

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re: ) Chapter 11  
)  
GULF PACKAGING, INC.,<sup>1</sup> ) Case No. 15-15249  
)  
Debtor. ) Hon. Pamela S. Hollis  
)

---

**CREDITOR TRUSTEE’S ADVERSARY PROCEEDING  
STATUS REPORT FOR AUGUST 30, 2016 OMNIBUS HEARING**

Joseph Myers, not individually but solely as trustee (the “*Creditor Trustee*”) of the Gulf Packaging, Inc. Creditor Trust (the “*Creditor Trust*”), by and through his undersigned counsel, hereby submits this Adversary Proceeding Status Report, which shall be presented at the Omnibus Hearing scheduled for August 30, 2016 at 11:00 a.m.

**Summary of Chapter 5 Adversary Proceedings**

On July 15, 2016, the Creditor Trustee has filed forty-five (45) adversary proceedings seeking recovery of approximately \$5,595,705.34 in fraudulent or preferential transfers under chapter 5 of title 11 of the United States Code (the “*Bankruptcy Code*”). The deadline to answer or otherwise plead was August 15, 2016 (the “*Answer Deadline*”). As to these Adversary Proceedings, the Creditor Trustee reports as follows:

**I. Adversary Proceedings Filed by Freeborn & Peters**

Freeborn & Peters filed twenty-four (24) Adversary Proceedings on behalf of the Creditor Trustee seeking avoidance and recovery of \$2,951,291.50 in alleged transfers (the “*Freeborn Actions*”). Attached as Exhibit 1 is a summary of the Freeborn Actions, including short summaries of the status of each matter, and the Creditor Trustee’s requested action for each.

---

<sup>1</sup> The last four digits of the Debtor’s tax identification are 5030.

A. Answers Filed

Five (5) defendants filed answers to the complaints. The discovery and related case deadlines under the Order Granting Motion to Establish Procedures Governing Adversary Procedures (the “*Adversary Procedures Order*”) [ECF No. 385] shall be calculated from the defendants’ answer deadlines and the Creditor Trustee intends to move forward with litigation. The Creditor Trustee requests that these matters be continued to the next omnibus status hearing.

B. Answer Extensions

The Creditor Trustee agreed to extend answer deadlines for twelve (12) defendants pursuant to Section V.D of the Adversary Procedures Order. The Creditor Trustee requests that these matters be continued to the next omnibus status hearing.

C. Motions for Entry of Default and Default Judgment

Five (5) defendants did not answer or otherwise plead by the Answer Deadline. Accordingly, on August 23, 2016 the Creditor Trustee filed motions for entry of default and default judgments against those defendants. By agreement with Pierce Machinery & Wire, Inc. d/b/a Pierce Wire Products, Inc., the Creditor Trustee requests that the Court continue that motion to the next omnibus status hearing. For the remaining four defendants, the Creditor Trustee requests that the Court grant the pending motions.

D. Matters Pending Settlement

The Creditor Trustee has reached a settlement in principal in one of the pending Freeborn Actions and is in settlement discussions in one other action, which are identified on Exhibit 1. The Creditor Trustee requests that these matters be continued to the next omnibus status hearing.

## **II. Adversary Proceedings Filed by SFGH**

Sugar Felsenthal Grais & Hammer LLP (“*SFGH*”), has filed 21 Adversary Proceedings on behalf of the Creditor Trustee (the “*SFGH Actions*”) seeking to avoid and recover \$2,644,413.84 in alleged transfers.

After filing the *SFGH Actions*, the Creditor Trustee obtained additional records and data showing that the Debtor made additional transfers to many (if not all) of the defendants in the *SFGH Actions*. The Creditor Trustee intends to amend all of the complaints in the *SFGH Actions* to include these additional amounts, unless stated otherwise in this Report. Attached Exhibit 2 summarizes the *SFGH Actions*, including short summaries of the status of each matter, and the Creditor Trustee’s requested action for each.

### **A. Matters to Be Continued**

Attached Exhibit 3 lists 20 actions that the Creditor Trustee seeks to continue to the next scheduled omnibus hearing date for status. In 19 of these matters, the Creditor Trustee will file amended complaints, which shall trigger new deadlines for defendants to answer or otherwise respond in each *SFGH Action*.

In one of the *SFGH Actions* the Creditor Trustee seeks to continue, the defendant filed a chapter 7 bankruptcy, and the Creditor Trustee has been stayed from continuing to pursue the Adversary Proceeding. The Creditor Trustee requests that the Court also continue this matter to the next scheduled omnibus hearing for status.

### **B. Matters Pending Settlement**

The Creditor Trustee has reached a settlement in principle in one of the *SFGH Actions*, listed under the “*SFGH Actions Pending Settlement*” section of Exhibit 2. The Creditor Trustee requests that this matter be continued to the next omnibus hearing date for status.

Dated: August 29, 2016

**JOSEPH MYERS, CREDITOR TRUSTEE  
OF THE GULF PACKAGING, INC.  
CREDITOR TRUST**

By: /s/ Shelly A. DeRousse  
One of His Attorneys

Shelly A. DeRousse, Esq.  
Devon J. Eggert, Esq.  
Elizabeth L. Janczak, Esq.  
FREEBORN & PETERS LLP  
311 South Wacker Drive, Suite 3000  
Chicago, Illinois 60606-6677  
Telephone: 312.360.6000  
Facsimile: 312.360.6520  
[sderousse@freeborn.com](mailto:sderousse@freeborn.com)  
[degert@freeborn.com](mailto:degert@freeborn.com)  
[ejanczak@freeborn.com](mailto:ejanczak@freeborn.com)

*Counsel for the Creditor Trustee*

By: /s/ Aaron L. Hammer  
One of His Attorneys

Aaron L. Hammer, Esq.  
Jack O'Connor, Esq.  
**SUGAR FELSENTHAL GRAIS & HAMMER  
LLP**  
30 N. LaSalle St., Ste. 3000  
Chicago, Illinois 60602  
Telephone: 312.704.9400  
Facsimile: 312.372.7951  
ahammer@SugarFGH.com  
joconnor@SugarFGH.com

*Counsel for the Creditor Trustee*