

Hearing Date: February 15, 2017 at 3:00 p.m.
Objection Deadline: February 8, 2017 at 4:00 p.m.

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Counsel for the Liquidating Trust of Airfasttickets, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	: Chapter 11
AIRFASTTICKETS, INC.,	: Case No. 15-11951 (SHL)
Debtor.	:
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**OMNIBUS REPLY AND STATUS REPORT
REGARDING RESPONSES TO FIRST OMNIBUS OBJECTION
TO CLAIMS OF THE LIQUIDATING TRUST OF AIRFASTTICKETS, INC.
TO CERTAIN PROOFS OF CLAIM (AMENDED AND SUPERSEDED CLAIMS,
CLAIMS TO BE RECLASSIFIED AND/OR REDUCED, AND NO LIABILITY CLAIMS)**

The Liquidating Trust of Airfasttickets, Inc. (the “Liquidating Trust”)¹, through Adam Meislik, the duly appointed Trustee, pursuant to the Debtor’s Confirmed Plan, by its counsel, Arent

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the First Omnibus Claims Objection [ECF No. 280].

Fox, hereby submits this omnibus reply and status report (“Reply”), along with Declaration of George V. Utlik (“Utlik Declaration”) annexed hereto as **Exhibit A**, with respect to formal and informal responses to the Liquidating Trust’s First Omnibus Claims Objection, including Fareportal’s *Response to First Omnibus Objection to Claims of the Liquidating Trust of Airfasttickets, Inc. to Certain Proofs of Claim (Amended and Superseded Claims, Claims to be Reclassified And/Or Reduced, And No Liability Claims)* [ECF No. 287] (the “Fareportal’s Response”), and respectfully represents as follows:

WITHDRAWN OBJECTION TO COMMUNICATIONS ASSOCIATES’ CLAIM No. 9

1. The Liquidating Trust objected to Communication Associates’ Claim No. 9 as a claim to be reclassified and/or reduced as set forth in the First Omnibus Claims Objection, Weiss Declaration, and related Exhibit 2 to the First Omnibus Claims Objection. On February 1, 2017, Communication Associates filed Declaration of David Rampulla [ECF No. 285], providing additional documentation and information in support of Communication Associates’ claim. Based on the documentation provided, the Liquidating Trust hereby withdraws the objection to Communication Associates’ Claim No. 9.

RESOLVED OBJECTION TO MR. AND MRS. BARRETT’S CLAIMS Nos. 78 AND 79

Steven J. Barrett (Claim No. 78)

2. The Liquidating Trust objected to Steven J. Berrett’s Claim No. 78 as a claim to be reclassified and/or reduced as set forth in the First Omnibus Claims Objection, Weiss Declaration, and related Exhibit 2 to the First Omnibus Claims Objection. Thereafter, Steven J. Barrett provided additional documentation and information in support of his claim and engaged in settlement communications with the Liquidating Trustee and counsel for the Liquidating Trust. Based on the documentation provided, and in an effort to resolve the objection, Steven J. Barrett and the

Liquidating Trust agreed to resolve Steven J. Berrett's claim as follows: Claim No. 78 shall be reclassified, reduced, and allowed as an unsecured priority claim in the amount of \$7,500.00 in favor of Steven J. Berrett, and all other claims of Steven J. Barrett, including, without limitation, scheduled claims, Proof of Claim Nos. 17 and 72, and claims under section 502(h) of the Bankruptcy Code, against the debtor Airfastticket, Inc., the debtor's bankruptcy estate, and the Liquidating Trust, shall be waived, released and expunged. Accordingly, the Liquidating Trust respectfully requests that Claim No. 78 be reclassified, reduced, and allowed as an unsecured priority claim in the amount of \$7,500.00.

Mary-Philippa Barrett (Claim No. 79)

3. The Liquidating Trust objected to Mary-Philippa Barrett's Claim No. 79 as a claim to be reclassified and/or reduced as set forth in the First Omnibus Claims Objection, Weiss Declaration, and related Exhibit 2 to the First Omnibus Claims Objection. Thereafter, Mary-Philippa Barrett provided additional documentation and information in support of her claim and engaged in settlement communications with the Liquidating Trustee and counsel for the Liquidating Trust. Based on the documentation provided, and in an effort to resolve the objection, Mary-Philippa Barrett and the Liquidating Trust agreed to resolve Mary-Philippa Barrett's claim as follows: Claim No. 79 shall be reclassified, reduced, and allowed as an unsecured priority claim in the amount of \$7,500.00 in favor of Mary-Philippa Barrett, and all other claims of Mary-Philippa Barrett, including, without limitation, scheduled claims, Proof of Claim Nos. 18 and 71, and claims under section 502(h) of the Bankruptcy Code, against the debtor Airfastticket, Inc., the debtor's bankruptcy estate, and the Liquidating Trust, shall be waived, released and expunged. Accordingly, the Liquidating Trust respectfully requests that Claim No. 79 be reclassified, reduced, and allowed as an unsecured priority claim in the amount of \$7,500.00.

CLAIMS TO BE DISALLOWED AND EXPUNGED (EXHIBIT 1)

4. The Liquidating Trust objected to claims of Dominic Fennell (Claim No. 2), Internal Revenue Service (Claim Nos. 14 and 15), Kayak Software Corporation (Claim No. 21), Mary-Philippa Barrett (Claim Nos. 18 and 71), NYS Department of Labor (Claim Nos. 4 and 24), and Steven J. Barrett (Claim Nos. 17 and 72). Each of these claims is listed on Exhibit 1 to the First Omnibus Claims Objection and is objected to as superseded claims to be disallowed and expunged as set forth in the First Omnibus Claims Objection and Weiss Declaration.

5. The Liquidating Trust resolved Mr. and Mrs. Barrett's claims as set forth above, received no formal or informal response to the objection to the other aforementioned claims, and therefore respectfully requests that these claims be disallowed and expunged.

CLAIMS TO BE RECLASSIFIED AND/OR REDUCED (EXHIBIT 2)

6. The Liquidating Trust objected to claims of Freya Roessner (Claim No. 25) and Smarter Travel Media LLC (Claim No. 31). Each of these claims are listed on Exhibit 2 to the First Omnibus Claims Objection and are objected to as claims to be reclassified and/or reduced as set forth in the First Omnibus Claims Objection and Weiss Declaration.

7. The Liquidating Trust received no formal or informal response to the objection to these claims and therefore respectfully requests that these claims be reclassified and/or reduced as set forth in the First Omnibus Claims Objection and Weiss Declaration and related Exhibit 2.

CLAIMS TO BE DISALLOWED AND EXPUNGED (EXHIBIT 3)

8. The Liquidating Trust objected to claims of American Express (Black Card) (Scheduled Claim), Croatia Airlines (Claim No. 73), Dominic J. Fennell (Claim No. 29), Fareportal Inc. (Claim No. 86), Freya Roessner (Claim No. 25), Minvera Ventures Ltd. (Claim No. 6), McCann World Group (Scheduled Claim), Panos Kordonouris & Associates Co. (Scheduled Claim), and

Delaware Franchise Tax (Scheduled Claim), each of which is listed on Exhibit 3 to the First Omnibus Claims Objection and is objected to as no liability claims to be disallowed and expunged as set forth in the First Omnibus Claims Objection and Weiss Declaration.

9. The Liquidating Trust received no formal or informal response to the objection to these claims – except (i) Fareportal’s Response; and (ii) an informal response from Croatia Airlines – and therefore respectfully requests that these claims be disallowed and expunged as set forth in the First Omnibus Claims Objection and Weiss Declaration.

10. The Liquidating Trust hereby replies to Croatia Airlines’ informal objection and Fareportal’s Response and respectfully requests that this Court sustain the objection to these claims for the reasons set forth below and Utlik Declaration, as well as in the First Omnibus Claims Objection and Weiss Declaration.

Croatia Airlines (Claim No. 73)

11. The Liquidating Trust objected to Claim No. 73 of Croatia Airlines because the claimant does not have a direct relationship with the Debtor and seeks to recover from the Debtor the amounts allegedly owed by non-debtor affiliates, as set forth in the First Omnibus Claims Objection, Weiss Declaration, and related Exhibit 3 to the First Omnibus Claims Objection.

12. In response to the objection, counsel for the Liquidating Trust received emails from Danijela Bilogrevic, Croatia Airlines’ corporate lawyer, as well as certain invoices, annexed hereto as **Exhibit B**. According to the documentation, Croatia Airlines has claims against non-debtor affiliates, i.e., Airfasttickets United Kingdom in the amount of 6.836,64 BGP (\$11,007.11), Airfasttickets Greece in the amount of 47.216,39 EUR (\$58,954.38) and Airfasttickets Germany in the amount of 68.089,61 EUR (\$86,242.30), and has no claim against the Debtor. Accordingly, the

Liquidating Trust respectfully requests that Croatia Airlines' Claim No. 73 should be disallowed and expunged.

Fareportal Inc. (Claim No. 86)

13. The Liquidating Trust objected to Claim No. 86 of Fareportal Inc. ("Fareportal") because the claimant did not provide any supporting documentation or computation of damages for its assertions, and there is no basis for liability to the claimant based on the Debtor's books and records, as set forth in the First Omnibus Claims Objection, Weiss Declaration, and related Exhibit 3 to the First Omnibus Claims Objection. In the First Omnibus Claims Objection, the Liquidating Trust also expressly reserved its rights and all further substantive and procedural objections with respect to the claims addressed in the First Omnibus Claims Objection, including Fareportal's claim.

14. In response to the objection, Fareportal filed the Fareportal's Response, accompanied by copies of (a) transcript of this Court's hearing held on September 14, 2016, (b) its proof of claim received on October 3, 2016, and (c) complaint by Fareportal against Travana, Inc., Ahmet Seyalioglu, Nishith Kumar a/k/a Nishith Varma, and Jason Ware (collectively, "Travana"). Fareportal has not filed any declaration or affidavit in support of its claim or the Fareportal's Response. In a nutshell, Fareportal asserts that it has an unliquidated claim in the amount of not less than \$10,000,000.00 that is meant to preserve its rights, if any, with respect to the sale issues and that the claim's amount and liability may be proven at a later date.

15. The Liquidating Trust respectfully submits that Claim No. 86 of Fareportal should be disallowed and expunged for the reasons set forth in the First Omnibus Claims Objection and Weiss Declaration. Based on all available documentation, Fareportal has proven neither the liability nor the amount of its alleged claim against the Debtor. If an objection refuting at least one of the claim's essential allegations is asserted, the claimant has the burden of demonstrating the validity of the

claim. See *In re Oneida, Ltd.*, 400 B.R. 384, 389 (Bankr. S.D.N.Y. 2009), *aff'd*, No 09 Civ. 2229, 2010 WL 234827 (S.D.N.Y. Jan. 22, 2010); *In re Adelpia Commc'ns Corp.*, No. 02-241729, 2007 Bankr. LEXIS 660 at *15 (Bankr. S.D.N.Y. Feb. 20, 2007). Fareportal has failed to carry its burden. If Fareportal's claim is not disallowed and expunged, Fareportal would receive unwarranted or excessive recovery to the detriment of the Debtor's other creditors. As a result, the Liquidating Trust respectfully submits that Fareportal's Claim No. 86 should be disallowed and expunged.

16. Notably, Fareportal's allegation that the Debtor's estate and Travana "have come in tandem" or collaborating with respect to litigation against Fareportal has no merit and is without any basis. Neither the Liquidating Trustee nor counsel for the Liquidating Trust has had any communication with Travana or its counsel concerning the litigation, Fareportal, or Fareportal's claims since the hearing on Fareportal's motion held before the Court on September 14, 2016.

17. In addition and alternatively, Fareportal's "placeholder" proof of claim is barred by this Court's Order Establishing the Claims Bar Date [ECF No. 109]. Fareportal filed its proof of claim after the Claims Bar Date of March 6, 2016. Fareportal did not seek this Court's authority for leave to file a late proof of claim. Fareportal has failed to set forth any facts in its response that would rise to the level of "excusable neglect," thus permitting the Court to allow an admittedly late-filed claim. Thus, Fareportal's claim should be disallowed and expunged as a late filed claim.

18. Further and alternatively, Fareportal's "placeholder" proof of claim is contingent and unliquidated and should be disallowed under section 502(e)(1) of the Bankruptcy Code or estimated at \$0 under section 502(c) of the Bankruptcy Code. Fareportal's alleged claim should be disallowed to prevent further undue delay of the administration of the Debtor's case, delay of the consummation of the Debtor's Confirmed Plan, and distributions to holders of allowed claims. The Liquidating Trust and its agents thoroughly reviewed the Debtor's books and records and determined, as stated

in Weiss Declaration, that neither the Debtor nor the Liquidating Trust is liable for the amounts asserted by Fareportal. Accordingly, the Liquidating Trust respectfully requests that Fareportal's Claim No. 86 should be estimated at \$0, disallowed and expunged.

RESERVATION OF RIGHTS

19. The Liquidating Trust expressly reserves its right to amend, modify or supplement this Reply, and to file additional replies and/or objections to the disputed claims or to any other claims (filed or not) asserted against the Debtor or the Liquidating Trust. Should one or more of the grounds of objection stated in this Reply be overruled, the Liquidating Trust reserves the right to object to the disputed claims on any other ground permitted under bankruptcy or non-bankruptcy law.

NOTICE

20. The Liquidating Trust has provided notice of this Reply to all the claimants referenced herein and the United States Trustee.

CONCLUSION

WHEREFORE, the Liquidating Trust respectfully requests that the Court enter an order pursuant to section 502 of the Bankruptcy Code and Bankruptcy Rule 3007 (i) granting the Liquidating Trust's First Omnibus Claims Objection; and (ii) granting the Liquidating Trust such further relief as is just and proper.

Dated: February 13, 2017
New York, New York

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/s/ George V. Utlik

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