

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

In re: COUNTRY FRESH HOLDING COMPANY INC., et. al.¹ Debtors.	§ § § § § §	Chapter 11 Case No.: 21-30574 (MI) Jointly Administered
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**STIPULATION AND AGREED ORDER REGARDING ALLOWANCE AND
PAYMENT OF SECURED CLAIM OF US BANK, N.A. IN FULL AND COMPLETE
SETTLEMENT OF MOTION FOR RELIEF FROM THE AUTOMATIC STAY**

[Related to Docket No. 1045]

This stipulation and agreed order (“Stipulation and Agreed Order”) is entered into by and between Janet Northrup (the “Trustee”), as chapter 7 trustee of the estates of Country Fresh Holding Company Inc., et al. (collectively, the “Debtors”), the Ad Hoc Group of Secured Lenders (the “Lenders”), US Bank, N.A. d/b/a US Bank Equipment Finance (“US Bank”, and together with the Trustee and Lenders, collectively, the “Parties”). The Parties hereby stipulate and agree as follows:

RECITALS

WHEREAS, on February 15, 2021, the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code;

WHEREAS, on March 18, 2021, the Court entered its *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral*,

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).

(III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection to Prepetition Secured Parties, (V) Modifying Automatic Stay, and (VI) Granting Related Relief [Dkt. No. 335] (the “Final DIP Order”);

WHEREAS, on March 25, 2021, US Bank filed its proof of claim 4-1 against Country Fresh, LLC (the “Proof of Claim”), whereby US Bank asserted a secured claim in the amount of \$68,205.00 and a general unsecured claim in the amount of \$58,749.60 for a total asserted claim in the amount of \$126,954.60;

WHEREAS, on March 29, 2021, the Court approved the sale of substantially all the Debtors’ assets to the Buyer pursuant to the *Order Authorizing Country Fresh Holdings Company Inc. and Its Affiliated Debtors to (I) Sell Substantially All of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (II) Authorizing and Approving the Debtors’ Performance under the APA, (III) Authorizing and Approving the Assumption and Assignment of Certain of the Debtors’ Executory Contracts, Unexpired Leases, And Permits Related Thereto, and (IV) Granting Related Relief* [Docket No. 437] (as the same has been and may further be amended, supplemented, or otherwise modified from time to time in accordance with its terms, together with all exhibits thereto, the “Sale Order”);

WHEREAS, on April 29, 2021, the closing of the sale with Stellex/CF Buyer (US) LLC occurred pursuant to the Sale Order;

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

WHEREAS, on June 21, 2021, the Trustee was appointed as the Chapter 7 Trustee in the above-captioned bankruptcy cases;

WHEREAS, on November 3, 2021, US Bank filed its *Motion for Relief from Automatic Stay Regarding Funds Held by the Chapter 7 Trustee* [Dkt. No. 1045] (the “Stay Motion”); and

WHEREAS, it is unclear the amount of sales proceeds the Debtors’ bankruptcy estates may be entitled to pursuant to the Sales Order due to the purchase price adjustment account currently being held in escrow and subject to ongoing wind down procedures in the Sale Order and related asset purchase and sale agreement.

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

1. The recitals to this Stipulation and Agreed Order are incorporated as if fully set forth herein.
2. US Bank shall have (i) an agreed allowed secured claim in the amount of \$55,000.00 (the “Allowed Secured Claim”) and (ii) an agreed allowed unsecured claim in the amount of \$71,954.60 (the “Allowed Unsecured Claim”).
3. Pursuant to the statutory distribution scheme provided in Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), the Trustee shall pay US Bank from the Lenders’ Cash Collateral the Allowed Secured Claim within fourteen (14) days of entry of this Stipulation and Agreed Order, and, to the extent that there may be any distribution to general unsecured creditors on a pro rata basis or otherwise, the Trustee shall pay the Allowed Unsecured Claim to US Bank along with other claims of the same priority as soon as is practicable in the due course of the administration of the Debtors’ bankruptcy estates.
4. All claims registers shall be adjusted, modified, and/or reduced to reflect US Bank’s Allowed Secured Claim and Allowed Unsecured Claim.
5. Except as may otherwise be provided in this Stipulation and Agreed Order, all relief sought in the Stay Motion is denied.

6. The Parties are authorized to take all actions necessary to effectuate the relief granted pursuant to this Stipulation and Agreed Order.

7. Nothing in this Stipulation and Agreed Order shall be construed to affect any other claims asserted by other claimants in the above-captioned bankruptcy cases and the treatment of such purported claims.

8. This Stipulation and Agreed Order is subject to the approval of the Court and shall be of no force and effect unless and until an order approving the same is entered. If this Stipulation and Agreed Order is not approved by the Court, it shall be null and void and shall not be referred to, or used for any purpose, by any of the Parties except as to this Paragraph 8.

9. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Stipulation and Agreed Order.

10. This Stipulation and Agreed Order shall not be modified, altered, amended, or vacated without written consent of the Parties hereto. Any such modification, alteration, amendment or vacation, in whole or in part, shall be subject to the approval of the Court.

11. This Stipulation and Agreed Order is effective and immediately enforceable upon entry.

IT IS SO ORDERED.

Dated: _____, 2021

THE HONORABLE MARVIN ISGUR,
UNITED STATES BANKRUPTCY JUDGE

AGREED AND ACCEPTED:

/s/ Heather McIntyre

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**COUNSEL TO AD HOC GROUP OF
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**Signed with permission provided to

Heather McIntyre

/s/ Heather McIntyre

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