

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

| | | |
|--|---|------------------------|
| In re: |) | CHAPTER 11 |
| |) | |
| KG WINDDOWN, LLC, <i>et al.</i> , ¹ |) | |
| |) | CASE NO. 20-11723 (MG) |
| Debtors. |) | |
| |) | (Jointly Administered) |

**ORDER GRANTING DEBTORS' FIRST OMNIBUS OBJECTION
TO (A) DUPLICATIVE CLAIMS, (B) CLAIMS INCONSISTENT WITH THE
DEBTORS' BOOKS AND RECORDS, AND (C) RECLASSIFIED CLAIMS**

Upon the objection (the “**Objection**”)² of the above captioned debtors and debtors-in-possession (the “**Debtors**”), pursuant to Bankruptcy Code section 502(b) and Bankruptcy Rules 3007 seeking entry of an order disallowing, expunging, and/or reclassifying the claims set forth on **Exhibit A**, **Exhibit B**, and **Exhibit C** attached hereto, and the Court having subject matter jurisdiction to consider and determine the Objection, and grant the requested relief in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Objection being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409 and it appearing that due and sufficient notice of the Objection has been given and upon the record of the hearings on the Objection and all of the proceedings had before this Court; and all responses to the Objection having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Objection establish just

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number (if any), include: KG Winddown, LLC (8556); KG USA Winddown, LLC (1682); KG III Winddown, LLC (2613); KG LV Winddown, LLC (9805); KG Florida Winddown, LLC (9385); KG Puerto Rico Winddown, LLC (0901); KG AC Winddown, LLC (5082); KG Products Winddown, LLC (0303); KG LI Restaurant Group Winddown, LLC (1623); KG LI Winddown, LLC (1488); KG Franchise Winddown, LLC (0565); KG 60th St Holdings Winddown, LLC (9997); KG Broadway Winddown, LLC (4335); KG Hamptons Winddown, LLC (0423) and KG Payroll Winddown, LLC (0807). For the purpose of these chapter 11 cases, the service address for the Debtors is: 12 Penns Trail, Suite 125, Newton, PA 18940.

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

cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

FOUND AND DETERMINED THAT:

A. Each holder of a claim listed on Exhibit A , Exhibit B, and Exhibit C hereto (each, a “**Claimant**”) was properly and timely served with a copy of the First Omnibus Objection to Claims, the proposed order and the accompanying exhibits.

B. The First Omnibus Objection to Claims is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

1. Pursuant to 11 U.S.C. § 502(b) and Fed. R. Bankr. P. 3007, the claims listed in the “Claims to be Expunged” columns of Exhibit A hereto are disallowed and expunged.

2. Pursuant to 11 U.S.C. § 502(b) and Fed. R. Bankr. P. 3007, the claims set forth on Exhibit B hereto are disallowed and expunged.

3. Pursuant to 11 U.S.C. § 502(b) and Fed. R. Bankr. P. 3007, the claims set forth on Exhibit C are hereby reclassified as provided in Exhibit C.

4. Omni Agent Solutions, the official claims agent appointed in the Debtors’ chapter 11 cases, is hereby authorized and directed to make such revisions to the official Claims Register as are necessary to reflect the relief granted pursuant to this Order.

5. The Debtors’ objection to each Objectionable Claim addressed in the First Omnibus Objection to Claims constitutes a separate contested matter as contemplated by Fed. R. Bankr. P. 9014. This Order shall be deemed a separate order with respect to each Objectionable Claim. Any stay of the Order pending appeal by any of the Claimants whose Objectionable Claim is 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.

6. This Order is without prejudice to the Debtors' rights to object to, seek subordination or reclassification of, or otherwise contest any claims, including those referenced herein, other than claims allowed pursuant to this Order, on any grounds.

7. This Court shall retain jurisdiction with respect to any and all matters arising from or relating to the implementation or interpretation of this Order.

IT IS SO ORDERED.

Dated: June 11, 2021
New York, New York

/s/ Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge

EXHIBIT A

Duplicative Claims Chart

EXHIBIT A SUPPLEMENTAL CLAIMS

| Claim to be Expunged | | | | | | Surviving Claim | | | | | |
|----------------------|--|------------|-----------|---|-----------------------------|-----------------|--|------------|-----------|---|-----------------------------|
| | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | | Creditor Name | Date Filed | Claim No. | Amount | Nature |
| 1 | Patricia E. Fischer 14-18 113rd Pl College Point, NY 11356 | 11/9/2020 | C724-5 | \$7,255.06 (Priority) | Unpaid Wages | 1 | Patricia E. Fischer 14-18 113rd Pl College Point, NY 11356 | 11/9/2020 | C778-1 | \$7,255.06 (Priority) | Unpaid Wages |
| 2 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C725-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 2 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 3 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C733-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 3 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 4 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C735-3 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 4 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 5 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C732-4 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 5 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |

EXHIBIT A DUPLICATIVE CLAIMS

| Claim to be Expunged | | | | | | Surviving Claim | | | | | |
|----------------------|--|------------|-----------|---|-----------------------------|-----------------|--|------------|-----------|---|-----------------------------|
| | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | | Creditor Name | Date Filed | Claim No. | Amount | Nature |
| 6 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C736-5 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 6 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 7 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C726-5 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 7 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 8 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C728-5 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 8 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 9 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C778-6 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 9 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 10 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C734-6 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 10 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |

EXHIBIT A SUPPLEMENTAL CLAIMS

| Claim to be Expunged | | | | | | Surviving Claim | | | | | |
|----------------------|--|------------|-----------|---|-----------------------------|-----------------|--|------------|-----------|---|-----------------------------|
| | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | | Creditor Name | Date Filed | Claim No. | Amount | Nature |
| 11 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C731-6 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 11 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 12 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C727-8 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 12 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 13 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C729-14 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 13 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 14 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C724-16 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 14 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |
| 15 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C723-23 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 15 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt |

EXHIBIT B

Books and Records Claims Chart

EXHIBIT B BOOKS AND RECORDS

| Claim to be Expunged | | | | | | |
|----------------------|---|------------|-----------|----------------------------|--------------------------------------|--|
| | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | Reason |
| 1 | Department of the Treasury Internal Revenue Service PO Box 7346 Philadelphia, PA 19101-7346 | 8/12/2020 | C729-3 | \$167,548.82 (Priority) | Taxes | Inconsistent with the Company's books and records. |
| 2 | Department of the Treasury Internal Revenue Service PO Box 7346 Philadelphia, PA 19101-7346 | 11/1/2020 | C727-3 | \$203,684.81 (Priority) | Taxes | Inconsistent with the Company's books and records. |
| 3 | Miami Dade County Tax Collector 200 NW 2nd Avenue Miami, FL 33128 Attn: Wendy Montoya wendy.montoya@miamidade.gov | 9/25/2020 | C724-2 | \$16,785.30 (Secured) | Taxes | Inconsistent with the Company's books and records. |
| 4 | NYS Department of Labor State Campus Bldg. 12 Room 256 Albany, NY 12240 Attn: Suzanne Fay | 11/17/2020 | C731-2 | \$80.40 (Priority) | Unemployment Insurance Contributions | Inconsistent with the Company's books and records. |
| 5 | NYS Department of Labor State Campus Bldg. 12 Room 256 Albany, NY 12240 | 11/17/2020 | C735-1 | \$0.00 | Unemployment Insurance Contributions | Inconsistent with the Company's books and records. |
| 6 | NYS Department of Labor State Campus Bldg. 12 Room 256 Albany, NY 12240 | 11/17/2020 | C736-3 | \$0.00 | Unemployment Insurance Contributions | Inconsistent with the Company's books and records. |

EXHIBIT B BOOKS AND RECORDS

| Claim to be Expunged | | | | | | |
|----------------------|---|------------|-----------|---------------------------|--|--|
| | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | Reason |
| 7 | NYS Department of Labor State Campus Bldg. 12 Room 256 Albany, NY 12240 | 3/18/2020 | C778-8 | \$6,804.92 (Priority) | Unemployment Insurance Contributions | Inconsistent with the Company's books and records. |
| 8 | State of Florida – Department of Revenue Frederick F. Rudzik, Esq. PO Box 6668 Tallahassee, FL 32314 Fred.Rudzik@floridarevenue.com | 10/19/2020 | C727-1 | \$24,858.79 (Priority) | Sales and Use Tax | Inconsistent with the Company's books and records. |

EXHIBIT C

Reclassified Claims Chart

EXHIBIT C RECLASSIFIED CLAIMS
 to C Page 9 of 9

| Claim as Filed | | | | | | Proposed Claim Treatment | | | | | |
|----------------|--|------------|-----------|---|---|--|------------|-----------|---|--|--|
| | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | Creditor Name | Date Filed | Claim No. | Claim Amount | Nature | Objection Basis |
| 1 | Amazing Flowers Miami 252 Sunny Isles Blvd #2B Sunny Isles Beach, FL 33160 Attn: Lior Klepach info@amazingflowersmiami.com | 12/7/2020 | C723-18 | \$1,075.93 (Priority) | Goods Sold Prepetition between March and June 2020 | 1 Amazing Flowers Miami 252 Sunny Isles Blvd #2B Sunny Isles Beach, FL 33160 Attn: Lior Klepach info@amazingflowersmiami.com | 12/7/2020 | C723-18 | \$946.95 (General Unsecured) | Goods Sold Prepetition between March and June 2020 | \$946.95 of the claim was asserted as 503(b)(9) and should have been filed as a general unsecured claim. \$128.98 of the claim has been paid. |
| 2 | Capital Floors LLC 649 North Egg Harbor Road Hammonton, NJ 08037 | 1/26/2021 | C729-20 | \$11,788.28 (Administrative Expense Claim) | Balance due work completed prepetition | 2 Capital Floors LLC 649 North Egg Harbor Road Hammonton, NJ 08037 | 1/26/2021 | C729-20 | \$11,788.28 (General Unsecured) | Balance due work completed | Claim was asserted as administrative expense claim and should have been filed as a general unsecured claim. |
| 3 | Freedom Fresh LLC 11001 NW 124th Street Medley, FL 33178 | 2/5/2021 | C723-34 | \$13,499.50 (Administrative Expense Claim) | Goods sold prior to July 27, 2020 | 3 Freedom Fresh LLC 11001 NW 124th Street Medley, FL 33178 | 2/5/2021 | C723-34 | \$13,499.50 (General Unsecured) | Goods sold prior to July 27, 2020 | Claim was asserted as administrative expense claim and should have been filed as a general unsecured claim. |
| 4 | Kramer Beverage Company 161 S. 2nd Road Hammonton, NJ 08087 Attn: Karen Bryant kbryant@kramerbev.com | 12/4/2020 | C729-11 | \$1,178.00 (Priority) | Goods Sold Prepetition between Feb and March 2020 | 4 Kramer Beverage Company 161 S. 2nd Road Hammonton, NJ 08087 Attn: Karen Bryant kbryant@kramerbev.com | 12/4/2020 | C729-11 | \$1,178.00 (General Unsecured) | Goods Sold Prepetition between Feb and March 2020 | Claim was asserted as 503(b)(9) and should have been filed as a general unsecured claim. |
| 5 | Mighty Sun West Inc dba Red Rock Wines 10300 W. Charleston Blvd. Suite 13-A24 Las Vegas, NV 89135 | 1/25/2021 | C726-8 | \$1,628.00 (Administrative Expense Claim) | Prepetition Unpaid Invoices | 5 Mighty Sun West Inc dba Red Rock Wines 10300 W. Charleston Blvd. Suite 13-A24 Las Vegas, NV 89135 | 1/25/2021 | C726-8 | \$1,628.00 (General Unsecured) | Prepetition Unpaid Invoices | Claim was asserted as administrative expense claim and should have been filed as a general unsecured claim. |
| 6 | Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (Priority) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | 6 Sysco Corporation and its Affiliates c/o Darryl Laddin Arnall Golden Gregory LLP 171 17th Street NW, Suite 2100 Atlanta, GA 30363 darryl.laddin@agg.com | 12/15/2020 | C730-2 | \$22,370.61 (General Unsecured) \$371,045.53 (General Unsecured) | Goods Sold/Trade Debt | Portion of the claim was classified as priority and should have filed as general unsecured claim. |
| 7 | Siena Foods PO Box 96333 Las Vegas, NV 89193 | 2/8/2021 | C726-10 | \$19,054.03 (Administrative Expense Claim) | Prepetition Unpaid Invoices | 7 Siena Foods PO Box 96333 Las Vegas, NV 89193 | 2/8/2021 | C726-10 | \$19,054.03 (General Unsecured) | Prepetition Unpaid Invoices | Claim was asserted as administrative expense claim and should have been filed as a general unsecured claim. |