

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

Obj. Date: June 1, 2023 at 4:00 p.m. (ET)

Hearing Date: June 15, 2023 at 12:00 p.m. (ET)

**LIQUIDATING TRUSTEE'S THIRD (NON-SUBSTANTIVE)
OMNIBUS OBJECTION TO THE ALLOWANCE OF CERTAIN
CLAIMS PURSUANT TO SECTION 502 OF THE BANKRUPTCY CODE,
BANKRUPTCY RULE 3007 AND LOCAL RULE 3007-1**

(Claims Based on Equity Interests)

**PARTIES RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES
AND THEIR DISPUTED CLAIMS IDENTIFIED ON SCHEDULE 1 TO THE
PROPOSED ORDER**

***TO CLAIMANTS WHOSE DISPUTED CLAIMS ARE SUBJECT TO THIS
OBJECTION:***

***YOUR SUBSTANTIVE RIGHTS MAY BE AFFECTED BY THIS OBJECTION
AND ANY FURTHER OBJECTION THAT MAY BE FILED IN THIS CHAPTER
11 CASE**

****THE RELIEF SOUGHT IN THIS OBJECTION IS WITHOUT PREJUDICE TO
THE RIGHTS OF THE DEBTOR TO PURSUE FURTHER OBJECTIONS TO
THE DISPUTED CLAIMS**

SierraConstellation Partners, LLC, as Liquidating Trustee (the "Trustee") in the bankruptcy case of the above-captioned debtor (the "Debtor"), hereby submits its third omnibus objection (the "Objection"), pursuant to section 502 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 Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), to the allowance of certain claims filed against the Debtor and its estate that are listed on **Schedule 1** (collectively, the "Subject Claims") to the proposed form of order attached hereto as **Exhibit A** (the "Proposed Order"), and request the entry of the Proposed



Order disallowing the Subject Claims, as indicated in further detail below and on **Schedule 1** to the Proposed Order. In support of the Objection, the Trustee respectfully represents as follows:

I. Jurisdiction and Venue

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Trustee consents, pursuant to Local Rule 9013-1(f), to the entry of a final order by the Court in connection with the Objection to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief sought herein are section 502 of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1.

II. Background

4. On June 1, 2022 (the "Petition Date"), the Debtor commenced this bankruptcy case (the "Chapter 11 Case") by filing a voluntary petition for relief under chapter 11 of title 11 of the Bankruptcy Code.

5. The Debtor filed its Chapter 11 Plan of Liquidation [Docket No. 232] and related Amended Disclosure Statement [Docket No. 231] on October 10, 2022. The Debtor later filed an Amended Chapter 11 Plan of Liquidation [Docket No. 280] on November 18,

2022 and a Second Amended Chapter 11 Plan of Liquidation [Docket No. 291] on November 22, 2022.

6. The Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Second Amended Chapter 11 Plan of Liquidation of Zosano Pharma Corporation* (the “Confirmation Order”) [Docket No. 294].

7. The Debtor’s equity was publicly traded. The claims subject to this Objection were filed by individual stockholders who received notice of the claims bar date in this case. On October 17, 2022, the Debtor filed *Debtor’s First (For Voting Purposes Only, Non-Substantive) Omnibus Objection to Claims Pursuant to Section 502 of the Bankruptcy Code and Bankruptcy Rules 3007, 3017, and 3018* [Docket No. 239]. Pursuant to the Confirmation Order, such claims were deemed “disputed claims” and not entitled to vote to accept or reject the plan. *See* Confirmation Order, p. 30.

8. The effective date of the Plan was December 7, 2022. As outlined in the Confirmation Order, “the Liquidating Trustee shall have the sole authority to: (1) file, withdraw, or litigate to judgment, objections to Claims or Interest; (2) settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court...” *See* Confirmation Order, p. 29.

IV. Proofs of Claim and Bar Date Orders

9. On June 6, 2022, the Court entered an order [Docket No. 23] appointing Kurtzman Carson Consultants LLC (“KCC”) as claims and noticing agent in the Chapter 11 Case. Among other things, KCC is authorized to (a) receive, maintain, record and otherwise administer the proofs of claim filed in the Chapter 11 Case, and (b) maintain an official claims register for the Debtor.

10. On July 22, 2022, the Court entered an order [Docket No. 142] (the “Bar Date Order”) providing that, except as otherwise provided therein, (i) all persons or entities (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts) that assert a claim, as defined in section 101(5) of the Bankruptcy Code, against the Debtor, including, without limitation, secured claims, and priority claims, which arose on or prior to the Petition Date, including requests for allowance and payment of claims under section 503(b)(9) of the Bankruptcy Code, shall file a proof of any such claim so that it is actually received on or before 5:00 p.m. (Eastern Time) on August 22, 2022 (the “General Bar Date”), and (ii) all governmental units, as defined in section 101(27) of the Bankruptcy Code, shall file a proof of any such claim so that it is actually received on or before 5:00 p.m. (Eastern Time) on November 28, 2022 (the “Government Bar Date”).

11. Notice of the Bar Dates was provided by mail and publication in accordance with the procedures outlined in the Bar Date Order. [Docket Nos. 151, 154, 174, & 186].

III. Relief Requested

12. By this Objection, the Trustee requests that the Court enter the Proposed Order, pursuant to section 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007(d)(7), and Local Rule 3007-1(d)(v), disallowing the Subject Claims as indicated in further detail below and on Schedule 1 to the Proposed Order.

13. In accordance with Local Rule 3007-1(e)(i)(E), the Trustee submits that this Objection complies in all material respects with Local Rule 3007-1.

IV. Basis for Relief

A. The Equity Claims

14. The Subject Claims listed on **Schedule 1** to the Proposed Order are claims filed by the Debtor's equity holders based upon their equity interests in the Debtor.

15. The Trustee's professionals have examined each of the Subject Claims, all supporting documentation provided by the claimant, if any, and the Debtor's books and records and have determined that in each case the Subject Claims were filed by the claimants asserting an equity interest in the Debtor and should be disallowed as claims on the basis that such claims are not claims at all, but an assertion of an equity interest in the Debtor. Accordingly, each such corresponding proof of claim should be disallowed as a claim, and reclassified as an equity interest, as listed on **Schedule 1** to the Proposed Order.

16. Accordingly, the Trustee objects to the Subject Claims, and request entry of the Proposed Order disallowing, in their entirety and as set forth herein, the Subject Claims as indicated on **Schedule 1** to the Proposed Order.

V. Responses to this Objection

17. Any responses to this Objection must be filed **on or before 4:00 p.m. (ET) on June 1, 2023**, in accordance with the procedures set for in the notice of this Objection.

18. The Trustee reserves the right to seek to adjourn the hearing on any Subject Claim, and in the event that the Trustee does so, it will state the same in the agenda for the hearing on that Subject Claim, which agenda will be served on the claimant.

VI. Reservation of Rights

19. The Trustee reserves any and all rights to amend, supplement or otherwise modify this Objection, the Proposed Order, or **Schedule 1** thereto, and to file additional

objections to any and all claims filed in this Chapter 11 Case, including, without limitation, any and all of the Subject Claims. The Trustee also reserves any and all rights, claims and defenses with respect to any and all of the Subject Claims, and nothing included in or omitted from this Objection, the Proposed Order, or **Schedule 1** thereto is intended or shall be deemed to impair, prejudice, waive or otherwise affect any rights, claims, or defenses of the Trustee and its estate with respect to the Subject Claims.

VII. Notice

20. Notice of the Objection has been provided to: (i) the U.S. Trustee; (ii) any party that has requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy procedure; and (iii) all claimants whose Subject Claims are the subject of this Objection. In light of the nature of the relief requested herein, the Trustee submits that no other or further notice is necessary.

VIII. Conclusion

WHEREFORE, for the reasons set forth herein, the Trustee respectfully requests that this Court:

- a) disallow the Subject Claims listed on **Schedule 1**;
- b) enter the Proposed Order, and
- c) grant the Trustee such other and further relief as is just and proper.

Respectfully submitted this 8th day of May, 2023.

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

Dennis A. Meloro (DE Bar No. 4435)

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-and-

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*Counsel for Sierra Constellation Partners,
LLC, as Liquidating Trustee*

EXHIBIT A

Proposed Order

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

Ref. Docket No. ____

**ORDER SUSTAINING LIQUIDATING TRUSTEE'S THIRD
(NON-SUBSTANTIVE) OMNIBUS OBJECTION TO THE ALLOWANCE
OF CERTAIN CLAIMS PURSUANT TO SECTION 502 OF THE
BANKRUPTCY CODE, BANKRUPTCY RULE 3007 AND LOCAL RULE 3007-1**

Upon consideration of the *Liquidating Trustee's Third (Non-Substantive) Omnibus Objection to the Allowance of Certain Claims Pursuant to Section 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1* (the "Objection");¹ and it appearing that this Court has jurisdiction to consider the Objection pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated as of February 29, 2012; and it appearing that venue of this chapter 11 case and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that notice of the Objection was good and sufficient upon the particular circumstances and that no other or further notice need be given; and it appearing that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; 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.

¹ Capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to it in the Objection.

2. The Subject Claims identified on **Schedule 1** to the Order are hereby disallowed as claims in their entirety and reclassified as equity interest.

3. The Trustee's objection to each Subject Claim addressed in the Objection constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate Order with respect to each claim. Any stay of this Order pending appeal by any of the claimants subject to this Order shall only apply to the contested matter which involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters covered hereby.

4. Any and all rights of the Trustee to amend, supplement or otherwise modify the Objection and to file additional objections to any and all claims filed in this Chapter 11 Case, including, without limitation, any and all of the Subject Claims, shall be reserved. Any and all rights, claims and defenses of the Trustee and its estate with respect to any and all of the Subject Claims shall be reserved, and nothing included in or omitted from the Objection is intended or shall be deemed to impair, prejudice, waive or otherwise affect any rights, claims, or defenses of the Trustee with respect to the Subject Claims.

5. This Court shall retain jurisdiction over any and all affected parties with respect to any and all matters, claims or rights arising from or related to the implementation or interpretation of this Order.

Schedule 1

(1) Name of Claimant	(2) Claim Number	(3) Claim Amount	(4) Reason for Disallowance
Uyanik, Betul	278	\$2,710.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Vargas, Patrick	159	\$20,387.15	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Vazquez, Lorena	170	\$6,172.12	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Victor, Ashish	113	\$277.41	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Villavicencio, Francisco J	157	\$1,455.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Villiers, Jacques de	27	\$718.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wang, Wenli	152	\$2,992.49	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Weiss, Stanley H	317	\$250.59	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wen, Jiayan	297	\$2,129.30	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
West, Nadya Y	236	\$1,854.95	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wilkison, Kevin J	225	\$3,151.08	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Willenbrock, John	227	\$1,330.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Williams, Martin D	285	\$27.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wilson, David E	156	\$2,780.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wong, Jessica	23	\$11,502.98	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wong, Victor B	198	\$1,466.98	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wu, Chun-wei	294	\$620.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Wurthman, Michael	74	\$1,549.24	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Xiao, Ming	116	\$1,078.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Xiao, Weimin	190	\$16,655.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim

(1) Name of Claimant	(2) Claim Number	(3) Claim Amount	(4) Reason for Disallowance
Xiao, Weimin	212	\$19,455.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Yeboah, Richard	189	\$181.76	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Yip, Tsz Ping	191	\$1,568.12	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Young, Jason	301	\$921.85	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Youwayed, Bernard	240	\$40,000.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zambas, Efstathios N	97	\$8,355.78	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zebian, Ahmed	309	\$31,801.38	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zhang, Alan	148	\$67.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zhang, Toatao	257	\$0.63	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zhao, Jun	147	\$5,644.00	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zhao, Lei	319	\$8,100.73	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim
Zheng, Wei	192	\$2,113.50	Claim was filed on account of the claimant's ownership of an equity interest in the Debtor, and thus should be disallowed as a claim

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

Obj. Date: June 1, 2023 at 4:00 p.m. (ET)

Hearing Date: June 15, 2023 at 12:00 p.m. (ET)

NOTICE OF OMNIBUS OBJECTION TO CLAIMS

PLEASE TAKE NOTICE that, on May 8, 2023, SierraConstellation Partners, LLC, as Liquidating Trustee (the “Trustee”) in the bankruptcy case of the above-captioned debtor (the “Debtor”), filed the *Liquidating Trustee’s Third (Non-Substantive) Omnibus Objection to the Allowance of Certain Claims Pursuant to Section 502 of the Bankruptcy Code, Bankruptcy Rules 3007, and Local Rule 3007-1* (the “Objection”).

THE OBJECTION SEEKS TO ALTER YOUR RIGHTS. THEREFORE, YOU SHOULD READ THE OBJECTION AND THE EXHIBITS THERETO CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE. **THE EXHIBITS ATTACHED TO THE PROPOSED ORDER LIST ALL CLAIMS THAT ARE THE SUBJECT OF THE OBJECTION.**

PLEASE TAKE FURTHER NOTICE that any response or objection to the relief sought in the Objection must be filed with the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **June 1, 2023 AT 4:00 P.M. PREVAILING EASTERN TIME.**

PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the response or objection upon: counsel to the Trustee: Greenberg Traurig, LLP, The Nemours Building, 222 Delaware Avenue, Suite 1600, Wilmington, Delaware 19801, Attn: Dennis A. Meloro (Dennis.Meloro@gtlaw.com); John D. Elrod (elrodj@gtlaw.com).

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE RELIEF SOUGHT IN THE OBJECTION WILL BE HELD ON JUNE 15, 2023 AT 12:00 P.M. PREVAILING EASTERN TIME BEFORE THE HONORABLE KATE STICKLES, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT, IF NO OBJECTIONS OR RESPONSES TO THE OBJECTION ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

[Signature on next page]

Dated: May 8, 2023

GREENBERG TRAURIG, LLP

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*Counsel for Sierra Constellation Partners,
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