

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. 1534

**ORDER SUSTAINING THE DISTRIBUTION TRUSTEE'S SIXTH OMNIBUS
(SUBSTANTIVE) OBJECTION TO CERTAIN (I) MISCLASSIFIED CLAIMS,
(II) NO LIABILITY CLAIMS, AND (III) OVERSTATED 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 Claim"), Schedule 2 (the "No Liability Claims"), and Schedule 3 (the "Overstated Claims," and together with the Misclassified Claim 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 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

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.



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. The Misclassified Claim listed under the column titled “Claim Number” on the attached Schedule 1 is hereby reclassified and modified in accordance with the column titled “Modified Claim Amount and Priority Status.” The Misclassified Claim listed in the column titled “Modified Claim Amount and Priority Status” on the attached Schedule 1 shall remain on the Claims Register as modified, unless such Misclassified Claim is 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. The No Liability Claims listed on the attached Schedule 2 are disallowed and expunged in their entirety.
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 Amount and Priority Status.” The Overstated Claims listed in the column titled

“Modified Claim Amount and Priority Status” 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. 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.

7. 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.

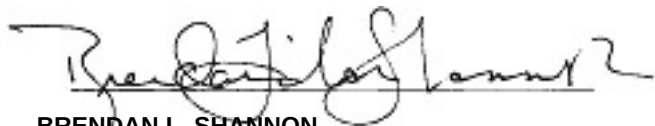
8. Verita is authorized and directed to modify the Claims Register to comport with the relief granted by this Order.

9. 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.

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

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

Dated: April 16th, 2025
Wilmington, Delaware

A handwritten signature in black ink, appearing to read "Brendan L. Shannon", written over a horizontal line.

BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

SCHEDULE 1

Misclassified Claim

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

Schedule 1 - Misclassified Claims

Name of Claimant	Date Claim was Filed	Claim Number	Debtor	Asserted Claim Amount and Priority Status			Modified Claim Amount and Priority Status			Reason for Modification
				Administrative:	Secured:	Priority Unsecured:	Administrative:	Secured:	Priority Unsecured:	
1 Ray Products Company, Inc.	11/13/2023	1131	Proterra Operating Company, Inc. 23-11121	General Unsecured:	\$0.00	\$0.00	General Unsecured:	\$0.00	\$0.00	Claimant asserts a secured claim for prepetition goods sold, alleging that the claim is secured by certain "Molds" owned by the Debtors, but in the Claimant's possession. However, the contract was rejected by Phoenix Motor, Inc., in connection with the Transit Sale, terminating any contractual rights related to the molds. Furthermore, claims for prepetition goods sold are not entitled to secured status under the Bankruptcy Code absent a perfected security interest, which, according to the Books and Records, is not present here. Accordingly, the Claim should be reclassified as a general unsecured claim.
				Total Claim Amount	\$64,130.00	\$64,130.00	Total Claim Amount	\$64,130.00	\$64,130.00	

SCHEDULE 2

No Liability Claims

Prodigy Investment Holdings, Inc., (f/k/a/ Proterra Inc.)
Case No. 23-11120 (BLS)
Schedule 2 - No Liability Claims

Name	Date Claim was Filed	Claim Number	Debtor	Asserted Claim and Priority Status				Reason for Disallowance
American Association of Airport Executives	9/25/2023	164	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General/Unsecured:	\$0.00 \$0.00 \$0.00 \$7,750.00			The Claimant asserts obligations related to the 95th Annual AAAE Conference and Exposition. According to the Proterra Marketing Manager, this service was not renewed, and therefore the Proterra Estate has no liability for this obligation. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
Arch Insurance Company	11/10/2023	1013	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General/Unsecured:	Unliquidated \$0.00 \$0.00 \$0.00			The Claimant asserts an administrative claim arising from a contract with the Debtors; however, the contract has been assumed and assigned to Volvo Battery Solutions LLC. See [D.I. 988]. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
Brown, Eva	11/13/2023	1147	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General/Unsecured:	Unliquidated \$0.00 \$0.00 \$3,076.00 \$0.00			The Claimant asserts obligations related to unpaid PTO. According to the Books and Records, there is no support for any PTO owed to the Claimant. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
California Electric Transportation Coalition	11/6/2023	774	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General/Unsecured:	\$0.00 \$0.00 \$0.00 \$5,000.00			The Claimant asserts obligations related to certain 2023 Annual Associate Membership Dues owed by Proterra in connection with the California Electric Transportation Coalition (CaETC). According to the Books and Records, this membership was never renewed and is therefore not a liability of the Proterra Estate. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
Crum and Foster Specialty Insurance Company	11/10/2023	1006	Proterra Operating Company, Inc. 23-11121	Administrative: Secured: Priority Unsecured: General/Unsecured:	\$0.00 \$137,214.00 \$0.00 \$0.00			The Claimant asserts obligations related to a prepetition insurance policy extension for Excess Liability Insurance. According to the Books and Records, the Debtors were billed by the Broker Woodruff Sawyer, and the premium was paid on 11/29/2023. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
Oregon Department of Revenue	12/11/2023	1413	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General/Unsecured:	\$0.00 \$0.00 \$452.06 \$7.50			The Claimant asserts obligations related to certain corporate taxes for the 12/31/2022 tax period. According to the Books and Records, the 2022 tax return reflects a \$447.00 overpayment to be applied to the 2023 tax year. The Debtors, therefore have no liability for the 2022 tax year. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
PI Innovo, LLC	11/13/2023	1101	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General/Unsecured:	\$0.00 \$0.00 \$0.00 \$55,458.00			The Claimant asserts a general unsecured claim arising from a contract with the Debtors; however, the contract has been assumed and assigned to Volvo Battery Solutions LLC. See [D.I. 880]. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.

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Name	Date Claim was Filed	Claim Number	Debtor	Asserted Claim and Priority Status		Reason for Disallowance
Ramirez, Natalie Marie	10/25/2023	490	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	 \$0.00 \$0.00 \$0.00 \$50,582.34 \$50,582.34	The Claimant asserts an interest in the Debtors. According to the Fifth Amended Plan of Reorganization, holders of any interests in the Debtors shall have such interest canceled, released, and extinguished without any distribution. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.
United Steelworkers International Union	11/8/2023	879	Proterra Operating Company, Inc. 23-11121	Administrative: Secured: Priority Unsecured: \$9,000 General Unsecured: Total Claim Amount	 \$0.00 \$0.00 \$9,000 UNLIQUIDATED UNLIQUIDATED	The Claimant, on behalf of present and former employees of the Debtor Proterra Operating Company, Inc., assert obligations related to retention bonuses. According to the Books and Records, the Claimant was paid its retention bonuses on 11/7/2023. The Debtors have no further liability to these Claimant. As a result, the Trustee has no liability for these Claims, and they should be disallowed and expunged in their entirety.
YELLOWHEAD TRAILER REPAIR AND SERVICE LTD	9/20/2023	141	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	 \$0.00 \$0.00 \$0.00 \$16,301.10 \$16,301.10	The Claimant asserts obligations as a warranty services provider. According to the Books and Records, the body warranty only covers structural-related cracks, not superficial gel coat issues. This is therefore not a valid warranty issue, as the customer chose the product and preparation, and the failure is not covered under warranty. As a result, the Trustee has no liability for this Claim, and it should be disallowed and expunged in its entirety.

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SCHEDULE 3

Overstated Claims

Prodigy Investment Holdings, Inc., (f/k/a/ Proterra Inc.)

Case No. 23-11120 (BLS)

Schedule 3 - Overstated Claims

Name	Date Claim Was Filed	Claim Number	Debtor	Asserted Claim Amount and Priority Status		Modified Claim Amount and Priority Status		Reason for Modification
1 Bizlink Technology, Inc.	11/7/2023	841	Proterra Operating Company, Inc.	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$1,973,427.63</u> \$1,973,427.63	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$397,096.25</u> \$397,096.25	The Claimant asserts a general unsecured claim in the amount of \$1,973,427.63* for goods sold and delivered. However, according to the Books and Records, \$1,539,032.88 of the Claim relates to canceled work-in-progress goods that were never delivered to the Debtors, and an additional \$37,298.50 of the Claim has been assumed and assigned to Volvo Battery Solutions LLC. See [D.1.880]. Accordingly, the Claim is overstated and should be reduced to a general unsecured Claim in the amount of \$397,096.25. * The Claim amount was reduced to \$1,973,427.63 pursuant to the Distribution Trustee's First Notice of Claims Previously Satisfied [D.1.1328].
2 Cintas Corporation	4/8/2024	1355	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$19,114.55 \$0.00 \$0.00 <u>\$37,320.61</u> \$56,435.15	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$37,320.61</u> \$37,320.61	The Claimant asserts an administrative priority claim in the amount of \$19,114.55 and a general unsecured claim in the amount of \$37,320.61 for goods delivered and services provided. However, according to the Books and Records, the administrative portion of the Claim was paid on 10/4/23, 10/12/23, and 1/11/24. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$37,320.61.
3 Eaton Truck Components SP ZOO	11/9/2023	956	Proterra Operating Company, Inc. 23-11121	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$201,305.64</u> \$201,305.64	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$130,905.64</u> \$130,905.64	The Claimant asserts a general unsecured Claim in the amount of \$201,305.64 for goods sold and delivered. However, according to the Books and Records, the Debtors have a credit of \$70,400.00 owed to them by the Claimant, resulting in a net liability after offset of \$130,905.64. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$130,905.64.
4 Jefferies Leveraged Credit Products, LLC	11/13/2023	1080	Proterra Operating Company, Inc.	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$335,776.32</u> \$335,776.32	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$308,319.44</u> \$308,319.44	The Claimant asserts a general unsecured claim in the amount of \$335,776.32 for goods sold and delivered. However, according to the Books and Records, \$27,456.88 of the claim relates to canceled purchase orders. Accordingly, the Claim is overstated and should be reduced to a general unsecured Claim in the amount of \$308,319.44.
5 John Deere Intelligent Solutions, a Division of Deere and Company	10/4/2023	194	Proterra Operating Company, Inc.	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$123,000.00 \$0.00 \$0.00 <u>\$174,731.21</u> \$297,731.21	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$45,251.98 \$0.00 \$0.00 <u>\$29,181.21</u> \$74,433.19	The Claimant asserts a section 503(b)(9) administrative claim in the amount of \$174,731.21. However, according to the Books and Records, \$77,748.02 of the administrative claim was paid on 11/17/23 and 11/8/23, leaving a remaining balance of \$45,251.98. The Claimant also asserts a general unsecured claim in the amount of \$174,731.21. However, the Books and Records reflect that \$145,550.00 of the general unsecured claim was paid on 10/27/23 and 11/17/23. Accordingly, the Claim is overstated and should be reduced to \$45,251.98 as a Section 503(b)(9) administrative claim and \$29,181.21 as a general unsecured claim.
6 JR Automation Technologies, LLC	11/10/2023	1008	Proterra Operating Company, Inc.	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$49,909.02 \$0.00 \$0.00 <u>\$24,230.88</u> \$74,139.90	Administrative: Secured: Priority Unsecured: General Unsecured: Total Claim Amount	\$0.00 \$0.00 \$0.00 <u>\$24,230.88</u> \$24,230.88	The Claimant asserts a section 503(b)(9) administrative claim in the amount of \$49,909.02 for goods received by the Debtor within 20 days of the Petition Date. However, according to the Books and Records, the entire administrative claim was paid on 3/13/24. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$24,230.88.

Name	Date Claim was Filed	Claim Number	Debtor	Asserted Claim Amount and Priority Status			Modified Claim Amount and Priority Status			Reason for Modification
7 Kenson Plastics, Inc.	3/8/2024	1330	Proterra Inc. 23-11120	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$339,990.00	Total Claim Amount \$339,990.00	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$1,430.62	Total Claim Amount \$1,430.62	The Claimant asserts a claim for \$2,223.00 on account of prepetition amounts owed and \$337,767.00 for rejection damages. However, according to the Books and Records, the Debtors only owe \$1,430.62 for prepetition amounts. The Debtors requested a list of purchase orders to support the Claim, but no documentation was provided. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$1,430.62.
8 Meritor, Inc.	11/7/2023	810	Proterra Operating Company, Inc. 23-11122	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$7,707,891.62	Total Claim Amount \$7,707,891.62	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$7,435,425.00	Total Claim Amount \$7,435,425.00	The Claimant asserts a general unsecured claim in the amount of \$7,707,891.62 for inventory charges related to canceled orders. However, according to the Books and Records, the allowed amount should be \$7,435,425.00. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$7,435,425.00.
9 Office1 Inc.	10/25/2023	505	Proterra Operating Company, Inc.	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$12,075.53	Total Claim Amount \$12,075.53	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$7,097.42	Total Claim Amount \$7,097.42	The Claimant asserts a claim in the amount of \$12,075.53. However, according to the Books and Records, \$4,978.11 was paid on 9/19/23 and 11/16/23. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$7,097.42.
10 Promwad GmbH	11/10/2023	984	Proterra Operating Company, Inc.	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$52,722.52	Total Claim Amount \$52,722.52	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$23,376.52	Total Claim Amount \$23,376.52	The Claimant asserts a claim in the amount of \$52,722.52 for services provided. However according to the Books and Records, a portion of the claim was overpaid due to a duplicate wire payment on 1/4/24. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$23,376.52.
11 Womble Bond Dickinson (US) LLP	11/2/2023	683	Proterra Operating Company, Inc. 23-11121	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$14,049.50	Total Claim Amount \$14,049.50	Administrative: Secured: Priority Unsecured: <u>General Unsecured:</u>	\$0.00 \$0.00 \$0.00 \$8,399.50	Total Claim Amount \$8,399.50	The Claimant asserts a general unsecured claim in the amount of \$14,049.50 for professional services provided. However, both the documentation supporting the Claim and the Books and Records support a reduced claim amount of \$8,399.50. Accordingly, the Claim is overstated and should be reduced to a general unsecured claim in the amount of \$8,399.50.