

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION

In re: Case No. 16-10261-KKS
Don Green Farms, Inc., Chapter 11
Debtor. Jointly Administered with
Case No. 16-10260-KKS

**Crop Production Services, Inc.'s Objection to Debtors' Chapter
11 Disclosure Statement**

Creditor, Crop Production Services, Inc. ("CPS" or "Creditor") files this, its objection to the Debtors' Joint Chapter 11 Disclosure Statement, in accordance with N.D. Fla. LBR 3017-1 and in support thereof says:

BACKGROUND

1. Debtor Donald R. Green filed his Petition (Doc. 1) on or about November 15, 2016.
2. Debtor Don Green Farms, Inc. filed its Petition (Doc. 91) on or about November 16, 2016.
3. Debtor Don Green Farms, Inc. filed its Motion for Joint Administration of Cases (Doc. 18) on or about November 29, 2016.
4. On or about December 19, 2016 the Court entered its Order Granting Debtors' Motion for Joint Administration (Doc. 52) (the "Order").

5. Debtors' filed their Chapter 11 Joint Plan of Liquidation (Doc. 119) on or about March 3, 2017 (the "Plan").

6. Debtors' filed their Chapter 11 Disclosure Statement (Doc. 133) on or about March 20, 2017 (the "Disclosure Statement").

7. The Court set a hearing to consider the adequacy of the Disclosure Statement, for May 4, 2017 at 10:45 AM, and has established April 27, 2017, as the deadline for filing objections to the Disclosure Statement.

Objections

The Disclosure Statement does not Contain Adequate Information and Fails to Satisfy 11 U.S.C. Section 1125, of the United States Bankruptcy Code

8. The Disclosure Statement does not contain adequate information within the meaning of Section 1125 of the Bankruptcy Code and must be modified to provide additional clarifying information before it can be approved.

9. Section 1125(a)(1) of the Bankruptcy Code defines adequate information as:

[I]nformation of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or

interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan...

10. Section 1125(a)(1) also states that when considering whether to approve a disclosure statement as containing adequate information, the Court must consider "the complexity of the case, the benefit of additional information to creditors and other parties in interest, and the cost of providing additional information."

11. The Disclosure Statement was intended by Congress to be the primary source of information upon which creditors and shareholders would make an informed judgment about a plan of reorganization. In re Ferguson, 474 B.R. 466, 470 (Bankr. D.S.C. 2012) (quoting In re Jeppson, 66 B.R. 269, 291 (Bankr.D.Utah 1986)). "It is within the Court's discretion to determine whether a disclosure statement contains adequate information." In re Ferguson at 471.

12. A disclosure statement should not be approved if it fails to provide sufficient information about risks regarding the means by which a plan is to be funded. See In re Cardinal Congregate I, 121 B.R. 760, 764 (Bankr. S.D. Ohio 1990). A disclosure statement must contain all material information

relating to the risks posed to creditors and equity holders under the proposed plan of reorganization. Id. at 765

13. The following non-comprehensive list of issues require additional information or clarification before the Disclosure Statement can be found to provide adequate information: (i) the Disclosure Statement contains no reference to the cash collateral agreement with Regions Bank (Docs. 113 and 124), or its provisions, which will have a significant effect on the cases, (ii) the Disclosure Statement contains no reference of the various irrigation pivot devices, some of which appear to be owned by Donald Green individually, others of which appear to be owned by Don Green Farms, Inc., and how the sale of the pivots will be administered, (iii) the Disclosure Statement contains no reference or discussion regarding a Three Hundred Thousand Dollar (\$300,000.00) investment Donald R. Green made for the initial start up of Half Moon Growers, Inc., whether there will be collection efforts and how those funds would be administered.¹

14. CPS submits that additional information regarding the items listed above is required before it can make an informed

¹ It was not clear from Mr. Green's testimony at his first meeting of creditors whether he had a promissory note for the \$300,000.00 or an ownership interest, but he did have a verbal agreement to receive 3% interest. Transcript at pp. 52-53.

decision with respect to the Debtors' Joint Chapter 11 Plan of Liquidation.

The Disclosure Statement Appears to Substantively Consolidate the Two Debtors, yet the Cases Have Not Been Substantively Consolidated

15. The Court made it clear in its Order that the Bankruptcy cases of Donald R. Green and Don Green Farms, Inc. were joined for procedural purposes only and under no circumstances would the Order be deemed a substantive consolidation. The Courts Order dated December 30, 2016 is being filed herewith as Exhibit "A" and incorporated by reference.

16. The Disclosure Statement makes frequent use of the term(s) "Debtors" and "Debtors'" and it is unclear if the terms refer to Donald R. Green individually, Don Green Farms, Inc. or both. For example, item number seven (7) on page three (3) of the Disclosure Statement reads "Debtors' annual gross revenues: Approximately \$900,000.00 in the years prior to the petition". This is one example of the many statements that need to be clarified in order for CPS to ascertain to which Debtor the statements refer so that it may make an informed decision regarding the Plan.

17. CPS recommends that any reference to "Debtors", "Debtors'", or "Debtor" be changed so as to identify the debtor as Donald R, Green, Don Green Farms, Inc. or where applicable

list both names in order to eliminate confusion and make the Disclosure Statement clear.

Reservation of Rights

18. CPS will continue to review the Disclosure Statement, any subsequent amended Disclosure Statement, and the Plan. As such, CPS expressly reserves all rights to object, without limitation, to the Disclosure Statement, any subsequent modification to the Disclosure Statement, and confirmation of the Plan on any and all grounds, whether or not set forth herein.

WHEREFORE, for the reasons set forth above, the Disclosure Statement fails to provide adequate information about material aspects of the Plan and appears to substantively consolidate Donald R. Green, the individual, and Don Green Farms, Inc. As a result, CPS respectfully requests (1) that the Court deny the approval of the Disclosure Statement and (2) grant other and further relief this Court deems just and proper.

Dated: April 5, 2017

Respectfully submitted,

/s/ John H. Mueller
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Attorneys for Crop Production
Services, Inc.

Certificate of Service

I HEREBY CERTIFY that a true and correct copy of the foregoing has been e-filed with the Court's CM/ECF electronic mail system on this 5th day of April 2017 and has been sent by email to:

Sheldon J. Childers and James W. Kirkconnell on behalf of Debtors jchilders@smartbizlaw.com ; jkirkconnell@smartbizlaw.com

Noel R. Boeke on behalf of Creditor Growers Fertilizer Corporation noel.boeke@hkklaw.com ; wendysue.henry@hkklaw.com; doris.yates@hkklaw.com;

Lisa Caryl Cohen on behalf of Debtor 23 Farms, LLC
LisaCohen@bellsouth.net;

Jason H. Egan on behalf of U.S. Trustee United States Trustee jason.h.egan@usdoj.gov;

Eric S. Golden on behalf of Creditor Regions Bank
egolden@burr.com, jmorgan@burr.com;

Christopher Robert Thompson on behalf of Creditor Regions Bank crthompson@burr.com, ccrumrine@burr.com, jmorgan@burr.com;
and to

United States Trustee USTPRegion21.TL.ECF@usdoj.gov.

/s/ John H. Mueller
John H. Mueller

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION

In re:

Case No. 16-10261-KKS

Don Green Farms, Inc.,

Chapter 11

Debtor.

Jointly Administered with
Case No. 16-10260-KKS

Exhibit "A"
to
Crop Production Services, Inc.'s Objection to Debtors' Chapter
11 Disclosure Statement

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION

In Re: Case No. 16-10261-KKS
Don Green Farms, Inc., Chapter 11
Debtor.

**ORDER GRANTING DEBTORS' MOTION FOR JOINT
ADMINISTRATION OF CASES (Doc. 18)**

THIS CASE is before the Court on Debtors' Motion for Joint Administration (Doc. 18) (the "Motion"), filed on November 29, 2016, pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules"), by the above-captioned debtors-in-possession (collectively, "Debtors") for the joint administration of the Debtors' chapter 11 cases for procedural purposes only.

Upon consideration of the Motion, it appears that joint administration is in the best interests of the Debtors' respective estates and creditors, and there is sufficient cause to grant the relief requested in the Motion.

Accordingly, for the reasons stated herein, it is hereby

ORDERED:

1. The Motion is granted as provided herein.
2. Case Nos. 16-10261-KKS and 16-10260-KKS are hereby consolidated for procedural purposes only and shall be jointly administered by the Court.
3. Nothing contained in this Order or the Motion shall be deemed or construed as directed or otherwise effecting a substantive consolidation of the above-captioned cases.

4. The lead case for purposes of this joint administration shall be Don Green Farms, Inc.; Case No. 16-10261-KKS (the “Lead Case”).

5. Pleadings for these Chapter 11 cases shall be required to bear a caption substantially in the form of the caption attached hereto as **Exhibit A**. All papers or pleadings will be docketed in the Lead Case only, with the exception of the Schedules and Statement of Financial Affairs that will be filed in the case of the applicable debtor. When so filed and docketed, the pleading or paper so far as material and applicable will be deemed filed in other bankruptcy cases as though filed and docketed therein. Accordingly, no pleading or paper after this order is filed and docketed in any of these cases shall be filed and docketed in the other related cases. In instances where the relief requested in a pleading pertains to a specific Debtor or Debtors, the jointly-administered caption shall be modified to indicate the specific Debtor or Debtors to which the pleading or order applies, and the title, as well as the first paragraph, of the pleading or order shall indicate the specific Debtor or Debtors to which it applies. A form of the caption is attached hereto as Exhibit B.

6. Counsel for the Debtors shall provide the Clerk of the Court with a combined matrix that consolidates all of the matrices for Debtors and eliminates duplicate entries, and with a consolidated Local Rule 1007-2 Parties-In-Interest List.

7. A docket entry shall be made in the Donald R. Green case as follows:

An order has been entered in this case for the joint administration of the Chapter 11 bankruptcy cases of Don Green Farms, Inc., Case No. 16-10261-KKS and Donald R. Green, Case No. 16-10260-KKS, for procedural purposes only and providing for its joint administration in accordance with the terms thereof. The Docket in Case No. 16-10261-KKS should be consulted for all matters affecting the jointly administered cases.

8. The Debtors shall file one monthly financial report for the Lead Case. A separate monthly financial report shall be filed the jointly administered case, and the coversheet for that

monthly financial report shall be captioned in the same manner as provided in paragraph 5 of this Order.

9. The Clerk will maintain separate claims registers for each case. Any party filing a proof of claim shall indicate on the proof of claim, the case number, and the name of the case in which the debt is owed. The clerk shall also maintain separate claims files for each case. If a proof of claim does not specify which Debtor against whom the claim is asserted, then the claim will be filed in the Lead Case.

10. Any interested party may object to this Order within twenty (20) days from the date of service of this order. If an interested party files such an objection within this time period, the Court will schedule the Motion and objection for hearing on notice to the Debtors, the United States Trustee, and any committee that may be formed and to its counsel, and to the objecting party.

11. This Court retains jurisdiction with respect to all matters arising from or related to implementation and interpretation of this Order.

DONE AND ORDERED on 30th day of December, 2016.



KAREN K. SPECIE
United States Bankruptcy Judge

This Order prepared by:
Seldon J. Childers, Esquire (Amended in Chambers)

Attorney, Seldon J. Childers, is directed to serve a copy of this order on interested parties and file a certificate of service within 3 business days of entry of the order.

Exhibit A

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION**

In Re:

Case No. 16-10261-KKS

Don Green Farms, Inc.,

Chapter 11

Debtor.

Jointly Administered with
Case No.: 16-10260-KKS

Exhibit B

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION**

In Re:

Case No. 16-10261-KKS

Don Green Farms, Inc.,

Chapter 11

Debtor.

Jointly Administered with
Case No.: 16-10260-KKS

Applicable Debtor

Donald R. Green,

Debtor.