

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN**

In the Matter of :

Case No. 16-24179-BEH 11

GREEN BOX NA GREEN BAY, LLC,

Debtor.

**DECLARATION IN SUPPORT OF CLIFFTON EQUITIES, INC'S JOINDER TO
UNITED STATES TRUSTEE'S MOTION TO DISMISS OR CONVERT CASE TO
CHAPTER 7**

Brittany S. Ogden, being first duly sworn according to law, deposes and states:

1. I am an attorney for Cliffton Equities, Inc. ("Cliffton") and I am, therefore, familiar with the facts set forth below.

2. Cliffton's collateral is identified in the Debtor's Schedules. Furthermore, Debtor admitted to being in possession of Cliffton's collateral at the 341 Hearing. Cliffton's collateral is further described as:

- Any tire or pellet liquefaction thermal degradation units purchased from Kool Manufacturing Company using Cliffton loan proceeds, together with all parts and accessories hereafter acquired or received by Grantors and including all Proceeds of the foregoing;
- The pellet processing unit (Serial # RPS91GB001WI12), together with all parts and accessories hereafter acquired or received by Grantors including all related piping and fabrication equipment and all Proceeds of the foregoing;
- Sorting unit equipment including, but not limited to, the following: Mayfran Conveyor 9853016, Action Tapor Slot 1576, Eriez Suspended Magnet 57551, Eriez Eddie Current 57552, Air Classifier 00487- 62, Thrash Exit Conveyor 4732-00, 60" Glass Sort Conveyor N/A, Lights Sort Belt S-36 4200, 19" Fines Belt N/A, 24" Trough Belt N/A, 36" Trough Belt N/A, 24" Trough Belt N/A, 5 Bunker Door Winches Dalton, Bunker Walls, Bins, Perforated Screen, (3) w/stand, Aluminum Can Blower 4532-99, Ferrous Exit Conveyor T-24 4200, REM Fiber Infeed L-60 4200, REM Transition Belt 1-36 4200, Control Panel, Electric Misc: Supports, Structure, Doors, Catwalks, Handrails, Chutes, Floor Plates, Ladders and Guards that are part of the co-mingled system; and

- All raw materials, work-in-process and finished goods of Grantors relating to the use of the equipment.

3. Attorney Michael S. Polsky was appointed as receiver of the Debtor. The Receivership Order also enjoined and restrained the Debtor “from transferring, encumbering or otherwise disposing” any of Green Box’s assets.

4. Debtor removed one of the Kool Manufacturing Units ("Kool Unit, No. 2") from Wisconsin.

5. In light of the Debtor moving Kool Unit, No 2, Clifton obtained an Order of Contempt and Writ of Bodily Attachment against Green Box and its then manager, Ronald H. Van den Heuvel concerning the need to produce information and to return Kool Unit No. 2. A true and correct copy of this Order is attached as Exhibit A.

6. On August 16, 2016, I emailed Green Box, inquiring whether Green Box’s insurance was being renewed and whether that insurance policy will be in effect for Kool Unit, No. 2. A true and correct copy of the August 16 Email is attached as Exhibit B.

7. I sent follow-up emails on August 19, 2016 and August 24, 2016, but received no response.

8. On August 31, 2016, Green Box’s counsel emailed Clifton, attaching three documents. The email provided the following statement:

Attached is the account record from East/West Bank (DIP Accounts) showing the tax escrow for the three months per the Order. Also attached is the Declaration page which is proof of insurance. The insurance has been in force and I’m not sure what you were informed about it.

This statement did not directly address Clifton’s counsel’s earlier inquiries. A true and correct copy of this email is attached as Exhibit C. A true and correct copy of the first attached document is attached as Exhibit D. A true and correct copy of the second attached document,

“Evidence of Commercial Property Insurance”, is attached as Exhibit E. A true and correct copy of the third attached document, “Certificate of Liability Insurance”, is attached as Exhibit F.

9. On September 2, 2016, I emailed Green Box’s counsel, explaining that his previous email and attached documents did not address whether Clifton’s collateral is covered, especially with regards to that equipment moved out of state. I requested additional information on this issue. After receiving no response, I requested this information a second time, on September 8, 2016. A true and correct copy of this email chain is attached as Exhibit G.

Dated this 16th day of September, 2016.

/s/ Brittany S. Ogden
Brittany S. Ogden

ABILITY INSURANCE COMPANY
DR. MARCO ARAUJO
CLIFFTON EQUITIES, INC., and
WISCONSIN ECONOMIC DEVELOPMENT CORPORATION

Plaintiffs,

**AUTHENTICATED COPY
FILED**

v.

MAR 22 2016

Case No. 15-CV-769

GREEN BOX NA GREEN BAY, LLC,

**CLERK OF COURTS
BROWN COUNTY, WI**

Defendant.

ORDER OF CONTEMPT AND WRIT OF BODILY ATTACHMENT

Upon a hearing in the above matter coming on to be heard on February 22, 2016, and appearances of the parties being noted on the record, and in consideration of all pleadings filed and arguments presented; and

WHEREAS, on June 2, 2015, the Court entered an Order Appointing Receiver, Enjoining Creditors from Proceedings Against Green Box NA Green Bay, LLC and Granting Other Relief (the "Receiver Order") on June 2, 2015.

WHEREAS, pursuant to Paragraph 4 of the Receiver Order, Green Box NA Green Bay, LLC, its members, agents, partners, officers and employees were enjoined and restrained from transferring, encumbering or otherwise disposing of any assets of Green Box NA Green Bay, LLC;

WHEREAS, on January 29, 2016, Plaintiff, Clifton Equities, Inc., filed its Motion for Contempt (Clifton's Contempt Motion"); it is

ORDERED and ADJUDGED that:

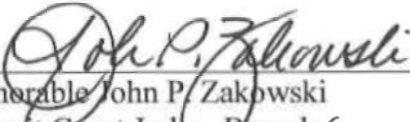
1. The Defendant, Green Box NA Green Bay, and its managing member, Ronald H. Van den Heuvel, are in civil contempt of this Court for violating Paragraph 4 of the Receiver Order by transferring, encumbering and otherwise disposing of the assets of receivership estate of Green Box NA Green Bay, LLC and the secured interests of Clifton Equities, Inc., including one (1) GB Kool Unit, No. 2, also identified by serial numbers 8TKM0630NG03 and 8TKM111414NGO4 (the "2nd Kool Unit"); and

2. Ronald H. Van den Heuvel may purge the contempt as against Clifton by, within thirty (30) days from February 22, 2016, the effective date of this Order, by:

- a) Returning the 2nd Kool Unit to Green Bay, WI and securing the possession of the 2nd Kool Unit to the Receiver; or
- b) by posting a bond in the sum of \$650,000 for the value of the 2nd Kool Unit.

3. **Upon failure by Green Box NA Green Bay, LLC and Ronald H. Van den Heuvel to comply with the terms of paragraph 2 above, Clifton may file with the Court an Affidavit of Noncompliance and providing notice of same to the Defendant Green Box NA Green Bay, LLC and Ronald H. Van den Heuvel by email to Ronald H. Van den Heuvel, and by copying the Receiver and all parties to this action. Upon the filing of an Affidavit of Noncompliance, the Court shall issue an Order of Contempt and Writ of Bodily Attachment to the Brown County Sherriff's Office and upon receipt of the Order of Contempt and Writ of Bodily Attachment, the Brown County Sheriff's Office or any other law enforcement agency able to locate Ronald H. Van den Heuvel shall immediately take Ronald H. Van den Heuvel into custody; and Ronald H. Van den Heuvel shall be brought before the Court within 24 hours of being taken into custody to address said failure to comply with this Order.**

4. DONE AND ORDERED in Green Bay, Brown County, Wisconsin, on this 18
day of March, 2016.


Honorable John P. Zakowski
Circuit Court Judge, Branch 6

From: Ogden, Brittany S. (MAD x2457)
Sent: Tuesday, August 16, 2016 10:26 AM
To: 'PSwanson@oshkoshlawyers.com'
Subject: Green Box--Insurance Renewal [QBLLP-ACTIVE.FID36212019]
Attachments: Certificate of Liability Insurance0001.pdf

Good Morning, Paul.

It is my understanding that Green Box's insurance is coming due. Please see the attached certificate.

Please confirm that this is being renewed and insurance is and will be in place.

Thank you,
Brittany



Brittany Ogden / Partner

Brittany.Ogden@quarles.com / [LinkedIn](#) [BIO](#) [vCard](#)

33 East Main Street, Suite 900 / Madison, WI 53703-3095

Office 608-283-2457 / quarles.com

Assistant Tracy Christianson 608-283-2652

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From: Paul Swanson [PSwanson@oshkoshlawyers.com]
Sent: Wednesday, August 31, 2016 2:04 PM
To: mmm@lcojlaw.com; Ogden, Brittany S. (MAD x2457); Ginsberg, Amy (USTP)
Cc: EKolasinski@pcfibretech.com; ssmith@glenarborpartners.com
Subject: Adequate Protection/Tax Escrow and Proof of Insurance
Attachments: The attached is a screen shot of the Real Estate Escrow Account for Gree....docx; EOP Green Box NA Green Bay LLC.PDF; COI Office of the United States Trustee.pdf

Michelle, Brittany & Amy,

Attached is the account record from East/West Bank (DIP Accounts) showing the tax escrow for the three months per the Order. Also attached is the Declaration page which is proof of insurance. The insurance has been in force and I'm not sure what you were informed about it.

Talk to you at 3:30.

Sincerely,

Paul G. Swanson
Attorney at Law



107 Church Avenue
P.O. Box 617
Oshkosh, WI 54903-0617
Tel. 920.235.6690
Fax. 920.426.5530
E-Mail: pswanson@oshkoshlawyers.com

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To the extent the preceding message contains advice relating to a Federal tax issue, unless expressly stated otherwise, the advice cannot be used by the recipient, or any other taxpayer, for the purpose of avoiding Federal tax penalties, and was not written to support the promotion or marketing of any transaction or matter discussed herein.

The attached is a screen shot of the Real Estate Escrow Account for Green Box NA Green Bay at EASTWEST Bank.
Account # [REDACTED].

Balance includes:

JUNE	\$10,247
JULY	\$10,247
AUGUST	\$10,247
Other	\$ 208
Total	\$30,949

Account Balances

All Accounts

[Change widget settings](#)

Checking	Action	Accessible Balance
Green Box NA Green Bay L	Account Action Menu	\$30,949.00 As of 08/31/2016 11:43

ACORD™ EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY)
08/30/2016

THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

PRODUCER NAME, CONTACT PERSON AND ADDRESS P&C Chicago Mesirow Insurance Services 353 N. Clark Street Chicago, IL 60654		PHONE (A/C. No. Ext): 312 595-6200	COMPANY NAME AND ADDRESS Zurich American Insurance Company 1400 American Lane Schaumburg, IL 60196		NAIC NO: XXXXXXXXXX
FAX (A/C. No.): E-MAIL ADDRESS: dschuster@mesirowfinancial.com		IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH			
CODE: AGENCY CUSTOMER ID #: 95599		SUB CODE:		POLICY TYPE	
NAMED INSURED AND ADDRESS Green Box NA Green Bay, LLC 2077-A Lawrence Dr De Pere, WI 54115-9106		LOAN NUMBER		POLICY NUMBER XXXXXXXXXX	
ADDITIONAL NAMED INSURED(S)		EFFECTIVE DATE 04/15/2016	EXPIRATION DATE 04/15/2017	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED	
		THIS REPLACES PRIOR EVIDENCE DATED:			

PROPERTY INFORMATION (Use REMARKS on Page 2, if more space is required) BUILDING OR BUSINESS PERSONAL PROPERTY

LOCATION/DESCRIPTION
2107 American Blvd De Pere, WI 54115

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION PERILS INSURED BASIC BROAD SPECIAL

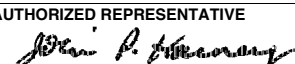
COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: **\$ 42,850,000** DED: **5,000**

	YES	NO	N/A	
<input checked="" type="checkbox"/> BUSINESS INCOME <input type="checkbox"/> RENTAL VALUE	<input checked="" type="checkbox"/>			If YES, LIMIT: 10,000,000 Actual Loss Sustained; # of months
BLANKET COVERAGE	<input checked="" type="checkbox"/>			If YES, indicate value(s) reported on property identified above: \$ 15,300,000
TERRORISM COVERAGE	<input checked="" type="checkbox"/>			Attach Disclosure Notice / DEC
IS THERE A TERRORISM-SPECIFIC EXCLUSION?		<input checked="" type="checkbox"/>		
IS DOMESTIC TERRORISM EXCLUDED?		<input checked="" type="checkbox"/>		
LIMITED FUNGUS COVERAGE		<input checked="" type="checkbox"/>		If YES, LIMIT: DED:
FUNGUS EXCLUSION (IF "YES", specify organization's form used)	<input checked="" type="checkbox"/>			
REPLACEMENT COST	<input checked="" type="checkbox"/>			
AGREED VALUE	<input checked="" type="checkbox"/>			
COINSURANCE		<input checked="" type="checkbox"/>		If Yes, %
EQUIPMENT BREAKDOWN (If Applicable)	<input checked="" type="checkbox"/>			If YES, LIMIT: DED:
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg	<input checked="" type="checkbox"/>			If YES, LIMIT: INCLUDED DED:
- Demolition Costs	<input checked="" type="checkbox"/>			If YES, LIMIT: INCLUDED DED:
- Incr. Cost of Construction	<input checked="" type="checkbox"/>			If YES, LIMIT: INCLUDED DED:
EARTH MOVEMENT (If Applicable)	<input checked="" type="checkbox"/>			If YES, LIMIT: 500000 DED: 25,000
FLOOD (If Applicable)	<input checked="" type="checkbox"/>			If YES, LIMIT: 500000 DED: 25,000
WIND/HAIL (If Subject to Different Provisions)	<input checked="" type="checkbox"/>			If YES, LIMIT: DED:
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS				

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

<input type="checkbox"/> MORTGAGEE <input type="checkbox"/> LENDERS LOSS PAYABLE	<input type="checkbox"/> CONTRACT OF SALE	LENDER SERVICING AGENT NAME AND ADDRESS
NAME AND ADDRESS		AUTHORIZED REPRESENTATIVE 

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 8/30/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: P&C Chicago, Mesirow Insurance Services, 353 N. Clark Street, Chicago, IL 60654. CONTACT NAME: Deb Jones, PHONE: 312 595-6200, FAX: 312 595-8169, E-MAIL ADDRESS: inscerts@mesirowfinancial.com. INSURER(S) AFFORDING COVERAGE: INSURER A: Zurich American Insurance Compa, INSURER B: American Guarantee & Liability.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSR, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, and Workers Compensation and Employers' Liability.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER: Office of the United States Trustee, 517 E Wisconsin Ave, Suite 430, Milwaukee, WI 53202. CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: [Signature]

This page has been left blank intentionally.

From: Ogden, Brittany S. (MAD x2457)
Sent: Thursday, September 08, 2016 3:27 PM
To: Ogden, Brittany S. (MAD x2457); 'Paul Swanson'; mmm@lcojlaw.com; Ginsberg, Amy (USTP)
Subject: RE: Adequate Protection/Tax Escrow and Proof of Insurance [QBLLP-ACTIVE.FID36212019]

Good Afternoon, Paul.

I am just following up on my email to you last Friday. Could you please provide the requested information and documentation that supports the insurance coverage?

Thank you,
Brittany

From: Ogden, Brittany S. (MAD x2457)
Sent: Friday, September 02, 2016 11:53 AM
To: 'Paul Swanson'; mmm@lcojlaw.com; Ginsberg, Amy (USTP)
Subject: RE: Adequate Protection/Tax Escrow and Proof of Insurance [QBLLP-ACTIVE.FID36212019]

Good Morning, Paul.

Thank you for providing this insurance documentation. However, I do not see how it specifically addresses that Cliffton's equipment and shows that the collateral is in fact covered, especially with regard to equipment that has been moved out of state. Could you please provide me with this additional information that supports this conclusion. As pointed out in my previous correspondence on this issue (see emails including the insurance certificate sent to you on August 16 and August 24), the previous insurance documentation provided by the Debtor showed that Cliffton was covered --but did not address the collateral being outside of Green Box's possession. It also showed the insurance expiring this month.

Thank you,
Brittany



Brittany Ogden / Partner
Brittany.Ogden@quarles.com / [LinkedIn](#) [BIO](#) [vCard](#)
33 East Main Street, Suite 900 / Madison, WI 53703-3095
Office 608-283-2457 / quarles.com
Assistant Tracy Christianson 608-283-2652

From: Paul Swanson [<mailto:PSwanson@oshkoshlawyers.com>]
Sent: Wednesday, August 31, 2016 2:04 PM
To: mmm@lcojlaw.com; Ogden, Brittany S. (MAD x2457); Ginsberg, Amy (USTP)
Cc: EKolasinski@pcfibretech.com; ssmith@glenarborpartners.com
Subject: Adequate Protection/Tax Escrow and Proof of Insurance

Michelle, Brittany & Amy,

Attached is the account record from East/West Bank (DIP Accounts) showing the tax escrow for the three months per the Order. Also attached is the Declaration page which is proof of insurance. The insurance has been in force and I'm not sure what you were informed about it.

Talk to you at 3:30.

Sincerely,

Paul G. Swanson
Attorney at Law



107 Church Avenue

P.O. Box 617

Oshkosh, WI 54903-0617

Tel. 920.235.6690

Fax. 920.426.5530

E-Mail: pswanson@oshkoshlawyers.com

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