

**United States Bankruptcy Court
District of North Dakota**

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): Tarnel USA, Inc.	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): 4486	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. & Street, City, and State): 201 15th Street Walhalla, ND	Street Address of Joint Debtor (No. & Street, City, and State):
ZIP CODE 58282	ZIP CODE
County of Residence or of the Principal Place of Business: Pembina	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): P. O. Box 632 Walhalla, ND	Mailing Address of Joint Debtor (if different from street address):
ZIP CODE 58282	ZIP CODE

Location of Principal Assets of Business Debtor (if different from street address above):
Walhalla, North D ZIP CODE **akota**

<p align="center">Type of Debtor (Form of Organization) (Check one box.)</p> <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input 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.) _____	<p align="center">Nature of Business (Check one box)</p> <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/> <p align="center">Tax-Exempt Entity (Check box, if applicable)</p> <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code.)	<p align="center">Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box)</p> <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 <hr/> <p align="center">Nature of Debts (Check one box)</p> <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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<p align="center">Filing Fee (Check one box)</p> <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.	<p align="center">Chapter 11 Debtors</p> <p>Check one box:</p> <input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). <p>Check if:</p> <input checked="" type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. <p>-----</p> <p>Check all applicable boxes</p> <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).
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<p>Statistical/Administrative Information</p> <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.	<p>THIS SPACE IS FOR COURT USE ONLY</p>																												
<p>Estimated Number of Creditors</p> <table style="width:100%; text-align: center;"> <tr> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>1-49</td> <td>50-99</td> <td>100-199</td> <td>200-999</td> <td>1,000-5,000</td> <td>5,001-10,000</td> <td>10,001-25,000</td> <td>25,001-50,000</td> <td>50,001-100,000</td> <td>Over 100,000</td> </tr> </table>										<input type="checkbox"/>	<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"/>	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
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Voluntary Petition <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): Tarnel USA, Inc.
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)	
Location Where Filed: NONE	Case Number: _____ Date Filed: _____
Location Where Filed: _____	Case Number: _____ Date Filed: _____
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet)	
Name of Debtor: NONE	Case Number: _____ Date Filed: _____
District: _____	Relationship: _____ Judge: _____
<p style="text-align: center;">Exhibit A</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 style="text-align: center;">Exhibit B</p> (To be completed if debtor is an individual whose debts are primarily consumer debts) 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 have delivered to the debtor the notice required by 11 U.S.C. § 342(b). X Not Applicable _____ Signature of Attorney for Debtor(s) Date
Exhibit C	
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?	
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.	
<input checked="" type="checkbox"/> No	
Exhibit D	
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)	
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.	
If this is a joint petition:	
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.	
Information Regarding the Debtor - Venue (Check any applicable box)	
<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.	
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.	
<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.	
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)	
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following).	
_____ (Name of landlord that obtained judgment)	
_____ (Address of landlord)	
<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	
<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.	
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).	

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

Name of Debtor(s):
Tarnel USA, Inc.

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.

Not Applicable
Signature of Debtor

Not Applicable
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 § 1515 of title 11 are attached.

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

Not Applicable
(Signature of Foreign Representative)

(Printed Name of Foreign Representative)

Date

Signature of Attorney

s/ David L. Johnson
Signature of Attorney for Debtor(s)

David L. Johnson Bar No. ND #03484
Printed Name of Attorney for Debtor(s) / Bar No.

McNair, Larson & Carlson, LTD.
Firm Name

51 Broadway, Suite 600 PO Box 2189
Address

Fargo, ND 58108

(701) 293-9190 **(701) 241-9107**
Telephone Number

11/6/2009
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 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.

Not Applicable
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

Not Applicable

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

s/ Kevin Peters
Signature of Authorized Individual

Kevin Peters
Printed Name of Authorized Individual

President
Title of Authorized Individual

11/6/2009
Date

Not Applicable

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 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.

**UNITED STATES BANKRUPTCY COURT
District of North Dakota**

In re: Tarnel USA, Inc.

Case No.

Debtor

Chapter **11**

Exhibit "A" to Voluntary Petition

1. If any of debtor's securities are registered under section 12 of the Securities and Exchange Act of 1934, the SEC file number is .

2. The following financial data is the latest available information and refers to debtor's condition on August 31, 2009.

a.	Total assets	\$	1,381,791.00
b.	Total debts (including debts listed in 2.c., below)	\$	1,587,171.00

Approximate
number of
holders

c. Debt securities held by more than 500 holders.

	secured	unsecured	subordinated		
d. Number of shares of preferred stock					
e. Number of shares of common stock			100		4

Comments, if any:

Walhalla Farmers Grain as 19 non-voting shares

3. Brief description of debtor's business:

Manufacturing

4. List the name of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of debtor:

**Kevin Peters
Robert Peters
Michael Peters**

United States Bankruptcy Court

District of North Dakota

In re:

Case No. _____

Chapter **11**

Tarnel USA, Inc.

STATEMENT REGARDING AUTHORITY TO SIGN AND FILE PETITION

I, **Robert Peters**, declare under penalty of perjury that I am the **Secretary** of **Tarnel USA, Inc.**, a **North Dakota** Corporation and that on the following resolution was duly adopted by the of this Corporation:

"Whereas, it is in the best interest of this Corporation to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

Be It Therefore Resolved, that **Kevin Peters, President** of this Corporation, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a Chapter 11 voluntary bankruptcy case on behalf of the Corporation; and

Be It Further Resolved, that **Kevin Peters, President** of this Corporation, is authorized and directed to appear in all bankruptcy proceedings on behalf of the Corporation, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the Corporation in connection with such bankruptcy case; and

Be It Further Resolved, that **Kevin Peters, President** of this Corporation, is authorized and directed to employ **David L. Johnson**, attorney and the law firm of **McNair, Larson & Carlson, LTD.** to represent the Corporation in such bankruptcy case."

Executed on: 11/6/2009

Signed: /s/Robert Peters
Robert Peters

B 203
(12/94)

UNITED STATES BANKRUPTCY COURT
District of North Dakota

In re: Tarnel USA, Inc.
Debtor

Case No. _____
Chapter 11

**DISCLOSURE OF COMPENSATION OF ATTORNEY
FOR DEBTOR**

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(s) 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>200.00/hr.</u>
Prior to the filing of this statement I have received	\$	<u>0.00</u>
Balance Due	\$	_____

2. The source of compensation paid to me was:

- Debtor
- Other (specify)

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]

Debtor shall pay \$200.00 per hour for legal services. Debtor shall also reimburse out-of-pocket costs and filing fee. Debtor has paid \$12,000.00 retainer.

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

None

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: 11/6/2009

/s/ David L. Johnson

David L. Johnson, Bar No. ND #03484

McNair, Larson & Carlson, LTD.

Attorney for Debtor(s)

B 201 (12/08)

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

**NOTICE TO CONSUMER DEBTOR(S) UNDER § 342(b)
OF THE BANKRUPTCY CODE**

In accordance with § 342(b) of the Bankruptcy Code, this notice to individuals with primarily consumer debts: (1) Describes briefly the services available from credit counseling services; (2) Describes briefly the purposes, benefits and costs of the four types of bankruptcy proceedings you may commence; and (3) Informs you about bankruptcy crimes and notifies you that the Attorney General may examine all information you supply in connection with a bankruptcy case.

You are cautioned that bankruptcy law is complicated and not easily described. Thus, you may wish to seek the advice of an attorney to learn of your rights and responsibilities should you decide to file a petition. Court employees cannot give you legal advice.

Notices from the bankruptcy court are sent to the mailing address you list on your bankruptcy petition. In order to ensure that you receive information about events concerning your case, Bankruptcy Rule 4002 requires that you notify the court of any changes in your address. If you are filing a **joint case** (a single bankruptcy case for two individuals married to each other), and each spouse lists the same mailing address on the bankruptcy petition, you and your spouse will generally receive a single copy of each notice mailed from the bankruptcy court in a jointly-addressed envelope, unless you file a statement with the court requesting that each spouse receive a separate copy of all notices.

1. Services Available from Credit Counseling Agencies

With limited exceptions, § 109(h) of the Bankruptcy Code requires that all individual debtors who file for bankruptcy relief on or after October 17, 2005, receive a briefing that outlines the available opportunities for credit counseling and provides assistance in performing a budget analysis. The briefing must be given within 180 days **before** the bankruptcy filing. The briefing may be provided individually or in a group (including briefings conducted by telephone or on the Internet) and must be provided by a nonprofit budget and credit counseling agency approved by the United States trustee or bankruptcy administrator. The clerk of the bankruptcy court has a list that you may consult of the approved budget and credit counseling agencies. Each debtor in a joint case must complete the briefing.

In addition, after filing a bankruptcy case, an individual debtor generally must complete a financial management instructional course before he or she can receive a discharge. The clerk also has a list of approved financial management instructional courses. Each debtor in a joint case must complete the course.

2. The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debtors

Chapter 7: Liquidation (\$245 filing fee, \$39 administrative fee, \$15 trustee surcharge: Total fee \$299)

1. Chapter 7 is designed for debtors in financial difficulty who do not have the ability to pay their existing debts. Debtors whose debts are primarily consumer debts are subject to a "means test" designed to determine whether the case should be permitted to proceed under chapter 7. If your income is greater than the median income for your state of residence and family size, in some cases, creditors have the right to file a motion requesting that the court dismiss your case under § 707(b) of the Code. It is up to the court to decide whether the case should be dismissed.

2. Under chapter 7, you may claim certain of your property as exempt under governing law. A trustee may have the right to take possession of and sell the remaining property that is not exempt and use the sale proceeds to pay your creditors.

3. The purpose of filing a chapter 7 case is to obtain a discharge of your existing debts. If, however, you are found to have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge and, if it does, the purpose for which you filed the bankruptcy petition will be defeated.

4. Even if you receive a general discharge, some particular debts are not discharged under the law. Therefore, you may still be responsible for most taxes and student loans; debts incurred to pay nondischargeable taxes; domestic support and property settlement obligations; most fines, penalties, forfeitures, and criminal restitution obligations; certain debts which are not properly listed in your bankruptcy papers; and debts for death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs. Also, if a creditor can prove that a debt arose from fraud, breach of fiduciary duty, or theft, or from a willful and malicious injury, the bankruptcy court may determine that the debt is not discharged.

Chapter 13: Repayment of All or Part of the Debts of an Individual with Regular Income (\$235 filing fee, \$39 administrative fee: Total fee \$274)

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in installments over a period of time. You are only eligible for chapter 13 if your debts do not exceed certain dollar amounts set forth in the Bankruptcy Code.

2. Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them, using your future earnings. The period allowed by the court to repay your debts may be three years or five years, depending upon your income and other factors. The court must approve your plan before it can take effect.

3. After completing the payments under your plan, your debts are generally discharged except for domestic support obligations; most student loans; certain taxes; most criminal fines and restitution obligations; certain debts which are not properly listed in your bankruptcy papers; certain debts for acts that caused death or personal injury; and certain long term secured obligations.

Chapter 11: Reorganization (\$1000 filing fee, \$39 administrative fee: Total fee \$1039)

Chapter 11 is designed for the reorganization of a business but is also available to consumer debtors. Its provisions are quite complicated, and any decision by an individual to file a chapter 11 petition should be reviewed with an attorney.

Chapter 12: Family Farmer or Fisherman (\$200 filing fee, \$39 administrative fee: Total fee \$239)

Chapter 12 is designed to permit family farmers and fishermen to repay their debts over a period of time from future earnings and is similar to chapter 13. The eligibility requirements are restrictive, limiting its use to those whose income arises primarily from a family-owned farm or commercial fishing operation.

3. Bankruptcy Crimes and Availability of Bankruptcy Papers to Law Enforcement Officials

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury, either orally or in writing, in connection with a bankruptcy case is subject to a fine, imprisonment, or both. All information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the United States Trustee, the Office of the United States Attorney, and other components and employees of the Department of Justice.

WARNING: Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information regarding your creditors, assets, liabilities, income, expenses and general financial condition. Your bankruptcy case may be dismissed if this information is not filed with the court within the time deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

Certificate of the Debtor

I, the debtor, affirm that I have received and read this notice.

Kevin Peters
Printed Name of Debtor

Xs/ Kevin Peters 11/6/2009
Kevin Peters
Signature of Debtor Date

Case No. (if known) _____

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

IN RE:
Tarnel USA, Inc.

CASE NO. _____

Debtor.

VERIFICATION OF CREDITOR MATRIX

The above named Debtor(s) hereby verifies that the attached list of creditors is true and correct to the best of our knowledge.

Date: 11/6/2009

s/ Kevin Peters

Kevin Peters

Debtor signature

**United States Bankruptcy Court
District of North Dakota**

In re Tarnel USA, Inc., Case No. _____
Debtor Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(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>
Holt Sales & Services 2000 East Walnut Street Des Moines, IA 50317	Bill Fischer (888) 516-5089 Holt Sales & Services 2000 East Walnut Street Des Moines, IA 50317	trade debt		\$229,670.61
Quality Trailer Products P. O. Box 201924 Dallas, TX 75320-1924	Vicki (800) 243-4883 Quality Trailer Products P. O. Box 201924 Dallas, TX 75320-1924	trade debt		\$142,627.66
Hanson Manufacturing, Inc. P. O. Box 66 Lancaster, MN 56735	NAME (218) 762-6541 Hanson Manufacturing, Inc. P. O. Box 66 Lancaster, MN 56735	trade debt		\$117,490.82
McNeilus Steel, Inc. Box 249 Dodge Center, MN 55927	Dusty (507) 374-6336 McNeilus Steel, Inc. Box 249 Dodge Center, MN 55927	trade debt		\$86,626.37
Tredit Tire & Wheel Company 15500 100 Terrace Lenexa, KS 66219	Matt (913) 894-1440 Tredit Tire & Wheel Company 15500 100 Terrace Lenexa, KS 66219	trade debt		\$44,766.50
Walhalla Cooperative Oil Co. P. O. Box 498 Walhalla, ND 58282	Floyd (701) 549-2527 Walhalla Cooperative Oil Co. P. O. Box 498 Walhalla, ND 58282	trade debt		\$33,370.53

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<p>Superior Finishes, Inc. 303 Stanely Street Winnipeg, MB R3A OX1 CANADA</p>	<p>Jamie Guertin (204) 985-9820 Superior Finishes, Inc. 303 Stanely Street Winnipeg, MB R3A OX1 CANADA</p>	<p>trade debt</p>		<p>\$20,178.69</p>
<p>Ironworks Industries, Inc. P. O. Box 457 St. Claude, MB R0G1Z0 CANADA</p>	<p>Gilbert (204) 379-2760 Ironworks Industries, Inc. P. O. Box 457 St. Claude, MB R0G1Z0 CANADA</p>	<p>trade debt</p>		<p>\$20,169.52</p>
<p>Tire Co., Inc. 500 West 190th Street, 6th Floor Gardena, CA 90248-4265</p>	<p>Victor Qiu (310) 604-8760 Tire Co., Inc. 500 West 190th Street, 6th Floor Gardena, CA 90248-4265</p>	<p>trade debt</p>		<p>\$19,005.88</p>
<p>Grest Southern Wood Preserving P. O. Box 610 Hwy. 431 North Abbeville, AL 36310</p>	<p>Randall McMinn (903) 575-0281 x6712 Grest Southern Wood Preserving P. O. Box 610 Hwy. 431 North Abbeville, AL 36310</p>	<p>trade debt</p>		<p>\$18,596.68</p>
<p>Don Swartz Insurance Agency P. O. Box 580 Grafton, ND 58237</p>	<p>Don Swartz (701) 352-0344 Don Swartz Insurance Agency P. O. Box 580 Grafton, ND 58237</p>	<p>trade debt</p>		<p>\$16,258.10</p>
<p>Workforce Safety & Insurance 1600 East Centruy Avenue, Suite 1 P. O. Box 5585 Bismarck, ND 58506-5585</p>	<p>NAME (701) 328-3800 Workforce Safety & Insurance 1600 East Centruy Avenue, Suite 1 P. O. Box 5585 Bismarck, ND 58506-5585</p>	<p>premiums</p>		<p>\$16,058.61</p>

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Leon Dubourt P. O. Box 438 Walhalla, ND 58282	Leon Dubourt Leon Dubourt P. O. Box 438 Walhalla, ND 58282	trade debt		\$16,005.02
Samuel Coil Processing 140 Paquin Road Winnipeg, MB R2J 3V4 CANADA	Dwayne (204) 661-8050 Samuel Coil Processing 140 Paquin Road Winnipeg, MB R2J 3V4 CANADA	trade debt		\$13,890.00
Business Card P. O. Box 15710 Wilmington, DE 19886-5710	NAME Business Card P. O. Box 15710 Wilmington, DE 19886-5710	trade debt		\$11,668.48
BL Industries Box 319 Walhallan, ND 58282	NAME (701) 549-3838 BL Industries Box 319 Walhallan, ND 58282	trade debt		\$6,224.42
Yellowbook USA P. O. Box 66052 Dallas, TX 75266-0052	NAME Yellowbook USA P. O. Box 66052 Dallas, TX 75266-0052	trade debt		\$4,925.85
Insurance Finance Corporation P. O. Box 315 Des Moines, IA 50306-0315	NAME Insurance Finance Corporation P. O. Box 315 Des Moines, IA 50306-0315	trade debt		\$4,607.14

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

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Cross-Stream Carriers, Inc. 243 Cochlan Drive Morden MB R6M 1G5 CANADA	NAME (204) 822-6014 Cross-Stream Carriers, Inc. 243 Cochlan Drive Morden MB R6M 1G5 CANADA	trade debt		\$3,597.30
Dahl Trucking Plus 9240 Highway 1 Langdon, ND 58249	Erin (701) 256-3930 Dahl Trucking Plus 9240 Highway 1 Langdon, ND 58249	trade debt		\$3,375.86

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

I, Kevin Peters, President of the Corporation 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: 11/6/2009

Signature: s/ Kevin Peters

Kevin Peters ,President

 (Print Name and Title)

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.