



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

DATED: November 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: November 21, 2016
JUDGE: Beth E. Hanan
CASE NO.: 16-24179
DEBTOR: Green Box NA Green Bay, LLC
NATURE OF HEARING: Approval of the debtor's amended disclosure statement
APPEARANCES: Paul Swanson, appearing for the debtor-in-possession
Stephen Smith, manager of the debtor
Ed Kolasinski, COO of the debtor
Amy Ginsberg, staff attorney for the United States Trustee
Michelle McKinnon, appearing for Ability Insurance Company
Brittany Ogden, appearing for Clifton Equities, Inc.
Brian Thill, appearing for Wisconsin Economic Development Corporation
Carla Andres, appearing for Little Rapids Corporation
Jonathan Smies, appearing for Crossgate Partners, LLC and Advanced Resources Materials, LLC
Angela Dodd, appearing for the Securities and Exchange Commission
COURTROOM DEPUTY: Betsy Skibicki
LAW CLERK: Nicholas G. Chmurski

The court held a hearing on approval of the debtor's amended disclosure statement filed on November 9, 2016. The Securities and Exchange Commission, Ability Insurance Company, Wisconsin Economic Development Corporation, Clifton Equities, Little Rapids Corporation, Advanced Resources Materials, LLC and Crossgate Partners LLC, as well as the United States trustee filed objections.

Mr. Smith and Mr. Kolasinski testified, and were cross-examined by opposing counsel. The court admitted Exhibit 1 of Ability, a chart graphically depicting some aspects of the debtor's proposed plan.

Mr. Swanson stated that the debtor would further amend the disclosure statement and plan to address some of the objections. Namely, Mr. Swanson confirmed that the debtor would amend the disclosure statement and plan to address:

- (1) the absolute priority rule as it related to the timing of equity interest holders receiving distributions from the NewCo's operations, *see* 11 U.S.C. section 1129(b)(2)(B);
- (2) the release and injunction provisions as they relate to non-debtor parties so as to harmonize with Seventh Circuit precedent, *see In re Airadigm Comm. Inc.*, 519 F.3d 640 (7th Cir. 2008); *In re Ingersoll, Inc.*, 562 F.3d 856 (7th Cir. 2009);
- (3) Brown County's real estate tax claim;
- (4) the assumptions and bases behind the figures provided in the disclosure statement as it relates to the debtor's liquidation analysis and the NewCo's *pro forma* projections;
- (5) the line items the preliminary financing is intended to fund, and the bases that form the likelihood of obtaining that financing;
- (6) the nature of Patriot Tissue's on-going production efforts;
- (7) the superseding indictment of Ron Van Den Heuvel filed on September 20, 2016;
- (8) Wisconsin Insurance Solution LLC's judgment against the debtor;
- (9) the type, necessity, ownership, value, and any patent applications or licenses in association with the pertinent intellectual property to be used by the NewCo;
- (10) the conditions precedent to the debtor obtaining project financing;
- (11) WEDC's general security agreement in relation to the debtor's property;
- (12) any transactions with insiders that are contemplated in the NewCo project roll up;
- (13) the debtor's role and structure in the NewCo; and
- (14) what will occur in the event that project financing is not achieved by the date contemplated by the debtor, March 31, 2017.

Ms. Dodd expressly reserved the SEC's right to maintain its objection to plan confirmation on the basis that the debtor is actually liquidating its assets and therefore should not receive a discharge. *See* 11 U.S.C. § 1141(d)(3)(A).

The court stated that it would address any potential issue relating to non-disclosure of materials or the need to file certain documents under seal as the issue arises.

The court declined to approve the debtor's amended disclosure statement and modified the case's scheduling order as follows:

December 1, 2016	Deadline for debtor to provide additional requested documentation, as noted on the record, to parties in interest
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December 5, 2016	Deadline to file second amended disclosure statement and plan
December 12, 2016	Deadline to file objections to the second amended disclosure statement
December 22, 2016, at 1:00 p.m.	Hearing on approval of debtor's second amended disclosure statement
December 23, 2016	Mailing of approved disclosure statement, plan, and ballots
Within 7 days from the date that the court approves the disclosure statement	Deadline to make section 1111(b) election
January 13, 2017	Ballots due
January 20, 2017	Report on ballots due; and Deadline to file objections to confirmation of second amended plan
January 25, 2017	Deadline to file responses to objections to confirmation of second amended plan
January 30, 2017, at 10:00 a.m.	Confirmation hearing on debtor's second amended chapter 11 plan

The court stated that parties may appear by telephone at the December 22 hearing on approval of the debtor's second amended disclosure statement, so long as they did not intend to introduce evidence or question witnesses.

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

It is so ordered.

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