

## Exhibit III-4. Local Rule on Omnibus Objections to Claims

### Delaware Local Bankruptcy Rule 3007-1 Omnibus Objections to Claims

- (a) Scope of Rule. This Local Rule applies to any objection to the allowance of a claim under an omnibus objection (i.e., an objection to claims asserted by more than one claimant) (“Objection”). To the extent of any inconsistency between this Local Rule and Fed. R. Bankr. P. 3007, this Local Rule governs omnibus objections to claims.
- (b) Effect of Rule. In addition to complying with those sections of the Code and those rules of the Fed. R. Bankr. P. generally applicable to an objection to the allowance of a claim, any Objection shall comply with the information and certification requirements listed in Local Rule 3007-1(c)-(f).
- (c) Filed v. Scheduled Claim. If a claim has been scheduled on the debtor's schedules of liabilities and is not listed as disputed, contingent or unliquidated and a proof of claim has not been filed under Fed. R. Bankr. P. 3003, 3004 and/or 3005, the debtor may not object to the claim. Instead, the debtor must amend the schedules under Fed. R. Bankr. P. 1009 and provide notice as required by Local Rule 1009-2.
- (d) Substantive v. Non-Substantive Objections. An Objection is deemed to be on a substantive basis unless it is based on one or more of the following:
  - (i) A duplicate claim; provided, however, that a claim filed against two different debtors is not a duplicate claim unless the cases have been substantively consolidated by order of the Court;
  - (ii) A claim filed in the wrong case;
  - (iii) An amended or superseded claim;
  - (iv) A late filed claim;
  - (v) A claim filed by a shareholder based on ownership of stock; provided, however, that an Objection with respect to a claim filed by a shareholder for damages shall be deemed a substantive Objection;
  - (vi) A claim that does not have a basis in the debtor's books and records and does not include or attach sufficient information or documentation to constitute prima facie evidence of the validity and amount of the claim, as contemplated by Fed. R. Bankr. P. 3001(f); *provided, however*, that if the Court determines that the claim attaches or includes sufficient information or documentation and is otherwise in compliance with applicable rules, then the Objection shall be deemed substantive. Any Objection under this subsection must be supported by an affidavit or declaration that states that affiant or declarant has reviewed the claim and all supporting information and documentation provided therewith, made reasonable efforts to research the claim on the debtor's books and records and believes such documentation does not provide prima facie evidence of the validity and amount of the claim;

- (vii) A claim that is objectionable under 11 U.S.C. § 502(e)(1);
  - (viii) Incorrect classification of a claim; provided, however, that an Objection based on incorrect classification of a claim (A) is separately filed, (B) provides in its title (or otherwise conspicuously states) that substantive rights may be affected by this Objection and by any further Objection that may be filed and (C) otherwise complies with these Local Rules;
  - (ix) A claim that has been satisfied or released during the case in accordance with the Code, applicable rules, or a court order;
  - (x) A claim for priority in an amount that exceeds the maximum amount under 11 U.S.C. § 507 of the Code; and
  - (xi) A claim that asserts an interest in property of the debtor that does not comply with the requirements of Fed. R. Bankr. P. 3001 (c) or (d).
- (e) General Requirements for Objections.
- (i) Objection. Each Objection shall conform to the following requirements:
    - (A) Each Objection shall be filed as either substantive or non-substantive, but not both. A particular claim may be subject to both a substantive and a non-substantive Objection;
    - (B) The title of the Objection shall clearly state whether the Objection is on substantive or non-substantive grounds;
    - (C) Objections shall be numbered consecutively regardless of basis, *i.e.*, 1st Omnibus (duplicate), 2nd Omnibus (amended and superceded); not 1st Omnibus (duplicate), 1st Omnibus (amended and superceded);
    - (D) Exhibit(s) of claims to which the Objection relates, which exhibit(s) shall be consistent with Local Rule 3007-1(e)(iii) and must be attached to the Objection; and
    - (E) The Objection shall also contain a statement by the objector or the objector's counsel that the Objection complies with this Local Rule.
  - (ii) Affidavit or Declaration. If an affidavit or declaration is filed in support of the Objection, it shall state that the information contained in the exhibit is true and correct to the best of the affiant's or declarant's knowledge and belief.
  - (iii) Exhibits.
    - (A) Each exhibit attached to an Objection shall include, at a minimum, the information identified in the following table, with such information entered in the respective boxes as appropriate:

(1) Name of Claimant	(2) Claim Number	(3) Claim Amount	(4) Reason for Disallowance

- (B) Each exhibit shall contain only those claims to which there is one common basis for objection (e.g., exhibit A duplicate claims; exhibit B amended or superseded claims).
- (C) A claim for which there are two or more bases for objection (e.g., a claim that is both duplicative and late filed) shall be referenced on each applicable exhibit.
- (D) Each exhibit shall have the claims listed alphabetically by the last name of the claimant (in the case of an individual) or the name of the entity (in the case of a corporation, partnership, limited liability company, etc.).
- (E) If an Objection seeks to reduce the amount of a claim, a column shall be added between columns (3) and (4) titled "Modified Claim Amount" and column (4) shall be changed from "Reason for Disallowance" to "Reason for Modification."

(1) Name of Claimant	(2) Claim Number	(3) Claim Amount	<b>Modified Claim Amount</b>	(4) Reason for <b>Modification</b>

- (F) If an Objection seeks to change the classification of a claim, two columns shall be added between columns (3) and (4) titled "Claim Classification Status" and "Modified Classification Status" and column (4) shall be changed from "Reason for Disallowance" to "Reason for Reclassification."

(1) Name of Claimant	(2) Claim Number	(3) Claim Amount	<b>Claim Classification Status</b>	<b>Modified Classification Status</b>	(4) Reason for <b>Reclassification</b>

- (G) If an Objection seeks to change the priority of a claim, two columns shall be added between columns (3) and (4) titled "Claim Priority

Status” and “Modified Priority Status” and column (4) shall be changed from "Reason for Disallowance" to “Reason for Modification.”

(1) Name of Claimant	(2) Claim Number	(3) Claim Amount	<b>Claim Priority Status</b>	<b>Modified Priority Status</b>	(4) Reason for Modification

(H) If an Objection seeks to expunge amended or duplicate claims, the title of column (2) shall be changed from “Claim Number” to “Remaining Claim Number” and a column shall be added between columns (2) and (3) titled “Duplicate or Amended Claim to be Expunged.”

(1) Name of Claimant	(2) <b>Remaining Claim Number</b>	<b>Duplicate or Amended Claim to be Expunged</b>	(3) Claim Amount	(4) Reason for Disallowance

(I) If an Objection seeks to expunge late filed claims, a column shall be added between columns (1) and (2) titled “Date Claim Filed.”

(1) Name of Claimant	<b>Date Claim Filed</b>	(2) Claim Number	(3) Claim Amount	(4) Reason for Disallowance

(J) Where the Objection is based on substantive grounds, the exhibit must include a claim-specific declaration in the column titled “Reason for Disallowance” giving sufficient detail as to why the claim should be disallowed. The following are examples of “sufficient detail” necessary to sustain an Objection on a substantive basis:

- (1) If the claim is against a non-debtor entity, then the non-debtor entity must be identified;
- (2) If the claim has been paid or satisfied prepetition (not postpetition), then the check number and the date the check was issued

must be identified. (An objection to a claim on the basis that the claim has been paid or satisfied postpetition is not a valid objection); and

(3) If the claim includes a postpetition claim, then the date the postpetition claim arose must be identified.

(iv) Proofs of Claim. If the Objection is non-substantive, then copies of the proofs of claim need not be provided to the Court, except that proofs of claim relating to an Objection based on Local Rule 3007-1(d)(vi) (i.e., a claim without any supporting documents) shall be provided to the Court as set forth in Local Rule 3007-1(e)(iv)(A)-(C). When the Objection is substantive, a copy of the proofs of claim and all supporting documentation shall be provided to the Court as follows:

(A) Proofs of claim shall be in a binder and separated by tabs;

(B) Proofs of claim shall be in the order as listed in the exhibit(s), with additional tabs indicating to which exhibit the claims relate; and

(C) At least two (2) weeks before the hearing on the Objection, a Notice of Submission of Proofs of Claim is to be filed and delivered to the respective Judge's chambers with copies of the claims (with all attachments) along with the Objection to those claims. The Notice of Submission of Proofs of Claim stating that the claims have been delivered to chambers and that copies can be requested from objector's counsel shall be served upon all parties requesting notice under Fed. R. Bankr. P. 2002.

(v) Notice of Objection to Claim Holder. Each claim holder whose rights are affected by an Objection shall receive a "Notice of Objection to Claim" that shall conform to Local Form 113 or a copy of the Objection.

(f) Requirements Relating to Substantive Objections.

(i) As authorized by Fed. R. Bankr. P. 3007(c), the Court hereby orders that an Objection which is based on substantive grounds may contain more than one but no more than 150 claims, unless the Court orders otherwise.

(ii) No more than two substantive Objections may be filed each calendar month, unless the Court orders otherwise.

(iii) An Objection based on substantive grounds shall include all substantive objections to such claim.

(iv) Fed. R. Bankr. P. 7015 shall apply to any substantive Objection and upon the filing of a response to such substantive Objection, the objector may only amend such Objection upon leave of court or written consent of the claimant; provided, however, that if an Objection to a particular claim is determined to be substantive under Local Rule 3007-1(d)(vi) or the claimant filed a response to an Objection made under Local Rule 3007-1(d)(vi) and the response included supporting documentation or information, then the Objection may be amended without written consent or leave of Court.

- (v) The Court will not consider any substantive Objection to personal injury or wrongful death claims that would be in violation of 28 U.S.C. § 157(b)(2)(B).
- (g) Pro Se. Any claimant may participate pro se (and telephonically) at a hearing on an Objection to his or her claim by following the telephonic appearance procedures located on the Court's website.
- (h) Hearings on Objections. Hearings on Objections may ordinarily be held on the regularly scheduled omnibus hearing dates in Chapter 11 cases, consistent with these Local Rules. When the Court determines that the hearing on a particular claim Objection will require substantial time for the presentation of argument and/or evidence, then the Court, in its discretion, may reschedule the hearing on that claim for a different hearing date and time. The parties may also request that a separate hearing on an Objection(s) based on substantive grounds be separately scheduled for a date and time convenient to the Court and the parties.