

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MINNESOTA**

In re: Jointly Administered Under
Case No. 17-30673 (MER)
Gander Mountain Company,
Overton's, Inc., Case No. 17-30673
Case No. 17-30675
Debtors. Chapter 11 Cases

**LIQUIDATING TRUST'S RESPONSE TO AMENDED
MOTION SEEKING ENFORCEMENT OF THE PLAN INJUNCTIONS**

The Gander Mountain Liquidating Trust (the "Trust"),¹ by and through its undersigned counsel, files this response (the "Response") to the amended motion seeking enforcement of the plan injunctions (the "Motion") [Docket No. 1876] filed by David C. Pratt (the "Movant"). In support of this Response, the Trust respectfully states as follows:

BACKGROUND

1. On January 26, 2018, the Court confirmed the Joint Chapter 11 Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors dated October 31, 2017 ("Plan") [Docket No. 1359]. Pursuant to the order confirming the Plan, the liquidating trustee of the Trust was appointed to act as the representative of the estates of the above-captioned debtors (collectively, the "Debtors").

2. On February 8, 2018 (the "Effective Date"), the Court entered the *Notice of Confirmation and Effective Date of Debtors' and Official Committee of Unsecured Creditors' Joint Chapter 11 Plan of Liquidation Dated October 31, 2017* [Doc. No. 1590].

RESPONSE

3. The Trust files this Response to advise the Court and parties in interest of the status of the Trust's efforts to reconcile and compromise the various claims filed against the Debtors' estates by the New York State Department of Taxation & Finance (the "NYSDTF").

4. The Trustee's professionals have engaged in discussions during the past several months with representatives of the NYSDTF and the New York State Office of the Attorney General in an effort to reconcile the tax claims, totaling over \$4 million, that were asserted by the NYSDTF through numerous proofs of claim, as were subsequently amended and superseded during the course of these Chapter 11 cases.

5. The result of these good faith negotiations and exchanges of information between the Trust's professionals and the NYSDTF is an agreement in principle to allow the NYSDTF a priority claim in an amount of less than \$950,000.² The settlement will fully and finally resolve all claims and counterclaims between the NYSDTF and the Debtors' estates. The Trust and the NYSDTF are in the process of preparing a stipulation that will memorialize the parties' agreement and provide for the allowance of the NYSDTF's priority claim.

6. The priority claim to be allowed in favor of the NYSDTF will not be paid upon execution of the stipulation between the parties. Rather, as this Court is aware, the Trust continues to engage in a global claims reconciliation process and intends to make additional distributions to creditors holding allowed claims when the Trust believes it is financially prudent to do so. At such time, the Trust intends to seek authority from the Court to make such additional distributions. Accordingly, the Trust anticipates that the allowed NYSDTF priority claim will be paid if and

² The precise settlement amount is currently being finalized between the parties.

when other holders of allowed priority claims against the Debtors' estates receive distributions generally.

Dated: January 11, 2019

Respectfully Submitted,

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