



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

DATED: October 19, 2016

Beth E. Hanan  
United States Bankruptcy Judge

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

CHAPTER: 11  
DATE: October 19, 2016  
JUDGE: Beth E. Hanan  
CASE NO.: 16-24179  
DEBTOR: Green Box NA Green Bay, LLC  
NATURE OF HEARING: Approval of the debtor's 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  
Mary Kay McSherry, auditor for the office of the United States Trustee  
Vince Morelli, auditor for the office of 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 telephonically for the Securities and Exchange Commission  
COURTROOM DEPUTY: Betsy Skibicki  
LAW CLERK: Nicholas G. Chmurski

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The court held a hearing on approval of the debtor's disclosure statement in accordance with the scheduling order it issued on September 1. The court denied the United States trustee's motion to dismiss, joined by several creditors, on October 15. On October 18, Ability, Crossgate Partners and Advanced Resource Materials (ARM), as well as the United States trustee, Clifton Equities, Little Rapids, and Wisconsin

Economic Development Corporation (WEDC) objected to approval of the disclosure statement. WEDC also filed a motion to extend the time to make its section 1111(b) election, as well as a motion to shorten the notice period for that motion.

The court first addressed WEDC's motions. Mr. Swanson stated that the debtor did not object to either the motion to extend the time to make the section 1111(b) election, or the motion to shorten the notice period. Mr. Swanson further explained that the debtor would need to amend its disclosure statement and plan. Mr. Thill agreed that WEDC's motion was moot based on Mr. Swanson's proffer. The court inquired whether it should set a deadline to make the election in its forthcoming scheduling order. All parties agreed that course was sensible.

Mr. Swanson next elaborated on his remarks relating to the disclosure statement and plan. Mr. Swanson explained that recent negotiations and developments relating to the Securities and Exchange Commission necessitate the debtor amending its disclosure statement and plan. Mr. Swanson stated that he had not had the opportunity to review the objections to the debtor's disclosure statement, but would consult with the objecting parties in the debtor's preparation of its amended disclosure statement. Additionally, Mr. Swanson requested that the court set a deadline for objections to the disclosure statement so that the debtor might address the objections and negotiate with creditors in advance of the next disclosure statement hearing.

Ms. Ginsberg reiterated the United States trustee's concern regarding the disclosure of pertinent financial information relating to the debtor's attempts to secure funding as well as the NewCo's future operations. Mr. Swanson explained that the financial information sought is not the debtor's and is still being completed. Mr. Swanson noted, however, that the debtor would provide additional information to the objecting parties and was hopeful some type of middle ground could be reached. The court explained that if the parties do not feel that the debtor's amended disclosure statement contains adequate information they can object according to the timetable set below, and at the hearing the debtor can explain the legal basis for not disclosing the information.

The court briefly cited a few issues it saw with the disclosure statement. The court noted that Patriot's operating status should be clarified; the entity that is in possession of the intellectual property, Pcfiber, should be identified; the language relating to the third-party release and injunction, if retained, should be in italics, bolded, or underlined per Fed. R. Bankr. P. 3016(c); language should clarify that the debtor has already obtained FDA approval; and inconsistent language about whether or not classes are impaired needs to be fixed. The court noted that these issues were in addition to the majority of the issues raised by the objecting parties.

Based on the forgoing, the court declined to approve the debtor's disclosure statement and modified its September 1, 2016, scheduling order as follows:

November 8, 2016	Deadline to file an amended disclosure statement and plan
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November 16, 2016	Deadline to file objections to the disclosure statement
November 19, 2016	Deadline to file proofs of claim
November 21, 2016, at 10:00 a.m.	Hearing on approval of debtor's amended disclosure statement
Within 7 days from the date that the court approves the disclosure statement	Deadline to make section 1111(b) election
January 13, 2017	Deadline to file objections to plan confirmation
January 18, 2017, at 10:00 a.m.	Confirmation hearing on debtor's amended chapter 11 plan

The court will set new deadlines relating to the mailing of the disclosure statement, plan, and ballots, as well as for balloting, and reporting on the ballots, at the November 21 disclosure statement hearing.

Mr. Swanson should promptly send notice to all parties-in-interest of the November 19, 2016, claims bar date.

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

**It is so ordered.**

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