

UNITED STATES BANKRUPTCY COURT
For the Northern District of Iowa

CERTIFICATE OF TRUE COPY

I do hereby certify that the attached copy of 37 pages
of documents in the case No. 86-00891C of CHARLES E. SMOLDT
and DARLENE A. SMOLDT,

debtor(s), have been compared with the original thereof
and that it is a complete and correct copy of such original
as it appears of record and on file in the office of the
Clerk of this Court.

In testimony whereof I have hereunto set my hand this 20th
day of November, 1987.



(Seal of the U.S. Bankruptcy Court)

Clerk of Bankruptcy Court
Northern District of Iowa

By: *Maria L. Richards*
Deputy Clerk

913
FILED NO. _____
BOOK 38 PAGE 129

1987 NOV 24 AM 10:02

MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Fee \$180.00

DUMBAUGH AND CHILDERS, P.C.

Attorney for Petitioner

Suite 950 - The Center

Address

Cedar Rapids, IA 52401

City

State

Zip

(319) 362-6063

Telephone Number

U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

2:40 PM
APR 16 1986

Clerk's Stamp

BARBARA A. EVERLY, CLERK
By: Rhonda Kinder
DEPUTY

UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF IOWA

In re
CHARLES E. SMOLDT 485-50-7641
and
DARLENE A. SMOLDT 485-46-5604

Case No. 86-00891C

Debtor

Set forth all names including trade names used by Debtor within the last six years.

Social Security No. _____

Debtor's Employer's Identification No. _____

VOLUNTARY PETITION UNDER CHAPTER ELEVEN

Individual Husband and Wife Corporation Partnership

1. Petitioner's mailing address, including county, is RR #1, Box 51, Grundy Center, IA 50638
Tama County

2. Petitioner (1) Have resided at the above address for the
(2) Preceding 180 days

3. Petitioners are qualified to file this petition and are entitled to the benefits of Title Eleven, United States Code as a voluntary debtor.

4. If petitioner is an individual whose debts are primarily consumer debts. Petitioner is aware that they may proceed under Chapter 7 or 13 of Title 11, United States Code, understands the relief available under such chapter, and chooses to proceed under Chapter 11 of such title.

5. If petitioner is an individual whose debts are primarily consumer debts and such petitioner is represented by an attorney. A declaration or an affidavit in the form of Exhibit B is attached to and made a part of this petition.

7. A copy of petitioner's proposed plan dated the _____ is attached.
 Petitioner intends to file a plan pursuant to Chapter Eleven of Title Eleven, United States Code.

Wherefore, Petitioner prays for relief in accordance with Chapter Eleven, United States Code.

Petitioner signs if not represented by an attorney

CHARLES E & DARLENE A. SMOLDT

Petitioner

BY


Attorney for Petitioner

R. FRED DUMBAUGH

Suite 950, The Center
Address

Cedar Rapids, IA 52401

City

State

Zip

(1) Insert "has resided" or "has had his domicile" or "has had his principal place of business" or "has had his principal assets within this district."
(2) Insert "for the preceding 180 days" or "for a longer portion of the preceding 180 days than in any other district."

UNSWORN DECLARATION UNDER FENALTY OF PERJURY OF INDIVIDUALS TO PETITION

I or we CHARLES E. & DARLENE A. SMOLDT the petitioners named in the foregoing petition declare under penalty of perjury that the foregoing is true and correct.

Executed on April 10, 1986

Charles E. Smoldt
Signature

Darlene A. Smoldt
Signature

UNSWORN DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION

I _____ the _____ or an authorized agent of the corporation named as petitioner in the foregoing petition, declare under penalty of perjury that the foregoing is true and correct and the filing of this petition on behalf of the corporation has been authorized.

Executed on _____

Signature

UNSWORN DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A PARTNERSHIP

I _____ a member or an authorized agent of the partnership named as petitioner in the foregoing petition declare under penalty of perjury that the foregoing is true and correct and that the filing of this petition on behalf of the partnership has been authorized.

Executed on _____

Signature

10
(Land resold to another who assumed Barrick contract)

Parcel XIX

-0-

Undivided 1/2 interest in 80A more or less, Fillmore County, Minnesota, to-wit:

East One-half Southwest Quarter Section Eighteen Township 101 North Range 11 West

(Federal Land Bank - 3/77 - Sold to Richard A. Lamon

Parcel XX 488A

273,600.

1/2 = 136,800.

1/2 interest as stockholder in Robert S. Plager & Sons, Inc., in 488A more or less situated in Grundy County, Iowa, To-wit:

NW1/4 Sec. 17; E1/2 of NE1/4 Sec. 18; SE1/4 SE1/4 Sec 7; S 104 acres of SE1/4 and S 104 acres of SW1/4 Sec 8 all in Twp 87 N R 17 W of the 5th P.M. Grundy County, Iowa

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JUN 24 1986

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA

BARBARA A. EVERLY, CLERK

IN RE:) Chapter 11
CHARLES E. SMOLDT and) Bankruptcy No. 86-00891C
DARLENE A. SMOLDT,) AMENDMENT TO MATRIX and SCHEDULES
Debtors.) A-2, A-3, B-1, and B-2
)

COME NOW the Debtors, through counsel, and amend the Matrix, Schedules A-2, A-3, B-1, and B-2, previously filed in this proceeding as follows:

1. Debtors add to the Matrix as follows:

✓ Better Dozing Service, Inc. ✓ Donald G. Juhl
an Iowa corporation 616 "J" Avenue
402 Jackson Street Box 25
Tama, IA 52339 Nevada, IA 50201

2. Debtors change Schedule A-2, Creditors Holding Security, as follows:

At Item #9, Mr. and Mrs. Robert Gesell, Debtors change the incorrect figure of \$6,660.00 to the correct figure of \$6,600.00.

At Item #10, Don Willms, d/b/a W & S Land Company, Debtors add: Contingent Liability Pursuant to 1982 Severance Agreement providing Debtors shall be required to purchase certain grain storage facility from said creditor in the event W & L Land discontinued use of said facility. Amount Unknown
Value Unknown

3. Debtors change Schedule A-3, Creditors Having Unsecured Claims Without Priority, as follows:

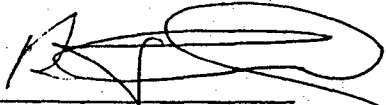
ADD

Creditor:	Description	Amount of Claim:
✓ Better Dozing Service, Inc. an Iowa corporation 402 Jackson Street Tama, IA 52339	Disputed bill for dozer work on a farm south of Traer	\$4,300.00 [P] \$3,803.00 [I]

WHEREFORE, the Debtors pray as originally represented in the Petition.

Respectfully submitted,

o DUMBAUGH AND CHILDERS, P.C.

BY: 

ONE OF THEIR ATTORNEYS
Suite 950 - The Center
Cedar Rapids, IA 52401
Attorneys for Debtors

We, Charles E. Smoldt and Darlene A. Smoldt, declare under penalty of perjury that we have read the foregoing Amendment to Matrix and Schedules A-2, A-3, B-1, and B-2, and that it is true and correct to the best of our knowledge, information and belief.

Executed this 22 day of June, 1986.

x Charles E. Smoldt
CHARLES E. SMOLDT

x Darlene A. Smoldt
DARLENE A. SMOLDT

CERTIFICATE OF SERVICE


I hereby certify that a copy of this document on which this appears (with any enclosures) was mailed the date indicated below to all creditors and parties-in-interest herein, as required by the Bankruptcy Code and Rules, by the offices of Dumbaugh and Childers, P.c.

Dated: June 24, 1986 By: Jae Ellen Hoover

Copy mailed to:
Atty. for Debtor
(with copy B.R. 1009)

JUL 02 1986 *dan*

*7-31-86
added to
matrix
HAR*

 Copy handed to
filing attorney
on date filed

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FILED
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF IO

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA

BARBARA A. EVERLY, CLE

IN RE:)
)
CHARLES E. SMOLDT and) Chapter 11
DARLENE A. SMOLDT,) Bankruptcy No. 86-00891C
)
) RECAST PLAN OF REORGANIZATION
Debtors)

Debtors propose the following Recast Plan of Reorganization incorporating herein the First Amended and Substituted Plan of Reorganization filed February 4, 1987 and the First Amendment to the First Amended and Substituted Plan of Reorganization filed June 10, 1987, as well as all appropriate amendments to these documents.

ARTICLE I

DEFINITIONS

For purposes of the Plan, the following terms shall have the respective meanings hereinafter set forth:

1.01 "ACCOUNTING PRINCIPLES" shall mean generally accepted accounting principles applied by Debtor with respect to its financial statements.

1.02 "ADMINISTRATIVE CLAIMS" shall mean any cost or expense of the administration of a Chapter 11 case entitled to priority in accordance with the provisions of Sections 364(c)(1), 503(d), and 507(a)(1) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the Debtors' estate and operating the Debtors' business, all compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Code, and any fees or charges assessed against the Debtors' estate under Chapter 123 of Title 28 of the United States Code.

1.03 "AFFILIATE" with reference to any person shall mean a spouse of such person, any relative (by blood, adoption or marriage) of such person within the third degree, any director, officer or employee and any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such person and any affiliate of any of the foregoing. The term "control" means the possession, directly or indirectly of the power to direct or cause the direction of the management policies of the person, whether through the ownership of securities, by contract, or otherwise.

1.04 "ALLOWED CLAIM" shall mean a claim (a) in respect of which a proof of claim has been filed with the court within the applicable period of limitation or (b) scheduled in the list of

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creditors prepared and filed with the court pursuant to Rule 1007(b) and not listed as disputed, contingent or unliquidated as to amount; in either case as to which no objection to the allowance thereof has been interposed within any applicable period of limitation or an order of the court, as to which any such objection has been determined by an order or judgment which is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending.

1.05 "ALLOWED INTEREST" shall mean an interest (a) in respect of which a proof of interest has been filed with the court within the applicable period of limitation or (b) scheduled in the list of equity security holders prepared and filed with the court pursuant to Rule 1007(b), in either case as to which no objection to the allowance thereof has been interposed within any applicable period of limitation or an order of the court, or as to which any such objection has been determined by an order or judgment which is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending.

1.06 "ALLOWED SECURED CLAIM" shall mean an allowed claim secured by a lien, security interest or other charge against or interest in property which the Debtor has an interest, or which is subject to setoff under Section 553 of the Code, to the extent of the value (determined in accordance with Section 506(a) of the Code) of the interest of the holder of such allowed claim in the Debtor's interest in such property or to the extent of the amount subject to such setoff, as the case may be.

1.07 "ALLOWED SMALL CLAIM" shall mean an allowed claim (a) the amount of which (prior to any subdivision or assignment thereof after the Petition date) is not more than \$200.00 or (b) the holder of which has irrevocably elected prior to the Confirmation Date to reduce the amount thereof to \$200.00 and to have such allowed claim included in the Class for such "Allowed Small Claims" by indicating such election on the form utilized for purposes of acceptance or rejection of the Plan.

1.08 "CLAIM" shall mean any right to payment, or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, against Debtor in existence on or as of the Petition date, whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, secured or unsecured.

1.09 "CLASS" shall mean any class into which allowed claims or allowed interests are classified pursuant to Article II and III of this Plan.

1.10 "CLASS 1 CLAIMS THROUGH CLASS 14 CLAIMS", shall mean the allowed claims so classified in Section 2.02 through Section 2.26, respectively.

1.11 "CODE" shall mean the Bankruptcy Code, 11 U.S.C. Section 101 et seq., and any amendments thereto.

1.12 "CONFIRMATION DATE" shall mean the date upon which the order of confirmation is entered by the court.

1.13 "COURT" shall mean the United States Bankruptcy Court for the District in which the Debtor's Chapter 11 case, pursuant to which the Plan is proposed, is pending, and any court having competent jurisdiction to hear appeals or certiorari proceedings therefrom.

1.14 "DEBTOR" shall mean the Debtor or Debtors in this Chapter 11 case.

1.15 "DISTRIBUTION ACCOUNT" shall mean the consideration to be distributed to holders of allowed claims and allowed interests on the distribution date (and the corresponding consideration payable to holders of claims and interests which have not been allowed as of the distribution date) and any account or accounts into which such consideration has been deposited.

1.16 "DISTRIBUTION DATE" shall mean the date upon which the order of confirmation is no longer subject to appeal or certiorari proceeding, on which date no such appeal or certiorari proceeding is then pending and on which date all of the conditions to the effectiveness of the Plan expressly set forth in the Plan have been satisfied fully or effectively waived.

1.17 "EVENT OF DEFAULT" shall mean any event described in Section 5.01.

1.18 "FISCAL YEAR" shall mean the fiscal year of the Debtor, which is the twelve (12) month period ending December 31 unless specifically otherwise shown in the contents of the Plan hereafter set forth.

1.19 "INDEBTEDNESS" as applied to any person shall mean:

(a) all indebtedness or other obligations of the person for borrowed money or for the deferred purchase price of property or services;

(b) all indebtedness of the person, contingent, direct or otherwise, secured (or for which the holder of such indebtedness has an existing right contingent or otherwise to be secured) by any mortgage, pledge, lien, security interest or vendors interest under any conditional sale or other title retention agreement existing on any property or asset owned or held by the person, whether or not the indebtedness secured thereby shall have been assumed by the person (hereinafter "Secured"); or

(c) all indebtedness of others, secured or unsecured, directly or indirectly guaranteed, endorsed, or discounted with recourse by the person, or in respect of which the person is otherwise directly or indirectly liable, including without limitation, indebtedness in effect guaranteed by the person through any agreement (contingent or otherwise) to purchase, repurchase or otherwise acquire such indebtedness or any security therefore, or to provide funds for the payment or discharge of such indebtedness or of any other liability of the obligor of such indebtedness (whether in the form of loans, advances or otherwise), or to maintain the solvency or any balance sheet or other financial condition of the obligor of such indebtedness, or to make payments for any products, materials or supplies or for any transportation or services regardless of the non-delivery or non-furnishing thereof.

1.20 "INTEREST" shall mean the interest in the Debtors of a holder of stock issued by Debtor or of a holder of an ownership interest in a partnership of Debtor.

1.21 "ORDER OF CONFIRMATION" shall mean the order entered by the court confirming the Plan in accordance with the provisions of Chapter 11 of the Code, which order is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending.

1.22 "PERSON" shall mean an individual, corporation, partnership, joint venture, trust, estate, unincorporated organization, or a government or any agency or political sub-division thereof.

1.23 "PETITION DATE" or "FILING DATE" shall mean the date of the filing of the Petition herein.

1.24 "PLAN" shall mean this Chapter 11 Plan, as amended, in accordance with the terms hereof or modified in accordance with the Code.

1.25 "PLAN DEBT" shall have the meaning specified hereafter in Article III.

1.26 "PROHIBITED TRANSACTION" shall have the meaning given such term in Section 4975 of the Internal Revenue Code of 1954, as amended.

1.27 "PRO-RATA" shall mean with respect to any holder of Plan Debt in the same proportion that the amount of such holder's Plan Debt bears to the aggregate amount of the Plan Debt.

1.28 "RULES" shall mean the Bankruptcy Rules as amended and local Bankruptcy Rules as adopted by the court.

ARTICLE IICLASSIFICATION OF CLAIMS AND INTERESTS

The claims and interests are classified as follows:

2.01 Unclassified claims shall be administrative claims for which application or allowance has been filed prior to the distribution date or such other date or dates as the court determines, as the same are allowed, approved and ordered paid by the court, post-petition claims of governmental units as defined in 11 U.S.C. §507(a)(7), and post-petition claims of unsecured creditors arising in the ordinary course of the Debtors' business.

2.02 CLASS 1 CLAIMS. Class 1 claims shall be the claims entitled to priority under 11 U.S.C. §507(a)(3), (4), (5), and (6) as the same are allowed by order of court or operation of law.

2.03 CLASS 2 CLAIMS. Class 2 claims shall be tax claims entitled to priority pursuant to 11 U.S.C. §507(a)(7) and all other claims for payment of taxes to any governmental body, for which a timely proof of claim is filed or which are properly scheduled by the Debtor as non-contingent, liquidated and non-disputed claims, as and to the extent that they are allowed, approved and ordered to be paid by the court.

2.04 CLASS 3 CLAIMS. Class 3 claims shall be the allowed secured claim of Hawkeye Bank and Trust, secured by machinery and equipment, certain farm products, and other miscellaneous security including proceeds of farm products. The allowed secured claim of Hawkeye Bank and trust is further secured by a second "mortgage" lien, granted by virtue of a deed of trust, in Parcel 1, as shown in Debtors' schedules, which is a piece of real estate located in Tama county, Iowa, consisting of 154 acres, more or less, by a second "mortgage" lien, granted by virtue of a deed of trust, in Debtors' one-half (1/2) undivided interest in Parcel 3, as shown in Debtors' schedules, which is a parcel of real estate located in Grundy County, Iowa, consisting of 253 acres, more or less, and by a second "mortgage" lien, granted by virtue of a deed of trust, in Parcel 8, as shown in Debtors' schedules, which is a parcel of real estate located in Grundy County, Iowa, consisting of 72 acres, more or less.

2.05 CLASS 4 CLAIMS. Class 4 claims shall be the allowed secured claim of the Bank of Oklahoma, secured by a second mortgage on Debtors' undivided one-half (1/2) interest in and to Parcel 2 as shown on Debtors' schedules, which is a parcel of real estate located in Decatur County, Iowa, consisting of 290 acres more or less, and a second mortgage on Debtors' undivided one-half (1/2) interest in and to Parcel 4, as shown on Debtors' schedules, which is a parcel of real estate located in Madison

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County, Iowa, consisting of 312 acres more or less. The allowed secured claim of the Bank of Oklahoma is further secured by a "blanket" security interest, second to Hawkeye Bank and Trust, in farm products.

2.06 CLASS 5 CLAIMS. Class 5 claims shall be the allowed secured claim of The Travelers Insurance Company, secured by a first mortgage in Parcel 1 as shown in Debtors' schedules, which is a piece of real estate located in Tama County, Iowa, consisting of 154 acres more or less.

2.07 CLASS 6 CLAIMS. Class 6 claims shall be the allowed secured claim of The Travelers Insurance Company, secured by a first mortgage on Debtors' one-half (1/2) undivided interest in Parcel 5 as shown in the Debtors' schedules, which is a parcel of real estate located in Taylor County, Iowa, consisting of 160 acres more or less.

2.08 CLASS 7 CLAIMS. Class 7 claims shall be the allowed secured claim of The Travelers Insurance Company, secured by a first mortgage on Debtors' undivided one-half (1/2) interest in and to Parcel 2 as shown on Debtors' schedules, which is a parcel of real estate located in Decatur County, Iowa, consisting of 290 acres more or less.

2.09 CLASS 8 CLAIMS. Class 8 claims shall be the allowed secured claim of The Travelers Insurance Company, secured by a first mortgage on Debtors' undivided one-half (1/2) interest in and to Parcel 3 as shown on Debtors' schedules, which is a parcel of real estate located in Grundy County, Iowa, consisting of 253 acres more or less.

2.10 CLASS 9 CLAIMS. Class 9 claims shall be the allowed secured claim of The Travelers Insurance Company, secured by a first mortgage on Debtors' undivided one-half (1/2) interest in and to Parcel 4 as shown on Debtors' schedules, which is a parcel of real estate located in Madison County, Iowa, consisting of 312 acres more or less.

2.11 CLASS 10 CLAIMS. Class 10 claims shall be the allowed secured claim of Cerne, Brown, Ltd., secured by a security interest in certain 1985 crops owned by Debtors.

2.12 CLASS 11 CLAIMS. Class 11 claims shall be the allowed secured claims of CRC Farms, Francis Smoldt, the Eldon Smoldt Estate, and Mr. and Mrs. Robert Gesell, secured by landlord liens in certain 1985 crops owned by the Debtors.

2.13 CLASS 12 CLAIMS. Class 12 claims shall be the allowed secured claim of Bru-Bet Arabians, Inc., secured by a purchase money security interest in a filly horse.

2.14 CLASS 13 CLAIMS. Class 13 claims shall be the allowed secured claim of the Commodity Credit Corporation, secured by a

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 perfected security interest in three (3) augers, a dryer, and a wet holding tank located in Grundy County, Iowa.

2.15 CLASS 14 CLAIMS. Class 14 claims shall be the allowed secured claim of the Commodity Credit Corporation, secured by a perfected security interest in a grain bin located in Tama County, Iowa.

2.16 CLASS 15 CLAIMS. Class 15 claims shall be the allowed secured claim of John Deere Company, secured by a purchase money security interest in a Model 7000 planter, grain head and Model 6600 gas combine.

2.17 CLASS 16 CLAIMS. Class 16 claims shall be the allowed secured claim of Parkersburg State Bank, secured by a first mortgage on Parcel 8 as shown in the Debtors' schedules, which is a parcel of real estate owned by the Debtors and located in Grundy County, Iowa, consisting of 72 acres more or less. The allowed secured claim of Parkersburg State Bank is further secured by a second mortgage on Debtors' one-half (1/2) undivided interest in Parcel 3 as shown on Debtors' schedules, which is a parcel of real estate located in Grundy County, Iowa, consisting of 253 acres more or less, and a second mortgage on Debtors' one-half (1/2) undivided interest in Parcel 7 as shown on Debtors' schedules, which is a parcel of real estate located in Madison County, Iowa, consisting of 53 acres more or less.

2.18 CLASS 17 CLAIMS. Class 17 claims shall be the allowed secured claim of The Mutual Benefit Life Insurance Company, secured by a first mortgage on Debtors' one-half (1/2) undivided interest in Parcel 7, as shown on Debtors' schedules, which is a parcel of real estate located in Madison County, Iowa, consisting of 53 acres more or less.

2.19 CLASS 18 CLAIMS. Class 18 claims shall be the allowed secured claim of John and Marjory Holmes, secured by an installment sale contract, in which the Debtors' hold a one-half (1/2) undivided interest, for the sale of Parcel 14, as shown in the Debtors' schedules, which is parcel of real estate located in Tama County, Iowa, consisting of 320 acres more or less.

2.20 CLASS 19 CLAIMS. Class 19 claims shall be the allowed secured claim of Emma White, secured by an installment sale contract, in which the Debtors' hold a one-half (1/2) undivided interest, for the sale of Parcel 11, as shown in the Debtors' schedules, which is parcel of real estate located in Page County, Iowa, consisting of 160 acres more or less.

2.21 CLASS 20 CLAIMS. Class 20 claims shall be the allowed secured claim of D. L. Boswell & Sons, Inc., secured by an installment sale contract, in which the Debtors' hold a one-half (1/2) undivided interest, for the sale of Parcel 9, as shown in the Debtors' schedules, which is parcel of real estate located in Taylor County, Iowa, consisting of 480 acres more or less.

2.22 CLASS 21 CLAIMS. Class 21 claims shall be the allowed secured claim of Sam and Zanita Zwitzer, secured by an installment sale contract, in which the Debtors' hold a one-half (1/2) undivided interest, for the sale of Parcel 16, as shown in the Debtors' schedules, which is parcel of real estate located in Taylor County, Iowa, consisting of 320 acres more or less.

2.23 CLASS 22 CLAIMS. Class 22 claims shall be the allowed secured claim of John and Constance Ringgenberg, secured by an installment sale contract, in which the Debtors' hold a one-half (1/2) undivided interest, for the sale of Parcel 12, as shown in the Debtors' schedules, which is parcel of real estate located in Madison County, Iowa, consisting of 217 acres more or less.

2.24 CLASS 23 CLAIMS. Class 23 claims shall be the allowed secured claim of the Commodity Credit Corporation, secured by a perfected security interest in 1985 sealed corn.

2.25 CLASS 24 CLAIMS. Class 24 claims shall be the allowed secured claim of the Commodity Credit Corporation, secured by a perfected security interest in 1984 reserve corn.

2.26 CLASS 25 CLAIMS. Class 25 claims shall be the allowed claims other than Classes 1 through 24.

ARTICLE III

TREATMENT OF CLAIMS AND INTERESTS

3.01 UNCLASSIFIED AND CLASS I CLAIMS. Except as otherwise agreed to by the holder of an unclassified claim entitled to priority or a holder of a Class 1 claim, the holders of unclassified claims and Class 1 claims shall be paid in cash and in full from the Debtors' cash on hand on the Plan Distribution Date, or as soon thereafter as is reasonably practical, and when their claims are allowed and ordered paid by the court, except that unclassified claims of trade creditors and current employees will be paid in the ordinary course of the Debtors' business.

3.02 CLASS 2 CLAIMS. The Class 2 creditor shall be paid in full by receiving seventy-two (72) equal monthly payments of blended principal with interest at ten percent (10%) simple interest, with payment beginning 90 days after the distribution date.

3.03 CLASS 3 CLAIMS. The allowed secured claim of Hawkeye Bank and Trust Company shall be paid as follows:

(a) The allowed secured claim of Hawkeye Bank and Trust Company shall be based solely on the value of the personalty securing this claim which is described in Paragraph 2.04 above, as the Debtors have determined, based on appraisals obtained shortly after filing and

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 subsequently updated, that there is no equity in the parcels of real estate securing this claim after accounting for the superior interests in the subject realty of the Class 5, 8, and 16 claimants. Accordingly, this claimant's subordinated interests in Parcels 1, 3 and 8, as shown in Debtors' schedules, are avoided pursuant to the authority of 11 U.S.C. §506(d).

(b) The allowed secured claim of Hawkeye Bank and Trust Company has been satisfied in full by virtue of Debtors' voluntary turnover to the Bank of all non-exempt machinery and equipment securing this claim, as well as the turnover of the proceeds from the sale of the remaining collateral securing this claim.

(c) Any claim held by Hawkeye Bank and Trust Company which was not satisfied by the voluntary turnover of the collateral securing this claim, shall be treated as a Class 25 claim.

(d) This claim is "impaired" pursuant to the definition of §1124 of the Bankruptcy Code.

3.04 CLASS 4 CLAIMS. The claim of the Bank of Oklahoma is secured by a second mortgage on two pieces of real estate which are secured to the Travelers Insurance Company by first mortgages, and by a "blanket" security interest, which is second to Hawkeye Bank and Trust Company, on farm products. The encumbrance of the Travelers Insurance Company upon the aforesaid parcels of real estate greatly exceed the value of the real estate. Likewise, the encumbrance of Hawkeye Bank and Trust Company upon the aforesaid farm products greatly exceeds the value of the farm products. Therefore, the claim of the Bank of Oklahoma is considered by the Debtors to be totally unsecured and shall be treated as a Class 25 claim.

3.05 CLASS 5 CLAIMS. The Class 5 allowed secured claim of The Travelers Insurance Company shall be paid in full as follows:

(a) By agreement of the parties, the allowed secured claim shall be \$185,000.00.

(b) From and after the date of confirmation, the unpaid balance of the allowed secured claim shall accrue interest at the rate of ten and one-half percent (10.50%).

(c) Interest accruing from the date of confirmation through May 1, 1988 shall be paid on May 1, 1988.

(d) After the payment of interest as specified in 3.05(c), interest accrued on the unpaid balance of the allowed secured claim shall be payable semi-annually, on the first of May and first of November, beginning on

November 1, 1988, and continuing thereafter until November 1, 2002.

(e) Commencing on November 1, 1988, and annually thereafter for fifteen (15) total installments, the Debtors shall pay to the creditor a fixed principal reduction amount of \$5,550.00 which represents three percent (3%) of the original allowed secured claim amount.

(f) On November 1, 2002, the Debtors shall pay the remaining allowed secured claim balance plus interest accrued through that date.

(g) Notwithstanding any other provisions in this Plan, in the event the Debtors default in performance of any obligation to The Travelers Insurance Company as imposed by this Plan, and such default is not cured within thirty (30) days after the issuance of a written notice of such default and upon expiration of the aforementioned thirty (30) day period, the automatic stay shall immediately be lifted and The Travelers Insurance Company shall be free, without further notice or hearing in the Bankruptcy Court, to pursue remedies available to it in any court or forum.

(h) This creditor shall retain the liens or liens securing such creditor's allowed secured claim to the extent of the allowed secured amount of this claim.

(i) This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code.

3.06 CLASS 6 CLAIMS. The allowed secured claim and any related allowed unsecured claim of The Travelers Insurance Company shall be satisfied in full either by virtue of the completion by the parties of a voluntary non-judicial foreclosure proceeding executed pursuant to Iowa Code §654.16, against the real estate securing this claim and a consequent assignment of the Debtors' vendors' contract interest in the real estate contract for the sale of the property securing this claim, or by virtue of the completion of regular foreclosure proceedings against the real estate securing this claim. This claim is "impaired" pursuant to the definition of §1124 of the Bankruptcy Code.

3.07 CLASS 7 CLAIMS. The allowed secured claim and any related allowed unsecured claim of The Travelers Insurance Company shall be satisfied in full by virtue of the completion by the parties of a voluntary non-judicial foreclosure proceeding executed pursuant to Iowa Code §654.16, against the real estate securing this claim. This claim is "impaired" pursuant to the definition of §1124 of the Bankruptcy Code.

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3.08 CLASS 8 CLAIMS. The allowed secured claim and any related allowed unsecured claim of The Travelers Insurance Company shall be satisfied in full by virtue of the completion by the parties of a voluntary non-judicial foreclosure proceeding executed pursuant to Iowa Code §654.16, against the real estate securing this claim. This claim is "impaired" pursuant to the definition of §1124 of the Bankruptcy Code.

3.09 CLASS 9 CLAIMS. The allowed secured claim and any related allowed unsecured claim of The Travelers Insurance Company shall be satisfied in full by virtue of the completion by the parties of a voluntary non-judicial foreclosure proceeding executed pursuant to Iowa Code §654.16, against the real estate securing this claim. This claim is "impaired" pursuant to the definition of §1124 of the Bankruptcy Code.

3.10 CLASS 10 CLAIMS. The allowed secured claim of Cerne, Brown, Ltd. has been satisfied in full by virtue of a settlement payment of \$15,000.00 made to Cerne, Brown, Ltd. by Hawkeye Bank and Trust Company from proceeds of the sale of the collateral securing this claim. This claim is "impaired" pursuant to the definition of §1124 of the Bankruptcy Code, and any claim held by Cerne, Brown, Ltd. which is not satisfied by the aforementioned payment shall be treated as a Class 25 claim.

3.11 CLASS 11 CLAIMS. The allowed secured claims of CRC Farms, Francis Smoldt, The Eldon Smoldt Estate, and Mr. and Mrs. Robert Gesell, have been satisfied in full by virtue of the payment of \$65,776.00 to CRC Farms, \$8,314.00 to Francis Smoldt, \$8,947.00 to The Eldon Smoldt Estate, and \$7,705.00 to Mr. and Mrs. Robert Gesell by Hawkeye Bank and Trust Company from proceeds of the sale of the collateral securing this claim.

3.12 CLASS 12 CLAIMS. The allowed secured claim of Bru-Bet Arabians, Inc., has been satisfied in full by virtue of Debtors' abandonment of the property securing this claim and the turnover of this collateral to Bru-Bet Arabians, Inc.

3.13 CLASS 13 CLAIMS. The allowed secured claim of the Commodity Credit Corporation shall be paid in full as follows:

(a) The amount of this allowed secured claim on the date of confirmation is determined to be \$6,000.00.

(b) Interest shall accrue upon this claim from and after the Confirmation Date, at the rate of ten percent (10%) per annum.

(c) The interest accruing on the allowed secured claim from the Confirmation Date until December 31, 1987 and fifty percent (50%) of the allowed secured claim, or principal amount, shall be paid on December 31, 1987.

(d) The interest accruing on the remaining allowed secured claim as of December 31, 1987, until December 31, 1988, and the remaining allowed secured claim balance, or principal amount, shall be paid on December 31, 1988.

(e) The liens and encumbrances upon property of the estate securing this claim shall remain as valid liens and encumbrances until such time as this claim has been paid in full.

(f) This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code.

3.14 CLASS 14 CLAIMS. The allowed secured claim of the Commodity Credit Corporation shall be paid in full as follows:

(a) The amount of this allowed secured claim on the date of confirmation is determined to be \$778.00.

(b) The allowed secured claim shall draw interest at the rate of ten percent (10%) per annum from and after the Confirmation Date until December 31, 1987, at which time this allowed secured claim, and the accrued interest thereon, shall be paid in full.

(c) The liens and encumbrances upon property of the estate securing this claim shall remain as valid liens and encumbrances until such time as this claim has been paid in full.

(d) This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code.

3.15 CLASS 15 CLAIMS. The allowed secured claim of the John Deere Company shall be paid in full as follows:

(a) The amount of this allowed secured claim, as of the Confirmation Date, shall be determined by adding to the principal and accrued interest owing as of the petition date, all interest which has accrued from the petition date to the Plan Confirmation Date.

(b) The allowed secured claim, as of the Confirmation Date, shall be paid in full.

3.16 CLASS 16 CLAIMS. The allowed secured claim of the Parkersburg State Bank shall be paid in full as follows:

(a) The amount of this allowed secured claim, determined on the date of confirmation, is \$72,000.00.

(b) The allowed secured claim, as of the Confirmation Date, shall earn interest from and after

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that date at the rate of ten percent (10%) per annum until such time as the claim is paid in full.

(b) The allowed secured claim, as of the Confirmation Date, shall be amortized for a period of thirty (30) years and paid in fifteen (15) equal annual installments, beginning with December 31, 1987, and continuing for a period of fourteen (14) years thereafter. The remaining unpaid balance shall then be paid in full.

(c) The liens and encumbrances upon property of the estate securing this claim shall remain as valid liens and encumbrances until such time as this claim has been paid in full.

(d) This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code.

3.17 CLASS 17 CLAIMS. The allowed secured claim of the Mutual Benefit Life Insurance Company has been satisfied in full by virtue of the Debtors deeding the real estate securing this claim to the Mutual Benefit Life Insurance Company in lieu of foreclosure and in full satisfaction of the allowed claim of the Mutual Benefit Life Insurance Company.

3.18 CLASS 18 CLAIMS. The allowed secured claim of John and Marjory Holmes has been satisfied in full by virtue of the Debtors' forfeiture of the installment sale contract for the sale of real estate securing this claim.

3.19 CLASS 19 CLAIMS. The allowed secured claim of Emma White has been satisfied in full by virtue of the Debtors forfeiture of the installment sale contract for the sale of real estate securing this claim.

3.20 CLASS 20 CLAIMS. The allowed secured claim of D. L. Boswell & Sons, Inc. has been satisfied in full by virtue of the Debtors forfeiture of the installment sale contract for the sale of real estate securing this claim.

3.21 CLASS 21 CLAIMS. The allowed secured claim of Sam and Zanita Zwitzer has been satisfied in full by virtue of the foreclosure proceedings completed by Sam and Zanita Zwitzer against the installment sale contract for the sale of real estate securing this claim. This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code, and any claim held by Sam and Zanita Zwitzer which was not satisfied by the foreclosure of the installment sale contract shall be treated as a Class 25 claim.

3.22 CLASS 22 CLAIMS. The allowed secured claim of John and Constance Ringgenberg has been satisfied in full by virtue of the Debtors forfeiture of the installment sale contract for the sale of real estate securing this claim. At the request of any

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party in interest, the Debtors shall execute a quit claim deed to relinquish any rights they may have retained in the real estate securing this claim.

3.23 CLASS 23 CLAIMS. The allowed secured claim of the Commodity Credit Corporation has been satisfied in full by virtue of the Debtors' turnover of the collateral securing this claim to the Commodity Credit Corporation. This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code, and any claim held by the Commodity Credit Corporation which was not satisfied by the turnover of the collateral securing this claim shall be treated as a Class 25 claim.

3.24 CLASS 24 CLAIMS. The allowed secured claim of the Commodity Credit Corporation has been satisfied in full by virtue of the Debtors' turnover of the collateral securing this claim to the Commodity Credit Corporation. This claim is impaired pursuant to the definition of §1124 of the Bankruptcy Code, and any claim held by the Commodity Credit Corporation which was not satisfied by the turnover of the collateral securing this claim shall be treated as a Class 25 claim.

3.25 CLASS 25 CLAIMS. Class 25 claims shall consist of all unsecured claims allowed by the court and will be paid ten percent (10%) of their allowed claim by the Debtors paying one percent (1%) of the allowed claims on the first anniversary of the Plan Distribution Date and annually thereafter in nine (9) additional annual installments of one percent (1%) each of said allowed claims. Said allowed claims shall not draw interest.

3.26 ADDITIONAL PROVISIONS APPLICABLE TO ALL CLASSES.

(a) The payments, distributions and other treatments provided in respect to each allowed claim and allowed interest in this Article III shall be in complete satisfaction, discharge and release of such allowed claim and allowed interest except as otherwise expressly provided in respect of the classes of claims listed herein.

(b) Notwithstanding any other provisions of the Plan specifying a date or time for the payment or distribution of consideration hereunder, payments and distributions in respect of any claim and interest which at such date or time is disputed, unliquidated, or contingent shall not be made until such claim or interest becomes an allowed claim or allowed interest, whereupon such payments and distributions shall be made promptly and in accord with the provisions of this Plan. Any amounts or equity securities in respect of disputed, unliquidated or contingent claims or interest contained in the distribution account shall be returned promptly to the Debtors, together with any interest accrued thereon, in the event and to the extent such

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claims or interests are determined by the court not to be allowed claims or allowed interest.

(c) The Plan Debt may be prepaid at any time, in whole or in part, without premium, penalty or discount.

(d) The Debtors request that the court confirm this Plan under its authority as provided in §1129(b)(1) and represent that the Plan herein does not discriminate unfairly and is fair and equitable with respect to each class of claims or interest that is impaired thereunder.

(e) To the extent that a creditor holding a Class 1 through Class 24 claim is unsecured, such creditor shall be treated as a creditor holding a Class 25 claim to the extent of any deficiency.

ARTICLE IV

COVENANTS OF DEBTORS

Until such time as the Plan Debt shall have been paid in full or until such other time as may be expressly specified below with respect to any individual covenant, whichever is later, Debtors covenant for the benefit of the holders of Plan Debt that it shall:

4.01 FURNISHING OF INFORMATION. Make available for inspection to each holder of Plan Debt, upon timely written request:

(a) As soon as available and in any event within 45 days after the end of the fiscal year of the Debtor, balance sheets of Debtor as of the end of the fiscal year and statements of income (loss) and retained earnings and changes in financial position of Debtor for the period commencing at the end of the previous fiscal year and ending with the end of the fiscal year, all in reasonable detail and certified by the Debtor as having been prepared in accordance with generally accepted accounting principles, and fairly and accurately representing the financial position, results of operations and changes in financial position of Debtors for the periods indicated therein.

(b) Promptly after the commencement thereof, notice of all material actions, suits and proceedings before or by any court or governmental department, commission, board, bureau, agency or instrumentality, affecting Debtors.

(c) To the holder of Plan Debt requesting the same promptly following the request therefor, such other information and data with respect to Debtor as may from time to time be reasonably requested by such holder.

(d) It is contemplated that in connection with confirmation of the Plan, Debtors may report their financial statements on the basis that a reorganization has been effected. In connection with such reportings, Debtors shall continue to follow generally acceptable accounting principles in preparing their statements. A new accounting period would begin as of the date the reorganization is effected, and it will not be possible to restate the financial information for prior periods on a comparable basis. Accordingly, no financial statement to be furnished under this Section shall be required to contain comparative information relating to a date or period which precedes the date as of which the reorganization is effected.

4.02 INSURANCE. Maintain insurance with responsible and reputable insurance companies on such of their properties and against such risks as is customarily maintained by reputable businesses engaged in similar businesses and owning or operating similar properties in the same general areas in which Debtors operate, including without limitation thereof, public liability, fire (with extended coverage), worker's compensation insurance and, to the extent available, larceny, embezzlement or other criminal misappropriation insurance, employee fidelity insurance and surety bonds in respect to appropriate personnel.

4.03 PAYMENT OF TAXES AND CLAIMS. Pay and discharge:

(a) All material claims and obligations, including, without limitation, claims and obligations for rent, labor, services, materials and supplies; and

(b) All taxes, assessments and governmental charges or levies imposed upon Debtors or their income or profits, or upon any property belonging to them, prior to the date on which the same shall be in default, which, if unpaid, might become a lien or charge upon the property of Debtors; provided that Debtors shall not be required to pay any tax, assessment, charge, levy, obligation or claim, the payment of which is being contested in good faith by appropriate proceedings promptly initiated and diligently conducted.

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ARTICLE VEVENTS OF DEFAULT; ACCELERATION

5.01 EVENTS OF DEFAULT. The occurrence of any of the following shall constitute an Event of Default under the Plan:

(a) FAILURE TO MAKE PAYMENTS. Failure on the part of the Debtors to pay fully when due any payment required to be made in respect to the Plan Debt;

(b) FAILURE TO PERFORM COVENANTS. Failure on the part of Debtors to perform or observe any term or provision set forth in Article IV of the Plan, which failure remains uncured for a period of 15 days, or any other term of provision of the Plan other than those set forth in paragraph (a) above of this Section 5.01, which failure remains uncured for a period of 15 days.

(c) VOLUNTARY BANKRUPTCY CASES, ETC. Debtor shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors; or Debtor shall commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as Debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under the Code or any other law relating to bankruptcy, insolvency, reorganization or relief of Debtors or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of this property; or Debtor shall take any action to authorize or in contemplation of any of the actions set forth above in this Section 5.01(c);

(d) INVOLUNTARY BANKRUPTCY CASES. Any cases, proceeding or other action against Debtors shall be commenced seeking to have an order for relief entered against it as Debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under the Code or any other law relating to bankruptcy, insolvency, reorganization or relief of Debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action (1) results in such an adjudication, the entry of such an order for relief or for such an appointment, which is not fully stayed, (2) shall not be contested by Debtors through appropriate proceedings or procedures within 10

days of commencement thereof or shall be acquiesced in by Debtors.

(e) JUDGMENTS. A judgment against Debtors in the amount of \$3,000.00 or more, or judgments against Debtors aggregating \$10,000.00 or more shall be outstanding for more than 30 days from the date of entry or 5 days prior to any proposed sale thereunder, which ever comes earlier, and shall not be discharged in full or effectively stayed as to enforcement and execution; provided, however, any judgment with respect to a claim which is covered by insurance and with respect to which the insurer has not denied liability shall not be included in the foregoing to the extent of such insurance coverage;

(f) DEFAULT IN PAYMENT OF INDEBTEDNESS. Debtor shall default (as principal, guarantor or surety) in the payment of any principal of or interest on any indebtedness or in the performance of or compliance with any form of any evidence of such indebtedness or of any mortgage, indenture or other agreements relating thereto, which default shall have continued beyond the period of grace, if any, specified therein;

(g) SUBMISSION OF FRAUDULENT REPORTS. The submission to the holder of Plan Debt of a report or a certificate required to be submitted under the Plan in which Debtor or an officer of Debtor knowingly or fraudulently misrepresents or fails to state any material fact.

5.02 DECLARATION OF ACCELERATION. If an Event of Default shall have occurred and be continuing, the holders of the Plan Debt may declare the Plan Debt immediately due and payable whereupon the same shall then be immediately due and payable without presentment, further notice or demand, all of which are hereby waived. The declaration of the occurrence of acceleration under the Plan shall be made by written notice to Debtor.

5.03 NOTICE OF CERTAIN DEFAULTS. If any holder(s) of Plan Debt shall give any notice or take any other action with respect to an Event of Default or claimed Event of Default under the Plan, or if any person shall give notice to Debtor or take any other action with respect to an Event of Default or claimed event of Default, Debtor shall forthwith give written notice thereof to each holder of Plan Debt describing the notice or action and the nature of the Event of Default or claimed Event of Default.

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ARTICLE VI

AMENDMENTS AND WAIVERS

Except as otherwise specifically set forth in the Plan, any term of the Plan may be amended and the observance of any term of the Plan may be waived (either generally or in a particular instance and either retroactively or prospectively) upon compliance with the provisions following:

6.01 PROVISIONS RELATING TO HOLDERS OF PLAN DEBT. Holders of Plan Debt may amend, with the concurrence of Debtor, or waive compliance with any term or condition of the Plan relating to or for the benefit of the holders of Plan Debt, provided that:

(a) With respect to any amendment or waiver which (1) extends or otherwise modifies the date for payment of any amount on account of the Plan Debt by more than 6 months from the date of payment thereof under the Plan, (2) reduces the amount of any payment of the Plan Debt, or (3) reduces the applicable percentage of the holders of the Plan Debt required to consent under the provisions of the Plan to any waiver or amendment of the provisions of the Plan, no holder of Plan Debt who has not consented to such amendment or waiver shall be affected thereby in any manner less favorably than any other holder of Plan Debt; and

(b) With respect to any other amendment or waiver of any term or condition of the Plan relating to or for the benefit of the holders of Plan Debt, the holders of Plan Debt shall consent to such amendment or waiver in writing.

6.02 NOTICE OF PROPOSED WAIVER OR AMENDMENT. Notice of all proposed, requested and effective waivers or amendments shall be given by Debtor promptly to the holders of Plan Debt.

ARTICLE VII

DISCHARGE

The Order of Confirmation shall not discharge the Debtor from any debt that arose before the date of confirmation as provided in §1141(d)(1)(A) (Code) until all Plan Debt has been paid in full to all holders of Plan Debt.

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ARTICLE VIII

RETENTION OF JURISDICTION

The court shall retain jurisdiction of this Chapter 11 case pursuant to and for the purposes set forth in §1127(b) of the Code and to:

(a) Hear and determine any and all pending applications for the rejection, assignment or assumption of executory contracts or unexpired leases or licenses and the allowance of claims resulting therefrom.

(b) To determine and adjudicate any and all pending adversary proceedings, applications and unlitigated matters.

(c) To determine and adjudicate any and all pending contested matters.

(d) To hear and determine any objections to claims filed both before and after confirmation, including objections to the classification of any claim or interest and to allow or disallow any disputed claim in whole or in part.

(e) To determine the amount, priority and validity and security of any claim asserted by a secured creditor.

(f) To hear and determine all applications for compensation of professional persons in reimbursement of expenses under §330 and §331 of the Bankruptcy Code.

(g) To enter and implement such orders as may be appropriate in the event confirmation is for any reason stayed, reversed, revoked, modified or vacated.

(h) To hear the Debtors' application, if any, to modify the Plan in accordance with Section 1127 of the Bankruptcy Code. After confirmation, the Debtors may also, so long as it does not adversely affect the interests of the creditors, institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, Disclosure Statement, the confirmation order or the order approving the agreement to purchase, provided that prior notice of such proceedings is served in accordance with Bankruptcy Rules 2002, 7004 and 9016.

(i) To hear and determine disputes arising in connection with the Plan or its implementation.

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 (j) To hear any other matters not inconsistent with Chapter 11 of the Bankruptcy Code.

ARTICLE IX

EXECUTORY CONTRACTS

9.01 RESERVATION OF RIGHTS. Debtors reserve the right to assume or reject pursuant to §365 of the Code prior to the Confirmation Date.

ARTICLE X

MISCELLANEOUS

10.01 HEADINGS. The headings in the Plan are for convenience or reference only and shall not limit or otherwise affect the meanings hereof.

10.02 NOTICES. All notices required or permitted to be made in accordance with the Plan shall be in writing and shall be delivered personally or by telex or other telegraphic means or mailed by registered or certified mail, return receipt requested:

(a) If to Debtors, at RR #1, Box 51, Grundy Center, Iowa 50638; with copies to: DUMBAUGH AND CHILDERS, P.C., Suite 950 - The Center, Cedar Rapids, Iowa 52401.

(b) If to a holder of an Allowed Claim or Allowed Interest, at the address set forth in its allowed proof of claim or proof of interest or, if none, at its address set forth in the schedule prepared and filed with the court pursuant to Rule 1007(b).

(c) Notice shall be deemed given when mailed. Any person may change the address at which it is to receive notices under the Plan by sending written notice pursuant to the provisions of this §10.02(a) to the person to be charged with the knowledge of such change.

10.03 ADMINISTRATIVE EXPENSE BREAKDOWN. The estimated administrative expenses to be paid by the Plan Distribution Date are broken down as follows:

Legal (Debtors)	\$10,000.00
TOTAL	\$10,000.00
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10.04 RESERVATION OF RIGHTS. Neither the filing of this Plan, nor any statement or provisions contained herein, nor the taking by any creditor of any action with respect to this Plan shall (a) be or be deemed to be an admission against interest and (b) until the Distribution Date, be or be deemed to be a waiver of its rights which any creditor might have against Debtor or any of its properties or any other creditor of Debtor, and until the Distribution Date all such rights are specifically reserved. In the event that the Distribution Date does not occur, neither this Plan nor any statement contained herein, may be used or relied upon in any manner in any suit, action, proceeding or controversy within or outside of the reorganization case involving Debtor.

DATED at Cedar Rapids, Iowa, this first day of Sept., 1987.

Respectfully submitted,

CHARLES E. SMOLDT and
DARLENE A. SMOLDT, Debtors

o DUMBAUGH AND CHILDERS, P.C.

BY: Shelly A. Seymour
SHELLY A. SEYMOUR
Suite 950 - The Center
P. O. Box 5430
Cedar Rapids, IA 52406
(319) 362-6063
Attorney for Debtors

Copy handed to
filing attorney
on (date) filed



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FILED
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

OCT - 8 1987

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BARBARA A. EVERLY, C

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA

IN RE:)	Chapter 11
)	
CHARLES E. SMOLDT and)	Bankruptcy No. 86-00891C
DARLENE A. SMOLDT,)	
)	
Debtors)	

ORDER CONFIRMING RECAST PLAN OF REORGANIZATION
FILED SEPTEMBER , 1987

The Recast Plan of Reorganization under Chapter 11 of the Bankruptcy Code, filed by the Debtors on September 2, 1987, having been transmitted to creditors and equity security holders; and,

It having been determined after hearing on notice:

1. That said Plan has been accepted in writing by the creditors and equity security holders whose acceptance is required by law; and
2. That the provisions of Chapter 11 of the Code have been complied with; that said Plan has been proposed in good faith and not by means forbidden by law; and
3. Each holder of a claim or interest has accepted the Plan (or will receive or retain under the Plan property of a value, as of the effective date of the Plan, that is not less than the amount that such holder would receive or retain if the Debtors were liquidated under Chapter 7 of the Code on such date), (or the Plan does not discriminate unfairly, and is fair and equitable, with respect to each class of claims or interests that is impaired thereunder, and has not accepted the Plan); and

4. All payments made or promised by the Debtors or by a person issuing securities or acquiring property under said Plan or by any other person for services or for costs and expenses, or in connection with said Plan and incident to the case, have been fully disclosed to the court and are reasonable, or if to be fixed after confirmation of the Plan, will be subject to the approval of the court; and

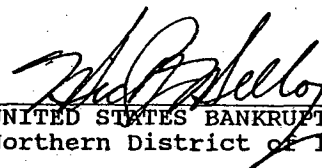
5. The identity, qualifications and affiliations of the persons who are to be directors or officers, or voting trustees, if any, of the Debtors, after confirmation of the Plan, have been fully disclosed, and the appointment of such persons to such offices, or their continuance therein, is equitable, and consistent with the interests of the creditors and equity security holders and with public policy; and

6. The identity of any insiders that will be employed or retained by the Debtors and their compensation have been fully disclosed; and

7. Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors under the Plan;

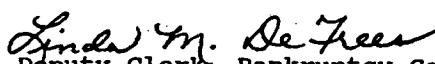
IT IS ORDERED that the Recast Plan of Reorganization filed by the Debtors on September 2, 1987, by the above-named Debtors, is confirmed.

ORDERED this 8 day of Oct., 1987.


UNITED STATES BANKRUPTCY JUDGE
Northern District of Iowa

COPY TO:

Charles E. Smoldt and
Darlene A. Smoldt, Debtors;
Unsecured Creditors' Committee;
Dumbaugh and Childers, P.C.,
attorneys for Debtors;
this October 9, 1987


Deputy Clerk, Bankruptcy Court
P.O. Box 4371
Cedar Rapids, IA 52407