

B1 (Official Form 1)(4/10)

**United States Bankruptcy Court
Eastern District of North Carolina**

Voluntary Petition

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Debtor (if individual, enter Last, First, Middle): Kelly Farms, a NC General Partnership | Name of Joint Debtor (Spouse) (Last, First, Middle): |
| All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): | All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names): |
| Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) 76-0819672 | Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) |
| Street Address of Debtor (No. and Street, City, and State): 508 Thomas Kelly Road Sanford, NC <div style="text-align: right; margin-top: 5px;">ZIP Code 27330</div> | Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right; margin-top: 5px;">ZIP Code</div> |
| County of Residence or of the Principal Place of Business: Lee | County of Residence or of the Principal Place of Business: |
| Mailing Address of Debtor (if different from street address): <div style="text-align: right; margin-top: 5px;">ZIP Code</div> | Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right; margin-top: 5px;">ZIP Code</div> |

Location of Principal Assets of Business Debtor (if different from street address above):

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input type="checkbox"/> Corporation (includes LLC and LLP) <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.) | Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other <hr/> Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code). | Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts. |
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| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B. | Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b). |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Statistical/Administrative Information

Debtor estimates that funds will be available for distribution to unsecured creditors.
 Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors

| | | | | | | | | | |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 1-49 | 50-99 | 100-199 | 200-999 | 1,000-5,000 | 5,001-10,000 | 10,001-25,000 | 25,001-50,000 | 50,001-100,000 | OVER 100,000 |

Estimated Assets

| | | | | | | | | | |
|-------------------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| \$0 to \$50,000 | \$50,001 to \$100,000 | \$100,001 to \$500,000 | \$500,001 to \$1 million | \$1,000,001 to \$10 million | \$10,000,001 to \$50 million | \$50,000,001 to \$100 million | \$100,000,001 to \$500 million | \$500,000,001 to \$1 billion | More than \$1 billion |

Estimated Liabilities

| | | | | | | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| \$0 to \$50,000 | \$50,001 to \$100,000 | \$100,001 to \$500,000 | \$500,001 to \$1 million | \$1,000,001 to \$10 million | \$10,000,001 to \$50 million | \$50,000,001 to \$100 million | \$100,000,001 to \$500 million | \$500,000,001 to \$1 billion | More than \$1 billion |

THIS SPACE IS FOR COURT USE ONLY

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| <p>Voluntary Petition</p> <p><i>(This page must be completed and filed in every case)</i></p> | | <p>Name of Debtor(s): Kelly Farms, a NC General Partnership</p> | |
| <p>All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)</p> | | | |
| <p>Location Where Filed: - None -</p> | | <p>Case Number:</p> | <p>Date Filed:</p> |
| <p>Location Where Filed:</p> | | <p>Case Number:</p> | <p>Date Filed:</p> |
| <p>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)</p> | | | |
| <p>Name of Debtor: See Attachment</p> | | <p>Case Number:</p> | <p>Date Filed:</p> |
| <p>District:</p> | | <p>Relationship:</p> | <p>Judge:</p> |
| <p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p> | | <p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p> | |
| <p>Exhibit C</p> | | | |
| <p>Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?</p> <p><input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.</p> <p><input checked="" type="checkbox"/> No.</p> | | | |
| <p>Exhibit D</p> | | | |
| <p>(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)</p> <p><input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.</p> <p>If this is a joint petition:</p> <p><input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.</p> | | | |
| <p>Information Regarding the Debtor - Venue</p> <p>(Check any applicable box)</p> | | | |
| <p><input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.</p> <p><input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.</p> <p><input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.</p> | | | |
| <p>Certification by a Debtor Who Resides as a Tenant of Residential Property</p> <p>(Check all applicable boxes)</p> | | | |
| <p><input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)</p> <p style="margin-left: 40px;">_____</p> <p style="margin-left: 40px;">(Name of landlord that obtained judgment)</p> <p style="margin-left: 40px;">_____</p> <p style="margin-left: 40px;">(Address of landlord)</p> | | | |
| <p><input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and</p> <p><input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.</p> <p><input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).</p> | | | |

Voluntary Petition
 (This page must be completed and filed in every case)

Name of Debtor(s):
Kelly Farms, a NC General Partnership

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
 [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
 [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).
 I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
 Signature of Debtor

X _____
 Signature of Joint Debtor

 Telephone Number (If not represented by attorney)

 Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
 Signature of Foreign Representative

 Printed Name of Foreign Representative

 Date

Signature of Attorney*

X /s/ Richard D. Sparkman
 Signature of Attorney for Debtor(s)

Richard D. Sparkman 6857
 Printed Name of Attorney for Debtor(s)

Richard D. Sparkman & Associates, P.A.
 Firm Name

P.O. Box 1687
Angier, NC 27501

 Address

919-639-6181 Fax: 919-639-6814
 Telephone Number

November 8, 2010
 Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

 Printed Name and title, if any, of Bankruptcy Petition Preparer

 Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)

 Address

X _____
 Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X /s/ David W. Kelly
 Signature of Authorized Individual

David W. Kelly
 Printed Name of Authorized Individual

General Partner
 Title of Authorized Individual

November 8, 2010
 Date

In re Kelly Farms, a NC General Partnership, Case No. _____
Debtor

FORM 1. VOLUNTARY PETITION
Pending Bankruptcy Cases Filed Attachment

Name of Debtor / District

Case No. / Relationship

Date Filed / Judge

Daniel C. and Kimberly Q. Kelly
EDNC

David W. and Tamara W. Kelly
EDNC

Rebecca S. Kelly
EDNC

**United States Bankruptcy Court
Eastern District of North Carolina**

In re **Kelly Farms, a NC General Partnership**
Debtor(s)

Case No. _____
Chapter **11**

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR(S)

1. Pursuant to 11 U.S.C. § 329(a) and Bankruptcy Rule 2016(b), I certify that I am the attorney for the above-named debtor and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

| | | |
|-------------------------------------------------------------|----|-------------------------|
| For legal services, I have agreed to accept | \$ | <u>28,390.20</u> |
| Prior to the filing of this statement I have received | \$ | <u>28,390.20</u> |
| Balance Due | \$ | <u>0.00</u> |

***Retainer to be applied against hourly rate of \$350.00 as approved by the Court**

2. The source of the compensation paid to me was:

Debtor Other (specify): Life insurance proceeds from death of Oscar W. Kelly.

3. The source of compensation to be paid to me is:

Debtor Other (specify):

4. I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

I have agreed to share the above-disclosed compensation with a person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statement of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d. [Other provisions as needed]

Negotiations with secured creditors to reduce to market value; exemption planning; preparation and filing of reaffirmation agreements and applications as needed; preparation and filing of motions pursuant to 11 USC 522(f)(2)(A) for avoidance of liens on household goods.

6. By agreement with the debtor(s), the above-disclosed fee does not include the following service:

Representation of the debtors in any dischargeability actions, judicial lien avoidances, relief from stay actions or any other adversary proceeding.

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

Dated: **November 8, 2010**

/s/ Richard D. Sparkman
Richard D. Sparkman 6857
Richard D. Sparkman & Associates, P.A.
P.O. Box 1687
Angier, NC 27501
919-639-6181 Fax: 919-639-6814

B4 (Official Form 4) (12/07)

United States Bankruptcy Court
Eastern District of North Carolina

In re **Kelly Farms, a NC General Partnership**

Debtor(s)

Case No. _____

Chapter **11**

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

| (1) | (2) | (3) | (4) | (5) |
|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| <i>Name of creditor and complete mailing address including zip code</i> | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i> | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
| Ace Industrial Supply, Inc. Attn: Managing Agent 7535 San Fernando Blvd. Burbank, CA 91505-1044 | Ace Industrial Supply, Inc. Attn: Managing Agent 7535 San Fernando Blvd. Burbank, CA 91505-1044 | Business account | | 246.84 |
| Agco Finance, LLC Attn: Managing Agent PO Box 2000 Johnston, IA 50131 | Agco Finance, LLC Attn: Managing Agent PO Box 2000 Johnston, IA 50131 | | | 73,240.83 (0.00 secured) (73,240.83 senior lien) |
| Agco Finance, LLC Attn: Managing Agent PO Box 2000 Johnston, IA 50131 | Agco Finance, LLC Attn: Managing Agent PO Box 2000 Johnston, IA 50131 | | | 73,240.83 (0.00 secured) |
| Blossman Gas Attn: Managing Agent 2221 South Horner Blvd. Sanford, NC 27330 | Blossman Gas Attn: Managing Agent 2221 South Horner Blvd. Sanford, NC 27330 | Business account | | Unknown |
| Branch Banking & Trust Co. Attn: Jack R. Hayes, VP P.O. Box 1847 Wilson, NC 27894-1847 | Branch Banking & Trust Co. Attn: Jack R. Hayes, VP P.O. Box 1847 Wilson, NC 27894-1847 | | | 798,770.91 (Unknown secured) |
| Branch Banking & Trust Co. Attn: Jack R. Hayes, VP P.O. Box 1847 Wilson, NC 27894-1847 | Branch Banking & Trust Co. Attn: Jack R. Hayes, VP P.O. Box 1847 Wilson, NC 27894-1847 | Business credit card | | 6,135.00 |
| Broadway Hardware & Supply Attn: Managing Agent PO Box 10 Broadway, NC 27505 | Broadway Hardware & Supply Attn: Managing Agent PO Box 10 Broadway, NC 27505 | Business account | | 562.44 |
| Carolina Farm Credit Attn: Managing Agent PO Box 249 Carthage, NC 28327 | Carolina Farm Credit Attn: Managing Agent PO Box 249 Carthage, NC 28327 | | | 527,039.63 (0.00 secured) |
| Carolina Farm Credit Attn: Managing Agent PO Box 249 Carthage, NC 28327 | Carolina Farm Credit Attn: Managing Agent PO Box 249 Carthage, NC 28327 | | | 37,476.75 (0.00 secured) |

B4 (Official Form 4) (12/07) - Cont.

In re **Kelly Farms, a NC General Partnership**

Case No. _____

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

| (1) | (2) | (3) | (4) | (5) |
|----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| <i>Name of creditor and complete mailing address including zip code</i> | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i> | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
| Caterpillar Financial Services Attn: Managing Agent 2120 West End Avenue Nashville, TN 37203 | Caterpillar Financial Services Attn: Managing Agent 2120 West End Avenue Nashville, TN 37203 | | | 38,000.00 (0.00 secured) |
| CNH Capital Attn: Managing Agent PO Box 3600 Lancaster, PA 17604-3600 | CNH Capital Attn: Managing Agent PO Box 3600 Lancaster, PA 17604-3600 | | | 9,206.84 (0.00 secured) |
| Crop Production Services, Inc. Attn: Managing Agent 136 Stonemark Lane, Ste. 120 Columbia, SC 29210 | Crop Production Services, Inc. Attn: Managing Agent 136 Stonemark Lane, Ste. 120 Columbia, SC 29210 | | | 1,156,884.90 (0.00 secured) |
| Cruco-Mill & Industrial Supply LLC Attn: Managing Agent 111 McNeill Road Sanford, NC 27330 | Cruco-Mill & Industrial Supply LLC Attn: Managing Agent 111 McNeill Road Sanford, NC 27330 | Business account | | 476.38 |
| First Bank Attn: Managing Agent PO Box 866 Troy, NC 27371-0866 | First Bank Attn: Managing Agent PO Box 866 Troy, NC 27371-0866 | | | 1,225,711.88 (0.00 secured) |
| Jones Bros. Garage, Inc. Attn: Managing Agent PO Box 190 Broadway, NC 27505 | Jones Bros. Garage, Inc. Attn: Managing Agent PO Box 190 Broadway, NC 27505 | Business account | | 231.01 |
| Praxair Distribution, Inc. Attn: Managing Agent 1510 Hawkins Ave. Sanford, NC 27330 | Praxair Distribution, Inc. Attn: Managing Agent 1510 Hawkins Ave. Sanford, NC 27330 | Business account | | 624.67 |
| Riddle Equipment Co., Inc. Attn: Managing Agent PO Box 160 Carthage, NC 28327 | Riddle Equipment Co., Inc. Attn: Managing Agent PO Box 160 Carthage, NC 28327 | Business account | | 17,776.49 |
| Wells Fargo Financial Leasing Customer Service MAC F4031-050 800 Walnut Street Des Moines, IA 50309 | Wells Fargo Financial Leasing Customer Service MAC F4031-050 Des Moines, IA 50309 | | | 11,231.58 (0.00 secured) |
| Wells Fargo Financial Leasing Customer Service MAC F4031-050 800 Walnut Street Des Moines, IA 50309 | Wells Fargo Financial Leasing Customer Service MAC F4031-050 Des Moines, IA 50309 | | | 4,424.58 (0.00 secured) |
| Wicker Oil Company, Inc. Attn: Managing Agent PO Drawer 2707 Sanford, NC 27331 | Wicker Oil Company, Inc. Attn: Managing Agent PO Drawer 2707 Sanford, NC 27331 | Business account | | 2,437.35 |

B4 (Official Form 4) (12/07) - Cont.

In re Kelly Farms, a NC General Partnership
Debtor(s)

Case No. _____

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the General Partner of the partnership named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date November 8, 2010

Signature /s/ David W. Kelly
David W. Kelly
General Partner

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

**United States Bankruptcy Court
Eastern District of North Carolina**

In re Kelly Farms, a NC General Partnership,
Debtor

Case No. _____

Chapter 11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

| Name and last known address or place of business of holder | Security Class | Number of Securities | Kind of Interest |
|---------------------------------------------------------------|-------------------|-------------------------|---------------------|
|---------------------------------------------------------------|-------------------|-------------------------|---------------------|

None

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the General Partner of the partnership named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date November 8, 2010

Signature /s/ David W. Kelly
David W. Kelly
General Partner

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C §§ 152 and 3571.

**United States Bankruptcy Court
Eastern District of North Carolina**

In re **Kelly Farms, a NC General Partnership**

Debtor(s)

Case No. _____

Chapter

11

VERIFICATION OF CREDITOR MATRIX

I, the General Partner of the partnership named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: **November 8, 2010**

/s/ David W. Kelly

David W. Kelly/General Partner

Signer/Title

| | | |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Richard D. Sparkman Richard D. Sparkman & Associates, P.A. P.O. Box 1687 Angier, NC 27501 | Branch Banking & Trust Co. Attn: Jack R. Hayes, VP P.O. Box 1847 Wilson, NC 27894-1847 | Employment Security Commission P.O. Box 26504 Raleigh, NC 27611-6504 |
| Kelly Farms, a NC General Partnership 508 Thomas Kelly Road Sanford, NC 27330 | Broadway Hardware & Supply Attn: Managing Agent PO Box 10 Broadway, NC 27505 | Estate of Oscar Wayne Kelly c/o Robert Gilleland Harrington Gilleland Winstead Feind 1410 Elm Street Sanford, NC 27330 |
| Internal Revenue Service P.O. Box 21126 Philadelphia, PA 19114 | Carolina Farm Credit Attn: Managing Agent PO Box 249 Carthage, NC 28327 | First Bank Attn: Managing Agent PO Box 866 Troy, NC 27371-0866 |
| NC Department of Revenue Office Services Division Bankruptcy Unit P.O. Box 1168 Raleigh, NC 27602-1168 | Caterpillar Financial Services Attn: Managing Agent 2120 West End Avenue Nashville, TN 37203 | Jones Bros. Garage, Inc. Attn: Managing Agent PO Box 190 Broadway, NC 27505 |
| Equifax Credit Information Svcs. Attn: Managing Agent PO Box 740241 Atlanta, GA 30374 | CNH Capital Attn: Managing Agent PO Box 3600 Lancaster, PA 17604-3600 | Praxair Distribution, Inc. Attn: Managing Agent 1510 Hawkins Ave. Sanford, NC 27330 |
| Experian Attn: Managing Agent 5909 Peachtree Dunwoody Dr., Ste. 1000 Atlanta, GA 30328 | Colleen L. Byers Attorney for BB&T PO Box 21029 Winston Salem, NC 27120-1029 | Rebecca Kelly 815 Buckhorn Road Sanford, NC 27330 |
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Wicker Oil Company, Inc.
Attn: Managing Agent
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