



Bankruptcy Procedure 8009(a) in connection with their appeal from the *Order Approving, Pursuant to Bankruptcy Rule 9019, Chapter 11 Trustee's Settlement With Assignee of HCHK Entities Under New York Court Assignment Proceedings* (ECF No. 70) (the "Order") by the United States Bankruptcy Court for the District of Connecticut (the "Bankruptcy Court"), and respectfully state as follows:

**DESIGNATION OF THE RECORD ON APPEAL**

Appellants hereby designate the following docket entries from Bankruptcy Case No. 22-50073 (JAM) and Adversary Proceeding No. 23-05013 (JAM):

| <b>Docket Entries from Adversary Proceeding No. 23-05013 (JAM)</b> |                 |  |
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| <b>Item No.</b>  | <b>Dkt. No.</b> | <b>Document</b>  |
| 1.   | 1.              | Complaint of Chapter 11 Trustee for Estate of Ho Wan Kwok Pursuant to Sections 105, 362, 363, 541, 542, 544, and 549 of the Bankruptcy Code Seeking (i) Declaratory Judgment That HCHK Technologies, Inc., HCHK Property Management, Inc., and Lexington Property and Staffing, Inc. are (a) Alter Egos of Debtor; or, (b) in the alternative, an Order That Debtor Equitably Owns Such Entities and/or Their Property; and (ii) Injunctive Relief |
| 2.   | 4.              | Chapter 11 Trustee's Emergency <i>Ex Parte</i> Motion for Temporary Restraining Order and Preliminary Injunction   |
| 3.   | 5.              | Affidavit of Chapter 11 Trustee in Support of Emergency <i>Ex Parte</i> Motion for Temporary Restraining Order and Preliminary Injunction  |
| 4.   | 14.             | Supplemental Emergency <i>Ex Parte</i> Motion for Temporary Restraining Order and Preliminary Injunction   |
| 5.   | 15.             | Affidavit of Chapter 11 Trustee in Support of Supplemental Emergency <i>Ex Parte</i> Motion for Temporary Restraining Order and Preliminary Injunction   |
| 6.   | 16.             | Certification of Douglass E. Barron in Support of Supplemental Emergency <i>Ex Parte</i> Motion for Temporary Restraining Order and Preliminary Injunction   |
| 7.   | 18.             | Order Granting in Part Emergency <i>Ex Parte</i> Motion for Temporary Restraining Order and Preliminary Injunction   |
| 8.   | 25.             | Chapter 11 Trustee's Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings   |
| 9.   | 27.             | Order  |

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| 10. | 37. | Limited Objection of G-News Operations, LLC to Approval of Trustee's Proposed Settlement Agreement with Brian Hoffmeister, Assignee   |
| 11. | 40. | Objection of Shin Hsin Yu, 1332156 B.C. LTD, GWGOPNZ Limited and Japan Himalaya League, Inc. to Chapter 11 Trustee's Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings                                      |
| 12. | 41. | Objection of Joshua I. Sherman to Chapter 11 Trustee's Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings  |
| 13. | 45. | Omnibus Reply of Chapter 11 Trustee (i) in Support of Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings, and (ii) in Response to Objections   |
| 14. | 46. | Response of Brian Hofmeister (in his Capacity as Assignee) to Certain Objections to the Chapter 11 Trustee's Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with the Assignee of the HCHK Entities  |
| 15. | 55. | [Revised Proposed] Order Approving, Pursuant to Bankruptcy Rule 9019, Chapter 11 Trustee's Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings  |
| 16. | 58. | Objection of Shin Hsin Yu, 1332156 B.C. LTD, GWGOPNZ Limited and Japan Himalaya League, Inc. to Chapter 11 Trustee's Revised Proposed Order Approving, Pursuant to Bankruptcy Rule 9019, Chapter 11 Trustee's Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings |
| 17. | 62. | Transcript regarding Hearing Held on July 11, 2023  |
| 18. | 64. | Transcript regarding Hearing Held on July 18, 2023  |
| 19. | 70. | Order Approving, Pursuant to Bankruptcy Rule 9019, Chapter 11 Trustee's Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings   |
| 20. | 80. | Notice of Appeal  |

**Docket Entries from Bankruptcy Case No. 22-50073 (JAM)**

| <b>Item No.</b> | <b>Dkt. No.</b> | <b>Document</b>  |
|-----------------|-----------------|--|
| 21.             | 1977.           | G-Club Operations LLC's Notice RE: Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings |



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| 22. | 1978. | United States Trustee's Limited Objection to Chapter 11 Trustee's Motion Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings   |
| 23. | 2006. | United States Trustee's Supplemental Objection to Chapter 11 Trustee's Revised Proposed Order on Motion Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings                                |
| 24. | 2007. | G-Club Operations LLC's Supplemental Notice to Modify the Revised Proposed Order Relating to Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings |

### **STATEMENT OF ISSUES**

Appellants state the following issues as the issues on appeal:

**Issue 1:** Whether the Bankruptcy Court erred in ordering that, in the event the Release set forth in paragraph 13 of the Order becomes effective, all creditors and/or equity holders of the HCHK Entities<sup>2</sup> shall first be required to seek approval from the Bankruptcy Court prior to asserting any claim in any forum against the Assignee or his professionals where, among other things, the parties required to seek such approval (i) are or include non-parties to the Adversary Proceeding and the Chapter 11 case; (ii) did not consent to the Order; and (iii) received nothing of value pursuant to the Settlement Agreement between the Trustee and the Assignee, and where the claims requiring such approval are claims against non-debtors.

**Issue 2:** Whether the Bankruptcy Court erred in ordering that the Assignee, a fiduciary subject to the supervision and authority of the New York County Supreme Court, "shall transfer" approximately \$39,000,000 of the HCHK Entities' funds to accounts of the Trustee where, among other things, (i) the Bankruptcy Court made no finding that any of the approximately \$39,000,000

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<sup>2</sup> Capitalized terms used but not defined herein have the meanings set forth in the Objection of Shin Hsin Yu, 1332156 B.C. LTD, GWGPNZ Limited and Japan Himalaya League, Inc. to Chapter 11 Trustee's Motion, Pursuant to Bankruptcy Rule 9019, Regarding Settlement with Assignee of HCHK Entities Under New York Court Assignment Proceedings (ECF No. 40).

constitutes property of the Estate that should be administered by the Bankruptcy Court; (ii) no approval was sought or received from the New York State Court for the transfer; and (iii) the Assignee posted no bond in New York or in this Court and did not seek or receive a waiver of the requirement that he post a bond pursuant to section 6 of the New York Debtor & Creditor Law.

**Issue 3:** Whether the Bankruptcy Court erred in ordering that the Assignee, a fiduciary subject to the supervision and authority of the New York County Supreme Court, shall take no position and file no pleadings with respect to the relief sought by the Trustee in (a) the Complaint, (b) the TRO Motion, or (c) any Dispositive Motion filed in the Adversary Proceeding where, among other things, no approval was sought or received from the New York County Supreme Court for the Assignee.

**Issue 4:** Whether the Bankruptcy Court erred in ordering that the Assignee is authorized to continue administering the HCHK Entities under the supervision of the Trustee rather than the New York County Supreme Court where, among other things, the New York Creditor & Debtor Law provides that the Assignee is a fiduciary subject to the supervision and authority of the New York County Supreme Court and where the Trustee has not followed the procedures set forth in sections 327, 328 and 330 of Title 11 of the United States Code; Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure; and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the District of Connecticut for applications to employ professionals, including providing proper notice to all parties in interest.

**Issue 5:** Whether the Bankruptcy Court erred in modifying the *Order Granting in Part Emergency Ex Parte Motion for Temporary Restraining Order and Preliminary Injunction* (Adv. Proc. 23-05013, Dkt. No. 18) (the “TRO”) to permit the Assignee to take certain actions enjoined by the TRO, including permitting the Assignee to seek certain relief from the New York County

Supreme Court, but not simultaneously modifying the TRO with respect to other parties, including but not limited to not modifying the TRO to permit other parties to oppose relief sought by the Assignee or make their own requests for relief, particularly where the New York Creditor & Debtor Law affords the Appellants and other creditors of the HCHK Entities specified rights to protect their interest.

**Issue 6:** Whether the Bankruptcy Court erred in approving “Settlement Payments” to the Assignee and his professionals where, among other things, the New York County Supreme Court may in its discretion award reasonable fees and costs pursuant to section 21 of New York Creditor & Debtor Law and where the Trustee failed to follow the procedures to employ professionals as set forth in sections 327, 328 and 330 of Title 11 of the United States Code; Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure; and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the District of Connecticut for applications to employ professionals, including providing proper notice to all parties in interest.

Dated: Stamford, Connecticut  
August 23, 2023

**HCHK CREDITORS  
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