SO ORDERED,

Judge Neil P. Olack
United States Bankruptcy Judge
Date Signed: August 29, 2018

The Order of the Court is set forth below. The docket reflects the date entered.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI

IN RE:

PIONEER HEALTH SERVICES OF PATRICK COUNTY, INC.,	**CASE NO. 16-01120-NPO**
DEBTOR.	**CHAPTER 11**

IN RE:

PIONEER HEALTH SERVICES OF CHOCTAW COUNTY, LLC,	**CASE NO. 16-01123-NPO**
DEBTOR.	**CHAPTER 11**

IN RE:

PIONEER HEALTH SERVICES OF ONEIDA, LLC,	**CASE NO. 16-01124-NPO**
DEBTOR.	**CHAPTER 11**

IN RE:

PIONEER HEALTH SERVICES OF MONROE COUNTY, INC.,	**CASE NO. 16-01125-NPO**
DEBTOR.	**CHAPTER 11**

IN RE:

PIONEER HEALTH SERVICES OF EARLY COUNTY, LLC,	**CASE NO. 16-01243-NPO**
DEBTOR.	**CHAPTER 11**

ORDER SUSTAINING OBJECTIONS TO PROOFS OF CLAIM FILED BY MCKESSON MEDICAL-SURGICAL, INC. SEEKING ALLOWANCE OF ADMINISTRATIVE EXPENSES PURSUANT TO 11 U.S.C. § 503(b)(9)

There came on for hearing on August 10, 2018 (the "Hearing"): (1) the objection to the administrative expense claim of McKesson Medical-Surgical, Inc. and its corporate affiliate, Moore Medical LLC (collectively, "McKesson") filed by each of the above-referenced, related debtors and (2) the consolidated response filed by McKesson, as follows: in the bankruptcy case of Pioneer Health Services of Choctaw County, LLC (the "Choctaw Case") (Case No. 16-01123-NPO), the Objection to Claim Number 15 and for Other Relief (the "Objection to POC 15") (Choctaw Case, Dkt. 101) filed by Pioneer Health Services of Choctaw County, LLC ("PHS of Choctaw") and the Consolidated Response to Debtors' Objection to Claim Numbers 15, 44, 49, and 53 (the "Consolidated Response") (Choctaw Case, Dkt. 105) filed by McKesson; in the bankruptcy case of Pioneer Health Services of Oneida, LLC (the "Oneida Case") (Case No. 16-01124-NPO), the Objection to Claim Number 49 and for Other Relief (the "Objection to POC 49") (Oneida Case, Dkt. 107) filed by Pioneer Health Services of Oneida, LLC ("PHS of Oneida") and the Consolidated Response to Debtors' Objection to Claim Numbers 15, 44, 49, and 53 (the "Consolidated Response") (Oneida Case, Dkt. 126) filed by McKesson; in the bankruptcy case of Pioneer Health Services of Monroe County, Inc. (the "Monroe Case") (Case No. 16-01125-NPO), the Objection to Claim Number 53 and for Other Relief (the "Objection to POC 53") (Monroe Case, Dkt. 139) filed by Pioneer Health Services of Monroe County, Inc. ("PHS of Monroe") and

the Consolidated Response to Debtors' Objection to Claim Numbers 15, 44, 49, and 53 (the "Consolidated Response") (Monroe Case, Dkt. 153) filed by McKesson; and in the bankruptcy case of Pioneer Health Services of Early County, LLC (the "Early Case") (Case No. 16-01243-NPO), the Objection to Claim Number 44 and for Other Relief (the "Objection to POC 44") (Early Case, Dkt. 142) filed by Pioneer Health Services of Early County, LLC ("PHS of Early") and the Consolidated Response to Debtors' Objection to Claim Numbers 15, 44, 49, and 53 (the "Consolidated Response") (Early Case, Dkt. 168) filed by McKesson. The Consolidated Response filed by McKesson in each of the above-referenced bankruptcy cases is substantively identical. Although the Consolidated Response that was filed in the Choctaw Case refers to the Objection to POC 15 filed in the Choctaw Case (Choctaw Case, POC 15), it does not appear from the testimony and evidence at the Hearing that McKesson seeks the allowance of an administrative expense under 11 U.S.C. § 503(b)(9) in the Choctaw Case. In numbered paragraph 4 where McKesson outlines its administrative expenses, the Consolidated Response refers to PHS of Oneida, PHS of Monroe, PHS of Early, and Pioneer Health Services of Patrick County, Inc. ("PHS of Patrick") but not PHS of Choctaw. This reference in the Consolidated Response to PHS of Patrick and its bankruptcy (the "Patrick Case") (Case No. 16-01120-NPO) is consistent with the proof of claim filed by McKesson in the Patrick Case (Patrick Case, POC 39). No mention was made at the Hearing of McKesson's apparent misfiling of the Consolidated Response in the Choctaw Case rather than in the Patrick Case. In this Order, the Court will treat the Consolidated Response filed in the Choctaw Case as having been filed by McKesson in the Patrick Case in response to Objection to Claim Number 39 and for Other Relief (the "Objection to POC 39") (Patrick Case, Dkt. 119) filed by PHS of Patrick. *See* FED. R. CIV. P. 15(b) (as made applicable to adversary proceedings by Rule 7015 of the Federal Rules of Bankruptcy Procedure, providing for amendment of the pleadings to

conform to the evidence presented before the Court); *see also* FED. R. BANKR. P. 9014(c) (authorizing court to direct that rules in Part VII apply to contested matters). As with all other objections that McKesson did not oppose, the Objection to POC 15 will be sustained by a separate order entered in the Choctaw Case.

At the Hearing, Craig M. Geno represented PHS of Patrick, PHS of Choctaw, PHS of Oneida, PHS of Monroe, and PHS of Early (together, the "Affiliated Debtors"), Douglas C. Noble represented McKesson, Darryl S. Laddin represented the Official Committee of the Unsecured Creditors, Brian I. Swett represented Capital One National Association, and Robert E. Dozier represented the Internal Revenue Service. The Affiliated Debtors presented the testimony of one witness and introduced six exhibits into evidence at the Hearing. McKesson did not present any testimony or exhibits. Having considered the pleadings as well as the testimony, exhibits, and the arguments of counsel, the Court makes the following findings of fact and conclusions of law pursuant to Federal Rule of Bankruptcy Procedure 7052:[1]

Jurisdiction

The Court has jurisdiction over the parties to and the subject matter of this case pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(B). Notice was proper under the circumstances.

Facts

The Affiliated Debtors operated community hospitals located in Aberdeen, Mississippi; Oneida, Tennessee; Blakely, Georgia; and Stuart, Virginia. Pioneer Health Services, Inc. ("PHS"), located in Magee, Mississippi, is the parent company of the Affiliated Debtors. McKesson is a

[1] Specifically, the Court makes the following findings of fact and conclusions of law pursuant to Federal Rules of Bankruptcy Procedure 9014 and 7052.

distributor of medical supplies and equipment. Beginning in 2002, PHS and the Affiliated Debtors entered into a business arrangement with McKesson for the purchase of medical supplies and equipment on an open account basis. Julie Gieger ("Gieger"), currently PHS's vice-president of finance and its sole remaining employee, testified at the Hearing regarding the course of dealings between the parties. The Affiliated Debtors presented her testimony in an attempt to show that McKesson did not satisfy the "ordinary course of business" requirement for an administrative claim under § 503(b)(9).

Gieger testified that before the bankruptcy filings, she was the comptroller of PHS and was familiar with the payment history of the Affiliated Debtors. With respect to McKesson, the Affiliated Debtors placed orders for medical supplies or equipment with McKesson on an open account basis. Normally, once McKesson accepted the order, it shipped the item to the applicable hospital, and invoiced that hospital. The payment terms on the invoice was "net 35 days," meaning full payment was due within thirty-five (35) days.

According to Gieger, the Affiliated Debtors paid McKesson pursuant to the invoice terms until late 2015, when the Affiliated Debtors began experiencing cash-flow problems and started making late payments. As a result, McKesson declined to accept any new orders from the Affiliated Debtor until payments were made on overdue invoices. As evidence of this change in payment, Gieger testified at the Hearing about emails dated December 18, 2015 through January 20, 2016, to and from McKesson discussing the "hold" status of PHS Patrick's account. For example, in an email dated December 18, 2015, the accounts payable clerk for PHS Patrick asked a McKesson representative, "Can you let me know what we need to get paid to get orders released?" (Aff. Debtors Ex. 2). McKesson responded, "We have got to get you guys back in the 31-45 days range as soon as possible." (Aff. Debtors Ex. 2). In another email dated January 20,

2016, McKesson wrote, "[W]e need a larger payment on this account . . . [o]r I will have to slow the releasing of orders down." (Aff. Debtors Ex. 4). Geiger testified that the other Affiliated Debtors were treated by McKesson in the same way as PHS of Patrick; McKesson refused to process new orders for medical supplies and equipment until payments were made on overdue invoices.

On March 30, 2016, PHS filed a voluntary chapter 11 petition for relief in Case No. 16-01119-NPO (the "PHS Case") (PHS Case, Dkt. 1). On that same date, three of the Affiliated Debtors also filed voluntary chapter 11 petitions for relief, including PHS of Patrick (Patrick Case, Dkt. 1), PHS of Oneida (Oneida Case, Dkt. 1), and PHS of Monroe (Monroe Case, Dkt. 1). The remaining Affiliated Debtor, PHS of Early, filed for chapter 11 relief on April 8, 2016 (Early Case, Dkt. 1). The bankruptcy cases of these Affiliated Debtors have been administratively consolidated into the PHS Case. (PHS Case, Dkt. 44; Patrick Case, Dkt. 45; Oneida Case, Dkt. 39; Monroe Case, Dkt. 41; Early Case, Dkt. 36). These are all liquidating chapter 11 bankruptcy cases. Although the community hospitals operated by the Affiliated Debtors remained in operation at the time of the bankruptcy filings, they either have been sold or closed since then.

McKesson filed a proof of claim in the bankruptcy cases of each of the Affiliated Debtors for "Medical Surgical Goods" supplied pre-petition (the "Medical Supplies") of which McKesson designated $64,305.26 as administrative expenses under 11 U.S.C. § 503(b)(9)[2] accorded priority under § 507(a)(2) (the "Proofs of Claim") (Patrick Case, POC 39; Oneida Case, POC 49; Monroe Case, POC 53; Early Case, POC 44). The Proofs of Claim are substantively identical. In the Attachment to Proof of Claim (the "Attachment") (POCs at 4-7), McKesson explains the basis for

[2] From this point forward, all statutory citations are to the U.S. Bankruptcy Code found at title 11 of the U.S. Code unless otherwise noted.

its administrative claim. According to McKesson, the Affiliated Debtors are alter egos and, therefore, are jointly liable "for Goods received by the [Affiliated Debtors] during the twenty (20) days before the Petition Date." (POCs at 4). At the end of the Attachment is a chart (the "Chart") (Aff. Debtors Ex. 6) itemizing McKesson's administrative and general unsecured claims against each Affiliated Debtor. (Aff. Debtors Ex. 6). With respect only to its administrative claim, the Chart shows the following:

PHS of Patrick	POC 39	$ 5,243.07
PHS of Oneida	POC 49	$27,408.83
PHS of Monroe	POC 53	$20,340.05
PHS of Early	POC 44	$11,313.31

(Aff. Debtors Ex. 6). In the Attachment, McKesson explained why it did not include any invoices in the Proofs of Claim: "McKesson's invoices and other documents substantiating this Proof of claim (collectively, the 'Supporting Documents') are extensive. McKesson believes the [Affiliated] Debtors possess most of the Supporting Documents and other records regarding McKesson's delivery of the Goods that are the subject of this Proof of Claim." (POCs at 5).

On March 27, 2018, the Court entered an order setting May 1, 2018, as the last date, with certain limited exceptions, for any holder of an administrative expense claim under § 503(b) to file a request for payment. (PHS Case, Dkt. 2910). On June 22, 2018, the Affiliated Debtors filed the Objection to POC 39, Objection to POC 49, Objection to POC 53, and Objection to POC 44 (together, the "Objections"), which are substantively identical. In the Objections, the Affiliated Debtors assert that "[t]o the extent McKesson is entitled to a priority claim in this Chapter 11 case, it is limited to the amount of goods sold to this particular [Affiliated] Debtor, and not the entire amount of its alleged priority claim." (Objs. at 2). They specifically deny that they are alter egos of one another and contend that "the attempts by McKesson to assert the entire amount of its priority claim as to [a] particular Debtor (even though it did not sell goods to this Debtor in the

total amount of its priority claim) are improper and objectionable." (*Id.*) In a separate paragraph in the Objections, the Affiliated Debtors also contend that "McKesson does not qualify as a priority claim[ant] under 11 U.S.C. § 503(b)(9) because it cannot comply with all the statutory requisites to be entitled to a priority claim under § 503(b)(9)." (*Id.*).

In the Consolidated Response, McKesson does not address its assertion in the Proofs of Claim that the Affiliated Debtors are jointly liable for the aggregate amount of its administrative claim but points out that the Chart provides an itemization of its administrative claim on a debtor-by-debtor basis for Medical Supplies delivered within twenty days of the filing of their respective bankruptcy petitions. Thus, according to McKesson, it holds four valid claims entitled to administrative priority under § 503(b)(9). Consistent with the Consolidated Response, McKesson abandoned at the Hearing any attempt to hold the Affiliated Debtors jointly liable for the entire amount of its administrative claim.

Discussion

Section 503(b)(9) provides for the allowance of administrative expenses for "the value of any goods received by the debtor within 20 days before the date of commencement of a case under this title in which the goods have been sold to the debtor in the ordinary course of such debtor's business." 11 U.S.C. § 503(b)(9). An additional requirement not expressly set forth in the statute, but imposed by courts, is that the creditor has not been paid for the goods. *See Commissary Operations, Inc. v. Dot Foods, Inc. (In re Commissary Operations, Inc.),* 421 B.R. 873, 878 (Bankr. M.D. Tenn. 2010). The importance to McKesson of holding an administrative expense claim is made clear by § 507(a)(2), which grants such claims second priority status in the distribution of the estate's assets and by § 1129(a)(9)(A), which requires full payment of such claims on the effective date of the plan. The Affiliated Debtors raise two issues for the Court's

determination relevant to all Proofs of Claim, namely, whether the Affiliated Debtors received the Medical Supplies and whether McKesson sold the Medical Supplies in the ordinary course of business. They do not dispute either that McKesson sold "goods" to them within the meaning of § 503(b)(9) or that McKesson was not paid for the goods.

A. Burden of Proof

As noted previously, McKesson asserts its priority status in the Proofs of Claim. A proof of claim filed in accordance with § 502(a) that meets the requirements of Rule 3001 of the Federal Rules of Bankruptcy Procedure ("Rule 3001") and Official Form 410 ("Official Form 410"), the official proof of claim form, constitutes *prima facie* evidence of the validity and amount of that claim pursuant to Rule 3001(f). Specifically, Rule 3001(f) provides that "[a] proof of claim executed and filed in accordance with these rules shall constitute prima facie evidence of the validity and amount of the claim." FED. R. BANKR. P. 3001(f). Under the procedural framework provided by Rule 3001, a timely-filed proof of claim that meets the *prima facie* standard is allowed automatically under § 502(a) absent an objection, and assets of the estate may be distributed based on that claim. *In re Duggins*, 263 B.R. 233, 239 (Bankr. C.D. Ill. 2001). To rebut the presumption, a party in interest who objects must produce evidence that is at least equal in probative force to that offered in the proof of claim. *Gardner v. New Jersey*, 329 U.S. 565, 573 (1947); *Simmons v. Savell* (*In re Simmons)*, 765 F.2d 547, 552 (5th Cir. 1985); *see also In re Cluff*, 313 B.R. 323, 339 (Bankr. D. Utah 2004) (noting that the objecting party must produce counter-evidence and not merely state that the claim should not be allowed). If the party who objects to the proof of claim produces sufficient evidence rebutting the presumption, then the burden of going forward with the evidence shifts back to the claimant who bears the ultimate burden of persuasion to establish the validity and amount of its claim by a preponderance of the evidence. *See In re Pursue Energy*

Corp., 379 B.R. 100, 105 (Bankr. S.D. Miss. 2006); *see also Raleigh v. Ill. Dep't of Revenue*, 530 U.S. 15, 21 (2000) ("[O]ne who asserts a claim is entitled to the burden of proof that normally comes with it.").

The fundamental purpose of the claims allowance process under Rule 3001(f) is to facilitate the efficient, economical resolution of claims allowance disputes without the formalities of an adversary proceeding. *In re Shank*, 315 B.R. 799 (Bankr. N.D. Ga. 2004); *see Section 1102(a)(1) Comm. of Unsecured Creditors v. Interfirst Bank Dallas, N.A., (In re Wood & Locker, Inc.)*, 868 F.2d 139, 142 (5th Cir. 1989) (describing adversary proceedings as "full blown federal lawsuits"). Rule 3001(f) accomplishes that goal by allocating the burden of proof at different stages.

At the Hearing, the parties assumed, without any debate, that the evidentiary presumption afforded by Rule 3001(f) extends not only to the validity and amount of McKesson's unsecured claim (which the Affiliated Debtors do not dispute in the Objections) but also to the priority status asserted by McKesson in the Proofs of Claims. Section 507(a) sets forth, in descending order, ten categories of expense claims that are entitled to priority payment in a bankruptcy case. Among those ten categories, § 507(a)(2) grants second priority to administrative expenses allowed under § 503(b).

Most of the legal arguments by counsel at the Hearing focused on the extent to which the evidence presented by the Affiliated Debtors at the Hearing rebutted the *prima facie* validity of McKesson's § 503(b)(9) claim. *Pursue Energy Corp.*, 379 B.R. at 105. The Affiliated Debtors argued that their evidence shifted the burden of proof onto McKesson to prove all elements of its administrative expense claim, whereas McKesson argued that the Affiliated Debtors' evidence rebutted only the "ordinary course of business" element of its claim. The parties treated this issue

as dispositive because McKesson chose not to offer any evidence of its own at the Hearing but relied solely on the Proofs of Claims to establish its administrative expense claim.

Notwithstanding the parties' assumption to the contrary, most courts have held that the evidentiary presumption under Rule 3001(f) does not extend to the priority status asserted in proofs of claim. *See In re Cardinal Indus., Inc*, 151 B.R. 833, 836 (Bankr. S.D. Ohio 1992) (declining to extend the presumption under Rule 3001(f) to the priority status of administrative expense claims); *In re Visi-Traak, Inc.*, 266 B.R. 372, 374 (Bankr. N.D. Ohio 2001). Section 503(a) provides that "[a]n entity may timely file a request for payment of an administrative expense." 11 U.S.C. § 503(a); *see In re Mansfield Tire & Rubber Co.*, 73 B.R. 735, 739 (Bankr. N.D. Ohio 1987) ("[A] written document, filed with the court, stating the nature and the amount of the claim, and evidencing an intent to hold the estate liable is sufficient to constitute a request for payment under Section 503 of the Bankruptcy Code"). Administrative expense determinations then are governed by § 503(b), where the party seeking such treatment bears the burden of proof by a preponderance of evidence. *See Toma Steel Supply, Inc. v. TransAmerican Nat. Gas Corp. (In re TransAmerican Nat. Gas Corp.)*, 978 F.2d 1409, 1416 (5th Cir. 1992). Unlike proofs of claim filed under § 501(a), which are deemed allowed under § 502(a) absent objection, administrative expense claims are allowed under § 503(b), as determined by the court, only after notice and a hearing.[3] In other words, the determination of an administrative claim requires that the claimant do more than file a proof of claim. The first paragraph of Official Form 410 expressly embraces this view: "Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503."

[3] Under the Bankruptcy Code, the phrase "after notice and a hearing" means "after such notice as is appropriate in the particular circumstances, and such opportunity for a hearing as is appropriate in the particular circumstances." 11 U.S.C. § 102(1)(A).

The Court agrees with those courts that have recognized the distinction between the presumed validity of a properly filed claim through § 502 and Rule 3001(f), and the establishment of an administrative expense claim under § 503(b). *See In re Taranovich*, No. 93-42152, 1994 WL 329429, at *2 (Bankr. S.D. Ga. June 30, 1994). The claims allowance process establishes the existence of debts and the creditor's entitlement to payment but does not determine the order in which those claims are paid from assets of the bankruptcy estate. Instead, the determination of administrative expense is governed by provisions of the Bankruptcy Code independent of § 501, § 502, and Rule 3001(f). "The Rules do not create an evidentiary presumption that properly filed claims are entitled to priority or secured status simply because such status is asserted." *In re Hack*, No. 08-72553, 2009 WL 1392068, at *6 (Bankr. C.D. Ill. May 14, 2009).

Accordingly, the Court finds that although the Proofs of Claim filed by McKesson created an evidentiary presumption as to the validity and amount of McKesson's unsecured claim under Rule 3001(f), they did not create an evidentiary presumption of priority. The proper procedure for presentation of this issue was a request for payment of an administrative expense filed by McKesson pursuant to § 503(b)(9), not a claim objection filed by the Affiliated Debtors. To avoid any additional costs to the parties and given the unusual procedural posture of these matters, the Court will treat the Proofs of Claim as requests for administrative expenses but will impose the same burden of proof that would have been imposed on McKesson if the correct procedure had been followed. The Court, therefore, finds that McKesson had the burden of proving its entitlement to administrative expenses of $64,305.26 under § 503(b)(9), as designated in the Proofs of Claim, without any presumptive validity. The Court next considers whether McKesson has met its burden of proving by a preponderance of the evidence that the Affiliated Debtors

received the Medical Supplies and that it sold the Medical Supplies in the ordinary course of the Affiliated Debtors' business.

B. Did McKesson prove by a preponderance of the evidence that the Affiliated Debtors received the Medical Supplies?

McKesson did not present any evidence of its own at the Hearing. Gieger testified on cross-examination that the Chart introduced into evidence by the Affiliated Debtors reflected the amounts shown on invoices billed to the Affiliated Debtors by McKesson within twenty days of the bankruptcy filings. (Aff. Debtors Ex. 6). Gieger did not testify, however, as to whether the Affiliated Debtors took physical possession of the Medical Supplies. *See* BLACK'S LAW DICTIONARY 1460 (10th ed. 2009) (defining "receive" as "[t]o take . . . ; to come into possession of"); MISS. CODE ANN. § 75-2-103-(1)(c) (defining "receipt" of goods as taking physical possession of them). During the relevant period, Gieger worked as the comptroller of PHS at its headquarters in Magee, Mississippi. It is unlikely she would have personal knowledge of the delivery of any goods to the hospitals operated by the Affiliated Debtors in other cities and/or states. As the custodian of the records of PHS and the Affiliated Debtors, she possibly could have testified about information gleaned from various files regarding the shipment and receipt of the Medical Supplies from McKesson, but she was never asked any such questions at the Hearing.

At the Hearing, counsel for McKesson clearly stated McKesson's position that it intended to rely solely on a *prima facie* presumption to prove that the Affiliated Debtors received the Medical Supplies. McKesson's priority claim fails because it offered no proof at the Hearing that the Affiliated Debtors took physical possession of the Medical Supplies, and proof by a preponderance of the evidence is an essential element of McKesson's administrative expense claim under § 503(b)(9).

C. Did McKesson prove by a preponderance of the evidence that the Medical Supplies were sold in the ordinary course of the Affiliated Debtors' business?

As an additional reason for sustaining the Objections, the Affiliated Debtors argued for the first time at the Hearing that the Medical Supplies were not sold in the ordinary course of their business because of McKesson's unusual collection activities. As authority for their contention, the Affiliated Debtors relied by analogy on the "ordinary course of business" defense to preferential transfers set forth in § 547(c)(2). As discerned by the Court, the precise legal issue raised by the Affiliated Debtors at the Hearing is whether the second prong of the ordinary business exception in § 547(c)(2) is also an element of "ordinary course of business" for purposes of § 503(b)(9). In other words, does the "ordinary course of business" element of § 503(b)(9) require McKesson to show consistency in the payments made by the Affiliated Debtors within the twenty-day period? The parties agree that this issue is one of first impression in all courts.

The Court finds it unnecessary to address this novel issue since it has sustained the Objections on other grounds. Moreover, the issue was not mentioned in either the Objections or the Consolidated Response but was raised for the first time by counsel for the Affiliated Debtors at the Hearing. The Court declines to rule on an issue of first impression when both sides have not had sufficient opportunity to formulate clear and concise legal arguments.

Conclusion

McKesson had the ultimate burden of proving all elements of its § 503(b)(9) claim. Because McKesson failed to present any evidence at the Hearing proving that the Affiliated Debtors received the Medical Supplies, the Objections should be sustained.

IT IS, THEREFORE, ORDERED that the Objections are sustained.

##END OF ORDER##