UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN

In Re:

SnowTracks Commercial
Winter Management, LLC

Case No.: 17-10755

Chapter 11

Debtor.

In Re:

Michael P. Bronsteatter

Case No.: 17-10765

Chapter 11

Debtor.

JOINT COMBINED DISCLOSURE STATEMENT AND PLAN OF REORGANIZATION

Dated this 27th day of December, 2017.

This Joint Combined Disclosure Statement and Plan of Reorganization is submitted on behalf of both SnowTracks Commercial Winter Management, LLC ("SnowTracks") and Michael P. Bronsteatter ("Bronsteatter"), separate Chapter 11s debtors and debtors in possession, (1) for determination by the court regarding whether it contains adequate information, as required by 11 U.S.C. § 1125, to allow creditors and other parties-in-interest to make an informed decision about the Plan of Reorganization (the "Plan") described herein; and (2) for confirmation of the Plan.

BACKGROUND OF THE CASES

Bronsteatter is an adult resident of the State of Wisconsin and the sole member of SnowTracks. Bronsteatter and SnowTracks filed for relief pursuant to Chapter 11 of Title 11 of the United States Code (the "Code") on March 10, 2017 (the "Petition Date").

Bronsteatter holds ownership interests in a variety of other businesses in addition to SnowTracks. One of those other businesses, Great Lakes Alfalfa, LLC, ("GLA") had significant operational and financial issues in 2015 and 2016. By early 2017, largely because of the drain of GLA, SnowTracks and Bronsteatter had both become overextended through personal guarantees of GLA's obligations to its lenders, and both faced difficult cash flow issues. To keep GLA alive and particularly in light of the extensive guarantees that SnowTracks gave for GLA creditors, from late 2015 through the Petition Date, SnowTracks had loaned GLA $1,134,000.00.

SnowTracks, a Wisconsin limited liability company, is a year around business headquartered in Merrill, Wisconsin, that provides commercial landscaping and snowplowing services in Northern Wisconsin. In and before 2014, Bronsteatter did the work now done by SnowTracks as a sole proprietorship and d/b/a SnowTracks. Then, in 2014, Bronsteatter setup both SnowTracks the limited liability company and operated Shamrock Lawn Care, LLC ("Shamrock"). For about three years, Shamrock operated as the landscaping portion of the business and SnowTracks operated the snowplowing portion. In 2017, Bronsteatter combined the operations of SnowTracks and Shamrock under the SnowTracks umbrella. Although Shamrock had guaranteed some of SnowTracks' obligations, Shamrock did not have separate assets and, aside from one real estate lease, Shamrock did not have separate obligations.

In 2016, SnowTracks and Shamrock had approximately 16 full-time and 23 part-time employees and combined annual revenue of $1,210,289.59. Through November 30, 2017, SnowTracks' total revenue was $ ______________.

SnowTracks and Bronsteatter are filing this Joint Combined Disclosure Statement and Plan of Reorganization because their business equipment and obligations are somewhat intertwined. Over the years, a variety of business equipment was owned in the name of Bronsteatter but used by SnowTracks. Through the Plan, Bronsteatter and SnowTracks seek to, among other things, formally separate their holdings so that the snow plowing and lawn care business operations (together, the "Business"), assets and liabilities are held by SnowTracks. However, Bronsteatter and SnowTracks do not intend to (1) release Bronsteatter from personal liability for an obligation for which he had personal liability on the Petition Date; or (2) have SnowTracks take on any obligation it did not have on the Petition Date. Most importantly, the Plan provides for the continued operation of the Business.

More specifically, the following property of the Bronsteatter Estate is business property used exclusively by SnowTracks and is attached hereto as Schedule A (collectively, the equipment listed on Schedule A is the "Bronsteatter Business Property"). Through this Plan, the Bronsteatter Business Property will be transferred to SnowTracks. Then, by restructuring the debt owed to equipment lenders and other secured lenders, and to unsecured creditors, coupled agreements in place on guarantees of obligations of other related businesses, SnowTracks and Bronsteatter project that they will have sufficient cash flow to reorganize, emerge from Chapter 11, and repay its pre-Petition Date creditors in full.

As a creditor, you may have the right to vote to accept or reject the Plan. Because the Plan will allow SnowTracks to continue operating, while satisfying all of its Allowed Claims, SnowTracks and Bronsteatter believe that the Plan represents the best available alternative for the holders of Allowed Claims.

On ___________ ________, 2018, at _______ a.m. /p.m., the Court will hold a hearing on Confirmation of the Plan. The deadline for submitting ballots to vote to accept or reject the Plan is 4:00 p.m. (CST) on ___________________, 201__. Objections to the Plan must be filed and served on counsel to SnowTracks and Bronsteatter no later than 4:00 p.m. (CST) on ___________________, 201__. If you are entitled to vote on the Plan under the Code, a ballot, printed on a different colored paper from all others in this package, is enclosed with copies of this Disclosure Statement and the Plan to allow you to vote on the Plan.

SnowTracks and Bronsteatter urge you to read this Joint Combined Disclosure Statement and the Plan in full, and then it encourages you to vote to accept the Plan.

I. GENERAL

A. **Disclaimers.**

Debtors seek an order of the Court approving this Disclosure Statement and a finding by the Court that it contains adequate information; that is, information of a kind and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the Debtors and the condition of the Debtors' books and records, to enable a hypothetical reasonable investor typical of holders of Claims against the Debtors to make an informed judgment as to whether to accept or reject the Plan. The Court's approval of this Disclosure Statement constitutes neither a guaranty of the accuracy or completeness of the information contained herein, nor an endorsement of the merits of the Plan.

This Disclosure Statement contains information that may bear upon your decision to accept or reject the Plan, and to vote for or against the Plan. Please read this document thoroughly and carefully.

The Disclosure Statement was not prepared in accordance with any federal or state securities laws, "blue sky" laws, or other applicable laws. This Disclosure Statement has not been filed with, nor has it been reviewed by, the Securities and Exchange Commission ("SEC") or any securities regulatory authority of any state. The Plan has not been approved or disapproved by the SEC nor has it been approved by any state securities commission. Neither the SEC nor any state securities commission has passed upon the accuracy or adequacy of the information contained herein. Any representation to the contrary is a criminal offense.

This Disclosure Statement is the only document authorized by the Court to be used in connection with the solicitation of votes on the Plan. Neither the Court nor the Debtor has authorized any person to use or disclose any information concerning the Debtor other than the information contained herein. In arriving at your decision to approve, disapprove or reject the Plan, you should not rely upon any representations or inducements made to secure your vote which are either in addition to or in contradiction of those contained herein.

Other than as explicitly set forth herein, creditors should not rely upon any information relating to the Debtors, the value of the Debtors' assets or the nature of the Debtors' liabilities. The Debtors have provided all financial information contained herein, and such information has not been the subject of a certified audit.

The contents of this Disclosure Statement should not be construed as legal, business, securities or tax advice. Each creditor is encouraged to consult its own legal counsel and accountant as to the legal, tax and other matters concerning its claim or its treatment under the Plan.

B. **Voting Instructions and Procedures**.

On _____________, 2017, the Court entered an order establishing _______________, 2017, as the last date for creditors to file proofs of claim in the Bronsteatter Case. On May 8, 2017, the Court entered an order establishing June 5, 2017, as the last date for creditors to file proofs of claim in the SnowTracks Case.

Pursuant to 11 U.S.C. § 1126, only holders of Claims that are "impaired" (as that term is defined in Code § 1124) are entitled to vote to accept or reject a plan. In these Cases, all holders of classified claims except the holders of Bronsteatter Class __ and Class __ Claims and SnowTracks Classes 7 and 8 (taxing authorities) are impaired.

Creditors entitled to vote on the Plan must return their completed ballots to Debtors' counsel no later than ________________________, 2018.

C. **Hearing on Approval of the Disclosure Statement and Confirmation of the Plan**.

The Court has scheduled a combined hearing on approval of the Disclosure Statement and confirmation of the Plan for _______________, 2018 (the "Combined Hearing"). At the Combined Hearing, the Court may, if sufficient acceptances of the Plan are received and the statutory requirements of Section 1129 of the Code are met, enter an order confirming the Plan.

D. **Definitions**.

For purposes of the Plan and Disclosure Statement, capitalized terms shall have the meanings set forth below, unless the context clearly indicates otherwise. All other terms not defined herein shall have the definitions assigned by the Code, or, if not defined therein, in common usage. Accounting terms not otherwise defined herein, or partly defined herein to the extent not so defined, shall have the respective meanings given to them under FASB and GAAP rules.

1.1 "**Administrative Expense Claim**" shall mean a Claim for compensation, charges, and/or expenses under § 503(b) of the Code that is entitled to priority in payment pursuant to § 507(a)(1) of the Code.

1.2 "**Allowed Administrative Claim**" shall mean all or any portion of an Administrative Claim that is an Allowed Claim, including but not limited to Administrative Expense Claims pursuant to § 503(b)(9) of the Code.

1.3 "**Allowed Claim**" shall mean all or any portion of any Claim:

(a) as to which no proof of claim has been filed with the Court and the liquidated and non-contingent amount of which is scheduled by the Debtors as undisputed and is not subject to a counterclaim or a right of setoff by the Debtors; or,

(b) as to which a proof of claim has been timely filed in a liquidated amount with the Court, or late filed with leave of the Court, after notice and a hearing, provided that: (1) no objection to the allowance of such Claim, motion to expunge such Claim, counterclaim or right of setoff or recoupment has been interposed by any party-in-interest by the Claims Objection Deadline; or, (2) if such objection, motion, counterclaim or right of setoff or recoupment has been filed or asserted, such objection, motion, counterclaim or right of setoff or recoupment has been concluded by a Final order allowing all or a portion of such Claim.

1.4 "**Allowed Priority Claim**" shall mean a Priority Claim which is also an Allowed Claim.

1.5 "**Allowed Secured Claim**" shall mean a Secured Claim which is also an Allowed Claim.

1.6 "**Allowed Tax Claim**" shall mean a Tax Claim which is also an Allowed Claim.

1.7 "**Avoidance Action**" shall mean any and all Claims or causes of action made under or pursuant to §§ 544, 545, 546, 547, 548, 549, 550, 551 or 553 of the Code, including any Claims or causes of action brought under Chapters 180 or 242 of the Wisconsin Statutes.

1.8 "**Bar Date**" shall mean a date established by a Final Order as the last date for filing proofs of claim against the Debtor or Debtors, except:

(a) as the Bar Date may be extended in specific instances by an additional Final Order of the Court;

(b) for Executory Contracts the Bar Date shall mean the Rejection Bar Date.

1.9 "**Business Day**" shall have the meaning as defined in Rule 9006(a)(6), Federal Rules of Bankruptcy Procedure, and for ease of reference herein, shall mean any day except Saturday, Sunday or any Legal Holiday.

1.10 "**Case**" shall mean the case for reorganization of each of the Debtors commenced by the filing of Voluntary Petition Under Chapter 11 on or about the Petition Date, now pending in the Court, and entitled, *In Re: SnowTracks Commercial Winter Management, LLC,* Case No. 17-10755, and *In Re: Michael Bronsteatter,* Case No. 17-10765.

1.11 "**Chapter 11**" shall mean Chapter 11 of Title 11, United States Code.

1.12 "**Claimant**" shall mean the holder of a Claim.

1.13 "**Claims Objection Deadline**" shall mean 30 days after the Effective Date or such later date as the Court may set upon noticed motion of the Reorganized Debtors.

1.14 "**Class**" shall mean a category of holders of Claims or Interests defined in Section III and IV of the Plan.

1.15 "**Code**" shall mean Title 11, United States Code, Section 101, et seq., as amended.

1.16 "**Confirmation Date**" shall mean the date on which the Confirmation Order is entered on the docket of the Court.

1.17 "**Combined Hearing**" shall mean the hearing held by the Court, after notice, on approval of the Disclosure Statement and confirmation of the Plan.

1.18 "**Confirmation Order**" shall mean the Final Order of the Court confirming the Plan, pursuant to § 1129 of the Code.

1.19 "**Court**" shall mean the United States Bankruptcy Court for the Western District of Wisconsin acting in this case, including the United States Bankruptcy Judge presiding in the case of the Debtors, and/or the United States District Court of which said Bankruptcy Court is a unit.

1.20 "**Disputed Claim**" shall mean any Claim:

(a) to which an objection has been filed with respect to all or any portion of such Claim, or to which an objection, application or adversary proceeding to equitably subordinate or otherwise limit recovery of all or any portion of such Claim has been filed, on or before the Effective Date or any other date fixed by Final Order of the Court and which objection or application has not been withdrawn or determined by Final Order of the Court;

(b) that is listed on the Debtors' Schedules of assets and liabilities as "disputed", "contingent" or "unliquidated" in said Schedules and as to which a proof of claim has not been timely filed with the Bankruptcy Court by the Bar Date or pursuant to Court Order; or,

(c) that is not otherwise an Allowed Claim.

1.21 "**Effective Date**" shall mean the date that an Order confirming this Plan of Reorganization becomes a Final Order.

1.22 "**Estate**" shall mean the estate of each of the Debtors created in the Case by operation of § 541 of the Code.

1.23 "**Final Order**" shall mean an order or a judgment that has not been reversed, stayed, modified or amended and as to which:

(a) the time to appeal or seek review, re-argument or rehearing has expired and has not been extended and as to which no appeal or petition for certiorari, review or rehearing is pending, or,

(b) if an appeal, review, re-argument, rehearing or certiorari of the order or judgment has been sought, the order or judgment has been affirmed or the request for review, re-argument, rehearing or certiorari has been denied and the time to seek a further appeal, review, re-argument, rehearing or certiorari has expired, as a result of which such order or judgment shall have become final and non-appealable in accordance with applicable law.

1.24 "**GAAP**" shall mean generally accepted accounting principles consistently applied in the United States of America, in effect from time to time.

1.25 "**Lien**" shall have the meaning assigned to such term in the Code.

1.26 "**Plan**" shall mean this Plan of Reorganization, filed by the Debtors, in its present form, or as it may be further amended, supplemented, or modified from time-to-time.

1.27 "**Petition Date**" shall mean March 10, 2017.

1.28 "**Priority Claim**" shall mean a Claim having priority by virtue of § 507(a) of the Code, other than an Administrative Expense Claim or a Tax Claim.

1.29 "**Projections**" shall mean the financial statements attached as Schedule B.

1.30 **"Property of the Estate"** shall have the meaning assigned to such term in § 541 of the Code.

1.31 **"Pro Rata"** shall mean payment in proportion to other Allowed Claims in the same Class.

1.32 **"Rejection Bar Date"** shall mean the date 30-days after the Confirmation Date and the date on which claims for contract and lease rejection damages must be filed with the Court.

1.33 **"Reorganized SnowTracks"** shall mean SnowTracks after the Effective Date.

1.34 **"Reorganized Bronsteatter"** shall mean Bronsteatter after the Effective Date.

1.35 **"Secured Claim"** shall mean an Allowed Claim arising on or before the Petition Date (or thereafter with approval of the Court) that is secured by a valid Lien on Property of the Estate that is not void or voidable under any state or federal law, including any provision of the Code, and is not subject to setoff under § 553 of the Code, but only to the extent of the value (which is either agreed to by the Debtor pursuant to this Plan, or, in the absence of agreement, has been determined under § 506 of the Code by a Final Order) of the interest of the holder of such Allowed Claim in Property of the Estate or to the extent of an amount not subject to setoff.

1.36 **"Tax Claim"** shall mean any Claim entitled to priority under § 507(a)(8) of the Code.

1.37 **"Unsecured Claim"** shall mean a Claim arising on or before the Petition Date for an unsecured debt, demand or liability of any character whatsoever, including, without limitation, any Claim secured by a Lien which is determined by the Court to be preferential or otherwise avoidable, any Claim arising from the recovery by the Estate of any Avoidance Actions, or any Claim in excess of the Claimant's Allowed Secured Claim.

E. **Rules of Interpretation**.

1.1. Whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural;

1.2. Unless otherwise provided in the Plan and Disclosure Statement, any reference in the Plan and Disclosure Statement to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions;

1.3. Unless otherwise provided in the Plan and Disclosure Statement, any reference in the Plan and Disclosure Statement to an existing document or exhibit means such document or exhibit, as it may have been or may be amended, modified or supplemented pursuant to the Plan and Disclosure Statement;

1.4 Unless otherwise specified in the Plan and Disclosure Statement, any reference to an entity as a holder of a Claim or Interest includes that entity's successors and assigns;

1.5 The words "hereof," "herein," and "hereunder" and words of similar import when used in this Plan shall refer to this Plan as a whole and not to any particular provision of this Plan;

1.6 Unless otherwise specified in the Plan and Disclosure Statement, the words "Article," "Section," "Clause," and "Exhibit" refer to articles, sections, clauses and exhibits of or to this Plan and Disclosure Statement; and,

1.7 The rules of construction set forth in § 102 of the Code shall apply.

1.8. The headings contained in this Plan are for the convenience of the reader and for reference only, and such headings shall not limit or otherwise affect in any way the meaning or interpretation of the Plan.

1.9. All references in this Plan to the singular shall be construed to include references to the plural and vice versa.

1.10. All references in this Plan to any one of the masculine, feminine or neuter genders shall be deemed to include references to both such other genders.

1.11. All exhibits and schedules attached to this Plan are, by this reference, hereby incorporated into this Plan.

1.12. In computing any period of time prescribed or allowed by this Plan, reference should be made to Rule 9006, Federal Rules of Bankruptcy Procedure.

II. UNCLASSIFIED AND ADMINISTRATIVE CLAIMS

The Plan contemplates payment in full to all of the Debtors' non-insider secured and priority creditors over a maximum term of approximately 72 months, beginning on the Effective Date, and payment of at least 50% to Debtors non-insider general unsecured creditors in 36-months.

Unclassified Claims consist of various Administrative Expense Claims, including: a) Claims for professional fees and expenses related to the Case that are subject to approval under Code § 330 that Bronsteatter estimates will total approximately $35,000.00 and SnowTracks estimates will total approximately $70,000.00; b) other Claims that are incurred by either Debtor after the Petition Date and that are incurred in the ordinary course of business (virtually all of these claims have been paid by in full in the ordinary course of business); and, c) post-petition tax claims which SnowTracks estimates will total approximately $___,000.00.

Any unpaid Allowed professional fees and expenses, and all other Administrative Expense Claims arising outside the ordinary course of business will be paid in full on or before the Effective Date from funds on hand. If such claims remain subject to Court approval after the Effective Date, such claims shall be paid on the date on which such Claim becomes an Allowed Claim, unless the applicable Reorganized Debtor and the holder of such a Claim mutually agree to payment on another later date.

U.S. Trustee Fees, payable under 28 U.S.C. § 1930, will be paid when due in accordance with Code § 1129(a)(12) until the Case is converted, dismissed or closed.

SnowTracks and Bronsteatter have both paid all of their post-petition ordinary course claims and expenses in full and within ordinary business terms. In addition, SnowTracks made post-petition payments on the pre-petition claims of employees and utilities, as provided by court order, and has continued to make payments to various equipment lenders on pre-petition obligations under applicable cash collateral agreements.

Bronsteatter retained Fuhrman & Dodge S.C. ("F&D") as his primary insolvency counsel in this Case. F&D has filed one interim fee application for the time period from the Petition Date through October 31, 2017, for a total of $28,314.50 in fees and $130.16 in costs. The remaining balance owed to F&D from November 1, 2017, through the Effective Date with be paid either on the Effective Date or upon approval of F&D's final fee application, whichever is later.

SnowTracks retained Sweet DeMarb LLC ("SD") as its primary insolvency counsel in this Case. SD has filed two interim fee applications for the time period from the Petition Date through October 31, 2017, for a total of $64,132.50 in fees and costs. The remaining balance owed to SD from November 1, 2017, through the Effective Date will be paid either on the Effective Date or upon approval of SD's final fee application, whichever is later.

In addition, Bronsteatter employed Wipfli, LLP ("Wipfli") as its accountants and auditors during the Case. Wipfli will be paid in full on or before the Effective Date.

All fees and expenses incurred by either Debtor for payment to professional persons after the Effective Date shall be paid by the Reorganized Bronsteatter or Reorganized SnowTracks, as applicable.

III. BRONSTEATTER TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS UNDER THE PLAN

A. **Class 1 (Business Obligations of Bronsteatter**. Class 1 consists of creditors that are creditors of Bronsteatter and that hold collateral for their loans that is equipment used exclusively in the operations of SnowTracks. SnowTracks will assume the Business Obligations of Bronsteatter listed below.

1. **CNH Industrial Capital America LLC ("CNHi").** Class 1 consists of the Allowed Secured Claims of CNHi as set forth in CNHi's proofs of claim filed on July 7, 2017 (Claims 24, 25, and 26), which shall be treated as fully secured for purposes of the Plan. CNHi shall retain all of its collateral post-confirmation. The amount of the Allowed Class 1 Claim will be approximately $275,000, as of the Effective Date of the Plan. The Class 1 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to CNHi on Class 1 will be $5,190.00 per month.

2. Deere and Company d/b/a John Deere Financial and John Deere Financial, f.s.b. d/b/a John Deere Financial (collectively, "John Deere"). Class 1 consists of the Allowed Secured Claims of John Deere as set forth in John Deere's proofs of claim filed on July 7, 2017 (Claims 15, 21, 23 and 33), which shall be treated as fully secured for purposes of the Plan. John Deere shall retain all of its collateral post-confirmation. The amount of the Allowed Class 1 Claim will be approximately $58,000, as of the Effective Date of the Plan. The Class 1 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year.

SnowTracks expects the monthly payment to John Deere on Class 1 will be $1,095 per month.

Class 1 is impaired.

B. **Class 2 (Lincoln Community Bank - W4008 County Road G. Merrill, WI).** Class 2 consists of the Secured Claim of Lincoln Community Bank and secured by a first-position mortgage on the real property located at W4008 County Road G, Merrill, WI 54452. The Bank shall retain all of its collateral post-confirmation. The outstanding balance on Lincoln Community Bank's claim in the amount of approximately $103,000.00 shall be reamoritzed at an interest rate of 5% over a period of 30 years. The Debtor shall make principal and interest payments of approximately $553 per month. A balloon payment for the unpaid balance of the loan shall be due five years after the Plan is confirmed.

Class 2 is impaired.

C. **Class 3 (Lincoln Community Bank - Personal Guarantee All Assets).** Class 3 consists of the Allowed Secured Claim of Lincoln Community Bank, which shall be treated as fully secured for purposes of the Plan and secured by all assets of Bronsteatter. The Bank shall retain all of its collateral post-confirmation. The amount of the Class 3 Claim will be approximately $220,000.00, as of the Effective Date of the Plan. The Class 3 Claim will be treated as a single fully amortizing 60-month term note, paid by SnowTracks, as outline further in Section IV, below.

Class 3 is impaired

D. **Class 4 (Peoples State Bank)** Class 4 consists of the Secured Claims of Peoples State Bank secured by an interest in the Debtor's 2015 Keystone Camper and Husqvarna lawnmowers. The Bank shall retain all of its collateral post-confirmation. The outstanding balance on Peoples State Bank's claims in the amount of approximately $31,000.00 shall be reamortized at an interest rate of 5% over a period of five years. The Class 4 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. Bronsteatter expect the monthly payment to be $585 per month.

Class 4 is impaired.

E. **Class 5 (Byline Bank - 1505 Delmore Dr., Merrill, WI)** Class 5 consists of the Claim of Byline Bank ("Byline") for and consists of a wholly unsecured secondposition mortgage on the real property located at 1505 Delmore Dr., Merrill, WI 54452. Its collateral shall be valued at $0.00, and the balance of its claim shall be treated as an unsecured claim.

Class 5 is impaired.

F. **Class 6 (Wells Fargo Bank, N.A.).** Class 6 consists of the Allowed Secured Claim of Wells Fargo Bank, N.A. ("Wells Fargo Bank") and secured by a first-position mortgage on his homestead at 1505 Delmore Drive, Merrill, WI 54452. The Bank shall retain all of its collateral post-confirmation. The outstanding balance on Wells Fargo Bank's claim in the amount of $127,000 shall be reamoritzed at an interest rate of 4% over a period of 30 years. The Debtor shall make principal and interest payments of approximately $606 per month plus any necessary escrow payments. A balloon payment for the unpaid balance of the loan shall be due ten years after the Plan is confirmed.

Class 6 is impaired.

G. **Class 7 (United States Taxes - secured claim).** Class 7 consists of secured portion of the claim of the United States for income taxes and withholding taxes incurred prior to January 1, 2017. Once liquidated, claims of all governmental entities and taxing authorities shall be paid in full in 60-equal payments such that the claims are paid in full, with the statutory rate of interest, no later than March 9, 2022. SnowTracks is jointly liable on these taxes and the taxes are priority claims for SnowTracks. However, because SnowTracks operated under more than one tax identification number prior to 2017, all of these tax claims will be paid by Bronsteatter, directly, through a salary paid to him by SnowTracks during the course of the Plan. Bronsteatter estimates that the total due to the United States Treasury for the secured claim through December 31, 2016, is $ 206,884.46.

Class 7 is not impaired.

H. **Class 8 (State of Wisconsin Taxes)** Class 8 consists of allowed priority claims of the State of Wisconsin for income taxes and withholding taxes incurred prior to January 1, 2017. Once liquidated, claims of all governmental entities and taxing authorities shall be paid in full in 60-equal payments such that the claims are paid in full, without interest, no later than March 9, 2022. SnowTracks is jointly liable on these taxes and the taxes are priority claims for SnowTracks. However, because SnowTracks operated under more than one tax identification number prior to 2017, all of these tax claims will be paid by Bronsteatter, directly, through a salary paid to him by SnowTracks during the course of the Plan. Bronsteatter estimates that the total due to the State of Wisconsin for taxes and unemployment compensation claims through December 31, 2016, is $78,300.00.

Any liability for taxes related to SnowTracks withholding and unemployment incurred after January 1, 2017 shall be paid by SnowTracks.

Class 8 is not impaired.

H. **Class 9 (United States Taxes).** Class 9 consists of allowed priority claims of the United States for income taxes and withholding taxes incurred prior to January 1, 2017. Once liquidated, claims of all governmental entities and taxing authorities shall be paid in full in 60-equal payments such that the claims are paid in full, without interest, no later than March 9, 2022. SnowTracks is jointly liable on these taxes and the taxes are priority claims for SnowTracks. However, because SnowTracks operated under more than one tax identification number prior to 2017, all of these tax claims will be paid by Bronsteatter, directly, through a salary paid to him by SnowTracks during the course of the Plan. Bronsteatter estimates that the total due to the United States Treasury through December 31, 2016, is $140,000.

Any liability for taxes related to SnowTracks withholding and unemployment incurred after January 1, 2017 shall be paid by SnowTracks.

Class 9 is not impaired.

I. **Class 10 (Student loan – United States Department of Education)**. The Debtor shall continue to make his regularly scheduled payment to EdFinancial Services, LLC for his Federally guaranteed student loan.

Class 10 is not impaired.

J. **Class 11 (Equity Interests).** The Debtor shall retain all equity interests.

Class 11 is not impaired.

IV. SNOWTRACKS CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS UNDER THE PLAN

A. **Class 1 (Lincoln Community Bank)**. Class 1 consists of the Allowed Secured Claim of Lincoln Community Bank, which shall be treated as fully secured for purposes of the Plan. The Bank shall retain all of its security interests and collateral post-confirmation as it had before the Petition Date. SnowTracks estimates that the amount of the Allowed Class 1 Claim will be approximately $200,000.00, as of the

Effective Date of the Plan. The Class 1 Claim will be treated as a single fully amortizing 72-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to Lincoln Community Bank on Class 1 will be approximately $3,221.00, with the exact amount to be determined based the actual amount of the allowed secured claim on the Effective Date, with interest at 5% and a 72-month amortization.

Class 1 is impaired.

B. <u>**Class 2 (Byline Bank f/k/a Ridgestone Bank)**</u>. Class 2 consists of the Allowed Secured Claim of Byline Bank f/k/a Ridgestone Bank. Byline shall retain all of its security interests and collateral post-confirmation as it had before the Petition Date The value of the Byline Bank collateral and the Allowed Class 2 Claim is $183,550.00, and Byline Bank is not fully secured. The Class 2 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to Byline Bank on Class 2 will be $3,462.87.

Class 2 is impaired.

C. <u>**Class 3 (Wells Fargo Vendor Services)**</u>. Class 3 consists of the Allowed Secured Claim of Wells Fargo Vendor Services ("WFVS"). WFVS shall retain all of its security interests and collateral post-confirmation as it had before the Petition Date The value of the WFVS collateral and the Allowed Class 3 Claim is $80,000.00, and WFVS is not fully secured. The Class 3 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to WFVS on Class 3 will be approximately $1510.00, with the exact amount to be determined based the actual amount of the allowed secured claim on the Effective Date, with interest at 5% and a 60-month amortization.

Class 3 is impaired.

D. <u>**Class 4 (Merchants Bank Equipment Finance)**</u>. Class 4 consists of the Allowed Secured Claim of Merchants Bank Equipment Finance ("Merchants"). Merchants shall retain all of its security interests and collateral post-confirmation as it had before the Petition Date The value of the Merchants' collateral and the Allowed Class 4 Claim is $250,000.00, and Merchants is not fully secured. The Class 4 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective

Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to Merchants on Class 4 will be approximately $4718.00, with the exact amount to be determined based the actual amount of the allowed secured claim on the Effective Date, with interest at 5% and a 60-month amortization.

Class 4 is impaired.

E. **<u>Class 5 (Wells Fargo Bank, N.A)</u>**. Class 5 consists of the Allowed Secured Claim of Wells Fargo Bank, N.A. ("Wells Fargo Bank"). Wells Fargo Bank shall retain all of its security interests and collateral post-confirmation as it had before the Petition Date Wells Fargo Bank is fully secured and the amount of its secured claim is $115,000.00. The Class 5 Claim will be treated as a single fully amortizing 60-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to Wells Fargo Bank on Class 5 will be approximately $2,358.90.

Class 5 is impaired.

F. **<u>Class 6 (CAN Capital Asset Servicing, Inc)</u>**. Class 6 consists of the Allowed Secured Claim of CAN Capital Asset Servicing, Inc. ("CAN"). CAN shall retain all of its security interests and collateral post-confirmation as it had before the Petition Date CAN is fully secured and holds an allowed claim of $106,908.78. The Class 6 Claim will be treated as a single fully amortizing 72-month term note, with an effective date of the Effective Date with monthly payments due on the first day of the first month after the Effective Date and interest simple accruing at the rate of 5% per year. SnowTracks expects the monthly payment to CAN on Class 6 will be approximately $1722.50.

Class 6 is impaired.

G. **<u>Class 7 (State of Wisconsin Taxes)</u>**. Class 7 consists of allowed priority claims of the State of Wisconsin for withholding and unemployment taxes. Once liquidated, claims of all governmental entities and taxing authorities shall be paid in full in 60-equal payments such that the claims are paid in full, without interest, no later than March 9, 2022, and will be paid by Bronsteatter as described in Section III, above.

Class 7 is not impaired.

H. **<u>Class 8 (United States Taxes)</u>**. Class 8 consists of allowed priority claims of the United States for withholding and unemployment taxes. Once liquidated, claims of all governmental entities and taxing authorities shall be paid in full in 60-

equal payments such that the claims are paid in full, without interest, no later than March 9, 2022, and will be paid by Bronsteatter as described in Section III, above.

Class 8 is not impaired.

I. **<u>Class 9 (General Unsecured Claims)</u>**. Class 9 consists of the Allowed Claims that are non-priority, general unsecured claims, including the unsecured portion of undersecured claims. SnowTracks estimates the Allowed Class 9 claims will total approximately $300,000.00, plus an additional $2 million in unsecured claims based upon SnowTracks' guarantee of GLA obligations (Claim 9 and 17).

Class 9 will not receive payments from SnowTracks through the Plan, except as set forth in this paragraph. Bronsteatter has been working diligently to bring additional liquidity into GLA to maximize its cash flow, allow it to replay its obligations including the $2 million in unsecured guarantee claims in this Case, and allow it to repay SnowTracks the $1,134,000 that SnowTracks loaned to GLA. SnowTracks will deposit all funds that it receives from GLA into a separate, interest bearing checking account (the "GLA Payments"). On a quarterly basis, and beginning with June 30, 2018, if the account has been funded by June 30, 2018, SnowTracks will distribute the GLA Funds as follows:

(1) First, SnowTracks shall distribute all GLA funds to the State of Wisconsin and the US Treasury, pro rata, until Bronsteatter Claims 7 and 8 (which are duplicates of SnowTracks Claims 7 and 8) are paid in full.

(2) After the priority claims of taxing authorities are paid in full, SnowTracks shall distribute all GLA funds to its unsecured creditors, pro rata, until such claims are paid in full.

If SnowTracks' unsecured creditors do not receive at least a 50% distribution on their allowed claims through the process described in this paragraph by March 31, 2021, then SnowTracks will sell its assets, either as a going concern or in a liquidation, with such sale closing by June 30, 2021. SnowTracks will distribute the proceeds of the sale of its assets (1) first to administrative expenses; (2) then its secured creditors with the proceeds of the sale of each of their collateral until each of their allowed secured claims are paid in full; (3) then the priority claims of taxing authorities; and (4) then its unsecured creditors, pro rata.

Class 9 is impaired.

J. **<u>Class 10 (Equity Interests)</u>**. The holder of the equity interests in SnowTracks, Bronsteatter, shall retain his equity interests subject to the requirements of *In re Castleton Plaza, LP*, 707 F.3d 821, 2013 WL 537269 (7th Cir. 2013). If an equity auction is required, then Reorganized SnowTracks will provide for auction procedures for the sale of the Bronsteatter membership interests in Reorganized SnowTracks.

Class 10 is impaired.

V. MEANS OF IMPLEMENTING THE PLAN

A. **Power and Authority of the Reorganized SnowTracks**. All Property of the Estate of SnowTracks will re-vest in Reorganized SnowTracks on the Confirmation Date subject to the terms of this Plan. In addition, the Bronsteatter Business Property listed on Schedule A shall vest in Reorganized SnowTracks on the Confirmation Date and subject to the terms of this Plan. Reorganized SnowTracks shall take possession of and manage the former Property of its Estate and the Bronsteatter Business Property (together, the "Business Property") and shall administer the provisions of Section IV of this Plan.

Reorganized SnowTracks shall issue the various promissory notes required to be issued by the Plan to the various Classes that are entitled to receive such notes. Reorganized SnowTracks shall have all the rights and powers of a trustee under Chapter 11 of the Code, pursuant to § 1107 of the Code.

B. **Power and Authority of Reorganized Debtor Bronsteatter**. Reorganized SnowTracks shall have full authority to operate Reorganized SnowTracks' business pursuant to this Plan. Distributions under the Plan to the SnowTracks' Classes of creditors and to Class 1 of the Bronsteatter Creditors and payments on the notes issued pursuant to the Plan shall be made from the continued operations of Reorganized SnowTracks and cash reserves accumulated by SnowTracks during the reorganization phase. Detailed information regarding the Reorganized SnowTracks' projected financial management is available in the Projections that are attached hereto as Schedule B.

C. **Post-Confirmation Management**. Reorganized SnowTracks will operate under the direction of Michael Bronsteatter, and Bronsteatter will manage his individual post-confirmation Plan. Bronsteatter and Reorganized SnowTracks will retain the services of other professionals as needed. No third-party administrator will be required.

D. **Disputed Claims; Escrow**. If any objection or opposition is made to a Claim, and such objection is pending on the date that payment is required by the Plan on such type of claim, then no payment or distribution shall be made to the Creditor holding such disputed Claim until the Court enters an order determining the validity, classification, and amount of such Claim, and that such order becomes a final order. If either of the Debtors or the Reorganized Debtors, as applicable, has not filed an objection to a Claim within thirty (30) days after the Effective Date, then filed claims shall be deemed Allowed. In each case, payments required to be made on such Claims, if they are eventually Allowed, will be escrowed by the applicable Reorganized Debtor when the applicable Reorganized Debtor makes payment to the remainder of the Claims in a given Class.

E. **Retention of Jurisdiction**. From and after the Confirmation Date, the Court may retain jurisdiction for the following purposes:

- To consider any modification to the Plan, or to correct any defect, cure any omission, or reconcile any inconsistency in the Plan or in the order confirming the Plan, to the extent necessary to carry out the purposes and intent of the Plan;

- To hear and determine any objections to the allowance of Claims and requests for estimation of Claims;

- To hear and determine any and all applications, adversary proceedings, motions and other contested matters not resolved in the Plan;

- To hear and determine any and all applications for compensation of professional services and disbursements and any other similar fees incurred prior to the Confirmation Date;

- To enforce the terms and provisions of payments, rights and interests required or created by the Plan or by earlier orders of the Court; and,

- To enter any order necessary to consummate, interpret, and affect the provisions of the Plan and the order confirming the Plan, or as may otherwise be required by the Code.

F. **Release and Injunction**.

As of the Effective Date, and except as specifically stated in the Plan, the rights afforded in the Plan shall be in consideration for and in complete satisfaction, settlement, payment, cancellation, discharge and release of all claims and interests of any kind or nature whatsoever against each of the Debtors and the Reorganized Debtors or any of their assets that arose prior to the Petition Date. The terms of the Plan shall be substituted for the claims of creditors that arose prior to the Petition Date. The discharge of the Debtors shall be effective as to each claim regardless of whether a Proof of Claim was filed, whether the claim is an Allowed Claim or whether the holder thereof votes to accept the Plan.

As of the Effective Date, all holders of Claims shall be enjoined from: (a) prosecuting any claim, demand, debt, right, cause of action, liability or interest against or with respect to the Debtor which have been released, waived, discharged or terminated pursuant to this Plan; (b) enforcing, attaching, collecting or recovering in any manner, any judgment, award, decree or order against either of the Debtors or Reorganized Debtors or their property for claims which have been released, waived, discharged or terminated pursuant to this Plan; (c) except as specifically provided under the Plan, creating, perfecting or enforcing any Lien or encumbrance against the Debtors/Reorganized Debtors or their property for claims which have been released, waived, discharged or terminated pursuant to this Plan; (d) asserting a right of setoff, right of subrogation or right of recoupment of any kind against any debt, liability or obligation due to the Debtors/Reorganized Debtors or their property for claims which have been released, waived, discharged or terminated pursuant to this Plan; (e) commencing or continuing any action, in any manner or in any place, that does not comply with, or is inconsistent with, the provisions of the Plan for claims which have been released, waived, discharged or terminated pursuant to this Plan; and, (f) commencing or continuing, in any manner, any action or other proceeding against the Debtors/Reorganized Debtors or their property for claims which have been released, waived, discharged or terminated pursuant to this Plan.

VI. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Except to the extent the Court orders otherwise on a motion by the applicable Debtor filed not later than the Effective Date, all executory contracts and unexpired leases of the Debtor that have not been rejected will be assumed on the Effective Date, and any defaults thereunder will be cured in accordance with terms negotiated with each party to an unexpired lease or executory contract, or as provided for in the Plan.

Bronsteatter and Reorganized SnowTracks, as applicable, intend to cure any preexisting defaults by making cure payments to landlords and lessors in connection with assuming the non-residential real property leases and equipment leases. SnowTracks estimates that these cure payments will be $6,000.00, payable to CNH Capitol.

Aside from the foregoing, the Debtors do not believe that any additional cure amounts that might be paid on other contract or lease assumptions will be material. However, because the Debtors may have small contracts Bronsteatter and SnowTracks have provided for the blanket assumption of all such remaining executory contracts unless they are specifically rejected.

If any party to such a contract or lease wishes to object to such assumption, or claims that there is a default under such contract or lease that must be cured, pursuant to 11 U.S.C. § 365(b), and has not already entered an agreement to accept cure payments, that party must file an objection no later than the Effective Date to such proposed assumption by CHS. If no such objection is filed by that date, that party's objection or claim will be forever barred and may not be asserted in any subsequent proceeding in any forum.

VII. AVOIDANCE ACTIONS

Debtors have reviewed all payments made by it within the 90-days before the Petition Date, as well as payments made to insiders within one year of the Petition Date, and such analysis is attached to the Debtors' Statement of Financial Affairs. Debtors have determined that there are not potential Avoidance Actions available to it in these Cases.

VIII. INSIDER TRANSACTIONS

Transfers to GLA are described in this Disclosure Statement and the Debtors' Statement of Financial Affairs.

IX. PROJECTIONS

The Projections, included as Schedule B, to this Disclosure Statement, are not (other than to the extent they reflect payments directed under the Plan) binding on the Reorganized Debtor. Achieving the projected numbers and financial results is dependent upon the successful implementation of the Reorganized Debtors' Combined Plan and upon the reliability of the other assumptions contained therein. The Projections reflect and rely upon numerous assumptions. Almost all of the foregoing are and will remain to be beyond the control of the Reorganized Debtor. Moreover, unanticipated events and circumstances that occur subsequent to the preparation of the Projections may also affect the actual financial results achieved by the Reorganized Debtors throughout the periods covered by the Projections. Accordingly, actual future performance may vary materially from the Projections.

X. SELECTED CODE REQUIREMENTS

The Code imposes certain legal and technical requirements to be met in order for a chapter 11 plan to be confirmed. To confirm a plan, the Court must find that all of these requirements, set forth in either § 1129(a) or (b), have been met by the proposed plan. Thus, in the instance of the proposed Combined Plan, even if each class of creditors vote to accept it, the Court must undertake an independent evaluation of the Plan's feasibility and whether the other statutory requirements have been met before entering an order confirming the Plan.

A. **Best Interest Test**.

Before confirming the Plan, the Court must determine that the Plan provides to each member of each impaired class of Allowed Claims a recovery that is at least equal to the distribution that such member would receive if the assets of the Debtors were to be liquidated on the Effective Date under Chapter 7 of the Bankruptcy Code. The Liquidation Analysis for Bronsteatter and the Liquidation Analysis for SnowTracks, attached hereto as Schedules C-1 and C-2 (collectively, the "Liquidation Analysis") demonstrate what unsecured creditors would receive in hypothetical Chapter 7 liquidations for Bronsteatter and SnowTracks. In other words, the Liquidation Analysis do not include the transfer of property and obligations from Bronsteatter to SnowTracks that is part of the means to implement this Chapter 11 Plan.

As demonstrated in the Liquidation Analysis, no creditor would receive more in a liquidation of Debtors' assets in Chapter 7 than it will receive in payments proposed by the Plan. Because of the amount of the claims secured by the Debtors' assets, in a Chapter 7 case, after allowing for payment of Administrative Expense Claims, including trustee fees, the Debtors' assets would be insufficient to pay creditors in full, while the Plan provides for payment in full to all creditors.

B. **Feasibility and Administrative Expense Claims**.

Under Code § 1129(a)(11), the Court may only confirm the Plan if it is "feasible", which means that it is not likely to be followed by a liquidation, or the need for further financial reorganization, of the debtor or its successor. As shown in the Projections, Schedule III.C., Debtors will have a sufficient cash balance on the Effective Date to meet operating needs and to pay all Allowed Administrative Expense Claims when they emerge from bankruptcy. Because the Plan can be implemented utilizing the Debtors' cash on hand, and because the Reorganized Debtors will be in a position to remain a profitable and properly capitalized company after the Effective Date (as demonstrated by the Projections), the Plan is not likely to be followed by the further liquidation of, or the need for further financial reorganization of, either of the Debtors. Therefore, the Plan satisfies 11 U.S.C. § 1129(a)(11).

C. **Cram Down**.

Before the Court may confirm the Plan, the Plan must either be accepted by each impaired class of Claims, or it must be confirmable under the "cram down" provisions of Code § 1129(b). A class of Claims has accepted the Plan if it has been accepted by creditors holding at least two thirds in amount, and more than one half in number of the Allowed Claims of such class that are held by creditors that have voted to accept or reject the Plan. A class that is unimpaired under the Plan is deemed to have accepted the Plan (and will receive no ballot for voting on the Plan), and a class that is not entitled to receive or retain any property under the Plan is deemed to have rejected the Plan.

The Code allows the Court to confirm a plan over the non-acceptance of a class of impaired creditors if the plan does not discriminate unfairly, and is fair and equitable with respect to the claims of the impaired class. Generally, with respect to holders of Secured Claims, this provision means that unsecured creditors, junior secured creditors and holders of Equity Interests cannot receive any payment unless any objecting class of Secured Claims receives the value or the "indubitable equivalent" of the collateral securing such Secured Claim.

With respect to unsecured creditors, the fair and equitable test of Code § 1129(b) generally requires that, if a dissenting class of unsecured claims does not receive payment in full, then no junior class may receive anything under the Plan. This is known as the "absolute priority rule."

The Plan satisfies the absolute priority rule. The Plan provides for payment in full of all Classes of Allowed Claims except for general unsecured creditors, and payment of general unsecured creditors as set forth in the treatment of SnowTracks Class 9. Further, the retention of equity interests and the impact of the absolute priority rule is addressed in the treatment of SnowTracks Class 10.

Bronsteatter will commit all of his projected disposable income 5 years after the Effective Date. After accounting for living and business expenses, any disposable income will be paid to non-priority, unsecured creditors. A Chapter 7 liquidation would provide no payment to non-priority, unsecured creditors. Accordingly,

Debtor may seek confirmation of the Plan under § 1129(b) if less than the requisite classes vote to accept the Plan.

XI. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain expected federal and state income tax consequences of the implementation of the Plan. No opinion of counsel has been obtained, and no ruling has been requested or obtained from the Internal Revenue Service with respect to any of the tax aspects of the proposed Plan. The discussion set forth herein about such aspects is not binding upon the Internal Revenue Service. CREDITORS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS ABOUT THE TAX CONSEQUENCES TO EACH OF THEM, RESPECTIVELY, UNDER FEDERAL AND APPLICABLE STATE AND LOCAL TAX LAWS, RELATIVE TO THE CONFIRMATION AND CONSUMMATION OF THE PLAN.

A. <u>Tax Risk Factors to Creditors Generally</u>.

Creditors may be required to recognize income or may be entitled to a deduction as the result of the implementation of the Plan, depending upon how each creditor treated their respective claims for tax purposes prior to the Plan's implementation. The exact tax treatment for each claimant will depend on each creditor's method of accounting and the nature of each Claim in the hands of the creditor. Generally, a creditor will recognize gain or loss equal to the difference between the amount of cash received and the creditor's tax basis in the Claim. Such gain or loss may be a capital gain or loss depending upon the creditor's particular tax situation and the nature of the Claim in the creditor's hands. Gain recognized by a creditor with respect to a Claim for which a bad debt deduction has been claimed generally will be treated as ordinary income to the extent of any such prior deduction.

B. <u>Tax Consequences to the Debtor</u>.

SnowTracks is a Limited Liability Company that is fully owned by Bronsteatter. The Combined Plan will not have tax consequences to SnowTracks or for Bronsteatter.

XII. RISK FACTORS

Creditors will receive payment under the Plan as provided in the Plan only if the conditions to effectiveness of the Plan are met. Plan confirmation and effectiveness are subject to certain risks.

A. <u>Confirmation of the Plan</u>.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Regardless of whether all impaired Classes of Claims accept (or are deemed to have accepted) the Plan, it is possible that the Court, which sits as a court of equity and by statute may exercise substantial discretion, may not confirm the Plan. Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things: (1) that the Plan has classified Claims in a permissible manner; (2) that the contents of the Plan comply with the requirements of the Code; (3) that the Debtors have proposed the Plan in good faith; (4) that the confirmation of the Plan will not be likely to be followed by a need for further financial reorganization of the Debtors; and, (5) that the value of distributions to dissenting creditors not be less than the value of distributions such creditors would receive if the Debtors were to be liquidated under Chapter 7 of the Code. Debtors believes that all of these conditions have been, or will be met.

There can be no assurance, however, that the Court would confirm the Plan. Further, any objection to the Plan by a creditor or equity interest holder could prevent or delay confirmation of the Plan. Although Debtors believe that the Plan will meet such challenges, there can be no assurance that the Court will reach the same conclusion. Additionally, there can be no assurance that modifications to the Plan will not be required for confirmation, or that any such modifications would not require a re-solicitation of acceptances.

B. Disputed Claims.

A number of Claims remain in dispute, and the total amount of Claims (including Disputed Claims) may exceed the expectations assumed in the drafting of the Plan.

XIII. MISCELLANEOUS PROVISIONS

A. Binding Effect of the Plan.

Pursuant to 11 U.S.C. § 1141(a), if the Plan or any plan is confirmed, the confirmed plan's provisions will bind the Reorganized Debtors, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in SnowTracks, regardless of whether such entity's claim or interest is impaired under the plan or whether such entity accepted the plan.

B. Withdrawal or Revocation of the Plan.

Debtors reserve the right to revoke or withdraw the Plan at any time prior to the Plan's substantial consummation (as that term is defined in Section 1101(2) of the Code). If either Debtor revokes or withdraws the Plan, it will be null and void and have no force or effect. In such event, nothing contained in the current Plan shall be deemed to constitute a waiver or release of any Claim by or against either of the

Debtors or to prejudice in any manner the rights of either Debtor in any further proceedings involving either Debtor.

C. **Modification of the Plan**.

Either Debtor may alter, amend or modify the Plan under 11 U.S.C. § 1127, or as otherwise permitted, at any time prior to the Effective Date. After the Confirmation Date and prior to the substantial consummation of the Plan, and in accordance with the provisions of 11 U.S.C. § 1127(b) and with applicable Bankruptcy Rules, either Debtor and any party in interest may, so long as the treatment of holders of Claims or Equity Interest under the Plan is not adversely affected, institute proceedings in the Court to remedy any defect or omission or to reconcile any inconsistencies in the Plan, this Disclosure Statement or the Confirmation Order and any other matters as may be necessary to carry out the purposes and effects of the Plan; provided, however, that prior notice of such proceedings shall be served in accordance with Bankruptcy Rule 2002.

D. **Governing Law**.

Except to the extent that the Code or Bankruptcy Rules or other federal laws are applicable, and subject to the provisions of any contract, instrument, release, or other agreement or document entered into in connection with the Plan, the construction, implementation and enforcement of the Plan and all rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Wisconsin, without giving effect to conflicts-of-law principles which would apply the law of a jurisdiction other than the State of Wisconsin or the United States of America.

XIV. EFFECT OF CONFIRMATION

Upon confirmation of Debtors' Plan, Debtors will receive a discharge of Pre-Petition Debt, except as otherwise set forth in the Plan or Confirmation Order. Upon Confirmation, the Plan shall constitute a new agreement that shall be binding upon each of the Debtors and their separate Creditors, whether or not a specific Creditor has accepted the Plan or is impaired by the Plan.

XV. CONCLUSION AND RECOMMENDATION

Debtors believe that confirmation and implementation of the Plan is preferable to any of the alternatives because it will provide the greatest recovery to Claimholders. Other alternatives would involve significant delay, uncertainty, substantial additional administrative costs, and the loss of an operating company and the jobs of those it employs. Debtors urge Claimholders entitled to vote on the Plan to vote to accept the Plan.

Bronsteatter and SnowTracks respectfully request confirmation of this Joint Plan of Reorganization.

[SIGNATURES ON FOLLOWING PAGE]

Respectfully submitted this 29 day of December 2017.

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SCHEDULE A - ASSETS TO BE TRANSFERRED

Equipment	Year	Value Estimate	Notes	Lien Holder
Miscellaneous Tools		$5,000.00		GBSA
6500W Generator John Deere	2006	$1,500.00	6500w JD Generator	GBSA
Craftsman Air Comp	2006	$500.00	2073005720	GBSA
2.5 cu Salter SaltDogg	2004	$2,500.00		GBSA
2.5 cu Salter SaltDogg	2005	$2,500.00		GBSA
Rock Bucket	2004	$600.00	1.5YRD	GBSA
Bucket & Forks 244J	2004	$1,500.00	1.5 yrd Bucket	GBSA
Snow Ex Salter	2009	$500.00		GBSA
JD 757 Mower	2006	$4,000.00		GBSA
2006 HS trailer	2006	$1,500.00	H&S 12'X7'ALUMINUM TRLR	GBSA
Broom	2008	$3,000.00	BOBCAT 68'HYD ANGLE BROOM	GBSA
Blower	2008	$3,000.00	BOBCAT SB200 2 STAGEBLOWER	GBSA
Husquavarna Mower	2006	$100.00	67521HV - PUSH MOWER	GBSA
Stihl Chain Saw	2007	$200.00		GBSA
Sthil Combi-motor	2007	$150.00		GBSA
Sthil attachments	2007	$100.00		GBSA
10' Angle Blade	2005	$1,500.00	John Deere	GBSA
10' Angle Blade	2008	$1,500.00	make	GBSA
Fimco Sprayer	2008	$200.00	ATV 25-700	GBSA
Fimco Sprayer	2010	$200.00	ATV-25-925	GBSA
Hiniker Snow Plow	2004	$200.00	model	GBSA
Pickup Fuel Tank/Pump		$400.00		GBSA
JRB Pallet Forks	2009	$2,500.00		GBSA
Semi Wet Kit	2008	$1,200.00		GBSA
BobCat 60" Blade w Rubber	2009	$1,500.00		GBSA
HeatMaster LP Furnace	2009	$500.00		GBSA
JRB Pallet Forks	2009	$2,500.00		GBSA
Northstar Pressure washer	2009	$500.00	GC 160	GBSA
PreWet Spray System	2010	$1,200.00	BUYERS 2102	GBSA
Exact Time JobClock Systm	2010	$3,500.00		GBSA
Snow Ex Salter	2010	$500.00		GBSA
Security System	2010	$2,200.00	Make and model	GBSA
Salt Shed	2012	$4,000.00		GBSA

SCHEDULE A - ASSETS TO BE TRANSFERRED

Snow Ex Salter	2012	$600.00		GBSA
Stihl Kombi Motor	2012	$330.00		GBSA
Fastenal Bolt Box	2012	$500.00		GBSA
Tables n Chairs	2012	$1,000.00		GBSA
Tool Cat 5600	2012	$30,000.00	A94Y11303	GBSA
Protech 14' (2)	2012	$7,000.00	41646	GBSA
Drive-Way Markers		$2,000.00		GBSA
Sthil Back Pack Blower		$250.00		GBSA
Stihl Back Back Blower	2013	$250.00		GBSA
Stihl Kombi Motor	2013	$250.00		GBSA
8x30 enclosed trailer	2007	$1,500.00		GBSA
Snow Blowers Toro	2014	$750.00	418 ZR	GBSA
porta power	2013	$250.00		GBSA
24V Charger	2013	$600.00		GBSA
325 Gal Liquid Spray System	2013	$300.00		GBSA
Lap Top for Lawn Care	2013	$150.00		GBSA
3D Landscapr Program	2013	$150.00		GBSA
Snow Ex Sprayer	2014	$300.00	SL/80SS - PC/100061	GBSA
Bobcat Box Blade	2013	$2,500.00	SNOW PUSHER 120	GBSA
Stihl Leaf Blower	2013	$250.00		GBSA
9.5'Hiniker Plow	2013	$3,500.00		GBSA
Attachments Stihl	2013	$250.00		GBSA
8x8 Aluminum Bed	2013	$1,500.00		GBSA
Quik Attach Sweeper	2013	$2,500.00	1035722 ERSKINE	GBSA
John Deere 645M	2013	$3,500.00	1M0Z645VLCM120372	GBSA
H&S Skid Steer Trailer	2008	$2,500.00	VIN:4ULTK23208S000134	GBSA
25'&50'Cable	2013	$500.00		GBSA
Loader Boom	2013	$500.00	SN-B4T	GBSA
Savin C230 Laser Printer	2012	$3,000.00		GBSA
Husqvarna Edger	2013	$200.00	ser - 001590	GBSA
Husqvarna Edger	2015	$1,400.00		GBSA
New Holland Pallet Forks	2015	$200.00		GBSA
Plug Core Aerator	2000	$800.00	Ser- 135397	GBSA
Sthil MS660 Chain Saw 28"Bar	2014	$400.00	178121694	GBSA

SCHEDULE A - ASSETS TO BE TRANSFERRED

Oregon Blade Sharpener 1 1/4"	2014	$400.00	P/N 88-021QT	GBSA
Toro 30"Push Mower	2014	$300.00	314009185	GBSA
JD Tiller	2012	$1,500.00	1LV0665BEB0050205	GBSA
Sthil FS50CE Trimmer	2014	$100.00	295765264	GBSA
Sthil FS50CE Trimmer	2014	$100.00	297157705	GBSA
JD 60"Sweepr	2013	$1,200.00	1M060HDBCC0021436	GBSA
9' Hiniker Scoup Plow	2013	$2,500.00	6900-D1788611	GBSA
2004 F150 Truck	2004	$4,000.00	1FTPW14504KD32605	GBSA
Executive Desk/Desk	2015	$300.00		GBSA
Utility Trailer 5x10	2015	$1,500.00		GBSA
Laser Level	2015	$1,000.00		GBSA
8x12 American Hauler Trailer	2014	$2,000.00		GBSA
Toro Snow Blower	2015	$200.00		GBSA
Smithco Sweeper 48"	2007	$5,500.00		GBSA
Bobcat 48" Snow Blade	2009	$600.00		GBSA
John Deere 3320 60"Blade	2016	$1,200.00		GBSA
Sthil Leaf Blower/Vacum	2011	$200.00		GBSA
F350 Pickup	2006	$12,000.00	1FTWW33PX6EC85112	GBSA
F250 Pickup	1999	$5,000.00	1FTNF21F4XEA59519	GBSA
F250 Pickup	1999	$5,000.00	1FTNX21F1XEE81163	GBSA
2004 Flatbed Trlr	2004	$5,000.00	4JLFG35264GLM6002	GBSA
8x16 Cargo Mate Trailer	2006	$3,000.00	5NHUEH4296N056704	GBSA
2012 32' Trailer Freedom	2012	$5,000.00	5WKGE3223C1015777	GBSA
Security System Shop	2012	$2,500.00		GBSA
GMC 1998 Van ASTRO	1998	$2,500.00	1GTDM19W7WB504237	GBSA
2013 10yrd Salt Dogg Spreader	2013	$5,000.00		GBSA
8x16 Maxum Dump Trailer	2013	$3,500.00	5ZCBU1823DW004263	GBSA
Ravens Dump Trailer 26'	1973	$7,500.00	731673731674	Lincoln
East Dump Trailer 24'	2006	$25,000.00	1E1D1N2826RG37155	Lincoln
New Holland 110B Loader	2008	$65,000.00	N8F203924	Lincoln
New Holland 110B Loader	2009	$70,000.00	N8F206457	Lincoln
2003 International 4200	2003	$10,000.00	1HTMPAFM33H573321	Lincoln
Freightliner 2001 FL80	2001	$36,000.00	1FVHBXBS81HJ49753	Lincoln
2013 F550 Ford Truck plow	2013	$40,000.00	1FD0W5HT0DEB39852	Lincoln

SCHEDULE A - ASSETS TO BE TRANSFERRED

Artic Sectional Snow Blade	2013	$5,500.00	L1251,- MOD. 14HD	Lincoln
Pellet Mill		$75,000.00		Lincoln
John Deere 665 Tiller, Frontier 2072 Rotary / Flai		$15,000.00		John Deere
2013 John Deere Z930A Mower $4,500.00; 2013 John Deere 950ZR $8,000.00, Two bag collection systems		$12,500.00		John Deere
2013 John Deere 3320 Tractor/Attachs, John Deere Heavy Duty Broom, John Deere 59SBXM Snowblower		$25,000.00		John Deere
2013 John Deere 1025R Tractor/Attachments, John Deere 47" Snowblower, SD-600 Spreader, John Deere Front Blade (and all related attachments)		$14,000.00		John Deere
2013 CASE 521E WHEEL LOADER NCF211779 $85,000		$75,000.00		CNHi
2013 CASE 521E WHEEL LOADER NCF211953 $85,000		$75,000.00		CNHi
2012 New Holland Compact Wheel Loader W80B – NBHP00314, Bobcat and Protech attachments		$50,000.00		CNHi
USED CASE 521E WHEEL LOADER N8F206510		$75,000.00		CNHi
		$867,030.00		

NOTE: GBSA is Lincoln Community Bank in the senior position, then KLC Financial, and lastly CAN/Webank pursuant to UCC filings

SnowTracks
Monthly Projections (2018)

	January	February	March	April	May	June	July	August	September	October	November	December
Gross Payroll, Taxes (including Mike at a salary of $18,000 per month)	53,000.00	53,000.00	53,000.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	$ 42,000.00
Fuel Exp (Machines & Trucks)	12,000.00	12,000.00	12,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	6,000.00	$ 10,000.00
Salt	50,000.00	50,000.00	50,000.00	-	-	-	-	-	-	-	30,000.00	$ 50,000.00
Sand	500.00	500.00	500.00	-	-	-	-	-	-	-	-	-
Sidewalk Salt	2,500.00	2,500.00	2,500.00	-	-	-	-	-	-	-	2,500.00	$ 2,500.00
Mulch & Fertilizer	-	-	-	15,000.00	5,000.00	1,000.00	1,000.00		1,000.00	1,500.00		
Repairs	6,000.00	6,000.00	6,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	8,000.00	4,000.00	$ 4,000.00
Rent- Stewart Avenue (Additional Shop- 3rd Party Owner)	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00
Rent - Weston (Additional Shop - 3rd Party Owner)	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	1,548.36	$ 1,548.36
Insurance (Equipment & Vehicles)	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00
Utilities (for all 3 shops & cell phones)	1,500.00	1,500.00	1,500.00	1,200.00	500.00	500.00	500.00	500.00	500.00	500.00	1,200.00	$ 1,500.00
Registrations	-	-	-	-	-	-	-	-	-	-	-	$ 5,000.00
UST Fees	-	-	-	4,875.00	-	-	4,875.00	-	-	4,875.00	-	$ -
Real Estate Lease Payment (to Mike re: LCB - W4008 County Rd G)	533.00	553.00	553.00	553.00	553.00	553.00	553.00	553.00	553.00	553.00	553.00	553.00
Deer & Company (Bronsteatter Claims 15, 21, 23, 33)	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00	1,095.00
CNH Industrial Capital America (Bronsteatter Claims 24, 25 and 26)	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00	5,190.00
Wells Fargo Vendor (was GE Cap) AP Payment	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00	1,510.00
Lincoln Community Bank (GBSA Payment - ST Claim 12)	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00	3,221.00
Merchant's Capital AP Payment	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00	4,718.00
Wells Fargo Bank	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00	2,831.00
Byline Bank (f/k/a Ridgestone Bank - ST Claim 9)	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87	3,462.87
CAN Capital	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00	1,722.00
CNH Industrial Capital America, LLC Lease?	850.40	850.40	850.40	850.40	850.40	850.40	850.40	850.40	850.40	850.40	850.40	850.40
Professional Fees -- Attorneys	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Bookkeeping Service	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
	159,081.63	159,101.63	159,101.63	104,176.63	88,601.63	84,601.63	89,476.63	83,601.63	84,601.63	93,976.63	119,301.63	148,601.63

SnowTracks Commercial
Winter Management, LLC

Liquidation Analysis
Schedule C

ASSETS	**Value**	**Secured Creditor**	**Secured Claim**	**Equity**
Cash on Hand on Effective Date (est)	100,000.00	Lincoln Community Bank	235,716.16	-
		CAN Captial	106,908.78	-
Accounts Receivable on Effective Date (est)	275,000.00	Lincoln Community Bank	235,716.16	47,375.06
		CAN Captial	106,908.78	
Inventory on Effective Date (est)	15,000.00	Lincoln Community Bank	235,716.16	15,000.00
		CAN Capital	106,908.78	
3x 2014 Case 521F Wheel Loaders	298,547.57	Merchant's Bank, NA	287,400.00	-
Specific Equipment Listed in UCC-1	183,550.00	Byline/Ridgestone Bank	183,550.00	-
Specific Equipment Listed in UCC-1	115,000.00	Wells Fargo Bank, NA	129,113.91	
Doosan Wheel Loader 200SL	90,000.00	Wells Fargo Vendor Serv.	124,745.47	-
Total Asset Equity				62,375.06
Unsecured Claims				
Administrative Payables on Effective Date (est)				80,000.00
Priority Claim of Wisconsin DOR				14,844.92
Priority Claim of Wisconsin DWD				12,009.51
Total Unsecured/Undersecured Claims (est)				2,300,000.00

Michael Bronsteatter

Liquidation Analysis
Schedule C

ASSETS	Value	Secured Creditor	Secured Claim	Exemption	Equity
Cash on Hand on Effective Date (est)	$15,000.00			$5,000.00	$10,000.00
Debtor's Homestead - 1505 Delmore Drive Merrill, WI 54452	$120,900.00	Wells Fargo Bank, N.A.	$130,000.00		-
		Lincoln County Property Taxes			
		Ridgestone Bank	$1,350,000.00		
Shop - W4008 County Road G Merrill, WI 54452	$111,900.00	Lincoln Community Bank			
Personal Household goods	$6,375.00			$6,375.00	-
Business equipment owned personally	$525,530.00	Lincoln Community Bank	$235,716.16	$15,000.00	$67,929.38
		Internal Revenue Service (via tax lien)	$206,884.46		
John Deere mowers and attachements	$66,500.00	John Deere	$58,000.00		$8,500.00
Four Wheel Loaders, a Bobcat and attachments	$275,000.00	CNHi	$275,000.00		-
2015 Keystone Camper and three Husqvarna mowers with attachments	$38,700.00	Peoples State Bank	$31,000.00		$7,700.00
					-
					-
Total Asset Equity					94,129.38
Unsecured Claims					
Administrative Payables on Effective Date (est)					25,000.00
Priority claim of Internal Revenue Service (est)					140,000.00
Priority Claim of Wisconsin DOR (est)					45,000.00
Priority Claim of Wisconsin DWD (est)					18,000.00
Total Unsecured/Undersecured Claims including personal guarantees (est)					2,700,000.00
Total equity available to unsecured creditors					-