

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re :

: Chapter 11

AEROCENTURY CORP., *et al.*, :

: Case No. 21-10636 (JTD)

Debtors.¹ :

: (Jointly Administered)

:

: Hearing Date: October 26, 2021 at 1:00 p.m. (ET)

-----X Response Deadline: October 4, 2021 at 4:00 p.m. (ET)

DEBTORS’ THIRD OMNIBUS OBJECTION TO CLAIMS (NON-SUBSTANTIVE)
(Equity Claims and Insufficient Documentation Claim)

THIS OBJECTION SEEKS TO EXPUNGE CERTAIN CLAIMS. CLAIMANTS SHOULD CAREFULLY REVIEW THIS OBJECTION AND THE SCHEDULE ATTACHED TO THIS OBJECTION TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIMS.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully represent as follows in support of this objection (this “Objection”):

RELIEF REQUESTED

1. By this Objection, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”): (a) expunging certain claims on account of equity interests (the “Equity Claims”) identified on Schedule 1 to the Proposed Order and (b) disallowing and expunging that certain claim that does not have a basis in the Debtors’ books and records and that was filed with insufficient supporting documentation (the “Insufficient Documentation Claim” and, together with the Equity Claims, the “Disputed Claims”) identified

¹ The Debtors in these chapter 11 cases, along with the last four digits of their federal employer identification number, are: AeroCentury Corp. (3974); JetFleet Holding Corp. (5342); and JetFleet Management Corp. (0929). The Debtors’ mailing address is 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010.



on Schedule 2. In support of this Objection, the Debtors rely on the *Declaration of Harold M. Lyons in Support of Debtors' Third Omnibus Objection to Claims (Non-Substantive)* (the "Lyons Declaration"), attached hereto as **Exhibit B**.

JURISDICTION AND VENUE

2. The Court has jurisdiction to consider this Motion 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 February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief requested herein are section 502 of title 11 of the United States Code (the "Bankruptcy Code"), rule 3003 and 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").

4. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order or judgment by the Court in connection with this Motion if it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

BACKGROUND

5. On March 29, 2021 (the "Petition Date"), the Debtors commenced with the Court voluntary cases (the "Chapter 11 Cases") under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No official committees or trustee have been appointed in the Chapter 11 Cases. The Chapter 11 Cases have been

consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b).

6. On April 22, 2021, the Court entered an order [Docket No. 87] (the “Bidding Procedures Order”) approving bidding procedures for a sale of certain or substantially all of the Debtors’ assets (the “Sale”) and authorizing the Debtors to enter into an asset purchase agreement with the Stalking Horse Bidder (as defined in the Bidding Procedures Order), subject to higher or otherwise better offers at the Auction (as defined in the Bidding Procedures Order).

7. On May 28, 2021 the Court held a hearing (the “Sale Hearing”). At the Sale Hearing, the Court designated the Stalking Horse Bidder as the successful bidder. Following the Sale Hearing, on May 28, 2021, the Court entered the *Order (I) Approving And Authorizing the Sale of Certain of the Debtors’ Assets Free And Clear Of All Liens, Claims, And Encumbrances, (II) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* [Docket No. 172] (the “Stalking Horse Sale Order”) approving the Sale to the Stalking Horse Bidder.

8. On August 31, 2021, the Court entered an order [Docket No. 296] confirming the *Combined Disclosure Statement and Joint Chapter 11 Plan of AeroCentury Corp., and its Affiliated Debtors* [Docket No. 225] (the “Plan”). The Plan is a restructuring plan supported by the Plan Sponsor (as defined by the Plan). The Plan has not yet gone effective.

9. Additional information regarding the Debtors’ businesses, capital structure, and the circumstances leading to the commencement of the Chapter 11 Cases is set forth in the *Declaration of Harold M. Lyons In Support of Debtors’ Chapter 11 Applications and First Day Relief* [Docket No. 2].

BAR DATES

10. On April 20, 2021, the Court entered an order [Docket No. 81] (the “Bar Date Order”) providing that, except as otherwise provided therein or another order of the Court, (a) all persons or entities (including individuals, partnerships, corporations, joint ventures, and trusts) that assert a claim, as defined in section 101(5) of the Bankruptcy Code, against the Debtors (including, for the avoidance of doubt, secured claims, priority claims, and claims arising under section 503(b)(9) of the Bankruptcy Code) must file a proof of any such claim so that it is actually received on or before 5:00 p.m. (Eastern Time) on May 28, 2021 (the “General Bar Date”), and (b) all governmental units, as defined in section 101(27) of the Bankruptcy Code, must file a proof of claim so that it is actually received on or before 5:00 p.m. (Eastern Time) on September 27, 2021 (the “Governmental Bar Date”).

11. The Bar Date Order also provides that if the Debtors amend or supplement the Schedules after the date of service of the Bar Date Notice (as defined in the Bar Date Order), then the Debtors must give notice of any such amendment or supplement to the holders of claims affected thereby, and such holders will be afforded the later of (a) the General Bar Date or the Governmental Bar Date, as applicable, and (b) 5:00 p.m. (Eastern Time) on the date that is 21 days from the date on which the Debtors provide notice of an amendment or supplement to the Schedules (which notice will include a reference to the Amended Schedules Bar Date) as the deadline by which claimants holding claims affected by such filing, amendment, or supplement must file proofs of claim with respect to such claim (the “Amended Schedules Bar Date”).

12. Additionally, pursuant to the Bar Date Order, except as otherwise provided by another order of the Court, any person or entity that holds a claim arising from the rejection of an executory contract or unexpired lease (a “Rejection Damages Claim”) must file a proof of claim

on account of such Rejection Damages Claim on or before the later of (a) the General Bar Date or the Governmental Bar Date, and (b) 5:00 p.m. (Eastern Time) on the date that is 21 days after service of an order authorizing rejection of an executory contract or unexpired lease pursuant to which the entity asserting the Rejection Damages Claim is a party the “Rejection Damages Bar Date,” and together with the General Bar Date, the Governmental Bar Date, and the Amended Schedules Bar Date, the “Bar Dates”).

SCHEDULES, PROOFS OF CLAIM, AND CLAIMS RECONCILIATION

13. On April 28, 2021 the Debtors filed their schedules of assets and liabilities and statements of financial affairs (collectively, and as may be modified, amended, or supplemented from time to time, the “Schedules”) [Docket Nos. 89-96].

14. The Debtors’ register of claims (the “Claims Register”), maintained by KCC, indicates that approximately 45 proofs of claim (the “Claims”) have been filed in the Chapter 11 Cases alleging claims against the Debtors.

15. In the ordinary course of business, the Debtors maintain books and records (the “Books and Records”) that reflect, among other things, the nature and amount of the liabilities owed to their creditors. The Debtors and their professionals have begun reviewing, comparing, and reconciling the Claims (including any supporting documentation) with the Schedules and Books and Records. This reconciliation process includes identifying particular categories of Claims that may be subject to objection. While this analysis and reconciliation is ongoing, the Debtors have determined that the Disputed Claims should be disallowed, expunged, and/or modified for one or more reasons described below.

A. Equity Claims

16. The Debtors have reviewed the Equity Claims identified on Schedule 1 to the Proposed Order and have determined that each of the Equity Claims relate solely to the mere ownership of equity security interests in the Debtors (as opposed to a claim arising from such ownership). Accordingly, the Equity Claims do not constitute a “claim” within the meaning of section 101(5) of the Bankruptcy Code. Bankruptcy Rule 3007(d)(7) states that a party may object to the allowance of a claim based solely on the ground that the claimant is asserting “interests, rather than claims.” Fed. R. Bankr. P. 3007(d)(7). Additionally, Local Rule 3007 1(d)(v) provides that claims “filed by a shareholder based on ownership of stock” may be objected to in a non-substantive claims objection. *See* Del. Bankr. L.R. 3007-1(d)(v).

17. Paragraph 13 of the Bar Date Order states that any holder of an equity interest in the Debtors need not file a proof of claim with respect to the ownership of such equity interest. Elimination of such Equity Claims will enable the Debtors to maintain a more accurate Claims Register. Accordingly, each of the Equity Claims identified on Schedule 1 to the Proposed Order should be expunged from the Claims Register.

B. Insufficient Documentation Claim

18. The Debtors object to the Insufficient Documentation Claim included on Schedule 2 to the Proposed Order because (a) it does not include sufficient supporting documentation with respect to claims against the Debtors and (b) the Debtors have no record of any liability with respect to such Insufficient Documentation Claim. The Debtors have made reasonable efforts to research the Insufficient Documentation Claim in their Books and Records, and determined that such documentation provided does not provide *prima facie* evidence of the validity and amount of such Insufficient Documentation Claim.

19. Accordingly, the Insufficient Documentation Claim does not contain sufficient factual support or documentation on which this Court could reasonably rely to accept the proof of claim as evidence of a valid claim for the amount asserted and should be disallowed and expunged.

BASIS FOR RELIEF REQUESTED

20. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that “[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest . . . objects.” 11 U.S.C. § 502(a). Once an objection to a claim is filed, the Court, after notice and a hearing, shall determine the allowed amount of the claim. *See* 11 U.S.C. § 502(b).

21. Section 502(b)(1) of the Bankruptcy Code provides, in part, that a claim may not be allowed to the extent that it “is unenforceable against the debtor and property of the debtor, under any agreement or applicable law.” 11 U.S.C. § 502(b)(1). While a properly filed proof of claim is *prima facie* evidence of the claim’s allowed amount, when an objecting party rebuts a claim’s *prima facie* validity, the claimant bears the burden of proving the claim’s validity by a preponderance of evidence. *See In re Allegheny Int’l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992). The burden of persuasion with respect to the claim is always on the claimant. *See Id.* at 174. Pursuant to Bankruptcy Rule 3007(d), a debtor is permitted to file omnibus objections to more than one claim on the bases enumerated therein, which include, among other things, that such claims “[do] not comply with applicable rules, and the objection states that the objector is unable to determine the validity of the claim because of the noncompliance.” Fed. R. Bankr. P. 3007(d)(6).

22. The Disputed Claims are unenforceable against the Debtors for the reasons set forth above. Therefore, pursuant to section 502(b)(1) of the Bankruptcy Code, Bankruptcy Rule 3007,

and Local Rule 3007-1, the Debtors respectfully request that the Court enter the Proposed Order granting the relief requested herein.

RESPONSES TO OBJECTION

23. Filing and Service of Responses: To contest the Objection, a claimant must file and serve a written response to the Objection (a “Response”) so that it is actually received by the Clerk of the Court and the parties in the following paragraph no later than 4:00 p.m. (ET) on October 4, 2021 (the “Response Deadline”). Claimants should locate their names and Claims on Schedule 1 to the Proposed Order, and carefully review the Objection. A Response must address each ground upon which the Debtors object to a particular Claim. A hearing to consider the Debtors’ Objection will be held on October 26, 2021 at 1:00 p.m. (ET), before the Honorable John T. Dorsey, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Wilmington, Delaware 19801 (the “Hearing”).

24. Each Response must be filed and served upon the following entities at the following addresses: (a) the Office of the Clerk of the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801; (b) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Joseph M. Barry, Joseph M. Mulvihill, and S. Alexander Faris (emails: jbarry@ycst.com, jmulvihill@ycst.com, and afaris@ycst.com); and (c) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019, Attn: Lorenzo Marinuzzi and Raff Ferraioli (emails: lmarinuzzi@mofo.com and rferraioli@mofo.com).

25. Content of Responses: Every Response to the Objection must contain, at a minimum, the following:

- a. a caption setting forth the name of the Court, the above-referenced case number, and the title of the Objection to which the Response is directed;
- b. the name of the claimant and description of the basis for the amount of the Disputed Claim;

- c. a concise statement setting forth the reasons why a particular Disputed Claim should not be disallowed for the reasons set forth in the Objection, including, but not limited to, the specific factual and legal bases upon which the claimant will rely in opposing the Objection at the Hearing;
- d. all documentation or other evidence of the Claim in question, to the extent not already included with the claimant's proof of claim, upon which the claimant will rely in opposing the Objection at the Hearing;
- e. the name, address, telephone number, and fax number of the person(s) (who may be the claimant or a legal representative thereof) possessing ultimate authority to reconcile, settle, or otherwise resolve the Claim on behalf of the claimant; and
- f. the name, address, telephone number, and fax number of the person(s) (who may be the claimant or a legal representative thereof) to whom the Debtors should serve any reply to the Response.

26. Timely Response Required; Hearing; Replies: If a Response is properly and timely filed and served in accordance with the above procedures, the Debtors will endeavor to reach a consensual resolution with the claimant. If no consensual resolution is reached, the Court will conduct the Hearing with respect to the Objection and the Response on October 26, 2021 at 1:00 p.m. (ET), or such other date and time as parties filing Responses may be notified. Only those Responses made in writing and timely filed and received will be considered by the Court at any such hearing.

27. Adjournment of Hearing: The Debtors reserve the right to adjourn the Hearing on any Claim included in the Objection. In the event that the Debtors so adjourn the Hearing, they will state that the Hearing on that particular Claim has been adjourned on the agenda for the Hearing on the Objection, which agenda will be served on the person designated by the claimant in its Response.

28. If a claimant whose Claim is subject to the Objection, and who is served with the Objection, fails to file and serve a timely Response in compliance with the foregoing procedures,

the Debtors will present to the Court an appropriate order disallowing the Disputed Claim without further notice to the claimant.

29. Separate Contested Matter: Each of the Disputed Claims and the Debtors' objections thereto as asserted in this Objection constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. The Debtors request that any order entered by the Court with respect to an objection asserted herein will be deemed a separate order with respect to each such Disputed Claim.

RESERVATION OF RIGHTS

30. The Debtors expressly reserve the right to amend, modify, or supplement this Objection, and to file additional objections to any other claims (filed or not) that may be asserted against the Debtors and their estates. Should one or more of the grounds of objection stated in the Objection be dismissed or overruled, the Debtors reserve the right to object to each of the Disputed Claims or any other proofs of claim on any other grounds that the Debtors discover or elect to pursue.

31. Notwithstanding anything contained in the Objection, or the exhibits and schedules attached hereto, nothing herein will be construed as a waiver of any rights that the Debtors, or any successor to the Debtors, may have to enforce rights of setoff against the claimants.

32. Nothing in this Objection will be deemed or construed: (a) as an admission as to the validity of any claim or interest against the Debtors; (b) as a waiver of the Debtors' rights to dispute or otherwise object to any claim or proof of interest on any grounds or basis; (c) to waive or release any right, claim, defense, or counterclaim of the Debtors, or to estop the Debtors from asserting any right, claim, defense, or counterclaim; (d) as an approval or assumption of any agreement, contract, or lease, pursuant to section 365 of the Bankruptcy Code; or (e) as an

admission that any obligation is entitled to administrative expense priority or any such contract or agreement is executory or unexpired for purposes of section 365 of the Bankruptcy Code or otherwise.

COMPLIANCE WITH LOCAL BANKRUPTCY RULE 3007-1

33. The undersigned representative of the Debtors has reviewed the requirements of Local Rule 3007-1 and certifies that the Objection substantially complies with that Local Rule. To the extent that the Objection does not comply in all respects with the requirements of Local Rule 3007-1, the Debtors believe such deviations are not material and respectfully request that any such requirement be waived.

FURTHER INFORMATION

34. Questions about or requests for additional information about the proposed disposition of the Disputed Claims hereunder should be directed to the Debtors' counsel in writing at the following addresses: (a) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Joseph M. Barry, Joseph M. Mulvihill, and S. Alexander Faris (emails: jbarry@ycst.com, jmulvihill@ycst.com, and afaris@ycst.com); and (b) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019, Attn: Lorenzo Marinuzzi and Raff Ferraioli (emails: lmarinuzzi@mofo.com and rferraioli@mofo.com).

NOTICE

35. Notice of this Motion will be provided to (a) the U.S. Trustee; (b) the holders of the five (5) largest unsecured claims against the Debtors; (c) counsel to the prepetition lender; (d) holders of Disputed Claims; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002.

WHEREFORE the 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.

Dated: September 20, 2021
Wilmington, Delaware

/s/ Joseph M. Mulvihill

Joseph M. Barry (No. 4221)

Ryan M. Bartley (No. 4985)

Joseph M. Mulvihill (No. 6061)

S. Alexander Faris (No. 6278)

YOUNG CONAWAY STARGATT & TAYLOR, LLP

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-and-

Lorenzo Marinuzzi (admitted *pro hac vice*)

Raff Ferraioli (admitted *pro hac vice*)

MORRISON & FOERSTER LLP

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Counsel to the Debtors and Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re :

: Chapter 11

AEROCENTURY CORP., *et al.*, :

: Case No. 21-10636 (JTD)

Debtors.¹ :

: (Jointly Administered)

:

: **Hearing Date: October 26, 2021 at 1:00 p.m. (ET)**

-----X **Response Deadline: October 4, 2021 at 4:00 p.m. (ET)**

**NOTICE OF DEBTORS’ THIRD OMNIBUS
OBJECTION TO CLAIMS (NON-SUBSTANTIVE)**

THIS OBJECTION SEEKS TO EXPUNGE CERTAIN CLAIMS. CLAIMANTS SHOULD CAREFULLY REVIEW THIS OBJECTION AND THE SCHEDULE ATTACHED TO THIS OBJECTION TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIMS.

TO: (A) THE U.S. TRUSTEE; (B) THE HOLDERS OF THE FIVE (5) LARGEST UNSECURED CLAIMS AGAINST THE DEBTORS; (C) COUNSEL TO THE PREPETITION LENDER; (D) HOLDERS OF DISPUTED CLAIMS; AND (E) ANY PARTY THAT HAS REQUESTED NOTICE PURSUANT TO BANKRUPTCY RULE 2002

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) have filed the attached *Debtors’ Third Omnibus Objection to Claims (Non-Substantive)* (the “Objection”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that any responses (each, a “Response”) to the relief requested in the Objection must be filed on or before **October 4, 2021 at 4:00 p.m. (ET)** (the “Response Deadline”) with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, any party submitting a Response (each, a “Respondent”) must serve a copy of its Response upon the undersigned counsel to the Debtors so as to be received on or before the Response Deadline.

PLEASE TAKE FURTHER NOTICE that any Response must contain, at a minimum, the following:

¹ The Debtors in these chapter 11 cases, along with the last four digits of their federal employer identification number, are: AeroCentury Corp. (3974); JetFleet Holding Corp. (5342); and JetFleet Management Corp. (0929). The Debtors’ mailing address is 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010.

- (a) a caption setting forth the name of the Bankruptcy Court, the case number, and the title of the Objection to which the Response is directed;
- (b) the name of the Respondent and a description of the basis for the amount and classification asserted in the Disputed Claim (as defined in the Objection), if applicable;
- (c) a concise statement setting forth the reasons why the Disputed Claim should not be disallowed for the reasons set forth in the Objection, including, but not limited to, the specific factual and legal bases upon which the Respondent will rely in opposing the Objection;
- (d) all documentation or other evidence of the Disputed Claim or asserted amount and classification, to the extent not included with the proof of claim previously filed with the Bankruptcy Court, upon which the Respondent will rely in opposing the Objection at the Hearing (as defined below);
- (e) the address(es) to which the Debtors must return any reply to the Response; and
- (f) the name, address, and telephone number of the person (which may be the claimant or its legal representative) possessing ultimate authority to reconcile, settle, or otherwise resolve the Disputed Claim and/or the Response on behalf of the Respondent.

PLEASE TAKE FURTHER NOTICE THAT A HEARING (THE “HEARING”) TO CONSIDER THE OBJECTION WILL BE HELD ON OCTOBER 26, 2021 AT 1:00 P.M. (ET) BEFORE THE HONORABLE JOHN T. DORSEY IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM #5, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU ARE A CLAIMANT AND FAIL TO TIMELY FILE AND SERVE A RESPONSE IN ACCORDANCE WITH THE ABOVE REQUIREMENTS, YOU WILL BE DEEMED TO HAVE CONCURRED WITH AND CONSENTED TO THE OBJECTION AND THE RELIEF REQUESTED THEREIN, AND THE DEBTORS WILL PRESENT TO THE COURT, WITHOUT FURTHER NOTICE TO YOU, THE PROPOSED ORDER SUSTAINING THE OBJECTION.

PLEASE TAKE FURTHER NOTICE THAT QUESTIONS CONCERNING THE OBJECTION SHOULD BE DIRECTED TO THE UNDERSIGNED COUNSEL FOR THE DEBTORS. CLAIMANTS SHOULD NOT CONTACT THE CLERK OF THE COURT TO DISCUSS THE MERITS OF THEIR DISPUTED CLAIMS OR THE OBJECTION.

[Remainder of page left intentionally blank]

Dated: September 20, 2021
Wilmington, Delaware

/s/ Joseph M. Mulvihill

Joseph M. Barry (No. 4221)
Ryan M. Bartley (No. 4985)
Joseph M. Mulvihill (No. 6061)
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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

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

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In re :

: Chapter 11

AEROCENTURY CORP., *et al.*, :

: Case No. 21-10636 (JTD)

Debtors.¹ :

: (Jointly Administered)

:

: **Re: Docket No. __**

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**ORDER SUSTAINING DEBTORS’ THIRD OMNIBUS
OBJECTION TO CLAIMS (NON-SUBSTANTIVE)**

Upon the objection (the “Objection”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) to the Disputed Claims set forth on Schedules 1 and 2 hereto, all as more fully set forth in the Objection; and this Court having reviewed the Objection; and this Court having jurisdiction to consider the Objection and the relief requested therein in accordance with 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 this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Objection has been given and that no other or further notice is necessary; and upon the record

¹ The Debtors in these chapter 11 cases, along with the last four digits of their federal employer identification number, are: AeroCentury Corp. (3974); JetFleet Holding Corp. (5342); and JetFleet Management Corp. (0929). The Debtors’ mailing address is 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010.

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

herein; and after due deliberation thereon; and this Court having determined that there is good and sufficient cause for the relief granted in this Order, therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Objection is GRANTED, as set forth herein.
2. Any response to the Objection not otherwise withdrawn, resolved, or adjourned is hereby overruled on its merits.
3. The Equity Claims identified on Schedule 1 are disallowed and expunged in their entirety.
4. The Insufficient Documentation Claim identified on Schedule 2 is disallowed and expunged in its entirety.
5. This Order shall be deemed a separate order with respect to each of the Claims identified on Schedules 1 and 2. Any stay of this Order pending appeal by any of the claimants whose Disputed Claim(s) are subject to this Order shall only apply to the contested matter which involves such claimant and shall not act to stay the applicability or finality of this Order with respect to the other contested matters listed in the Objection or this Order.
6. The Debtors and KCC are authorized to take all actions necessary and appropriate to give effect to this Order.
7. KCC is authorized to modify the Claims Register to comport with the relief granted by this Order.
8. Nothing in this Order or the Objection is intended or shall be construed as a waiver of any of the rights the Debtors may have to enforce rights of setoff against the claimants.
9. Nothing in the Objection or this Order shall be deemed or construed: (a) as an admission as to the validity of any claim against the Debtors; (b) as a waiver of the Debtors' rights

to dispute or otherwise object to any claim on any grounds or basis; (c) to waive or release any right, claim, defense, or counterclaim of the Debtors, or to estop the Debtors from asserting any right, claim, defense, or counterclaim; (d) as an approval or assumption of any agreement, contract, or lease, pursuant to section 365 of the Bankruptcy Code; or (e) as an admission that any obligation is entitled to administrative expense priority or any such contract or agreement is executory or unexpired for purposes of section 365 of the Bankruptcy Code or otherwise.

10. The terms and conditions of this Order shall be immediately enforceable and effective upon its entry.

11. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

SCHEDULE 1

Equity Claims

Claim No.	Creditor Name	Date Filed	Claim Amount	Reason for Disallowance
39	Bruce, Leslie	06/13/2021	\$53.10	Claim is based on ownership of equity.
43	Decker, Mary	07/09/2021	\$70.00	Claim is based on ownership of equity.
42	Myers, Alma	06/23/2021	\$6,000.00	Claim is based on ownership of equity.
44	Stewart, Janet	07/12/2021	BLANK	Claim is based on ownership of equity.

SCHEDULE 2

Insufficient Documentation Claim

Claim No.	Creditor Name	Date Filed	Claim Amount	Reason for Disallowance
40	Siewert, Dolores	06/22/2021	BLANK	Claimant failed to provide supporting documentation to allow the Debtors to ascertain the validity of the claim.

EXHIBIT B

Lyons Declaration

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

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In re :

: Chapter 11

AEROCENTURY CORP., *et al.*, :

: Case No. 21-10636 (JTD)

Debtors.¹ :

: (Jointly Administered)

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-----X

**DECLARATION OF HAROLD M. LYONS IN SUPPORT OF
DEBTORS’ THIRD OMNIBUS OBJECTION (NON-SUBSTANTIVE)**

Pursuant to 28 U.S.C. § 1746, I, Harold Lyons, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge and belief:

1. I am the Chief Financial Officer, Senior Vice President – Finance, Treasurer, and Secretary of AeroCentury Corp. (“AeroCentury”), one of the above-captioned debtors and debtors in possession (the “Debtors”). Additionally, I hold the position of Senior Vice President – Finance with Debtors JetFleet Holding Corp. (“JHC”) and JetFleet Management Corp. (“JMC”). As a result of my position, I am familiar with the Debtors’ day-to-day business operations and affairs, the Books and Records, and the Debtors’ chapter 11 efforts.

2. I submit this declaration (this “Declaration”) in support of the *Debtors’ Third Omnibus Objection to Claims (Non-Substantive)* (the “Objection”).²

3. I have reviewed the Objection and am directly, or by and through other personnel or representatives of the Debtors, reasonably familiar with the information contained therein, the

¹ The Debtors in these chapter 11 cases, along with the last four digits of their federal employer identification number, are: AeroCentury Corp. (3974); JetFleet Holding Corp. (5342); and JetFleet Management Corp. (0929). The Debtors’ mailing address is 1440 Chapin Avenue, Suite 310, Burlingame, CA 94010.

² All capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Objection.

Proposed Order, and the schedules attached to the Proposed Order. I am authorized to execute this Declaration on behalf of the Debtors.

4. Considerable resources and time have been expended in reviewing and reconciling the proofs of claim filed or pending against the Debtors and their estates in these chapter 11 cases.

5. In preparing this Declaration, I reviewed the Claims Register maintained by KCC, which contains the record of all parties that filed proofs of claim in connection with the chapter 11 cases. Additionally, I or other employees of the Debtors (a) reviewed (i) the claims register, by which we identified claims that should be disallowed, and (ii) the Debtors' Books and Records with respect to the claims described in the Objection, (b) conferred with the Debtors' employees and outside counsel having knowledge relevant to understanding the validity of the claims, (c) approved the inclusion of the claims in the Objection, and (d) reviewed the Objection and the Proposed Order. Accordingly, I am familiar with the information contained therein and in Schedules 1 and 2 to the Proposed Order.

6. Except as otherwise indicated, all facts set forth in this Declaration are based on my personal knowledge of the Debtors' operations, finances, and Books and Records, my review of the proofs of claim and Claims Register, or information received from other members of the Debtors, or the Debtors' other advisors. If called upon to testify, I would testify competently to the facts set forth herein.

A. Equity Claims

7. I, along with other employees of the Debtors, reviewed each of the Equity Claims listed on Schedule 1 to the Proposed Order to determine the bases upon which liability was asserted against the Debtors. This process included a review of each of the proofs of claim filed and any supporting documentation for each Equity Claim.

8. Based on this review, I have determined that each Equity Claim listed on Schedule 1 to the Proposed Order was filed on account of an equity interest in a Debtor. Additionally, based upon my review of the Equity Claims and the Debtors' Books and Records, each of the Equity Claims relate solely to the ownership of equity security interests in the Debtors (as opposed to a claim arising from such ownership). Accordingly, I believe that the Equity Claims should be expunged in their entirety.

B. Insufficient Documentation Claim

9. I, along with other employees of the Debtors, reviewed the Insufficient Documentation Claim listed on Schedule 2 to the Proposed Order to determine the basis upon which liability was asserted against the Debtors. This process included a review of the proof of claim filed and any supporting documentation for the Insufficient Documentation Claim. I believe that the Debtors used reasonable efforts to review and research the Insufficient Documentation Claim.

10. Based upon this review, the Debtors have determined that the Insufficient Documentation Claim contains no documentation to support the alleged claims. Specifically, the Debtors cannot identify the claimant who has asserted the Insufficient Documentation Claim as a party with whom the Debtors had any relationship or course of dealing and are unable to identify a basis for any liability to such claimant in the Debtors' book and records or the scant information contained in the Insufficient Documentation Claim or a basis for the claims. In making this determination I, along with other employees of the Debtors, diligently reviewed the Debtors' (i) Schedules, (ii) noticing lists, (iii) employee records, (iv) accounts payable records, (v) vendor records, (vi) litigation files, (vii) database of claims asserted against the Debtors' insurance policies and (viii) Books and Records. The Debtors also consulted with the personnel responsible for these

records. Based on the foregoing, I believe that the Insufficient Documentation Claim should be disallowed and expunged in its entirety.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed on September 20, 2021

/s/ Harold M. Lyons

Harold M. Lyons
Chief Financial Officer