IN THE UNITED STATES BANKRUPTCY COURT

FOR THE EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

In re:	)	Chapter 11
	)	
GROEB FARMS, INC.,	)	Case No. 13-58200-wsd
	)	
Debtor.	)	Honorable Walter Shapero

MOTION OF THE GENERAL UNSECURED CLAIMS LITIGATION TRUST FOR ENTRY OF AN ORDER EXTENDING THE DEADLINE TO OBJECT TO THE ALLOWANCE OF CLAIMS

The General Unsecured Claims Litigation Trustee in the above referenced case, (the "GUC Trustee"), files this motion (this "Motion") for entry of an order, substantially in the form attached hereto as **Exhibit A**, extending the deadline to object to the allowance of any claim against the Debtor. In support of this Motion, the GUC Trustee respectfully states as follows.

Jurisdiction and Venue

1. This Court has jurisdiction pursuant to 28 U.S.C. § 1334, as well as pursuant to Article VIII of the *Second Amended Plan of Reorganization of Groeb Farms, Inc. Pursuant to Chapter 11 of the Bankruptcy Code*, dated November 8, 2013 [Docket No. 213] (the "Plan").[1] This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Court may enter a final order consistent with Article III of the United States Constitution.

[1] Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Plan.

2. Venue in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409(a).

3. The statutory bases for the relief requested in this Motion are sections 105 and 502 of title 11 of the United States Code (the "Bankruptcy Code"), rules 3007 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and rule 9006-1(b) of the Local Rules of the United States Bankruptcy Court for the Eastern District of Michigan (the "Local Rules").

Relief Requested

4. By this Motion, the GUC Trustee requests entry of an order extending the deadline (the "Claims Objection Deadline") by which the GUC Trustee may file objections to the allowance of claims (the "Claims")[2] by approximately 180 days through and including December 31, 2014. This is the GUC Trustee's first request for an extension of the Claims Objection Deadline.

5. The GUC Trustee notes that it has filed this Motion prior to the expiration of the current deadline to object to claims prescribed by Article VIII.E. of the Plan. *See* Plan, Art. VIII.E ("Any objections to Claims shall be Filed on or before the Claims Objection Deadline."), and Art. I.A.18. ('"Claims Objection Deadline" means the deadline for objecting to

[2] As used herein, the term "Claim" is defined as broadly as possible to also include, without limitation, the meaning of the term "Claim," as such term is defined in Article I.A.(20) of the Plan, which incorporates the meaning of the term "claim" as defined in section 101(15) of the Bankruptcy Code.

a Claim, which shall be on the date that is the later of: (a) 180 days after the Effective Date . . .") [June 29, 2014].

Background

1. On October 1, 2013 (the "Petition Date"), the Debtor filed a voluntary petition in this Court for relief under chapter 11 of the Bankruptcy Code. Subsequent to the Petition Date, the Debtor continued to manage and operate its business as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

6. On October 4, 2013, the Court entered the *First Day Order Establishing Bar Date for Filing Proofs of Claim, Including 503(B)(9) Claims, and Approving Form and Manner of Notice Thereof* [Docket No. 48] (the "Claims Bar Date Order"). The Claims Bar Date Order established November 4, 2013 (the "General Bar Date") as the date by which parties ("Claimants") holding prepetition claims ("Claims") against the Debtor must file proofs of claim and requests for payment pursuant to section 503(b)(9) of the Bankruptcy Code ("Proofs of Claim"); and (b) March 31, 2014 (the "Governmental Bar Date," and together with the General Bar Date, the "Bar Dates") as the date by which all governmental units holding Claims against the Debtor that arose or are deemed to have arisen prior to the commencement of this case on the Petition Date are required to file Proofs of Claim.

2. On October 9, 2013, an Official Committee of Unsecured Creditors (the "Committee") was appointed in this case. See Docket No. 69.

3. On December 5, 2013, the Committee filed an adversary proceeding (Case No. 13-05410) against Ernest L. Groeb, Jr. ("E. Groeb"), Troy Groeb ("T. Groeb"), Groeb Farms, LLC ("Groeb LLC"), the E. Jeanne Groeb Living Trust ("JG Trust"), the Ernest L. Groeb Jr. Trust B("EG Trust", and collectively with E. Groeb, T. Groeb, J. Groeb, Groeb LLC, the "Groeb Parties"), and certain others, seeking, among other things, equitable subordination and recharacterization of the certain claims filed by the Groeb Parties (the "Equitable Subordination Complaint").

7. On December 20, 2013, the Court entered an order [Docket No. 375] (the "Confirmation Order") confirming the Plan. On December 31, 2013, the Debtors filed a *Notice of Effective Date of Debtor's Second Amended Plan of Reorganization of Groeb Farms, Inc.* [Docket No. 380] (the "Effective Date Notice). The Effective Date of the Plan was December 31, 2013.

8. In accordance with the terms of the Plan, the General Unsecured Claims Litigation Trust was created for the purpose, among other things, of pursuing or liquidating the General Unsecured Claims Litigation Trust Assets, distributing the General Unsecured Claims Litigation Trust Distributable Proceeds if any, reconciling and objecting to General Unsecured Claims as provided for in the Plan. The GUC Trustee has the power to act on behalf of the GUC Trust.

9. The GUC Trustee and the Groeb Parties have entered into a Settlement and Release Agreement which, among other matters, settles the Equitable Subordination Complaint subject to certain conditions.

10. The Court approved the Settlement and Release Agreement on January 15, 2014 (Docket No. 406) (the "Settlement Agreement"). The Settlement Agreement is conditioned upon Court approval of settlement agreements in other litigation, which approval process is expected to take at least 180 days. In light of the time period required to approve the Settlement Agreement, the GUC Trustee believes it is inefficient to begin claims reconciliation prior to the effective date of the Settlement Agreement. Moreover, the GUC Trust was only granted a limited amount of resources with which to operate the GUC Trust and the GUC Trustee is investigating different avenues to explore increasing the GUC Trust's budget.

11. Based upon the foregoing, the GUC Trustee requests entry of an order extending the deadline to object to the allowance of any claim against the Debtor through December 31, 2014.

Basis For Relief

A. Cause Exists to Extend the Claims Objection Deadline.

12. Bankruptcy Rule 9006(b) provides that the court may extend unexpired time periods "for cause shown." Fed. R. Bankr. P. 9006(b)(1). In addition, section 105(a) of the Bankruptcy Code provides that "[a] court may issue any order that is necessary or appropriate to

carry out the provisions of [the Bankruptcy Code]." 11 U.S.C. § 105(a). Accordingly, this Court is authorized to extend the Claims Objection Deadline for cause.

13. An extension of the Claims Objection Deadline is necessary to allow the GUC Trustee sufficient time to finalize ongoing negotiations, or, if those negotiations ultimately prove unsuccessful, to file timely objections to such Claims, as appropriate. Accordingly, the GUC Trustee respectfully requests that the Court extend the Claims Objection Deadline by an approximate additional 180 days through December 31, 2014 during which time the GUC Trustee will seek to complete review, analysis, and negotiations and without prejudice to the GUC Trustee's ability to seek a further extension.

14. The extension of the Claims Objection Deadline is not sought for purposes of delay and should not prejudice claimants. Granting the extension will permit the GUC Trustee to continue to resolve Claims consensually and efficiently because the GUC Trustee may resolve disputes regarding Claims without further order of the Court pursuant to Section VIII.B. of the Plan.

15. Given the number of Claims filed and the extensive reconciliation process and the pending effective date of the Settlement Agreement, the GUC Trustee respectfully submits that the requested extension of the Claims Objection Deadline is just and appropriate under the circumstances and that "cause" exists under Bankruptcy Rule 9006(a) to grant the relief requested herein.

16. Relief similar to that requested herein has been granted by courts in similar circumstances in recent cases in this district. *See, e.g. generally, In re Plastech et. al. Case No. 08-42417-PJS* (Bankr. E.D. Mich. 2008) (entering Seventeenth Order Under 11 U.S.C. Sec. 105(a) And Fed. R. Bank. P. 9006 Extending Time To Object To Claims extending Deadline to March 31, 2014); *Greektown Holdings LLC* Case No. 08-53104-wsd (Bankr. E.D. Mich. 20080; and *In re Midcom Communications, Inc.,* Case No. 97-59044 (Bankr. E.D. Mich. 1999). See also generally, *In re Gainey Corporation,* Case No. 08-09092 (Bankr. W.D. Mich. 2013)

Notice

17. The GUC Trustee has provided notice of this Motion to: (a) the Office of the U.S. Trustee for the Eastern District of Michigan; (b) counsel to the Debtor; (c) and any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the GUC Trustee respectfully submits that no further notice is necessary.

No Prior Request

18. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the GUC Trustee respectfully requests that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court deems appropriate.

DYKEMA GOSSETT PLLC

By: */s/ Sheryl L. Toby*

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Dated: March 19, 2014

Exhibit A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

In re:	)	Chapter 11
	)	
GROEB FARMS, INC.,	)	Case No. 13-58200-wsd
	)	
Debtor.	)	Honorable Walter Shapero

ORDER EXTENDING THE DEADLINE TO OBJECT TO THE ALLOWANCE OF CLAIMS

Upon the motion (the "Motion")[1] of the General Unsecured Claims Litigation Trustee in the above referenced case, (the "GUC Trustee"), for the entry of an order (this "Order") extending the deadline to object to the allowance of Claims against the Reorganized Debtors, all as more fully set forth in the Motion; and the Court having found that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Reorganized Debtor's estate, its creditors, and other parties in interest; and the GUC Trustee having provided appropriate notice under the circumstances of the Motion and the opportunity for a hearing on the Motion, and that no other or further notice is required; and the

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, Accordingly, it is hereby:

ORDERED that, the Motion is granted as set forth herein.

ORDERED that, the Claims Objection Deadline is extended through and including December 31, 2014.

ORDERED that, the relief granted herein is without prejudice to the GUC Trustee's right to seek further extensions of the Claims Objection Deadline.

ORDERED that, the GUC Trustee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

ORDERED that, notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

ORDERED that, to the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in this case, the terms of this Order shall govern.

ORDERED that, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____

The Honorable Walter Shapero
United States Bankruptcy Judge