



THE FOLLOWING ORDER
IS APPROVED AND ENTERED
AS THE ORDER OF THIS COURT:

DATED: December 23, 2016

A handwritten signature in black ink, appearing to read "Beth E. Hanan".

Beth E. Hanan
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN
Court Minutes and Order

CHAPTER: 11
DATE: December 22, 2016
JUDGE: Beth E. Hanan
CASE NO.: 16-24179
DEBTOR: Green Box NA Green Bay, LLC
NATURE OF HEARING: (1) Approval of the debtor's second amended disclosure statement; (2) Clifton Equities, Inc.'s Motion for Relief from Stay; and (3) Little Rapids Corporation's Application for Administrative Expenses
APPEARANCES: Paul Swanson, appearing for the debtor-in-possession
Ed Kolasinski, COO of the debtor
Amy Ginsberg, staff attorney for the United States Trustee
Michelle McKinnon, for Ability Insurance Company
Brittany Ogden, for Clifton Equities, Inc.
Brian Thill, for Wisconsin Economic Development Corporation
Carla Andres, for Little Rapids Corporation
Jonathan Smies, for Crossgate Partners, LLC and Advanced Resources Materials, LLC
Angela Dodd, for the Securities and Exchange Commission
COURTROOM DEPUTY: Betsy Skibicki
LAW CLERK: Meaghan Burnett

Approval of the debtor's second amended disclosure statement: The court held a hearing on approval of the debtor's second amended disclosure statement filed on December 1, 2016. The Securities and Exchange Commission, Ability Insurance Company, and Quotient Partners, LLC filed objections. On December 21, the debtor filed a third amended plan and disclosure statement in an attempt to address those objections.

At the hearing, Mr. Swanson represented that he had spoken with counsel for Quotient Partners, who had agreed to withdraw its objection in light of the debtor's third amended disclosure statement. Ms. McKinnon also confirmed that the third

amended disclosure statement resolved her objection, with one exception related to adequate protection payments that Mr. Swanson agreed he would address.

Ms. Dodd asserted that the third-party injunction in the plan still rendered the plan unconfirmable, and therefore the disclosure statement could not be approved. Mr. Swanson argued that the propriety of the injunction was a matter for confirmation that would require testimony. The court agreed with Mr. Swanson and overruled the SEC's objection to the disclosure statement on that basis. The court will consider any arguments regarding the permissibility of the injunction, and any related testimony, at the confirmation hearing. A briefing schedule for those objections was modified, as described below.

In light of the new disclosures regarding the surrender of the Kool units and pyrolysis equipment, Mr. Thill requested that the disclosure statement include information about the value of the "add-on" equipment that is not being surrendered to the secured creditors. Mr. Swanson estimated that the equipment, which includes pipes, a compressor, and tanks that store resin and oil, would be worth approximately \$15,000 as scrap, based on the opinion of Mr. Kolasinski. The court directed Mr. Swanson to include that value estimation in the disclosure statement.

Ms. Ginsberg raised questions about the adequacy of information concerning the replacement pyrolysis equipment that would be purchased and used in lieu of the surrendered Kool units, as well as an agreement between the debtor and Cargill regarding equipment in Cedar Rapids that would be incorporated into the roll-up. Despite these newly-raised issues, the court concluded that the disclosure statement contained adequate information under 11 U.S.C. section 1125, and therefore conditionally approved the third amended disclosure statement, subject to a few agreed-upon revisions. Specifically, Mr. Swanson confirmed that the debtor will make the following revisions to the third amended disclosure statement and plan:

1. Revise a number/amount regarding the treatment of Quotient Partners' claim, as requested by counsel for Quotient;
2. Clarify that adequate protection payments will continue until the roll-up, as requested by counsel for Ability;
3. Include the claims bar date;
4. Include the approximate value of piping and parts/accessories being retained after the surrender of the Kool units, as requested by counsel for WEDC; and
5. Incorporate the terms of a pending stipulation with Little Rapids, which will be filed no later than December 27, 2016.

The court ordered Mr. Swanson to file a revised third amended disclosure statement and plan with the court by December 27, 2016, along with a proposed order, with sufficient time for the court to review the documents and provide final approval to the disclosure statement by the end of the day.

The court modified the case's scheduling order as follows:

December 27, 2016	Deadline for debtor to file revised third amended disclosure statement and plan, as well as proposed order approving the disclosure statement; and Mailing of approved disclosure statement, plan, and ballots (once final approval is granted)
December 30, 2016	Deadline to make section 1111(b) election
January 17, 2017	Ballots due
January 24, 2017	Report on ballots due; and Deadline to file objections to confirmation of revised third amended plan
January 27, 2017	Deadline to file responses to objections to confirmation of revised third amended plan
January 30, 2017, at 10:00 a.m.	Confirmation hearing on debtor's revised third amended chapter 11 plan

Clifton Equities, Inc.'s Motion for Relief from Stay: Mr. Swanson and Ms. Ogden informed the court that they had reached an agreement in principle to resolve the motion, and intended to file a final stipulation in short order providing for the surrender of the Kool units to Clifton and Crossgate/ARM. The court will await the parties' stipulation, and will continue the automatic stay as to Clifton pending entry of the final order on the motion.

Little Rapids Corporation's Application for Administrative Expenses: Mr. Swanson and Ms. Andres informed the court that they had reached an agreement to resolve the matter, and would file a stipulation with the court by Tuesday, December 27, 2016.

An electronic recording of the hearing can be found on the docket.

It is so ordered.

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