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17 UNITED STATES BANKRUPTCY COURT
18 FOR THE EASTERN DISTRICT OF CALIFORNIA
19 SACRAMENTO DIVISION

20 In re:

21 SUKHRAJ S. PAMMA dba SUKHRAJ S.
22 PAMMA FARMS,
23 Debtor.

Case No. 24-23489-B-11

Chapter 11

Judge: Hon. Christopher D. Jamie

**DEBTOR'S DISCLOSURE
STATEMENT DESCRIBING
DEBTOR'S FIRST AMENDED
CHAPTER 11 PLAN OF
REORGANIZATION**

DC No: BRG-15

Disclosure Statement Hearing

Date: May 6, 2025
Time: 2:00 p.m.
Place: 501 I Street, 6th Floor,
Courtroom 32, Sacramento, CA

Confirmation Hearing

Date: June 17, 2025
Time: 11:00 a.m.
Place: 501 I Street, 6th Floor,
Courtroom 32, Sacramento, CA

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DEBTOR'S DISCLOSURE STATEMENT DESCRIBING
DEBTOR'S FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION

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Sukhraj S. Pamma dba Sukhraj S. Pamma Farms, the debtor and debtor-in-possession in the above-captioned case (the “Debtor” or “Plan Proponent”) provides this Disclosure Statement for Debtor’s First Amended Chapter 11 Plan of Reorganization, as it may be amended, supplemented or modified (the “Disclosure Statement”) to all holders of Claims in order to permit them to make an informed decision in voting to accept or reject the Debtor’s First Amended Chapter 11 Plan of Reorganization, dated April 29, 2025, as it may be amended, supplemented or modified (the “Plan”). The Debtor is the proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code.

Whenever the words “include,” “includes,” or “including” are used in this Disclosure Statement, they are deemed to be followed by the words “without limitation.”

Unless the context indicates otherwise, capitalized terms used but not defined in this Disclosure Statement have the meanings set forth in the Plan. Unless the context indicates otherwise, capitalized terms used but not defined in this Disclosure Statement or in the Plan have the meanings assigned to such terms by the Bankruptcy Code or the Bankruptcy Rules or, if none, by common usage. All exhibits to this Disclosure Statement are incorporated as if fully set forth herein and are a part of this Disclosure Statement.

I. INTRODUCTION

A. Purpose of this Document.

The Plan effectuates a distribution of the Assets of the Estate to creditors in accordance with the priorities set forth in the Bankruptcy Code. The Plan provides that the majority of the Debtor’s Assets, to the extent they have not already been liquidated, will be liquidated and the proceeds of the liquidation of the Assets will be utilized, pursuant to the terms of the Plan, to pay Allowed Claims. The Debtor will reorganize around his remaining Assets and will make Distributions to holders of Allowed Claims from his disposable income for a period of five years after the Effective Date.

1 The Effective Date of the Plan will occur when all of the conditions to the Plan's
2 effectiveness as set forth in Section VIII.A of the Plan have been met or waived. Holders
3 of Allowed Administrative Claims against the Debtor's estate will be paid upon the
4 Effective Date or as soon thereafter as is practicable. Holders of Allowed Priority Tax
5 Claims will be paid over five years in regular installments in accordance with section
6 1129(a)(9)(C) of the Bankruptcy Code. Holders of Allowed Secured Claims will, in
7 general, either receive the proceeds from the liquidation of their collateral plus an Allowed
8 General Unsecured Other Claim for the deficiency or their loan will be reinstated as of the
9 Effective Date and paid according to its terms. Any monies remaining from the Debtor's
10 disposable income over the five year term of the Plan will be paid on a *pro rata* basis to
11 holders of Allowed General Unsecured Other Claims.

12 This Disclosure Statement describes the assumptions that underlie the Plan and how
13 the Plan will be executed. This Disclosure Statement includes information (a) regarding
14 the history of the Debtor, his business, assets and liabilities, and the Chapter 11 Case, (b)
15 concerning the Plan and alternatives to the Plan, (c) advising the Holders of Claims of their
16 rights under the Plan, (d) assisting the Holders of Claims that are entitled to vote in making
17 an informed judgment regarding whether they should vote to accept or reject the Plan, and
18 (e) assisting the Bankruptcy Court in determining whether the Plan complies with the
19 provisions of the Bankruptcy Code and, therefore, should be confirmed.

20 As set forth in the order approving this Disclosure Statement, the Bankruptcy Court
21 approved this Disclosure Statement as containing "adequate information" to permit affected
22 Holders of Claims that are entitled to vote to make an informed judgment in exercising their
23 right to vote to accept or reject the Plan, and authorized its use in connection with the
24 solicitation of votes with respect to the Plan. In voting on the Plan, Holders of Claims
25 should rely solely upon the information relating to the Debtor and his business contained in
26 the Disclosure Statement and all exhibits thereto.

1 The Bankruptcy Court's approval of this Disclosure Statement does not mean that
2 the Bankruptcy Court recommends either acceptance or rejection of the Plan. The
3 Bankruptcy Court has not yet confirmed the Plan, which means that the terms of the Plan
4 are not yet binding upon anyone.

5 **B. Deadlines for Voting and Objecting; Date of Plan Confirmation and**
6 **Hearing.**

7 **1. Time and Place of Confirmation Hearing.**

8 Section 1128(a) requires the Bankruptcy Court, after notice, to hold a hearing on
9 Confirmation of a Plan. By order of the Bankruptcy Court, the Confirmation Hearing has
10 been scheduled for [] (**Pacific Time**). The Confirmation Hearing
11 will be held before the Honorable Christopher D. Jaime, 501 I Street, 6th Floor, Courtroom
12 32, Sacramento, California 95814. The Confirmation Hearing may be adjourned from time
13 to time by the Bankruptcy Court without further notice except for an announcement made
14 at the Confirmation Hearing or any adjournment thereof.

15 **2. Deadline for Voting For or Against the Plan.**

16 If you are entitled to vote on the Plan, it is in your best interest to vote on the enclosed
17 ballot and to timely return the ballot to Loeb & Loeb LLP, Attn: Bernard R. Given II, 10100
18 Santa Monica Blvd., Suite 2200, Los Angeles, CA 90067. Your ballot must be physically
19 received by Loeb & Loeb LLP no later than [] at [] **p.m. (Pacific**
20 **Time)** or it will not be counted.

21 **3. Deadline for Objecting to the Confirmation of the Plan**

22 Section 1128(b) provides that any party in interest may object to Confirmation of a
23 Plan, whether or not such party is entitled to vote on the Plan. Any objection to
24 Confirmation of the Plan must be in writing, conform to the Bankruptcy Rules, set forth the
25 name of the objecting party, the nature and amount of the Claim held by the objecting party
26 against the Debtor, the basis for the objection, and the specific grounds therefor.

1 Objections to the Confirmation of the Plan must be filed with the Bankruptcy Court,
2 and served on counsel to the Debtor, Bernard R. Given, Loeb & Loeb LLP, 10100 Santa
3 Monica Blvd., Suite 2200, Los Angeles, California 90067, bgiven@loeb.com and Bethany
4 D. Simmons, 345 Park Avenue, New York, New York 10154, bsimmons@loeb.com, **by no**
5 **later than fourteen (14) days prior to the Confirmation Hearing.**

6 Objections to Confirmation of the Plan are governed by Fed. R. Bankr. P. 9014 and
7 Local Rule 9014-1. UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY AND
8 PROPERLY FILED AND SERVED, IT MAY NOT BE CONSIDERED BY THE
9 BANKRUPTCY COURT.

10 **4. Identity of Person to Contact for More Information Regarding the**
11 **Plan.**

12 Any interested party desiring further information should contact counsel to the
13 Debtor, Bernard R. Given, Loeb & Loeb LLP, 10100 Santa Monica Blvd., Suite 2200, Los
14 Angeles, California 90067 and Bethany D. Simmons, Loeb & Loeb LLP, 345 Park Avenue,
15 New York, New York 10154.

16 **C. Disclaimer.**

17 PLEASE READ THIS DOCUMENT, INCLUDING THE ATTACHED
18 EXHIBITS, CAREFULLY. IT EXPLAINS WHO MAY OBJECT TO CONFIRMATION
19 OF THE PLAN. IT EXPLAINS WHO IS ENTITLED TO VOTE TO ACCEPT OR
20 REJECT THE PLAN. IT ALSO TELLS ALL CREDITORS WHAT TREATMENT THEY
21 CAN EXPECT TO RECEIVE UNDER THE PLAN, SHOULD THE PLAN BE
22 CONFIRMED BY THE BANKRUPTCY COURT.

23 ALL REPRESENTATIONS ARE TRUE TO THE DEBTOR'S BEST
24 KNOWLEDGE. NO REPRESENTATIONS CONCERNING THE DEBTOR THAT ARE
25 INCONSISTENT WITH ANYTHING CONTAINED HEREIN ARE AUTHORIZED
26 EXCEPT TO THE EXTENT, IF AT ALL, THAT THE BANKRUPTCY COURT
27 ORDERS OTHERWISE.

1 NO REPRESENTATIONS CONCERNING THE DEBTOR'S FINANCIAL
2 CONDITION OR ANY ASPECT OF THE PLAN ARE AUTHORIZED BY THE
3 BANKRUPTCY COURT OR THE DEBTOR OTHER THAN AS SET FORTH IN THIS
4 DISCLOSURE STATEMENT OR PRIOR COURT ORDERS. ANY
5 REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR
6 ACCEPTANCE OF THE PLAN OTHER THAN AS CONTAINED IN OR INCLUDED
7 WITH THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY YOU
8 IN ARRIVING AT YOUR DECISION.

9 IF ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THE
10 DISCLOSURE STATEMENT, THE TERMS OF THE PLAN ARE CONTROLLING.

11 THIS DISCLOSURE STATEMENT IS CURRENT AS OF THE DATE SET
12 FORTH IN THE SIGNATURE BLOCK BELOW. THE DELIVERY OF THIS
13 DISCLOSURE STATEMENT WILL NOT, UNDER ANY CIRCUMSTANCES,
14 CREATE ANY IMPLICATION THAT THE INFORMATION IN THE DISCLOSURE
15 STATEMENT IS CORRECT AS OF ANY TIME AFTER THE DATE IN ITS TITLE, OR
16 THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DEBTOR AS OF
17 SUCH LATER DATE.

18 CERTAIN OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE
19 STATEMENT, BY NATURE, ARE FORWARD-LOOKING AND CONTAIN
20 ESTIMATES AND ASSUMPTIONS. THE WORDS "ANTICIPATE," "BELIEVE,"
21 "ESTIMATE," "WILL," "INTEND," AND "EXPECT" AND SIMILAR EXPRESSIONS
22 IDENTIFY FORWARD-LOOKING STATEMENTS. ALTHOUGH THE DEBTOR
23 BELIEVES THAT HIS ESTIMATES AND ASSUMPTIONS REFLECTED IN THOSE
24 FORWARD-LOOKING STATEMENTS ARE REASONABLE, THE DEBTOR CAN
25 GIVE NO ASSURANCE THAT THESE ESTIMATES AND ASSUMPTIONS WILL BE
26 REALIZED. FORWARD-LOOKING STATEMENTS ARE BASED ON
27 ASSUMPTIONS THAT ARE UNAVOIDABLY AND INHERENTLY IMPRECISE.

1 ACTUAL RESULTS, PERFORMANCE, OR ACHIEVEMENTS WILL LIKELY
2 DIFFER MATERIALLY FROM THOSE CONTEMPLATED, EXPRESSED, OR
3 IMPLIED BY THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS
4 DISCLOSURE STATEMENT. THE DEBTOR UNDERTAKES NO OBLIGATION TO
5 UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED IN
6 THIS DISCLOSURE STATEMENT, WHETHER AS A RESULT OF NEW
7 DEVELOPMENTS OR OTHERWISE.

8 ALL PROFESSIONALS TO THE DEBTOR HAVE RELIED UPON
9 INFORMATION PROVIDED BY THE DEBTOR IN CONNECTION WITH
10 PREPARATION OF THIS DISCLOSURE STATEMENT. ALTHOUGH
11 PROFESSIONALS TO THE DEBTOR HAVE PERFORMED CERTAIN LIMITED DUE
12 DILIGENCE IN CONNECTION WITH THE PREPARATION OF THIS DISCLOSURE
13 STATEMENT, THE PROFESSIONALS TO THE DEBTOR HAVE NOT
14 INDEPENDENTLY VERIFIED ALL OF THE INFORMATION CONTAINED IN OR
15 ATTACHED TO THE DISCLOSURE STATEMENT.

16 THE CONTENTS OF THIS DISCLOSURE STATEMENT SHOULD NOT BE
17 CONSTRUED AS LEGAL, BUSINESS, OR TAX ADVICE. CREDITORS SHOULD
18 CONSULT THEIR OWN LEGAL COUNSEL AND ACCOUNTANT AS TO LEGAL,
19 TAX, AND OTHER MATTERS CONCERNING THEIR CLAIMS.

20 UNLESS YOUR CLAIM IS ALLOWED, IN WHOLE OR IN PART, UNDER THE
21 PLAN OR IN PRIOR ORDERS, THE ABILITY OF THE DEBTOR AND OTHER
22 CREDITORS OR PARTIES IN INTEREST TO OBJECT TO YOUR CLAIM IN
23 ACCORDANCE WITH THE PLAN AND APPLICABLE LAW IS BEING PRESERVED
24 AND NOT WAIVED UNDER THE PLAN. MOREOVER, ANY RIGHTS OF ACTION
25 AGAINST YOU IN FAVOR OF THE DEBTOR ARE BEING PRESERVED UNDER
26 THE PLAN UNLESS OTHERWISE EXPRESSLY PROVIDED UNDER THE PLAN.
27 THE DEBTOR IS ATTEMPTING TO PROVIDE YOU ADEQUATE INFORMATION

1 TO MAKE AN INFORMED JUDGMENT AS TO WHETHER TO ACCEPT OR REJECT
2 THE PLAN. THE DEBTOR DOES NOT BELIEVE THAT THIS RESERVATION OF
3 RIGHTS SHOULD AFFECT YOUR DECISION ON HOW TO VOTE ON THE PLAN.
4 ALTHOUGH THE DEBTOR BELIEVES THAT THE CONFIRMATION OF THE PLAN
5 IS IN THE INTERESTS OF CREDITORS OF THE DEBTOR, THIS ADVISORY IS
6 PROVIDED TO ENSURE THAT YOU DO NOT ASSUME, BY THE DEBTOR'S
7 SOLICITATION OF YOUR VOTE, BY THE ESTIMATES CONTAINED IN THE
8 DISCLOSURE STATEMENT, OR BY ANY OTHER PROVISIONS OF THE PLAN OR
9 DISCLOSURE STATEMENT (OTHER THAN AN EXPRESS PROVISION OF THE
10 PLAN ALLOWING YOUR CLAIM OR WAIVING SPECIFIED RIGHTS OF ACTION
11 AGAINST YOU) THAT THE DEBTOR, OTHER CREDITORS, OR OTHER PARTIES
12 IN INTEREST WILL NOT OBJECT TO YOUR CLAIM OR THAT THE DEBTOR WILL
13 NOT PURSUE ANY RIGHT OF ACTION AGAINST YOU. INSTEAD, FOR THE
14 PURPOSE OF DECIDING HOW TO VOTE ON THE PLAN, IF YOUR CLAIM IS NOT
15 EXPRESSLY ALLOWED UNDER THE PLAN OR PRIOR BANKRUPTCY COURT
16 ORDERS, YOU SHOULD ASSUME THAT THE DEBTOR OR HIS RESPECTIVE
17 SUCCESSORS OR REPRESENTATIVES MAY (A) OBJECT TO YOUR CLAIM AND
18 (B) ASSERT ALL SETOFFS, RECOUPMENTS, RIGHTS TO SUBORDINATE, OR
19 AFFIRMATIVE CLAIMS THAT THE DEBTOR OR HIS RESPECTIVE SUCCESSORS
20 MAY HAVE WITH RESPECT TO YOU AND/OR YOUR CLAIMS AGAINST THE
21 DEBTOR.

22 THE DISCLOSURE STATEMENT MAY NOT BE RELIED ON FOR ANY
23 PURPOSE OTHER THAN TO DETERMINE WHETHER TO VOTE TO ACCEPT OR
24 REJECT THE PLAN, AND NOTHING STATED HEREIN WILL CONSTITUTE AN
25 ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE
26 IN ANY PROCEEDING INVOLVING THE DEBTOR OR ANY OTHER PARTY, OR
27

1 BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS
2 OF THE PLAN ON THE DEBTOR OR CREDITORS.

3 SUMMARIES OF CERTAIN PROVISIONS OF AGREEMENTS OR OTHER
4 REFERENCES IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE
5 COMPLETE AND ARE SUBJECT TO, AND ARE QUALIFIED IN THEIR ENTIRETY
6 BY REFERENCE TO, THE FULL TEXT OF THE APPLICABLE AGREEMENT OR
7 DOCUMENT, INCLUDING THE DEFINITION OF TERMS CONTAINED IN SUCH
8 AGREEMENT OR DOCUMENT.

9 **D. Source of Information Contained in the Disclosure Statement.**

10 THE PROFESSIONALS TO THE DEBTOR OBTAINED THE INFORMATION
11 RELATED TO THE DEBTOR'S ASSETS AND LIABILITIES FROM THE DEBTOR'S
12 FINANCIAL BOOKS AND RECORDS. NEITHER THE DEBTOR NOR HIS
13 ATTORNEYS GUARANTEE OR WARRANT THE ACCURACY, THE
14 COMPLETENESS, OR CORRECTNESS OF THE DATA IN THIS DISCLOSURE
15 STATEMENT OR ANY OF ITS EXHIBITS RELATED TO THE DEBTOR, AND NONE
16 OF THESE PARTIES ARE OR MAY BE LIABLE FOR ANY LOSS OR INJURY
17 ARISING OUT OF OR CAUSED IN WHOLE OR IN PART BY ANY ACTS, ERRORS
18 OR OMISSIONS, WHETHER NEGLIGENT OR OTHERWISE IN PROCURING,
19 COMPILING, COLLECTING, INTERPRETING, REPORTING COMMUNICATING
20 OR DELIVERING THE INFORMATION CONTAINED THEREIN RELATING TO THE
21 DEBTOR. WHILE EVERY EFFORT HAS BEEN MADE TO PROVIDE ACCURATE
22 AND COMPLETE INFORMATION HERE, INADVERTENT ERRORS OR
23 OMISSIONS MAY EXIST AND FINANCIAL ADVISORS TO THE DEBTOR HAVE
24 PERFORMED CERTAIN LIMITED DUE DILIGENCE IN CONNECTION WITH THE
25 PREPARATION OF THIS DISCLOSURE STATEMENT, THE FINANCIAL
26 ADVISORS HAVE NOT INDEPENDENTLY VERIFIED ALL OF THE

1 INFORMATION CONTAINED IN OR ATTACHED TO THE DISCLOSURE
2 STATEMENT.

3 **E. The Accounting Method Used to Produce Financial Information and the**
4 **Identity of the Accountant(s) or Others Responsible for Such**
5 **Information.**

6 THE FINANCIAL INFORMATION CONTAINED IN THE DISCLOSURE
7 STATEMENT AND IN ANY EXHIBITS TO THE DISCLOSURE STATEMENT,
8 UNLESS OTHERWISE INDICATED, IS UNAUDITED. MOREOVER, BECAUSE OF
9 THE COMPLEXITY OF THE DEBTOR'S FINANCIAL MATTERS, THE BOOKS AND
10 RECORDS OF THE DEBTOR, UPON WHICH THIS DISCLOSURE STATEMENT IN
11 PART IS BASED, MAY BE INCOMPLETE OR INACCURATE. REASONABLE
12 EFFORT HAS BEEN MADE, HOWEVER, TO ENSURE THAT ALL SUCH
13 INFORMATION IS FAIRLY PRESENTED.

14
15 **II. BACKGROUND**

16 **A. Description and History of the Debtor's Business and a Summary of the**
17 **Circumstances that Led to the Filing of the Debtor's Chapter 11 Case.**

18 Prior to the Petition Date, the Debtor owned a number of parcels of real estate,
19 comprising hundreds of acres of farmland in Sutter and Butte Counties in California. He
20 also owned several entities through which he conducted substantial farming operations on
21 these real estate parcels. The Debtor's farming operations have generally focused on
22 walnuts and peaches.

23 Beginning in 2019, the Debtor started experiencing financial difficulty due to low
24 commodity prices. These low commodity prices, coupled more recently with higher
25 interest rates and costs, put severe financial strain on the Debtor and his farming operations.
26 While the Debtor engaged in certain assets sales prior to the Petition Date in an attempt to
27 streamline his operations, the efforts proved to be not enough and he became unable to

1 meet his obligations as they became due. Faced with the prospect of piecemeal foreclosure
2 sales of his properties, the Debtor determined that he needed to file for Chapter 11 to obtain
3 a reprieve that would allow him to orderly liquidate certain of his properties, to restructure
4 his debts, and to reorganize his farming operations around a much smaller footprint of real
5 estate.

6 **B. Management of the Debtor.**

7 Prior to the Petition Date, the Debtor managed his own affairs. Since the Chapter 11
8 filing, the Debtor has continued to manage his affairs as a Debtor-In-Possession. The Plan
9 anticipates that the Debtor will manage his own affairs after bankruptcy as the Reorganized
10 Debtor.

11 **C. Significant Events**

12 **1. Schedules of Assets and Liabilities and Statement of Financial** 13 **Affairs**

14 The Debtor filed his Schedules of Assets and Liabilities [Dkt. No. 31] and Statement
15 of Financial Affairs [Dkt. No. 30] on September 4, 2024.

16 On November 6, 2024, the Debtor file an amended Schedule A/B [Docket No. 88],
17 amended Schedule C [Dkt. No. 89], amended Schedule I [Dkt. No. 90], amended Schedule
18 J [Dkt. No. 91], and amended Statement of Financial Affairs [Dkt. No. 93]. On November
19 7, 2024, the Debtor filed an amended Schedule D [Dkt. No. 96] and an amended Schedule
20 E/F [Dkt. No. 97]. On November 8, 2024, the Debtor filed an amended Schedule H [Dkt.
21 No. 101].

22 **2. Claims Bar Dates**

23 On August 14, 2024 [Dkt. No. 10], the Bankruptcy Court set the Claims Bar Date
24 as December 16, 2024 and the Governmental Unit Bar Date as February 3, 2025.

25 **3. Retention of Professionals**

26 On October 8, 2024, the Bankruptcy Court entered an order approving the Debtor's
27 retention of Loeb & Loeb LLP as the Debtor's attorneys [Dkt. No. 57].

1 On December 11, 2024, the Bankruptcy Court entered an order approving the
2 Debtor's retention of Donlin Recano & Company LLC as the Debtor's claims and noticing
3 agent [Dkt. No. 137].

4 On February 11, 2025, the Bankruptcy Court entered an order approving the
5 Debtor's retention of Napier & Follett, LLP as the Debtor's financial advisor [Dkt. No.
6 301].

7 4. Assets Sales

8 As part of his restructuring efforts, the Debtor has sought to significantly reduce his
9 farming operations and real estate footprint by pursuing sales of certain of his assets. These
10 efforts have included the following:

11 • The Debtor proposed to sell approximately 75.60 acres with APN 025-210-
12 031 located in Butte County to Epilogue Holdings LLC ("Epilogue") for \$1,002,383,
13 subject to higher and better offers pursuant to the terms set forth in the *Debtor's*
14 *Amended Motion for Order Authorizing Debtor to Sell Real Property Located in*
15 *Butte County with APN-025-210-03* [Dkt. No. 210], as modified by the Court's order
16 providing for modified procedures for the sale of the property [Dkt. No. 349]. No
17 higher and better offers were received by the bid deadline. The property is subject
18 to the liens of the Butte County Tax Collector, U.S. Bank National Association, as
19 Custodian/Trustee for Federal Agricultural Mortgage Corporation programs ("U.S.
20 Bank"), and Citizens Business Bank. The sale closed on April 2, 2025.

21 • The Debtor further proposed to sell approximately 54 acres with APN 08-
22 240-040 and 08-240-041 located on Schroeder Road in Sutter County to Epilogue
23 for \$461,500, subject to higher and better offers pursuant to the terms set forth in the
24 *Debtor's Amended Motion for Order Authorizing Debtor to Sell Real Property*
25 *Located on Schroeder Road in Sutter County with APN 08-240-040 & 08-240-041*
26 [Dkt. No. 255], as modified by the Court's order providing for modified procedures
27 for the sale of the property [Dkt. No. 373]. However, no higher and better offers
28

1 were received by the bid deadline. The property is subject to the liens of the Sutter
2 County Tax Collector, U.S. Bank, and Citizens Business Bank. The sale closed on
3 April 23, 2025.

4 • The Debtor also proposed to sell approximately 619 acres of real property
5 located in both Butte and Sutter Counties to Epilogue for \$7,800,00 subject to higher
6 and better offers pursuant to the terms set forth in the *Debtor's Motion for Order*
7 *Authorizing Debtor to Sell Real Properties Located in Butte and Sutter Counties*
8 *Comprising 619 Acres* [Dkt. No. 260] as modified by the Court's order providing for
9 modified procedures for the sale of the property [Dkt. No. 349]. The property is
10 subject to the liens of the Sutter County Tax Collector, the Butte County Tax
11 Collector, AgWest Farm Credit, FLCA, Citizens Business Bank, and Rabo
12 Agrifinance LLC. The Debtor held an auction for the sale of these properties on
13 April 17, 2025. The highest bidder bid \$13,250,000. A hearing to approve the
14 auction results is expected to occur on May 20, 2025 and the sale is expected to close
15 shortly thereafter.

16 • The Debtor has also proposed to sell approximately 77.7 acres of real
17 property located in Butte County for \$1,035,000 to Gurnam Pamma, his father. The
18 proposed sale is subject to higher and better offers as set forth in the *Debtor's Motion*
19 *for Order Authorizing Debtor to Sell Real Properties Located in Butte County with*
20 *APN 024-160-018, 024-160-027, 021-170-046, 021-170-054* [Dkt. No. 304] as
21 modified by the Court's order providing for modified procedures for the sale of the
22 property [Dkt. No. 353]. The property is subject to the liens of the Butte County Tax
23 Collector, U.S. Bank, and Citizens Business Bank. However, no higher and better
24 offers were received by the bid deadline. The sale is expected to close in May 2025.

25 • The Debtor has proposed to sell his walnut processing plant, certain
26 machinery and equipment, and approximately 57.76 acres of real property located in
27 Sutter County for \$2,500,000 to Epilogue. The proposed sale is subject to higher
28

1 and better offers as set forth in the *Debtor's Second Amended Motion to Authorize*
2 *Proposed Public Sale Of Debtor's Walnut Processing Plant* [Dkt. No. 334] as
3 modified by the Court's order providing for modified procedures for the sale of the
4 property [Dkt. No. 431]. The property is subject to the liens of the Sutter County
5 Tax Collector and Rabo Agrifinance LLC ("Rabo"). .

6 **5. Relief from Automatic Stay**

7 Certain parties have moved for relief from the automatic stay, including:

8 • Alliance Funding Group, which sought stay relief to foreclose on equipment
9 owned by Riverside Ranches LLC based on a loan guaranteed by the Debtor [Dkt.
10 No. 78]. Because the Debtor was not the primary obligor on the debt, and because
11 Alliance Funding Group holds only a general unsecured claim against the Debtor,
12 the Debtor determined not to oppose Alliance Funding Group's stay relief motion.

13 • Deere & Company, which sought stay relief to foreclose on equipment owned
14 by Riverside Ranches LLC based on a loan guaranteed by the Debtor [Dkt. No. 114].
15 Because the Debtor was not the primary obligor on the debt, and because Deere &
16 Company holds only a general unsecured claim against the Debtor, the Debtor
17 determined not to oppose Deere & Company's stay relief motion.

18 • Cal Sierra Limited, LP, which sought stay relief to foreclose on real property
19 owned by the Debtor at 855 Harter Parkway, Unit 305, Yuba City, CA 95593.
20 Because the Debtor determined that he had no equity in the property, the Debtor
21 stipulated to stay relief [Dkt. No. 122], which the Court approved [Dkt. No. 127].

22 • Financial Pacific Leasing, Inc., which sought stay relief to foreclose on
23 equipment owned by Riverside Ranches LLC based on a loan guaranteed by the
24 Debtor [Dkt. No. 141]. Because the Debtor was not the primary obligor on the debt,
25 and because Financial Pacific Leasing, Inc. holds only a general unsecured claim
26 against the Debtor, the Debtor determined not to oppose Financial Pacific Leasing,
27 Inc.'s stay relief motion.

1 • Dee Gibbs Revocable Trust, which sought stay relief to foreclose on real
2 property owned by the Debtor at 10421 Larkin Road, Live Oak, CA 95953 [Dkt. No.
3 181]. The Debtor determined to stipulate to stay relief with respect to this property
4 [Dkt. No. 393], which the Court approved [Dkt. No. 394].

5 • Rabo Agrifinance, LLC, which sought stay relief to foreclose on the real
6 property subject to sale as part of the Walnut Processing Plant [Dkt. No. 224]. The
7 Court conditionally granted the stay relief motion [Dkt. No. 432], but stayed the
8 order.

9 • U.S. Bank, which sought stay relief to foreclose on the real property subject
10 to its liens [Dkt. Nos. 236, 243]. As set forth above, all of the parcels are subject to
11 sale motions and the Debtor anticipates that each of the sales will timely close.
12 However, to the extent the sales do not close, the Bankruptcy Court granted U.S.
13 Bank conditional stay relief [Dkt. No. 333, 337].

14 • DFS Finance, which sought stay relief to foreclose on equipment owned by
15 the Debtor [Dkt. No. 364]. The Debtor is hopeful that he will be able to resolve the
16 basis for DFS Finance's stay relief motion.

17 **6. Pending Adversary Proceedings**

18 There are two adversary proceedings pending against the Debtor.

19 On January 14, 2025, Rabo filed a *Complaint to Determine Dischargeability Under*
20 *11 U.S.C. § 523(a)(6)*, commencing Adversary Proceeding No. 25-02007. Rabo asserts that
21 the debt owed to it should not be discharged based on an alleged willful and malicious injury
22 by the Debtor in disposing of Rabo's collateral. The Debtor has filed an answer in the
23 adversary proceeding and intends to vigorously oppose Rabo's claim.

24 On January 28, 2025, Balraj Dhillon, Inderjit Dhillon, Mandip Dhillon and Jaspreet
25 Dhillon (the "Dhillons") filed a *Complaint for Quiet Title, Marshalling of Assets,*
26 *Declaratory Relief, Negligent Misrepresentation, Breach of Contract and Unjust*
27 *Enrichment*, commencing Adversary Proceeding No. 25-02015, against the Debtor and
28

1 other parties. The Dhillons purchased a parcel of real property from the Debtor in
2 September 2022. They allege that two liens on the parcel, one held by U.S. Bank, as
3 Custodian/Trustee for Federal Agricultural Mortgage Corporation Programs, and the other
4 held by Citizens Business Bank, were not released at the time of the sale. The Debtor has
5 filed an answer in the adversary proceeding and intends to oppose the claims against him.
6 To the extent a monetary judgment is entered against the Debtor in favor of the Dhillons,
7 the Debtor believes that it is a dischargeable general unsecured claim.

8 **D. Remaining Assets and Related Liquidation Value**

9 As a result of the Asset sales discussed above, the Debtor's remaining Assets at the
10 time of confirmation of the Plan are anticipated to be comprised of the following:

11 **1. Farming Entities**

12 The Debtor continues to own his interests in the Farming Entities and proposes to
13 retain them upon confirmation of the Plan. In general, the real property that the Farming
14 Entities previously farmed was sold or will be sold before the Plan is confirmed. While
15 certain other Farming Entities own valuable farming equipment, the liabilities of those
16 Farming Entities meet or exceed their assets. The Farming Entities are all closely held and
17 there is no market for the sale of interests in these entities. The Debtor also does not wholly
18 own several of the Farming Entities, making the sale of the interests in those entities even
19 more difficult. Accordingly, for all of these reasons, the Debtor believes that there would
20 be no value distributable to creditors if his interests in the Farming Entities were liquidated.

21 **2. Certain Real Property Parcels**

22 The Debtor intends to retain four real estate parcels under the Plan.

23 The Debtor will retain seven acres in Sutter County with APN 09-211-010 that are
24 used to farm walnuts. The Debtor believes the parcel is worth \$245,000 as set forth in
25 Amended Scheduled A/B [Dkt. No. 88 at 6]. The parcel is subject to the lien of Harrison
26 Revocable Trust, which is owed approximately \$225,000 as well as the lien of the Sutter
27 County Tax Collector, which is owed approximately \$20,000 on account of the parcel. The

1 Debtor believes that there would be no value distributable to creditors if the parcel were
2 liquidated.

3 The Debtor will also retain his interests in the residence and real property located at
4 7840 Lyon Street, Sutter, California. Wells Fargo Bank N.A. has a lien on the property in
5 the amount of \$379,938.46. The Debtor believes the property is worth approximately
6 \$500,000.00. The property is subject to a Residential Lease Agreement with Purchase
7 Option. The Debtor intends to move forward with the sale of the property in accordance
8 with the Residential Lease Agreement with Purchase Option. Upon the sale, after paying
9 the related costs of sale, the Debtor will distribute the proceeds to creditors in accordance
10 with the terms of the Plan.

11 The Debtor will also retain his interests in his home and eight acres of walnuts
12 located in Sutter County with APN 09-211-030. The Debtor believes that the value of his
13 interest in the parcel is worth approximately \$750,000 as set forth in Amended Schedule
14 A/B [Dkt. No. 88 at 8]. The Debtor co-owns the property with his wife and his parents.
15 The Debtor also claims an exemption in the property equal to 100% of its fair market value,
16 up to any applicable statutory limit, as set forth on Amended Schedule C [Dkt. No. 89 at 1].
17 The parcel is subject to the lien of Regis Bear, Inc., which is owed approximately
18 \$750,000.00, as well as the lien of the Sutter County Tax Collector, which is owed
19 approximately \$9,664.77 on account of the parcel. The Debtor believes that there would be
20 no value distributable to creditors if the parcel were liquidated.

21 Finally, the Debtor will retain the five acres and shop buildings located at 725 West
22 Liberty Road, Gridley, CA 95948 with APN 021-160-051. The Debtor believes that the
23 parcel is worth approximately \$300,000. The parcel is subject to the lien of Dave Thomas,
24 CPA, who is owed approximately \$225,000, as well as the lien of the Butte County Tax
25 Collector, which is owed approximately \$18,327 on account of the parcel. Debtor believes
26 that, after the costs of sale, there would be no value distributable to creditors if the parcel
27 were liquidated.

1 **3. Estate Causes of Action**

2 The Debtor will retain any Estate Causes of Action. At this time, the Debtor intends
3 to object to the judgment lien of UFS West LLC as a preference because it was recorded
4 within 90 days before the Petition Date. The Debtor is unaware of any other Estate Causes
5 of Action and, accordingly, does not attribute any value to such claims.

6 **4. Personal Property**

7 The Debtor intends to retain his automobile. The automobile is subject to the lien of
8 Golden 1 Credit Union. The Debtor also claims the value of the automobile, subject to any
9 applicable statutory limit, as exempt as set forth on his Amended Schedule C [Dkt. No. 89].
10 Accordingly, if the automobile were liquidated, the Debtor believes that there would be no
11 value distributable to creditors.

12 The Debtor intends to retain household furnishings and related personal property,
13 valued at no more than \$25,500 as set forth on his Amended Schedule A/B [Dkt. No. 88].
14 The Debtor has claimed an exemption over this retained property as set forth on his
15 Amended Schedule C [Dkt. No. 89]. If the Debtor's household furnishings and related
16 personal property was liquidated, the Debtor does not believe there would be any value
17 exceeding the claimed exemptions available for distribution to creditors.

18
19 **III. SUMMARY OF THE PLAN OF REORGANIZATION**

20 As required by the Bankruptcy Code, the Plan classifies Claims in various Classes
21 according to their right to priority. The Plan states whether each Class of Claims is impaired
22 or unimpaired and whether each Class is entitled to vote on the Plan. (Since the Debtor is
23 an individual, there are no Equity Interests to be classified as would otherwise be required
24 by the Bankruptcy Code.) The Plan provides the treatment each Class will receive and the
25 treatment is further summarized below.

26 **A. Unclassified Claims.**

In accordance with section 1123(a)(1), Administrative Expense Claims and Priority Tax Claims have not been classified. Holders of Administrative Expense Claims and Priority Tax Claims do not have a right to vote to accept or reject the Plan. However, Administrative Expense Claims and Priority Tax Claims are identified in this Disclosure Statement and the accompanying Plan, and their treatment is described, to promote “enabl[ing] a hypothetical reasonable investor typical of holders of claims or interests of the relevant class to make an informed judgment about the plan[.]”

1. Administrative Expense Claims.

An Administrative Expense Claim is a Claim that is entitled to priority under sections 503(b) and 507(a)(1). The Administrative Expense Claims consist of: (a) the fees and expenses of the Debtor’s Professionals and (b) if any, the Claims for goods provided and services rendered to the Debtor during the Chapter 11 Case. Any person or entity asserting to be a Holder of an Administrative Expense Claim, including for final allowance of professional fees, shall have sixty (60) calendar days after the Effective Date in which to file requests for payment of such claims in the Chapter 11 Case. The following chart lists the estimated Allowed Administrative Expense Claims against the Debtor and shows the proposed treatment of Allowed Administrative Expense Claims:

Claimant	Amount of Claim	Timing of Distribution	Impaired or Unimpaired
Loeb & Loeb LLP	\$450,000	Allowed Claims to be paid in full, as soon as practicable after the later of the Effective Date or the date the Claim is Allowed, unless otherwise agreed, including through payment by third parties or from Disposable Income.	Not applicable. Not entitled to vote.

1	Napier & Follett, LLP	\$25,000	Allowed Claims to be paid in full, as soon as practicable after the later of the Effective Date or the date the Claim is Allowed unless otherwise agreed, including through payment by third parties or from Disposable Income.	Not applicable. Not entitled to vote.
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9	Donlin Recano & Co. LLC	\$20,000	Allowed Claims to be paid in full, as soon as practicable after the later of the Effective Date or the date the Claim is Allowed unless otherwise agreed, including through payment by third parties or from Disposable Income.	Not applicable. Not entitled to vote.
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2. Priority Tax Claims.

A Priority Tax Claim is a claim of a governmental unit of a type that is entitled to priority under section 507(a)(8). The following chart lists the estimated Allowed Priority Tax Claims against the Debtor and shows the proposed treatment of Allowed Priority Tax Claims. The approximate amounts of the claims set forth below are based on the amounts asserted in the proofs of claims and the Debtor reserves all rights to object to the amount of each claim pursuant to the procedures set forth herein.

Claimant	Estimated Priority Amount of Claim	Timing of Distribution	Impaired or Unimpaired
Internal Revenue Service	\$71,850.30	Pursuant to and in accordance with section 1129(a)(9)(C) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by the Holder of the Allowed Priority Tax Claim.	Not applicable. Not entitled to vote.

B. Classified Claims and Interests.

1. Secured Claims.

There are 18 Classes of Secured Claims – one class for each Secured Creditor. The following chart lists the 18 Classes of Secured Claims and shows the estimated amount of Secured Claims in each Class and the proposed treatment of the Secured Claims in each Class. The approximate amounts of the claims set forth below are based on the amounts

asserted in the proofs of claims and the Debtor reserves all rights to object to the amount of each claim pursuant to the procedures set forth herein.

<u>Class</u>	<u>Class Composition</u>	<u>Amount of Claims (Approx.)</u>	<u>Treatment and Timing of Distributions</u>	<u>Impaired or Unimpaired</u>
1	Agwest Farm Credit FLCA	\$12,119,670.00	Collateral will be liquidated and sold pursuant to the terms of the Order at Dkt No. 349. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	Impaired. Entitled to vote.
2	Butte County Tax Collector	\$353,538.91	Certain collateral will be liquidated and sold pursuant to the terms of the Orders at Dkt Nos. 315, 349 and 353. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder. With respect to collateral that will not be sold, unless the Holder of Allowed Claim agrees to different treatment, pursuant to and in accordance with section 1129(a)(9)(D) of the Bankruptcy Code, the Holder of Allowed	Impaired. Entitled to vote.

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DEBTOR'S DISCLOSURE STATEMENT DESCRIBING
DEBTOR'S FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION

			Claim will received Cash in an aggregate amount of such Allowed Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus eighteen percent (18%) interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by the Holder of the Allowed Claim.	
3	Cal Sierra Limited LP	\$3,538,624.98	Collateral will be liquidated and sold pursuant to the terms of the Stipulation at Dkt. No. 123 and the Order at Dkt. No. 127. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	Impaired. Entitled to vote.
4	Citizens Business Bank	\$2,351,006.20	Collateral owned by the Debtor will be liquidated and sold. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General	Impaired. Entitled to vote.

			Unsecured Other Claims for any remainder.	
5	Compeer Financial PCA	\$3,286,720.89	Collateral owned by the Debtor will be liquidated and sold. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	Impaired. Entitled to vote.
6	David Thomas CPA	\$225,000.00	Unless the Holder of Allowed Claim agrees to other treatment, the Debtor will pay any arrears owed as of the Effective Date, will reinstate the loan, and will make payments on the loan pursuant to the terms of the loan agreement after the Effective Date.	Impaired. Entitled to vote.
7	Dee Gibbs Revocable Trust	\$215,637.82	Collateral will be liquidated and sold pursuant to the terms of the Stipulation at Dkt. No. 393 and the Order at Dkt. No. 394. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	Impaired. Entitled to vote.

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DEBTOR'S DISCLOSURE STATEMENT DESCRIBING
DEBTOR'S FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION

1	8	DFS Finance	\$74,611.06	Unless the Holder of Allowed Claim agrees to other treatment, the Debtor will cause any arrears owed as of the Effective Date to be paid, will reinstate the loan, and will make payments on the loan pursuant to the terms of the loan agreement after the Effective Date.	Impaired. Entitled to vote.
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9	9	DLL Finance LLC	\$97,092.21	Collateral will be liquidated and sold pursuant to the terms of the Motion at Dkt. No. 334. Holder of Allowed Claim will receive proceeds from the sale of the collateral sufficient to satisfy the claim.	Unimpaired. Not entitled to vote.
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15	10	Golden 1 Credit Union	\$107,231.19	The Debtor will pay any arrears owed as of the Effective Date, will reinstate the loan, and will make payments on the loan pursuant to the terms of the loan agreement after the Effective Date.	Impaired. Entitled to vote.
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21	11	Harrison Revocable Trust	\$225,000.00	Unless the Holder of Allowed Claim agrees to other treatment, the Debtor will pay any arrears owed as of the Effective Date, will reinstate the loan, and will make payments on the loan pursuant to the terms of the loan agreement after the Effective Date.	Impaired. Entitled to vote.
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DEBTOR'S DISCLOSURE STATEMENT DESCRIBING
DEBTOR'S FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION

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12	Internal Revenue Service	\$33,143.63	Unless the Holder of Allowed Claim agrees to other treatment, pursuant to and in accordance with section 1129(a)(9)(D) of the Bankruptcy Code, the Holder of Allowed Claim will received Cash in an aggregate amount of such Allowed Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by the Holder of the Allowed Claim.	Impaired. Entitled to vote.
13	May Avenue Investments	\$928,923.82	Collateral will be liquidated and sold pursuant to the terms of the Stipulation at Dkt. No. 123 and the Order at Dkt. No. 127. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	Impaired. Entitled to vote.
14	Rabo Agrifinance LLC	\$3,565,420.15	Collateral will be liquidated and sold pursuant to the terms of	Impaired. Entitled to vote.

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DEBTOR'S DISCLOSURE STATEMENT DESCRIBING
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			the Motion at Dkt. No. 334 and the Order at Dkt. No. 431. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	
15	Regis Bear Inc.	\$750,000.00	The Debtor will cause any arrears owed as of the Effective Date to be paid, will reinstate the loan, and will make payments on the loan pursuant to the terms of the loan agreement after the Effective Date.	Impaired. Entitled to vote.
16	Sutter County Tax Collector	\$690,592.78	Certain collateral will be liquidated and sold pursuant to the terms of the Order at Dkt No. 349, 373, 402, 431. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder. With respect to collateral that will not be sold, unless the Holder of Allowed Claim agrees to different treatment, pursuant to and in accordance with section 1129(a)(9)(D) of	Impaired. Entitled to vote.

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			the Bankruptcy Code, the Holder of Allowed Claim will received Cash in an aggregate amount of such Allowed Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus eighteen percent (18%) interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by the Holder of the Allowed Claim. The Holder of the Allowed Claim shall retain the liens securing its claim.	
17	US Bank National Association, as Custodian/Trustee for Federal Agricultural Corporation programs	\$3,631,796.79	Collateral will be liquidated and sold pursuant to the terms of the Orders at Dkt. Nos. 319, 353, and 373. Holder of Allowed Claim will receive proceeds of the sale in the order of priority of the claim and a deficiency claim in Class 20 General Unsecured Other Claims for any remainder.	Impaired. Entitled to vote.
18	Wells Fargo Bank N.A.	\$379,938.46	The Debtor will cause any arrears owed as of the Effective Date to be paid, will reinstate the loan, and will make payments on the loan	Impaired. Entitled to vote.

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pursuant to the terms of
the loan agreement after
the Effective Date.

2. General Unsecured Guaranteed Claims.

There are two Classes of General Unsecured Claims: General Unsecured Other Claims and General Unsecured Guaranty Claims.

a. General Unsecured Guaranty Claims

The following chart lists the Class 19 General Unsecured Guaranty Claims and shows the estimated amount of the claims in the class based on the amount asserted in the proof of claim. The Debtor reserves all rights to object to the amount of each claim pursuant to the procedures set forth herein.

<u>Class</u>	<u>Claim Holder</u>	<u>Amount of Claims (Approx.)</u>	<u>Treatment and Timing of Distributions</u>	<u>Impaired or Unimpaired</u>
19	Accion Opportunity Fund Community Development	\$74,129.04	Each of the Holders of Class 19 General Unsecured Guaranty Claims holds a secured claim on account of equipment or property owned by one of the Farming Entities and will retain those claims. Holders will receive no Distributions from the Debtor on account of	Impaired. Entitled to vote.
	Alliance Funding Group	\$138,659.24		
	Amur Equipment	\$268,556.80		
	Deere and Co.	\$261,960.00		
	DLL Finance LLC	\$26,287.74		
	Financial Pacific Leasing	\$118,498.88		
	First Citizens Bank and Trust Co.	\$470,251.91		
	Hanmi Bank	\$109,990.80		
	M2 Equipment Finance LLC	\$17,607.59		
	Meridian Equipment Finance LLC	\$111,625.22		
	Northland Capital Financial SVC LLC	\$39,157.71		
	Pawnee Leasing Corporation	\$70,661.53		

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DEBTOR'S DISCLOSURE STATEMENT DESCRIBING
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	Rabo Agrifinance LLC	\$6,341,768.97	claims in Class 19.	
	Regions Bank d/b/a Ascentium Capital	\$31,456.47		
	VCRAF AGIS CALIFORNIA NUTS LLC	\$11,288,396.73		

b. General Unsecured Other Claims

The following chart lists the Class 20 General Unsecured Other Claims and shows the estimated amount of the claims in the class based on the amount asserted in the proof of claim. The Debtor reserves all rights to object to the amount of each claim pursuant to the procedures set forth herein.

<u>Class</u>	<u>Claim Holder</u>	<u>Amount of Claims (Approx.)</u>	<u>Amount and Timing of Distributions</u>	<u>Impaired or Unimpaired</u>
20	American Express National Bank	\$42,998.68	Holders of Class 20 General Unsecured Other Claims will receive, on a quarterly basis, their <i>pro rata</i> share of the Debtor's Disposable Income, if any, for the five year term of the Plan.	Impaired. Entitled to vote.
	Capital One, N.A.	\$88,088.74		
	Deere & Co.	\$40,960.00		
	Balraj, Inderjit, and Mandip Dhillon	\$3,631,796.00		
	Discover Bank	\$22,787.02		
	Internal Revenue Service	\$33,956.21		
	PG&E	\$408,603.64		
	John Roth	\$106,000.00		
	Synchrony Bank by AIS InfoSource LP as agent	\$21,206.70		
	Tri Counties Bank	\$21,152.65		
	UFS West LLC ¹	\$1,890,826.46		
	U.S. Small Business Administration	\$9,652,903.55		

¹ While UFS West LLC asserted this claim as secured based on a judgment lien, the lien was recorded within 90 days prior to the Petition Date and is, therefore, avoidable as a preference. As a result, the Debtor has classified the claims as a General Unsecured Other Claim.

	Holders of deficiency Claims in Classes 1-18	Unknown at this time		
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C. Means of Effectuating the Plan.

On or as soon as practicable after the Effective Date, the following shall occur with respect to implementation of the Plan: (1) all acts, documents and agreements appropriate to implement the Plan shall be executed; (2) the Reorganized Debtor shall make all Distributions required to be made on or about the Effective Date of the Plan in accordance with the terms and conditions of the Plan; and (3) the Reorganized Debtor shall pay any arrears owed to Holders of Allowed Secured Claims, consistent with their treatment under the Plan. Upon the Effective Date, all transactions and matters provided for under the Plan shall be deemed to have been authorized and approved by the Debtor without any requirement of further action by the Debtor.

Unless otherwise expressly provided under the Plan, on the Effective Date, the Debtor's Assets, including, without limitation, all Estate Causes of Action, will vest in the Reorganized Debtor free and clear of all claims, liens, encumbrances, charges and other interests, subject to the provisions of the Plan.

After the Effective Date, the Debtor shall continue his farming operations on the four parcels of property that he is retaining under the Plan, which are discussed in more detail above. The Debtor will also continue to operate his law practice, the Pamma Law Firm. Through these operations, and after payment of necessary operational and business expenses, the Debtor will make the distributions proposed under the Plan. Projections setting forth the expected income and expenses from the Debtor's farming operations and law practice are set forth in **Exhibit A** attached hereto.

D. Post-Effective Date Professional Fees.

The Reorganized Debtor may employ, without any need to give notice to Holders of Claims or other parties-in-interest or obtain any approval of the Bankruptcy Court, any professional to aid the Reorganized Debtor in performing his duties under the Plan, as the

1 Reorganized Debtor deems appropriate in the exercise of his sole and absolute discretion,
2 including professionals who were employed by the Debtor in the Chapter 11 Case. Any
3 professional employed by the Reorganized Debtor after the Effective Date shall be entitled
4 to obtain payment of the professional's fees and costs as a Post-Effective Date Plan
5 Expense, in the ordinary course, without any need to give notice to Holders of Claims or
6 other parties-in-interest or to obtain any approval or order of the Bankruptcy Court.

7 **E. Approval for Disposition of Assets.**

8 From and after the Effective Date, the Debtor shall be entitled to sell, transfer, assign,
9 encumber or otherwise dispose of any interest in any his Assets, without any need to give
10 notice to Holders of Claims or parties-in-interest or to obtain any approval or order of the
11 Bankruptcy Court for the disposition of any Asset for an amount equal to or less than
12 \$50,000, regardless of estimated value. Notwithstanding the foregoing, the Debtor shall be
13 entitled to seek, from the Bankruptcy Court, an order authorizing the sale of any the
14 Debtor's Assets free and clear of liens pursuant to the provisions of section 363(f).

15 **F. Distributions Under the Plan.**

16 **1. In General.**

17 Except as otherwise provided in the Plan, or as may be ordered by the Bankruptcy
18 Court, Distributions to be made on account of Allowed Claims shall be made on or soon as
19 reasonably practicable after the Effective Date, unless the Holder of the Allowed Claim
20 agrees to different treatment. The date(s) for Distributions to be made on account of
21 Allowed Claims shall be selected by the Debtor provided, however, that the date(s) selected
22 shall be made as soon as reasonably practicable after the Effective Date and then, with
23 respect to Distributions to Holders of Class 20 General Unsecured Other Claims on a
24 quarterly basis thereafter and Holders of Allowed Priority Tax Claims on a quarterly basis
25 thereafter.

1 **2. Manner of Payment Under the Plan.**

2 Any payment of Cash made by the Debtor pursuant to the Plan may be made either
3 by check drawn on a domestic bank or by wire transfer from a domestic bank, at the option
4 of the Debtor.

5 **3. Manner of Distribution of Other Property.**

6 Any Distribution under the Plan of property other than Cash, if any, shall be made
7 by the Debtor (or his agent) in accordance with the terms of the Plan.

8 **4. Set-Offs.**

9 The Debtor may set off against any Claim and the payments to be made pursuant to
10 the Plan in respect of such Claim, any claims of any nature whatsoever that the Debtor, or
11 Estate may have against the Holder of such Claim; provided that neither the failure to effect
12 such set-off nor the allowance of any Claim that otherwise would be subject to setoff, shall
13 constitute a waiver or release by the Debtor or the Estate of any such claim that the Debtor
14 or Estate may have against such Holder.

15 **5. Distribution of Unclaimed Property.**

16 Except as otherwise provided in the Plan, any Distribution of property (Cash or
17 otherwise) under the Plan which is unclaimed after the later of (i) one hundred eighty (180)
18 days following the Effective Date or (ii) ninety (90) days after such Distribution has been
19 remitted to the Holder of the Allowed Claim, shall be distributed as provided for under the
20 Plan.

21 **6. De Minimis Distributions.**

22 No cash payment of less than fifty dollars (\$50.00) shall be made by the Debtor to
23 any Holder of a Claim.

24 **7. Saturday, Sunday or Legal Holiday.**

25 If any payment or act under the Plan is required to be made or performed on a date
26 that is not a Business Day, then the making of such payment or the performance of such act
27

1 may be completed on the next succeeding Business Day, but shall be deemed to have been
2 completed as of the required date.

3 **8. Delivery of Distributions / Address of Holder.**

4 As a condition to obtaining Distributions under the Plan, any Holder of a Claim from
5 which property is recoverable pursuant to a Final Order of the Bankruptcy Court under
6 sections 542, 543, 550 or 553, or otherwise, or that is a transferee of a transfer avoidable
7 pursuant to a Final Order of the Bankruptcy Court under sections 522, 542, 544, 545, 547,
8 548 or 549, or otherwise, shall pay to the Debtor the amount, or turn over to the Debtor any
9 such property, for which such Holder of a Claim is liable to the Debtor.

10 **9. Creditors' Payment Obligations / Turnover of Property to Debtor.**

11 As a condition to obtaining Distributions under the Plan, any Holder of a Claim from
12 which property is recoverable pursuant to a Final Order of the Bankruptcy Court under
13 sections 542, 543, 550 or 553, or otherwise, or that is a transferee of a transfer avoidable
14 pursuant to a Final Order of the Bankruptcy Court under sections 522, 542, 544, 545, 547,
15 548 or 549, or otherwise, shall pay to the Debtor the amount, or turn over to the Debtor any
16 such property, for which such Holder of a Claim is liable to the Debtor.

17 **G. Risk Factors.**

18 Holders of Impaired Claims should read and consider carefully the factors set forth
19 below, as well as other information set forth in this Disclosure Statement and the documents
20 delivered together herewith and/or incorporated by reference herein, prior to voting to
21 accept or reject the Plan.

22 **1. Risks Regarding the Distributions to be Made to Creditors.**

23 While the Debtor has endeavored to project what he believes is likely to be the
24 amount distributed to parties holding Allowed Claims, there can be no certainty that the
25 Debtor's projections will be accurate, and that creditors will receive the distributions
26 described in the Disclosure Statement and Plan. The Debtor's projections will necessarily
27 be affected by, among other things: (1) final sale price for the properties that Debtor has
28

1 proposed or will be proposing to sell; (2) recoveries (if any) that may be generated from
2 Estate Causes of Action; (3) the outcome of objections to Claims; (4) the cost and expenses
3 of such actions; (5) commodity prices for walnuts and peaches; and (6) demand for the
4 Debtor's legal services.

5 **2. Bankruptcy Risks.**

6 Section 1129 sets forth the requirements for confirmation and requires, among other
7 things, that the confirmation of a plan is not likely to be followed by the liquidation or the
8 need for further financial reorganization, and that the value of distributions to dissenting
9 creditors and equity security holders not be less than the value of distributions such creditors
10 and equity security holders would receive if the Debtor was liquidated under Chapter 7 of
11 the Bankruptcy Code. The Debtor believes that the Plan satisfies all the requirements for
12 confirmation of a plan as discussed below and that the Bankruptcy Court would also
13 conclude that the requirements for Confirmation of the Plan have been satisfied. However,
14 the Bankruptcy Court might disagree and might not confirm the Plan.

15 **H. Other Provisions of the Plan.**

16 **1. Executory Contracts and Unexpired Leases.**

17 **a. Assumptions / Rejections.**

18 On the Effective Date, any and all agreements executed by the Debtor before the
19 Effective Date, other than agreements that were previously either assumed and assigned or
20 rejected either by a Final Order or under Bankruptcy Code section 365, to the extent that
21 these agreements constitute executory contracts or unexpired leases under section 365, shall
22 be rejected. The Confirmation Order shall constitute a Final Order approving this rejection.
23 All Allowed Rejection Damage Claims shall be treated as General Unsecured Other Claims
24 against the Debtor under the Plan.

25 **b. Bar Date for Rejection Damages.**

26 Any Rejection Damage Claims arising from rejection under the Plan of an executory
27 contract or unexpired lease must be filed with the Bankruptcy Court and served on the
28

Debtor and his counsel within thirty (30) days after the Effective Date. Any Rejection Damage Claims that are not timely filed and served will be forever barred and unenforceable against the Debtor and the Estate and his property, and the entities holding these Claims will be barred from receiving any Distributions under the Plan on account of their Rejection Damage Claims. The Debtor shall have the right to object to any such Rejection Damage Claims; provided, however, that any such objections must be served and filed not later than one hundred eighty (180) days after the Effective Date.

2. Release and Exculpation Provisions

The Plan contains certain release and exculpation provisions. With respect to the release, in consideration for services rendered to the Estate and for the consideration more fully set forth in the Plan, to the greatest extent permissible by law, and except as otherwise specifically provided in the Plan, as of the Effective Date, the Debtor proposes to release the Estate professionals for any claims or other causes of action that the Estate may have against them. The Debtor does not believe that any such claims or other causes of action exist. Likewise, with respect to the exculpation, the Plan provides that none of the estate professionals shall have or incur any liability for any act or omission in connection with, related to, or arising out of, the Chapter 11 Case, the formulation, preparation, dissemination, implementation, confirmation, or approval of the Plan, the administration of the Plan, or any contract, instrument, release, or other agreement or document provided for or contemplated in connection with the consummation of the transactions set forth in the Plan.

3. Retention of Jurisdiction.

The Plan shall not in any way limit the Bankruptcy Court's post-confirmation jurisdiction as provided under the Bankruptcy Code. The Bankruptcy Court will retain and have exclusive jurisdiction to the fullest extent permissible over any proceeding (i) arising under the Bankruptcy Code or (ii) arising in or related to the Chapter 11 Case or the Plan, including but not limited to the following:

1 a. To hear and determine pending motions for the assumption,
2 assumption and assignment, or rejection of executory contracts or unexpired leases,
3 if any are pending as of the Effective Date, the determination of any cure payments
4 related thereto, and the allowance or disallowance of Claims resulting therefrom;

5 b. To determine any and all adversary proceedings, applications,
6 motions, and contested matters instituted prior to the closing of the Chapter 11 Case;

7 c. To ensure that Distributions to Holders of Allowed Claims are
8 accomplished as provided in the Plan;

9 d. To hear and determine any objections to Administrative Claims and to
10 proofs of Claims filed both before and after the Effective Date (including, without
11 limitation, whether all or any part of any Claim set forth in any such proof of Claim
12 or Administrative Claim is subject to partial or complete subordination pursuant to
13 applicable law), and to allow or disallow any Disputed Claim in whole or in part,
14 provided, however, that, for the avoidance of doubt, the Debtor may settle or
15 compromise (including by set-off) any Disputed Claim without further Order of the
16 Court;

17 e. To hear and determine all applications for compensation and
18 reimbursement of expenses of Professional Persons under sections 330, 331, and
19 503(b);

20 f. To hear and determine any disputes arising in connection with the
21 interpretation, implementation, execution, or enforcement of the Plan, the
22 Confirmation Order, or any other order of the Bankruptcy Court;

23 g. To hear or determine any action to recover assets of the Estate,
24 wherever located;

25 h. To hear and determine any actions or matters related to Estate Causes
26 of Action, whether or not such actions or matters are pending on the Effective Date;
27

1 i. To hear and determine any matters concerning state, local, and federal
2 taxes in accordance with sections 346, 505, and 1146;

3 j. To hear and determine any objections to the allowance of Claims or
4 Administrative Claims, whether filed before or after the Confirmation Date,
5 including any objections to the classification of any Claim, and any proceedings to
6 allow, disallow, determine, liquidate, estimate, or establish the priority or the secured
7 or unsecured status of any Claim, or to establish reserves pending the resolution of
8 Disputed Claims;

9 k. To hear and determine any proceeding to modify the Plan, after
10 confirmation of the Plan, and, if in the best interests of Holders of Claims,
11 modification of the Plan even after the Plan has been substantially consummated;

12 l. To consider the issuance of injunctions or other orders as may be
13 necessary or appropriate to aid in the implementation of the Plan or to restrain
14 interference by any entity with the consummation or the enforcement of the Plan;

15 m. To hear any other matter not inconsistent with the Bankruptcy Code;

16 n. To hear any other matter deemed relevant by the Bankruptcy Court;
17 and

18 o. To enter a final decree closing the Chapter 11 Case.

19 **I. Tax Consequences of the Plan.**

20 THE FOLLOWING IS INTENDED TO BE ONLY A SUMMARY OF SELECTED
21 FEDERAL AND STATE INCOME TAX CONSEQUENCES OF THE PLAN AND IS
22 NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH, AND RECEIPT OF
23 TAX ADVICE FROM, A TAX PROFESSIONAL. THE SELECTED FEDERAL AND
24 STATE TAX CONSEQUENCES THAT ARE DESCRIBED HEREIN AND OTHER
25 FEDERAL, STATE AND LOCAL TAX CONSEQUENCES THAT ARE NOT
26 ADDRESSED HEREIN ARE COMPLEX AND, IN SOME INSTANCES, UNCERTAIN.
27 SUCH TAX CONSEQUENCES MAY ALSO VARY BASED ON THE INDIVIDUAL
28

1 CIRCUMSTANCES OF EACH HOLDER OF AN ALLOWED CLAIM.
2 ACCORDINGLY, EACH HOLDER OF AN ALLOWED CLAIM IS STRONGLY
3 ADVISED TO CONSULT WITH ITS OWN TAX ADVISOR REGARDING THE
4 FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF THE PLAN. THE
5 BELOW SUMMARY OF TAX CONSEQUENCES IS NOT INTENDED TO BE AND IS
6 NOT TAX ADVICE. THE DEBTOR DOES NOT INTEND TO REQUEST A TAX
7 RULING FROM THE INTERNAL REVENUE SERVICE OR ANY OTHER TAXING
8 AUTHORITY WITH RESPECT TO ANY OF THE TAX CONSEQUENCES OF THE
9 PLAN. CONSEQUENTLY, THE INTERNAL REVENUE SERVICE OR ANOTHER
10 TAXING AUTHORITY MAY DISAGREE WITH AND MAY CONTEST ONE OR
11 MORE OF THE TAX CONSEQUENCES DESCRIBED HEREIN TO THE DEBTOR
12 AND HOLDERS OF CLAIMS.

13 **1. Federal Income Tax Consequences to Certain Creditors.**

14 Generally, a holder of a Claim should in most, but not all circumstances, recognize
15 gain or loss equal to the difference between the “amount realized” by such holder in
16 exchange for its Claim and such holder’s adjusted tax basis in the Claim. The “amount
17 realized” is equal to the sum of the cash and the fair market value of any other consideration
18 received under a plan of reorganization in respect of a holder’s Claim. The tax basis of a
19 holder in a Claim will generally be equal to the holder’s cost therefor. To the extent
20 applicable, the character of any recognized gain or loss (e.g., ordinary income, or short-term
21 or long-term capital gain or loss) will depend upon the status of the holder, the nature of the
22 Claim in the holder’s hands, the purpose and circumstances of its acquisition, the holder’s
23 holding period of the Claim, and the extent to which the holder previously claimed a
24 deduction for the worthlessness of all or a portion of the Claim. Generally, if the Claim is
25 a capital asset in the holder’s hands, any gain or loss realized will generally be characterized
26 as capital gain or loss, and will constitute long-term capital gain or loss if the holder has
27 held such Claim for more than one year.

1 A creditor who received Cash in satisfaction of its Claims may recognize ordinary
2 income or loss to the extent that any portion of such consideration is characterized as
3 accrued interest. A creditor who did not previously include in income accrued but unpaid
4 interest attributable to its Claim, and who receives a distribution on account of its Claim
5 pursuant to the Plan, will be treated as having received interest income to the extent that
6 any consideration received is characterized for U.S. federal income tax purposes as interest,
7 regardless of whether such creditor realizes an overall gain or loss as a result of surrendering
8 its Claim. A creditor who previously included in its income accrued but unpaid interest
9 attributable to its Claim should recognize an ordinary loss to the extent that such accrued
10 but unpaid interest is not satisfied, regardless of whether such creditor realizes an overall
11 gain or loss as a result of the distribution it may receive under the Plan on account of its
12 Claim.

13 Under the Plan, the holders of certain Claims will likely receive only a partial
14 distribution of their Allowed Claims. As discussed herein, Holders of Allowed General
15 Unsecured Other Claims will receive their *pro rata* share of the Debtor's Disposable Income
16 after the payment of his business and personal expenses for a period of five years, which is
17 discussed further below. Whether the applicable holder of such Claims will recognize a
18 loss or any other tax treatment will depend upon facts and circumstances that are specific
19 to the nature of the holder and its Claims. Creditors should consult their own tax advisors.

20 2. Non-United States Persons.

21 A holder of a Claim that is a Non-U.S. Person generally will not be subject to U.S.
22 federal income tax with respect to property (including money) received in exchange for
23 such Claim pursuant to the Plan, unless (i) such holder is engaged in a trade or business in
24 the United States to which income, gain or loss from the exchange is "effectively
25 connected" for United States federal income tax purposes, or (ii) if such holder is an
26 individual, such holder is present in the United States for 183 days or more during the
27 taxable year of the exchange and certain other requirements are met.

3. Information Reporting and Backup Withholding.

Distributions pursuant to the Plan will be subject to any applicable federal income tax reporting and withholding. The IRC imposes “backup withholding” on certain “reportable” payments to certain taxpayers, including payments of interest. Under the IRC’s backup withholding rules, a holder of a Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan, unless the holder (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (b) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional federal income tax, but merely an advance payment that may be refunded to the extent it results in an overpayment of income tax. A holder of a Claim may be required to establish an exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

THE FOREGOING SUMMARY HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

A. Who May Vote or Object.

1. Who May Object to Confirmation of the Plan.

Any party in interest may object to confirmation of the Plan, but as explained below, not everyone is entitled to vote to accept or reject the Plan.

2. Who May Vote to Accept/Reject the Plan.

The Plan requires an Allowed and Impaired Claim in order for the applicable Holder to vote either to accept or reject the Plan. A Claim is defined by the Bankruptcy Code to

1 include a right to payment from the Debtor. Section II.C of the Plan set forth which Claims
2 are in which Class and which Classes are Impaired.

3 **a. What Is an Allowed Claim.**

4 The Plan defines an Allowed Claim as (i) a Claim that was listed in the Debtor's
5 Schedules and that was not listed as contingent, unliquidated, or disputed; (ii) a Claim that
6 is evidenced by a proof of Claim filed by the applicable Claims Bar Date (or for which
7 Claim under the Plan, the Bankruptcy Code, the Bankruptcy Rules, or a Final Order of the
8 Bankruptcy Court, a proof of Claim is not required to be filed), as to which, no objection to
9 the allowance thereof has been interposed, or (iii) a Claim allowed pursuant to the Plan or
10 a Final Order of the Bankruptcy Court.

11 **b. What Is an Impaired Claim.**

12 The Plan defines Impaired as having the meaning set forth in section 1124. As noted
13 above, an Allowed Claim has the right to vote only if it is in a Class that is Impaired under
14 the Plan. A Class is Impaired if the Plan alters the legal, equitable, or contractual rights of
15 the members of that Class. For example, a Class comprised of general unsecured claims is
16 impaired if the Plan fails to pay the members of that Class 100% of what they are owed.

17 The Debtor believes that members of Classes 1-8, 10-11 and 13-20 are Impaired and
18 entitled to vote to accept or reject the Plan. Parties who dispute the Debtor's
19 characterization of their Claim as being Impaired or unimpaired may file an objection to the
20 Plan contending that the Debtor has incorrectly characterized the Class in which their Claim
21 exists.

22 **3. Who is NOT Entitled to Vote.**

23 The following four types of Claims are not entitled to vote: (a) Claims that have been
24 disallowed, (b) Claims in unimpaired classes, (c) Claims entitled to priority pursuant to
25 sections 507(a)(2), (a)(3), and (a)(8), and (4) Claims in Classes that do not receive or retain
26 any value under the Plan. Claims in unimpaired Classes are not entitled to vote because
27 such Classes are deemed to have accepted the Plan. Claims entitled to priority pursuant to
28

1 sections 507(a)(2), (a)(3), and (a)(8) are not entitled to vote because such Claims are not
2 placed in Classes and they are required to receive certain treatment specified by the
3 Bankruptcy Code. Claims in Classes that do not receive or retain any value under the Plan
4 do not vote because such classes are deemed to have rejected the Plan. EVEN IF YOUR
5 CLAIM IS OF THE TYPE DESCRIBED ABOVE, YOU MAY STILL HAVE A RIGHT
6 TO OBJECT TO THE CONFIRMATION OF THE PLAN.

7 **4. Who Can Vote in More Than One Class.**

8 Secured Claims are placed in separate Classes from unsecured claims. Fed. R. Bank.
9 P. 3018(d) provides: “A creditor whose claim has been allowed in part as a secured claim
10 and in part as an unsecured claim shall be entitled to accept or reject a plan in both
11 capacities.” A creditor whose Claim has been allowed in part as a Secured Claim and in
12 part as a General Unsecured Other Claim or General Unsecured Guaranty Claim is entitled
13 to accept or reject the Plan in both capacities by casting one ballot for the secured part of
14 the Claim and another ballot for the General Unsecured Other Claim or General Unsecured
15 Guaranty Claim.

16 **5. Votes Necessary to Confirm the Plan.**

17 Because there is one or more Impaired Classes, the Court cannot confirm the Plan
18 unless (a) at least one Impaired Class has accepted the Plan without counting the votes of
19 any insiders within that Class and (b) all Impaired Classes have voted to accept the Plan,
20 unless the Plan is eligible to be confirmed by “cramdown” on non-accepting Classes, as
21 discussed below.

22 **6. Votes Necessary for a Class to Accept the Plan.**

23 A Class of Claims is considered to have accepted the Plan when more than one-half
24 (1/2) in number and at least two-thirds (2/3) in dollar amount of the Claims which actually
25 voted on the Plan, voted in favor of the Plan.

1 **7. Treatment of Non-Accepting Classes.**

2 As noted above, even if all Impaired Classes do not accept the proposed Plan, the
3 Court may nonetheless confirm the Plan if the non-accepting Classes are treated in the
4 manner required by the Bankruptcy Code. The process by which non-accepting Classes are
5 forced to be bound by the terms of the Plan is commonly referred to as a “cramdown.” The
6 Bankruptcy Code allows the Plan to be “crammed down” on non-accepting Classes of
7 Claims if it meets all consensual requirements except the voting requirements of section
8 1129(a)(8) and if the Plan does not “discriminate unfairly” and is “fair and equitable”
9 toward each Impaired Class that has not voted to accept the Plan as required by section
10 1129(b) and applicable case law.

11 **8. Request for Confirmation Despite Non-Acceptance by Impaired**
12 **Classes.**

13 The Debtor will ask the Court to confirm the Plan by cramdown on any and all
14 Impaired Classes that do not vote to accept the Plan. To obtain nonconsensual confirmation
15 of the Plan, the Debtor must demonstrate to the Court that the Plan “does not discriminate
16 unfairly” and is “fair and equitable” with respect to each Impaired, non-accepting Class.
17 The Bankruptcy Code provides a non-exclusive definition of the phrase “fair and equitable.”
18 The Bankruptcy Code provides that a plan is “fair and equitable” with respect to a class of
19 creditors or equity holders if:

20 **a. Secured Creditors.** Either (i) each Impaired Secured Creditor
21 retains its liens securing its Secured Claim and receives on account of its Secured Claim
22 cash payments having a present value equal to the amount of its Allowed Claim, (ii) each
23 Impaired Secured Creditor realizes the “indubitable equivalent” of its Allowed Secured
24 Claim, or (iii) the property securing the Claim is sold free and clear of liens with such liens
25 to attach to the proceeds of the sale and the treatment of such liens on proceeds to be as
26 provided in clause (i) or (ii) above.

1 **b. Unsecured Creditors.** Either (i) each Impaired unsecured
2 creditor receives or retains under the Plan property of a value equal to the amount of its
3 Allowed Claim or (ii) the Holders of Claims and Equity Interests that are junior to the
4 Claims of the non-accepting Class will not receive any property under the Plan.

5 **B. Liquidation Analysis.**

6 With respect to each Impaired Class of Claims, the Bankruptcy Code requires that
7 each Holder of an Impaired Claim or either (1) accepts the Plan, or (2) receives or retains
8 under the Plan property of a value, as of the Effective Date of the Plan, that is not less than
9 the value such Holder would receive or retain if the Debtor was liquidated under Chapter 7
10 of the Bankruptcy Code. This analysis requires the Bankruptcy Court to determine what
11 the Holders of Allowed Claims in each Impaired Class would receive from the liquidation
12 of the Debtor's Assets in the context of a Chapter 7 liquidation case.

13 The Debtor's liquidation analysis (the "Liquidation Analysis") is set forth in **Exhibit**
14 **B** hereto. As reflected in the Liquidation Analysis, if the Debtor's Chapter 11 Case was
15 converted to a case under Chapter 7, liquidation under Chapter 7 would result in the
16 incurrence of administrative costs in excess of those to be incurred under the Plan because
17 a Chapter 7 trustee or trustees that would be appointed in the case would likely seek to retain
18 counsel and potentially other professionals that are completely unfamiliar with the Debtor,
19 his ongoing responsibilities, and remaining assets and liabilities. The appointment of
20 another group of professionals at this stage of the bankruptcy of the Debtor, in addition to
21 the Professionals in this Chapter 11 Case, would increase administrative claims including
22 additional professional fees. Also, a new time period for the filing of Claims would
23 commence under Fed. R. Bankr. P. 1019(2), possibly resulting in the filing of additional
24 Claims against the Estate. Conversion of the Chapter 11 Case to a case under Chapter 7
25 and the appointment of a trustee for administration of the Estate could also delay the
26 prosecution of Estate Causes of Action and the distributions to creditors while the Chapter
27

1 7 trustee or trustees and their new professionals familiarized themselves with the case and
2 Estate Causes of Action.

3 On the other hand, under the Plan, the Debtor contemplates an orderly administration
4 and winding down of the Estate by parties that are already familiar with the Debtor, his
5 Assets, and his creditors and liabilities and then the restructuring of the debts associated
6 with his remaining, streamlined assets. The Debtor is also proposing to pay Holders of
7 Allowed General Unsecured Other Claims their *pro rata* share of his Disposable Income, if
8 any, for the next five years after payment of his business and personal expenses. Such
9 familiarity will allow the Debtor to complete liquidation of the Assets and distribute the
10 proceeds to creditors more efficiently and expeditiously than a Chapter 7 trustee or trustees,
11 while maximizing the value of the Assets for the benefit of creditors. In a chapter 7
12 liquidation, therefore, it is highly likely that there would be less money available for
13 distribution to certain Holders of Allowed Claims than under the Plan.

14 **C. Feasibility.**

15 The Plan cannot be confirmed unless the Court finds that it is “feasible.” In general,
16 there are two elements of feasibility. The first element is whether there will be sufficient
17 funds to make distributions required to be made on the Effective Date, or as soon thereafter
18 as is practicable, including to Holders of Allowed Secured Claims, Allowed Administrative
19 Claims, Allowed Priority Tax Claims, and Allowed Other Priority Claims. Here, Allowed
20 Secured Claims will be paid from the proceeds of the holder’s collateral that is to be sold
21 or, with respect to collateral that will be retained by the Debtor, through the terms of the
22 Plan. The Debtor proposes to pay Allowed Priority Tax Claims over the term of the Plan.
23 The Debtor does not believe that there will be any Allowed Other Priority Claims. This
24 leaves only Allowed Administrative Claims for payment on the Effective Date. The Debtor
25 believes that he will have sufficient funds to pay any Allowed Administrative Claims that
26 are not paid from proceeds of the sale of his real property, payments by third parties, and
27 from his Disposable Income over the term of the Plan.

1 Further, the Bankruptcy Code requires that confirmation of a plan is not likely to be
2 followed by the liquidation or the need for further financial reorganization of a debtor,
3 unless such liquidation or reorganization is proposed in such plan. Here, the Plan provides
4 a budget for the Debtor's operations for the next five years, which will generate sufficient
5 income to cover the business and personal and expenses, and, if there is any excess
6 Disposable Income, to make quarterly *pro rata* Distributions to Holders of Allowed General
7 Unsecured Other Claims. Copies of the budgets are attached hereto as **Exhibit A**.

8 Based on the foregoing, the Debtor believes that the Plan is feasible.

9 **D. Confirmation Request.**

10 In the event that all of the applicable requirements of section 1129(a) are met other
11 than section 1129(a)(8), if applicable, the Debtor requests confirmation of the Plan
12 notwithstanding the requirements of such paragraph under section 1129(b). If and to the
13 extent applicable, the Debtor will provide further support for Confirmation of the Plan under
14 the "cramdown" provisions of section 1129(b) in his brief to be filed in support of the Plan.

15 **V. EFFECT OF CONFIRMATION**

16 **A. Discharge.**

17 To the fullest extent provided under section 1141(d)(1)(A) and other applicable
18 provisions of the Bankruptcy Code, except as otherwise expressly provided by this Plan or
19 the Confirmation Order, effective as of the Effective Date, all consideration distributed
20 under this Plan shall be in exchange for, and in complete satisfaction, settlement, discharge,
21 and release of, all Claims and Causes of Action of any kind or nature whatsoever against
22 the Debtor or any of his assets or properties, and regardless of whether any property shall
23 have been distributed or retained pursuant to this Plan on account of such Claims or Causes
24 of Action.

25 Except as otherwise expressly provided by the Plan or the Confirmation Order, upon
26 the Effective Date, the Debtor and his Estate shall be deemed discharged and released under
27 and to the fullest extent provided under sections 524 and 1141(d)(1)(A) and other applicable

1 provisions of the Bankruptcy Code from any and all Claims of any kind or nature
2 whatsoever. For avoidance of doubt, the Plan is the sole means for resolving, paying or
3 otherwise dealing with Claims. To that end, except as expressly provided in the Plan, at all
4 times on and after the Effective Date, all Persons will be permanently enjoined from taking
5 any of the following actions against the Debtor, the Estate, or his property (other than
6 actions brought to enforce any rights or obligations under the Plan):

7 a) commencing, conducting or continuing in any manner, directly or
8 indirectly any suit, action, or other proceeding of any kind against the Debtor and/or
9 Estate, his successors, or their respective property or assets (including, without
10 limitation, all suits, actions, and proceedings that are pending as of the Effective Date
11 which will be deemed to be withdrawn or dismissed with prejudice);

12 b) enforcing, levying, attaching, executing, collecting, or otherwise
13 recovering by any manner or means whether directly or indirectly any judgment,
14 award, decree, or order against the Debtor, his Estate, or his successors, or his
15 respective property or assets;

16 c) creating, perfecting, or otherwise enforcing in any manner, directly or
17 indirectly, any lien, security interest or encumbrance against the Debtor, his Estate,
18 or his successors, or their respective property or assets;

19 d) proceeding in any manner in any place whatsoever against the Debtor,
20 his Estate, the or his successors, or their respective property or assets that does not
21 conform to or comply with the provisions of the Plan; and

22 e) asserting any setoff, right of subrogation, surcharge, or recoupment of
23 any kind against any obligation due the Debtor, or his successors or assigns.

24 **B. Revesting of Property in the Debtor.**

25 As set forth above, except as expressly provided under the Plan, on the Effective
26 Date, the Debtor's Assets, including, without limitation, all Estate Causes of Action and
27

1 those Assets described in Section II.D, will vest in the Debtor free and clear of all claims,
2 liens, encumbrances, charges and other interests, subject to the provisions of the Plan.

3 **C. Withdrawal or Modification of Plan.**

4 Prior to the Effective Date, the Plan may be withdrawn by the Debtor or may be
5 altered, amended, or modified pursuant to section 1127 by the Debtor. After the Effective
6 Date, the Debtor shall have the sole authority and power to alter, amend, or modify the Plan
7 pursuant to section 1127.

8 **D. Post-Confirmation Status Report.**

9 Within 180 days after the entry of the Confirmation Order, the Debtor will file a
10 status report with the Court explaining what progress has been made toward consummation
11 of the confirmed Plan. The status report shall be served on the UST and those parties who
12 have requested special notice. Further status reports shall be filed every 365 days or as
13 otherwise directed by the Bankruptcy Court and served on the same parties.

14 **E. Quarterly Fees.**

15 All quarterly fees due and payable to the Office of the United States Trustee pursuant
16 to section 1930(a)(6) of title 28 of the United States Code shall be duly paid in full on or
17 before the Effective Date, as required by section 1129(a)(12). The Debtor shall be
18 responsible for timely payment of such quarterly fees due and payable after the Effective
19 Date and until the Chapter 11 Case is closed, pursuant to section 1930(a)(6) of title 28 of
20 the United States Code, with respect to cash disbursements made by the Debtor under the
21 Plan. After the Effective Date and until the Chapter 11 Case is closed, the Debtor shall file
22 with the Office of the United States Trustee quarterly financial reports specifying all
23 disbursements made pursuant to the Plan and shall make all payments based upon such
24 disbursements as required by applicable law.

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VI. RECOMMENDATION

Dated: April 29, 2025

/s/ Sukhraj S. Pamma

Debtor and Debtor-in-Possession

LOEB & LOEB LLP

Counsel for Chapter 11 Debtor and Debtor-in-Possession

EXHIBIT A

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma

CROP YEAR: 2025

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	87,000	7,250		7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	10,000	5,000						5,000												
INSURANCE	0																			
CROP INSURANCE	950			950																
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150														
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	100,250	0	0	12,250	8,200	8,400	7,250	12,250	7,250	8,400	7,250	7,250	7,250	7,250	7,250	7,250	0	0	0	0
TOTAL PRE HARVEST EXPENSES	4,200	0	120	0	0	880	80	826	582	424	424	864	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	3,200	0	0	0	0	0	0	0	0	0	0	1,600	0	1,600	0	0	0	0	0	0
SUBTOTAL EXPENSES	107,650	0	120	12,250	8,200	9,280	7,330	13,076	7,832	8,824	7,674	9,714	7,250	8,850	7,250	0	0	0	0	0

BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	107,650	0	120	12,250	8,200	9,280	7,330	13,076	7,832	8,824	7,674	9,714	7,250	8,850	7,250	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	7,578	0	0	1	83	139	201	251	339	392	452	503	569	618	678	727	656	656	656	656
TOTAL INCOME	41,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,450	0	0	0	31,350
CUMULATIVE BUDGET POSITION		0	-120	-12,370	-20,570	-29,850	-37,180	-50,256	-58,088	-66,912	-74,586	-84,300	-91,550	-100,400	-107,650	-97,200	-97,200	-97,200	-97,200	-65,850

MARGIN CALCULATIONS

LOAN REPAYMENT MARGIN
MARGIN COVERAGE RATIO

-73,428
-64%

LOAN OFFICER'S COMMENTS:

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

DATED: _____

SIGNED: _____

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma CROP YEAR: 2026

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	87,000			7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	10,000			5,000				5,000												
INSURANCE	0																			
CROP INSURANCE	950				950															
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150														
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	100,250	0	0	12,250	8,200	8,400	7,250	12,250	7,250	8,400	7,250	7,250	7,250	7,250	7,250	7,250	0	0	0	0
TOTAL PRE HARVEST EXPENSES	4,240	0	120	0	0	920	80	826	582	424	424	884	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	2,800	0	0	0	0	0	0	0	0	0	0	1,400	0	1,400	0	0	0	0	0	0
SUBTOTAL EXPENSES	107,290	0	120	12,250	8,200	9,320	7,330	13,076	7,832	8,824	7,674	9,514	7,250	8,650	7,250	0	0	0	0	0
BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	107,290	0	120	12,250	8,200	9,320	7,330	13,076	7,832	8,824	7,674	9,514	7,250	8,650	7,250	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	7,557	0	0	1	83	139	202	251	339	392	452	504	568	617	675	724	652	652	652	652
TOTAL INCOME	42,680	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,670	0	0	0	32,010
CUMULATIVE BUDGET POSITION		0	-120	-12,370	-20,570	-29,890	-37,220	-50,296	-58,128	-66,952	-74,626	-84,140	-91,350	-100,040	-107,290	-96,620	-96,620	-96,620	-96,620	-64,610

MARGIN CALCULATIONS

LOAN OFFICER'S COMMENTS: This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

LOAN REPAYMENT MARGIN -72.167
MARGIN COVERAGE RATIO -63%

SIGNED:

DATED:

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma										CROP YEAR: 2027											
INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF	
MANAGEMENT	0																				
REAL ESTATE PAYMENT -	87,000			7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250					
REAL ESTATE PAYMENT -	0																				
REAL ESTATE PAYMENT -	0																				
REAL ESTATE PAYMENT -	0																				
EQUIPMENT PAYMENT -	0																				
EQUIPMENT PAYMENT #2	0																				
EQUIPMENT PAYMENT #3	0																				
EQUIPMENT PAYMENT #4	0																				
EQUIPMENT PAYMENT #5	0																				
OTHER LOAN PAYMENTS	0																				
OTHER LOAN PAYMENTS	0																				
TAXES (PROPERTY, INCOME, OTHER)	10,000			5,000				5,000													
INSURANCE	0																				
CROP INSURANCE	950				950																
LAND RENT	0																				
REPAIRS & MAINTENANCE	2,300																				
CAPITAL PURCHASES	0																				
OTHER	0																				
OTHER	0																				
OTHER	0																				
TOTAL INDIRECT EXPENSES	100,250	0	0	12,250	8,200	8,400	7,250	12,250	7,250	8,400	7,250	7,250	7,250	7,250	7,250	7,250	0	0	0	0	
TOTAL PRE HARVEST EXPENSES	4,288	0	128	0	0	928	80	827	588	430	430	878	0	0	0	0	0	0	0	0	
TOTAL HARVEST EXPENSES	2,800	0	0	0	0	0	0	0	0	0	0	1,400	0	1,400	0	0	0	0	0	0	
SUBTOTAL EXPENSES	107,338	0	128	12,250	8,200	9,328	7,330	13,077	7,838	8,830	7,680	9,528	7,250	8,650	7,250	7,250	0	0	0	0	
BUDGET ADJUSTMENTS																					
LESS: Borrower's Contribution	0																				
LESS: Borrower's Capital Contribution	0																				
LESS: Other Funds Supplied (Explain)	0																				
ADD: Capital Purchases, Etc. (Explain)	0																				
ADD: Other (Explain)	0																				
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FINANCING REQUIRED	107,338	0	128	12,250	8,200	9,328	7,330	13,077	7,838	8,830	7,680	9,528	7,250	8,650	7,250	7,250	0	0	0	0	
INTEREST EXPENSE THIS BUDGET	7,557	0	0	1	84	139	202	251	340	393	452	504	568	617	676	725	652	652	652	652	
TOTAL INCOME	43,120	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,780	0	0	0	32,340	
CUMULATIVE BUDGET POSITION		0	-128	-12,378	-20,578	-29,906	-37,236	-50,313	-58,151	-66,981	-74,660	-84,188	-91,438	-100,088	-107,338	-96,558	-96,558	-96,558	-96,558	-64,218	

MARGIN CALCULATIONS

LOAN OFFICER'S COMMENTS:.....

LOAN REPAYMENT MARGIN

MARGIN COVERAGE RATIO

-71,775

-62%

BUDGET ACKNOWLEDGMENT

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

DATED:.....

SIGNED:.....

CROP BUDGET WORKSHEET - W A L N U T S

BORROWER : Sukhraj S. Pamma CROP YEAR: 2027 CROP SOLD TO:

2027 GROSS INCOME PROJECTION							PROJECTED INCOME CASH FLOW				CROP ECONOMIC SUMMARY					BUDGET COMMENTS
Parcel	Crop Description	Acre	Yield/Acre	Total Units	Net Share	Price	Income	Projected Month of Receipt	% of Gross Received	Projected \$ Amount to be Received				TOTAL	PER ACRE	
Chandlers	Walnuts	8.0	5500	44,000.0	100%	\$ 0.98	\$ 43,120	AUG			Gross Income			\$5,390		
								SEP			Direct Expenses			\$7,088		
								OCT			GROSS MARGIN			\$36,032		
								NOV			Attributed Indirects			\$4,504		
								DEC			TOTAL EXPENSES			-\$100,250		
Other								JAN	25%	\$ 10,780	ROI					
								FEB								
								MAR								
								DEF	75%	\$32,340	BREAKEVEN YIELD			109,529 lbs		
								TOTAL	100%	\$43,120	BREAKEVEN PRICE			\$2.44 /lb		
TOTALS		8.0		44,000.0			\$ 43,120									

ACRES	COST/ACRE	EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
PREHARVEST EXPENSES																						
8	20	WEED CONTROL/MOWING	160																			
8	10	PEST CONTROL - GOPHERS	80																			
8	106	PRUNING - 1/2 EVERY OTHER YEAR	848																			
8	10	BRUSH REMOVAL	80																			
8	90	FERTILIZER	720																			
8	60	WALNUT BLIGHT SPRAY	480																			
8	71	INSECT CONTROL - COOLING MOTH	568																			
8	71	IRRIGATION-POWER	568																			
8	11	PEST CONTROL - MISC. INSECTS	88																			
8	16	WEEDS - IN SEASON STRIP SPRAY	128																			
8	0	WINTER SANITATION - MUMMIES	0																			
8	0	LEAF ANALYSIS	0																			
8	0	OTHER	0																			
8	0	OTHER	0																			
8	0	OTHER	0																			
8	536	TOTAL PREHARVEST EXPENSES	4,288																			
HARVEST EXPENSES																						
8	175	HARVEST WITH OWNED MACHINES	1,400																			
8	0	HARVEST CUSTOM HIRE	0																			
8	0	HAULING/FREIGHT	0																			
8	175	CUSTOM HULL, DRY & DELIVER	1,400																			
8	350	TOTAL HARVEST EXPENSES	2,800																			
8	886	TOTAL PH AND H EXPENSE	7,088																			
CROP INCOME																						
8	5,390	CROP INCOME	43,120																			
		OTHER INCOME (explain)	0																			
		TOTAL INCOME	43,120																			

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma CROP YEAR: 2028

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	87,000			7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250					
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	10,000			5,000				5,000												
INSURANCE	0																			
CROP INSURANCE	950				950															
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300																			
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	100,250	0	0	12,250	8,200	8,400	7,250	12,250	7,250	8,400	7,250	7,250	7,250	7,250	7,250	0	0	0	0	0
TOTAL PRE HARVEST EXPENSES	4,376	0	128	0	0	944	88	844	598	437	437	901	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	2,800	0	0	0	0	0	0	0	0	0	0	1,400	0	1,400	0	0	0	0	0	0
SUBTOTAL EXPENSES	107,426	0	128	12,250	8,200	9,344	7,338	13,094	7,848	8,837	7,687	9,551	7,250	8,650	7,250	0	0	0	0	0
BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	107,426	0	128	12,250	8,200	9,344	7,338	13,094	7,848	8,837	7,687	9,551	7,250	8,650	7,250	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	7,561	0	0	1	84	139	202	252	340	393	453	504	569	618	676	725	652	652	652	652
TOTAL INCOME	43,560	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,890	0	0	0	32,670
CUMULATIVE BUDGET POSITION		0	-128	-12,378	-20,578	-29,922	-37,260	-50,354	-58,202	-67,038	-74,725	-84,276	-91,526	-100,176	-107,426	-96,536	-96,536	-96,536	-96,536	-63,866

LOAN OFFICER'S COMMENTS: This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

MARGIN CALCULATIONS

LOAN REPAYMENT MARGIN
MARGIN COVERAGE RATIO

-71.427
-62%

DATED: _____ SIGNED: _____

Sheldon (Home Ranch) Walnuts 2028 Budget

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Panma CROP YEAR: 2029

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	87,000			7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250	7,250					
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	10,000			5,000					5,000											
INSURANCE	0																			
CROP INSURANCE	950			950																
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150				1,150										
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	100,250	0	0	12,250	8,200	8,400	7,250	12,250	7,250	8,400	7,250	7,250	7,250	7,250	7,250	0	0	0	0	0
TOTAL PRE HARVEST EXPENSES	4,448	0	128	0	0	960	96	852	608	444	444	916	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	3,264	0	0	0	0	0	0	0	0	0	0	1,632	0	1,632	0	0	0	0	0	0
SUBTOTAL EXPENSES	107,962	0	128	12,250	8,200	9,360	7,346	13,102	7,858	8,844	7,694	9,798	7,250	8,882	7,250	0	0	0	0	0
BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	107,962	0	128	12,250	8,200	9,360	7,346	13,102	7,858	8,844	7,694	9,798	7,250	8,882	7,250	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	7,585	0	0	1	84	139	202	252	340	393	453	505	571	620	680	729	654	654	654	654
TOTAL INCOME	44,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,000	0	0	0	33,000
CUMULATIVE BUDGET POSITION		0	-128	-12,378	-20,578	-29,938	-37,284	-50,386	-58,244	-67,088	-74,782	-84,580	-91,830	-100,712	-107,962	-96,962	-96,962	-96,962	-96,962	-63,962

MARGIN CALCULATIONS

LOAN OFFICER'S COMMENTS:

LOAN REPAYMENT MARGIN

MARGIN COVERAGE RATIO

BUDGET ACKNOWLEDGMENT

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

DATED: _____ SIGNED: _____

-71,547

-62%

[illegible]Sheldon (Home Ranch) Walnuts 2029 Budget

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma CROP YEAR: 2025

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT																				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	22,500			1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	1,500			750				750												
INSURANCE	0																			
CROP INSURANCE	950			950																
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150				1,150										
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	27,250	0	0	2,625	2,825	3,025	1,875	2,625	1,875	3,025	1,875	1,875	1,875	1,875	1,875	0	0	0	0	0
TOTAL PRE HARVEST EXPENSES	3,675	0	105	0	0	770	70	722	510	371	371	756	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	0
SUBTOTAL EXPENSES	33,375	0	105	2,625	2,825	3,795	1,945	3,347	2,385	3,396	2,246	3,856	1,875	3,100	1,875	0	0	0	0	0
BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	33,375	0	105	2,625	2,825	3,795	1,945	3,347	2,385	3,396	2,246	3,856	1,875	3,100	1,875	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	2,164	0	0	1	18	37	63	76	99	115	138	153	179	192	213	225	164	164	164	164
TOTAL INCOME	36,575	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,144	0	0	0	27,431
CUMULATIVE BUDGET POSITION		0	-105	-2,730	-5,555	-9,350	-11,295	-14,642	-17,027	-20,423	-22,669	-26,525	-28,400	-31,500	-33,375	-24,231	-24,231	-24,231	-24,231	3,200

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

LOAN OFFICER'S COMMENTS:

LOAN REPAYMENT MARGIN 1,036
MARGIN COVERAGE RATIO 3%

SIGNED: _____ DATED: _____

CROP BUDGET WORKSHEET - WALNUTS

BORROWER : Sukhraj S. Pamma

CROP YEAR: 2025

CROP SOLD TO:

2025 GROSS INCOME PROJECTION				
Parcel	Crop Description	Acres	Yield/Acre	Total Units
Chandlers	Walnuts	7.0	5500	38,500.0
Other		7.0		38,500.0
TOTALS				

PROJECTED INCOME CASH FLOW	
Projected Month of Receipt	% of Gross Received
AUG	
SEP	
OCT	
NOV	
DEC	
JAN	
FEB	
MAR	
DEF	
TOTAL	

CROP ECONOMIC SUMMARY	
Gross Income	\$36,575
Direct Expenses	-\$5,125
GROSS MARGIN	\$30,450
Attributed Indirects	-\$3,893
TOTAL EXPENSES	-\$33,375
NET MARGIN	\$3,200
ROI	9.59%
BREAKEVEN YIELD	35,132 lbs
BREAKEVEN PRICE	\$0.87 /lb

BUDGET COMMENTS	

ACRES	COST/ACRE	EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
PREHARVEST EXPENSES																						
7	20	WEED CONTROL/MOWING	140																			
7	10	PEST CONTROL - GOPHERS	70																			
7	100	PRUNING - 1/2 EVERY OTHER YEAR	700																			
7	10	BRUSH REMOVAL	70																			
7	90	FERTILIZER	630																			
7	60	WALNUT BLIGHT SPRAY	420																			
7	70	INSECT CONTROL - COILING MOTH	490																			
7	70	IRRIGATION-POWER	490																			
7	70	PEST CONTROL - MISC. INSECTS	490																			
7	10	WEEDS - IN SEASON STRIP SPRAY	70																			
7	15	WEEDS - DORMANT STRIP SPRAY	105																			
7	0	WINTER SANITATION - MUMMIES	0																			
7	0	LEAF ANALYSIS	0																			
7	7	OTHER	0																			
7	7	OTHER	0																			
7	525	TOTAL PREHARVEST EXPENSES	3,675	0	105	0	0	0	0	722	510	371	371	756	0	0	0	0	0	0	0	0
HARVEST EXPENSES																						
7	175	HARVEST WITH OWNED MACHINES	1,225																			
7		HARVEST CUSTOM HIRE	0																			
7		HAULING/FREIGHT	0																			
7	175	CUSTOM HULL, DRY & DELIVER	1,225																			
7	350	TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	0
7	875	TOTAL PH AND H EXPENSE	6,125	0	105	0	0	0	0	722	510	371	371	1,981	0	1,225	0	0	0	0	0	0
CROP INCOME																						
7	5,225	CROP INCOME	36,575																			
		OTHER INCOME (explain)	0															9,144				27,431
TOTAL INCOME																						
		TOTAL INCOME	36,575	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27,431

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma CROP YEAR: 2026

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	22,500			1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	1,500			750				750												
INSURANCE	0																			
CROP INSURANCE	950				950															
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150				1,150										
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	27,250	0	0	2,625	2,825	3,025	1,875	2,625	1,875	3,025	1,875	1,875	1,875	1,875	1,875	0	0	0	0	0
TOTAL PRE HARVEST EXPENSES	3,710	0	105	0	0	805	70	722	510	371	371	756	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	0
SUBTOTAL EXPENSES	33,410	0	105	2,625	2,825	3,830	1,945	3,347	2,385	3,396	2,246	3,856	1,875	3,100	1,875	0	0	0	0	0

BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	33,410	0	105	2,625	2,825	3,830	1,945	3,347	2,385	3,396	2,246	3,856	1,875	3,100	1,875	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	2,162	0	0	1	18	37	63	76	99	115	138	153	179	192	213	226	162	162	162	162
TOTAL INCOME	37,345	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,336	0	0	0	28,009
CUMULATIVE BUDGET POSITION		0	-105	-2,730	-5,555	-9,385	-11,330	-14,677	-17,062	-20,459	-22,704	-26,560	-28,435	-31,535	-33,410	-24,074	-24,074	-24,074	-24,074	3,935

MARGIN CALCULATIONS

LOAN OFFICER'S COMMENTS:

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

LOAN REPAYMENT MARGIN 1.773

MARGIN COVERAGE RATIO 5%

SIGNED: _____ DATED: _____

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma CROP YEAR: 2027

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	22,500			1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT #1	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	1,500			750				750												
INSURANCE	0																			
CROP INSURANCE	950				950															
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150														
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	27,250	0	0	2,625	2,825	3,025	1,875	2,625	1,875	3,025	1,875	1,875	1,875	1,875	1,875	0	0	0	0	0
TOTAL PRE HARVEST EXPENSES	3,752	0	112	0	0	812	70	724	515	376	376	768	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	0
SUBTOTAL EXPENSES	33,452	0	112	2,625	2,825	3,837	1,945	3,349	2,390	3,401	2,251	3,688	1,875	3,100	1,875	0	0	0	0	0

BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	33,452	0	112	2,625	2,825	3,837	1,945	3,349	2,390	3,401	2,251	3,688	1,875	3,100	1,875	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	2,162	0	0	1	18	38	63	77	99	115	138	153	180	192	213	226	162	162	162	162
TOTAL INCOME	37,730	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,433	0	0	0	28,298
CUMULATIVE BUDGET POSITION		0	-112	-2,737	-5,562	-9,399	-11,344	-14,693	-17,082	-20,483	-22,734	-26,602	-28,477	-31,577	-33,452	-24,020	-24,020	-24,020	-24,020	4,278

MARGIN CALCULATIONS

LOAN REPAYMENT MARGIN
MARGIN COVERAGE RATIO

2,116
6%

LOAN OFFICER'S COMMENTS:

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

DATED: _____

SIGNED: _____

CROP YEAR: 2027

CROP ECONOMIC SUMMARY		PER ACRE	
	TOTAL	TOTAL	PER ACRE
Gross Income	\$57,730	\$5,390	
Direct Expenses	\$6,202	\$866	
GROSS MARGIN	\$51,528	\$4,504	
Allocated Indirects	\$27,250	\$3,893	
TOTAL EXPENSES	\$33,452	\$4,779	
NET MARGIN	\$4,278	\$611	
ROI	12.79%	12.79%	
BREAK-EVEN YIELD	34,135 lbs	4,876 lbs	
BREAK-EVEN PRICE	\$0.87 /lb	\$0.87 /lb	

Budget - Walnuts 3/26/2025

INDIRECT EXPENSES AND TOTAL CROP BUDGET RECAP

BORROWER : Sukhraj S. Pamma CROP YEAR: 2028

INDIRECT EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
MANAGEMENT	0																			
REAL ESTATE PAYMENT -	22,500			1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875				
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
REAL ESTATE PAYMENT -	0																			
EQUIPMENT PAYMENT -	0																			
EQUIPMENT PAYMENT #2	0																			
EQUIPMENT PAYMENT #3	0																			
EQUIPMENT PAYMENT #4	0																			
EQUIPMENT PAYMENT #5	0																			
OTHER LOAN PAYMENTS	0																			
OTHER LOAN PAYMENTS	0																			
TAXES (PROPERTY, INCOME, OTHER)	1,500			750				750												
INSURANCE	0																			
CROP INSURANCE	950				950															
LAND RENT	0																			
REPAIRS & MAINTENANCE	2,300					1,150														
CAPITAL PURCHASES	0																			
OTHER	0																			
OTHER	0																			
OTHER	0																			
TOTAL INDIRECT EXPENSES	27,250	0	0	2,625	2,825	3,025	1,875	2,625	1,875	3,025	1,875	1,875	1,875	1,875	1,875	0	0	0	0	0
TOTAL PRE HARVEST EXPENSES	3,829	0	112	0	0	826	77	738	523	382	382	788	0	0	0	0	0	0	0	0
TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	0
SUBTOTAL EXPENSES	33,529	0	112	2,625	2,825	3,851	1,952	3,363	2,398	3,407	2,257	3,888	1,875	3,100	1,875	0	0	0	0	0
BUDGET ADJUSTMENTS																				
LESS: Borrower's Contribution	0																			
LESS: Borrower's Capital Contribution	0																			
LESS: Other Funds Supplied (Explain)	0																			
ADD: Capital Purchases, Etc. (Explain)	0																			
ADD: Other (Explain)	0																			
TOTAL ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FINANCING REQUIRED	33,529	0	112	2,625	2,825	3,851	1,952	3,363	2,398	3,407	2,257	3,888	1,875	3,100	1,875	0	0	0	0	0
INTEREST EXPENSE THIS BUDGET	2,165	0	0	1	18	38	64	77	99	116	139	154	180	193	214	226	162	162	162	162
TOTAL INCOME	38,115	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,529	0	0	0	28,586
CUMULATIVE BUDGET POSITION		0	-112	-2,737	-5,562	-9,413	-11,365	-14,728	-17,126	-20,534	-22,791	-26,679	-28,554	-31,654	-33,529	-24,000	-24,000	-24,000	-24,000	4,586

MARGIN CALCULATIONS

LOAN REPAYMENT MARGIN
MARGIN COVERAGE RATIO

2,421
7%

LOAN OFFICER'S COMMENTS:

This crop budget was produced based on information provided by the undersigned. I (we) understand that this budget is intended for the Bank's internal use only. I (we) have reviewed this budget and agree that it reflects a reasonable projection of income and expense for the crop year indicated.

DATED: _____

SIGNED: _____

CROP BUDGET WORKSHEET - WALNUTS

BORROWER : Sukhraj S. Pamma

CROP YEAR: 2028

CROP SOLD TO:

2028 GROSS INCOME PROJECTION								PROJECTED INCOME CASH FLOW					CROP ECONOMIC SUMMARY				BUDGET COMMENTS						
Parcel	Crop Description	Acres	Yield/Acre	Total Units	Net Share	Price	Income	Projected Month of Receipt	% of Gross Received	Projected \$ Amount to be Received						TOTAL	PER ACRE						
Chandlers	Walnuts	7.0	5500	38,500.0	100%	\$ 0.99	\$ 38,115	AUG								Gross Income	\$38,115	\$5,445					
Other								SEP								Direct Expenses	-\$6,279	-\$897					
								OCT							GROSS MARGIN	\$31,836	\$4,548						
								NOV							Attributed Indirects	-\$27,250	-\$3,893						
								DEC	25%	\$9,529				TOTAL EXPENSES	-\$33,529	-\$4,790							
								JAN						NET MARGIN	\$4,586	\$655							
								FEB						ROI	13.68%	13.68%							
								MAR						BREAKEVEN YIELD	33,868 lbs	4,838 lbs							
								DEF	75%	\$28,586				BREAKEVEN PRICE	\$0.87 /lb	\$0.87 /lb							
TOTALS																							

ACRES	COST/ACRE	EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
PREHARVEST EXPENSES																						
7	21	WEED CONTROL/MOWING	147							29	29	29	29	29								
7	11	PEST CONTROL - GOPHERS	77						77													
7	107	PRUNING - 1/2 EVERY OTHER YEAR	749					749														
7	11	BRUSH REMOVAL	77					77														
7	92	FERTILIZER	644																			
7	61	WALNUT BLIGHT SPRAY	427							322	141			322								
7	72	INSECT CONTROL - CODLING MOTH	504							286												
7	72	IRRIGATION-POWER	504							101	252		252	101								
7	72	PEST CONTROL - MISC. INSECTS	504								101	252		101								
7	12	WEEDS - IN SEASON STRIP SPRAY	84																			
7	16	WEEDS - DORMANT STRIP SPRAY	112		112																	
7	0	WINTER SANITATION - MUMMIES	0			0																
7	0	LEAF ANALYSIS	0							0	0	0	0									
7		OTHER	0																			
7		OTHER	0																			
7		OTHER	0																			
7	547	TOTAL PREHARVEST EXPENSES	3,829	0	112	0	0	826	77	738	523	382	382	788	0	0	0	0	0	0	0	0
HARVEST EXPENSES																						
7	175	HARVEST WITH OWNED MACHINES	1,225											1,225								
7		HARVEST CUSTOM HIRE	0													0						
7		HAULING/FREIGHT	0																			
7	175	CUSTOM HULL, DRY & DELIVER	1,225													1,225						
7	350	TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	0
7	897	TOTAL PH AND H EXPENSE	6,279	0	112	0	0	826	77	738	523	382	382	2,013	0	1,225	0	0	0	0	0	0
CROP INCOME																						
7	5,445	CROP INCOME	38,115															9,529				28,586
		OTHER INCOME (explain)	0																			
TOTAL INCOME			38,115	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,529	0	0	0	28,586
TOTAL				OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF

..... DATED: _____ SIGNED: _____

CROP BUDGET WORKSHEET - W A L N U T S

BORROWER : Sukhraj S. Pamma

CROP YEAR: 2029

CROP SOLD TO:

2029 GROSS INCOME PROJECTION								PROJECTED INCOME CASH FLOW					CROP ECONOMIC SUMMARY				BUDGET COMMENTS							
Parcel	Crop Description	Acres	Yield/Acre	Total Units	Net Share	Price	Income	Projected Month of Receipt	% of Gross Received	Projected \$ Amount to be Received	Gross Income	TOTAL	PER ACRE											
Chandlers	Walnuts	7.0	5500	38,500.0	100%	\$ 1.00	\$ 38,500	AUG			Gross Income	\$38,500	\$5,500											
								SEP			Direct Expenses	-\$6,342	-\$906											
								OCT			GROSS MARGIN	\$32,158	\$4,594											
								NOV			Attributed Indirects	-\$27,250	-\$3,893											
								DEC	25%	\$9,625	TOTAL EXPENSES	-\$33,592	-\$4,799											
								JAN			NET MARGIN	\$4,908	\$701											
								FEB			ROI	14.61%	14.61%											
								MAR			BREAKEVEN YIELD	33,592 lbs	4,799 lbs											
								DEF	75%	\$28,875	BREAKEVEN PRICE	\$0.87 /lb	\$0.87 /lb											
TOTALS		7.0		38,500.0			\$ 38,500	TOTAL	100%	\$38,500														

ACRES	COST/ACRE	EXPENSE DESCRIPTION	TOTAL	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF
PREHARVEST EXPENSES																						
7	22	WEED CONTROL/MOWING	154							31	31	31	31	31								
7	12	PEST CONTROL - GOPHERS	84						84													
7	108	PRUNING - 1/2 EVERY OTHER YEAR	756					756														
7	12	BRUSH REMOVAL	84					84														
7	92	FERTILIZER	644							322				322								
7	62	WALNUT BLIGHT SPRAY	434							291	143											
7	73	INSECT CONTROL - CODLING MOTH	511								256		256									
7	73	IRRIGATION-POWER	511							102	102	102	102	102								
7	73	PEST CONTROL - MISC. INSECTS	511									256		256								
7	13	WEEDS - IN SEASON STRIP SPRAY	91											91								
7	16	WEEDS - DORMANT STRIP SPRAY	112		112																	
7	0	WINTER SANITATION - MUMMIES	0			0																
7	0	LEAF ANALYSIS	0							0	0	0	0									
7		OTHER	0																			
7		OTHER	0																			
7		OTHER	0																			
7	556	TOTAL PREHARVEST EXPENSES	3,892	0	112	0	0	840	84	746	532	389	389	802	0	0	0	0	0	0	0	
HARVEST EXPENSES																						
7	175	HARVEST WITH OWNED MACHINES	1,225											1,225								
7		HARVEST CUSTOM HIRE	0													0						
7		HAULING/FREIGHT	0											0								
7	175	CUSTOM HULL, DRY & DELIVER	1,225													1,225						
7	350	TOTAL HARVEST EXPENSES	2,450	0	0	0	0	0	0	0	0	0	0	1,225	0	1,225	0	0	0	0	0	
7	906	TOTAL PH AND H EXPENSE	6,342	0	112	0	0	840	84	746	532	389	389	2,027	0	1,225	0	0	0	0	0	
CROP INCOME																						
7	5,500	CROP INCOME OTHER INCOME (explain)	38,500 0															9,625			28,875	
TOTAL INCOME			38,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,625	0	0	28,875	
TOTAL				OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	DEF

West Liberty Property Projections											
2025			2026			2027			2028		
Rental Income	\$	36,000.00	Rental Income	\$	36,000.00	Rental Income	\$	36,000.00	Rental Income	\$	36,000.00
Taxes	\$	424.26	Taxes	\$	424.26	Taxes	\$	424.26	Taxes	\$	424.26
Insurance	\$	2,400.00	Insurance	\$	2,400.00	Insurance	\$	2,400.00	Insurance	\$	2,400.00
Mortgage	\$	30,000.00	Mortgage	\$	30,000.00	Mortgage	\$	30,000.00	Mortgage	\$	30,000.00
Net Income	\$	3,175.74	Net Income	\$	3,175.74	Net Income	\$	3,175.74	Net Income	\$	3,175.74

Pamma Law Firm
Profit & Loss Plus Projections

	Cash Basis	Projected	Projected	Projected	Projected	Projected
	Jan - Dec 24	Jan - Dec 25	Jan - Dec 26	Jan - Dec 27	Jan - Dec 28	Jan - Dec 29
Ordinary Income/Expense						
Income						
Legal Fee Income	\$ 40,125.00	\$ 50,000.00	\$ 55,000.00	\$ 60,000.00	\$ 65,000.00	\$ 70,000.00
Paralegal Services	\$ 1,500.00	\$ 1,750.00	\$ 1,800.00	\$ 1,850.00	\$ 1,900.00	\$ 1,950.00
Refunds	\$ 872.77	\$ 500.00	\$ 525.00	\$ 550.00	\$ 575.00	\$ 600.00
Total Income	\$ 42,497.77	\$ 52,250.00	\$ 57,325.00	\$ 62,400.00	\$ 67,475.00	\$ 72,550.00
Expense						
Bank Service Charges	\$ 58.00	\$ 59.16	\$ 60.34	\$ 61.55	\$ 62.78	\$ 64.04
Client Costs	\$ 552.00	\$ 563.04	\$ 574.30	\$ 585.79	\$ 597.50	\$ 609.45
Dues and Subscriptions	\$ 296.00	\$ 301.92	\$ 307.96	\$ 314.12	\$ 320.40	\$ 326.81
Insurance Expense	\$ 925.97	\$ 944.49	\$ 963.38	\$ 982.65	\$ 1,002.30	\$ 1,022.35
Office Expense	\$ 2,614.35	\$ 2,666.64	\$ 2,719.97	\$ 2,774.37	\$ 2,829.86	\$ 2,886.45
Postage and Delivery	\$ 300.00	\$ 306.00	\$ 312.12	\$ 318.36	\$ 324.73	\$ 331.22
Printing and Reproduction	\$ 174.59	\$ 178.08	\$ 181.64	\$ 185.28	\$ 188.98	\$ 192.76
Records Destruction	\$ 127.68	\$ 130.23	\$ 132.84	\$ 135.50	\$ 138.20	\$ 140.97
Rent	\$ -	\$ 18,000.00	\$ 18,360.00	\$ 18,727.20	\$ 19,101.74	\$ 19,483.78
Research Services	\$ 819.20	\$ 835.58	\$ 852.30	\$ 869.34	\$ 886.73	\$ 904.46
Telephone Expense	\$ 589.50	\$ 601.29	\$ 613.32	\$ 625.58	\$ 638.09	\$ 650.86
Total Expense	\$ 6,457.29	\$ 24,586.44	\$ 25,078.16	\$ 25,579.73	\$ 26,091.32	\$ 26,613.15
Net Ordinary Income	\$ 36,040.48	\$ 27,663.56	\$ 32,246.84	\$ 36,820.27	\$ 41,383.68	\$ 45,936.85
Net Income	\$ 36,040.48	\$ 27,663.56	\$ 32,246.84	\$ 36,820.27	\$ 41,383.68	\$ 45,936.85

Exhibit B

(Liquidation Analysis)

<u>ASSETS</u>	<u>Liquidation Value</u>	<u>Notes</u>
Cash	\$ -	
Interests in Farming Entities	\$ -	See Disclosure Statement Section II.D.1.
7 Acres of Walnuts (APN 09-211-010)	\$ 245,000	See Disclosure Statement Section II.D.2.
7840 Lyon Street, Sutter, California	\$ 500,000	See Disclosure Statement Section II.D.2.
8 Acres of Walnuts and Residence (APN 09-211-030)	\$ 750,000	See Disclosure Statement Section II.D.2.
5 Acres and Shop Buildings (APN 021-160-051)	\$ 300,000	See Disclosure Statement Section II.D.2.
Estate Causes of Action	\$ -	See Disclosure Statement Section II.D.3.
Personal Property	\$ -	See Disclosure Statement Section II.D.4.
TOTAL LIQUIDATION VALUE OF ASSETS	\$ 1,795,000	
<u>LIABILITIES</u>		
Chapter 11 Administrative Expenses	\$ 500,000	Includes Fee Claims and post-Petition ordinary course of business
Chapter 7 Trustee Commissions	\$ 93,000	
Chapter 7 Administrative Expenses	\$ 50,000	
Harrison Revocable Trust Claim	\$ 225,000	Lien on 7 Acres of Walnuts (APN 09-211-010)
Wells Fargo Bank N.A.	\$ 379,939	7840 Lyon Street, Sutter, California
Regis Bear Inc.	\$ 750,000	Lien on 8 Acres of Walnuts and Residence (APN 09-211-030)
Dave Thomas, CPA	\$ 225,000	Lien on 5 Acres and Shop Buildings (APN 021-160-051)
Butte County Tax Collector	\$ 18,327	Lien on 5 Acres and Shop Buildings (APN 021-160-051)
Sutter County Tax Collector	\$ 50,000	Lien on APN 09-211-010, APN 06-370-005 and APN 09-211-030
Priority Claims	\$ 71,850	Priority Tax Claim of Internal Revenue Service
TOTAL ADMIN, SECURED & PRIORITY LIABILITIES	\$ 2,363,116	
TOTAL AVAILABLE FOR UNSECURED CREDITORS	\$ (568,116)	