

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF GEORGIA  
WACROSS DIVISION**

**IN RE:** §  
§  
**SEGA BIOFUELS, LLC,** § **CHAPTER 11**  
§ **CASE NO. 13-50694-JSD**  
§  
**Debtor.** §

**DEBTOR’S AMENDED DISCLOSURE STATEMENT**  
**PROPOSED MAY 2, 2014**

**I. INTRODUCTION AND PLAN OF REORGANIZATION**

SEGA Biofuels, LLC, (“Debtor”) has prepared this Disclosure Statement and the attached Chapter 11 Plan. The purpose of this Disclosure Statement is to give you, as creditors, enough information about the Debtor to decide whether to vote for or against the Chapter 11 Plan which is being proposed in this case. The Bankruptcy Code authorizes the Debtor to file Amended Plans, as necessary, up until the time of the confirmation of a plan.

Once the Bankruptcy Court has signed an Order approving this Disclosure Statement in its final form, creditors will be given an opportunity to vote on the Plan of Reorganization. Because your vote for or against the Plan of Reorganization is important to the Court's decision to "confirm" the Plan, we urge you to read this Disclosure Statement and to vote when you are given the opportunity to do so.

This Disclosure Statement contains current and historical financial information about the Debtor. The information contained in this Disclosure Statement has not been subject to a certified audit; however, the Debtor has made every reasonable effort to provide accurate information in this Disclosure Statement.

## **History and General Background**

SEGA Biofuels, LLC started its business operations in 2012, and the business has struggled to generate enough revenue to pay all of its debts and obligations on a timely basis since then. The Debtor uses dry and “green” (or wet) wood chips to manufacture wood pellets which, in turn, are sold to users in the United Kingdom and other parts of Europe either to generate heat or electricity. The demand for wood pellets is growing in the United Kingdom and Europe at a rapid pace due, in part, to certain government subsidies that make the use of wood pellets attractive to producers of electricity and for some consumer applications.

The Debtor began its business in 2012 by converting a facility that previously made wood briquettes. The equipment and the design of the facility, however, made it difficult and, perhaps impossible, for the facility to produce enough wood pellets to be profitable. In September, 2013, Biofuels Holdings, LLC (“Biofuels Holdings”), which is an affiliate of The Enova Group, LLC (“Enova”), agreed to provide a certain amount of working capital to SEGA and to make improvements to the facility in exchange for the issuance of new membership interests in SEGA. BFH now owns 99% of all of the membership interests of SEGA. The then owner of the membership interests, SOBIOS1, LLC (“SOBIOS”), now owns the remaining 1% of the membership interests which, upon its receiving a certain amount of distributions, can be redeemed for nominal consideration. SOBIOS also agreed to file for Chapter 11 under the United States Bankruptcy Code one day after the issuance of such membership interests (the ‘Petition”).

Since filing the Petition, Biofuels Holdings and Enova have managed the affairs of the Debtor and loaned over \$1,400,000.00 to the Debtor for working capital and to replace and repair certain equipment. The Debtor also has closed a \$5,500,000 loan with Biofuels Holdings to

make improvements to the Facility (the “Biofuels Holdings Loan”). The proceeds available to SEGA from the Improvement Loan will be supplemented with approximately \$2,600,000 of financing provided by equipment and other vendors (the “Vendor Financing”; the Vendor Financing along with the Biofuels Holdings Loan are collectively referred to as the “Improvement Financing”). The Improvement Financing will replace certain critical components of the Facility, with the most notable component being the dryer and will upgrade or improve the delivery systems and the basic design of the Facility. The improvements that are contemplated by the Improvement Financing are designed to, and intended to, increase the production capacity of the Facility. The Debtor believes that such increased production will make the Debtor a profitable enterprise.

Enova is in the wood pellet production business. It also has other plants in various stages of development in the Southeastern United States.

Without the injection of capital that it made through Biofuels Holdings in September, 2013, the Debtor would have been out of business in September, 2013. Suppliers and other critical vendors would not advance credit to the Debtor, the Facility badly needed maintenance and was likely to break down in multiple different areas within a short period of time. The Facility also could not produce enough wood pellets to cover its operating costs. If the Facility had been shut down, Debtor would not have been able to regain enough confidence from critical suppliers and vendors to recommence business.

With the Improvement Financing, and with the working capital that it has provided to the Debtor, the Facility can repay its long term debts on materially the same terms as existed prior to the bankruptcy and all of the various suppliers and vendors who are not related to the Debtor in full over a period of time that is described in this Financial Disclosure or the Plan.

## **Restructuring Plan**

Debtor is proposing a plan which will repay its secured and unsecured creditors in full according to the terms set forth in the Plan with initial monthly payments as set forth in Exhibit C to the Plan.

The Debtor has prepared a Plan of Reorganization and that plan is being distributed with this Disclosure Statement. Both the plan and the disclosure statement contain attachments. The attachments are subject to change based on any objections to the Plan that may be filed to the Disclosure Statement or plan. The plan is feasible. The modifications will not affect valuations of property but may change treatment of creditors through the plan. Those attachments are described as follows:

Exhibit A – Chapter 7 Liquidation Analysis

Exhibit B - Unclassified Claims

Exhibit C-1 – Secured Claims

Exhibit C-2 – Critical Creditors and Critical Creditor Claims

Exhibit C-3 – General Unsecured Creditor Claims and Creditors

Exhibit C-4 – SOBIOS Related Claims

Exhibit C-5 – Proforma Budget

Exhibit D—Leases and Executory Contracts

Exhibit E - Budget of the initial monthly payments which will be due under this plan.

The Debtor is and has been the Debtor in Possession ("DIP") in this case since it was filed on September 11, 2013.

The Debtor advises the parties reviewing the Plan of the following circumstances:

1. The Debtor and Logistec USA, Inc. ("Logistec") are currently parties to that certain Storage and Handling Agreement, as amended by First Amendment

(the "Port Agreement"). The Port Agreement was assumed by the Debtor pursuant to Consent Order (Doc. No. 91). The Port Agreement provides for a payment to be made to Logistec if the Debtor fails to deliver a certain minimum tonnage of wood pellets during a certain period of time. The first such payment would be due under the Port Agreement by May 19, 2014 and is approximately \$256,000 (the "First Port Payment"). Another larger payment of approximately \$560,000 is expected to become due under the Port Agreement in November, 2014 (the "Second Port Payment"). Both of these amounts are estimates. The actual amounts will be calculated based on actual deliveries made by the applicable deadlines. Under the Debtor's current operations, it could not make either the First Payment or the Second Payment on a timely basis. However, the Debtor and Logistec are negotiating an agreement that the Debtor anticipates will be in place by the time the of Plan confirmation that would a) extend the expiration date of the Port Agreement, b) extend the deadline for the First Payment until November 1, 2014 (which is approximately the time the Debtor anticipates it will increase its production) and c) would increase the charges due under the Port Agreement by \$1 per ton which additional amount would be applied to the Second Payment until it is paid off, d) which would provide for a change to the location within the port where the wood pellets would be stored and e) would modify the minimum guaranteed amount of wood pellets to be delivered under the Port Agreement to an amount that is less than the total production that the Debtor anticipates producing from its facility. The Debtor does not anticipate that payments for

shortfalls in deliveries to the port will become due after it has increased its production in the manner contemplated by the Plan. The shortfall rate of \$1.00/MT effective November 18, 2014 is for payment covering the shortfall (in year two) from the agreement entered into between LOGISTEC and Sega Biofuels LLC prior to the latter's bankruptcy proceedings on March 6th 2012 (the "Sega agreement"). (Shortfall in year one will have to be paid by SEGA by a date to be determined). The amount due will be a \$8.00/MT charge on the difference between the guaranteed 100,000MT per year volume to be shipped and the actual volume shipped by the end of the Sega agreement, ending November 17, 2014. (example: if 36,500MT actual tonnage is shipped as of November 17, 2014, the difference of 63,500mt (100,000mt – 36,500mt) x \$8.00/MT = \$508,000 will be owed to LOGISTEC). Upon the actual monetary difference being paid off and agreed to by LOGISTEC and SEGA, the shortfall rate of \$1.00/MT will be removed for the remainder of this Agreement.

2. The Debtor has agreed as follows with two potential creditors:
  - a. The Debtor will extend the proceedings related to its objection to the claim of Ogle Engineering for 60 days. During that 60 day period the Debtor and such creditor intend to go through the documentation related to the creditor's claim and determine which amounts thereof may be substantiated to the satisfaction of the Debtor. It is possible therefore, that some or all of the claim of such creditor will be allowed

and will become part of the Class 4 group of creditors known as the General Unsecured Claims.

- b. The Debtor will extend the proceedings related to its objection to the claim of James Huntley for 60 days. During that 60 day period the Debtor and such creditor intend to go through the documentation related to the creditor's claim and determine which amounts thereof may be substantiated to the satisfaction of the Debtor. It is possible therefore, that some or all of the claim of such creditor will be allowed and will become part of the Class 4 group of creditors known as the General Unsecured Claims.
3. United Forest Products filed a Proof of Claim in an unspecified amount. The Debtor and such creditor have agreed that such creditor may file an amended proof of claim in the amount of \$73,722.87 and that the Debtor will not object to such amended claim which will become part of the Class 4 group of creditors known as the General Unsecured Claims.

### **Quarterly Fees**

By the twentieth day of each month, Debtor shall file with the U.S. Trustee a monthly income and expense report for the preceding month until the case is closed or until otherwise relieved of this responsibility by the Court. Debtor shall continue to make quarterly payments to the U.S. Trustee prior to confirmation and post-confirmation until the case had been closed, converted or dismissed.

### **Legal Proceedings**

Debtor has filed objections to several filed and unfiled claims. Such objections will be heard by the Court if a response is filed to the Objection unless proper documentation is provided and an agreement is reached between the Debtor and creditor obviating the necessity for a hearing. Only two of these objections remain and will be scheduled for a continued hearing in June, 2014.

**Creditor Remedies**

In the event the plan is confirmed and the Debtor fails to make the required payments, creditors are entitled upon default to enforce the terms of the plan in State Court, and/or may seek to have the case converted to a Chapter 7 or dismissed.

**II. CONCLUSION**

This Disclosure Statement is based primarily on financial information provided by the Debtor. It has not been audited. If you discover that the financial information is inaccurate in some respect, please contact the attorney for SEGA Biofuels, LLC at the address shown below.

This 2nd day of May, 2014.

Respectfully submitted,

MCCALLAR LAW FIRM

By: /s/ C. James McCallar, Jr.  
C. James McCallar, Jr.  
Georgia Bar Number 481400  
Tiffany E. Caron  
Georgia Bar Number 745089  
Attorneys for Debtor

McCallar Law Firm  
Post Office Box 9026  
Savannah, GA 31412  
Tel: (912) 234-1215  
Fax: (912) 236-7549



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF GEORGIA  
WAYCROSS DIVISION**

**In re:** §  
§ **Chapter 11**  
**SEGA Biofuels, LLC,** § **Case No. 13-50694-JSD**  
§  
**Debtor.** §

**CERTIFICATE OF SERVICE**

I, C. James McCallar, Jr., do hereby certify that I have served the forgoing Disclosure Statement upon the following by depositing a copy of the same in the United States mail with proper postage affixed or by electronic service through the Court’s ECF system:

Matthew Mills  
Office of the U.S. Trustee  
Johnson Square Business Center  
2 E. Bryan Street, Ste. 725  
Savannah, GA 31401  
matthew.e.mills@usdoj.gov

John R. Ferrelle  
777 Gloucester St., Ste. 411  
Brunswick, GA 31520

Kathleen Horne  
Bouhan Falligant LLP  
P.O. Box 2139  
Savannah, Georgia 31402-2139

Mark Gilbert  
P.O. Box 5437  
Valdosta, GA 31603

Kevin Stine  
1600 Monarch Plaza  
3414 Peachtree Road, NE  
Atlanta, GA 30326

Daniel Jenkins  
Karsman, Mckenzie & Hart  
21 West Park Ave.

Savannah, GA 31401

Dennis Strickland  
Strickland & Garmon  
127 Albany Avenue  
P.O. Box 1592  
Waycross, GA 31502

Ward Stone, Jr., Esq.  
Matthew S. Cathey, Esq.  
Stone & Baxter, LLP  
Fielding & Co. Building, Suite 800  
577 Mulberry Street  
Macon, Georgia 31201

Gary Moore  
Taylor, Odachowski, Schmidt & Crossland  
300 Oak Street, Ste. 200  
St. Simons Island, GA 31522

This 2<sup>nd</sup> day of May, 2014.

McCallar Law Firm

/s/ C. James McCallar, Jr.  
C. James McCallar, Jr.  
Georgia Bar # 481400  
Tiffany E. Caron  
Georgia Bar # 745089  
Attorneys for Debtor

McCallar Law Firm  
P.O. Box 9026  
Savannah, GA 31412  
Tel: (912) 234-1215  
Fax: (912) 236-7549

SEGA Biofuels, LLC      Case No. 13-50694-JSD

### Summary of Claims

<u>CLAIMS STATUS</u>		<u>TOTAL</u>
Administrative Claims	Estimate	\$1,336,570.46
Priority Claims		\$52,970.04
Secured Claims		\$11,897,747.23
Critical Creditors		\$239,459.20
General Unsecured Claims		\$1,804,710.85
SOBIOS Related Claims		\$4,000,000.00
GRAND TOTAL		<u><b>\$19,331,457.78</b></u>

SEGA BIOFUELS, LLC - CASE NUMBER 13-50694-JSD - EXHIBIT "A" - CHAPTER 7 Liquidation Analysis

ASSETS:	GOING CONCERN ASSET VALUE	CHAPTER 7 VALUE LIQUIDATION	SECURED CREDITOR Amount of Claim	SECURED CREDITOR Names
<b>Real Property:</b>				
Wood Pellet Plant	\$12,000,000.00	\$3,129,425.00	\$11,897,747.23	The Heritage Bank
15333 Hwy. 82				
Nahunta, GA 31553			\$0.00	Ogle Engineering
(36.058 Acres)				
& Machinery, Equipment, Fixtures, and Supplies				
<i>Total:</i>	\$12,000,000.00	\$3,129,425.00	\$11,897,747.23	
Personal Property:				
Cash	\$0.00	\$0.00		
Checking Accounts		\$0.00		
DIP Operating Account with Bank of America		\$0.00		
DIP Tax Account with Bank of America		\$0.00		
DIP Payroll Account with Bank of America		\$0.00		
Georgia Pacific Material Deposit	\$10,000.00	\$10,000.00		
Security Deposit with Deere Credit	\$3,281.90	\$3,281.90		
Security Deposit for Power	\$100,000.00	\$100,000.00		
Security Deposit for Water	\$150.00	\$150.00		
Grange Mutual Life Insurance Policy on John Ford - \$5 million - Pledged to The Heritage Bank	\$0.00	\$0.00		
Prudential Life Insurance Policy on Robert Foxen for \$4,975,000 (XXXX7790) - Pledged to The Heritage Bank	\$0.00	\$0.00		
Office Equipment, Furnishings and Supplies	\$1,500.00	\$1,500.00		
2010 Volvo L90F Serial Number with last 4 digits of 7325 with Volvo 9.2 Yard Bucket	\$165,000.00	\$165,000.00	\$0.00	Volvo Financial Services
Finished Inventory - Wood Pellets	\$7,500.00	\$7,500.00		
Raw Materials for the Production of Wood Pellets	\$66,440.00	\$66,440.00		
Chapter 5 Recoveries	Unknown	Unknown		
<i>Total Value of Personal Property as Scheduled:</i>	\$353,871.90	\$353,871.90	Total Liquidation Value of Personal Property	
<b>TOTAL ASSETS</b>	<b>\$12,353,871.90</b>	<b>\$3,483,296.90</b>	<b>Total Liquidation Value of All Assets</b>	
<b>CLAIMS:</b>				
ADMINISTRATIVE CLAIMS	\$1,336,570.46			
PRIORITY CLAIMS - 507(a)(6)	\$52,970.04			
SECURED CLAIMS	\$11,897,747.23			
GENERAL UNSECURED CLAIMS	\$1,804,710.85			
CLAIMS OF INSIDERS	\$4,000,000.00			
<b>TOTAL CLAIMS</b>	<b>\$19,091,998.58</b>			

SEGA Biofuels, LLCCase No. 13-50694-JSDEXHIBIT A

	<u>Value</u>
<u>Value of Debtor's Assets as a Going Concern:</u>	\$12,000,000.00

Liquidation Value

<u>Item</u>	<u>Quantity</u>	<u>Value</u>
Land		\$ 350,000.00
Buildings	3	\$ 650,000.00
Infrastructure		\$ 250,000.00
Dryer Island	1	\$ 45,000.00
Pellet Mills	2	\$ 85,000.00
Pellet Mill conditioners	2	\$ 5,000.00
Cooler	1	\$ 38,000.00
Pellet Mill Prebins	6	\$ 12,000.00
Stainless Steel Drag Hot Conveyor	1	\$ 5,000.00
Dry hammermill	1	\$ 10,000.00
Green hammermill	1	\$ 15,000.00
Chip Screen	1	\$ 6,500.00
Hog	1	\$ 7,500.00
Kice Baghouses	2	\$ 35,000.00
Air Compressor	1	\$ 10,000.00
Screw conveyors	Multiple	\$ 35,000.00
Scales	1	\$ 35,000.00
Truck Tipper	1	\$ 25,000.00
Dry hopper	1	\$ 25,000.00
Magnets	2	\$ 10,000.00
Dryer cyclones	2	\$ 15,000.00
Dryer Ducts/stack	1	\$ 6,500.00
Green Chip bins	1	\$ 15,000.00
BM&M Screeners	3	\$ 30,000.00
Control System	1	\$ 10,000.00
MCC Equipment	1	\$ 30,000.00
Spare Parts		\$ 2,500.00
Briquet Equipment	6	\$ 250,000.00
Finish Product Storage	3	\$ 135,000.00
Fire Suppression	1	\$ 500.00
Bucket Elevators	2	\$ 35,000.00
Green Chip Feed Bin	3	\$ 12,500.00
Baghouse Filter/Dry Fiber Bin	1	\$ 15,000.00
Finish Product Loadout	1	\$ 35,000.00
Balance of Plant conveyance	Multiple	\$ 85,000.00
Baghouse Filters	Multiple	\$ 25,000.00
Spare Steel		\$ 25,000.00
HVAC	4	\$ 15,000.00
Misc Parts/Equipment		\$ 5,000.00
Rolling Stock		\$ -
Lab Equipment		\$ 1,250.00
FFE		\$ 5,000.00
<b>Total</b>		<b><u>\$ 2,407,250.00</u></b>
<b>As-Is</b>	<b>30% Premium</b>	<b><u>\$ 3,129,425.00</u></b>

Case No. 13-50694-JSD

SEGA Biofuels, LLC

EXHIBIT B

**Exhibit B-1**

<u>CLASS</u>	<u>CLAIM STATUS</u>	<u>DISPUTED</u>	<u>CLAIM #</u>	<u>CLAIM AS SCHEDULED</u>	<u>CLAIM AS FILED</u>	<u>CLAIM FILED DATE</u>	<u>PLAN AMOUNT</u>
<u>ADMINISTRATIVE CLAIMS</u>							
	McCallar Law Firm Post Office Box 9026 Savannah, GA 31412			\$0.00	\$100,000.00	estimated	\$100,000.00
	DuPont Yard, Inc. P.O. Box 208 Homerville, GA 31634		12	\$0.00	\$33,644.16	10/14/2013	\$33,644.16
	Biofuels Holdings, LLC 5256 Peachtree Road Suite 130 Atlanta, GA 30341			\$0.00			\$875,045.60
	Enova Operations, LLC 5256 Peachtree Road Suite 130 Atlanta, GA 30341			\$0.00			\$189,063.20
	INTERFOR U.S. INC. c/o Stael Rives LLP 900 SW Fifth Ave. #2600 Portland, OR 97204		24	\$13,345.22	\$16,536.96	12/10/2013	\$11,817.50
	Atlantic Wood Pellets Athens, LLC 5256 Peachtree Road Suite 130 Atlanta, GA 30341			\$0.00			\$127,000.00
							<b>\$1,336,570.46</b>

**Exhibit B-2**

<u>CLASS</u>	<u>CLAIM STATUS</u>	<u>DISPUTED</u>	<u>CLAIM #</u>	<u>CLAIM AS SCHEDULED</u>	<u>CLAIM AS FILED</u>	<u>CLAIM FILED DATE</u>	<u>PLAN AMOUNT</u>
	<u>PRIORITY CLAIMS</u>						
1	AFLAC 1932 Wynnton Rd. Columbus, GA 31999			\$2,994.12			Paid in Full
1	Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101		8	\$0.00	\$0.00	10/1/2013 Amended 1/16/14	\$0.00
1	Brantley County Property Taxes (2013) PO Box 829 Nahunta, GA 31553						\$45,622.47
1	Brantley County Personal Property Taxes (2013) PO Box 829 Nahunta, GA 31553						\$7,347.57
	<b>TOTAL</b>						<b>\$52,970.04</b>



SEGA BIOFUELS, LLC - CASE NUMBER 13-50694-JSD - EXHIBIT "C"

EXHIBIT C-1

CLASS	CLAIM STATUS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
	SECURED CLAIMS						
2	The Heritage Bank 300 S. Main Street Hinesville, GA 31313		3, 4, 5, 6	\$11,482,438.00	\$11,897,747.23	9/27/2013	\$11,897,747.23
5	Volvo Financial Services P.O. Box 26131 Greensboro, NC 27402		32	\$152,613.12	\$135,057.27	1/9/2014	\$0.00 Equipment Returned
	Ogle Engineering P.O. Box 1267 Pittsburg, TX 75686		27	\$319,701.11	\$359,478.50	12/17/2013	\$0.00 Objection Filed Hearing Continued
	TOTAL						\$11,897,747.23

EXHIBIT C-2

CLASS	CLAIM STATUS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
	CRITICAL CREDITOR CLAIMS						
3	Brantley Gas 114 Satilla Ave Nahunta, GA 31553		47	\$46,355.52	\$46,355.52	1/16/2014	\$46,355.52
3	Thom's Transport PO Box AA Blackshear, GA 31516		39	\$29,232.61	\$51,605.55	1/15/2014	\$51,605.55
3	Langdale Forest Products PO Box 1088 Valdosta, GA 31603		49	\$17,967.60	\$17,967.60	1/17/2014	\$17,967.60
3	Lewis & Raulerson 1759 State Street Waycross, GA 31501		37	\$30,563.82	\$68,586.18	1/14/2014	\$68,586.18
3	Milton J. Wood Company Attn: David Tankersely 3805 Faye Road Jacksonville FL 32226		2	\$20,000.00	\$20,000.00	9/26/2013	\$20,000.00
3	Bel-TPCU Inc./Biomass Energy PO Box 1407 Conyers GA 30012			\$8,541.17			\$1,733.00



3	Forestry Transport, Inc 1182 Hill-n-Dale Street South Tallahassee FL 32317	45	\$1,041.84	\$33,874.80	1/16/2014	\$27,209.89
3	Georgia Mill Supply, Inc PO Box 903 Alma GA 31510		\$584.57			\$0.00 Paid in Full
3	Industrial Cutting Tools PO Box 757 Valdosta GA 31603-0757		\$31,219.76			\$0.00 Paid in Full
3	INTERFOR U.S. INC. c/o Steel Rives LLP 900 SW Fifth Ave. #2600 Portland, OR 97204	24	\$13,345.22	\$16,536.96	12/10/2013	\$4,719.46
3	Logistec USA Inc. PO Box 1411 Brunswick GA 31521		\$251,558.86			\$0.00 Paid in Full
3	Management South Agency PO Drawer 348 Blackshear GA 31516		\$1,685.75			\$1,282.00
3	Waldron Compressors 260 Hatcher Point Road Waycross, GA 31501	1	\$2,447.58	\$2,447.58	9/23/2013	\$0.00 Paid in Full
<b>TOTAL</b>						<b>\$239,459.20</b>

**EXHIBIT C-3**

**GENERAL UNSECURED CLAIMS**

4	Andrews Kurth, LLP P.O. Box 301276 Dallas TX 75303		\$5,538.20			\$3,798.20
4	ASC Construction Equipment USA Inc. 1627 Dean Forest Road Savannah GA 31408		\$902.17			\$910.03
4	Bioenergy Anlagenplanung GmgH A-1130 Vienna AuhofstraBe 142A/4		\$360.00			\$485.86
4	Bliss Industries LLC PO Box 910 Ponca City OK 74602		\$6,744.55			\$10,636.95
4	BM&M Screening Solutions 5465 Production Blvd Surrey, BC V3S 8P6		\$5,441.26			\$5,441.26

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	Chatham Steel Corp. 501 W. Boundary Street Savannah, GA 31401		9	\$2,474.67	\$2,438.10	10/3/2013	\$2,474.67
4	Coley Electric & Plumbing Supply, Inc. 1760 Memorial Drive Waycross GA 31501			\$2,021.97			\$1,796.57
4	Conley Sheet Metal 2925 Harris Rd Waycross GA 31503			\$1,984.00			\$1,984.00
4	D&D Pelleting Solutions, LLC 11810 Magnolia Cove Gulfport, MS 39503		30	\$7,781.78	\$7,781.78	1/8/2014	\$0.00 Claim Disallowed by Order
4	Dorrsters Box 940 Blenheim, Ontario Canada			\$19,633.00			\$19,633.00
4	Dwyer Instruments, Inc PO Box 373 Michigan City IN 46361-0373			\$774.35			\$774.35
4	East Kansas Agri-Energy c/o Theresa Critchfield Husch Blackwell, LLP 736 Georgia Ave, Ste. 300 Chatanooga, GA 37401		16	\$75,000.00	\$85,358.66	11/4/2013 Amended 11/25/13	\$85,358.66
4	Englewood Electric Supply Co. 813 Gil Harbin Ind Blvd. Valdosta, GA 31601		15	\$3,841.86	\$10,453.67	11/1/2013	\$10,453.67
4	Fastenel 2001 Theurer Blvd. P.O. Box 978 Winona, MN 55987		29	\$1,383.86	\$2,738.86	12/26/2013	\$3,030.23
4	Flint Equipment Company PO Box 3329 Albany GA 31705		10	\$3,640.04	\$3,845.69	10/7/2013	\$3,170.41 Reduced by Credits
4	McKee Family Trust 925 Watson Ave Madison WI 53713		34	\$50,000.00	\$53,697.65	1/13/2014	\$50,000.00
4	McMaster Carr Supply Company		7	\$1,395.47	\$1,395.47	9/30/2013	\$1,395.47

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	6100 Fulton Industrial Blvd. Atlanta, GA 30336		23	\$4,026.37	\$5,512.63	12/6/2013	\$0.00 Claim Denied by Order Entered 4/9/14
4	Motion Industries P.O. Box 1477 Birmingham, AL 35201			\$13,769.46			\$13,769.46
4	Neff Rental LLC PO Box 405138 Atlanta GA 30384-5138		18	\$152,789.00	\$214,782.79	11/12/2013	\$213,727.52
4	Okefenokee REMC 4001 PO Box 602 Nahunta GA 31553-0602		33	\$10,440.63	\$14,198.83		\$14,090.89
4	Peterson Consultancy International Boompjes 270 P.O. Box 893 - 3000 AW Rotterdam - The Netherlands			\$3,184.67			\$3,231.73
4	Preiser Scientific Inc. PO Box 1330 Accounting Department # 403549 Saint Albans WV 25177-1330						

Amended 10/11/13

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	Schutte Buffalo 61 Depot Street Buffalo NY 14206		14	\$2,002.49	\$2,002.49	10/23/2013	\$2,002.49
4	SGS Belgium SA SGS House-Noorderlaan 87 RPR Antwerpen BTW BE 0404.882.750 Antwerp, 2030 Belgium		21	\$8,250.00	\$5,572.05 Claim filed for \$4,125 Euros		\$5,572.05
4	SolaGen 150 Port Ave Saint Helens OR 97051			\$6,127.24			\$0.00 Claim Denied by Order Entered 4/9/14
4	Southeastern Die Reconditioning PO Box 56346 Atlanta GA 30343			\$32,157.00			\$32,157.00
4	Sunbelt Rentals, Inc. PO Box 409211 Atlanta GA 30384-9211			\$328.18			\$328.18
4	Tri-Lane Rentals, Inc. PO Box 5116 Saint Marys GA 31558			\$1,760.00			\$1,760.00

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	Tritt & Associates, P.A.		35	\$7,443.59	\$7,546.80	1/14/2014	\$6,599.30

4	707 Peninsular Place Jacksonville FL 32204	UPS PO Box 7247-0244 Philadelphia PA 19170-0001	\$2,456.66			\$2,426.35
4		US Telecom PO Box 970 La Verne CA 91750	\$425.00			\$425.00
4		Westside Electric 4031 Faye Rd Jacksonville FL 32226	\$19,240.60			\$19,240.60
4		West Salem Machinery PO Box 5288 Salem OR 97304	\$18,392.41	13	10/15/2013	\$18,392.41
4		Trinity Consultants c/o Brad James, P.E. 53 Perimeter Center East, Suite 230 Atlanta, GA 30346	\$12,381.50			\$0.00 Claim Denied by Order Entered 4/9/14
4		Biomass Energy P.O. Box 919 Conyers, GA 30012	\$8,541.17			\$8,541.17
4		Timber Products Inspection P.O. Box 919 Conyers, GA 30012	\$975.00			\$0.00 Paid in Full

CLASS	CLAIM STATUS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	Airgas USA LLC 2015 Vaughn Raod, Bldg. 400 Kennesaw, GA 30144		26	\$256.80	\$972.77	12/13/2013	\$972.77
4	American Wood Resources 1367 Campbell Street Orlando, FL 32806		38	\$9,622.42	\$9,622.42	1/15/2014	\$9,622.42
4	Beach Timber PO Box 763 Alma, GA 31510			\$3,938.90			\$3,938.90
4	Bennett International Transport, LLC 1001 Industrial Parkway McDonough, GA 30253			\$27,362.00			\$27,362.00
4	Brantley County Printing & Office Supplies PO Box 414			\$214.76			\$214.76

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	Waycross, GA 31502 City of Nahantia PO Box 156 Nahantia, GA 31553			\$79.87			\$79.87
4	Control Union Certifications PO Box 161 800 AD Zwolle (NL)			\$2,315.23			\$2,315.23
4	CT Corporation PO Box 4349 Carol Stream, IL 60197-4349			\$82.17			\$82.17
4	Denise Herrin 1204 Vernon Rd. Nahantia, GA 31553			\$250.00			\$250.00
4	Georgia Pacific C/O SunTrust Bank Lockbox 102712 100 South Crest Dr. Stockbridge, GA 30281			\$17,380.73			\$17,380.73
4	Howard Lumber Company PO BOX 1669 Statesboro, GA 30459			\$21,191.91			\$21,191.91
4	Jerry Fortner 354 Fortner Drive Dupont, GA 31630			\$1,500.00			\$1,500.00

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	Pierce Co Chamber PO Box 47 Blackshear GA 31516			\$75.00			\$75.00
4	SEGA Leasing, LLC 3021 Patton Dr. Plover, WI 54467			\$32,250.00			\$21,125.00
4	Solistas Lab Partners PO Box 751337 Charlotte, NC 28275-1337			\$68.00			\$68.00
4	Southeast Bolt Company 4935 Owens Road Blackshear, GA 31516			\$90.42			\$90.42
4	Stokes Welding & Machine Shop			\$189.01			\$189.01

CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	3484 US Hwy 17 S Brunswick, GA 31523			\$45.62	\$45.62		\$45.62
4	Strate Welding Supply Co. Inc. 1722 Reynolds Street Waycross, GA 31501			\$85.49	\$85.49		\$85.49
4	Sun Coast Paper Inc. PO Box 1598 Brunswick, GA 31520			\$480.00	\$480.00		\$480.00
4	Tindall Enterprises, Inc. PO Box 618 829 SW Central Ave. Blackshear, GA 31516			\$972.83	\$972.83		\$972.83
4	T. Parker Host PO Box 3729 Custom House Station Norfolk, VA 23514			\$998.40	\$998.40		\$998.40
4	Tootle Spreader Service 4743 Elza District Road Reidsville, GA 30453						
CLASS	GENERAL UNSECURED CLAIMS	DISPUTED	CLAIM #	CLAIM AS SCHEDULED	CLAIM AS FILED	CLAIM FILED DATE	PLAN AMOUNT
4	UFP Ashburn 5631 S. NC Hwy 62 Burlington, NC 27215			\$11,239.20	\$11,239.20		\$11,239.20
4	UFP Eatonton 5631 S. NC Hwy 62 Burlington, NC 27215		36	\$966.35	\$73,722.87	1/14/2014 Amended	\$73,722.87
4	Anderson, O'Brien, Bertz, Skrenes & Golla, LLP 1257 Main Street P.O. Box 228 Stevens Point, WI 54481-0228		22	\$0.00	\$840.00	12/2/2013	\$0.00 Claim Disallowed by Order Entered 1/23/14
4	Applied Industrial Technologies - Dixie, Inc. Dianne Misenko One Applied Plaza Cleveland, OH 44115-5056		25	\$0.00	\$571.68	12/10/2013	\$571.68
4	Genesis III, Inc. c/o Paul A. Osborn P.O. Box 400 Sterling, IL 61081		28	\$0.00	\$1,530.00	12/23/2013	\$1,530.00
4	Leslie Dobbe 9461 County Rd. 00 Rosholt, WI 54473		31	\$593,814.00	\$656,650.70	1/8/2014	\$656,650.70

4	Vesta Hardman 199 Tanglewood Dr Athens, GA 30606					\$969.06		\$969.06
4	Gilman Bldg Products 581705 White Oak Road Yulee, FL 32097	48	\$51,189.51	\$52,274.13	1/17/2014 LATE FILED CLAIM		\$51,189.51	
4	David Foxen 16 Keenan Place Garden City, NY 11530	44	\$0.00	\$106,794.52	1/15/2014		\$106,794.52	
4	Benton Shores, LLC 14 Granaudo Circle Southwick, MA 01077	40	\$139,000.00	\$139,000.00 \$11,725.00	1/15/2014 Priority/Wages	\$0.00 \$0.00	Claim Denied by Order Entered 4/28/14 \$117,000.00	
4	Marty Shea 106 Chestnut Street Garden City NY 11530		\$117,000.00					
4	James Ford 5735 Regent St Stevens Point WI 54481	11	\$50,000.00	\$53,697.65	10/10/2013		\$53,697.65	
4	James Huntley 15331 Cape Drive North Jacksonville FL 32226	41	\$31,400.00	\$211,773.60 \$11,725.00	1/15/2014 Priority/Wages	\$25,000.00	Objection Filed Hearing Continued	
4	Mike Yokers 1421 Pine Oak Ct. Stevens Point, WI 54481	19	\$50,000.00	\$53,697.65	11/12/2013	\$0.00	Claim Denied by Order Entered 4/9/14	
4	Tom Modrzewski 4785 Pierce Ave. Plover WI 54467	20	\$50,000.00	\$53,697.65	11/12/2013		\$53,697.65	
<b>TOTAL</b>								<b>\$1,804,710.85</b>

**EXHIBIT C-4**

<u>CLASS</u>	<u>CLAIM STATUS</u>	<u>DISPUTED</u>	<u>CLAIM #</u>	<u>CLAIM AS SCHEDULED</u>	<u>CLAIM AS FILED</u>	<u>CLAIM FILED DATE</u>	<u>PLAN AMOUNT</u>
<u>SOBIOS RELATED CLAIMS</u>							
6	SOBIO51, LLC 95 Brooke Street Garden, City, NY 11538		42	\$0.00	Membership Interest	1/15/2014	To Share in Total Below
6	Robert Foxen 95 Brook Street Garden City, NY 11538		43	\$464,276.90	\$38,633.42	1/15/2014	To Share in Total Below
6	John Ford 3021 Patton Dr. Plover, WI 54467			\$196,043.37			To Share in Total Below



TOTAL

\$4,000,000.00

**Biofuels Holdings, LLC**

**EXHIBIT C-5**

Summary

(\$, unless noted otherwise)

**FINANCIAL SUMMARY**

	2013	2014	2015	2016	2017	2018	2019
Wood Pellet Sales	978,700	12,899,764	27,106,526	27,945,136	28,562,764	29,194,213	29,839,796
Chip Mill / Other Sales	-	6,358,788	24,680,072	25,297,073	25,929,500	26,577,738	27,242,181
Cost of Goods Sold	760,442	11,676,164	27,765,803	28,459,948	29,171,447	29,900,733	30,648,252
<b>GROSS PROFIT</b>	<b>218,258</b>	<b>7,582,388</b>	<b>24,020,794</b>	<b>24,782,261</b>	<b>25,320,817</b>	<b>25,871,218</b>	<b>26,433,726</b>
<b>Expenses</b>							
Utilities	119,134	1,453,761	2,647,409	2,713,594	2,781,434	2,850,970	2,922,244
Labor	62,393	537,994	679,143	836,694	857,612	879,052	901,028
Transportation	97,451	1,441,342	3,282,441	3,364,502	3,448,614	3,534,830	3,623,200
CIF Shipping	-	-	-	-	-	-	-
Insurance	34,732	243,600	218,939	224,413	230,023	235,774	241,668
Taxes	650	54,961	56,335	57,743	59,186	60,666	62,183
Information Technology	-	58,859	79,427	81,413	83,448	85,534	87,673
Travel	4,600	37,718	28,997	29,722	30,465	31,227	32,008
Telephony	3,530	16,364	19,100	19,578	20,067	20,569	21,083
Legal and Finance Fees	3,000	151,615	60,936	62,460	64,021	65,622	67,262
Environmental	22,167	82,169	45,177	46,306	47,464	48,651	49,867
Public Fees	1,000	4,913	6,304	6,461	6,623	6,788	6,958
Marketing and Public Relations	3,417	18,626	15,129	15,507	15,895	16,292	16,700
Site General and Administrative Fees	49,833	251,804	333,048	341,374	349,909	358,656	367,623
Leases	31,600	175,700	141,600	141,600	141,600	141,600	141,600
Capex / (Cash Infusion)	(795,554)	(407,003)	1,188,264	2,021,769	2,072,313	2,124,121	2,177,224
Chip Mill Expenses	-	1,656,252	6,206,687	6,361,854	6,520,900	6,683,923	6,851,021
<b>Total Expenses</b>	<b>(362,047)</b>	<b>5,778,673</b>	<b>15,008,936</b>	<b>16,324,991</b>	<b>16,729,576</b>	<b>17,144,276</b>	<b>17,569,342</b>
<b>Unlevered Cash Flows</b>	<b>580,305</b>	<b>1,803,715</b>	<b>9,011,858</b>	<b>8,457,269</b>	<b>8,591,241</b>	<b>8,726,942</b>	<b>8,864,383</b>
Biofuels Administrative Advances Payment	-	219,855	659,564	439,709	-	-	-
Administrative Claims	-	72,731	72,731	-	-	-	-
Class 1 - Priority Tax Claims	-	1,311	15,736	15,736	15,736	15,736	3,934
Class 2 - PARI PASSU Loans Payment	-	795,228	1,018,668	924,484	924,484	924,484	924,484
Class 2 - SBA Loan Payment	-	84,069	131,177	121,552	121,552	121,552	121,552
Management Fee	-	-	-	2,258,373	2,324,879	1,131,408	1,159,693
Class 3 - Critical Creditors	-	-	246,643	-	-	-	-
Class 4 - General Unsecured Creditors	-	-	309,809	309,809	309,809	309,809	309,809
DIP Vendor Financing Payment	-	-	1,348,981	1,466,599	-	-	-
Line of Credit establishment (through CF)	-	-	-	480,852	519,148	-	-
Improvement Loan Payment	-	105,056	1,260,677	1,741,528	3,096,666	-	-
Class 6 - SOBIOS Related Claims	-	-	406,598	698,628	999,697	1,313,740	581,337
<b>Levered Cash Flows</b>	<b>580,305.07</b>	<b>525,464</b>	<b>3,541,276</b>	<b>-</b>	<b>279,271</b>	<b>4,910,214</b>	<b>5,763,574</b>



SEGA Biofuels, LLC

Case No. 13-50694-JSD

**Exhibit D**

<u>Leases and Executory Contracts</u>	Claim #	Claim Amount	Plan Treatment
<b>TOTAL</b> CM Biomass c/o David Otero Akerman Senterfitt 50 North Laura Street Suite 3100 Jacksonville, FL 32202	17	\$139,574.71	Assume
John Deere Financial P.O. Box 4450 Carol Stream, IL 60197		11/11/2013	Assume
SEGA Leasing, LLC 3031 Pattaw Dr. Plover, WI 54467			Assume as Amended
Logistec c/o John Ferrelle 777 Gloucester Street, Suite 411 Brunswick, GA 31520			Assume
<b>TOTAL</b>			<b>\$0.00</b>

SEGA BIOFUELS, LLC - CASE NUMBER 13-50694-JSD - EXHIBIT "E"

Class	PROPOSED PLAN PAYMENTS	CLAIM AMOUNT	TERMS	INITIAL MONTHLY PAYMENT
	ADMINISTRATIVE CLAIMS	\$1,336,570.46	Paid in full at confirmation or by separate agreement of the parties	\$0.00
Class #1	PRIORITY CLAIMS - Tax Claims	\$52,970.04	Paid in Full over 52 Months @ 12% interest	\$1,311.33
Class #2	SECURED CLAIMS- The Heritage Bank	\$11,897,747.23	Paid as Set forth in Class #2 of the Plan	\$52,182.48
Class #3	UNSECURED CLAIMS - Critical Creditors	\$239,459.20	Paid in 3 Installments as set forth in Class #3 of the Plan	\$79,819.73
Class #4	UNSECURED CLAIMS - General Unsecured Claims	\$1,804,710.85	Paid in full over 72 Months*	\$25,600.00
Class #5	SECURED CLAIM - VOLVO	\$0.00	Debtor shall make regular contractual monthly payments	\$3,179.44
Class #6	SOBIOS RELATED CLAIMS	\$4,000,000.00	Paid as Set forth in Class #6 of the Plan	\$0.00
	TOTAL AMOUNT OF CLAIMS	\$19,331,457.78		\$162,092.98

\*with interest at the rate of 3%