

HEARING DATE AND TIME: December 8, 2016 at 11:00 a.m.
REPLY DEADLINE: November 23, 2016

DAY PITNEY LLP
One International Place
Boston, MA 02110
Telephone: (617) 345-4638
Facsimile: (617) 345-4745
Daniel J. Carragher (DC0328)
E-mail: djcarragher@daypitney.com

Attorneys for Pratt & Whitney Component Solutions, Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:	:	Chapter 11
	:	
REPUBLIC AIRWAYS HOLDINGS INC., et al., ¹	:	Case No. 16-10429 (SHL)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	

**RESPONSE OF PRATT & WHITNEY COMPONENT
SOLUTIONS TO DEBTORS' REPORT AND OBJECTIONS TO
CLAIMS ASSERTED PURSUANT TO 11 U.S.C. § 503(B)(9)**

Pratt & Whitney Component Solutions, Inc. ("PWCS"), by and through its undersigned counsel, submits this response to the Debtor's Report and Objections to Claims Asserted Pursuant to 11 U.S.C. § 503(b)(9) (ECF No. 829) (the "Debtors' Objection"), as originally scheduled for hearing on November 17, 2016 (ECF No. 1147) and subsequently adjourned to December 8, 2016 (ECF No. 1178). For the reasons stated herein, the Proof of Claim No. 333 submitted by PWCS should be allowed as a priority claim under section 503(b)(9) in the amount of \$74,775.58. In support of this response, PWCS respectfully states the following:

¹ The Debtors in these chapter 11 cases are the following entities: Republic Airways Services, Inc; Shuttle America Corporation; Republic Airline Inc.; Republic Airways Holdings Inc.; Midwest Air Group, Inc.; Midwest Airlines, Inc.; and Skyway Airlines, Inc.

1. On February 25, 2016 (the “Petition Date”), the above-captioned debtors filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”).

2. In the twenty days prior to the Petition Date, Republic Airways Holdings, Inc. (“Republic”) received goods from PWCS on credit that were sold to Republic in the ordinary course of its business.

3. On May 10, 2016, PWCS timely filed a proof of claim under section 503(b)(9) against Republic pursuant to this Court’s February 29, 2016 Order of Pursuant to 11 U.S.C. §§ 105(a) and 503(b)(9) Establishing Procedures for the Assertion, Resolution, and Satisfaction of Claims Asserted Pursuant to 11 U.S.C. § 503(b)(9) (ECF No. 52).

4. PWCS’s claim against Republic was docketed as claim no. 333 in the amount of \$79,776.58. The claim attached around 50 pages of account statements, invoices and proofs of shipment and delivery for 15 separate transactions. Thus, the attachments to Claim 333 demonstrate the *prima facie* validity of the claim for goods received by Republic within twenty days prior to the Petition Date.

5. The Debtors’ Objection was filed on July 25, 2016 and seeks to reclassify PWCS’s claim 333 as a general unsecured claim. The sole ground alleged for the reclassification of PWCS’s claim was an “x” in the column for “Insufficient Documentation.” Given the documentation attached to Claim 333, the Debtors’ allegation is not true and is insufficient to rebut the *prima facie* validity of claim 333.

6. It is well established that a proof of claim executed and filed in accordance with the Bankruptcy Rules constitutes “prima facie evidence of the validity and amount of the claim.” Fed.R.Bankr.P. 3001(f). There is no question that the PWCS Claim was properly filed in

accordance with 11 U.S.C. § 501 and Rule 3001(f) of the Federal Rules of Bankruptcy Procedure, and there is no question that it constitutes prima facie evidence of, and is entitled to, a presumption of validity and amount.

7. The Debtors bear the burden of proof when seeking to disallow a properly filed claim. *In re Woodmere Investors Ltd. Partnership*, 178 B.R. 346, 354 (Bankr. S.D.N.Y. 1995); *see also, In re Frederes*, 98 B.R. 165, 166 (Bankr. W.D.N.Y. 1989). Evidence necessary to rebut the presumption of validity, "must be sufficient to demonstrate a true dispute and must have probative force equal to the contents of the claim." 9 *Collier on Bankruptcy*, §3001.09[2] (16th ed. 2013). By making nothing more than a conclusory objection and offering no evidence to refute PWCS' Claim, the Debtors have not carried their burden of disputing the prima facie validity of PWCS' priority claim.

8. PWCS has requested that the Debtors provide any specific grounds for their objection and has spoken to the Debtors' representative regarding the claim. However, the Debtors have not provided any specific grounds for objection or requested additional information from PWCS.

9. Based on a further detailed review of the claim and the underlying transactions, PWCS has now determined that the goods covered by three of the fifteen invoices (invoices 92134995, 92134997 and 92134998) were received by the Debtors outside of the 20 day priority period despite the invoices that showed shipping dates of February 24, 2016. The total amount represented by those three invoices is \$5,001. Accordingly, Claim 333 should be allowed as a priority claim under section 503(b)(9) in the reduced amount of \$74,775.58.

WHEREFORE, for the reasons set forth above, PWCS objects to the proposed reclassification of Claim 333 as a general unsecured claim, and requests that the Court allow Claim 333 as an administrative priority claim under section 503(b)(9) of the Bankruptcy Code in the amount of \$74,775.58.

Dated: Boston, Massachusetts
November 23, 2016

PRATT & WHITNEY COMPONENT SOLUTIONS, INC.

/s/ Daniel J. Carragher
Daniel J. Carragher
DAY PITNEY LLP
One International Place
Boston, MA 02110
(617) 345-4638
(617) 345-4745 (fax)
djcarraher@daypitney.com

CERTIFICATE OF SERVICE

I certify that on November 23, 2016, copies of the foregoing response were served by electronic mail on

(i) the attorneys for the Debtors, Zirinsky Law Partners PLLC, 375 Park Avenue, Suite 2607, New York, New York 10152 (Attn: Bruce R. Zirinsky, Esq. (bzirinsky@zirinskylaw.com), Sharon J. Richardson, Esq. (srichardson@zirinskylaw.com), and Gary D. Ticoll, Esq. (gticoll@zirinskylaw.com)) and Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok, Esq. (chris.kiplok@hugheshubbard.com) and Gabrielle Glemann, Esq.(gabrielle.glemann@hugheshubbard.com)),

(ii) counsel to the Official Committee of Unsecured Creditors, Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019 (Attn: Brett H. Miller, Esq. (bmiller@mof.com), Todd M. Goren, Esq. (tgoren@mof.com), and Erica J. Richards, Esq. (erichards@mof.com)), and

(iii) counsel to the Ad Hoc Committee of Equity Holders of Republic Airways Holdings Inc., Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022 (Attn: Adam C. Harris, Esq. (adam.harris@srz.com), Lawrence V. Gelber, Esq. (lawrence.gelber@srz.com), and David M. Hillman, Esq. (david.hillman@srz.com)

and by first class mail on the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Brian Masumoto, Esq.).

In addition, all parties requesting ECF notice in these chapter 11 cases were served electronically via the Court's ECF system on November 23, 2016.

/s/ Daniel J. Carragher
Daniel J. Carragher