

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)
	§	

**MOTION OF REORGANIZED DEBTORS FOR AN
ORDER FURTHER EXTENDING DEADLINE TO OBJECT TO CLAIMS**

IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE ELECTRONICALLY WITHIN 21 DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

SpeedCast International Limited (“Speedcast”) and its affiliates in the above-captioned chapter 11 cases (collectively, the “Debtors” and, as reorganized, the “Reorganized Debtors”)² respectfully represent the matters set forth below in support of this motion (the “Motion”).

Relief Requested

1. Pursuant to section 105(a) of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 9006(b)(1) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Section K of the Procedures for Complex Cases in the Southern

¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the 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 undefined but referenced herein shall have the meanings ascribed to them in the Motion.



District of Texas (the “**Complex Case Rules**”), the Reorganized Debtors seek a further extension of the deadline to object to the remaining unresolved claims (the “**Remaining Claims**”) filed in the Debtors chapter 11 cases (the “**Claim Objection Deadline**”) through and including December 31, 2022. A schedule of the Remaining Claims is attached to the Proposed Order as **Schedule 1**.

2. In support of the Motion, the Reorganized Debtors submit the *Declaration of Michael Healy in Support of Motion of Reorganized Debtors for an Order Further Extending Deadline to Object to Claims*, attached hereto as **Exhibit A** (the “**Healy Declaration**”).

3. A proposed form of order granting the relief requested herein is annexed hereto as **Exhibit B** (the “**Proposed Order**”).

Jurisdiction

4. 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. The statutory bases for the relief requested herein are section § 105(a) of the Bankruptcy Code and Rule 9006(b)(1) of the Bankruptcy Rules. Additionally, the Plan (as defined below) and Confirmation Order (as defined below) provide that this Court shall retain jurisdiction over this matter. *See* Plan § 11.1.

Background

5. On January 22, 2021, the Court entered the *Findings of Fact, Conclusions of Law, and Order (I) Approving Disclosure Statement on a Final Basis, (II) Confirming Third Amended Joint Chapter 11 Plan of SpeedCast International Limited and its Debtor Affiliates* (the “**Plan**”), *(III) Approving Plan Settlement Agreement, and (IV) Granting Related Relief* (ECF No. 1397) (the “**Confirmation Order**”).

6. On January 27, 2022, the Court entered the *Order Further Extending Deadline to Object to Claims* (ECF No. 1837) extending the Claim Objection Deadline (as defined below) through and including June 30, 2022 (the “**Extension Order**”).

Claims Process

7. The claims register, which is prepared and maintained by Kurtzman Carson Consultants LLC (“**KCC**”), the Reorganized Debtors’ court-appointed claims and noticing agent, shows that approximately 1,500 proofs of claim (collectively, the “**Proofs of Claim**”) have been filed by claimants (the “**Claimants**”)³ against the Debtors in these chapter 11 cases asserting an aggregate amount of approximately \$1.2 billion. Since the Extension Order, the Reorganized Debtors and their advisors have spent considerable time reviewing, reconciling, and analyzing the remaining filed Proofs of Claim to determine whether to pursue objections to such Claims. As of the date hereof, the Reorganized Debtors have reviewed and reconciled nearly all of the Claims filed and scheduled in these bankruptcy cases and are actively working to resolve the four Remaining Claims on **Schedule 1** to the Proposed Order.

8. As a result of the claims reconciliation and objection process, as of the date of this Motion, approximately 1,100 Proofs of Claim will have been Allowed (as defined under the Plan) without modification or otherwise resolved by the Reorganized Debtors and respective Claimants. The Reorganized Debtors have filed eleven omnibus objections and five individual claim objections covering, collectively, 940 scheduled Claims and nearly all filed Proofs of Claim.

9. The Remaining Claims relate to only two Claimants, the Internal Revenue Service and the Franchise Tax Board of California.

³ Claimants are identified as the person or entity whose name appears on the first page of the Proofs of Claim.

a. Internal Revenue Service

The Internal Revenue Service (the “IRS”) filed eight Proofs of Claim in the Reorganized Debtors chapter 11 cases, three of which remain unresolved as of the date of this Motion. The largest Claim, Claim No. 1517, is an estimate by the IRS of Speedcast Americas, Inc.’s corporate income tax liabilities for certain fiscal years. The Reorganized Debtors have filed the responding tax returns and have been in communication with the IRS regarding the IRS’s processing of such returns. The remainder of the IRS’s claims relate to payroll tax liabilities, which the Reorganized Debtors expect to resolve consensually. Although substantial progress has been made in respect to the IRS Claims, the Reorganized Debtors estimate they will need further time to engage with the IRS and resolve the IRS’s Claims consensually.

b. Franchise Tax Board

The Reorganized Debtors continue to engage with the Franchise Tax Board of California (the “FTB”) in respect to resolve its Claim. The FTB has indicated to the Reorganized Debtors that tax returns in California are required to be filed for certain fiscal years in order for the FTB’s Claim to be resolved. Therefore the Reorganized Debtors require further time to consensually resolve the Claim with the FTB.

Basis for Relief

10. The Plan, Bankruptcy Code, and Bankruptcy Rules provide ample authority on which the Court may grant the relief requested herein. Additionally, the facts and circumstances of these chapter 11 cases demonstrate that cause exists to further extend the Claim Objection Deadline.

11. First, pursuant to the Plan, “[a]ny objections to Claims shall be served and filed on or before: (a) the one hundred twentieth (120th) day following the later of (i) the Effective Date and (ii) the date that a proof of Claim is filed or amended or a Claim is otherwise asserted or

amended in writing by or on behalf of a holder of such Claim; or (b) *such later date as may be fixed by the Bankruptcy Court.*” Plan § 7.1 (emphasis added).

12. Second, section 105(a) of the Bankruptcy Code provides that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a); *see also In re CEI Roofing, Inc.*, 315 B.R. 50, 56 (Bankr. N.D. Tex. 2004); *In re Cooper Props. Liquidating Trust, Inc.*, 61 B.R. 531, 537 (Bankr. W.D. Tenn. 1986) (noting that the bankruptcy court is “one of equity and as such it has a duty to protect whatever equities a debtor may have in property for the benefit of its creditors as long as that protection is implemented in a manner consistent with the bankruptcy laws.”).

13. Furthermore, Bankruptcy Rule 9006(b)(1) provides, in pertinent part, that:

when an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion (1) with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order

Fed. R. Bankr. P. 9006(b)(1).

14. Section K of the Complex Case Rules also provides that:

Unless otherwise provided in the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, or Court order, if a motion is filed that complies with these procedures to extend the time to take any action before the expiration of the period prescribed by the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, or a confirmed plan, the time for taking the action is automatically extended until the Court rules on the motion. An automatic extension under this rule does not require the issuance or entry of an order extending the time.

15. The Reorganized Debtors submit that cause exists to extend the current Claim Objection Deadline through and including December 31, 2022. As stated, although the

Reorganized Debtors have almost completed the process of addressing all Claims that have been filed against them, extending the Claim Objection Deadline to the limited extent requested herein is necessary and in the best interests of the Reorganized Debtors and their estates because the Reorganized Debtors will not be able to fully address the Remaining Claims prior to the expiration of the Claim Objection Deadline on June 30, 2022. As outlined above, the Reorganized Debtors are actively addressing the Remaining Claims, however, the Reorganized Debtors believe the requested extension is necessary to facilitate an effective and efficient claims administration process.

16. The Reorganized Debtors submit that extending the Claim Objection Deadline is necessary and appropriate to ensure that the claims reconciliation process, including the prosecution of objections to the Claims, is accurate, comprehensive, and completed in a timely and efficient manner. The Reorganized Debtors further submit that the requested extension is not sought for purposes of delay and is in the best interests of the Reorganized Debtors, their estates, and their creditors. A complete reconciliation will prevent creditors from potentially receiving an unwarranted recovery to the detriment of other creditors. An extension of the Claim Objection Deadline for limited Claimants will also conserve judicial resources and avoid litigation of disputed Claims that may be consensually resolved through negotiation. Therefore, extending the Claim Objection Deadline will preserve the ability of the Reorganized Debtors to object to the Claims to maximize recovery to appropriate creditors by facilitating a more orderly, efficient, and cost-effective claims reconciliation process and reducing the overall number of disputed Claims for the benefit of the Reorganized Debtors' estate and creditors.

17. Accordingly, the Reorganized Debtors respectfully request the Court to enter an order extending the Claim Objection Deadline through and including December 31, 2022 for the Remaining Claims on **Schedule 1** to the Proposed Order.

Notice

18. Notice of this Motion will be served via ECF, by email (if provided on the Proof of Claim) or first class mail (if email is not provided) on the two Claimants that have Remaining Claims, and on any other party entitled to notice pursuant to Bankruptcy Rule 2002 or Local Rule 9013-1(d).

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.

Dated: June 28, 2022
Houston, Texas

Respectfully submitted,

/s/ Alfredo R. Pérez

WEIL, GOTSHAL & MANGES LLP

Alfredo R. Pérez (15776275)

Stephanie N. Morrison (24126930)

700 Louisiana Street, Suite 1700

Houston, Texas 77002

Telephone: (713) 546-5000

Facsimile: (713) 224-9511

Email: Alfredo.Perez@weil.com

Stephanie.Morrison@weil.com

-and-

WEIL, GOTSHAL & MANGES LLP

Gary T. Holtzer (admitted *pro hac vice*)

David N. Griffiths (admitted *pro hac vice*)

767 Fifth Avenue

New York, New York 10153

Telephone: (212) 310-8000

Facsimile: (212) 310-8007

Email: Gary.Holtzer@weil.com

David.Griffiths@weil.com

-and-

WEIL, GOTSHAL & MANGES LLP

Paul R. Genender (00790758)

Amanda Pennington Prugh (24083646)

Jake R. Rutherford (24102439)

200 Crescent Court, Suite 300

Dallas, Texas 75201

Telephone: (214) 746-7877

Facsimile: (214) 746-7777

Email: Paul.Genender@weil.com

Amanda.PenningtonPrugh@weil.com

Jake.Rutherford@weil.com

Attorneys for Reorganized Debtors

Certificate of Service

I hereby certify that, on June 28 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

Healy Declaration

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

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

**DECLARATION OF MICHAEL HEALY
IN SUPPORT OF MOTION OF REORGANIZED DEBTORS FOR AN
ORDER FURTHER EXTENDING DEADLINE TO OBJECT TO CLAIMS**

I, Michael Healy, pursuant to section 1746 of title 28 of the United States Code, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am the Chief Restructuring Officer of the Reorganized Debtors and serve as Senior Managing Director at FTI Consulting, Inc.
2. I submit this declaration in support of the *Motion of Reorganized Debtors for an Order Further Extending Deadline to Object to Claims* (the “**Motion**”).²
3. I am authorized to submit this declaration on behalf of the Reorganized Debtors and, if I were called upon to testify, I could and would competently testify to the facts set forth herein.
4. To date, approximately 1,500 Proofs of Claim have been filed by Claimants against the Reorganized Debtors in these chapter 11 cases asserting an aggregate amount of

¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the 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 undefined but referenced herein shall have the meanings ascribed to them in the Motion.

approximately \$1.2 billion. As detailed in the Motion, since the Extension Order, the Reorganized Debtors and their advisors have spent considerable time reviewing, reconciling, and analyzing the remaining filed Proofs of Claim to determine whether to pursue objections to such Claims and engaging with respective Claimants to resolve their Proofs of Claim consensually. As of the date hereof, the Reorganized Debtors have reviewed and reconciled nearly all of the Claims filed and scheduled in these bankruptcy cases and are actively working to resolve the four Remaining Claims on **Schedule 1** to the Proposed Order.

5. As a result of the claims reconciliation and objection process, as of the date of this Motion, approximately 1,100 Proofs of Claim will have been Allowed (as defined under the Plan) without modification or otherwise resolved by the Reorganized Debtors and respective Claimants. The Reorganized Debtors have filed eleven omnibus objections and five individual claim objections covering, collectively, 940 scheduled Claims and nearly filed Proofs of Claim. The four Remaining Claims that are not already subject to a pending objection, are asserted by only two Claimants and the Reorganized Debtors, or their advisors, have been in continued contact with the Claimants in order to resolve the Remaining Claims consensually on **Schedule 1** to the Proposed Order.

6. Based on the completeness of the Reorganized Debtors' claims administration process and the additional time it may take to fully address the Remaining Claims, an extension of the Claim Objection Deadline is appropriate. Providing the Reorganized Debtors with the time necessary to negotiate consensual resolutions to and otherwise complete their analysis of the four Remaining Claims, will prevent creditors from potentially receiving an unwarranted recovery to the detriment of other creditors.

7. I believe the requested extension is reasonable and is not sought for purposes of delay. I do not believe the requested extension will prejudice any Claimants or other parties in interest.

8. In light of the foregoing, I believe that extending the Claim Objection Deadline is necessary and appropriate to ensure that the claims reconciliation process, including the prosecution of any objections to the Claims, is accurate, comprehensive, and completed in a timely and efficient manner. The requested extension is in the best interests of the Reorganized Debtors, the Reorganized Debtors' estates, and their creditors. An extension of the Claim Objection Deadline will also conserve judicial resources and avoid litigation of disputed Claims that may be consensually resolved through negotiation. Therefore, extending the Claim Objection Deadline will preserve the ability of the Reorganized Debtors to object to the Claims to maximize recovery to appropriate creditors by facilitating a more orderly, efficient, and cost-effective claims reconciliation process and reducing the overall number of disputed Claims for the benefit of the Reorganized Debtors' estates and creditors.

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

Dated: June 28, 2022
New York, New York

/s/ Michael Healy
Michael Healy
Chief Restructuring Officer

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

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

ORDER FURTHER EXTENDING DEADLINE TO OBJECT TO CLAIMS

Upon the motion (the “**Motion**”)² of SpeedCast International Limited (“**Speedcast**”) and its reorganized debtor affiliates in the above-captioned chapter 11 cases (the “**Reorganized Debtors**”), seeking entry of an order (this “**Order**”) pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9006(b) extending the current Claim Objection Deadline, all as more fully set forth in the Motion and the Healy Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and Section 11.1 of the Plan; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for

¹ A complete list of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the 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 undefined but referenced herein shall have the meanings ascribed to them in the Motion.

the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Reorganized Debtors and all parties in interest; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Claim Objection Deadline is hereby extended through and including December 31, 2022 for Claims identified on **Schedule 1** attached to this order.

2. The entry of this Order shall be without prejudice to the ability of the Reorganized Debtors to seek a further extension of the Claim Objection Deadline upon a motion by the Reorganized Debtors, or to seek other appropriate relief, on or before the Claims Objection Deadline.

3. This Court retains 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

Schedule 1

Remaining Claims

Reorganized Debtors' Motion to Extend Deadline to Object to Certain Claims
 Schedule 1 – Remaining Claims

In re: SpeedCast International Limited, et al.
 Case No. 20-32243

Other Remaining Claims					
	Name of Claimant	POC # / Schedule ID	Asserted Debtor	Asserted Claim Priority	Asserted Claim Amount
1	Department of the Treasury - Internal Revenue Service	1371	CapRock Communications Pte. Ltd.	Priority	\$ 3,856,222.16
2	Department of Treasury - Internal Revenue Service	1423	Maritime Communication Services, Inc.	Priority	\$ 5,009.38
3	Franchise Tax Board	1255	NewCom International, Inc.	General Unsecured	\$ 22,485.74
				Priority	\$ 3,443.85
4	Department of Treasury - Internal Revenue Service	1517	SpeedCast Americas, Inc.	Priority	\$ 7,958,689.67
				General Unsecured	\$ 58,516.56