

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

Brandyn Perryman and Laura Perryman v. Stimwave Technologies Inc., et al.

Perryman v. Stimwave Technologies · No. Civ. No. 24-1320-JLH; Bankruptcy Case No. 22-10541-TMH ·  
Decided March 24, 2026

SUMMARY

The United States District Court for the District of Delaware reviews an appeal by Brandyn Perryman and Laura Perryman from a bankruptcy court order disallowing and expunging claims for unpaid wages, severance, and indemnification. The court concludes that the bankruptcy court provided the pro se appellants substantial procedural latitude, properly handled discovery and evidentiary issues, and correctly shifted the burden of proof after the trustee rebutted the claims’ prima facie validity. The bankruptcy court’s order is affirmed.

CASE DETAILS

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT              | United States District Court for the District of Delaware                                                                                                                                                                                                                                                                                                                                                        |
| JURISDICTION       | United States District Court for the District of Delaware                                                                                                                                                                                                                                                                                                                                                        |
| DECIDED            | March 24, 2026                                                                                                                                                                                                                                                                                                                                                                                                   |
| DOCKET             | Civ. No. 24-1320-JLH; Bankruptcy Case No. 22-10541-TMH                                                                                                                                                                                                                                                                                                                                                           |
| DISPOSITION        | affirmed                                                                                                                                                                                                                                                                                                                                                                                                         |
| PROCEDURAL POSTURE | Appeal from the Bankruptcy Court for the District of Delaware's November 21, 2024 findings of fact and conclusions of law disallowing and expunging Claim No. 54, which sought approximately \$1.2 million in unpaid wages, severance, and indemnification.                                                                                                                                                      |
| STANDARD OF REVIEW | The district court reviews bankruptcy-court factual findings for clear error, legal questions plenary, and mixed questions by accepting historical or narrative facts unless clearly erroneous while reviewing the selection and application of legal principles plenary. Discovery and evidentiary rulings are reviewed for abuse of discretion. Reversal also requires prejudice affecting substantial rights. |
| PRECEDENTIAL VALUE | Unknown                                                                                                                                                                                                                                                                                                                                                                                                          |
| PARTIES            | Brandyn Perryman, Laura Perryman v. Stimwave Technologies Inc., et al., Province, LLC, Liquidating Trustee for the SWTI Liquidating Trust                                                                                                                                                                                                                                                                        |

## TOPICS

proof of claim chapter 11 appellate procedure discovery dispute evidence

## PRACTICE AREAS

bankruptcy appellate procedure evidence civil procedure corporate law employment law

## QUESTIONS PRESENTED

1. Whether the Bankruptcy Court abused its discretion in quashing the subpoena directed to Chase Bank.
2. Whether the Bankruptcy Court abused its discretion in resolving disputes concerning the Trustee's electronic document production and discovery responses.
3. Whether the Bankruptcy Court erred in admitting the Trustee's witness testimony and overruling the Perrymans' hearsay objections.
4. Whether the Bankruptcy Court abused its discretion by permitting reciprocal post-hearing rebuttal declarations.
5. Whether the Bankruptcy Court applied the correct burden-shifting framework and properly disallowed the wage, severance, and indemnification components of Claim No. 54.
6. Whether the Bankruptcy Court improperly restated the Perrymans' compensation under the FLSA or Florida labor law.
7. Whether the Bankruptcy Court denied the pro se appellants a fair hearing or acted with judicial bias.

## HOLDINGS

1. The Bankruptcy Court acted within its discretion in quashing the Chase Bank subpoena because it exceeded Rule 45's territorial limits and the appellants suffered no prejudice because they did not identify any excluded bank-record evidence.
2. The Bankruptcy Court did not abuse its discretion in approving the Trustee's electronic document production or in declining to impose sanctions where the appellants did not move to compel.
3. A properly supported proof of claim is prima facie evidence of validity, but once the objector produces evidence rebutting an essential allegation, the burden returns to the claimant to prove the claim by a preponderance of the evidence; the ultimate burden of persuasion remains with the claimant.
4. The Bankruptcy Court did not clearly err in finding that the Perrymans failed to prove any entitlement to unpaid wages, severance, or indemnification and in disallowing and expunging Claim No. 54.
5. The Bankruptcy Court did not abuse its discretion by permitting reciprocal post-hearing rebuttal declarations where the procedure was disclosed, applied equally, and caused no demonstrated undue prejudice.
6. The appellants failed to show that the Bankruptcy Court denied them a fair hearing or exhibited judicial bias; pro se litigants receive appropriate procedural latitude but remain subject to the same governing rules.

## KEY QUOTATIONS

*“An order allowing or disallowing a claim is a final, appealable order.”* (Section III)

*“The burden of proof for a claim filed in a bankruptcy proceeding “rests on different parties at different times.””* (Section III)

*“A finding of judicial bias requires a showing that the court displayed “a deep-seated favoritism or antagonism that would make fair judgment impossible.””* (Section IV.C.2)

## FACTUAL BACKGROUND

Stimwave Technologies Inc. and related debtors filed chapter 11 cases in 2022 and later transferred substantially all remaining assets to a liquidating trust. Laura Perryman filed Claim No. 54 seeking approximately \$1.2 million for unpaid salary, bonuses, vacation pay, severance, and indemnification, and Brandyn Perryman later became a co-holder by assignment. The Trustee introduced employment agreements, corporate records, payroll and tax information, financial records, and testimony rebutting the claim, while the Perrymans did not produce requested tax records and other supporting materials. The Bankruptcy Court concluded that the claimants failed to prove unpaid wages, severance, or indemnification and disallowed and expunged the claim.

## PROCEDURAL HISTORY

Stimwave Technologies Inc. and affiliates commenced chapter 11 cases in 2022 and later confirmed a liquidating plan. The Liquidating Trustee objected to the Perrymans' wage claim. After discovery, an evidentiary hearing, and post-hearing rebuttal submissions, the Bankruptcy Court entered an order disallowing and expunging Claim No. 54. The Perrymans timely appealed to the District of Delaware, which affirmed the Bankruptcy Court's order.

## DISPOSITION

affirmed

## CASES CITED

- In re Prosser, 388 F. App'x 101, 102 n.1 (3d Cir. 2010)
- Orsini Santos v. Mender, 349 B.R. 762, 768 (1st Cir. BAP 2006)
- In re Millennium Lab Holdings II, LLC, 591 B.R. 559, 570 (D. Del. 2018)
- Mellon Bank, N.A. v. Metro Communications, Inc., 945 F.2d 635, 642 (3d Cir. 1991)
- Universal Minerals, Inc. v. C.A. Hughes & Co., 669 F.2d 98, 101-02 (3d Cir. 1981)
- Zolfo, Cooper & Co. v. Sunbeam-Oster Co., 50 F.3d 253, 257 (3d Cir. 1995)
- In re Combustion Engineering, Inc., 391 F.3d 190, 245 n.66 (3d Cir. 2004)
- In re Allegheny International, Inc., 954 F.2d 167, 173-74 (3d Cir. 1992)
- In re Samson Resources Corp., 569 B.R. 605, 615 (Bankr. D. Del. 2017)
- In re F-Squared Investment Management, LLC, 546 B.R. 538, 543 (Bankr. D. Del. 2016)
- In re New Century TRS Holdings, Inc., 495 B.R. 625, 633 (Bankr. D. Del. 2013)

- In re Insulin Pricing Litigation, No. 3080, 2024 WL 2808083, at \*6, \*10 (D.N.J. May 28, 2024)
- Yan v. Penn State University, 529 F. App'x 167, 170 (3d Cir. 2013)
- AdvanSix Inc. v. Allianz Global Risks US Insurance Co., 2023 U.S. Dist. LEXIS 106263, at \*3-4 (D.N.J. June 20, 2023)
- In re Memorex Telex Corp., 242 B.R. 826, 830 (D. Del. 1999)
- Solomons One, LLC v. Donnelly, No. 15-1057, 2016 WL 1464548, at \*7 (D. Md. Apr. 12, 2016)
- Ziccardi v. City of Philadelphia, 288 F.3d 57, 65 (3d Cir. 2002)
- United States v. Marcavage, 609 F.3d 264, 281 (3d Cir. 2010)
- Bull v. UPS, 665 F.3d 68, 73 (3d Cir. 2012)
- Institutional & Supermarket Equipment, Inc. v. C & S Refrigeration, Inc., 609 So. 2d 66, 68 (Fla. 4th DCA 1992)
- Hamilton Construction Co. v. Board of Public Instruction of Dade County, 65 So. 2d 729 (Fla. 1953)
- Liteky v. United States, 510 U.S. 540, 555 (1994)
- United States v. Grinnell Corp., 384 U.S. 563, 583 (1966)
- Mala v. Crown Bay Marina, Inc., 704 F.3d 239, 244-45 (3d Cir. 2013)

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