

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. 1517 FILED
BY DEPARTMENT OF TREASURY - INTERNAL REVENUE SERVICE

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. 1517 Filed by Department of the Treasury*

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.



- *Internal Revenue Service* 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. 1517 (the “**IRS Claim**”) filed by the Department of the Treasury - Internal Revenue Service (“**IRS**”) 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 IRS Claim was filed on March 3, 2022, and the support attached to the IRS Claim asserts a claim based on estimated tax liabilities owed to the IRS by Speedcast. Following discussions with the Reorganized Debtors, on December 5, 2022, the IRS filed Proof of Claim No. 1518 (the “**Surviving Claim**”), which amended and superseded the IRS Claim, removing the portion of the IRS Claim attributable to corporate income tax and preserving the portion relating to payroll tax liabilities.

3. Failure to disallow the IRS Claim could result in the IRS 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**”). Moreover, disallowance of the IRS Claim will enable the Reorganized Debtors to maintain a claims register that more accurately reflects the claims that exist against the Debtors.

4. Accordingly, the Reorganized Debtors respectfully request that the Court enter the Proposed Order disallowing the IRS 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 IRS Claim and surviving 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).

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.

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Dated: December 27, 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)
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
Jake.Rutherford@weil.com

Attorneys for the Reorganized Debtors

Certificate of Service

I hereby certify that, on December 27, 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
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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. 1517
FILED BY DEPARTMENT OF TREASURY - INTERNAL REVENUE SERVICE**

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*

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Proof of Claim No. 1517 Filed by Department of Treasury - Internal Revenue Service (the “**Objection**”), filed on December 27, 2022.²

3. To the best of my knowledge, information, and belief, the assertions made in the Objection are accurate. In evaluating the IRS 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 IRS, and have determined that the IRS Claim has been amended and superseded by the Surviving Claim.

4. Failure to disallow the IRS Claim could result in the IRS receiving a recovery to which IRS is not entitled under the Plan. As such, I believe that disallowance of the IRS Claim is appropriate. Moreover, disallowance of the IRS Claim will enable the Reorganized Debtors to maintain a claims register that more accurately reflects the claims that exist against the Debtors.

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: December 27, 2022
New York, New York

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

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

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**ORDER SUSTAINING REORGANIZED DEBTORS'
OBJECTION TO PROOF OF CLAIM NO. 1517
FILED BY DEPARTMENT OF TREASURY - INTERNAL REVENUE SERVICE**

Upon the objection, dated December 27, 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. 1517 filed by Department of Treasury - Internal Revenue Service (the “**IRS 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. 1517 Filed by Department of Treasury - Internal Revenue Service*; 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. 1517 filed by Department of Treasury - Internal Revenue Service 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: _____, 2023

Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE