

FARMERS PLAN OF DISSOLUTION/FULL DISTRIBUTION VS. BOARD PLAN OF PARTIAL DISBURSEMENT

	<u>Farmers Plan for Dissolution and Distribution of ALL Asset</u> <i>(click here to open the Farmer's Plan)</i>	<u>Board's Plan of Partial Disbursement</u> <i>(Click here to open the Board's Plan)</i>
Timing of Distributions	<ul style="list-style-type: none"> - 2-year plan of distribution - Initial distributions to farmers in Fall 2020 - Final distributions by April 30, 2022 	<ul style="list-style-type: none"> - 4-year plan of continued operations (losses) and potential yearly payments - Last distributions to be made by December 31, 2023
Distribution Amount	<p><u>All Assets</u> less costs/expenses incurred in the dissolution/distribution</p> <ul style="list-style-type: none"> - Accounting, legal fees, brokers, etc., estimated to be less than \$3 million 	<p><u>Partial</u> distribution: Co-Op will spend, waste or keep at least \$7.2 million (approximately 1/4th of assets)</p> <ul style="list-style-type: none"> - \$3.2 million budgeted for operating expenses over next 4 years (\$800,000 per year) - \$700,000 budgeted for distribution costs/expenses - \$3,500,000 for the Co-Op to keep
Persons Eligible for a Distribution	<p>Any Member (or farmer eligible for membership) during crop years 2016, 2017, 2018, 2019 OR 2020</p> <ul style="list-style-type: none"> - Farmers can retroactively “certify” their membership for any one of these years 	<p>Only certified Members of the Co-Op for the years of 2015, 2016, 2017, 2018, or 2019 (not clear who Members are)</p> <ul style="list-style-type: none"> - Leaves out farmers <u>not</u> told by the Co-Op that they had to “certify” their membership each and every year
Grower Contracts	Grower contract program ends	Grower contract program ends (Co-Op has already sent out notice ending grower contracts)
Affect on McBrayer Lawsuit?	Voluntary dissolution resolves the lawsuit’s claim for judicial dissolution without litigation (and the time/cost of litigation)	Does not resolve the McBrayer lawsuit. Co-op will still face judicial dissolution and will spend monies to defend the lawsuit (reducing the amount distributed to farmers)
	Complete Dissolution of the Co-Op and final distribution of its assets by April 30, 2022	Co-Op keeps operating with at least \$3,500,000 of the farmers’ money; final distribution not until December 31, 2023
	**More money distributed earlier under the Farmer’s Plan	