UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
AGDP HOLDING INC., *et al.*,[1]	)	Case No. 25-11446 (MFW)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	Hearing Date: November 10, 2026 at 3:00
	)	p.m. (ET)
	)	Response Deadline: October 30, 2026 at
	)	4:00 p.m. (ET)
		Ref. Docket Nos. 780, 794 & 820

RESPONSE OF STANTON P.I. INC. IN OPPOSITION TO THE PLAN ADMINISTRATOR'S SECOND OMNIBUS OBJECTION TO CERTAIN CLAIMS AND TO ENTRY OF THE PROPOSED ORDER AS TO CLAIM NO. 79

Stanton P.I. Inc. ("**Stanton**" or the "**Claimant**"), by its counsel, Kenneth E. Belkin, hereby submits this response (the "**Response**") in opposition to the *Plan Administrator's Second Omnibus Objection to Certain Claims* [D.I. 780] (the "**Objection**"),[2] as modified by the *Notice of Filing of Amended Exhibits to Proposed Order Sustaining the Plan Administrator's Second Omnibus Objection to Certain Claims* [D.I. 820] (the "**Amended Notice**"), insofar as the Objection seeks to reclassify Proof of Claim No. 79 (the "**Claim**"). In support of this Response, Stanton relies upon the *Declaration of William Stanton* (the "**Stanton Declaration**"), attached hereto as **Exhibit B**, and respectfully states as follows:

PRELIMINARY STATEMENT

1. The Plan Administrator seeks to strip the priority portion of Stanton's Claim on a single stated ground: that Stanton is a "trade vendor rather than an independent contractor within the scope of section 507(a)(4)." That ground is wrong on the face of the Debtors' own contract. Stanton sold the Debtors no goods. It supplied people, including William Stanton personally, a salaried Lead Consultant and hourly consultants, who monitored in real time the Debtors' security surveillance system at every event hosted at the Debtors' Venue, served as the Debtors' official liaison to the New York City Police Department (the "**NYPD**") and the New York City Fire Department (the "**FDNY**"), and audited the Venue's safety and security protocols for compliance with industry best practices.

2. The governing Consulting Agreement (the "**Agreement**"), a copy of which is attached hereto as **Exhibit A**, confirms the point. It provides that Stanton's

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services are "personal in nature." It permits the Company to terminate if Stanton ceases to be under Mr. Stanton's control. It prices Mr. Stanton's own time at an hourly rate with a guaranteed weekly minimum, and it pays the Lead Consultant a fixed annual salary, which in July 2025 was $184,964, invoiced weekly at $3,557.00 per week. This constitutes compensation for labor, not the purchase price of merchandise.

3. A properly filed proof of claim is *prima facie* valid, and the objector must come forward with evidence sufficient to negate it. See *In re Allegheny Int'l, Inc.*, 954 F.2d 167 (3d Cir. 1992). The Objection should be overruled as to Claim No. 79, and the Claim should be allowed as filed.

BACKGROUND

A. The Chapter 11 Cases

4. On August 4, 2025 (the "**Petition Date**"), the above-captioned debtors (the "**Debtors**"), including Avant Gardner, LLC (the "**Company**"), each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in this Court. The cases are jointly administered under Case No. 25-11446 (MFW).

5. The Court confirmed the *Second Amended Joint Chapter 11 Plan of Liquidation for AGDP Holding Inc. and Its Affiliated Debtors* [D.I. 583] (the "**Plan**") by order entered at D.I. 589. Hooman Yazhari serves as plan administrator under the Plan (the "**Plan Administrator**").

B. Stanton's Engagement as the Venue's Safety and Security Consultant

6. Stanton has served as the Company's safety and security consultant since July 2017. Stanton Decl. ¶ 2. The current Agreement is dated as of May 1, 2024, which replaced a prior consulting agreement between the parties dated May 9, 2022, and provides for a one-year initial term with automatic three-month renewals. Agreement §§ 3, 10(l).

7. The Agreement engages Stanton to provide five categories of services at the Company's Brooklyn venue complex, comprising the Brooklyn Mirage, Great Hall, King's Hall and Lost Circus (collectively, the "**Venue**"): (i) acting as liaison between the Company and the NYPD and FDNY; (ii) monitoring and assessing the performance of Company staff and vendors and their compliance with safety and security policies and regulatory requirements; (iii) providing statistical analysis of NYPD involved incidents; (iv) overseeing events by monitoring the Company's video surveillance system live at all events, using Stanton personnel with the experience and expertise to do so; and (v) assisting with internal, subpoena and governmental requests for surveillance footage. Agreement § 1(a).

8. The Agreement concerns people and more specifically, their labor, not products, merchandise or goods. Stanton must staff each event with a lead consultant and additional consultants scaled to the event's size and risk profile. Additionally, Stanton supplies 80% of the personnel required, with the Company supplying the remaining 20%. *Id.* §§ 1(b)–(c). The parties agreed that Stanton's services "are personal in nature" and may not be delegated without the Company's consent. *Id.* § 10(c). The Company may terminate the Agreement if Stanton ceases to be under the direction, control or majority ownership of Mr. William Stanton. *Id.* § 4(a)(iv).

9. Compensation under the Agreement is measured entirely by personal labor. Exhibit A to the Agreement sets three categories of compensation: (i) an hourly rate for William Stanton, with a guaranteed weekly payment of no less than six hours at that rate; (ii) a fixed annual salary for the Lead Consultant, invoiced weekly; and (iii) an hourly rate for Consultants, with a six-hour minimum per scheduled event. *Id.* § 6(a) & Ex. A. The rates in effect and invoiced in July 2025 were $350.00 per hour for Mr. Stanton; $184,964 annually, invoiced at $3,557.00 weekly, for the Lead Consultant; and $102.00 per hour for Consultants. Stanton Decl. ¶¶ 4–6. Stanton invoices weekly for each completed Monday-to-Sunday work week, and payment is due the following Friday. Agreement § 6(b). Holiday shifts are compensated at time-and-a-half. *Id.* Nothing in the Agreement provides for the sale or delivery of goods. It strictly concerns the employment of labor.

C. The Claim

11. Stanton continued to provide services to the Company through the Company's financial distress. Stanton Decl. ¶ 7. On September 15, 2025, before the October 31, 2025 general claims bar date, Stanton timely filed the Claim against Avant Gardner, LLC in the total amount of $43,312.50, asserting $17,150.00 as a priority claim under section 507(a)(4) of the Bankruptcy Code and $26,162.50 as a general unsecured claim. Stanton Decl. ¶ 9. [The Claim attached the Agreement and weekly invoices for services rendered between July 14, 2025 and August 3, 2025.]

12. The unpaid invoices reflect 18 hours of Mr. Stanton's labor, totaling $6,300.00; 3 weeks of the Lead Consultant's salary, totaling $10,671.00; and 258.25 consultant hours, totaling $26,341.50, all performed within 180 days before the Petition Date. Stanton Decl. ¶ 8.

D. The Objection and the Amended Exhibits

13. On August 21, 2026, the Plan Administrator filed the Objection. On October 16, 2026, the Plan Administrator filed revised exhibits to the proposed order with the Amended Notice (the "**Amended Exhibits**"). Amended Notice at 1.

14. The Claim appears as Row 19 on Amended Exhibit 2 (Reclassified Claims). The Plan Administrator proposes to reclassify the entire $43,312.50 as a general unsecured claim. The stated reason for reclassification is that "[t]he claimant, however, is a trade vendor rather than an independent contractor within the scope of section 507(a)(4) and does not qualify for priority treatment on that basis." The Amended Notice identifies no invoice, no ledger entry and no testimony specific to Stanton.

ARGUMENT

A. Plan Administrator Has Not Rebutted the Prima Facie Validity of the Claim.

15. The Claim satisfies Bankruptcy Rule 3001(f). It identifies the Agreement, the services, the weekly invoices and amounts owed. Additionally, it designates the portion asserted as priority under section 507(a)(4), capped at the statutory $17,150.00. The Plan Administrator does not dispute the amount of the Claim; Amended Exhibit 2 carries forward the full $43,312.50.

16. Against that showing, the Plan Administrator offers a single conclusory sentence that misdescribes the claimant. A conclusory label is not evidence and an omnibus objection that does not engage the claimant's actual documentation does not shift the burden back to the claimant. *See Allegheny*, 954 F.2d at 173–74. Notably, the Plan Administrator applied a *different* rationale to other claimants on Amended Exhibit 2 who performed services as independent contractors, contending that their compensation was not earned within 180 days before the Petition Date. The Plan Administrator did not assert that ground or any timing ground, against Stanton. Having chosen to object on the sole basis that Stanton is a "trade vendor," the Plan Administrator must stand on that basis. *See* Fed. R. Bankr. P. 3007(e); Del. Bankr. L.R. 3007-1.

B. Stanton Is Not a Trade Vendor; It Provided Personal Services Compensated on an Hourly Basis and by Salary.

18. The Objection's premise fails on the Debtors' own contract. A trade vendor sells goods or ordinary course supplies. Stanton sold nothing. Its every obligation under the Agreement is a service performed by identified individuals, live surveillance monitoring at events, liaison with the NYPD and FDNY, compliance assessment, incident analysis and footage production. Agreement § 1(a). Stanton supplied 80% of the personnel needed to perform this work at each event. *Id.* § 1(c).

19. The Agreement's own terms foreclose the "vendor" characterization: (a) the parties agreed that Stanton's services "are personal in nature" and cannot be delegated without consent, *id.* § 10(c); (b) the Company bargained for Mr. Stanton personally, reserving the right to terminate if Stanton ceases to be under his

direction, control or majority ownership, *id.* § 4(a)(iv); (c) Mr. Stanton's own time is billed at $350.00 per hour, with a guaranteed weekly payment of at least six hours, *id.* § 6(a) & Ex. A; (d) the Lead Consultant is paid a fixed annual salary, which in July 2025 was $184,964, invoiced in weekly installments of $3,557.00, *see* ¶ 9, *supra*; and (e) Consultants are paid by the hour, at $102.00 per hour in July 2025, with a six-hour minimum and holiday time-and-a-half, *id.*; Agreement §§ 6(a)–(b).

20. Hourly rates, guaranteed minimum hours, holiday premium pay and an annual salary are the vocabulary of wages, not of trade credit. The "trade vendor" rationale is not applicable with respect to the Claim.

C. The Claim is for Compensation Earned by Individuals Within the Priority Period.

21. Section 507(a)(4) grants priority, up to $17,150.00 "for each individual or corporation, as the case may be," to claims for "wages, salaries, or commissions . . . earned by an individual" within 180 days before the petition date. 11 U.S.C. § 507(a)(4)(A). The wage priority, a feature of bankruptcy law since 1898, exists to alleviate hardship on workers who may have no other source of income and to encourage them to stand by an employer in financial difficulty. See *In re Garden Ridge Corp.*, No. 04-10324 (KJC), 2006 WL 521914 (Bankr. D. Del. 2006). Stanton and its personnel did exactly that, continuing to staff and monitor the Venue as the Company's finances deteriorated. Stanton Decl. ¶ 7.

22. The priority turns on the nature of the debt, not on the label attached to the creditor. As the Supreme Court held in construing the predecessor wage priority, "[t]he priority is attached to the debt, and not to the person of the creditor; to the claim, and not to the claimant." See *Shropshire, Woodliff & Co. v. Bush*, 204 U.S. 186, (U.S. 1907). Courts likewise recognize that the scope of "wages" is not confined to traditional employment and extends to compensation for personal services rendered by independent contractors. See *In re Wang Labs., Inc.*, 164 B.R. 404 (Bankr. D. Mass. 1994).

23. Here, the priority portion of the Claim is measured by the personal labor of identified individuals within the 180 day window: Mr. Stanton's own hourly services, which the Company contracted for by name and guaranteed weekly, and the Lead Consultant's fixed salary. The unpaid invoices include $6,300.00 for Mr. Stanton's personal services and $10,671.00 for the Lead Consultant's salary for the weeks of July 14, 2025 through August 3, 2025. Stanton Decl. ¶ 8. Stanton does not seek priority for any mark-up, overhead or profit component, and the priority asserted is limited to the single statutory cap.

24. Stanton acknowledges that some courts have declined to extend section 507(a)(4) priority to corporate claimants. Those decisions involve temporary staffing agencies that paid their own workers in full and then sought priority for contract

receivables, which included a mark-up that is a claim, in substance, for contract damages. See *In re Grant Indus., Inc.*, 133 B.R. 514, 515 (Bankr. W.D. Mo. 1991); *In re Mel-Hart Prods., Inc.*, 156 B.R. 606, 607 (Bankr. E.D. Ark. 1993); *In re Viva Vista Ventures, Inc.*, No. 09-32313, 2010 WL 3366408 (Bankr. N.D. Ohio Aug. 23, 2010); *see also* 11 U.S.C. § 507(d). This case is different. Stanton is not a staffing agency placing anonymous temporary workers. The Company contracted for Mr. Stanton personally, conditioned the engagement on his control, guaranteed payment for his own hours, and fixed the Lead Consultant's compensation as an annual salary. Stanton does not claim as a subrogee of anyone's wages; the debt itself is one for individuals' personal services. The Claim seeks only the single statutory cap for compensation that falls squarely within the text and purpose of section 507(a)(4).

25. At a minimum, the characterization of the Claim presents a question of fact that cannot be resolved against Stanton on a one line omnibus entry. Each disputed claim is a separate contested matter under Bankruptcy Rule 9014. *See* Proposed Order ¶ 6. If the Court does not overrule the Objection outright, Stanton respectfully requests that the matter be set for an evidentiary hearing at which the Plan Administrator must come forward with evidence specific to Stanton.

INFORMATION REQUIRED BY THE AMENDED NOTICE

28. In accordance with the Amended Notice and Local Rule 3007-1, Stanton states as follows: (a) the caption, case number and title of the Objection to which this Response is directed appear above; (b) the claimant is Stanton P.I. Inc., and the Claim (No. 79, $43,312.50, against Avant Gardner, LLC) arises from unpaid weekly invoices under the Agreement, as described in paragraphs 11 and 12; (c) the reasons the Claim should not be reclassified are set forth in paragraphs 15 through 26; (d) supporting documentation is attached as Exhibits A and B [and C]; (e) the person possessing ultimate authority to reconcile, settle or otherwise resolve the Claim is Michael Swain, Stanton P.I. Inc., PO Box 70, Bronx, New York 10464, Tel. 917-653-8375, Fax 646-435-0685, Email secureconcepts@aol.com; and (f) any reply to this Response should be served upon the undersigned counsel, Kenneth E. Belkin, Esq., 225 Broadway, Suite 715, New York, New York 10007, Tel. 718-724-3466, Fax 332-331-8373, Email kb@belkinlaw.com.

CONCLUSION

WHEREFORE, Stanton respectfully requests that the Court (i) overrule the Objection as to Claim No. 79; (ii) strike Claim No. 79 from Amended Exhibit 2 to the Proposed Order; (iii) allow Claim No. 79 as filed, as a priority claim under section 507(a)(4) of the Bankruptcy Code in the amount of $17,150.00 and a general unsecured claim in the amount of $26,162.50; (iv) alternatively, set the Objection as to Claim No. 79 for an evidentiary hearing; and (v) grant such other and further relief as the Court deems just and proper.

Dated: October 30, 2026
New York, New York

/s/ Kenneth E. Belkin
Belkin Law Group, PLLC
225 Broadway, Suite 715
New York, New York 10007
Telephone: (718) 724-3466
Email: kb@belkinlaw.com

Attorney for Stanton P.I. Inc.

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
AGDP HOLDING INC., *et al.*,[1]	)	Case No. 25-11446 (MFW)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	

DECLARATION OF WILLIAM STANTON IN SUPPORT OF THE RESPONSE OF STANTON P.I. INC. IN OPPOSITION TO THE PLAN ADMINISTRATOR'S SECOND OMNIBUS OBJECTION TO CERTAIN CLAIMS AS TO CLAIM NO. 79

I, William Stanton, hereby declare under penalty of perjury pursuant to 28 U.S.C. § 1746 as follows:

1. I am the President and owner of Stanton P.I. Inc. ("**Stanton**"), a New York corporation. I direct and control Stanton. I have personal knowledge of the facts stated herein.

2. Stanton began providing safety and security consulting services to Avant Gardner, LLC (the "**Company**") in July 2017. Stanton's most recent prior consulting agreement with the Company, dated as of May 9, 2022, was replaced by the Consulting Agreement dated as of May 1, 2024 (the "**Agreement**"). A true and correct copy of the Agreement is attached to the Response as Exhibit A.

3. Stanton does not sell goods to the Company and never did. Stanton provided personnel who (a) monitored the Company's video surveillance system live at events, (b) served as the Company's liaison with the NYPD and FDNY, (c) assessed staff and vendor compliance with safety and security policies, (d) analyzed NYPD-involved incidents, and (e) assisted with requests for surveillance footage.

4. I personally performed services for the Company each week, including being on-site during events, meeting with venue staff, and reviewing statistical event data. The Company paid for my time at $350.00 per hour, with a guaranteed minimum of six hours per week.

5. Stanton's Lead Consultant, Michael Swain, was dedicated to the Company's account. As of July 2025, his compensation under the Agreement was a fixed annual salary of $184,964, billed to the Company at $3,557.00 per week.

6. As of July 2025, Stanton's other consultants were billed at $102.00 per hour, with

a six-hour minimum per scheduled event.

7. Stanton continued to provide services to the Company through December 2025, including during the period of the Company's financial difficulty before its August 4, 2025 bankruptcy filing as well as after the filing.

8. The Company did not pay Stanton's invoices for the weeks of July 14, 2025 through August 3, 2025. The unpaid amount is $43,312.50, consisting of 18 hours of my personal services, totaling $6,300.00; 3 weeks of the Lead Consultant's salary, totaling $10,671.00; and 258.25 consultant hours, totaling $26,341.50. All of these services were performed between July 14, 2025 and August 3, 2025.

9. On September 15, 2025, Stanton filed Proof of Claim No. 79 in the amount of $43,312.50, asserting $17,150.00 as a priority claim and the balance as a general unsecured claim.

Dated: October 30, 2026
New York, New York



William Stanton

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
AGDP HOLDING INC., *et al.*,	)	Case No. 25-11446 (MFW)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	

CERTIFICATE OF SERVICE

I, Kenneth E. Belkin, hereby certify that on October 30, 2026, I caused a true and correct copy of the foregoing *Response of Stanton P.I. Inc. in Opposition to the Plan Administrator's Second Omnibus Objection to Certain Claims and to Entry of the Proposed Order as to Claim No. 79* to be served [via CM/ECF upon all parties registered to receive electronic notice in these cases, and] via electronic mail upon the following:

Young Conaway Stargatt & Taylor, LLP
Attn: Sean M. Beach, S. Alexander Faris and Evan S. Saruk
1000 North King Street, Rodney Square
Wilmington, Delaware 19801
sbeach@ycst.com; afaris@ycst.com; esaruk@ycst.com
Counsel to the Plan Administrator

Office of the United States Trustee for the District of Delaware
844 King Street, Suite 2207, Lockbox 35
Wilmington, Delaware 19801

/s/ Kenneth E. Belkin
Kenneth E. Belkin, Esq.

eSignature Details

Signer ID:	**dv6hGJP23kEZNZvLSrTFHBNz**
Signed by:	William Stanton
Sent to email:	wildbstanton@aol.com
IP Address:	174.230.69.107
Signed at:	Oct 30 2026, 11:49 am EDT