

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	Chapter 11
	§	
SPEEDCAST INTERNATIONAL LIMITED, <i>et al.</i> ,	§	
	§	Case No. 20-32243 (MI)
	§	
Reorganized Debtors. ¹	§	(Jointly Administered)
	§	

REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 1253 FILED BY FRANCHISE TAX BOARD

THIS IS AN OBJECTION TO YOUR CLAIM. THIS OBJECTION ASKS THE COURT TO DISALLOW THE CLAIM THAT YOU FILED IN THIS BANKRUPTCY CASE. YOU SHOULD IMMEDIATELY CONTACT THE OBJECTING PARTY TO RESOLVE THE DISPUTE. IF YOU DO NOT FILE A RESPONSE WITHIN 30 DAYS AFTER THE OBJECTION WAS SERVED ON YOU, YOUR CLAIM MAY BE DISALLOWED WITHOUT A HEARING.

SpeedCast International Limited and its affiliates in the above-captioned chapter 11 cases (collectively, the “**Debtors**” and, as reorganized, the “**Reorganized Debtors**”), file this objection (this “**Objection**”), pursuant to sections 105(a) and 502(b) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 3007-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Local Rules**”), and respectfully submit in support of the Objection the *Declaration of Michael Healy in Support of the Reorganized Debtors’ Objection to Proof of Claim No. 1253 Filed by Franchise Tax Board*

¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors’ claims and noticing agent at <http://www.kccllc.net/speedcast>. The Reorganized Debtors’ service address for the purposes of these chapter 11 cases is 4400 S. Sam Houston Parkway East, Houston, Texas 77048.



attached hereto as **Exhibit A** (the “**Healy Declaration**”), and request entry of an order, substantially in the form attached hereto as **Exhibit B** (the “**Proposed Order**”) disallowing Proof of Claim No. 1253 (the “**FTB Claim**”) filed by the Franchise Tax Board (“**FTB**”) against Speedcast Americas, Inc. (“**Speedcast**”).

Jurisdiction

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

2. The FTB Claim was filed on August 10, 2020 and the support attached to the FTB Claim asserts a claim against Speedcast in respect to tax returns which were allegedly not filed by Speedcast. Following discussions between the Reorganized Debtors and the FTB, on March 1 2022, the FTB filed Proof of Claim No. 1516 (the “**Surviving Claim**”), which amended and superseded the FTB Claim.

3. Failure to disallow the FTB Claim would result in FTB receiving an unwarranted recovery against the Debtors under the *Third Amended Joint Chapter 11 Plan of SpeedCast International Limited and its Debtor Affiliates* (ECF No. 1394) (the “**Plan**”).

4. Accordingly, the Reorganized Debtors respectfully request that the Court enter the Proposed Order disallowing the FTB Claim.

Reservation of Rights

5. This Objection is limited to the grounds stated herein and accordingly is without prejudice to the rights of the Reorganized Debtors or any other party in interest to object to any claim, including the FTB Claim, on any grounds whatsoever, and the Reorganized Debtors expressly reserve all other substantive or procedural objections that they may have. Nothing

contained herein is intended to be or shall be deemed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Reorganized Debtors' or any appropriate party-in-interest's rights to dispute the amount of, basis for, or validity of any claim, (iii) a waiver of the Reorganized Debtors' or any other party-in-interest's rights under the Bankruptcy Code or any other applicable nonbankruptcy law, or (iv) an approval, adoption, assumption, or rejection of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code.

Notice

6. Notice of this Objection will be provided to (i) any party that has requested notice pursuant to Bankruptcy Rule 2002, (ii) the affected claimant, and (iii) any other party entitled to notice pursuant to Bankruptcy Local Rule 9013-1(d).

No Previous Request

7. No previous request for the relief sought herein has been made by the Reorganized Debtors to this or any other court.

WHEREFORE the Reorganized Debtors respectfully request entry of the Proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

[Remainder of page intentionally left blank]

Dated: June 9, 2022
Houston, Texas

Respectfully submitted,

/s/ Alfredo R. Pérez

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Attorneys for the Reorganized Debtors

Certificate of Service

I hereby certify that, on June 9, 2022, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Alfredo R. Pérez

Alfredo R. Pérez

Exhibit A

The Healy Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
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In re:	§	
	§	Chapter 11
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SPEEDCAST INTERNATIONAL LIMITED, et al.,	§	
	§	Case No. 20-32243 (MI)
	§	
Reorganized Debtors.¹	§	(Jointly Administered)
	§	

**DECLARATION OF MICHAEL HEALY IN
SUPPORT OF REORGANIZED DEBTORS' OBJECTION TO
PROOF OF CLAIM NO. 1253 FILED BY FRANCHISE TAX BOARD**

I, Michael Healy, hereby declare:

1. I am the Chief Restructuring Officer of the Reorganized Debtors. I am knowledgeable about and familiar with the Reorganized Debtors' businesses and financial affairs.
2. Except as otherwise indicated, the facts set forth in this Declaration are based upon my personal knowledge, my discussions with other employees of the Reorganized Debtors and/or their advisors, and based upon my experience and knowledge related to the Reorganized Debtors' business operations and books and records. If called upon to testify, I would testify competently to the facts set forth herein. I am authorized to submit this Declaration on behalf of the Reorganized Debtors. I am familiar with the *Reorganized Debtors' Objection to Proof of Claim No. 1253 Filed by Franchise Tax Board* (the "**Objection**"), filed on June 9, 2022.²

¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors' claims and noticing agent at <http://www.kccllc.net/speedcast>. The Reorganized Debtors' service address for the purposes of these chapter 11 cases is 4400 S. Sam Houston Parkway East, Houston, Texas 77048.

² Capitalized terms used but not defined in this declaration shall have the meaning ascribed to them in the Objection.

3. To the best of my knowledge, information, and belief, the assertions made in the Objection are accurate. In evaluating the FTB Claim (as defined in the Objection), I reviewed the Objection, and can confirm that the Reorganized Debtors and the Reorganized Debtors' advisors have reviewed the Reorganized Debtors' books and records, the relevant proofs of claim, and the supporting documentation provided by FTB, and have determined that the FTB Claim has been amended and superseded by the Surviving Claim.

4. Failure to disallow the FTB Claim would result in the FTB receiving a recovery to which FTB is not entitled under the Plan. As such, I believe that disallowance of the FTB Claim is appropriate.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the facts set forth in the foregoing declaration are true and correct to the best of my knowledge, information, and belief.

Dated: June 9, 2022
New York, New York

/s/ Michael Healy
Name: Michael Healy
Title: Chief Restructuring Officer

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**ORDER SUSTAINING REORGANIZED DEBTORS' OBJECTION
TO PROOF OF CLAIM NO. 1253 FILED BY FRANCHISE TAX BOARD**

Upon the objection, dated June 9, 2022 (the “**Objection**”),² of SpeedCast International Limited and its affiliates in the above-captioned chapter 11 cases (collectively, the “**Debtors**” and, as reorganized, the “**Reorganized Debtors**”), seeking entry of an order (this “**Order**”) disallowing the Proof of Claim No. 1253 filed by Franchise Tax Board (the “**FTB Claim**”) and granting related relief, all as more fully set forth in the Objection, and upon the *Declaration of Michael Healy in Support of the Reorganized Debtors’ Objection to Proof of Claim No. 1253 Filed by Franchise Tax Board*; and after due deliberation,

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² All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Objection.

IT IS HEREBY ORDERED THAT:

1. Proof of Claim No. 1253 filed by Franchise Tax Board is disallowed.
2. Kurtzman Carson Consultants LLC, as claims, noticing and solicitation agent, is authorized and directed to update the claims register maintained in these chapter 11 cases to reflect the relief granted in this Order.
3. This Court retains exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: _____, 2022

Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE