

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION

In Re:

Case No. 16-10261-KKS

DON GREEN FARMS, INC.,

Chapter 11

Debtor in Possession.

Jointly Administered with
Case No. 16-10260-KKS

_____ /

CHAPTER 11 PLAN
Pursuant to 11 U.S.C. § 1123
Debtors' Joint Plan of Liquidation

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The Classes of Creditors and Interest Holders

This case involves two closely intertwined debtors who filed for bankruptcy protection at the same time: Don Green Farms, Inc. (“DGFI”) and Donald R. Green (“Green”). This Chapter 11 Plan (“Plan”) is filed jointly by the Debtors, but care has been taken to distinguish between the two as necessary. The Debtors have classified claims against the Debtors into classes containing claims that are substantially similar to the other claims and interests in such class – first for DGFI and then for Green. The Plan provides for the treatment of each class (other than administrative claims and priority tax claims which, pursuant to Section 1123(a)(1), do not need to be classified).

Note: The Debtors retain their respective right to challenge or object to any claim despite the inclusion of any creditor or class of creditors here or in the Plan.

Administrative claims, claims for professional fees, claims for priority taxes, and fees owing to the United States Trustee are unclassified and will be paid in full as soon as reasonably practicable, pursuant to an agreement between the Debtors and the recipients in the ordinary course of business, or as required by statute, as applicable.

The classes as the Debtor DGFI has organized them are as follows:

<i>DON GREEN FARMS, INC.</i>		
CLASS	TREATMENT AND ESTIMATED DISTRIBUTION	VOTING RIGHTS
Class 1 Regions Bank	Beginning August 15, 2011, and through January 16, 2015, Regions Bank made six separate loans to DGFI. All of the Loans are cross-collateralized and cross-defaulted. The Loans are secured by, among other things, all of the DGFI’s farm equipment and crops, and a mortgage granted by Green on 180 acres of real property he owns individually. Each of the six loans is described in brief below using the final four digits of each loan number as a reference. The total secured claim asserted by Regions Bank, as of March 3, 2017, is \$1,346,494.17 . Loan No. 7580: Principal Balance.....\$34,126.39 Interest to Petition Date.....\$5,561.86	Unimpaired; not entitled to vote

Late Fees.....	\$669.79
Post Petition Interest.....	\$572.90
Total.....	\$40,930.94
<u>Loan No. 7639:</u>	
Principal Balance.....	\$66,236.75
Interest to Petition Date.....	\$8,375.36
Late Fees.....	\$1,785.03
Post Petition Interest.....	\$1,097.41
Total.....	\$77,494.55
<u>Loan No. 1366:</u>	
Principal Balance.....	\$58,552.39
Interest to Petition Date.....	\$5,566.39
Late Fees.....	\$3,570.06
Post Petition Interest.....	\$880.16
Total.....	\$68,569.00
<u>Loan No. 2512:</u>	
Principal Balance.....	\$537,168.09
Interest to Petition Date.....	\$57,806.44
Late Fees.....	\$4,1740.70
Other Fees.....	\$10,002.13
Post Petition Interest.....	\$7,367.41
Total.....	\$616,518.77
<u>Loan No. 7130:</u>	
Principal Balance.....	\$150,000.00
Interest to Petition Date.....	\$14,393.00
Post Petition Interest.....	\$2,271.25
Total.....	\$166,664.25
<u>Loan No. 8042:</u>	
Principal Balance.....	\$315,124.73
Interest to Petition Date.....	\$33,373.53
Late Fees.....	\$1,289.93
Post Petition Interest.....	\$4,994.77
Total.....	\$355,146.96
State Court Attorney's Fees.....	\$18,390.00
State Court Costs.....	\$2779.70
Total Claim.....	\$1,346,494.17

	<p>DGFI and Regions Bank, along with Green, have agreed that the Debtors will liquidate all the collateral for these loans under the following conditions:</p> <ol style="list-style-type: none"> a. The Debtors agree to market and attempt to sell their respective real and personal property comprising Regions' collateral through a third-party broker for a period of 6 months beginning February 1, 2017, and ending July 31, 2017; b. Regions Bank will have sole and absolute discretion to consent to a sale free and clear of its first priority lien on such property below the full amount of its claims; c. If no sale has been approved by the Court as of July 31, 2017, then all property securing Regions Bank's liens shall be deeded to Regions Bank in full satisfaction of its allowed secured claim; d. The Debtors will make monthly adequate protection payments to Regions of \$3,300 until the sooner of the sale of all personal property comprising Regions Bank's collateral or July 31, 2017. <p>Some of the equipment encumbered by the Regions Bank notes is subject to a lease and sublease arrangement through DGFI and other individuals and entities. Any sale will be made subject to these leases. The leases shall not alter, impair, or affect in any way Regions' rights as a first priority secured creditor with respect to the Debtor's personal property located on the leased premises.</p>	
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Class 2 Kubota Credit Corporation	<p>Purchase Money Security Interest in two pieces of farm equipment.</p> <p>Loan Balance.....\$44,997.48</p> <p>The Debtor (DGFI) intends to continue to service this debt under the terms of the parties' pre-petition contract.</p>	Unimpaired; not entitled to vote
Class 3 General Unsecured Creditors	<p>General Unsecured Creditors shall receive the proceeds from the liquidation of DGFI's assets in excess of Regions Bank's secured claim. The proceeds from such sale will be paid in proportion to each unsecured creditor's claim in relation to DGFI's total unsecured debt.</p>	Impaired; entitled to vote on plan
All Classes	<p>Upon liquidation of Debtors' assets as described herein, the Debtors will be discharged of further liability to creditors, except as prohibited by law. DGFI will wind down its affairs and will operate solely to comply with the terms of the Kubota loan.</p>	

The classes as the Debtor Green has organized them are as follows:

<i>DONALD R. GREEN</i>		
CLASS	TREATMENT AND ESTIMATED DISTRIBUTION	VOTING RIGHTS
Class 1 United States Department of Agriculture	<p>The United States Department of Agriculture has a secured lien in the amount of \$97,230.79 on all of Green's property. Green intends to liquidate his individually owned farm equipment in order to satisfy USDA's claim. Any excess from such sale over the amount owed by Green will be used pay Green's unsecured creditors.</p>	Unimpaired; not entitled to vote
Class 2 Regions Bank	<p>As noted earlier, Regions Bank secured its loans to DGFI through two mortgages on Green's individually owned property. These loans are described below.</p> <p>Loan No. 2512: Principal Balance.....\$537,168.09 Interest to Petition Date.....\$57,806.44 Late Fees.....\$4,1740.70</p>	Unimpaired; not entitled to vote

	<p>Other Fees.....\$10,002.13 Post Petition Interest.....\$7,367.41 Total.....\$616,518.77</p> <p><u>Loan No. 8042:</u> Principal Balance.....\$315,124.73 Interest to Petition Date.....\$33,373.53 Late Fees.....\$1,289.93 Post Petition Interest.....\$4,994.77 Total.....\$355,146.96</p> <p>Total of both loans.....\$971,665.73</p> <p>DGFI and Regions Bank, along with Green, have agreed that the Debtors will liquidate the collateral for these loans, including the 180 acres owned by Green, under the following conditions:</p> <ol style="list-style-type: none"> a. The Debtors agree to market and attempt to sell their respective real and personal property comprising Regions’ collateral through a third-party broker for a period of 6 months beginning February 1, 2017, and ending July 31, 2017; b. Regions Bank will have sole and absolute discretion to consent to a sale free and clear of its first priority lien on such property below the full amount of its claims; c. If no sale has been approved by the Court as of July 31, 2017, then the Debtor shall deed all property securing Regions Bank’s liens to Regions Bank in full satisfaction of its allowed secured claim; e. The Debtors will make monthly adequate protection payments to Regions of \$3,300 until the sooner of the sale of all personal property 	
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	comprising Regions Bank's collateral or July 31, 2017.	
Class 3 Nationstar Mortgage, LLC	<p>Green owns a house jointly with his wife, Elaine Green, located at 97 SE 241st Street, Suwannee, Florida 32628. The Greens intend to sell the house and use the proceeds to satisfy the mortgage lien held by Nationstar Mortgage, LLC ("Nationstar"), which holds a promissory note jointly executed by the Greens. The Court has approved the sale of the house. The Greens shall close on the sale of the House by April 30, 2017.</p> <p>Prior to the petition date, Nationstar filed suit for foreclosure in state court; that case has been stayed. In that foreclosure suit, Nationstar alleged that the outstanding amount due under the mortgage was \$382,877.10.</p> <p>The proposed sale price of the house is \$450,000.00, to include the Greens' personal property located on the premises. Any excess proceeds will be used to pay CapitalOne N.A., which holds a second mortgage on the property.</p> <p>The Debtor intends to negotiate with the applicable creditors with the goal of discharging all liability through the proceeds of the sale.</p> <p>The remaining balance of the Nationstar note, if any, will be considered unsecured debt, and Nationstar will be treated as a Class 5 General Unsecured Creditor to the extent of its remaining credit.</p>	Impaired; entitled to vote
Class 4 CapitalOne N.A.	CapitalOne N.A. ("CapitalOne") holds a note and second mortgage on the above-described Suwannee house. The balance on the account is \$78,386.71. Any excess proceeds from the sale of the Suwannee house after distribution to Nationstar will	Impaired; entitled to vote

	<p>be paid to CapitalOne. The Greens shall close on the sale of the House by April 30, 2017.</p> <p>The Debtor intends to negotiate with the applicable creditors with the goal of discharging all liability through the proceeds of the sale.</p> <p>The remaining balance of the CapitalOne note, if any, will be considered unsecured debt, and CapitalOne will be treated as a Class 5 General Unsecured Creditor to the extent of its remaining credit.</p>	
Class 5 General Unsecured Creditors	General Unsecured Creditors shall receive the proceeds from the liquidation of Green's non-exempt assets in excess of the respective secured creditors' claims.	Impaired; entitled to vote
All Classes	Upon liquidation of the Debtors' assets as described herein, the Debtors will be discharged of further liability to creditors, except as prohibited by law.	

No distributions will be made to disputed or contested claims until and unless the Bankruptcy Court has overruled any objection or resolved the related litigation, and the disputed claim has been found to be allowed and fully liquidated. Contingent or unliquidated claims will be paid only upon the occurrence of the contingency or liquidation of the claim, respectively. Unless otherwise provided for, post-petition interest shall neither accrue nor be paid on any claim.

All administrative costs must be paid in full before the Plan can be confirmed.

Means for Implementing the Plan

The Plan will be implemented by (a) liquidating the Debtors' assets as described above; (b) nominating a liquidating agent to ensure all of Debtor's non-exempt assets are liquidated for the benefit of creditors.

Liquidation Analysis

The holders of claims against the Debtors will receive or retain under the Plan on account of such claim or interest property of a value, as of the Effective Date of the Plan,

that is not less than the amount that such holder would so receive or retain if the Debtors were liquidated under chapter 7 on such date. The Plan allows the Debtors to market their non-exempt assets in an orderly manner, enabling the Debtors to maximize the proceeds arising from the liquidation for the benefit of all creditors.

Rights and Abilities of the Debtor Under the Plan

Upon confirmation of the Plan, the Debtors shall retain and have all the rights, powers and duties necessary to carry out their responsibilities under the Plan, and the Debtors shall have the authority to retain on behalf of the Estate, attorneys, accountants, investment advisors, and other professionals, including professionals already or formerly retained by the Debtors, as they may determine to be necessary or appropriate in carrying out the provisions of the Plan. The Debtors may pay the reasonable fees and expenses of such professionals as a cost of reorganization without application to or further order of the Bankruptcy Court. The Debtor will retain ChildersLaw, LLC as its counsel upon Confirmation.

Furthermore, following confirmation of the Plan, the Debtors will be re-vested in all its property, and may take any and all actions necessary to perform an orderly liquidation of the Debtors' non-exempt assets, as described and/or provided for in this Plan, without further order of the Bankruptcy Court.

Upon confirmation, the Debtors will have the authority to file objections, settle, compromise, withdraw or litigate to judgment objections to claims. Following the Effective Date, the Debtors may settle or compromise any disputed claim without approval of the Bankruptcy Court.

Once the Plan has been fully performed, the Debtors will file with the Court and serve on the United States Trustee a final report, which will include: (i) a list of all Estate property and funds of the Debtors originally charged under the Debtors' control, (ii) a summarized accounting, in sufficient detail, of all gains, losses, and income in connection with the liquidation pursuant to the plan, and (iii) any final distribution to equity interest holders of all assets and funds of the Debtors as of the date of the final report. The expenses of any accounting (including, any final report or discharge) shall be paid by the Debtors.

The Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, this chapter 11 case and the Plan to the fullest extent permitted by law.

Executory Contracts and Unexpired Leases

All executory contracts and unexpired leases are hereby rejected, unless specifically provided for herein.

If the rejection of any executory contract or unexpired lease results in a claim, then such claim must be filed as a proof of claim in the Bankruptcy Case no later than the thirtieth (30th) day following the date of rejection.

Releases and Limitations of Liability

The Debtors and their members, partners, officers, directors, employees and agents (including any attorneys, accountants, financial advisors, and other professionals or agents retained by the Debtors) shall not be liable to any party for any act they may do, or omit to do, in connection with or arising out of the Plan, the administration of the Plan, or the property to be distributed under the Plan. However, this paragraph shall not apply to any act of gross negligence or willful misconduct as determined by a Final Order of the Bankruptcy Court.

The Confirmation Order will enjoin the prosecution of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged or terminated pursuant to the Plan.

Injunction

The Confirmation Order will permanently enjoin the prosecution of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest satisfied, released, discharged or terminated pursuant to the Plan. Except as otherwise provided in the Plan, the Confirmation Order shall provide, among other things, that from and after the **date the confirmation order** is entered all persons and entities who have held, hold or may hold claims against or interests in the Debtor are permanently enjoined from taking any of the following actions on account of any such claims or interests: (a) commencing or continuing, in any manner or in any place, any action or other proceeding; (b) enforcing attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor; and (e) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan.

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays provided for in the chapter 11 case under sections 105 or 362 of the Bankruptcy Code or otherwise, and extant on the Confirmation Date (excluding any injunctions or stays contained in this Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date.

By voting in favor of, or accepting distributions pursuant to, the Plan, each holder of a claim or interest will be deemed to have specifically consented to the injunctions set forth in the Plan. The preceding statement does not limit the application of the injunctions to any party in any way.

Miscellaneous Provisions

Unless otherwise ordered by the Bankruptcy Court:

(a) All final requests for compensation or reimbursement of Professional Fees pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code for services rendered prior to the Effective Date of the Bankruptcy Code must be filed and served on the Debtors and its counsel no later than forty-five (45) days after the Effective Date. Objections to applications of such Professionals or other entities for compensation or reimbursement of expenses must be filed and served on counsel to the Debtors and the requesting Professional or other entity no later than thirty (30) days (or such longer period as may be allowed by order of the Bankruptcy Court) after the date on which the applicable application for compensation or reimbursement was served.

(b) All requests for payment of an Administrative Claim must be filed with the Bankruptcy Court and served on counsel for the Debtors no later than thirty (30) days after the Effective Date. Unless the Debtors objects to an Administrative Claim within forty-five (45) Business Days after receipt, such Administrative Claim shall be deemed allowed in the amount requested. In the event that the Debtors object to an Administrative Claim, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim, which is paid or payable by the Debtors and the Post-Confirmation Debtors, as the case may be, in the ordinary course of business.

The Plan may be altered, amended or modified by the Debtors under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date. After the Confirmation Date and prior to substantial consummation of the Plan, as defined in section 1101(2) of the Bankruptcy Code, the Post-Confirmation Debtors may, under section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court

to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan and such proceedings do not materially adversely affect the treatment of holders of Claims under the Plan; *provided, however*, that prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or order of the Bankruptcy Court.

The Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Debtors revoke or withdraw the Plan before the Confirmation Date, then the Plan shall be deemed null and void. In that event, nothing contained in the Plan will be deemed to constitute a waiver or release of any claims by or against the Debtors or serve as an admission of fact or conclusion of law or otherwise prejudice in any manner the rights of the Debtors in any further proceedings involving the Debtors.

To the extent that any provision of the Disclosure Statement or the Confirmation Order (or any exhibits, schedules, appendices, supplements or amendments to the foregoing) conflict with or are in any way inconsistent with the terms of the Plan, the Plan shall govern and control except with respect to treatment of holders of claims or interests.

The rights, benefits and obligations of any entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

The Post-Confirmation Debtors shall continue to exist after the Effective Date, in accordance with the applicable law pursuant to their Operating Agreement in effect prior to the Effective Date.

Except as otherwise provided in this Plan or the Confirmation Order, or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Post-Confirmation Debtors shall retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all Litigation Claims that the Debtors or the Estate may hold against any person or entity.

The Plan shall be binding upon and inure to the benefit the Debtors, all present and former holders of Claims against and Interests in the Debtors, their respective successors and assigns, including, but not limited to, the Post-Confirmation Debtors, the purchasers of property from the Post-Confirmation Debtors, and all other parties-in-interest in this Chapter 11 Case.

If Confirmation of the Plan does not occur, then (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims), assumption or

rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims by or against, or any Interests in, the Debtors or any other Person, (ii) prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving the Debtors, or (iii) constitute an admission of any sort by the Debtors or any other Person.

This Plan does not limit the Debtors' rights under applicable bankruptcy law in any way, and the Debtors expressly retain all rights provided by applicable bankruptcy law including equitable relief pursuant to 11 U.S.C. § 105.

Any notice, request, demand, waiver or consent required or permitted to be made or provided to or upon the Debtors or the Post-Confirmation Debtors under the Plan shall be (a) in writing, (b) served by (i) certified mail, return receipt requested, (ii) hand delivery, (iii) overnight delivery service, (iv) first class mail, or (v) facsimile transmission, and (c) deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

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<signature page to follow>

Dated as of: March 3, 2017.

BY DEBTOR: DON GREEN FARMS, INC.

By: /s/ Donald R. Green

Name: Donald R. Green

Title: President

BY DEBTOR: DONALD R. Green

Name: /s/ Donald R. Green



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