Docket #0528 Date Filed: 07/03/2025

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

In re:	Chapter 11
AFH AIR PROS, LLC, *et al.*,[1]	Case No. 25-10356 (PMB)
Debtors.	(Jointly Administered)

DEBTORS' OBJECTION TO CLAIM NO. 58
FILED BY DWAYNE LINTON

(*Reclassification of Claim*)

The above-captioned debtors and debtors in possession (collectively, the "Debtors") submit this objection (the "Objection") for entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), pursuant to sections 105 and 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 the United States Bankruptcy Court for the Northern District of Georgia (the "Local Rules"), (i) reclassifying the claim filed by Dwayne Linton ("Linton") and (ii) granting related relief. In support of this Objection, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Northern District of Georgia (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

[1] The last four digits of AFH Air Pros, LLC's tax identification number are 1228. Due to the large number of debtor entities in these chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the claims and noticing agent at https://www.veritaglobal.net/AirPros. The mailing address for the debtor entities for purposes of these chapter 11 cases is: 150 S. Pine Island Road, Suite 200, Plantation, Florida 33324.

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

3. The statutory and legal predicates for the relief requested herein are sections 105(a) and 502 of the Bankruptcy Code, Bankruptcy Rule 3007, Local Rule 3007-1, and the *Second Amended and Restated General Order 26-2019, Procedures for Complex Chapter 11 Cases*, dated February 6, 2023 (the "Complex Case Procedures").

BACKGROUND

A. The Chapter 11 Cases

4. On March 16, 2025 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with this Court.

5. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. On March 31, 2025, the United States Trustee for Region 21 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Committee") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"). *See Appointment and Notice of Committee of Creditors Holding Unsecured Claims* [D.I. 111].

7. No request has been made for the appointment of a trustee or an examiner.

8. On April 29, 2025, the Court entered the *Order (I) Fixing Deadlines for Filing Proofs of Claim and (II) Approving the Form and Manner of Notice Thereof* [D.I. 283] (the "Bar Date Order"). The Bar Date Order (a) established June 23, 2025 at 11:59 p.m. (prevailing Eastern Time) (the "General Bar Date") as the last day for creditors that are not governmental units to file proofs of claim, proofs of interest, and requests for payment of administrative expense claims under Bankruptcy Code section 503(b)(9); (b) established September 12, 2025 at 11:59 p.m. (prevailing Eastern Time) (the "Governmental Bar Date") as the last day for creditors that are

governmental units to file proofs of claim, proofs of interest; and (c) approved a form of bar date notice, proof of claim form, and other procedures.

9. Additional information regarding the Debtors' businesses, capital structure, and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the *Declaration of Andrew D.J. Hede in Support of Chapter 11 Petitions and First Day Pleadings* [D.I. 8].

B. The Plan and Disclosure Statement

10. On June 24, 2025, the Debtors filed the (i) *Second Amended Plan of Liquidation of AFH Air Pros, LLC and its Debtor Affiliates* [D.I. 479] (as may be further amended, supplemented, or otherwise modified from time to time, and including all exhibits thereto, the "Plan") and *Second Amended Disclosure Statement for the Second Amended Chapter 11 Plan of AFH Air Pros, LLC and its Debtor Affiliates* [D.I. 480] (as may be further amended, modified, or supplemented from time to time, the "Disclosure Statement").

11. On June 24, 2025, the Court entered an *Order (A) Approving the Disclosure Statement on an Interim Basis, (B) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, (C) Approving the Form of Ballot and Solicitation Materials, (D) Establishing Voting Record Date, (E) Fixing the Date, Time, and Place for the Hearing on Final Approval of the Disclosure Statement and Confirmation of the Plan and the Deadline for Filing Objections Thereto, and (F) Approving Related Notice Procedures and Deadlines* [D.I. No. 477], which scheduled a hearing to consider final approval of the Disclosure Statement and confirmation of the Plan for August 6, 2025 (the "Confirmation Hearing").

C. The Linton Claim

12. On May 12, 2025, Durden filed a proof of claim in the Debtors' cases (the "Linton Claim"), asserting a claim in the amount of $250,000.00 against Air Pros West LLC and classifying

the claim as entitled to priority under 11 U.S.C. § 507(a)(4). A copy of the Linton Claim is on file with the Debtors' claims and noticing agent, Verita, as Claim No. 58.

13. For the reasons set forth below, the Debtors object to the Linton Claim.

RELIEF REQUESTED

14. By this Objection, the Debtors request that the Court enter the Proposed Order, pursuant to section 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1, reclassifying the Linton Claim from priority status to a general unsecured claim, as indicated in further detail below.

BASIS FOR RELIEF REQUESTED

15. Bankruptcy Code section 502 provides, in pertinent part, that "[a] claim or interest, proof of which is filed under section 501 of [the Bankruptcy Code], is deemed allowed, unless a party in interest . . . objects." 11 U.S.C. § 502(a). The debtor has a duty to object to the allowance of any claim that is improper. *See* 11 U.S.C. § 1107(a).

16. When asserting a proof of claim against a bankrupt estate, a claimant must allege facts that, if true, would support a finding that the debtor is legally liable to the claimant. *See In re Allegheny Int'l, Inc.*, 954 F.2d 167, 173 (3d Cir. 1992). Where the claimant alleges sufficient facts to support its claim, its claim is afforded prima facie validity. *See id.*; *see also* Bankruptcy Rule 3001(f) (a properly executed and filed proof of claim "constitute[s] prima facie evidence of the validity and amount of the claim").

17. A party wishing to dispute a claim's validity must produce evidence sufficient to negate the claim's prima facie validity. *See Allegheny*, 954 F.2d at 173–74. Once an objecting party produces such evidence, the burden shifts back to the claimant to prove the validity of his or her claim by a preponderance of the evidence. *Id.* at 174; *see also Dollinger v. BV Retail, LLC (In re S&Q Shack, LLC)*, 2015 Bankr. LEXIS 1166, at *6-7 (N.D. Ga. Feb. 13, 2015); *Chambliss v.*

Oakwood Acceptance Corp. (In re Chambliss), 315 B.R. 166, 169 (Bankr. S.D. Ga. 2004). Ultimately, the burden of persuasion is on the claimant. *See In re Moss*, No. 94- 11959, 1995 WL 17005342, at *1 (Bankr. S.D. Ga. Sept. 28, 1995).

18. The Debtors have reviewed the Linton Claim, including the supporting documentation, and their books and records maintained in the ordinary course of business. Based on that review, the Debtors have determined that the claim does not qualify for priority treatment and should be properly reclassified as a general unsecured claim.

19. Section 507(a)(4) of the Bankruptcy Code provides that unsecured claims based upon wages, salaries, or commissions may have priority status only if they were "earned within 180 days before" the Petition Date.

20. The documents attached to the Linton Claim do not support entitlement to a priority claim, as they reflect neither a claim that is for "wages, salaries, or commissions" nor one that came due within the 180-day period before the Petition Date. Instead, the documents attached to the Claim set forth a purported harassment claim covering the work period of 2020 to 2022. The asserted priority classification is, therefore, improper and unsupported by the plain text of the statute.

21. If the Linton Claim is not reclassified, the claimant would receive treatment inconsistent with the Bankruptcy Code's priority scheme. Misclassification of claims may lead to disproportionate recoveries and reduce distributions available to similarly situated unsecured creditors. In this case, reclassification will ensure that all creditors receive treatment aligned with the nature of their claims under the Plan.

22. For the foregoing reasons, and pursuant to sections 502(b)(1), 503(b), and 507(a) of the Bankruptcy Code, the Debtors respectfully request that the Court enter the Proposed Order reclassifying the Linton Claim as a general unsecured claim.

RESERVATION OF RIGHTS

23. The Debtors reserve all rights to amend, modify, or supplement this Objection and the Proposed Order, and to file additional objections to any claims filed in these Chapter 11 Cases, including the Linton Claim. The Debtors further reserve all rights, claims, and defenses with respect to any and all claims, including the Linton Claim. Nothing in this Objection or the Proposed Order shall be deemed to impair, waive, or otherwise limit any such rights, claims, or defenses, all of which are expressly preserved.

NOTICE

24. The Debtors will provide notice of this Objection to the following parties or their respective counsel, if known: (a) the Office of the U.S. Trustee for the Northern District of Georgia, (b) the Committee; (c) the Debtors' prepetition and postpetition lenders and collateral agent; (d) the Limited Service List; (e) Dwayne Linton; and (f) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

[*Remainder of page intentionally left blank*]

CONCLUSION

WHEREFORE, the Debtors request that the Court enter the Proposed Order granting the relief requested herein and such other relief as is just and proper under the circumstances.

Dated: July 3, 2025

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/ David B. Kurzweil

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CERTIFICATE OF SERVICE

I hereby certify that all ECF participants registered in these cases were served electronically with the foregoing Objection through the Court's ECF system at their respective email addresses registered with this Court. The Debtors' claims and noticing agent will be filing a supplemental certificate of service on the docket to reflect any additional service of the foregoing document via first-class mail, including the notice parties enumerated in the Objection.

Dated: July 3, 2025

GREENBERG TRAURIG, LLP

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Exhibit A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

In re:	Chapter 11
AFH AIR PROS, LLC, *et al.*,[2]	Case No. 25-10356 (PMB)
Debtors.	(Jointly Administered)
	Re: Docket No. __

ORDER SUSTAINING DEBTORS' OBJECTION TO
CLAIM NO. 58 FILED BY DWAYNE LINTON

Upon the *Objection to Claim No. 58 filed by Dwayne Linton*, dated July 3, 2025 [D.I. [•]] (the "Objection")[3] filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of an order (this "Order") reclassifying the Linton Claim; and the Court

[2] The last four digits of AFH Air Pros, LLC's tax identification number are 1228. Due to the large number of debtor entities in these chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the claims and noticing agent at https://www.veritaglobal.net/AirPros. The mailing address for the debtor entities for purposes of these chapter 11 cases is: 150 S. Pine Island Road, Suite 200, Plantation, Florida 33324.

[3] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Objection.

having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Objection in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and it appearing that due and adequate notice of the Objection has been given under the circumstances; and the Court having reviewed the Objection and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Objection and at the Hearing establish just cause for the relief granted herein; and upon the record of the Hearing, this Court having determined that there is good and sufficient cause for the relief set forth in this Order; and after due deliberation thereon, it is hereby **ORDERED** that**:**

1. The Objection is SUSTAINED, as set forth herein.

2. The Linton Claim is hereby reclassified as a general unsecured claim in the amount of $250,000.00. The reclassified Linton Claim shall remain on the claims register, subject to the Debtors' or other party-in-interest's further objections on any substantive or non-substantive grounds.

3. Nothing set forth in this Order shall be construed as, or shall in any way constitute, a waiver of the Debtors' rights to assert objections to the Linton Claim on any additional grounds whatsoever.

4. The Debtors and their claims and noticing agent, Verita, as well as the Clerk of the Court, are authorized to take all such actions as are necessary and appropriate to effectuate the terms of this Order.

5. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

END OF DOCUMENT

Prepared and presented by:

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