”) (together with Proterra Inc, 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.²

2. On November 11, 2023, International Motors, LLC d/b/a International Motors USA LLC in Illinois and Ohio, f/k/a Navistar, Inc. (“Claimant” and, together with the Distribution Trustee, the “Parties,” and each a “Party”), filed proof of claim number 1027

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 and the Chapters 11 Cases pertain to the time period before the entry of 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”), 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.



(“Claim No. 1027”) against Debtor Proterra Operating Company, Inc. asserting a general unsecured claim in the amount of \$2,307,875.00.

3. On April 5, 2024, Claimant filed proof of claim number 1352 (“Claim No. 1352”, and together with Claim No. 1027, the “Claims”) against Debtor Proterra Operating Company, Inc. asserting a general unsecured claim in the amount of \$2,105,000.00.

4. On February 14, 2024, the Debtors sent Claimant a demand letter seeking payment of past due invoices owed by Claimant to the Debtors totaling \$316,132.00 (the “Receivable”).

5. By order entered on March 6, 2024 [D.I. 1180], the Bankruptcy Court confirmed the *Fifth Amended Joint Chapter 11 Plan of Reorganization for Proterra Inc and its Debtor Affiliate* (the “Plan”) [D.I. 1154] and approved all supplements thereto, including the Distribution Trust Agreement (“DTA”).³ The Effective Date of the Plan occurred on March 13, 2024.

6. 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. In order to make the aforementioned distributions, the Plan and the DTA authorize the Distribution Trustee to pursue objections to, and estimation and settlements of, all Disputed Claims, such as the Claims. *See* Plan, Art. IV.C.7.

7. The Distribution Trustee and the Claimant engaged in arm’s-length negotiations regarding the Claims and the Receivable and have agreed that (i) Claim No. 1027 shall be disallowed and expunged in its entirety; (ii) Claim No. 1352 shall be allowed in a reduced

³ Capitalized terms used but not defined in this Stipulation shall have the meanings ascribed to such terms in the Plan.

amount as set forth herein; and (iii) Claimant shall pay the amount of \$193,816.00 to the Distribution Trust.

8. The Parties consent to the above relief and have memorialized their agreement in the *Stipulation and Settlement Agreement Resolving Claims Filed by Navistar, Inc. n/k/a International Motors, LLC* (the “Settlement Agreement”).

9. The Distribution Trustee has prepared a proposed order (the “Proposed Order”), attached hereto as **Exhibit A**, approving the Settlement Agreement. A true and correct copy of the Settlement Agreement is attached as **Exhibit 1** to the Proposed Order.

10. Based on the foregoing, the Parties respectfully request that the Court enter the attached Proposed Order approving the Settlement Agreement.

Dated: April 3, 2025

MORRIS JAMES LLP

/s/ Siena B. Cerra

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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)

**ORDER APPROVING STIPULATION AND
SETTLEMENT AGREEMENT RESOLVING CLAIMS
FILED BY NAVISTAR, INC. N/K/A INTERNATIONAL MOTORS, LLC**

This Court, having considered the *Stipulation and Settlement Agreement Resolving Claims Filed by Navistar, Inc. n/k/a International Motors, LLC* (the “Settlement Agreement”) between the PTR A Distribution Trust (the “Distribution Trust”) and International Motors, LLC d/b/a International Motors USA LLC in Illinois and Ohio, f/k/a Navistar, Inc. (“Claimant”) attached hereto as **Exhibit 1**; the Court having determined that good and adequate cause exists for approval of the Settlement Agreement; and the Court having determined that no further notice of the Settlement Agreement must be given:

IT IS HEREBY ORDERED THAT:

1. The Settlement Agreement is approved.
2. The Distribution Trustee and the claims agent, Verita Global, LLC (f/k/a Kurtzman Carson Consultants LLC), are authorized and directed to modify the claims register to comport with the relief granted in this Order and as set forth in the Settlement Agreement.

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.

3. The Distribution Trustee shall only be required to serve this Order on: (a) the U.S. Trustee; (b) Claimant, and (c) any party that has requested notice pursuant to Bankruptcy Rule 2002.

4. The Bankruptcy Court shall retain jurisdiction over all matters pertaining to the implementation, interpretation, and enforcement of this Settlement Agreement.

EXHIBIT 1

Settlement Agreement

**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)

**STIPULATION AND SETTLEMENT AGREEMENT RESOLVING CLAIMS
FILED BY NAVISTAR, INC. N/K/A INTERNATIONAL MOTORS, LLC**

This Stipulation and Settlement Agreement (the “Settlement Agreement”) is being entered into by and among 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, and International Motors, LLC d/b/a International Motors USA LLC in Illinois and Ohio, f/k/a Navistar, Inc. (“Claimant” and, together with the Distribution Trustee, the “Parties,” and each a “Party”), by their undersigned counsel.

Recitals

A. On August 7, 2023, Proterra Inc (“Proterra”) and its affiliate, Proterra Operating Company, Inc. (“Proterra Operating,” and together with Proterra, the “Debtors”), filed voluntary petitions for relief in the United States Bankruptcy Court for the District of Delaware, commencing the Chapter 11 Cases.²

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 and the Chapter 11 Cases pertain to the time before the entry of the Case Closing Order, as referenced herein, 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.

B. On November 11, 2023, Claimant filed proof of claim number 1027 (“Claim No. 1027”) against Debtor Proterra Operating Company, Inc. asserting a general unsecured claim in the amount of \$2,307,875.00.

C. On April 5, 2024, Claimant filed proof of claim number 1352 (“Claim No. 1352”, and together with Claim No. 1027, the “Claims”) against Debtor Proterra Operating Company, Inc. asserting a general unsecured claim in the amount of \$2,105,000.00.

D. On February 14, 2024, the Debtors sent Claimant a demand letter seeking payment of past due invoices owed by Claimant to the Debtors totaling \$316,132.00 (the “Receivable”).

E. By order entered on March 6, 2024 [D.I. 1180], the Bankruptcy Court confirmed the *Fifth Amended Joint Chapter 11 Plan of Reorganization for Proterra Inc and its Debtor Affiliate* (the “Plan”) [D.I. 1154] and approved all supplements thereto, including the Distribution Trust Agreement (“DTA”).³ The Effective Date of the Plan occurred on March 13, 2024.

F. 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. In order to make the aforementioned distributions, the Plan and the DTA authorize the Distribution Trustee to pursue objections to, and estimation and settlements of, all Disputed Claims, such as the Claims. *See* Plan, Art. IV.C.7.

G. The Distribution Trustee and the Claimant engaged in arm’s-length negotiations regarding the Claims and the Receivable and have agreed that (i) Claim No. 1027 shall be disallowed and expunged in its entirety; (ii) Claim No. 1352 shall be allowed in a reduced

³ Capitalized terms used but not defined in this Stipulation shall have the meanings ascribed to such terms in the Plan.

amount as set forth herein; and (iii) Claimant shall pay the Receivable to the Distribution Trust in a reduced amount on the terms set forth herein.

Agreement

1. Effective Date. This Settlement Agreement shall become effective on the Settlement Effective Date. As used herein, the term “Settlement Effective Date” means the date that the Bankruptcy Court’s order approving this Settlement Agreement becomes final and non-appealable.

2. Allowed Claim. The Parties hereby acknowledge and agree that Claim No. 1352 is reduced to \$1,094,356.00 and is allowed as a Class 5 General Unsecured Claim (the “Allowed Claim”) for all purposes under the Plan. Any other claims filed by Claimant, including Claim No. 1027, is disallowed and expunged, and Claimant is prohibited from filing any other claims against the Debtors, their estates, the Reorganized Debtor, the Distribution Trustee or the Distribution Trust of any type or nature. The Distribution Trustee and the claims agent, Verita Global, LLC (f/k/a Kurtzman Carson Consultants LLC) are authorized to modify the claims register in the Chapter 11 Cases to reflect the agreements contained herein.

3. Claim No. 1027. Claim No. 1027 is disallowed and expunged in its entirety.

4. Receivable. The Parties acknowledge and agree that the Claimant shall pay \$193,816.00 (the “Payable”) to the Distribution Trust within fifteen (15) days of the Settlement Effective Date and that such payment is in full and final satisfaction of the Receivable. The Parties shall cooperate with each other to facilitate payment of the Payable, including, without limitation, executing or providing any documents reasonably necessary to effectuate the payment.

5. Mutual Release of Claims. In consideration of the mutual promises, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

(a) The Distribution Trustee's Release. Upon occurrence of the Settlement Effective Date, the Distribution Trustee, solely in his capacity as Distribution Trustee, and not in any individual or other capacity, and all Parties claiming by, through, or under the Distribution Trustee, the Distribution Trust, the Debtors, the Debtors' estates, all of the Distribution Trustee's and/or the Debtors' successors and affiliates, and the agents, employees, representatives, officers, advisory board members, attorneys and other professionals, experts, shareholders, directors, parents, subsidiaries, affiliates, successors, assigns, trustees and predecessors in interest of each of the foregoing (collectively, the "Trustee Entities") hereby waive, release, acquit, and forever discharge Claimant and its respective agents, employees, representatives, officers, advisory board members, attorneys and other professionals, experts, shareholders, directors, parents, subsidiaries, affiliates, successors, assigns, trustees, predecessors in interest of each of the foregoing (collectively, the "Claimant Entities") from any and all claims, counterclaims, rights, demands, obligations, causes of action, actions, costs, damages, losses, liabilities, and attorneys' fees, arising under any foreign, federal, state, or local statute, regulation, ordinance, or common law (including, but not limited to, any and all such pursuant to §§ 362, 363, 542, 544, 547, 548, 549, and 550 of the Bankruptcy Code), whether asserted or unasserted, known or unknown, fixed or contingent, liquidated or unliquidated, matured or unmatured,

foreseen or unforeseen, actually or potentially existing, which the Trustee Entities may have against any or all of the Claimant Entities from the beginning of time through the Settlement Effective Date arising out of or related to the Parties' business relationship, the Chapter 11 Cases, the Receivable, and/or the Claims; *provided, however*, that the release set forth in this paragraph shall not apply to the obligations expressly contained in this Settlement Agreement.

(b) Claimant's Release. Upon occurrence of the Settlement Effective Date, the Claimant Entities waive, release, acquit and forever discharge each of the Trustee Entities from any and all claims, counterclaims, rights, demands, obligations, causes of action, actions, costs, damages, losses, liabilities, and attorneys' fees, arising under any foreign, federal, state, or local statute, regulation, ordinance, or common law, whether asserted or unasserted, known or unknown, fixed or contingent, liquidated or unliquidated, matured or unmatured, foreseen or unforeseen, actually or potentially existing, which the Claimant Entities may have against any or all of the Trustee Entities from the beginning of time through the Settlement Effective Date arising out of or related to the Parties' business relationship, the Chapter 11 Cases, the Receivable, and/or the Claims; *provided, however*, that the release set forth in this paragraph shall not apply to the obligations expressly contained in this Settlement Agreement; *provided, further*, that the release set forth in this paragraph shall not affect, impair, or otherwise prejudice Claimant's rights in any way to distributions or proceeds in connection with the Allowed Claim in accordance with the Plan.

6. Section 1542 Release. With respect to the matters released herein, the Claimant Entities and the Trust Entities expressly waive, to the extent applicable, any and all rights under section 1542 of the Civil Code of the State of California, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

7. Covenants Not to Sue. The Distribution Trustee, on behalf of the Distribution Trust and the other Trustee Entities, jointly and severally covenant and agree not to (and agree to take all reasonable steps to ensure that the Trust Entities will not) commence or prosecute any action, arbitration or proceeding against the Claimant Entities arising out of or relating to any of the matters released hereby. Claimant, on behalf of itself and the other Claimant Entities jointly and severally covenant and agree not to (and agree to take all reasonable steps to ensure that the Claimant Entities will not) commence or prosecute any action or proceeding against the Trustee Entities arising out of or relating to any of the matters released hereby.

8. No Admission of Liability. This Settlement Agreement shall not be construed as an admission by any Party of any liability, fault, or wrongdoing whatsoever, nor shall it be construed as an admission of the validity of any claim or defense asserted by any Party.

9. Representations and Warranties. Each of the undersigned signatories hereby represents and warrants that he or she has the power and authority to execute and deliver this Settlement Agreement on behalf of his or her respective client(s). Each of the Parties to this Settlement Agreement represents that (i) such Party has the power and authority to enter into and perform under this Settlement Agreement; (ii) such Party has taken all necessary actions to authorize the execution, delivery and performance of this Settlement Agreement; (iii) this Settlement Agreement has been duly executed and delivered by such Party and constitutes the

legal, valid, and binding obligations of such Party, enforceable against it in accordance with their respective terms; (iv) such Party's execution, delivery, and performance of this Settlement Agreement does not and will not conflict with, or constitute a violation or breach of, or constitute a default under, any obligation of such Party and will not violate any applicable law, or any order or decree of any court or government instrumentality applicable to such Party; and (v) such Party has entered into this Settlement Agreement in reliance on its own independent investigation and analysis of the facts underlying the subject matter of this Settlement Agreement, has not relied upon any representations by any other Party or any other Party's attorneys, managers, agents, employees or representatives other than those that are set forth in this Settlement Agreement, and no representations, warranties, or promises of any kind have been made directly or indirectly to induce it to execute this Settlement Agreement other than those that are set forth expressly in this Settlement Agreement.

10. No Assignment. Claimant hereby represents and warrants that it has no other claims against the Debtors, their estates, the Reorganized Debtor, the Distribution Trustee, and the Distribution Trust other than the Claims and that it has not assigned or transferred the Claims to any person or entity. The Distribution Trustee, on behalf of itself and the Debtors, their estates, the Reorganized Debtor, and the Distribution Trust, hereby represents and warrants that it has no other claims against Claimant other than the claims related to the Receivable and that it has not assigned or transferred such claims to any person or entity.

11. Voluntary Agreement. The Parties both acknowledge that they have read all of the terms of this Settlement Agreement, have had an opportunity to consult with counsel of their own regarding their terms and entered into this Settlement Agreement voluntarily and without duress.

12. Joint Drafting. This Settlement Agreement shall be deemed to have been jointly drafted by the Parties, and in construing and interpreting this Settlement Agreement, no provision shall be construed or interpreted for or against any Party because such provision or any other provision of the Agreement was purportedly prepared or requested by such Party.

13. Entire Agreement. This Settlement Agreement constitutes the entire agreement between the Parties and may only be modified in writing signed by the Parties or their duly appointed agents. All prior agreements and understandings between the Parties concerning the subject matter hereof are superseded by the terms of this Settlement Agreement.

14. Counterparts. This Settlement Agreement may be executed in one or more counterparts (including via PDFs), all of which shall be deemed to be a single original.

15. Jurisdiction. The Bankruptcy Court shall retain jurisdiction over all matters pertaining to the implementation, interpretation, and enforcement of this Settlement Agreement.

[Signatures to follow]

Dated: New York, New York
April 3, 2025

LOWENSTEIN SANDLER LLP

By: /s/ Eric S. Chafetz

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-and-

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Counsel to the Distribution Trustee

Dated: Indianapolis, IN
April 3, 2025

BARNES & THORNBURG LLP

By: /s/ Jonathan Sundheimer

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