

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	Chapter 7
COUNTRY FRESH HOLDING	§	
COMPANY INC., et. al.¹	§	Case No.: 21-30574 (MI)
	§	
Debtors.	§	
	§	(Jointly Administered)

**STIPULATION AND AGREED ORDER REGARDING PACA CLAIMS
AND THE ADMINISTRATIVE EXPENSE BAR DATE**

(Relates to Docket No. 860)

This stipulation and agreed order ("Stipulation and Agreed Order") is by and between Janet Northrup, chapter 7 trustee ("Trustee") for the bankruptcy estates of Country Fresh Holding Company Inc., et al. ("Debtors") and the holders of PACA rights and claims whose signature blocks appear below ("PACA Beneficiaries" and together with the Trustee, the "Parties"). The Parties hereby stipulate and agree as follows:

RECITALS

WHEREAS, on February 15, 2021 (the "Petition Date"), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

WHEREAS, on June 21, 2021, the Court entered an Order (I) Authorizing and Approving the Conversion of the Chapter 11 Cases, (II) Extending the Designation Rights Period, and (III) Granting Related Relief at Docket No. 719;

¹ The Debtors in these Chapter 7 cases and the last four digits of each Debtors' taxpayer identification number are as follows: Country Fresh Holding Company Inc. (7822); Country Fresh Midco Corp. (0702); Country Fresh Acquisition Corp. (5936); Country Fresh Holdings, LLC (7551); Country Fresh LLC (1258); Country Fresh Dallas, LLC (7237); Country Fresh Carolina, LLC (8026); Country Fresh Midwest, LLC (0065); Country Fresh Orlando, LLC (7876); Country Fresh Transportation LLC (8244) CF Products, LLC (8404) Country Fresh Manufacturing, LLC (7839); Champlain Valley Specialty of New York, Inc. (9030); Country Fresh Pennsylvania, LLC (7969); Sun Rich Fresh Foods (NV) Inc. (5526); Sun Rich Fresh Foods (USA) Inc. (0429); and Sun Rich Fresh Foods (PA) Inc. (4661). The Debtors' principal place of business is 3200 Research Forest Drive, Suite A5, The Woodlands, TX, 77381.

WHEREAS, on June 21, 2021, the Trustee was appointed as the Chapter 7 Trustee in the above-referenced case;

WHEREAS, following the Petition Date, various produce vendors that qualify as trust beneficiaries under PACA (“PACA Vendors”) supplied the Debtors with perishable agricultural commodities within the meaning of the Perishable Agricultural Commodities Act, 7 U.S.C. § 499e(c) (“PACA”), some of which amounts remain unpaid.

WHEREAS, since her appointment, the Trustee has performed a significant amount of work to verify and reconcile the estates’ obligations for all outstanding claims under PACA, whether prepetition or post-petition, owed to PACA Vendors through and including April 29, 2021 (“Remaining Unpaid PACA Claims”).

WHEREAS, on August 10, 2021, the Court entered its *Order Granting Chapter 7 Trustee’s Expedited Motion to Establish Administrative Expense Bar Date for 11 U.S.C. § 503(b) Claims Arising Before June 21, 2021* (Dkt. No 860) (“Administrative Expense Bar Date Order”), setting September 10, 2021 as the bar date for claims under 11 U.S.C. § 503(b) alleged to have been incurred during between the Petition Date and June 21, 2021.

WHEREAS, the Trustee will soon be filing a motion seeking authority to pay all Remaining Unpaid PACA Claims (“PACA Payment Motion”), which will not be heard or resolved by September 10, 2021.

WHEREAS, certain PACA Vendors are concerned that to the extent it is later determined that any portion of the PACA Trust claims of any of the beneficiaries of the PACA Trust are determined to be administrative claims such that the September 10, 2021 bar date applies, then their PACA Trust rights could be impaired notwithstanding the Parties’ intention to resolve all

outstanding PACA Trust claims through the PACA Payment Motion, rather than under the framework and deadline for administrative claims.

WHEREAS, other PACA Vendors contend that due to the rights and protections afforded under PACA, their post-petition Remaining Unpaid PACA Claims are not subject to the requirements and limitations of 11 U.S.C. § 503(b) or the deadlines established in the Administrative Expense Bar Date Order.

WHEREAS, in light of the Trustee's upcoming PACA Payment Motion, the filing of applications for allowance and payment of post-petition Remaining Unpaid PACA Claims at this time would create an unnecessary burden on the Trustee and the estates, and such applications would be mooted if the Trustee's PACA Payment Motion is granted.

WHEREAS, to the extent 11 U.S.C. § 503(b) and/or the Administrative Expense Bar Date Order apply to the post-petition Remaining Unpaid PACA Claims, and in light of the Trustee's upcoming PACA Payment Motion, the Parties agree that the Administrative Expense Bar Date Order should be extended as to the Remaining Unpaid PACA Claims until fourteen (14) days after the Court's resolution of the PACA Payment Motion.

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED AND ORDERED AS FOLLOWS:

1. Pending resolution of the PACA Payment Motion, or further order of this Court, the Administrative Expense Bar Date Order shall not apply to holders of Remaining Unpaid PACA Claims.

2. If the PACA Payment Motion is denied, any holder of a post-petition Remaining Unpaid PACA Claim who elects to file an application for allowance and payment of an

administrative expense claim under 11 U.S.C. § 503(b) may do so on or before 14 days after entry of the order denying the PACA Payment Motion.

IT IS SO ORDERED.

Signed: _____

UNITED STATES BANKRUPTCY JUDGE

AGREED AND ACCEPTED:

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