

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN

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In Re:

GREEN BOX NA GREEN BAY, LLC,  
  
Debtor.

Case No. 16-24179

Chapter 11

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**DEBTOR'S OBJECTION TO LITTLE RAPIDS CORPORATION'S MOTION  
FOR (1) ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM  
AND (2) ABANDONMENT PURSUANT TO §§ 503(b)(1) AND 554(b) OF THE  
BANKRUPTCY CODE**

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NOW COMES the Debtor, Green Box NA Green Bay, LLC, by its attorneys, Steinhilber Swanson LLP, by Paul G. Swanson, and hereby objects to Little Rapids Corporation's Motion for (1) Allowance and Payment of Administrative Expense Claim and (2) Abandonment Pursuant to §§ 503(b)(1) and 554(b) of the Bankruptcy Code (the "Motion") and asks the Court to set a hearing on the matter. As grounds for such Objection, the Debtor asserts as follows:

1. As stated in the Motion, the Lease was terminated between Little Rapids Corporation (the "Movant") and the Debtor on April 25, 2016 by the receiver, Michael Polsky. Thereafter, the pre-petition Debtor remained in possession of the premises, notwithstanding such termination and, through a related entity, provided warehousing service to various sub-tenants and, upon information and belief, the Movant. Such warehousing services had a substantial value to Movant.
2. After the termination of the Lease, only a portion of the total warehousing space was

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used by the Debtor and related entities to store property of the Debtor and related entities. The value of the storage for the area used has been tentatively negotiated as between the Debtor and Movant's management. Additionally, services rendered to the remaining tenants who, upon information and belief, have been paying rent directly to Movant, have been negotiated between Movant's management and the Debtor. The amounts tentatively agreed are substantially less than what is being claimed as an administrative expense by Movant in its Motion.

3. After the termination of the Lease, and given the fact that Movant has taken over any of the Debtor's subleases of the premises and, presumably, is collecting rent on those subleases, the remaining space used by the Debtor is on a negotiated or *quantum meruit* basis going forward and the amount claimed as an administrative expense after the date of the filing of the Petition herein for such space is unreasonable, excessive and not what was tentatively agreed. Additionally, credits need to be given against the amount ultimately determined to be the fair value of the rental for the space used by the Debtor on a post-petition basis for material handling and the warehousing services provided for by Debtor's related entities during the same period.
4. The Debtor and its related entities are storing valuable assets in Movant's warehouse and these assets have not been abandoned, bur rather, will be used in the "roll up" of both the Debtor's assets and the assets of related entities into NewCo, as has been described to the Court and the parties herein. As such, they are substantial and have value to the Debtor and should not be abandoned or compelled to be abandoned, as they are worth significantly more in the "roll up" than they would be if sold for scrap,

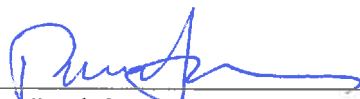
which is, presumably, what Movant would be required to do in order to clear the space by forcibly disposing of the property stored therein.

5. Third parties may have rights in the collateral and if an abandonment is requested, they are proper parties to the Motion. Among those parties is Marco Araujo, a creditor who holds a security interest in the sorting units stored on Movant's premises. Movant's attorney law firm also represents Marco Araujo and, therefore, has a conflict of interest in seeking the relief claimed as to the abandonment.

WHEREFORE, the Debtor requests the Court set this matter for a hearing and determine the proper and correct amount due and owing as administrative rent to Movant, order the same to be paid in full satisfaction of the Chapter 11 administrative expense claim, and allow the Debtor a reasonable time to remove the balance of the equipment from the premises to be secured for its intended use in NewCo.

Dated: November 23, 2016.

STEINHILBER SWANSON LLP  
Attorneys for the Debtor

By:   
Paul G. Swanson