THIS PROPOSED DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE COURT

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF ILLINOIS
SPRINGFIELD DIVISION

In re:	)	Chapter 11
TRANS COASTAL SUPPLY COMPANY, INC.	)	Case No. 15-71147
	)	Honorable Mary P. Gorman
Debtor.	)	

FIRST AMENDED DISCLOSURE STATEMENT WITH RESPECT TO FIRST AMENDED JOINT PLAN OF REORGANIZATION PROPOSED BY THE DEBTOR AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

Dated as of February 6, 2017

RICHARDSON & ERICKSON Jeffrey D. Richardson 132 South Water Street Suite 444 Decatur, Illinois 62523 (217) 425-4082 (217) 424-5188 (facsimile) jdrdec@aol.com *Counsel to the Debtor-in-Possession*	**GOLDSTEIN & MCCLINTOCK LLLP** Matthew E. McClintock Brian J. Jackiw 208 South LaSalle Street, Suite 1750 Chicago, Illinois 60604 (312) 337-7700 (main) (312) 277-2305 (facsimile) mattm@restructuringshop.com brianj@restructuringshop.com *Counsel for The Official Committee of Unsecured Creditors*

I.
INTRODUCTION

On July 23, 2015, Trans Coastal Supply Company, Inc. (the "Debtor" or "Trans Coastal") filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

The Debtor and the Official Committee of Unsecured Creditors (the "Committee") are the joint Proponents of the Plan. The purpose of this First Amended Disclosure Statement ("the Disclosure Statement") is to provide the Debtor's Creditors with sufficient information about the First Amended Joint Chapter 11 Plan of Reorganization proposed by the Debtor and the Committee (the "Plan") to enable the Creditors to make an informed judgment about the merits of the Plan. Capitalized terms used but not defined herein have the meanings given to them in the Plan.

The information contained in this Disclosure Statement relies on the Debtor's internal financial records for accuracy and has not been the subject of a certified audit.

II.
BACKGROUND

The Debtor is an Illinois corporation, with its principal office located in Decatur, Illinois. Trans Coastal also maintains a shipping facility in Kansas City. In 2013 Trans Coastal's gross income was over $540,000,000.00.

In 2011, Syngenta Ag, its subsidiaries and affiliates, ("Syngenta") began placing in the commercial stream of commerce a genetically modified corn seed which contained a genetically modified trait known as "MIR162". In November 2013, U.S. exports to China were found to be contaminated with MIR162 causing shipments of Corn and DDGs from the United States to be rejected by China. Trans Coastal contends that the rejection of its shipments in China resulted in rescission of Trans Coastal's existing contracts, increased expenses, as well as refusal by Trans Coastal's customer to honor existing contracts. All of which caused significant financial damage to Trans Coastal.

In the late summer of 2014, Trans Coastal's financing lender, U.S. Bank, ceased its line of credit relationship with Trans Coastal. At that time, Trans Coastal's line of credit was approximately $50,000,000.00 and was secured by all of the receivables, contract rights and assets of Trans Coastal. With the lack of a line of credit, Trans Coastal lost its ability to fund any new contracts for export and was unable to pay its vendors and other contractual obligations. In September 2014, Trans Coastal sued Syngenta in Federal District Court in Urbana, Illinois retaining the law firm of Simmons Hanly Conroy LLC, which has offices in Alton, Illinois, Chicago, Illinois and New York, New York as its attorneys. The Syngenta litigation is more fully discussed in Exhibit "A".

In late 2014, some of Trans Coastal's creditors began initiating law suits against Trans Coastal for unpaid debt. In December 2014, the Debtor and its president, Pamela Moses, along with its attorneys met with creditors to stave off further litigation, obtain access to creditor funded lines of credit and to find a means to begin repayment of Trans Coastal's debt to its

creditors. Although several creditors expressed interest in working with Trans Coastal on an ongoing basis, other creditors initiated additional legal proceedings against Trans Coastal in various courts. With no significant access to ongoing credit and increasing costs of litigation, Trans Coastal filed a Chapter 11 bankruptcy case in the United States Bankruptcy Court for the Central District of Illinois in the Springfield Division on July 23, 2015 retaining the Decatur, Illinois law firm of Richardson & Erickson to represent it in the bankruptcy reorganization process. At the time that Trans Coastal filed its Chapter 11 case it listed assets of approximately $11,000,000.00 and liabilities of approximately $37,000,000.00.

Secured claims were listed at slightly over $3,000,000.00 and general unsecured non-priority claims were listed at approximately $34,000,000.00. There were no past due unpaid taxes. The primary tangible asset of the Debtor's bankruptcy estate was the commercial building which it owed at 2803 North 22nd Street in Decatur, Illinois, which was given an estimated value of $1,000,000.00 in the bankruptcy schedules. The Debtor's other main assets were pre-petition accounts receivable which had a face value of approximately $8,400,000.00. The bulk of the remaining tangible assets were vehicles and equipment primarily located in Kansas City. The other asset which was not assigned a dollar value for the purpose of this summary of the amount of the Debtor's assets was the Syngenta litigation, which remains pending.

III.

EVENTS TO DATE DURING THE BANKRUPTCY

Since the filing of the bankruptcy, Trans Coastal has continued to operate its business as a Chapter 11 Debtor-in-Possession. A Committee has been formed by the United States Trustee which consists of several of Trans Coastal's major unsecured creditors. The Committee in turn hired the Chicago law firm of Goldstein and McClintock LLP to advise and represent the Committee. The Committee also hired the financial consulting firm of Amherst Associates LLP to advise the Committee on the Debtor's current profitability, financial needs and projected income after reorganization.

In December of 2015, the Debtor sold its commercial building on North 22nd Street in Decatur for gross sale proceeds of $800,000,00. The net sale proceeds were used to pay off mortgages which existed on the property prior to bankruptcy and a $100,000.00 cash collateral adequate protection mortgage which was given post-bankruptcy to U.S. Bank with Bankruptcy Court approval to allow the Debtor to have limited access to $100,000.00 in prepetition receivables. The balance of the net proceeds from the sale of real estate were used to fund the ongoing business operations of the Debtor.

Three adversary lawsuits were filed within the bankruptcy. The first was an action against Archer Daniels Midland Company ("ADM") to set aside a judgment lien which ADM obtained shortly prior to the Chapter 11 bankruptcy filing. That adversary case (Case No. 15-07043) was filed October 8, 2015 and was concluded November 24, 2015 through an Agreed Order with ADM setting aside the judgment lien.

The second lawsuit was filed by the Committee against U.S. Bank on July 22, 2016, seeking a declaratory judgment as to the extent of U.S. Bank's liens and security interests, including, without limitation, as to the Syngenta Litigation.

The third lawsuit is an adversary case initiated by the Debtor in the bankruptcy case in August of 2016 to seek a money judgment against Non-Metals, Inc., a Chinese firm which owed Trans Coastal on several accounts. On November 14, 2016, a default judgment was entered in favor of Trans Coastal and against Non-Metals, Inc. for $2,934,204.52 plus costs. No portion of that judgment has been collected. It appears that Non-Metals, Inc. has closed all of its U.S. offices and is likely out of business. Public records indicate other unpaid judgments in favor of other creditors of Non-Metals, Inc.

During the pendency of this bankruptcy reorganization case, Trans Coastal has continued to collect its other prepetition accounts receivable and pay the net proceeds over to U.S. Bank due to its security interest on those receivables. In addition, Trans Coastal and U.S. Bank have agreed to an adequate protection payment of $12,500.00 per month to compensate U.S. Bank for the depreciation of certain machinery, equipment and other related assets at Debtor's Kansas City location. Trans Coastal is current on those payments.

During the bankruptcy, U.S. Bank filed the Missouri Litigation in the United States Court for the Eastern District of Missouri against Pam Moses and Robert Briscoe for, among other things, breach of the Briscoe Prepetition Guaranty and Moses Prepetition Guaranty.

The Plan before the Court is the second plan that the Debtor and the Committee have filed. The first plan was filed jointly by the Debtor and the Committee after negotiations that took place over a period of several months. U.S. Bank did not agree to the proposed terms of the first plan, which essentially provided that all of Debtor's debt to U.S. Bank would be rewritten and prohibited U.S. Bank from pursuing the Missouri Litigation or the Briscoe Prepetition Guaranty and Moses Prepetition Guaranty. On November 21, 2016, U.S. Bank filed an objection to that first plan's corresponding disclosure statement. The plan proponents chose not to go forward with that disclosure statement and the first plan. After negotiations between the Debtor, the Committee, Pam Moses, Robert Briscoe and U.S. Bank, the Debtor and the Committee have submitted a second plan, the First Amended Plan of Reorganization, which U.S. Bank approves to the extent it is confirmed by the Bankruptcy Court without any modification (or with such modifications as are approved in writing by U.S. Bank in its sole discretion) and so long as all conditions precedent in Article VIII.B and C of the Plan are satisfied to U.S. Bank's satisfaction in accordance with such Article VIII.B and C of the Plan. This Plan contains provisions under which U.S. Bank has made significant compromises of the amount that it is owed by Debtor. This Plan is summarized below.

IV.

SUMMARY OF THE PROPONENTS' PLAN

Plan:	First Amended Joint Plan of Reorganization
Debtor:	Trans Coastal Supply Company, Inc.
Plan Proponents:	The Debtor and the Committee
General Purpose:	The Plan contemplates the reorganization of the Debtor, continued operations with an emphasis on growth and cashflow, while restructuring the U.S. Bank debt.
Funding and Financing:	The Plan will be funded by and through the reorganization of the Debtor pursuant to the terms of the Plan through future income, with an equity infusion and loans from the Debtor's two principals as well as any recovery from the Syngenta Litigation. Specifically, on the Confirmation Date, the Debtor's principals, Pamela Moses and Robert Briscoe, will make an equity contribution to Trans Coastal of up to $200,000.00 to pay or pay towards Administrative Expenses, including attorneys' fees. Pamela Moses and Bob Briscoe will further loan to the Debtor any additional funds required to fully fund Administrative Expenses. These funds shall be segregated in a separate account until all Administrative Expenses are paid. On the Effective Date, Pamela Moses and Robert Briscoe will loan the Reorganized Debtor $800,000.00, which the Reorganized Debtor will pay to U.S. Bank to fund the U.S. Bank Revolving Loan Payment on the Effective Date. The interest rate on this $800,000.00 will be prime plus 1% amortized over 10 years with a balloon payment at the end of 5 years. The $800,000.00 secured by prepetition accounts receivable up to the first $500,000.00 collected. Pamela Moses and Robert Briscoe will also loan the Reorganized Debtor up to an additional $1,000,000.00 to fund a Line of Credit Loan to fund trades with the specific trade funded to stand as security for each loan.

Summary of Treatment of Classes of Claims

1. Class 1: Priority Claims – §507(a)(4)

a. Treatment: All Allowed claims entitled to priority under §507(a)(4) of the Bankruptcy Code shall be paid in full, in cash, upon the later of the Effective Date of this Plan, or the date on which such claim is Allowed by a final non-appealable order.

b. Voting: Class 1 claims are not impaired and holders of such claims are not entitled to vote.

2. Class 2: U.S. Bank Prepetition Revolving Loan Note

a. Treatment: On the Effective Date, the Reorganized Debtor will cause the sum of Eight Hundred Thousand Dollars ($800,000.00) to be paid to U.S. Bank in partial satisfaction of the U.S. Bank Prepetition Revolving Loan Note (the "U.S. Bank Revolving Loan Payment"). The balance of the U.S. Bank Prepetition Revolving Loan Note will be satisfied by granting U.S. Bank an Allowed Class 4 – General Unsecured Claim in the amount of Three Hundred Thousand Dollars ($300,000.00) without the necessity of U.S. Bank filing an amended proof of claim, filing any other proof of claim or entering into, filing or delivering any other document, instrument or agreement. Such claim shall be an Allowed for all purposes of the Chapter 11 Case and shall not be subject to any objection or any other contest. No attorneys' fees shall be added to this Claim, nor shall any U.S. Bank attorneys' fees incurred prior to the Effective Date in connection with the Chapter 11 Case be paid by the Reorganized Debtor. Notwithstanding the foregoing, U.S. Bank shall not be required to repay any amounts paid by the Debtor to U.S. Bank during the pendency of the Chapter 11 Case.

Debtor will pay the U.S. Revolving Loan Payment to U.S. Bank with the proceeds of the Moses and Briscoe Loan made Pamela Moses and Robert Briscoe to the Reorganized Debtor on the Effective Date. Upon the later of (i) the Effective Date and (ii) U.S. Bank's receipt of the U.S. Bank Revolving Loan Payment and the U.S. Bank

Replacement Loan Documents, Pamela Moses and Robert Briscoe shall be deemed released from the Briscoe Prepetition Guaranty and the Moses Prepetition Guaranty, and U.S. Bank shall promptly dismiss the Missouri Litigation with prejudice and in bar of further action with respect to the Briscoe Prepetition Guaranty and the Moses Prepetition Guaranty. For the avoidance of doubt, the foregoing releases shall not apply to or affect the U.S. Bank Replacement Guaranties or any rights, powers or claims of U.S. Bank thereunder.

b. Voting: Class 2 is impaired. The Holder of the Class 2 claim is entitled to vote to accept or reject the Plan.

3. Class 3: U.S. Bank Prepetition Term Loan Note

a. Treatment: By no later than the Effective Date, (i) the Reorganized Debtor shall execute and deliver to U.S. Bank the U.S. Bank Replacement Note and U.S. Bank Replacement Security Agreement and (ii) Pamela Moses and Robert Briscoe shall execute and deliver to U.S. Bank the U.S. Bank Replacement Guaranties. The U.S. Bank Collateral will secure the U.S. Bank Replacement Loan pursuant to the U.S. Bank Replacement Security Agreement and the Confirmation Order; provided that any other lien, right, claim or interest in other collateral of the Debtor or Reorganized Debtor, including any liens, claims or interests granted by any order (expressly excluding the Confirmation Order) entered by the Court prior to the Court's entry of the Confirmation Order related to the U.S. Bank Prepetition Loan Documents shall be deemed terminated as of the Effective Date, as shall any cash collateral orders in favor of U.S. Bank.

b. Voting: Class 3 is impaired. The Holder of the Class 3 Claim is entitled to vote to accept or reject the Plan.

4. Class 4: General Unsecured Claims

a. Classification: Class 4 consists of all

general, non-Insider Unsecured Claims against the Debtor. This includes an Allowed Claim of U.S. Bank in the amount of $300,000, provided that this Plan is confirmed

b. Treatment: Except to the extent that a Holder of an Allowed Claim in Class 4 agrees to a less favorable treatment, on the Annual Distribution Date, each such Holder shall be paid its *pro rata* share of 50% of the Annual EBDA of the Reorganized Debtor, provided that if the Annual EBDA is less than the Minimum Annual EBDA, there shall be no Distribution to Holders of Class 4 Claims for that year (such Distribution will be paid upon the next Annual Distribution Date, as applicable), until such Holder has been paid at least 4% of its Allowed Claim through EBDA payments, at which point the Annual EBDA payments shall cease. In addition to the foregoing payments from Annual EBDA, each Holder of an Allowed Class 4 Claim will also receive its pro-rata share of the portion of the Syngenta Litigation Proceeds allocable to Holders of Class 4 Claims upon settlement or judgment. In no case shall a Holder of a Class 4 Claim receive greater than 100% of its Allowed Claim in the aggregate.

c. Voting: Class 4 is Impaired. Holders of Class 4 Claims are entitled to vote to accept or reject the Plan.

5. Class 5: Insider Unsecured Claims

a. Treatment: Holders of Insider Unsecured Claims will not receive Distributions.

b. Voting: Class 5 is impaired. Holders of Class 5 Claims are not entitled to vote to accept or reject the Plan.

6. Class 6: Equity Interests

a. Treatment: In exchange for the Equity Contribution, all Holders of Equity Interests will retain such interest in the Debtor. In addition, each Holder of an Equity Interest will also receive its pro-rata share of the portion of the Syngenta

Litigation Proceeds allocable to holders of Equity Interests hereunder (if any) upon settlement or judgment.

b. Voting: Class 6 is unimpaired. Holders of Class 6 Equity Interests are deemed to accept the Plan, and are therefore not entitled to vote on the Plan.

Effective Date: Effective Date means the date selected by the Debtor and the Committee, which is a Business Day after the Confirmation Date on which all conditions specified herein and in Article VIII.C of the Plan have been satisfied, but which shall be no later than the date set forth in Article VIII.D of the Plan, as such date may be extended pursuant to such Article VIII.D of the Plan.

Voting: Holders of Class 2, Class 3 and Class 4 Claims, are impaired, and are entitled to vote on the Plan. Members of those Classes entitled to vote on the Plan should complete the ballot accompanying this Disclosure Statement and Plan and return it to counsel for the Debtor: Jeffrey D. Richardson, Richardson & Erickson, 132 South Water Street, Suite 444, Decatur, Illinois 62523. Ballots must be received on or before _____, **2017** at 4:30 p.m. (Central Time). Only those ballots returned on a timely basis will be counted in determining whether a particular Class of Creditors has accepted or rejected the Plan. A Class of Claims has accepted the Plan if two-thirds in amount and more than one-half in number, of those who vote, have voted to accept the Plan.

If you have any questions concerning voting procedures, did not receive a ballot, or if your ballot is damaged or lost, please contact counsel to the Debtor: Jeffrey D. Richardson, Richardson & Erickson, 132 South Water Street, Suite 444, Decatur, Illinois 62523; Telephone: (217) 425-4082; jdrdec@aol.com.

Objections: All objections to Confirmation of the Plan must be in writing, state the basis for the objection, be filed with the Bankruptcy Court, and be served upon the following parties so as to be received by their respective counsel not later than **_____, 2017** at

4:30 p.m. (Central Time):

Counsel to the Debtor: Richardson & Erickson, 132 South Water Street, Suite 444, Decatur, Illinois 62523, (Attn: Jeffrey D. Richardson);

Counsel to the Committee: Goldstein & McClintock LLLP, 208 South LaSalle Street, Suite 1750, Chicago, IL 60604 (Attn: Matthew E. McClintock and Brian J. Jackiw);

Counsel to the U.S. Bank: Katten Muchin Rosenman LLP, 525 W. Monroe Street, Chicago, Illinois 60661 (Attn: Ken Ottaviano); and

The Office of the United States Trustee: Region 10 Peoria Office – US Trustee, Timothy E. Ruppel, 401 North Main, Peoria, Illinois, 61602.

Cramdown: In the event that a Class of Creditors rejects the Plan and at least one Impaired Class of Creditors votes to accept the Plan, the Proponents reserve the right to seek Confirmation under Section 1129(b) of the Bankruptcy Code despite the non-acceptance of the Plan by one or more Classes.

Disclosure Statement Hearing: The hearing on the adequacy of this Disclosure Statement was held on _____, 2017, before the Honorable Mary P. Gorman at the United States Bankruptcy Court, Central District of Illinois, 600 E. Monroe Street, Springfield, Illinois 62701.

Confirmation Hearing The hearing to confirm the Plan will be held on _____, 2017 before the Honorable Mary P. Gorman at the United States Bankruptcy Court, Central District of Illinois, 600 E. Monroe Street, Springfield, Illinois 62701

Additional Information: Requests for information regarding the Plan or the Disclosure Statement should be directed to the counsel for the Debtor: Richardson & Erickson, 132 South Water Street, Suite 444, Decatur, Illinois 62523, (Attn: Jeffrey D. Richardson).

After reviewing the Plan and Disclosure Statement, you should vote on the Plan. In reaching your decision to accept the Plan, you should not rely on any representation other than those contained in this Disclosure Statement and the Plan itself. As a Creditor, your vote is important. As specified in the above Summary, the Bankruptcy Court can confirm the Plan if the Holders of two-thirds in amount and more than one-half in number of Claims in each Impaired Class (of the Claims timely and properly cast) vote to accept the Plan. To vote on the Plan, each Creditor entitled to vote must complete the enclosed ballot and return it to the Bankruptcy Court at the address specified in the Summary above.

The Debtor and the Committee, as the Proponents of the Plan, believe that the Plan affords Creditors the largest recovery possible under the circumstances. ***The Proponents believe that acceptance of the Plan is in the best interests of Creditors and recommend that you vote to accept the Plan.***

V.
FUNDING THE PLAN

On the Effective Date of the Plan, Pamela Moses and Robert J. Briscoe shall have made, and the Reorganized Debtor shall have received, the Equity Contribution and the Moses and Briscoe Loan, the proceeds of which shall, among other things, fund the U.S. Bank Revolving Loan Payment on the Effective Date. Distributions will further be funded by Annual EBDA and to the extent applicable, the Syngenta Litigation Proceeds. **[In addition, on the Confirmation Date, or as soon thereafter as approved by the Court, Pamela Moses and Robert Briscoe shall make an equity contribution of up to $200,000.00 to pay towards Administrative Expenses. Additionally, Pamela Moses and Robert Briscoe will loan to the Debtor any additional funds required to fully pay Administrative Expenses. The funds will be held in a segregated account.**

A summary of the projected damages currently claimed in the Syngenta Litigation as well as the status of that litigation is attached as Exhibit "A". A 2015 Tax Summary is attached Exhibit "B", which shows the Debtor's 2014 and 2015 income and expenses. The Debtor's December, 2016 Operating Report filed with the Bankruptcy Court is attached as Exhibit "C". Exhibit "D" is the Debtor's 2016 Profit & Loss Statement. Exhibit "E" are five years projections prepared in October, 2016 by Amherst Associates for the Creditors Committee.[1] Attached as Exhibit "F" is a Liquidation Analysis prepared by Amherst Associates in October, 2016, projecting $74,446.00 available if the Debtor's assets were liquidated.[2] Attached as Exhibit "G" is the identification of the officers of the Reorganized Debtor.

The Debtor believes that its ability to go forward as a viable restructured business benefits its creditors through the Debtor's ability to directly pursue the Syngenta Litigation as an ongoing business. The alternative to this reorganization are either to: (a) convert this case to a Chapter 7 liquidation, which would terminate the Debtor's business operations and turn the

[1] Note that the October, 2016 Amherst Associates projected net operating income for the Debtor for all of 2016 was $161,047.00. The actual 2016 net operating income shown in the full year Profit & Loss Statement was $207,949.74 (Exhibit "D").

[2] Amherst Associates did not include the Debtor's assets in Kansas City because it felt the U.S. Bank secured debt against those assets exceeded their value.

Syngenta Litigation over to the hands of a liquidation trustee; or (b) to dismiss the reorganization, which would almost certainly also result in immediate termination of the Debtor's business operations and the involuntary surrender of its assets, including the Syngenta Litigation, through the piecemeal litigation by Debtor's creditors on a first come-first served basis.

VI.
THE PLAN SATISFIES THE "BEST INTERESTS OF CREDITORS" TEST; IT OFFERS RECOVERIES TO CREDITORS THAT LIKELY ARE HIGHER THAN IF THIS CASE WERE CONVERTED TO A CASE UNDER CHAPTER 7 OF THE BANKRUPTCY CODE

The Proponents submit that the Plan is in the best interests of Creditors. The "best interests" test requires a finding that the Plan will provide to each member of each Impaired Class of Claims and Interests property of a value, as of the Effective Date of the Plan, at least equal to the amount such Class member would receive or retain if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code. The Proponents believe that recoveries to Creditors will be higher under the Plan than they would be if this Chapter 11 Case were converted to a Case under Chapter 7 of the Bankruptcy Code for five principal reasons.

First, the Reorganized Debtor will be generating revenue as a going concern, whereas a Chapter 7 trustee would be unlikely to operate the Debtor's business for any significant period of time and therefore would likely sell the assets in piecemeal liquidation without generating significant operating income from the business prior to such liquidation. The projections indicate that the Reorganized Debtor is likely to make payments in the future toward a dividend to Unsecured Creditors as well as service its debt to the Bank.

Second, it is likely that the net proceeds available for distribution to Creditors generally will be higher under the Plan than if this Case were converted to a Case under Chapter 7 in light of the additional administrative costs of a Chapter 7 case and the reduced asset recoveries as estimated on Exhibit "F" attached hereto.

Third, under the Plan all Allowed Administrative and Priority Claims shall be paid in full, thereby meeting the requirement of section 1129(a)(9) of the Bankruptcy Code that Holders of Allowed Administrative and Priority Claims must be paid in full under the Plan unless they consent to different treatment. In contrast, if this Chapter 11 Case were converted to a Case under Chapter 7 of the Bankruptcy Code, it is likely that such Holders of Allowed Administrative and Priority Claims would receive less than full payment because the requirement of payment in full (or by Creditor consent) is a criterion for confirmation of a plan under Chapter 11, but is not applicable under Chapter 7. In addition, Exhibits "B" and "C" supports the conclusion that General Unsecured Creditors are likely to be paid significant dividends if the Reorganized Debtor successfully conducts its business at the projected levels. That would likely never occur if the Debtor's case were converted to Chapter 7.

Fourth, because the Reorganized Debtor will continue its operations, the likelihood that the Syngenta Litigation will survive is greater than under a Chapter 7 scenario. Were the case to convert to a Chapter 7 liquidation, the leverage of a Chapter 7 bankruptcy trustee against

Syngenta would be greatly diminished when compared to the Reorganized Debtor continuing its business operations while pursuing the Syngenta Litigation.

Fifth, the Plan provides that the Term of the Plan will conclude when Syngenta Litigation has concluded and the Debtor has paid out a certain amount of its cash flow (equaling 4% of the Allowed General Unsecured Claims). In particular, payout of the Syngenta Litigation Proceeds will occur as follows:

> After payment of any outstanding fees and expenses of the Oversight Committee, and assuming full vesting by the Holders of Equity Interests as discussed below, the Syngenta Litigation Proceeds will be divided as follows: (a) the first $5,000,000 to: (i) Holders of Class 4 Claims (95%) and (ii) Holders of Equity Interests (5%); (b) the next $5,000,000 shall be paid to: (i) Holders of Class 4 Claims (85%) and (ii) Holders of Equity Interests (15%); and (c) any amounts in excess of $10.0 million shall be paid to: (i) Holders of Class 4 Claims (75%) and (ii) Holders of Equity Interests (25%). If Holders of Equity Interests are not vested, or only partially vested, upon proceeds being received, then the unvested portion shall be added to the amounts allocated to Holders of Class 4 Claims.
>
> > Holders of Equity Interest shall become 100% vested in their portion of the Syngenta Litigation Proceeds if: (a) the Reorganized Debtor has paid 4% of allowed Unsecured Claims to Holders of Class 4 Claims (irrespective of, and in addition to, any payments from Syngenta Litigation Proceeds or (ii) the Syngenta Litigation settles or judgment is obtained and the Reorganized Debtor receives and distributes such proceeds in accordance with this Plan.
> >
> > Otherwise, Holders of Equity Interest will vest in their share of the Syngenta Litigation Proceeds as follows:
> >
> > (i) 50% if Pamela Moses is still working at the reorganized Debtor upon the third anniversary of the Confirmation of the Plan.
> > (ii) 75% if Pamela Moses is still working at the reorganized Debtor upon the fourth anniversary of the Confirmation of the Plan.
> > (iii) 100% if Pamela Moses is still working at the reorganized Debtor upon the fifth anniversary of the Confirmation of the Plan.

Thus, the Proponents submit that it is incontrovertible that the Plan provides more to Holders of certain Classes of Claims, and in any event not less than would be available to all Creditors if the Plan were not confirmed and this Chapter 11 Case instead was converted to be liquidated under Chapter 7 of the Bankruptcy Code. The Amherst Associates' Liquidation Analysis is attached hereto as Exhibit F.

VII.
SUMMARY OF OTHER PLAN PROVISIONS

A. **Bar Dates**. Pursuant to an the Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines [Dkt. 8] (the "Bar Date Notice"), Creditors had

until November 25, 2015 to file a proof of claim; however, that if a party or entity is a governmental unit, as that term is defined at 11 U.S.C. § 101(27), the deadline was 180 days from the Petition Date.

In addition, all Holders of Administrative Claims (excluding Section 503(b)(9) Claims) and Professional Fee Claims seeking allowance and payment of such Claims must File a proof of claim with the Clerk of the Bankruptcy Court in a form substantially similar to Official Form No. 10 by no later than thirty (30) days after the Effective Date. All Holders of Professional Fee Claims must file a final application for compensation pursuant to Section 330 of the Bankruptcy Code by no later than thirty (30) days after the Effective Date, unless that deadline is extended by order of the Court or by a notice from the Debtor filed on the electronic docket.

Any Person or Entity, including any Holder of an Administrative Claim, including a Professional Fee Claim, that does not file that pre-Confirmation Claim within the time prescribed herein shall be barred from asserting such Claim against the Debtor or its Estate, and shall be deemed to have waived any right to a Distribution from the Estate.

B. <u>Causes of Action</u>.

(i) Except as otherwise expressly provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, including, without limitation, with respect to U.S. Bank and the release of U.S. Bank set forth in the Plan and subject to subparagraph (ii) below, the Reorganized Debtor shall have the right to prosecute all Causes of Action, defined as:

> any claim, cause of action, chose in action, action, suit, demand, and any other debt, obligation, right, damage, remedy, controversy, agreement, promise, lien, variance, trespass, power, privilege, license, franchise, judgment, third-party claim, subrogation claim, guaranty claim, contribution claim, reimbursement claim, indemnity claim, counterclaim, right of setoff or recoupment, crossclaim, claim objection, defense to claim, and liability whatsoever of any kind or character relating to any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or derivatively, existing or hereafter arising, in law, equity, or otherwise. Cause of Action also includes: (a) any right of setoff, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity belonging to the Estate; (b) any claim pursuant to sections 362, 502, and 510 of the Bankruptcy Code and any analogous provisions of applicable state law belonging to the Estate; (c) any claim, right or cause of action related to any and all Avoidance Actions (including, but not limited to, any fraudulent conveyance or fraudulent transfer claims the Debtor may have pursuant to sections 544, 548 and 550 of the Bankruptcy Code or applicable non-bankruptcy law); and (d) any claim or defense including, but not limited

to fraud, mistake, duress, and usury and any other defenses belonging to the Estate pursuant to section 558 of the Bankruptcy Code.

(ii) Subject to the Plan being confirmed by the Bankruptcy Court without any modification (or that such modifications are in a form and substance satisfactory to U.S. Bank in its sole discretion) and the Confirmation Order being entered by the Bankruptcy Court and the Confirmation Date having occurred in accordance with Article VIII.B of the Plan and each of the conditions to occurrence of the Effective Date set forth in Article VIII.C of the Plan having been satisfied:

(a) On the Effective Date, U.S. Bank agrees that Pam Moses and Robert Briscoe shall be deemed released from the Moses Prepetition Guaranty and the Briscoe Prepetition Guaranty.

(b) Promptly after the occurrence of the Effective Date, U.S. Bank agrees to dismiss the Missouri Litigation with prejudice.

(c) On the Effective Date, the Reorganized Debtor, Pam Moses and Robert Briscoe each agrees that U.S. Bank shall be released of and from all claims or causes of action, whether known or unknown, with respect to any loan provided by U.S. Bank to the Debtor at any time, including, without limitation, the U.S. Bank Prepetition Loan Documents, the U.S. Bank Prepetition Notes, the Briscoe Prepetition Guaranty and the Moses Prepetition Guaranty.

(d) U.S. Bank agrees, pursuant to the Plan and any order confirming the Plan, that it has no lien, claim, encumbrance, or any other right to the Syngenta Litigation Proceeds, with the exception that U.S. Bank shall be entitled to a pro-rata share of any Syngenta Litigation Proceeds payout based on its Allowed Class 4 – General Unsecured Claim of $300,000.00.

(e) Pursuant to the Confirmation Order, the Adversary Case shall be dismissed with prejudice, which dismissal shall be deemed effective as of the Effective Date. To the extent required to do so, the Court shall allow and the Committee will be required to take any and all actions necessary to effectuate the dismissal of the Adversary after the Effective Date.

C. **Executory Contracts and Unexpired Leases**. On the Effective Date, and to the extent permitted by applicable law, all of the Debtor's executory

contracts and unexpired leases will be assumed by the Debtor *unless* such executory contract or unexpired lease: (a) is identified as part of the Plan Supplement as a contract or lease being rejected pursuant to the Plan; or (b) is the subject of a motion to reject filed on or before the Confirmation Date.

Amendments, modifications, supplements, and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtor during its Chapter 11 Case shall not be deemed to alter the prepetition nature of the executory contract or unexpired lease, or the validity, priority, or amount of any claims that may arise in connection therewith.

D. **Disputed Claims.** The Reorganized Debtor shall object (and shall take over, and continue prosecuting, any outstanding claims objections initiated by the Debtor) to the allowance of any Disputed Claims as the Reorganized Debtor determines is reasonable. All objections shall be pursued to settlement or to Final Order; provided, however, that no Bankruptcy Court approval shall be required in order for the Reorganized Debtor to settle and/or compromise any Claim, objection to Claim, Cause of Action, or right to payment of or against the Debtor or its Estate.

E. **Post-Confirmation Management of the Reorganized Debtor**. The Debtor shall continue to exist after the Effective Date as a separate corporate entity, in accordance with the laws of the State of Illinois, and pursuant to its certificate of incorporation and bylaws in effect prior to the Effective Date, except to the extent such certificate of incorporation and by-laws are amended by this Plan.

Pamela Moses shall continue to be the president of the Reorganized Debtor, serving at the pleasure of the Board of Directors. The Board of Directors may also appoint such other officers as it deems appropriate, including, without limitation, in consultation with Ms. Moses.

The Board of Directors of the Reorganized Debtor shall consist of three members, (i) the president of the Reorganized Debtor; (ii) Robert Briscoe; and (iii) Don Wenneker (who will be paid a reasonable hourly rate for his services as a board member). The Board of Directors of the Reorganized Debtor shall serve until the Plan Payment Consummation Date. After the occurrence of the Plan Payment Consummation Date, Pamela Moses and Robert Briscoe shall become the sole directors and shall have the right to alter, without limitation, the operating agreement and the method of selecting directors in her business judgment.

F. **Obligations of Officers and Directors**. Until such time as the Reorganized Debtor has fully satisfied all obligations under the Plan to Holders of

Class 4 Claims and the Syngenta Litigation has been resolved, the Reorganized Debtor shall be required to:

> Preserve and maintain the corporate existence of the Reorganized Debtor, along with all rights, licenses, franchises, and privileges in the jurisdiction of its incorporation and in all states where it is qualified to do business; and
>
> Maintain a separate accounting system for the Reorganized Debtor established and administered consistent with generally accepted accounting principles and maintain complete and accurate records and books of account, in which true, complete and accurate entries will be made consistent with generally accepted accounting principles reflecting all financial transactions of such entities.
>
> The foregoing shall be collectively referred to as the "*Reorganized Debtor Affirmative Covenants*."

Except as otherwise expressly provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, until such time as the Reorganized Debtor has fully satisfied all obligations under the Plan to Holders of Class 4 Claims, the Reorganized Debtor, shall not, without limitation, directly or indirectly:

> Make any expenditures outside of the Reorganized Debtor's ordinary course of business, including, without limitation, any payments to the Debtor's management and ownership (and/or their relatives, trustees, beneficiaries, members, limited partners, general partners, agents, representatives, attorneys, successors and assigns, as the case may be, or the companies or entities in which any such persons have an ownership interest) in excess of the Executive Compensation Cap, other than hourly payments to Mr. Wenneker for his services as a board member or consultant.
>
> Provide any employees of the Reorganized Debtor with any benefits other than the standard benefit package provided to all eligible employees, which benefits package (and the list of recipients thereof) shall be acceptable to the Oversight Committee in its reasonable discretion.
>
> Incur any new loan obligation without the written consent of the Oversight Committee and Board of Directors; provided, however, that although consent is still required, it shall be assumed that incurrence of the following types of obligations shall typically be acceptable: (a) refinancing the amount owing to US Bank on better terms than under the U.S. Bank Replacement Note; (b) obtaining credit in an amount sufficient to pay off (and for the purpose of paying off) the Reorganized Debtor's obligations to Class 4 Claimants; and (c) obtaining credit for the purpose of expanding the Reorganized Debtor's business.

Cease to operate the business in the ordinary course, or except as otherwise provided in this Plan, sell, convey, liquidate, lease, assign, exchange, trade, transfer or otherwise dispose of any material asset of the Reorganized Debtor or its business (either in whole or in part, or directly or indirectly) without the written consent of the Oversight Committee.

Make any loans to any affiliates, employees, persons or entities in any amount without the written consent of the Oversight Committee.

Start any new line of business without the written consent of the Oversight Committee.

The foregoing shall be collectively referred to as the "*Reorganized Debtor Negative Covenants*" and together with the Reorganized Debtor Affirmative Covenants, shall be collectively referred to as the "*Reorganized Debtor Covenants*."

G. **Oversight Committee.** An Oversight Committee, which shall have general oversight over the Annual EBDA Audit and the Reorganized Debtor's compliance with the provisions of the Plan, shall be created within ten days of the Effective Date. The Oversight Committee shall consist of the Oversight Committee Members. The Oversight Committee shall consist of the Oversight Committee Members. The Oversight Committee Members shall each have an obligation of confidentiality to the Reorganized Debtor and its Board of Directors not to use any information provided to the Oversight Committee except for the purpose of Oversight Committee purposes, including the Annual EBDA Audit and resolution of related issues as hereinafter set forth. Failure of any Member of the Oversight Committee to maintain this duty of confidentiality shall give the Reorganized Debtor the right to seek removal of that Member of the Oversight Committee through an order of Court if the Court determines in its discretion removal is appropriate under the circumstances. The remaining Members of the Oversight Committee shall thereafter be entitled to appoint a new Member of the Oversight Committee who or which shall be subject to the same duty of confidentiality to the Reorganized Debtor. Each Oversight Committee Member shall have one vote in connection with any matters that are subject to the determination of the Oversight Committee. The Oversight Committee will be deemed to have standing in the Bankruptcy Court to raise issues relating to the Plan or Reorganized Debtor.

Any reasonable expenses incurred by the Oversight Committee shall be reimbursed by the Debtor. The Court shall determine and resolve any disputed expense requests.

Before the Reorganized Debtor may enter into a settlement agreement with respect to the Syngenta Litigation, the Reorganized Debtor's Board of Directors must present any such settlement agreement to the Oversight Committee. The Oversight Committee shall have the

opportunity to present its thoughts with respect to any settlement agreement to the Board of Directors. However, approval of any settlement of the Syngenta litigation by the Oversight Committee is not required.

Except as otherwise expressly provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, the Oversight Committee retains standing to seek an injunction from the Bankruptcy Court if the Reorganized Debtor or its Board of Directors: (1) fails to consult with the Oversight Committee with respect to the Annual EBDA Audit; (2) fails to comply with the provisions of this Plan; or (3) fails to seek input from the Oversight Committee of any settlement agreement related to the Syngenta Litigation.

H. **Term of Injunctions and Stays**. Except as otherwise expressly provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Case pursuant to sections 105, 362, or 525 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Chapter 11 Case has been closed. The Confirmation Order will permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively or otherwise, of any Claims, Equity Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action, or liabilities released pursuant to the Plan.

I. **Compromises and Settlements**. After the Effective Date, the Reorganized Debtor may compromise and settle any Claims, or any causes of action against others, without further approval of the Bankruptcy Court.

J. **Payment of Statutory Fees**. All fees payable pursuant to 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid by the Reorganized Debtor to the extent required by applicable law.

K. **Term of Plan**. The Term of Plan shall run through the later of the following two dates: (i) All Class 4 claims have been paid a total of 4% of their Allowed Claims; and (ii) payout of Syngenta Litigation Proceeds pursuant to the Plan.

L. **Retention of Jurisdiction**. Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain and have exclusive jurisdiction after the Effective Date over any matter arising under the Bankruptcy Code, arising in or related to the Chapter 11 Case or the Plan, or that relates to the following, in each case to the greatest extent permitted by applicable law:

1. to enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan;

2. to determine any and all motions, adversary proceedings, applications and contested or litigated matters that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the Reorganized Debtor after the Effective Date; provided, however, that the Reorganized Debtor shall reserve the right to commence collection actions, actions to recover receivables, and other similar actions in all appropriate jurisdictions;

3. to hear and determine any timely objections to Administrative Expense Claims and Priority Claims or to proofs of Claim and Equity Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Equity Interest, and to allow, disallow, determine, liquidate, classify, estimate or establish the priority of or secured or unsecured status of any Claim, in whole or in part;

4. to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, reversed or vacated;

5. to issue such orders in aid of execution of the Plan, to the extent authorized by section 1142 of the Bankruptcy Code, including, without limitation, to enter an order or orders in addition to the Confirmation Order confirming and approving any sale or sales consummated at the Auction, should a buyer require the same, and making clear that any such sale is being made free and clear or liens, claims, and encumbrances as provided for in the Confirmation Order;

6. to consider any modifications of the Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

7. to hear and determine all applications for awards of compensation for services rendered and reimbursement of expenses;

8. to hear and determine disputes arising in connection with or relating to the Plan or the interpretation, implementation, or enforcement of the Plan, or the extent of any Entity's obligations incurred in connection with or released or exculpated under the Plan;

9. to issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation or enforcement of the Plan;

10. to determine any other matters that may arise in connection with or are related to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in

connection with the Plan or the Disclosure Statement to be executed in connection with the Plan;

11. to hear proceedings for removal of a Member of the Oversight Committee for violation of any duty of confidentiality;

12. to hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

13. to hear any other matter or for any purpose specified in the Confirmation Order that is not inconsistent with the Bankruptcy Code;

14. to hear any motion to extend the time within which the Reorganized Debtor must make distributions after the Effective Date;

15. to hear and determine any and all post-confirmation tax disputes, including those related to the Creditor Trust;

16. to hear any motion related to an Annual EBDA Dispute;

17. to hear any motion by the Debtor, Oversight Committee, or Reorganized Debtor to modify the Plan after confirmation

18. to enter a Final Decree closing the Chapter 11 Case; and

19. to hear and determine any and all disputes related to or arising out of the U.S. Bank Replacement Loan Documents, including, without limitation, the U.S. Bank Replacement Guaranties, the U.S. Bank Replacement Note or the U.S. Bank Replacement Security Agreement, or the interpretation or implementation thereof.

VIII.
CONFIRMATION AND ACCEPTANCE

To confirm the Plan, the Bankruptcy Code requires that the Bankruptcy Court make a series of determinations concerning the Plan, including that: (i) the Plan has classified all claims in a permissible manner; (ii) the contents of the Plan comply with the technical requirements of chapter 11 of the Bankruptcy Code; (iii) the Proponents have proposed the Plan in good faith; and (iv) the Proponents' disclosures concerning the Plan have been adequate and have included information concerning all payments made or promised in connection with the Plan and the Debtor's Chapter 11 Case. The Proponents believe that all of these conditions have been met or will be met and will seek rulings of the Bankruptcy Court to this effect at the hearing on confirmation of the Plan.

The Bankruptcy Code also requires that the Plan be accepted by the requisite votes of Holders of Claims, that the Plan be feasible, and that entry of a Confirmation Order, absent unanimity, be in the best interests of the Holders in each Impaired Class of Claims. To confirm the Plan, the Bankruptcy Court must make independent findings that all of these conditions are

met, even if all Classes of Creditors accept the Plan by the requisite votes. The classification, feasibility, and acceptance conditions to Confirmation of the Plan are discussed below.

A. Classification of Claims. The Bankruptcy Code requires that the Plan place each claim or interest in a class with other claims or interests that are substantially similar. The Proponents believe that the Plan satisfies the Bankruptcy Code's standards for appropriate classification.

B. Feasibility. As a condition to Confirmation, the Bankruptcy Code generally requires that confirmation is not likely to be followed by a Chapter 7 liquidation or the need for further financial reorganization unless otherwise provided in the Plan. This requirement is generally referred to as a feasibility test under Section 1129(a)(11) of the Bankruptcy Code. The Proponents submit that the Plan is feasible. The Debtor has prepared and attached hereto as Exhibits historical income and expense detail for 2014 through 2016 and financial projections for the five years following the Confirmation Date, including cash flow and budgets, that evidence the feasibility of the Plan. Thus, the Plan is feasible based upon the projections made by the financial professionals for the Debtor and the Committee.

C. Acceptance. As another condition to entry of a Confirmation Order, the Bankruptcy Code requires that each Impaired Class of Claims or Interests accepts the Plan. If acceptance by all Classes is not obtained, then confirmation of the Plan through Cramdown may be sought if at least one Impaired Class has accepted the Plan. The Bankruptcy Code defines acceptance of the Plan by a Class as acceptance by the Holders of two-thirds in dollar amount and a majority in the number of claims in that class, but for this purpose only counts those who actually vote to accept or reject the Plan. Holders of Class 2, Class 3, and Class 4 are Impaired Classes under the Plan; therefore, all of them are entitled to vote.

If any Impaired Class of Claims or Interests entitled to vote does not accept the Plan by the requisite majorities provided in Sections 1126(c) or 1126(d) of the Bankruptcy Code, as applicable, the Debtor reserves the right (i) to amend the Plan, (ii) to undertake to have the Bankruptcy Court confirm the Plan under Section 1129(b) of the Bankruptcy Code, or (iii) both to amend the Plan and to seek Confirmation of any amended plan pursuant to Section 1129(b) of the Bankruptcy Code. The Proponents also reserve the right to seek confirmation of the Joint Plan through Cramdown notwithstanding any lack of acceptance by one or more Classes of Claims.

IX.
EFFECT OF PLAN CONFIRMATION

A. Discharge. Except as otherwise expressly provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the

Confirmation Order, all consideration distributed under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims of any nature whatsoever against the Debtor or any of their assets or properties, and regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims, upon the Effective Date, the Debtor, shall be deemed discharged and released under section 1141(d)(1)(A) of the Bankruptcy Code from any and all Claims, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based upon such debt is filed or deemed filed under section 501 of the Bankruptcy Code, (ii) a Claim based upon such debt is Allowed under section 502 of the Bankruptcy Code, or (iii) the Holder of a Claim based upon such debt accepted the Plan. The Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtor, subject to the Effective Date occurring.

B. Termination of Subordination Rights and Settlement of Related Claims. The classification and manner of satisfying all Claims and Equity Interests and the respective distributions and treatments hereunder take into account and/or conform to the relative priority and rights of the Claims and Equity Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, Section 510(b) of the Bankruptcy Code or otherwise, and any and all such rights are settled, compromised and released pursuant to the Plan. **Except as otherwise expressly provided in the Plan, the Plan Supplement, or the U.S. Bank Replacement Loan Documents, the Confirmation Order shall permanently enjoin, effective as of the Effective Date, all Persons from enforcing or attempting to enforce any such contractual, legal and equitable subordination rights satisfied, compromised and settled in this manner.**

C. Injunction.

1. **Except as otherwise expressly provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, all Entities that receive Distributions under the Plan and that have held, hold, or may hold Claims against or Equity Interests in the Debtor are permanently enjoined, from and after the Effective Date, from taking any of the following actions against any of the Debtor, the Debtor's Estate, Professionals, the Committee and its Professionals, the individual members of the Committee in their capacity as such, the Estate, the Reorganized Debtor, Holders of Equity Interests, Prairie Creek Grain Company, Inc., Prairie Creek Logistics, Inc., RSB Agri Services, LLC, Export Ag Company, LLC or U.S. Bank on account of any Claims or causes**

of action arising from events prior to the Effective Date: (i) commencing or continuing in any manner any action or other proceeding of any kind; (ii) enforcing, attaching, collecting or recovering by any manner or in any place or means any judgment, award, decree or order; (iii) creating, perfecting, or enforcing any Lien or encumbrance of any kind; and (iv) asserting any defense or right of setoff, subrogation, or recoupment of any kind against any obligation, debt or liability due to the Debtor.

2. **Except as otherwise provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, on and after the Confirmation Date (subject to the occurrence of the Effective Date), all Persons and Entities who have held, hold or may hold Liens, Claims, or Interests in or against the Debtor or Interests in the Debtor are, with respect to any such Liens, Claims or Interests, permanently enjoined from: (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Reorganized Debtor or any of its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, the foregoing Reorganized Debtor, or any property of any such transferee or successor, (b) enforcing against, levying upon or attaching (including, without limitation, any pre-judgment attachment) the foregoing Reorganized Debtor, or any property of any such transferee or successor, (c) enforcing, levying, attaching (including, without limitation, any pre-judgment attachment), collecting or otherwise recovering by any manner or means whether directly or indirectly, of any judgment, award, decree, claim, or order against the Reorganized Debtor, any of its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to the foregoing Reorganized Debtor, (d) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any Liens, Claims or Interests of any kind against or in the Reorganized Debtor, any of its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, the foregoing Reorganized Debtor, (e) asserting any right of setoff, subordination, or recoupment of any kind, directly or indirectly, against any obligation due the Debtor, its Estate, the Reorganized Debtor, any of its property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Reorganized Debtor, and (f) taking any actions in any place and in any manner whatsoever that do not conform to or comply with the provisions of this Plan.**

3. **Except as otherwise provided by the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, by accepting Distributions pursuant to the Plan, each Holder of an Allowed Claim receiving Distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth herein.**

D. **Terms of Existing Injunctions or Stays**. Except as otherwise provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, all injunctions or stays provided for in the Chapter 11 Case pursuant to sections 105, 362, or 525 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in

full force and effect until the Chapter 11 Case has been closed. Except as otherwise provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, the Confirmation Order will permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively or otherwise, of any Claims, Equity Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action, or liabilities released pursuant to the Plan

E. **Exculpation**. Except as provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order and subject to section 1125(e) of the Bankruptcy Code, neither the Debtor, its Estate, the Committee, Holders of Equity Interests, the Reorganized Debtor, U.S. Bank nor any of their respective present or former advisors, attorneys, or agents acting in such capacity, shall have or incur any liability to, or be subject to any right of action by, the Debtor, its Estate, or any Holder of a Claim or an Equity Interest, or any other party in interest, or any of their respective agents, shareholders, employees, representatives, financial advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, (a) any act taken or omitted to be taken on or after the Petition Date, (b) the Disclosure Statement, the Plan, and the documents necessary to effectuate the Plan, (c) the solicitation of acceptances and rejections of the Plan, (d) the Releases or the solicitation thereof, (e) the Chapter 11 Case, (f) the administration of the Plan, (g) the distribution of property under the Plan, (h) the Debtor's business or property and (i) any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan or the Chapter 11 Case, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the Plan, except for, in each case, acts involving gross negligence or fraud

F. **Releases.**

1. **Releases by the Debtor**

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtor, the Estate and the Reorganized Debtor forever release, waive, and discharge all claims, obligations, suits, judgments, demands, debts, rights, Causes of Action, and liabilities, whether direct or derivative, liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to (i) the parties released pursuant to the Releases; (ii) the Disclosure Statement, the Plan, and the documents necessary to effectuate the Plan;

(iii) the solicitation of acceptances and rejections of the Plan; (iv) the solicitation of the Releases; (v) the Chapter 11 Case; (vi) the property to be distributed under the Plan; (viii) the Debtor's business or property and or (ix) any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or the Chapter 11 Case, against (a) the Debtor's Professionals; (b) the Committee's Professionals; (c) each member of the Committee in its capacity as such and (d) U.S. Bank.

2. **Releases by Holders of Claims and Interests**

Except as otherwise provided in the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, as of the Effective Date, all Holders of Allowed Claims and the current and former members, managers, Holders of Equity Interests, and employees of the Debtor (in their capacity as such) shall forever release, waive and discharge all Claims, obligations, suits, judgments, demands, debts, rights, Causes of Action, liabilities and other causes of action (other than the right to enforce (x) the Debtor's obligations under the Plan and (y) the contracts, instruments, releases, agreements and documents delivered under the Plan, and in the event of gross negligence or fraud), whether direct or derivative, liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to (i) the Debtor; (ii) the parties released pursuant to the Releases; (iii) the Disclosure Statement, the Plan, and the documents necessary to effectuate the Plan; (iv) the solicitation of acceptances and rejections of the Plan; (v) the solicitation of the Releases; (vi) the Chapter 11 Case; (vii) the property to be distributed under the Plan; (viii) the Debtor's business or property or (ix) any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or the Chapter 11 Case, against each of (a) the Debtor's Professionals; (b) the Committee's Professionals; (c) each member of the Committee in its capacity as such; (d) the Estate; (e) Holders of Equity Interests; (f) Prairie Creek Grain Company, Inc.; (g) Prairie Creek Logistics, Inc.; (h) RSB Agri Services, LLC; (i) Export Ag Company, LLC; and (j) U.S. Bank. For the avoidance of doubt, any liability of the Debtor, the Reorganized Debtor, Robert Briscoe, Pamela Moses and the Holders of Equity Interests with respect to the U.S. Bank Replacement Loan Documents, including, without limitation, the U.S. Bank Replacement Guaranties, the U.S. Bank Replacement Note and the U.S. Bank Replacement Security Agreement, shall not be effected by the releases in this Article IX.F and shall continue in full force and effect (and will be enforceable in the event of any default under the U.S. Bank Replacement Loan Documents).

3. **Release of Liens**

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document assumed, entered into or delivered in connection with the Plan, the Plan Supplement, the U.S. Bank Replacement Loan Documents, or the Confirmation Order, on the Effective Date and concurrently with the applicable Distributions made pursuant to Article III of the Plan, all mortgages, deeds of trust, liens, or other security interests against any property shall be fully released and discharged, and all of the right,

title and interest of any holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, shall revert to the Reorganized Debtor; provided, however, that for the avoidance of doubt, any Liens and other security interests against any property granted to U.S. Bank pursuant to the U.S. Bank Replacement Loan Documents, including, without limitation, the U.S. Bank Replacement Security Agreement, will continue in full force and effect (and will be enforceable in the event of any default under the U.S. Bank Replacement Loan Documents).

X.
CONCLUSION AND RECOMMENDATION

The Proponents believe that confirmation and implementation of the Plan is preferable to any other alternative because it will likely result in the greatest recovery to Holders of all Claims. Other alternatives would involve significant delay, uncertainty, and substantial additional administrative costs. The Proponents therefore recommend voting to accept and confirm the Plan. Please fill out the enclosed Ballot and mail it in the enclosed addressed envelope in accordance with the instructions provided with the Ballot. Ballots must actually be received by **_____, 2017** at 4:30 p.m. (Central Time).

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Dated February 6, 2017

Respectfully submitted,

TRANS COASTAL SUPPLY COMPANY, INC.

By: /s/ Pamela Moses
Pamela Moses, President

- and –

By: /s/ Jeffrey D. Richardson
Jeffrey D. Richardson
RICHARDSON & ERICKSON
132 South Water Street, Suite 444
Decatur, Illinois 62523
Telephone: (217) 425-4082
e-mail: jdrdec@aol.com

– and –

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF TRANS COASTAL SUPPLY COMPANY, INC.

By: /s/ Brian J. Jackiw
Brian J. Jackiw. Esq.
Matthew E. McClintock, Esq.
Sean P. Williams, Esq.
GOLDSTEIN & MCCLINTOCK LLLP
208 South LaSalle, Suite 1750
Chicago, Illinois 60604
Telephone: 312-337-7700
Facsimile: 312-277-2305

Counsel for the Official Committee of Unsecured Creditors

LIST OF EXHIBITS

Exhibit A: Summary of the Syngenta Litigation

Exhibit B: 2015 Tax Summary showing 2014 and 2015 income and expenses

Exhibit C: The Debtor's December, 2016 Debtor-in-Possession Operating Report

Exhibit D: 2016 Profit & Loss

Exhibit E: Amherst Associates, LLP future income projections

Exhibit F: Amherst Associates, LLP Liquidation Analysis

Exhibit G: Officers of the Reorganized Debtor