

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
QUANTUM FOODS, LLC, <i>et al.</i> , ¹)	Case No. 14-10318 (KJC)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 1265
THE OFFICIAL COMMITTEE OF)	
UNSECURED CREDITORS OF QUANTUM)	
FOODS, LLC, <i>et al.</i> ,)	
)	
Plaintiff,)	Adv. Proc. No. 14-50918 (KJC)
)	
v.)	
)	Re: Adv. Docket No. 37
CASE FARMS, LLC and CASE FARMS)	
PROCESSING,)	
)	
Defendants.)	
)	

**JOINT MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
CASE FARMS, LLC AND CASE FARMS PROCESSING FOR ORDER EXPEDITING
CONSIDERATION OF, AND SHORTENING THE NOTICE PERIOD APPLICABLE
TO, MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR
APPROVAL OF SETTLEMENT AGREEMENT PURSUANT TO RULE 9019 OF THE
FEDERAL RULES OF BANKRUPTCY PROCEDURE**

The Official Committee of Unsecured Creditors of Quantum Foods, LLC, *et al.* (the “Plaintiff” or the “Committee”) and Case Farms, LLC and Case Farms Processing, Inc. (the “Defendants” together with the Plaintiff, the “Parties”), by and through their undersigned counsel, file this joint motion (the “Motion”) for entry of an order expediting consideration of, and shortening the notice period applicable to the *Motion of the Official Committee of Unsecured Creditors for Approval of Settlement Agreement Pursuant to Rule 9019 of the Federal Rules of*

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Quantum Foods, LLC (9437); Quantum Foods 213-D, LLC (1862); Quantum Culinary, LLC (1302); GDC Logistics, LLC (1997); Choice One Foods, LLC (9512). The Debtors’ mailing address is c/o Quantum Foods, LLC, 750 South Schmidt Road, Bolingbrook, Illinois 60440.

Bankruptcy Procedure (the “9019 Motion”). In support of this Motion, the Parties respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief sought herein are sections 105(a) of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”).²

BACKGROUND

3. On February 18, 2014 (the “Petition Date”), the Debtors each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware.

4. On February 27, 2014, the Office of the United States Trustee for the District of Delaware appointed the Committee pursuant to section 1102 of the Bankruptcy Code.

5. On July 14, 2014, the Court entered an order [D.I. 525] (the “Standing Order”), whereby “[s]tanding is conferred upon the Committee and the Committee is appointed as representative of the Debtors’ estates to investigate, prosecute, defend or otherwise resolve” certain Litigation Claims, as that term is defined in that certain *Motion of the Official Committee*

² Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), Debtors hereby confirm their consent to the entry of a final order by this Court in connection with this Motion if it is later determined that this Court, absent consent of the parties, cannot enter final orders or judgments in connection therewith consistent with Article III of the United States Constitution.

of Unsecured Creditors for Authority to Prosecute Causes of Action on Behalf of the Debtors and Granting the Committee Standing to Pursue Such Claims [D.I. 476]. Pursuant to the Standing Order, the Committee is vested with, *inter alia*, standing to pursue certain causes of action on behalf of the Debtors' estates, including the Avoidance Claims (as defined in the Settlement Agreement).

6. Pursuant to the Standing Order, the Committee was granted authority to act as representative of the Debtors' estates to investigate, initiate, prosecute, settle, and compromise causes of action held by the Debtors' estates.

7. On or about October 29 2014, the Committee filed a complaint against the Defendants pursuant to 11 U.S.C. §§ 502, 547, 548, 549 and 550, Case No. 14-50918-KJC (Bankr. D. Del.) (the "Adversary Proceeding"), seeking the avoidance and recovery of certain pre-petition and post-petition transfers to the Defendants.

8. On or about July 9, 2015, the Committee filed an amended complaint against the Defendants pursuant to 11 U.S.C. §§ 502, 547, 548 and 550, seeking the avoidance and recovery of \$694,083.10 in pre-petition transfers (the "Transfers").

9. The Committee and the Defendants subsequently engaged in negotiations concerning the Transfers, and have reached a settlement that is the subject of this Motion. Pursuant to the terms of the settlement, the Committee has agreed to use its best efforts to have the 9019 Motion heard by the Bankruptcy Court and an order entered approving the same no later than October 30, 2015.

RELIEF REQUESTED

10. The next scheduled omnibus hearing in this case is scheduled for December 9, 2015. By this Motion, the Parties seek entry of an order expediting consideration of, and shortening the notice period applicable to, the 9019 Motion. Specifically, the Parties respectfully

request that this Court schedule a hearing on the 9019 Motion (the “Hearing”) at the Court’s earliest convenience but in no event later than October 30, 2015.

11. The Parties also request that the Court direct that objections or other responses to the 9019 Motion be filed and served no later than 4:00 p.m. (prevailing Eastern Time) two business days prior to the hearing on: (i) the Committee’s counsel, Cross & Simon, LLC, Attn: Michael J. Joyce, Esq. and Kevin S. Mann, Esq., 1105 N. Market Street, Suite 901, Wilmington, Delaware 19801 and Freeborn & Peters LLP, Attn: Devon J. Eggert, Esq. and Elizabeth L. Janczak, Esq., 311 South Wacker Drive, Suite 3000, Chicago, Illinois 60606-6677; (ii) counsel to the Defendants, Pepper Hamilton LLP, Evelyn J. Meltzer, Esq. and John H. Schanne, II, Esq., Hercules Plaza, Suite 5100, 1313 N. Market Street, P.O. Box 1709, Wilmington, DE 19899-1709; and (iii) the Office of the United States Trustee, Attn: Richard Schepacarter, Esq., 844 King Street, Suite 2207, Wilmington, Delaware 19801.

BASIS FOR RELIEF

12. Bankruptcy Rule 9006(c)(1) provides that “when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.”

13. The Parties submit that good cause and compelling circumstances exist warranting expedited consideration and shortened notice of the 9019 Motion. The Parties have spent the past year aggressively litigating this matter including retention by both Parties of an expert witness and the production of expert reports. On August 27, 2015, the Parties met in Wilmington, Delaware in order to mediate their dispute. The mediation has remained open and on-going since that time and with the assistance of the William Bowden, the mediator, the

Parties have finally reached a settlement in principle. One of the conditions to the settlement, however, is that the Committee seek to have the Settlement Agreement approved prior to October 30, 2015, and the Committee was willing to accommodate that request. It is critical that the Defendants have an order approving the Settlement Agreement as soon as possible so that Case Foods, Inc., who owns 100% of the equity in Case Farms Processing, Inc., can close out its books and records for its fiscal year ending on October 31, 2015. Accordingly, the Parties respectfully request that the Hearing be held at the Court's earliest convenience but in no event later than October 30, 2015.

13. The Parties submit that parties-in-interest, including the Office of the United States Trustee, will have sufficient time to review, evaluate and comment on the 9019 Motion. The Parties submit that hearing the 9019 Motion on shortened notice will not prejudice any parties in interest. Indeed, the facts set forth in support of the 9019 Motion are substantially the same as those contained in the Committee's previously filed motions to approve settlements. The Committee has filed dozens of similar motions in this case and all have thus far been approved without any objection. The 9019 Motion will be served on all parties-in-interest in this bankruptcy case.

14. Finally, the Parties intend to work in good faith with all parties-in-interest to address any issues concerning the 9019 Motion prior to the Hearing.

15. Pursuant to Local Rule 9006-1(e), the Court may rule on this Motion without the need for a hearing.

WHEREFORE, the Parties respectfully request the entry of an order, substantially in the form of the proposed order attached hereto, (a) granting the relief requested herein, and (b) granting other relief as is just and proper.

Dated: October 9, 2015

CROSS & SIMON, LLC

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