

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WELDED CONSTRUCTION, L.P., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 18-12378 (KG)
)
) (Jointly Administered)
)
) **Ref. Docket Nos. 889 & 954**
)

**ORDER SUSTAINING DEBTORS' SIXTH (6TH) OMNIBUS (SUBSTANTIVE)
OBJECTION TO CLAIMS PURSUANT TO SECTION 502 OF THE
BANKRUPTCY CODE, BANKRUPTCY RULE 3007 AND LOCAL RULE 3007-1**

Upon consideration of the *Debtors' Sixth (6th) Omnibus (Substantive) Objection to Claims Pursuant to Section 502 of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1* (the “**Objection**”)² and the Pometti Declaration; 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; and it appearing that venue of these chapter 11 cases 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 this Court having determined that the relief requested in the Objection is in the best interests of the Debtors, their estates, their creditors and other parties in interest; 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 upon the record herein; and after due deliberation thereon and good and sufficient cause appearing therefor; it is hereby **ORDERED, ADJUDGED, AND DECREED THAT:**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Welded Construction, L.P. (5008) and Welded Construction Michigan, LLC (9830). The mailing address for each of the Debtors is 26933 Eckel Road, Perrysburg, OH 43551.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Objection.



1. The Objection is SUSTAINED, as set forth herein.
2. The Modified Amount, Reclassified Claims identified on Exhibit A to the Order are hereby modified to the amounts and reclassified to the priority levels indicated in the columns titled “*MODIFIED CLAIM CLASS*” and “*MODIFIED CLAIM AMOUNT*” on Exhibit A to the Order.
3. Subject to further objection by the Debtors and their estates, the Reclassified Claims identified on Exhibit B to the Order are hereby reclassified to the priority levels indicated in the column titled “*RECLASSIFIED CLAIM CLASS*” on Exhibit B to the Order.
4. The Modified Amount Claim identified on Exhibit C to the Order is hereby modified to the amount indicated in the column titled “*MODIFIED CLAIM AMOUNT*” on Exhibit C to the Order.
5. The No Liability Claims identified on Exhibit D to the Order are hereby disallowed and expunged.
6. The Debtors’ objection to each Disputed 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.
7. Any and all rights of the Debtors and their estates to amend, supplement or otherwise modify the Objection and to file additional objections to any and all claims filed in these chapter 11 cases, including, without limitation, any and all of the Disputed Claims, shall be

reserved. Any and all rights, claims and defenses of the Debtors and their estates with respect to any and all of the Disputed 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 Debtors and their estates with respect to the Disputed Claims.

8. 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.

A handwritten signature in black ink, appearing to read "Kevin Gross", written over a horizontal line.

EXHIBIT A¹

Modified Amount, Reclassified Claims

¹ Capitalized terms used but not otherwise defined on Exhibit A shall have the meanings ascribed to such terms in the Objection.

EXHIBIT A - MODIFIED AMOUNT, RECLASSIFIED CLAIMS

SEQ. NO.	NAME	DATE CLAIM FILED	CLAIM NUMBER	ASSERTED CLAIM AMOUNT	ASSERTED CLAIM CLASS	MODIFIED CLAIM AMOUNT	MODIFIED CLAIM CLASS	REASON
1	EULER HERMES N. A. INSURANCE CO. AGENT OF LESLIE EQUIPMENT CO. CLAIM ID 000424316 800 RED BROOK BLVD OWINGS MILLS, MD 21117	12/26/2018	132	\$285,512.19 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$43,331.99 ADMINISTRATIVE \$328,844.18 TOTAL		\$288,852.48 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$245.74 ADMINISTRATIVE \$289,098.22 TOTAL		With respect to invoices dated prior to October 2, 2018: invoices 642803, 648003, 648004, 656227, 656228, totaling \$8,575.39, were paid pursuant to Customer Completion Agreement Orders. Therefore, the general unsecured claim must be reduced to reflect such payment. With respect to invoices dated on or about October 2, 2018 through October 22, 2018, the claimant has asserted an administrative expense claim (i) for equipment rented to the Debtors for rental periods straddling the Petition Date, and (ii) for goods sold to and received by the Debtors in the twenty days prior to the Petition Date. - On (i), the Debtors have prorated the rental invoices and paid the post-petition portion of \$31,170.57 in the ordinary course of business: paid \$4,505.00 on 3/1/19 via check number 335787 (invoices 658740, 660172), paid \$1,135.71 on 1/4/19 via check number 335399 (invoice 656226), paid \$12,582.72 on 12/21/19 via check number 335301 (invoices 658741, 661635), paid \$12,947.14 on 12/7/19 via check number 334996. The pre-petition portion, totaling \$11,915.68, is not entitled to administrative expense status and must be reclassified to a general unsecured claim. - On (ii), invoice 661908 totaling \$245.74 is for goods sold to and received by the Debtors within 20 days of the Petition Date, and therefore has been properly asserted as an administrative expense claim pursuant to section 503(b)(9) of the Bankruptcy Code. Therefore, the administrative expense claim must be reduced to \$245.74.
2	MIDLANTIC MACHINERY 2240 BETHLEHEM PIKE HATFIELD, PA 19440	4/5/2019	744	\$0.00 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$101,741.94 ADMINISTRATIVE \$101,741.94 TOTAL		\$52,572.07 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$0.00 ADMINISTRATIVE \$52,572.07 TOTAL		With respect to invoices P14740 and R28499, the claimant has asserted an administrative claim for goods sold and equipment rented to the Debtors prior to the Petition Date. Accordingly, this portion of the claim, totaling \$1,614.45, is not entitled to administrative expense status and has been reclassified as a general unsecured claim. A portion of invoice R28670 (totaling \$2,082.14) was paid pursuant to Customer Completion Agreement Orders and the claimant has released the Debtors (among others) from any additional amounts relating to the applicable projects. Therefore, the asserted claim must be reduced by \$9,577.86. A portion of invoice R28814 (totaling \$12,134.41) was paid pursuant to Customer Completion Agreement Orders. With respect to the remainder of the invoice, the claimant has asserted an administrative claim for equipment rented to the Debtors prior to the Petition Date. Accordingly, this portion of the claim, totaling \$43,436.09, is not entitled to administrative expense status and has been reclassified to general unsecured status. Invoice R28798 (totaling \$47,113.54) asserts an administrative expense claim for damage to rental equipment that occurred prior to the Petition Date. Accordingly, this invoice is not entitled to administrative expense status. Therefore, the asserted claim must be reclassified to a general unsecured claim. Moreover, a portion of the invoice, totaling \$39,592.01, was already paid by the Debtors' insurance company. Therefore, the asserted claim must be reduced by the balance of the invoice, totaling \$7,521.53.

EXHIBIT A - MODIFIED AMOUNT, RECLASSIFIED CLAIMS

SEQ. NO.	NAME	DATE CLAIM FILED	CLAIM NUMBER	ASSERTED CLAIM AMOUNT	ASSERTED CLAIM CLASS	MODIFIED CLAIM AMOUNT	MODIFIED CLAIM CLASS	REASON
3	SELKING INTERNATIONAL & IDEALEASE 5320 FREMONT PIKE PO BOX 369 STONY RIDGE, OH 43463	11/9/2018	41	\$5,841.38 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$0.00 ADMINISTRATIVE \$5,841.38 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	\$3,888.56 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$1,541.83 ADMINISTRATIVE \$5,430.39 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	A portion of the claim (invoices 11568619, 11568861, and 11569230 totaling \$1,541.83) is for goods sold to and received by the Debtors within the twenty days prior to the Petition Date. Accordingly, that portion of the claim must be reclassified to an administrative expense claim pursuant to section 503(b)(9) of the Bankruptcy Code. Additionally, a portion of the claim (totaling \$410.99) was paid pursuant to Customer Completion Agreement Orders. Therefore, the general unsecured claim must be reduced to reflect such payment.

EXHIBIT B¹

Reclassified Claims

¹ Capitalized terms used but not otherwise defined on Exhibit B shall have the meanings ascribed to such terms in the Objection.

EXHIBIT B - RECLASSIFIED CLAIMS

SEQ. NO.	NAME	DATE CLAIM FILED	CLAIM NUMBER	ASSERTED CLAIM AMOUNT	ASSERTED CLAIM CLASS	RECLASSIFIED CLAIM AMOUNT	RECLASSIFIED CLAIM CLASS	REASON
1	SCHUYLKILL COUNTY MUNICIPAL AUTHORITY 221 SOUTH CENTRE STREET PO BOX 960 POTTSVILLE, PA 17901	1/2/2019	143	\$0.00 UNSECURED \$0.00 SECURED \$1,467.04 PRIORITY \$0.00 ADMINISTRATIVE \$1,467.04 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	\$1,467.04 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$0.00 ADMINISTRATIVE \$1,467.04 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	The claimant is not entitled to a priority claim under section 507(a)(7) of the Bankruptcy Code or otherwise.
2	UNITED ELECTRIC OF WHEELING, INC PO BOX 6897 WHEELING, WV 26003	2/4/2019	397	\$0.00 UNSECURED \$0.00 SECURED \$2,292.41 PRIORITY \$6,686.36 ADMINISTRATIVE \$6,686.36 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	\$6,686.36 UNSECURED \$0.00 SECURED \$0.00 PRIORITY \$0.00 ADMINISTRATIVE \$6,686.36 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	The claimant is not an employee of the Debtors, and therefore the claimant is not entitled to priority under sections 507(a)(4) or 507(a)(5) of the Bankruptcy Code. Therefore, the portion of the claim asserting priority status must be reclassified to a general unsecured claim. Additionally, the claim asserts amounts for services provided to the Debtors, and therefore is not entitled to administrative priority pursuant to section 503(b)(9) of the Bankruptcy Code.

EXHIBIT C¹

Modified Amount Claim

¹ Capitalized terms used but not otherwise defined on Exhibit C shall have the meanings ascribed to such terms in the Objection.

EXHIBIT C - MODIFIED AMOUNT CLAIMS

SEQ. NO.	NAME	DATE CLAIM FILED	CLAIM NUMBER	ASSERTED CLAIM AMOUNT	ASSERTED CLAIM CLASS	MODIFIED CLAIM AMOUNT	MODIFIED CLAIM CLASS	REASON
1	PENNSY SUPPLY INC 900 ASHWOOD PARKWAY, SUITE 800 ATLANTA, GA 30338	1/15/2019	160	\$128,141.90 \$0.00 UNSECURED \$0.00 PRIORITY \$0.00 ADMINISTRATIVE \$128,141.90 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	\$1,292.32 \$0.00 \$0.00 \$0.00 \$1,292.32 TOTAL	UNSECURED SECURED PRIORITY ADMINISTRATIVE TOTAL	A portion of the claim (\$126,848.68) was partially satisfied pursuant to a claim submitted under the Surety Bond. The remainder of the claim (invoices 104065, 104066, 104067, 104068, 104416, 104417, 104418, 104419, 104752, 104753, 104754, 104755, 104756) is invalid because it represents post-petition finance charges on account of a pre-petition claim.

EXHIBIT D¹

No Liability Claims

¹ Capitalized terms used but not otherwise defined on Exhibit D shall have the meanings ascribed to such terms in the Objection.

EXHIBIT D - NO LIABILITY CLAIMS

SEQ. NO.	NAME	DATE CLAIM FILED	CLAIM NUMBER	ASSERTED CLAIM AMOUNT					REASON
				UNSECURED	SECURED	PRIORITY	ADMINISTRATIVE	TOTAL	
1	GEORGIA WESTERN, INC. 2275 MCCOLLUM PARKWAY KENNESAW, GA 30144	3/25/2019	704	\$0.00	\$0.00	\$0.00	\$32,005.05	\$32,005.05	The claimant has asserted an administrative claim for services provided to the Debtors prior to the Petition Date. Additionally, the claim asserts amounts that have already been asserted in claim number 175. Accordingly, the claim should be disallowed and expunged in its entirety.
2	LESLIE EQUIPMENT COMPANY PO BOX 629 COWEN, WV 26206	11/14/2018	54	\$288,317.01	\$0.00	\$0.00	\$40,527.17	\$328,844.18	The claimant has asserted an administrative claim for goods sold, equipment rented, and services provided to the Debtors at varying times. However, the claim asserts amounts that have already been asserted in claim number 132. Therefore, the claim should be disallowed and expunged in its entirety.
3	ORACLE AMERICA, INC. SUCCESSOR IN INTEREST TO PRIMAVERA BUCHALTER, A PROFESSIONAL CORPORATION 55 2ND ST., 17TH FL. SAN FRANCISCO, CA 94105	4/29/2019	782	\$0.00	\$0.00	\$0.00	\$520.88	\$520.88	The claimant has asserted an administrative claim for license and support services provided to the Debtors prior to the Petition Date. Additionally, the claim asserts amounts that have already been asserted in claim number 553. Therefore, the claim should be disallowed and expunged in its entirety.
4	RHOADS, BRADLEY E 38 LIBERTY LANE REEDSVILLE, PA 17084	4/4/2019	745	\$0.00	\$0.00	\$0.00	\$2,313.80	\$2,313.80	The claimant asserts an administrative claim for reimbursement of medical expenses of which the Debtors have no record. Therefore, the claim should be disallowed and expunged in its entirety. In the alternative, the claim arose prior to the Petition Date but was filed after the General Bar Date. For this reason, the claim should also be disallowed and expunged in its entirety.
5	ROSE MEDICAL MANAGEMENT, LLC 4637 SOUTH PADRES ISLAND DRIVE CORPUS CHRISTI, TX 78411	4/27/2019	779	\$0.00	\$0.00	\$0.00	\$6,575.00	\$6,575.00	The claim is invalid because it represents legal fees incurred on account of a pre-petition claim.
6	SELKING INTERNATIONAL & IDEALEASE 5320 FREMONT PIKE PO BOX 369 STONY RIDGE, OH 43463	4/9/2019	750	\$0.00	\$0.00	\$0.00	\$1,541.83	\$1,541.83	The claimant asserts an administrative claim for goods sold to and received by the Debtors within the twenty days prior to the Petition Date. However, the claim is not entitled to administrative expense status under section 503(b)(9) of the Bankruptcy Code because it was filed after the General Bar Date, which applies to 503(b)(9) claims. Additionally, the claim asserts amounts that have already been asserted in claim number 41. Accordingly, the claim should be disallowed and expunged in its entirety.
7	STREATER, COLE L 34968 HWY 430 COILA, MS 38923	3/28/2019	719	\$0.00	\$0.00	\$0.00	\$10,325.00	\$10,325.00	No amounts are owed to the claimant for services performed or otherwise.
8	TRA, INC. - INDUSTRIESAFE 1608 WALNUT STREET, SUITE 700 PHILADELPHIA, PA 19103	3/25/2019	685	\$0.00	\$0.00	\$0.00	\$2,655.00	\$2,655.00	The pre-petition portion of the claim (\$2,478.00) is not entitled to administrative expense status because it asserts a claim for software services provided to the Debtors prior to the Petition Date, nor is it entitled to general unsecured status because it was filed after the General Bar Date. With respect to the post-petition portion of the claim (\$177.00), the proof of claim did not account for certain credits owed to the Debtors in the amount of \$1,561.75, relating to invoice number 2019-3103. Accordingly, no amounts are owed to the claimant and the claim should be disallowed and expunged in its entirety.
9	TRI-COUNTY FUELS INC 438 EAST MAIN STREET METAMORA, OH 43540	3/29/2019	715	\$0.00	\$0.00	\$0.00	\$723.67	\$723.67	The claimant has asserted an administrative claim for goods sold to the Debtors prior to the Petition Date. Additionally, the claim asserts amounts that have already been asserted in claim number 170. Therefore, the claim should be disallowed and expunged in its entirety.