

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO

IN RE:)	
)	
GROWER’S ORGANIC, LLC)	Case No. 15-19683-EEB
)	
)	Chapter 11
EIN: 02-0745679)	
)	
Debtor.)	

**DISCLOSURE STATEMENT TO ACCOMPANY
JOINT PLAN OF REORGANIZATION DATED MAY 30, 2017**

This Disclosure Statement has been prepared by Grower’s Organic (“Debtor”) to accompany the Joint Plan of Reorganization filed by the Debtor (the “Plan”), attached hereto as Exhibit A. The Plan may be amended prior to confirmation. This Disclosure Statement is being provided to all creditors and interest holders of the Debtor. This Disclosure Statement is subject to final approval pursuant to 11 U.S.C. § 1125 by the United States Bankruptcy Court for the District of Colorado as containing adequate information to enable creditors and interest holders to determine whether to accept the Debtor’s Plan. The Court’s approval of this Disclosure Statement does not constitute a decision on the merits of the Plan. Issues related to the merits of the Plan and its confirmation will be the subject of a confirmation hearing, which is scheduled for _____, 2017 AT _:__ .M. at the United States Custom House, Courtroom F, 721 19th Street, Denver, Colorado 80202.

THIS DISCLOSURE STATEMENT HAS BEEN NEITHER APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION. THE COMMISSION HAS SIMILARLY NOT REVIEWED THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT.

The Plan of Reorganization is the governing document or contract with creditors once it is confirmed by the Court. In the event of any inconsistencies between the Plan and this Disclosure Statement, the Plan supersedes the Disclosure Statement and will be the sole court-approved document that governs the post-confirmation relationship and agreements between the parties.

This Disclosure Statement is provided to you along with a copy of the Debtor's Plan and a Ballot to be used for voting on the Plan. Please complete the Ballot according to the instructions contained on the Ballot if you intend to vote for or against the Debtor's Plan. Each creditor or interest holder entitled to vote on the Plan may vote on the Plan by completing the enclosed Ballot and returning it to counsel for the Debtor at the address below:

Lee M. Kutner
Keri L. Riley
Kutner Brinen, P.C.
1660 Lincoln St.
Suite 1850
Denver, CO 80264

This Ballot must be received by Kutner Brinen, P.C. no later than **5:00 p.m. on _____, 2017** which is the date set by the Court as the last day to vote on the Plan. Terms contained in this Disclosure Statement, which are defined in the Plan, have the same meaning as set forth in the definitional section of the Plan, Article II.

Recommendation. As discussed more fully below, the Debtor firmly believes that the Plan represents the best alternative for providing the maximum value for creditors. The Plan provides creditors with a distribution on their Claims in an amount greater than any other potential known option available to the Debtor through exit financing in the form of a combination of debentures and the sale of newly issued equity in the Debtor.

Voting Requirements. Pursuant to the Bankruptcy Code, only Classes of Claims or Interests that are "impaired" under the Plan are entitled to vote to accept or reject the Plan. Classes of Claims and Interests that are not impaired are not entitled to vote and are deemed to have accepted the Plan. Voting on the Plan shall be pursuant to the provisions of the Bankruptcy Code and the Bankruptcy Rules, and a Class shall have accepted the Plan if the Plan is accepted by at least two-thirds in amount and more than one-half in number of the Allowed Claims of such Class actually voting.

Voting Classes. Each holder of an Allowed Claim in Classes 2 through 4 shall be entitled to vote to accept or reject the Plan.

Deemed Acceptance of Plan. Unimpaired classes are conclusively presumed to accept the Plan pursuant to Section 1126(f) of the Bankruptcy Code.

Deemed Rejection of Plan. Classes that receive and retain nothing under the Plan are deemed to reject the Plan pursuant to Section 1126(g) of the Bankruptcy Code.

One Vote Per Holder. If a holder of a Claim holds more than one Claim in any one Class, all Claims of such holder in such Class shall be aggregated and deemed to be one Claim for purposes of determining the number of Claims voting for or against the Plan.

I. CHAPTER 11 AND PLAN CONFIRMATION

Chapter 11 of the United States Bankruptcy Code is designed to allow for the rehabilitation and reorganization of financially troubled entities or individuals. Chapter 11 allows the debtor to retain its assets during the administration of the Chapter 11 case as debtor-in-possession. Following confirmation of the Plan, Chapter 11 allows the debtor to retain its assets as a reorganized debtor or as otherwise provided in the Plan. If the Plan is approved by the Court, the Plan is the permanent restructuring of the debtor's financial obligations. The Plan also provides a means through which the debtor will restructure or repay its obligations.

The Plan divides creditors into classes of similarly situated creditors. All creditors of the same Class are treated in a similar fashion. All interests are also classified and treated alike. Each Class of creditors or interest holders is either impaired or unimpaired under the Plan. A Class is unimpaired if the Plan leaves unaltered the legal, equitable and contractual rights to which each creditor in the Class is entitled or if the Plan provides for the cure of a default and reinstatement of the maturity date of the claim as it existed prior to default.

The Plan provides that Claims and Interests of all Classes shall be allowed only if such Claims are either: (a) evidenced by a timely filed Proof of Claim or Interest; or (b) appear in the Schedules filed by the Debtor and are not scheduled as disputed, contingent or unliquidated, unless subsequently allowed by the Court. Creditors may check as to whether or not their Claims are scheduled as disputed, contingent or unliquidated by reviewing the Schedules and the amendments thereto filed by the Debtor in the Bankruptcy Court for the District of Colorado. Alternatively, creditors may contact counsel for the Debtor directly in order to determine how their claim was scheduled.

Chapter 11 does not require that each holder of a Claim or Interest vote in favor of the Plan in order for the Court to confirm the Plan. The Plan, however, must be accepted by at least

one impaired Class of Claims by a majority in number and two-thirds in amount, without including insider acceptance of those Claims of such Class actually voting on the Plan. Assuming one impaired Class votes to accept the Plan, the Plan may be confirmed over its rejection by other Classes if the Court finds that the Plan does not discriminate unfairly and is fair and equitable with respect to each Class of Claims that is impaired under and has not accepted the Plan.

If all Classes of Claims and Interests vote to accept the Plan, the Court may confirm the Plan. Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation. Among other things, Section 1129 requires that the Plan be in the best interest of the holders of Claims and Interests and be feasible through a showing that confirmation will not be followed by the need for further financial reorganization of the Debtor.

II. OVERVIEW OF THE PLAN AND MEANS OF EXECUTION

The Plan divides creditors and interest holders into the following six (6) Classes. Treatment of each of the Classes is discussed in greater detail below and in the Plan. The following table summarizes the Classes, whether or not each such Class is impaired, and, to the extent determinable, the treatment of each Class.

<u>CLASS</u>	<u>IMPAIRMENT</u>	<u>TREATMENT</u>
Class 1 – Allowed Unsecured Claims Pursuant to 11 U.S.C. § 507(a)(4) and 507(a)(5)	Unimpaired	Paid in full on the Effective Date of the Plan
Class 2 – Allowed Secured Claim held by J.P. Morgan Chase bank, N.A.	Impaired	The Class 2 Claim will be amortized over ten (10) years at 4% interest, with a balloon payment after five (5) years. Payments will be made in equal monthly installments beginning on the Effective Date of the Plan.
Class 3 – Allowed Secured Claim of Colorado Lending Source	Impaired	Class 3's lien will continue in the cooler held by Green Earth Services, LLC; the Class 3 Claim will be allowed in the amount of \$22,000 or such other amount as agreed by the parties or determined by the Court. The Claim will bear interest at 7% per annum, and will be paid in equal monthly installments over five years beginning on the Effective Date of

		the Plan.
Class 4 – Allowed Claims held by unsecured creditors	Impaired	The Class 4 Claims shall receive 20% of their Allowed Claims in semi-annual distributions over 5 years, beginning the first full month after the Effective Date and continuing every 6 months thereafter. Claims of statutory insiders will receive equity interests in lieu of a monetary distribution.
Class 5 – Interests in the Debtor	Impaired	All Class 5 Interest Holders will retain their interest in the Debtor on the Effective Date. The Debtor will also issue new equity interests to the electing Note Holders and statutory insiders.

III. BACKGROUND AND EVENTS LEADING TO CHAPTER 11 FILING

The Debtor was formed in 2005 by managing member Brian Freeman, and is a limited liability company that owns and operates a wholesale organic food distributor in Denver, Colorado. The majority of the Debtor's revenues are from the sale of organic produce and food products to retailers and restaurants. After its genesis in 2005, the Debtor operated successfully for a number of years, growing in size and volume, eventually growing its business to approximately \$14 million in yearly gross sales.

In an effort to continue expanding its business and to reduce transportation costs, in 2012, the Debtor formed GO Transportation ("GOT") as a separate limited liability corporation to provide interstate transportation services for the needs of the Debtor. GOT used hauling services to transport produce, meat, and beverages sold by the Debtor to retailers and restaurants. GOT was ultimately unable to sustain its operations, and the Debtor was forced to financially support GOT until it ceased operations in August 2015.

In addition to the financial strain from GOT's ongoing losses, the Debtor also had numerous personnel issues on a pre-petition basis. In addition to employees taking advantage of compensation and incentive programs, the Debtor also had a number of issues with accountants improperly keeping its books, resulting in the Debtor and GOT showing profits, but in fact experiencing significant losses. As a result of the Debtor's ongoing personnel issues, and the

Debtor's continuous financial support of GOT, the Debtor filed its voluntary petition pursuant to Chapter 11 of the Bankruptcy Code on August 28, 2015 in an effort to reorganize.

IV. SIGNIFICANT EVENTS DURING THE CHAPTER 11 CASE

The Debtor has complied with all requirements of the Bankruptcy Code and of the Office of the U.S. Trustee, including attending the Initial Debtor Interview and its Meeting of Creditors, and the filing of monthly operating reports. The Debtor also worked extensively on improving its operations and increasing its revenues. As a result of the Debtor's efforts, the Debtor has improved its business from posting net operating losses of approximately \$11,004 in September 2015, the month after filing the case, to net operating revenue of approximately \$11,468 in the month of March 2017.

A. Identification and Payment of Pre-Petition Claims Arising Under the PACA

During the Chapter 11 case, the Debtor established procedures to identify and pay pre-petition claims arising under the Perishable Agricultural Commodities Act [7 U.S.C. § 499a *et seq.*] ("PACA"). Pursuant to the PACA, a statutory non-segregated floating trust is created over all perishable agricultural commodities received by a dealer, and extends to the cash proceeds from the sale of such commodities, as well as any assets purchased with such funds ("PACA Trust"). While the PACA provides the sellers of agricultural commodities automatic trust rights, such rights expire after thirty (30) days unless the seller properly preserves its rights to the benefits of the PACA. The Debtor filed its Motion for Entry of Order Establishing Procedures for the Identification and Payment of Claims Arising Under the Perishable Agricultural Commodities Act ("PACA Motion") on November 3, 2015 in order to identify those creditors who properly preserved their trust rights under the PACA, and to determine the nature and amount of the claims. The PACA Motion further sought authorization for the Debtor to pay the valid pre-petition PACA claims against the Debtor and for the Debtor to exercise its setoff rights against any pre-petition PACA creditors against whom the Debtor also had a valid PACA claim.

On December 8, 2015, United Natural Foods d/b/a Albert's Organics ("Albert's Organics") filed an Objection to Motion to Establish Procedures for Administering PACA Trust Claims. In order to resolve the Objection, the Debtor entered into a Stipulation Regarding Treatment of Claim Held by Albert's Organics Arising Under the Perishable Agricultural Commodities Act ("Stipulation") on December 30, 2015. The Stipulation was approved by the Court on December 30, 2015.

Following the Court's approval of the Stipulation, the Court entered an Order Granting Debtor's Motion for Entry of Order Establishing Procedure for the Identification and Payment of Claims Arising Under the Perishable Agricultural Commodities Act ("PACA Order") on January 8, 2016. Pursuant to the PACA Order, the Debtor filed its Report of Creditors Holding Valid Pre-Petition Claims Arising Under the Perishable Agricultural Commodities Act ("Preliminary Report") on January 14, 2016, which included a list of proposed setoff rights to be exercised by the Debtor. Following the Preliminary Report, creditors had 20 days to object to the characterization and amount of their claims or to any setoff rights exercised by the Debtor. The Amended Final Report of Creditors Holding Valid Pre-Petition Claims Arising Under the Perishable Agricultural Commodities Act on was filed on September 12, 2016.

B. Complaint Against Melonhead, LLC.

Debtor filed a Complaint against Melonhead, LLC d/b/a Mile High Organics ("Melonhead") and Michael Joseph on June 3, 2016 for violation of the PACA as a result of unpaid invoices. The Complaint alleges that a default judgment ("Judgment") entered against Melonhead by the Secretary of Agriculture to remit payment of perishable agricultural commodities in the amount of \$56,354.53, and asserts claims against Melonhead and Michael Joseph ("Joseph") for violation of PACA, unlawful disposition of PACA trust assets by a corporate official, civil theft pursuant to C.R.S. § 18-4-401, and unjust enrichment. Melonhead and Joseph filed an Answer on September 8, 2016 and subsequently obtained relief from stay to reopen the proceeding and challenge the Judgment before the Secretary of Agriculture. The Debtor is currently in the process of finalizing a settlement with Melonhead and Joseph in the amount of \$57,500.

C. Motions of United States Trustee to Convert This Chapter 11 Case

On October 1, 2015, the United States Trustee ("UST") filed a Motion to Convert This Chapter 11 Case Pursuant to 11 U.S.C. § 1112(b) as a result of a lapse in insurance coverage with respect to certain trucks owned by the Debtor. The Debtor was able to obtain coverage on the trucks and provide proof of the same to the UST, following which the UST orally withdrew his Motion to Convert at the Chapter 11 Status and Scheduling Conference on October 5, 2015.

On June 8, 2016, the Trustee filed a second Motion to Convert This Chapter 11 Case Pursuant to 11 U.S.C. § 1112(b) as a result of the appearance of negative cash flows on the Debtor's monthly operating reports, and the lack of a proposed Chapter 11 Plan. The Debtor

filed its Response in Objection to United States Trustee's Motion to Convert This Chapter 11 Case Pursuant to 11 U.S.C. § 1112(b). The Debtor filed a Stipulated Motion to Hold Pending Matter in Abeyance on July 20, 2016, seeking to hold further litigation on the second Motion to Convert in abeyance through and including September 18, 2016.

D. Joint Plan of Reorganization Dated October 20, 2016

On October 20, 2016, the Debtor filed its Joint Plan of Reorganization Dated October 20, 2016 ("Joint Plan"). Pursuant to the Joint Plan, the Debtor intended to sell newly issued equity to Future Venture Capital ("FVC") to generate refinancing proceeds in the amount of \$1,350,000, and was expected to closed on the refinance on or about December 9, 2016. On November 17, 2016, the Debtor filed its Summary of Voting Results, indicating that each class had voted to accept the Plan or was deemed to have accepted the Plan. The Court entered an Order Confirming Joint Plan of Reorganization Dated October 20, 2016 on November 21, 2016 ("Confirmation Order"). Following the entry of the Confirmation Order, FVC withdrew as a result of the need to complete a protracted and lengthy audit, resulting in an inability to fund the Plan by the required deadline and an inability to extend the deadline as far as needed. On December 5, 2016, the Debtor filed a Motion to Extend Debtor's Funding Date Pursuant to Joint Plan of Reorganization. Following a hearing on the Motion to Extend the Funding Date, the Court entered a Minute Order denying the Motion. The Debtor sent out a Notice Regarding Joint Plan of Reorganization Dated October 20, 2016 on February 10, 2017, advising creditors that the Joint Plan had not become effective.

E. Motion to Approve Post-Petition Financing and Pay Pre-Petition Claims Arising Under the Perishable Agricultural Commodities Act

On May 26, 2017, the Debtor filed a Motion to Approve Post-Petition Financing and Pay Pre-Petition Claims Arising Under the Perishable Agricultural Commodities Act ("Financing Motion"). Pursuant to the Financing Motion, the Debtor sought authorization to enter into a post-petition loan with the Holders of a Promissory Note (the "Note Holders") in the amount of up to \$1,252,500 (the "DIP Loan"). In exchange for the DIP Loan, the Note Holders will receive a first-position lien on all unencumbered assets, and a junior lien on all assets subject to a secured interest. To the extent any amount of the DIP Loan remains unsecured, the Note Holders will receive a super-priority administrative claim. The Debtor has further sought authorization to pay the pre-petition PACA Claims in full with the loan proceeds to allow the Debtor to proceed

to Plan Confirmation with a feasible Plan in an expeditious manner. The Motion to Approve Post-Petition Financing and Pay Pre-Petition Claims Arising Under the Perishable Agricultural Commodities Act is currently pending before the Court.

V. DESCRIPTION OF ASSETS

The scheduled value of the Debtor's assets, as of the Petition Date (unless otherwise indicated), is set forth in the following chart.

<u>Asset</u>	<u>Estimated Value</u>
Cash on Hand and in Debtor-in-Possession Account (as of March 31, 2017)	\$75,015
Deposit held by Landlord	\$25,000.00
Common Shares in Green Chef (212,000 shares)	\$100,000.00
Pre-Petition Accounts Receivable (Uncollectible)	\$46,731.00
Post-Petition Accounts Receivable (as of March 31, 2017)	\$345,843
Claim against Melonhead, LLC d/b/a Mile High Organics for default on lease of cooler	\$164,214.32
Amount owed to Grower's Organic by GO Transportation (uncollectible)	\$716,000.00
Claim Pursuant to the PACA Against Melonhead, LLC d/b/a Mile High Organics	\$57,500
Copyright for Grower's Organic, LLC	\$1,000.00
CoFresh2Go Website	\$1,000.00
Software (Peachtree Quantum, FF2Go Delivery Software, Database Software, Fresh Software)	\$92,482.50
Licensure (PACA License, Egg License, Colorado Business License, and Wholesaler's License)	\$0.00
Vehicles (2006 Prius, Hino truck, 2009 Dodge Sprinter #1, 2009 Dodge Sprinter #2, 2001 Kenworth, 2007 Ford)	\$64,000.00
Office Equipment and Computers	\$72,983.74
Machinery and Equipment	\$204,506.81
Industrial Cooler	\$22,000.00
Organic produce, juices, meats, etc.	\$41,889.35
Total	\$2,030,166

The Debtor's primary assets consist of personal property used to operate its organic produce business, including vehicles, office equipment and computers, software, machinery, and several industrial coolers. The Debtor's inventory consists of organic produce, juices, and meats, which are items that fluctuate daily. The Debtor does not own any real property. The Debtor's value of the assets reflects the replacement value of the Debtor's assets, and does not reflect the liquidation value which will be much less. In a Chapter 7 liquidation, the Debtor anticipates that its inventory would either be reclaimed by the post-petition suppliers, or would spoil before it could be sold, significantly decreasing its value.

The Debtor's machinery, equipment, fixtures, and office furnishings are approximately 10 years old and would likely sell for approximately 30% of the replacement value reflected in the Debtor's schedules. The Debtor's vehicles are also approximately 10 years old and are all high mileage vehicles that would similarly sell for approximately 30% of the value listed above. The Debtor's remaining fixed assets, including its website, copyright, and software, and all highly customized to the Debtor, and cannot be effectively sold or transferred to another party. The value of the Debtor's pre-petition accounts receivable was subsequently determined to be inaccurate and uncollectible. The Debtor's claim against GO Transportation is similarly uncollectible, as GO Transportation filed a voluntary petition for relief pursuant to Chapter 7 of the Bankruptcy Code on September 18, 2015. On January 10, 2017, the Chapter 7 Trustee issued a Report of No Distribution in the case.

The Debtor is pursuing its claim against Melonhead and Michael Joseph for violations of the PACA in Adversary Proceeding No. 16-01215-EEB ("PACA Collection Action"). The Debtor is in the process of finalizing a settlement with Melonhead and Michael Joseph that will fully resolve all issues related to the PACA Collection Action, and result in an anticipated settlement payment of \$57,500.

The Debtor also attempted to sell its shares of Green Chef, Inc. (“Green Chef”) pursuant to the Fifth Interim Cash Collateral Order, however the Debtor has been unable to do so. The Debtor owns the beneficial interest of 212,000 shares of Green Chef through Melonhead Holdings, LLC (“Holding Company”). The interests are reflected as a 1 to 1 shares to membership interest in Holding Company. The Debtor’s membership interest amounts to a 0.71% interests in Holding Company, and is subject to cancellation in the event that the Debtor transfers such interest without prior written authorization. Holding Company has refused to give such authorization, effectively eliminating the value of the Debtor’s interest.

The Debtor also has a claim against Green Chef and Green Earth Services, Inc. (“Green Earth”) for turnover of property of the estate and violation of the automatic stay as a result of the actions taken by Green Chef and Green Earth to illegally remove an industrial cooler owned by the Debtor and leased to Green Chef. Green Chef contracted with Green Earth for the removal of the cooler, the process of which caused significant damage to the cooler. Green Earth has further asserted a mechanic’s lien against the cooler and refuses to return the cooler to the Debtor. Colorado Lending Source has a purchase money security interest in the cooler and asserts an interest in the claims held by the Debtor related to the cooler.

The Debtor does have potential avoidance actions against Scott and Joe Freeman for potential preferential transfers in the amount of \$66,451.63. Recovery on the claims would require significant legal expenditures, and would irreparably damage Freeman’s relationship with his family. The Debtor does not intend to pursue such claims at this time.

VI. DESCRIPTION OF LIABILITIES

A. Priority Claims

1. Priority Claims

Priority Claims are defined in the Plan as any pre-petition Claim entitled to a priority in payment under § 507(a) of the Code, excluding any Administrative Claim or Tax Claim. Section 507(a) of the Code includes but is not limited to claims for: domestic support obligations owed on the date of filing; wages, salaries, or commissions, including vacation, sick leave, or severance pay owing to employees; and sales commissions earned by an individual within 180 days prior to filing the petition. 11 U.S.C. § 507(a)(1)-(4) (2016). The Debtor has paid all pre-petition wage claims pursuant to the Order Authorizing (A) Payment of Prepetition Employee

Wages, and Salaries; and (B) Payment of All Costs and Expenses Incident to the Foregoing Payments entered on September 4, 2015 (Docket No. 21).

2. Administrative Claims

Administrative Claims are those Claims for payments of administrative expenses of the kind specified in § 503(b) or § 1114(e)(2) of the Bankruptcy Code and are entitled to priority pursuant to § 507(a)(2) of the Bankruptcy Code, including but not limited to: the actual, necessary costs and expenses of preserving the estate; payment of professional fees; fees payable to the trustee; and all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a final order of the Bankruptcy Court. The Administrative Claims include the Professional Fees incurred during the case which remain unpaid, including fees and costs for Kutner Brinen, P.C. (“KB”).

3. Claims held by Note Holders. Pursuant to the Financing Motion, the Note Holders extended a post-petition loan to the Debtor in the amount of up to \$1,252,500 (the “DIP Loan”) in exchange for a first-priority lien on all unencumbered assets held by the Debtor, and a junior lien on all assets subject to a prior lien. To the extent the Note Holders are undersecured by the value of the Debtor’s assets, the Note Holders have a superpriority administrative expense claim. The Note Holders will have the option to convert their claims to debentures or equity in the Debtor pursuant to the Plan.

4. Tax Claims

Tax Claims are any Claim of a governmental unit for taxes entitled to priority pursuant to 11 U.S.C. § 507(a)(8). The Debtor has a tax claim in the amount of \$9,345.91¹ owed to the Adams County Treasurer, and a tax claim in the amount of \$4,680 owed to the Internal Revenue Service.

B. Secured Claims

1. Class 2, Secured Claim of J.P. Morgan Chase Bank, N.A. (“Chase”). Chase has a secured interest in substantially all of the Debtor’s assets, including its equipment, inventory, and accounts. Chase’s interest in the Debtor’s perishable agricultural commodities inventory, and any accounts receivable or cash proceeds from the sale of such inventory is

¹ The Adams County Treasurer filed Proof of Claim No. 36-2 asserting a claim in the amount of \$15,006.68, which includes amount owed for 2016 personal property taxes. The Debtor has paid all 2016 personal property taxes as assessed, and therefore believes the claim will be reduced to the amount owed for 2014 personal property taxes.

subordinated to the post-petition claims of PACA Creditors pursuant to 7 U.S.C. § 499e, which creates a floating, non-segregated, statutory trust for the benefit of PACA Creditors on such assets. The Debtor has scheduled Chase with a secured interest in the amount of \$30,312, and believes that Chase is fully secured by the value of the Debtor's equipment.

3. Class 3, Secured Claim of Colorado Lending Source, Ltd. ("CLS"). CLS has purchase money security interest in an industrial cooler owned by the Debtor and leased to Green Chef, Inc. on a pre-petition basis. The Cooler is the basis for the claim against Green Chef and Green Earth, which is described more fully above. The Debtor scheduled Colorado Lending Source with a claim in the amount of \$143,712, and believes that Colorado Lending Source is significantly undersecured by the value of the Cooler.

C. Non-Priority Unsecured Creditors

The Debtor has a number of unsecured pre-petition creditors which comprise Class 4. The Debtor has compiled a list of the claims scheduled in the bankruptcy case and the proofs of claim filed by creditors. To the extent that a creditor who was scheduled by the Debtor filed a proof of claim, the amount of the claim as filed by the creditor is considered in the Class 4 analysis. The schedule of known creditors in Class 4 is attached hereto as Exhibit B. As set forth in Exhibit B, the unsecured claims against the Debtor's estate within Class 4 total approximately \$1,022,957.91.

D. Leases

The Debtor is subject to a pre-petition lease with General Industrial Investors II, LLC for the premises located at 6400 Broadway, Units 10 and 11, Denver, Colorado. On December 21, 2015, the Debtor filed a Motion to Assume Non-Residential Real Property Lease Agreement. The Court entered an Order Authorizing Debtor to Assume Non-Residential Real Property Lease Agreement on January 13, 2016.

The Debtor is also a party to a pre-petition lease of the Cooler with Green Chef, Inc. Green Chef has ceased payment under the lease and has allowed Green Earth Services, Inc. to take possession of the Cooler and assert a post-petition mechanic's lien against the Cooler.

VII. DESCRIPTION OF PLAN

A. General Description

The Plan provides for the reorganization of the Debtor under Chapter 11 of the

Bankruptcy Code. Pursuant to the Plan, the Debtor shall restructure its debts and obligations and otherwise continue to operate in the ordinary course of business. Funding for the Plan will be derived from the Debtor's revenue from continued operations.

The Plan provides for the specification and treatment of all creditors and interest holders of the Debtor. The Plan identifies whether each Class is impaired or unimpaired. A Class is unimpaired only if the Plan leaves unaltered the legal, equitable or contractual obligations between the Debtor and the unimpaired claimants or interest holders. The following is a brief summary of the Plan. The actual text of the Plan should be reviewed for more specific detail. In the event of any conflict between the Plan and this Disclosure Statement, the terms of the Plan govern.

As provided in § 1123(a)(1) of the Code, the Administrative Claims, Tax Claims, and the claims of the Note Holders against the Debtor are not designated as classes. The holders of such Allowed Claims are not entitled to vote on the Plan and such claims will be paid in full or converted to debentures or equity issued by the Debtor under the Plan.

B. Claims

1. Unclassified Priority Claims

a. Administrative Claims

The holders of Allowed Claims of the type specified in Section 507(a)(2) of the Code, Administrative Claims, shall receive cash equal to the Allowed amount of such Claim or a lesser amount or different treatment as may be acceptable and agreed to by particular holders of such Claims. Such Claims shall be paid in full on the Effective Date of the Plan, or as otherwise agreed to by the particular holders of such Claims. Section 507(a)(2) Administrative Claims that are Allowed by the Court after the Effective Date of the Plan shall be paid upon Allowance.

The Debtor has paid its administrative expenses in the ordinary course during the bankruptcy case, and therefore does not believe that any material administrative claims exist, with the exception of the administrative claims of Kutner Brinen, P.C. ("KB"), the Debtor's bankruptcy counsel, and Blue Stone Advisor, LLC ("Blue Stone"), the Debtor's financial advisor.

Through May 26, 2017, KB has incurred approximately \$76,967.50 in fees, and \$10,048.23 in costs. This amount has been billed against a pre-petition retainer in the amount of \$9,908, and post-petition payments in the amount of \$50,587.17. KB's fees and costs are

anticipated to increase approximately \$2,000 through Plan confirmation assuming a minimal amount of litigation over confirmation of the Debtor's Plan. The total amount owed to KB on the Effective Date is anticipated to be approximately \$35,000.

The remaining professional fees that will be paid as an Administrative Claim are the fees of Blue Stone. Blue Stone's fees are anticipated to be up to \$10,000 for generating minor refinancing leads and time spent consulting on financial projections.

b. Tax Claims

Tax Claims are any Claim of a governmental unit for taxes entitled to priority pursuant to 11 U.S.C. §507(a)(8). The Debtor has a tax claim in the amount of \$9,345.61 owed to the Adams County Treasurer. The tax claim of Adams County will be paid in full by the Debtor on the Effective Date of the Plan. The IRS has filed Proof of Claim No. 9-2, asserting a general unsecured claim in the amount of \$4,680, and will therefore be treated as a Class 4 Claimant.

c. Note Holder Claims.

Note Holders will have the option to convert their claims to debentures or equity issued by the reorganized Debtor. Note Holders electing to receive equity will share in a pro rata distribution of newly issued membership interests in an amount not to exceed 42% of the total membership interests of the Debtor. The amount of equity received by each Note Holder electing to receive equity under the Plan will be determined based on the Note Holder's share of the total claims of Note Holders electing to receive equity under the Plan.

Note Holders electing to receive debentures issued under the Plan shall receive a newly issued debenture in the same dollar amount as the claim. Debentures will bear interest at a rate of eight (8) percent per annum, and will mature and become due and payable no later than eight (8) years following the Effective Date of the Plan in the amount of 120% of amount of the claim on the date of conversion. The debentures will also receive a first position lien on all unencumbered assets of the Debtor and a junior lien on all assets subject to a prior lien. During the term of the debenture, the Debtor will make interest-only payments on a monthly or quarterly basis as agreed by the individual holders of the debentures. On the maturity date, the Debtor will pay the debentures through its post-petition income or refinancing.

The Debtor anticipates that approximately 60% of the Note Holders' claims will be converted to equity, and approximately 40% will be converted to debentures. Assuming that 40% of the claims of Note Holders are converted to debentures and elect to receive monthly

interest-only payments, the monthly payment will be approximately \$3,340. If all of the Note Holders elect to receive debentures, the total monthly payment would be approximately \$8,350.

d. United States Trustee Fees

All payments due from the Debtor to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6) shall be paid on the Effective Date, and the U.S. Trustee shall thereafter be paid fees due on a quarterly basis until the case is closed, converted, or dismissed. The Debtor shall request entry of a final decree closing the case within three months of Plan confirmation assuming no ongoing litigation exists in the Bankruptcy Court over claims or avoidance actions.

2. Classified Priority Claims

a. Class 1, All Allowed Unsecured Claims specified in Section 507(a)(4) and 507(a)(5) of the Code as having priority.

The Allowed Class 1 Priority Claims shall be paid in full on the Effective Date. The Class 1 Claims for certain pre-petition wages and employee Claims are more particularly described in Sections 507(a)(4) and 507(a)(5) of the Code. The Debtor has paid all pre-petition wage claims pursuant to the Order Authorizing (A) Payment of Prepetition Employee Wages, and Salaries; and (B) Payment of All Costs and Expenses Incident to the Foregoing Payments entered on September 4, 2015 (Docket No. 21), and does not believe any further Class 1 Claims exist.

3. Secured Claims

b. Class 2, Secured Claim of J.P. Morgan Chase Bank, N.A. Class 2 is impaired under the Plan. The Class 2 Claim will be allowed in full and amortized over a ten-year period with 4% interest per annum and shall receive a balloon payment on account of its claim after five years. If Class 2 objects, the interest rate shall be in the amount agreed by the Debtor and the Class 2 Claimant, or at such rate determined by the Court as necessary to satisfy the requirements of 11 U.S.C. § 1129(b). Under the terms of the Plan, the total monthly payment on Class 2's Claim will be approximately \$306.89, with a balloon payment in the amount of approximately \$16,664.07 due five-years after the Effective Date of the Plan. Payments on account of the Class 2 Claim will begin the first full month after the Effective Date of the Plan.

c. Class 3, Secured Claim of Colorado Lending Source. Class 3 is impaired under the Plan. Class 3 shall retain its lien on the industrial cooler currently held by Green Earth.

The Class 3 Claim shall be allowed in the amount of \$22,000, or such other amount as agreed by the parties or determined by the court, and shall bear interest at a rate of 7% per annum. The Class 3 Claim shall be paid in equal monthly installments over five years following the Effective Date of the Plan. The monthly payment on Class 3's Claim will be approximately \$436. The remainder of the Class 3 Claim, approximately \$121,712, shall be deemed unsecured pursuant to 11 U.S.C. § 506, and treated as a Class 4 unsecured claim. Payments on account of the Class 3 Claim will begin the first full month after the Effective Date of the Plan.

3. Class 4, General Unsecured Claims

Class 4 consists of the Allowed Claims of the unsecured creditors. Class 4 Claimants will receive 20% of their Allowed Claims over a five-year period in semi-annual distributions beginning the first full month after the Effective Date and continuing every six months thereafter. The Debtor will also obtain an agreement from statutory insiders holding Class 4 Claims that, notwithstanding their right to receive distributions under the Plan, they will waive monetary distributions on their Class 4 Claims under the Plan in exchange for membership interests in the reorganized Debtor. Membership interests will be distributed to statutory insiders on a pro rata basis, with the total combined amount not to exceed 19% of all membership interests in the reorganized Debtor. As a result, the statutory insiders will receive the following membership interests:

Name	Claim Amount	Membership Interest in Reorganized Debtor
Brian Freeman (Unsecured Claim)	\$38,968.00	1.69%
William Freeman	\$100,00	4.35%
Chris Freeman	\$100,000	4.35%
Scott Freeman	\$144,008	6.26%
Joe Freeman	\$36,469	1.59%
Total	\$419,445	18.24%

As set forth on Exhibit B, the total amount of the unsecured claims in Class 4 is \$1,022,957.91. Class 4 Claims of statutory insiders are approximately \$419,445. After the

Debtor obtains an agreement from the statutory insiders, the Debtor will be paying 20% of \$603,512.91 over a five-year period. The total amount distributed over five years will be approximately \$120,702.58. The semi-annual payments will be approximately \$12,070.26.

C. Interests

1. Class 5, Interests Held by Pre-Petition Equity Holders. Class 5 is impaired under the Joint Plan. On the Effective Date, the Debtor will issue new membership interests to the statutory insiders and electing Note Holders. After the new membership interests are issued, the existing interest holders will hold approximately 40% of the membership interests in the reorganized Debtor.

D. Default Provisions Under the Plan

In the event of default by the Debtor under the Plan, creditors are required to provide the Debtor with written notice of the claimed default, and provide a ten (10) day period within which the Debtor can cure the claimed default. If the Debtor is unable to cure the default by such time, the creditor may enforce all rights and remedies against the Debtor for breach of contract. A secured creditor claiming a default under the Plan shall be entitled to enforce all rights and remedies related to their secured claim, including foreclosure of their secured interest pursuant to the terms of the document.

E. Management of the Debtor

Brian Freeman has been acting as the manager of the Debtor on a pre-petition basis and during the bankruptcy case. Pursuant to Section 9.3 of the Plan, Mr. Freeman will be appointed as the Debtor's agent to carry out the provisions of the Plan. Following the Effective Date of the Plan, Mr. Freeman will be paid an annualized salary of \$145,000, comprised of a base salary in the amount of \$125,000, and an additional salary in the amount of \$20,000 to pay IRS benefit tax obligations arising from Mr. Freeman's company provided health insurance.

VIII. PLAN FEASIBILITY

The Debtor believes that the Plan, as proposed, is feasible. The Plan will become effective upon the occurrence of three events: 1) entry of an Order confirming the Plan; 2) entry of an Order approving the Financing Motion; and 3) payment in full of the pre-petition PACA claims against the Debtor. The funding for the Plan will come from the Debtor's post-petition revenue, which is sufficient to pay the requisite amounts under the Plan. As evidenced by the

projections attached hereto as Exhibit C, the Debtor is anticipated to have a positive cash flow throughout the term of the Plan in an amount sufficient to timely pay all Plan payments, including interest-only payments to Note Holders electing to receive debentures. The Debtor's revenues have increased significantly during the bankruptcy case as a result of increased product offerings, as well as developing new streams of revenue, including direct to consumer sales. The Debtor anticipates that its revenues will continue to increase during the term of the Plan due to the Debtor's increased margins on seasonal products, and the Debtor's ability to regain large volume customers and suppliers that it had lost due to the bankruptcy filing.

The Debtor's projected increase in revenue is supported by the Debtor's monthly operating reports that evidence that the Debtor's gross revenues have steadily increased during the bankruptcy case. In September 2015, the month after filing, the Debtor's gross revenue was \$258,649. In contrast, the Debtor's gross revenue in March 2017 was \$512,111, evidencing growth of almost 200% during the Debtor's bankruptcy case. The Debtor further believes that this growth is sustainable, as the demand for organic produce continues to increase, particularly in the Denver metro area. As a result, the Debtor projects a positive net revenue at the end of the five-year Plan.

IX. TAX CONSEQUENCE

The Debtor is not providing tax advice to creditors or interest holders. **U.S. Treasury Regulations require you to be informed that, to the extent this section includes any tax advice, it is not intended or written by the Debtor or its counsel to be used, and cannot be used, for the purpose of avoiding federal tax penalties.** Each party affected by the Plan should consult its own tax advisor for information as to the tax consequences of Plan confirmation. Generally, unsecured creditors should have no tax impact as a result of Plan confirmation. The recovery of each creditor is payment on account of a debt and generally not taxable, unless the creditor wrote off the debt against income in a prior year in which case income may have to be recognized. Interest holders may have very complicated tax effects as a result of Plan confirmation.

X. LIQUIDATION ANALYSIS UNDER CHAPTER 7

The principal alternative to the Debtor's reorganization under Chapter 11 is a conversion of the case to Chapter 7 of the Bankruptcy Code. Chapter 7 requires the liquidation of the Debtor's assets by a Trustee who is appointed by the United States Trustee's office. In a Chapter 7 case, the Chapter 7 Trustee would take over control of the assets. Under a Chapter 7 liquidation, the Debtor's inventory and accounts receivable would be liquidated and the proceeds used to satisfy any post-petition claims arising under the PACA, and secured claims. The secured creditors would likely obtain relief from stay and foreclose on the Debtor's equipment. Any remaining assets would be liquidated and the proceeds distributed to administrative expense claims, then to the remaining creditors in order of priority. Funds would first be used to pay priority claims of the Chapter 11 case and the Chapter 7 case. Section 326 of the Bankruptcy Code defines the limitations of compensation of the Chapter 7 Trustee. Following the payment of the Chapter 7 costs and expenses of administration, the Chapter 7 Trustee would pay the Chapter 11 costs and expenses of administration, and then other priority claims existing in the Chapter 11 bankruptcy case. Any remaining funds would be distributed to unsecured creditors on a pro rata basis. The Debtor's liquidation analysis is attached hereto as Exhibit D ("Liquidation Analysis").

Based upon the Liquidation Analysis, unsecured creditors likely would not receive anything in a Chapter 7. The liquidation process in a Chapter 7 would be drawn out over a significant length of time, due to the time required to collect on avoidance actions. The estate would also be forced to continue incurring expenses for electricity for the Debtor's warehouse in order to avoid spoliation of the Debtor's inventory prior to its liquidation. It is therefore in the best interest of all creditors that the Debtor's Plan be approved, as the recovery for creditors will be substantially higher under the Debtor's Plan than the creditors would otherwise receive in a Chapter 7.

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DATED: May 30, 2017

Grower's Organic, LLC


By: Brian Freeman

Kutner Brinen, P.C. ("KB") has acted as legal counsel to the Debtor on bankruptcy matters during the Chapter 11 case. KB has prepared this Disclosure Statement with information provided primarily by the Debtor. The information contained herein has been approved by the Debtor. KB has not made any separate independent investigation as to the veracity or accuracy of the statements contained herein.

Counsel to the Debtor and
Debtor- In-Possession:

KUTNER BRINEN, P.C.

By: /s/ Keri L. Riley
Lee M. Kutner
Keri L. Riley
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Telecopier: (303) 832-1510
Email: lmk@kutnerlaw.com

EXHIBITS TO DISCLOSURE STATEMENT

Exhibit A – Second Joint Plan of Reorganization Dated May 30, 2017

Exhibit B – List of Unsecured Creditors

Exhibit C – Projections Under Chapter 11 Plan of Reorganization

Exhibit D – Liquidation Analysis

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO

IN RE:)	
)	
GROWER’S ORGANIC, LLC)	Case No. 15-19683-EEB
)	
)	Chapter 11
EIN: 02-0745679)	
)	
Debtor.)	

JOINT PLAN OF REORGANIZATION DATED MAY 30, 2017

Heather Potters, Gregory Greenwood and Tammy Sciortino, successors-in-interest to United Natural Foods d/b/a Albert’s Organic (together, “Creditor”) and Grower’s Organic, LLC (“Debtor”), as Debtor and debtor-in-possession, hereby propose, pursuant to Chapter 11, Title 11 of the United States Code, the following Joint Plan of Reorganization.

ARTICLE I

INTRODUCTION

The Debtor is a Colorado limited liability company owned and operated by Brian Freeman (“Freeman”). The Debtor owns and operates a wholesale produce distributor in Denver, Colorado.

This Plan provides for the reorganization of the Debtor under Chapter 11 of the Bankruptcy Code. Pursuant to the Plan, the Debtor shall restructure its debts and obligations and continue to operate in the ordinary course of business. A more complete history of the Debtor, its operations, an explanation of this Plan, and a description of the Debtor’s financial condition and future business activity is contained in the Disclosure Statement to accompany the Joint Plan of Reorganization Dated May 30, 2017. Reference should be made to the Disclosure Statement by all creditors and parties who intend to cast a ballot for or against this Plan.

Exhibit A

ARTICLE II

DEFINITIONS

2.01 - Administrative Claim shall mean a Claim for payment of an administrative expense of a kind specified in § 503(b) or 1114(e)(2) of the Bankruptcy Code and entitled to priority pursuant to § 507(a)(2) of the Bankruptcy Code, including, but not limited to: (a) the actual, necessary costs and expenses, incurred after the Petition Date, of preserving the estate and operating the business of the Debtor, including wages, salaries, or commissions for services rendered after the commencement of the Chapter 11 Case; (b) Professional Fee Claims; (c) all fees and charges assessed against the estates under 28 U.S.C. § 1930; and (d) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under § 546(c)(2) of the Bankruptcy Code.

2.02 - Allowed Claim shall mean a claim in respect of which a Proof of Claim has been filed with the Court within the applicable time period of limitation fixed by Court Order in this case or scheduled in the list of creditors prepared and filed with the Court pursuant to Bankruptcy Rule 1007(b) and not listed as disputed, contingent or unliquidated as to amount, in either case as to which no timely objection to the allowance thereof has been filed pursuant to Bankruptcy Rules 3001 and 3007 or as to which any such objection has been determined by a Final Order.

2.03 - Allowed Secured Claim shall mean an allowed claim secured by a lien, security interest or other charge against or interest in property in which the Debtor has an interest, or which is subject to setoff under § 553 of the Code, to the extent of the value (determined in accordance with § 506(a) of the Code) of the interest of the holder of any such allowed claim and the Debtor's interest in such property or to the extent of the amount subject to such setoff as the case may be.

2.04 - Avoidance Actions means the Debtor's estate's interest in any and all Claims, rights and causes of action which have been or may be commenced by or on behalf of the Debtor to avoid and recover any transfers of property determined to be preferential, fraudulent or otherwise avoidable pursuant to §§ 544, 545, 547, 548, 549, 550 or 553 of the Bankruptcy Code, or under any other applicable law, or otherwise

subject to equitable subordination under §510 of the Bankruptcy Code, regardless of whether or not such actions have been commenced prior to the Effective Date.

2.05 - Claim shall mean any right to payment, or right to any equitable remedy for breach of performance if such breach gives rise to the right to payment, against the Debtor in existence on or as of the Petition Date, whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, secured or unsecured.

2.06 - Class shall mean any Class into which Allowed Claims are classified pursuant to Article III.

2.07 - Class 1-5 Claims and Interests shall mean the Allowed Claims and Interests so classified in Article III.

2.08 - Code shall mean the Bankruptcy Code, 11 U.S.C. § 101 *et seq.* and any amendments thereof.

2.09 - Confirmation Date shall mean the date upon which the Order of Confirmation is entered by the Court.

2.10 - Court shall mean the United States Bankruptcy Court for the District of Colorado in which the Debtor's Chapter 11 case is pending, pursuant to which this Plan is proposed, and any Court having competent jurisdiction to hear appeal or certiorari proceedings therefrom.

2.11 - Debtor shall mean the Debtor who is proposing this Chapter 11 Plan.

2.12 - Disclosure Statement shall mean the Disclosure Statement which is approved by the Court according to 11 U.S.C. § 1125 to be utilized to solicit votes for this Plan and any supplement thereto.

2.13 - Disputed Claim means any Claim which is not an Allowed Claim, including, without limitation, any Claim designated as disputed, contingent or unliquidated in Debtor's schedules filed in connection with this case, or any Claim against which an objection to the allowance thereof has been interposed, and as to which no Final Order has been entered.

2.14 - Effective Date of the Plan shall mean the first business date on which the events specified in Paragraph 9.14 have occurred.

2.15 - Final Order shall mean an order or judgment of the Court which shall not have been reversed, stayed, modified or amended and as to which (a) the time to appeal from or to seek review, rehearing or certiorari shall have expired, and (b) no appeal or petition for review, rehearing or certiorari is pending or if appealed shall have been affirmed, or the appeal dismissed by the highest court to which such order was appealed, or if review, rehearing or certiorari was sought, such review, rehearing or certiorari has been denied and no further hearing, appeal or petition for review, rehearing or certiorari can be taken or granted or as to which any right to appeal or to seek a review, rehearing or certiorari has been waived.

2.16 - Interest shall mean any member interest or any other instrument evidencing any ownership interest in the Debtor and any option, warrant or right of any nature, contractual or otherwise, to acquire an ownership interest in the Debtor.

2.17 - Note Holders means the holders of Allowed Claims that represent Court approved debtor in possession financing claims pursuant to 11 U.S.C. §364 (the “DIP Loan”).

2.18 - Order of Confirmation shall mean the Final Order entered by the Court confirming the Plan in accordance with the provisions of Chapter 11 of the Code.

2.19 - Petition Date shall mean the date on which the voluntary petition was filed by the Debtor on August 28, 2015.

2.20 - Plan shall mean this Plan of Reorganization, as amended in accordance with the terms hereof or modified in accordance with the Code, including all exhibits and schedules attached hereto or referenced herein or therein.

2.21 - Priority Claim means any pre-petition Claim entitled to a priority in payment under § 507(a) of the Code, but shall not include any Administrative Claim or Tax Claim.

2.22 - Pro Rata shall mean the ratio of an Allowed Claim or Interest in a particular Class to the aggregate amount of all Allowed Claims or Interests in that Class.

2.23 - Professional Fees means the Administrative Claims for compensation and reimbursement submitted pursuant to Section 330, 331 and 503(b) of the Code by a Professional Person.

2.24 - Rules shall mean the Federal Rules of Bankruptcy Procedure and Local Bankruptcy Rules for the District of Colorado as adopted by the Court.

2.25 - Tax Claim means any unsecured Claim of a governmental unit for taxes entitled to priority pursuant to 11 U.S.C. § 507(a)(8).

2.26 - Unclassified Priority Claims shall mean Claims pursuant to § 507(a)(2) which are Administrative Claims allowed under § 503(b) of the Code and any fees and charges against the estate under Chapter 123 of Title 28 of the United States Code and shall further mean Allowed Unsecured Claims of governmental units to the extent provided for in § 507(a)(8) of the Code.

2.27 - Other Definitions. Unless the context otherwise requires, any capitalized term used and not defined herein or elsewhere in the Plan but that is defined in the Code or Rules shall have the meaning set forth therein.

ARTICLE III

DESIGNATION OF CLAIMS AND INTERESTS

The following is a designation of all classes of Claims and Interests other than those Claims of a kind specified in Sections 507(a)(2), 507(a)(3) or 507(a)(8) of the Code.

Class 1 - All Allowed Unsecured Claims specified in Section 507(a)(4) and 507(a)(5) of the Code as having priority.

Class 2 - The Allowed Secured Claim held by J.P. Morgan Chase Bank, N.A.

Class 3 - The Allowed Secured Claim held by Colorado Lending Source.

Class 4 - The Allowed Claims held by unsecured creditors.

Class 5 - The Interests held by pre-petition members.

ARTICLE IV

SPECIFICATION AND TREATMENT OF UNCLASSIFIED PRIORITY CLAIMS

As provided in § 1123(a)(1) of the Code, the Claims against the Debtor covered in this Article IV are not classified. The holders of such Allowed Claims are not entitled to vote on the Plan.

4.1 – **Administrative Expense Claims.** The holders of Allowed Claims of the type specified in § 507(a)(2) of the Code, Administrative Claims, shall receive cash equal to the allowed amount of such Claim or a lesser amount or different treatment as may be acceptable and agreed to by particular holders of such Claims. Such Claims shall be paid in full on the Effective Date of the Plan, or treated as otherwise agreed to by the particular holders of such Claims. § 507(a)(2) Administrative Claims that are allowed by the Court after the Effective Date of the Plan shall be paid upon allowance or as otherwise agreed.

4.2 – **Tax Claims.** The Allowed Claims of a type specified in § 507(a)(8) of the Code, Tax Claims of governmental taxing authorities, shall be paid on the Effective Date of the Plan.

4.3 – **Note Holder Claims.** The Note Holders shall be entitled to elect to receive, instead of a cash payment, debentures or new membership interests, both issued by the Debtor on the Effective Date of the Plan. Note Holders electing to convert their claim shall be treated as follow:

(a) Note Holders electing to receive membership interests under the Plan shall receive a pro rata distribution, based upon each Note Holder's share of the total Note Holders who elect to receive membership interests, of new membership interests in an amount not to exceed 42% of the total membership interests in the Reorganized Debtor;

(b) Note Holders electing to receive debentures issued under the Plan shall receive a newly issued debenture in the same dollar amount as the amount of the claim being converted. Debentures will bear interest at a rate of eight (8) percent per annum, payable on a monthly or quarterly basis. The debentures will mature and become due and payable no later than eight (8) years following the Effective Date of the Plan in the amount of 120% of the amount of the claim on the date of conversion. Debentures issued under the Plan shall be secured by a first position lien on all unencumbered assets of the Debtor, and a junior lien on all assets subject to a prior lien.

4.4 - The Debtor will make all payments required to be paid to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6) until the case is closed, converted, or dismissed. All payments due to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6) shall be paid on the Effective Date, and the U.S. Trustee shall thereafter be paid fees due on a quarterly basis until the case is closed, converted, or dismissed.

ARTICLE V

SPECIFICATION AND TREATMENT OF CLASS 1 CLAIMS

5.1 - Allowed Class 1 Priority Claims shall be paid in full on the Effective Date. The Class 1 claims for certain pre-petition wages and employee Claims are more particularly described in §§ 507(a)(4) and 507(a)(5) of the Code.

ARTICLE VI

SPECIFICATION AND TREATMENT OF SECURED CREDITOR CLAIMS

6.1 – **Class 2, Secured Claim of J.P Morgan Chase Bank, N.A.** Class 2 is impaired under the Plan. The value of the collateral securing Class 2's Claim is substantially higher than the Claim. The Class 2 Claim shall be treated as follows:

(a) The principal amount of the Class 2 Claim shall be allowed in full and shall bear interest at a rate of 4% per annum commencing on the Effective Date of the Plan; or, if the Class 2 claimant objects, at such rate determined by the Court as necessary to satisfy the requirement of 11 U.S.C. § 1129(b) of the Code, or such other rate as agreed by the Debtor and the Class 2 claimant.

(b) The Class 2 Claim shall be amortized over a ten (10) year period and paid in equal monthly installments beginning the first full month after the Effective Date of the Plan, with a balloon payment due five (5) years from the Effective Date of the Plan.

6.2 – **Class 3, Secured Claim of Colorado Lending Source, Ltd.** Class 3 consists of the Allowed Secured Claim held by Colorado Lending Source, Ltd. secured by a purchase money security interest in an industrial cooler owned by the Debtor and currently held by Green Earth, Inc. The Class 3 Claim is impaired under the Plan. The Class 3 Claim shall be treated as follows:

(a) The lien securing the Class 3 Claim as of the Effective Date of the Plan shall continue to secure its Claim until the Class 3 Claim is paid in accordance with the Plan.

(b) The principal amount of the Class 3 Claim will be allowed in the amount equal to \$22,000 and shall bear interest at a rate of 7% per annum commencing on the Effective Date of the Plan. Any amount to the Class 3 Claimant that is determined to be unsecured pursuant to 11 U.S.C. § 506 shall be treated as a Class 4 general unsecured claim.

(c) The Class 3 Claim shall be amortized and paid in equal monthly installments over five (5) years beginning the first full month after the Effective Date of the Plan.

ARTICLE VII

SPECIFICATION AND TREATMENT OF UNSECURED CREDITOR CLAIMS

7.1 – Class 4 consists of those unsecured creditors of the Debtor who hold Allowed Claims. The Class 4 claimants shall receive twenty (20) percent of their Allowed Claims over a five (5) year period in equal semi-annual distributions beginning the first full month after the Effective Date, and continuing every six (6) months thereafter. The Debtor shall have the right to pre-pay any amounts owed under the Plan to Class 4 claimants.

7.2 – On or before the Effective Date of the Plan, the Debtor shall obtain agreements from any statutory insiders that, notwithstanding their Class 4 claims, they waive cash distributions on such claims under the Plan as Class 4 claimants in exchange for pro rata distributions of new membership interests in the Debtor in a combined amount not to exceed 19% of the total membership interests in the Debtor.

ARTICLE VIII

SPECIFICATION AND TREATMENT OF CLASS 5 INTERESTS

8.1 – Class 5 includes the existing Interests in the Debtor. Class 5 is impaired by this Plan. On the Effective Date, all outstanding Interests in the Debtor shall be retained by the Interest Holders.

8.2 – On the Effective Date of the Plan, the Debtor shall issue new membership interests to the electing Note Holders and the statutory insiders as set forth above.

ARTICLE IX

MEANS FOR THE PLAN'S EXECUTION

9.1 - **Operation of Business.** The Debtor shall be empowered to take such action as may be necessary to perform its obligations under this Plan.

9.2 – **Management Fees and Costs.** The Debtor shall be entitled to compensate its officers and directors with reasonable compensation for services following confirmation of the Plan. Funding for such compensation will be derived from the operation of the Debtor's business.

9.3- **Effectuating the Plan.** On the Effective Date, Freeman shall be appointed as the agent of the Debtor, pursuant to appropriate corporate law and pursuant to 11 U.S.C. §1142(b) for the purpose of carrying out the terms of the Plan, and taking all actions deemed necessary or convenient to consummating the terms of the Plan, including but not limited to execution of documents.

9.4 – **Exemptions under 11 U.S.C. §1145.** All of the new membership interests issued pursuant to this Plan are intended to be covered by the provisions of section 1145 of the Bankruptcy Code to the maximum extent permissible. All such interests shall be exempt from the registration, prospectus delivery and other requirements of the U.S. Securities Act and all state and federal laws that govern the issuance and distribution of securities. All future transfers of securities issued pursuant to the terms of this Plan shall be subject to any applicable rules and regulations of the Securities and Exchange Commission and any applicable state laws governing transfer.

9.5 – **Authorization of New Membership Interests.** On the Effective Date of the Plan or within thirty days thereafter, the Grower's Organic Operating Agreement and related corporate documents shall be amended to provide for the new membership interests issued pursuant to the Plan. The new membership interests will then be issued without the need for any further corporate action and without the need for any action by any person or entity. Once issued the new membership interests shall be duly authorized, validly issued, fully paid, and non-assessable.

9.6 - Disputed Claim Procedure. Distributions to any class of creditor will only be made on account of Allowed Claims. In the event that distributions are made at a time that a claim objection is pending before the Court or a judgment has entered to establish a Claim and the judgment is not subject to a Final Order, the portion of the distribution that would be paid to the disputed claimant will be held in an interest bearing bank account until the Claim is Allowed or disallowed. If Allowed, the Claim will be paid its appropriate share of the withheld payment. If disallowed, the withheld distribution will be paid on a Pro Rata basis to the remaining impaired Allowed claimants.

9.7 - Claims and Litigation Bar Date and Standing. All Claim objections and Avoidance Actions in the case must be filed no later than 90 days following the Effective Date. The Debtor shall have standing to commence, prosecute, and settle claim objections, Litigation, and avoidance actions without need for Court approval.

9.8 - Administrative Expense Bar Date. All applications for allowance and payment of Administrative Claims, including Professional Fees, must be filed within 45 days following the Effective Date of the Plan.

9.9 - Monthly Installments. Whenever the Plan provides for payment in monthly installments or a payment due in a certain month, the payment shall be due on the last day of the calendar month in which the payment is due, unless otherwise specified in the Plan. The Debtor shall then have a five-day grace period within which the monthly payment must be received by the payee before the Debtor shall be in default, unless a longer period is specified elsewhere in the Plan.

9.10 - Final Decree. The Debtor will request entry of a final decree closing the case on or before the later of the date all Claim objections and any pending litigation is concluded or 180 days after the Effective Date of the Plan.

9.11 - Quarterly Fees. Prior to the entry of the final decree, the Debtor shall continue to remit quarterly fees and post-confirmation reports to the United States Trustee, as required by statute.

9.12 - Exemption from Transfer Taxes. Pursuant to Section 1146(c) of the Code, the issuance, transfer, or exchange of notes or equity securities under the Plan by the Debtor, the creation of any mortgage, deed of trust, or other security interest, the

making or assignment of any lease or the making or delivery of any deed or instrument of transfer under, in furtherance of, or in connection with the Plan or the Agreements shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax.

9.13 – Contractual Relationship. The Plan, upon confirmation, constitutes a new contractual relationship by and between the Debtor and its creditors. Notwithstanding the foregoing, the Plan shall not amend, modify, or effect the rights and obligations with respect to leases and contracts set forth in Exhibit A. In the event of a default by the Debtor under the Plan, creditors shall be entitled to enforce all rights and remedies against the Debtor for breach of contract, the Plan. Any secured creditor claiming a breach of the Plan by the Debtor will be able to enforce all of its rights and remedies including foreclosure of its deed of trust, security agreement, lien, or mortgage pursuant to the terms of such document. Any creditor claiming a breach by the Debtor must provide written notice to the Debtor of the claimed default, the notice must provide the Debtor a ten (10) day period within which to cure the claimed default, unless a longer period is specified elsewhere in the Plan. Upon the Debtor's failure to cure the default within such ten-day period, the creditor may proceed to exercise its rights and remedies.

9.14 –Effective Date of Plan. The Effective Date of the Plan shall be the date on which the following conditions are met:

- A. Entry of an Order confirming the Joint Plan;
- B. Entry of an Order Authorizing Debtor-In-Possession Financing, Granting of Liens and Priority Administrative Expense, and Authorizing Use of Cash Collateral Pursuant to 11 U.S.C. §§ 362, 363, 364(c), and 507, Fed. R. Bankr. P. 2002, 4001(b) and (c), and 9014, and L.B.R. 4001-3; and
- C. Payment in full of all pre-petition claims arising under the Perishable Agricultural Commodities Act.

The above conditions are required to occur on or before September 1, 2017. If such conditions do not occur by such date the Order of Confirmation shall be null and void and no creditor shall be obligated or subject to the Plan.

ARTICLE X
EXECUTORY CONTRACTS AND UNEXPIRED LEASES

10.1 - On the Effective Date of the Plan, the Debtor does hereby assume those executory contracts and unexpired leases listed in Exhibit A attached hereto and incorporated herein by reference, which have not been assumed by prior Order of the Court prior to the Confirmation Date. On the date of the entry of an Order confirming the Plan, the Debtor shall be the holder of all right, title and interest to the assumed leases and contracts and such assumed leases and contracts shall be in full effect and binding upon the Debtor and the other parties thereto. Confirmation of the Plan shall constitute a determination that the payments to be made to said creditors pursuant to the Plan satisfy all conditions precedent to assumption and assignment set forth in 11 U.S.C. §365(b) and (f).

10.2 - On the Effective Date of the Plan, the Debtor will reject all executory contracts and unexpired leases to which it is a party which are listed in Exhibit B, attached hereto and incorporated herein by reference which have not been rejected by prior Order of the Bankruptcy Court prior to the Confirmation Date. Executory contracts and unexpired leases will be rejected pursuant to the provisions of 11 U.S.C. §365. Any executory contract or unexpired lease not assumed in accordance with the Plan shall be rejected.

10.3 - An Order confirming this Plan constitutes approval by the Court of the assumption or rejection of the executory contracts and unexpired leases described herein in accordance with the provisions of 11 U.S.C. §365 and the Rules.

10.4 - **Claims Arising from Rejection.** All proofs of claim with respect to claims arising from the rejection of any executory contract or unexpired lease shall be filed with the Bankruptcy Court within twenty (20) days after the earlier of (i) the date of the Bankruptcy Court order approving the Debtor's rejection of such executory contract or unexpired lease or (ii) the Confirmation Date. Any claims not filed within such time shall be forever barred against the Debtor, its estate and property and any such Claims shall be disallowed in full. Claims arising from such rejection, to the extent Allowed, shall be treated as unsecured Claims.

ARTICLE XI MISCELLANEOUS PROVISIONS

11.1 - **Revestment.** On the Effective Date of the Plan all property of the estate shall revert in the Debtor free and clear of all liens except those specifically set forth in the Plan or as otherwise provided in the Plan.

11.2 - **Retention of Jurisdiction.** Notwithstanding confirmation of the Plan, the Court shall retain jurisdiction for the following purposes:

1. Determination of the allowability of claims upon objection to such claims by the Debtor-in-Possession or by any other party in interest;
2. Determination of the request for payment of claims entitled to priority under 11 U.S.C. §507(a)(2), including compensation of the parties entitled thereto;
3. Resolution of any disputes regarding interpretation of the Plan;
4. Implementation of the provisions of the Plan and entry of orders in aid of consummation of the Plan, including without limitation, appropriate orders to protect the revested Debtor from action by creditors;
5. Modification of the Plan pursuant to 11 U.S.C. §1127;
6. Adjudication of any causes of action, including avoiding powers actions, brought by the debtor-in-possession, by the representative of the estate or by a Trustee appointed pursuant to the Code;
7. Adjudication of any cause of action brought by the debtor-in-possession, by a representative of the estate, or by a Trustee appointed pursuant to the Code, or the revested Debtor exercising rights and powers as provided in 11 U.S.C. §§542-549. This section shall not be construed to limit any other power or right which the Debtor may possess under any section of the Code; and
8. Entry of a final decree.

11.3 - **Satisfaction of Claims.** The Debtor shall receive a discharge on the Effective Date of the Plan pursuant to §1141(d) of all claims. Confirmation of the Plan and the occurrence of the Effective Date of the Plan shall constitute a modification of any note or obligation for which specification and treatment is provided under the Plan

as set forth in the Plan. Any obligation or note, previously in default, so modified, shall be cured as modified as of the Effective Date. This provision shall be operable regardless of whether the Plan provides for any obligation to be evidenced by a rewritten loan or security document following confirmation of the Plan.

11.4 - Headings. The headings used in the Plan are for convenience of reference only and shall not limit or in any manner affect the meaning or interpretation of the Plan

11.5 Notices. All notices, requests, demands, or other communications required or permitted in this Plan must be given in writing to the party(ies) to be notified. All communications will be deemed delivered when received at the following addresses:

- a. To:
Brian Freeman
6400 Broadway, Unit 11
Denver, CO 80221

Email: brian@growersorganic.com

With a copy to:
Lee M. Kutner
Keri Riley
Kutner Brinen, P.C.
1660 Lincoln St., Suite 1850
Denver, CO 80264
Fax: 303-832-1510
Email: klr@kutnerlaw.com

- b. To an allowed claimant, at the addresses set forth in the allowed Proof of Claim, if filed, otherwise, at the address set forth for the claimant in the Debtor's Schedules filed with the Court.

11.6 - Successors and Assigns. The Plan will be binding upon the Debtor, any creditor affected by the Plan and its heirs, successors, assigns and legal representatives.

11.7 - Unclaimed Payments. If a person or entity entitled to receive a payment or distribution pursuant to this Plan fails to negotiate a check, accept a distribution or leave a forwarding address in the event notice cannot be provided as set forth in paragraph 11.5, within three months of the Effective Date of the Plan, the person or

entity is deemed to have released and abandoned any right to payment or distribution under the Plan and the funds comprising such distributions shall be remitted to the reorganized Debtor.

11.8 - Committee Existence. Any Creditors Committee appointed in the bankruptcy case shall terminate on the Effective Date of the Plan.


11.9 - Liability. Except as set forth in this Plan and the contracts and leases assumed in the Plan (which shall not be subject to this limitation of liability), neither the Debtor nor any of its agents, representatives, attorneys, accountants or advisors shall have or incur any liability for any past, present or future actions taken or omitted to be taken under, in connection with, related to, affecting or arising out of the bankruptcy case or this Plan except for claims based on gross negligence or willful misconduct which must be asserted during the course of this Bankruptcy Case. If any party believes such a claim exists they must file the claim in this case prior to the bar date for filing administrative claims, as set forth in paragraph 9.8.

ARTICLE XII

CONFIRMATION REQUEST

12.1 - The Debtor, as proponent of the Plan, requests confirmation of the Plan pursuant to 11 U.S.C. §1129. The Debtor will solicit acceptance of the Plan after its Disclosure Statement has been approved by the Court and is transmitted to the creditors, interest holders and parties in interest. In the event the Debtor does not obtain the necessary acceptances of its Plan, it may make application to the Court for confirmation of the Plan pursuant to 11 U.S.C. §1129(b). The Court may confirm the Plan if it does not discriminate unfairly and is fair and equitable with respect to each class of Claims or Interests that is impaired and has not voted to accept the Plan.


DATED: May__, 2017

By: 
Heather Potters, individually

DATED: May 30 2017

By: 
Gregory Greenwood, individually

DATED: May 30 2017

By: 
Tammy Sciortino, individually

DATED: May __, 2017

Grower's Organic, LLC

By: _____
Brian Freeman, Managing Member

Lee M. Kutner
Keri Riley
Kutner Brinen, P.C.
1660 Lincoln St., Suite 1850
Denver, CO 80264
Telephone: 303- 832-2400
Fax: 303-832-1510
Email: lmk@kutnerlaw.com
ATTORNEYS FOR THE DEBTOR
AND DEBTOR-IN-POSSESSION

DATED: May __, 2017

By: _____
Gregory Greenwood, individually

DATED: May __, 2017

By: _____
Tammy Sciortino, individually

DATED: May __, 2017

Grower's Organic, LLC

By:  _____
Brian Freeman, Managing Member

Lee M. Kutner
Keri Riley
Kutner Brinen, P.C.
1660 Lincoln St., Suite 1850
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Email: lmk@kutnerlaw.com
ATTORNEYS FOR THE DEBTOR
AND DEBTOR-IN-POSSESSION

EXHIBIT A

Executory Contracts and Unexpired Leases Assumed

1. All contracts and leases previously assumed or for which a motion to assume is pending.
2. All leases and contracts that are not specifically rejected.

EXHIBIT B

Executory Contracts and Unexpired Leases Rejected

- A. All leases and contracts previously rejected by Court Order.

Unsecured Creditors

Creditor Name	Amount of Claim on Schedule F	Amount of Claim in Proof of Claim	Amount of Claim for Purposes of Class 4 Analysis	Notes
American Express	\$18,000.00	\$22,659.29 (Proof of Claim No. 7)	\$22,659.29	
Big B's Fruit Juices	\$257.25		\$257.25	
Brian Freeman	\$38,967.95		\$38,967.95	
Bridgepoint	\$1,550.00		\$1,550.00	
Carter Energy Corp	\$22,203.52		\$22,203.52	
Chase	\$7,994.00		\$7,994.00	
Chase	\$10,625.00		\$10,625.00	
Chase	\$12,143		\$12,143	
Chris Freeman	\$100,000.00		\$100,000.00	
Clifton Larson Allen	\$5,578.00		\$0.00	Clifton Larson Allen has waived their claim in exchange for employment in this case
Crown Lift Trucks	\$1,645.61		\$1,645.61	

Exhibit B

Direct Line Transportation	\$7,300.00		\$7,300.00	
Earthy Delights	\$3,606.06		\$3,606.06	
FedEx Truckload Brokerage	\$204.82	\$919.20 (Proof of Claim No. 28)	\$919.20	
Fresh Guys	\$602.75		\$602.75	
Fresh Software Solutions	\$10,176.25		\$10,176.25	
Green Chef, Inc.	Unknown		\$0.00	
Interfresh	\$1,404.00		\$1,404.00	
Joe Freeman	\$36,468.00		\$36,468.00	
Lewis Roca Rothgerber	\$770.50		\$770.50	
Lipman Logistics Services, LLC	\$4,200.00		\$4,200.00	
MCH Leasing	Unknown		\$0.00	
Michael Hartberger	\$40,800.00	\$40.800 (Proof of Claim No. 25)	\$40,800.00	
Organic Prairie	\$491.00		\$491.00	
Organic Valley	\$33,060.66	\$32,550.18 (Proof of Claim No. 8)	\$32,550.18	

Osage Gardens	\$2,913.95		\$2,913.95	
PC2020 LLC	\$6,925.40		\$6,925.40	
Peterson Turkey Farm	\$0.00	\$13,611.47 (Proof of Claim No. 30)	\$13,611.47	Disputed
Rocky Mountain Mechanical Systems	\$9,669.00		\$9,669.00	
Sandstrum Law, LLC	\$2,667.50		\$2,667.50	
Scott Freeman	\$159,348.00	\$144,008.84 (Proof of Claim No. 12)	\$144,008.84	
Service Uniform	\$1,196.20		\$1,196.20	
Smith & Truslow	\$2,476.23		\$2,476.23	
Stacey's Organic Tortillas	\$3,323.76		\$3,323.76	
Steamboat Meat & Seafood	\$1,600.00		\$1,600.00	
Status Business Solutions	\$700.00		\$700.00	
UMB Bank	\$8,327.00	\$7,303.50 (Proof of Claim No. 26)	\$7,303.50	
US Bank	\$2,285.00	\$25,999.76 (Proof of Claim No. 17)	\$25,999.76	
USDA, AMS, F&V Fresh Branch	\$228.18	\$228.18 (Proof of Claim No. 27)	\$228.18	Maybe subject to Debtor's setoff rights

William Freeman	\$100,000.00		\$100,000.00	
Windstream	\$1,162.86	\$1,025.75 (Proof of Claim No. 5)	\$1,025.75	
Worldwide Express	\$361.00		\$361.00	
Xcel Energy	\$3,299.16	\$2,741.24 (Proof of Claim No. 2)	\$2,741.24	
Unsecured Claim of Colorado Lending Source			\$121,712	
Ryder Truck Rental		\$162,340.89 (Proof of Claim No. 21)	\$162,340.89	Disputed
Ryder Truck Rental		\$29,271.95 (Proof of Claim No. 20)	\$29,271.95	Disputed
Traveler's Casualty and Surety Company		\$19,600.03 (Proof of Claim No. 19)	\$19,600.03	Disputed
Dell Financial Services, LLC		\$1,267.70 (Proof of Claim No. 22)	\$1,267.70	
Internal Revenue Service		\$4,680.00 (Proof of Claim No. 9)	\$4,680.00	May be abated post-confirmation of a Plana
Total Amount of Allowed Class 4 Claims			\$1,022,957.91	

Assets of the Debtor

Asset	Value	Cost of Sale, Recovery, Etc.	Amount Available for Distribution
Cash and Accounts (Current Value)	\$ 75,015.00	n/a	\$ 75,015.00
Accounts Receivable (Post-Petition)	\$ 345,843.00	\$ 10,375.29	\$ 335,467.71
Accounts Receivable (Pre-Petition, uncollectable)	\$ -		\$ -
Amount owed from Melonhead/Michael Joseph	\$ 57,500.00		\$ 57,500.00
Inventory (Current Value) [1]	\$ 101,561.00	\$ 8,124.88	\$ 93,436.12
Shares of Green Chef, Inc.	\$ -	\$ -	\$ -
Copyright for Grower's Organic	\$ -		\$ -
Software (personalized to GO)	\$ -		\$ -
Licenses (PACA License, Colorado Dept. of Revenue, etc.)	\$ -		\$ -
Website	\$ -		\$ -
Vehicles	\$ 40,000.00	\$ 3,200.00	\$ 36,800.00
Machinery and Equipment	\$ 61,352.04	\$ 6,135.20	\$ 55,216.84
Office Equipment and Computers	\$ 10,000.00	\$ 800.00	\$ 9,200.00
Cooler Held by Green Earth (fully encumbered)	\$ 22,000.00	\$ 1,760.00	\$ -
Total			
Post Petition PACA Claims			\$ 178,961.60
Secured Claim of Chase			\$ 30,312.00
Secured Claim of Note Holders			\$ 1,242,500.00
Amount Avaialble to Unsecured Creditors			\$0.00

[1] Decreased to 40% of total value to account for necessary quick sale and spoliation

Avoidance Actions

Preference Claims Agaist Freeman Family Members	\$ 66,451.00	\$ 10,000.00	\$ 56,451.00
Chapter 11 Admin Expenses	\$ 50,000.00		
Chapter 7 Trustee Fees	\$ 6,072.58		
Chapter 7 Attorneys Fees	\$ 5,000.00		
Total Amount Available for Unsecured Creditors	\$0.00		