

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY 02-90781

Jamco International, Inc.,

**NOTICE AND OBJECTION
TO CLAIM(S)**

Debtor(s).

PLEASE TAKE NOTICE that the Court will hold a hearing on this objection on October 4, 2004, at 2:30 p.m. in Courtroom 228B, 228 Federal Bldg., 316 North Robert Street, St. Paul, Minnesota, or as soon thereafter as counsel can be heard. Responses to this objection shall be filed and delivered no later than September 23, 2004, at 2:30 p.m., which is seven (7) days before the hearing, or mailed no later than September 20, 2004, which is ten (10) days before the hearing. **IF NO RESPONSE TO THIS MOTION IS TIMELY FILED THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**

John A. Hedback, trustee, hereby objects to the claim(s) described below, and supports the objection(s) as follows:

1. John A. Hedback is the trustee in the above-referenced bankruptcy case. This case is pending before this Court.

2. This Court has jurisdiction over this matter under 28 U.S.C. Section 157 and 1334. This objection is brought pursuant to 11 U.S.C. ' 503, Bankruptcy Rule 3007 and Local Rule 505. This matter is a core proceeding.

3. This objection relates to the following claims:

Claim No. 22, in the amount of \$130,000.00, filed by James Machen on August 4, 2003, as an administrative expense claim.

Claim No. 24, in the amount of \$90,000.00, filed by James Machen on September 23, 2003 as a priority wage and an unsecured claim.

4. As indicated in the attached affidavit and memorandum, trustee believes these claims are unfounded and should not be allowed against the bankruptcy estate.

WHEREFORE, the trustee requests an order as follows:

(A) Disallowing the above claims in its entirety; and

(B) Granting any other relief the Court deems just and proper.

Dated: August 23, 2004

_____/e/ John A. Hedback

John A. Hedback, #142438
2855 Anthony Lane South, Suite 201
St. Anthony, MN 55418
(612) 436-3280

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY 02-90781

Jamco International, Inc.,

AFFIDAVIT

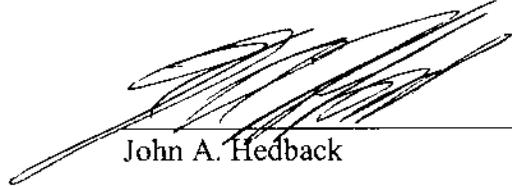
Debtor(s).

John A. Hedback, being duly sworn under oath states and avers as follows:

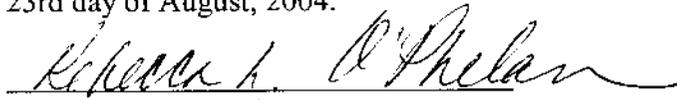
1. I have been appointed interim Chapter 7 trustee in the above entitled case.
2. I have reviewed the schedules filed by Debtor in this case on April 26, 2002, executed by James Machen. There is no reference in those schedules to James Machen being owed pre-petition wages. In response to question 23 of the Statement of Financial Affairs the Debtor indicates there were no “withdrawals or distributions credited or given to an insider” in the year prior to the filing. Debtor amended those schedules on July 8, 2002, and again there was no disclosure of an obligation due Machen.
3. I have reviewed the Plan of Reorganization and Disclosure Statement filed by Debtor in this case on July 3, 2002, and the First Amended Plan of Reorganization and the First Amended Disclosure Statement filed by Debtor on August 29, 2002. Both documents were executed by James Machen. There is no reference in those schedules to James Machen being owed pre-petition or post-petition wages. The First Amended Disclosure Statement at page 19 indicates that Machen will receive a salary of \$54,000 in the first year after confirmation of the plan.
4. I have reviewed some of the monthly reports filed by Debtor with the United States Trustee, and executed by Machen. None of these reports disclose an accrual of post-petition wages.
5. I have reviewed the Final Report Upon Conversion filed by Debtor with the Court, and executed by Machen. This report does not disclose an accrual of post-petition wages. It shows receipts and disbursements totaling approximately \$22,500 during the period Debtor was in Chapter 11.
6. According to claim 25 filed by Mahlega Absharafat she loaned Debtor, or paid expenses on behalf of Debtor, totaling \$65,823.61. These loans were never disclosed by Debtor to the Court in any pleading including the Final Report.
7. Your affiant took physical possession of Debtor’s offices and building on or about June 10, 2003. Your affiant met with Machen at that time. Most of the company records were in piles on the floor or thrown into boxes throughout the offices of the building, which were on the second floor and not affected by the flooding. The records that were there were older and without substantial value. Machen informed

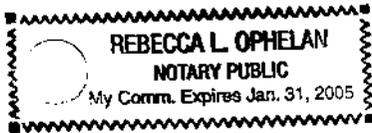
substantial value. Machen informed your affiant that the company accountant had some of the records. Your affiant later contacted those accountants who indicated they did not have the underlying records for the business. Your affiant and his assistants spent many hours looking for current records and found little to assist in the administration of the bankruptcy.

Further your affiant sayeth not.


John A. Hedback

Subscribed and sworn to before me this
23rd day of August, 2004.


Notary Public



UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY 02-90781

Jamco International, Inc.,

MEMORANDUM

Debtor(s).

John A. Hedback, Trustee, (Movant(s)) hereby submit its memorandum of law in support of its Objection to Claim (Motion).

FACTS

This case was commenced by the filing of a voluntary Chapter 11 proceeding on or about April 5, 2002. The case was converted to one under Chapter 7 on May 27, 2003.

Prior to the filing of the bankruptcy proceeding Debtor had been in the business of selling promotional goods and services and had annual sales of as high as \$4.5 million dollars . However, Debtor lost its major customer in 2000. (see Debtor's Disclosure Statement dated July 3, 2002, pages 5-7).

James Machen was, prior to the filing of the bankruptcy and during it, the primary officer, shareholder and director of Debtor. He signed the bankruptcy schedules, plan of reorganization, disclosure statement, affidavits contesting conversion, and final report upon conversion.

As indicated in the attached affidavit, none of the documents signed by Machen listed a claim by him against the estate of any kind. The only reference to him receiving a wage was a statement in the disclosure statement that he would receive a wage after confirmation of a plan starting at a rate of \$72,000.00 per year (Debtor's Disclosure Statement dated July 3, 2002, page 17).

Machen executed and caused to be filed on July 11, 2003, the Final Report of Debtor as Debtor in Possession. In it he asserts that the total receipts during the 13 months that the company was in Chapter 11 was the sum of \$22,596. He does not indicate in that filing that he has a pre-petition or post-petition wage claim.

During the administration of the bankruptcy Debtor did nominal business. It was sporadic in filing United States Trustee reports. It allowed a foreclosure sale to take place on its major asset. If the claims filed by Mallie Sharafat are correct it entered into executory contracts without obtaining court approval and incurred over \$65,000 in debt during the Chapter 11 without court approval. (see claims 19 and 25).

ARGUMENT

Section 501 provides that a creditor in a case may file a proof of claim.

Section 502(a) provides that a claim filed in a case is allowed unless a party in interest objects.

Bankruptcy Rule 3001(f) provides that a proof of claim properly filed constitutes prima facie evidence of the validity and amount of the claim. If an objection is filed, the objector must come forward with evidence rebutting the claim or the claim will be allowed. However, if the objecting party produces such evidence, the burden of proof shifts to the claimant to produce evidence of the validity of the claim. *In re Fiterman* 1999 WL 1044811 (Bkrcty. D. Minn. 1997).

“In other words, once an objection is made to the proof of claim, the ultimate burden of persuasion as to the claim's validity and amount rests with the claimant.” *In re Oriental Rug Warehouse Club, Inc.*, 205 B.R.407, 410 (Bkrcty. D. Minn. 1997). (citing *In re Harrison*, 987 F.2d 677, 680 (10th Cir.1993); *In re Allegheny Int'l, Inc.*, 954 F.2d 167, 173-74 (3rd Cir.1992)).

Section 502(b) provides that if an objection is made a claim shall be allowed unless it can be shown that the claim is unenforceable against the debtor or property of the debtor. Trustee contends first that Claimant should be estopped from asserting his claim. Judicial estoppel is an equitable principle that "generally prevents a party from prevailing in one phase of a case on an argument and then relying on a contradictory argument to prevail in another phase." *New Hampshire v. Maine*, 532 U.S. 742, 749; 121 S. Ct. 1808; 149 L. Ed. 2d 968; 2001; quoting *Pegram v. Herdrich*, 530 U.S. 211, 227, n. 8, 147 L. Ed. 2d 164, 120 S. Ct. 2143 (2000). As indicated above Machen filed numerous pleadings in which he failed to assert a claim.

Section 502(b)(4) provides that after an objection is filed a claim shall be allowed, “except to the extent that...

(4) if such claim is for services of an insider or attorney of the debtor, such claim exceeds the reasonable value of such services;...”.

“Where a claim is asserted by an insider ...and where the transaction giving rise to the claim is challenged, it is well-established that the burden is on the insider-claimant to show the inherent fairness and good faith of the challenged transaction. *See, Equibank v. Dan-Ver Enterprises, Inc. (In re Dan-Ver Enterprises, Inc.)*, 86 B.R. 443 (Bankr.W.D.Pa.1988). It is also accepted that an insider's claim may be allowed only for the reasonable value of the claim. *See*, 11 U.S.C. § 502(b)(4); *In re Tamarack Trail Co.*, 30 B.R. 99, 101 (Bankr.S.D.Ohio 1983). Where the claimant is an insider, or where the creditor exercises control over or domination of the debtor, his dealings with the debtor are subject to strict scrutiny. *Pepper v. Litton*, 308 U.S. 295, 306-07, 60 S.Ct. 238, 245-46, 84 L.Ed. 281 (1939).” *In re All-American Auxiliary Assoc.*, 95 B.R. 540, 544 (Bankr.S.D.Ohio.1989).

Trustee contends that first the amount of the alleged claim is not reasonable. During the period these claims are asserted the Debtor did almost no business. Several of the projects, leasing the facilities, finding new clients, arranging financing to avoid foreclose for example, were not successful. Trustee can obtain testimony that the books and records were in a substantial disarray at the time of conversion and that, based

on claims filed, the reports filed by Machen on behalf of the company were inaccurate. Under these circumstances, Trustee contends that Machen's services were did not have the claimed value of over \$100,000 per year.

In sum, Trustee contends that it is substantially inequitable for Machen to receive over \$200,000 for wage claims which he consistently failed to disclose for a business that had a small amount of activity. Trustee requests that these claims be disallowed.

Hedback, Arendt & Carlson, PLLC

Dated: August 23, 2004

 /e/ John A. Hedback
John A. Hedback, #142438
2855 Anthony Lane South, Suite 201
St. Anthony, MN 55418
(612) 436-3280
Attorneys for Movant

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY 02-90781

Jamco International, Inc.,

**UNSWORN DECLARATION FOR
PROOF OF SERVICE**

Debtor(s).

The undersigned, being an employee of Hedback, Arendt & Carlson, PLLC, attorneys licensed to practice law in this Court, with an office address of Suite 201 Anthony Place, 2855 Anthony Lane South, St. Anthony, MN 55113, declares that on the date below, I served the following:

1. Notice and Objection to Claim(s), together with a copy of the proofs of claims attached to the objection;
2. Affidavit;
3. Memorandum;
4. Proposed Order; and
5. Unsworn Declaration for Proof of Service (except as to the individual claimants, they received only a copy of their particular claim, and not a copy of all claims)

upon each of the entities named below by mailing to each of them a copy thereof by enclosing same in an envelope with first class mail postage prepaid and depositing same in the post office at St. Anthony, MN addressed to each of them as follows:

Morton Family Ltd. Partnership
c/o Mark Selterman
4301 Hwy 7 #100
St. Louis Park, MN 55418

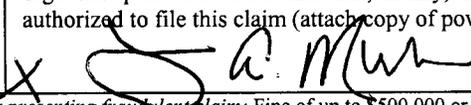
James Machen
11631 Walters Way
Eden Prairie, MN 55347

Office of United States Trustee
1015 US Courthouse
300 South Fourth Street
Minneapolis, MN 55415

and I certify under penalty of perjury, that the foregoing is true and correct.

Dated: August 23, 2004

_____/e/ John A. Hedback_____

UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA		PROOF OF CLAIM
Name of Debtor: JAMCO INTERNATIONAL, INC.	Case Number: 02-90781	THIS SPACE IS FOR COURT USE ONLY
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor: (The person or entity to whom the debtor owes money or property) James Machen	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Name and address where notices should be sent: James Machen 11631 Welter's Way Eden Prairie, MN 55347		
Account or other number by which creditor identifies debtor:	Check here if this claim: <input type="checkbox"/> replaces a previously filed court claim, dated _____. <input type="checkbox"/> amends	
1. Basis for Claim: <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____		
<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensations (Fill out below) Your SS# _____ Unpaid compensations for services performed from _____ to _____ <div style="display: flex; justify-content: space-between;">(date)(date)</div>		
2. Date debt was incurred:	3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ <u>130,000.00</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		6. Unsecured Priority Claim <input checked="" type="checkbox"/> Check this box if you have an unsecured priority claim. Amount entitled to priority claim \$ <u>130,000.00</u> (see attached) Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300*), earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier — 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan — 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use — 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child — 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or other penalties of governmental units — 11 U.S.C. § 507(a)(8) <input checked="" type="checkbox"/> Other — Specify applicable paragraph of 11 U.S.C. § 507(a) (1) <i>*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</i>
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		SEND CLAIMS TO: U.S. BANKRUPTCY COURT 301 U.S. COURTHOUSE 300 SOUTH FOURTH STREET MINNEAPOLIS, MN 55415
Date 08/01/03	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): 	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

CLAIM
JAMES MACHEN
WAGES ACCRUED - UNPAID

1. \$130,000.00
2. Based upon normal annual salary of \$120,000 x 13 month of Chapter 11
3. See also, attached Affidavit

873361.1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Bky. No. 02-90781
Chapter 7 Case

Jamco International, Inc.,
a Minnesota corporation,

**AFFIDAVIT OF
JAMES A. MACHEN**

Debtor.

STATE OF MINNESOTA)

) ss.

COUNTY OF HENNEPIN)

James A. Machen, being first duly sworn upon oath, deposes and states:

1. I am the president of JAMCO, International, Inc., the above-referenced Debtor.

2. At all times relevant, I acted as president of the Debtor, attempting to reorganize the company, to the best of my ability. I believe all actions that I took were in the best interest of the entire estate and all creditors.

3. My normal salary, pre-filing, was \$120,000 per year. During the Chapter 11, I did not pay myself in order to help the company reorganize. I acted at all times in good faith and to the best of my knowledge, legally and appropriately.

4. By way of example, and in explanation of my actions, as required under the Bankruptcy Code, I filed, by and through my counsel, and in consultation with my accountants, a Plan of Reorganization. I believe the Plan was sound and would work. The major component of the Plan was to obtain a contract with the U.S. Department of Agriculture, which required that certain financial issues be cleared up prior to the issuance or allowance of any such contract. If the Plan were confirmed, I believed then, and still believe, I would have been able to complete and consummate the contract with the U.S.D.A. Under the initial Plan, creditors were to receive 100 percent payment on their claims.

5. When confirmation of the initially filed Plan was not possible, I began to look for refinancing which would help shore up the financial situation with the company and pay substantial amounts for creditors in the case. It is obviously very difficult to find financing for a company in Chapter 11. It is also made more difficult by the fact that the company did not have a paying tenant who could operate the company and pay rent, unless a plan of reorganization were confirmed and the U.S.D.A. contract were consummated.

6. I was, ultimately, able to find financing which was, in fact, expensive, but had several positive aspects to it which would have allowed the company to (1) sell and lease back the building, (2) refinance my home, (3) pay virtually every secured creditor in the bankruptcy proceeding, (4) pay, through the refinancing of my house, virtually every unsecured creditor in the bankruptcy case, including \$400,000 to Associated Bank, as well payments to Minolta and Howard Miller, among others.

7. The sale/leaseback provisions also allowed for a "buy-back" of the building at a set price, so that should the market value of the building increase with time, the estate and the company would not lose the economic value of the building.

8. It is my belief, the economic value of the sale/leaseback and refinancing package was at least equivalent to, if not greater than, the total amount of the sale price received by the Trustee in the ultimate auction of the premises. The creditors themselves, including the major unsecured creditor, Associated Bank, realized this. All facts were fairly laid out before the Court concerning this option, and the Court approved the sale/leaseback option (along with the other contingencies and requirements before closing could occur).

9. In connection with the sale/leaseback, Mr. Thomas Flynn, attorney for the Debtor, informed me that he was not able to represent me personally concerning any issues outside of the bankruptcy and Chapter 11 of Jamco, International. He, therefore, did not help concerning

refinancing of my home, and the closing of that portion of the refinancing package. In fact, he informed me consistently throughout the case that he could represent only the Debtor. Partly because of this, and for other reasons, the major reason we could not refinance in a timely manner, although attributable to many causes, is because I was unable to refinance the house, along with the building, in a coordinated manner.

10. Unfortunately, the financing could not be completed. However, throughout the entire case, I gave my greatest efforts and diligence toward what I believe to be in the best interest of the Debtor. At all appropriate points, I brought before the Court, through counsel, any and all activities or proposals that needed court approval. If the Court or the creditors did not feel it was in the best interest of the estate, they could have raised such objections at the time of any such hearing. Although creditors did object from time to time with regard to the sale/leaseback, as an example, several major creditors agreed with allowing the Debtor to refinance as proposed, and withdrew their objections.

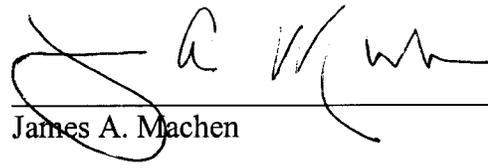
11. After this Court granted its Order converting the case, a Trustee was appointed, who proposed an auction procedure. Upon my review of the auction procedure, along with my consultation with counsel, and others, I determined that the auction procedure would not work and would probably cause more problems and bring less value to the estate. I asked Mr. Flynn to file a motion concerning our concerns about the procedure so that it would be on the record and brought before the Trustee prior to the auction proceeding. Such a motion was filed. The Trustee did, in fact, confer with Mr. Flynn and change the auction procedure. He allowed the auction to go on past the 5:00 deadline, as long as those who were present continued, in a timely and orderly manner, to move up the bidding. The auction went well past 5:00, and the great proportion of the monies offered occurred after the 5:00 deadline. This motion greatly aided the estate.

12. Mr. Flynn has not represented me post-conversion in this matter. He has agreed, however, to undertake the representation of my wife, Mallie Sharafat. Mallie was interested in purchasing the building, at auction, if the building would go for an appropriate price acceptable to her. She attended the auction with me and Mr. Flynn. Mallie has retained Mr. Flynn and Mr. Flynn was there representing Mallie concerning this matter. She is also making a claim for amounts due her or her companies from the Debtor.

13. I have worked hard in this case, acted legally and in good faith, and have done everything I possibly could to achieve a successful reorganization.

14. The statements I have made herein are mine and are true and correct in all material respects to the best of my knowledge, information and belief.

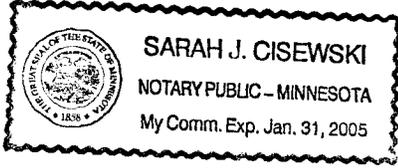
FURTHER YOUR AFFIANT SAYETH NOT.


James A. Machen

Subscribed and sworn to before me this
1st day of August 2003.


Notary

873334.1



UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA		PROOF OF CLAIM
Name of Debtor: JAMCO INTERNATIONAL INC.		Case Number: 02-90781
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor: (The person or entity to whom the debtor owes money or property) James Machen		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.
Name and address where notices should be sent: James Machen 11631 Welter's Way Eden Prairie, MN 55347 Telephone number:		
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces a previously filed court claim, dated: _____ if this claim: <input type="checkbox"/> amends
1. Basis for Claim: <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input checked="" type="checkbox"/> Wages, salaries, and compensations (Fill out below) Your SS# <u>415.86.7969</u> Unpaid compensations for services performed from <u>July 1, 2001</u> to <u>March 31, 2002</u> * (date) (date)
2. Date debt was incurred:		3. If court judgment, date obtained:
4. Total Amount of Claim at Time Case Filed: <u>\$ 90,000.00</u>		
If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		6. Unsecured Priority Claim <input checked="" type="checkbox"/> Check this box if you have an unsecured priority claim. Amount entitled to priority claim \$ <u>4,650.00</u> Specify the priority of the claim: <input checked="" type="checkbox"/> Wages, salaries, or commissions (up to \$4,300*), earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier — 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan — 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use — 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child — 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or other penalties of governmental units — 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other — Specify applicable paragraph of 11 U.S.C. § 507(a) _____ <small>*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		SEND CLAIMS TO: U.S. BANKRUPTCY COURT 301 U.S. COURTHOUSE 300 SOUTH FOURTH STREET MINNEAPOLIS MN 55415
Date <u>9.18.03</u>	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>[Signature]</u>	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

For cases filed on or after April 1, 1998

*Claim is in addition to previously filed post-petition wage claim.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY 02-90781

Jamco International, Inc.,

**ORDER REGARDING
CLAIM(S)**

Debtor(s).

This case came before the Court on the Trustee's objection(s) to claim(s). Appearances were noted on the record. Based on the file, record and proceedings herein,

IT IS HEREBY ORDERED:

Claim No. 22 and Claim No. 24 are disallowed in their entirety.

BY THE COURT

Dated: _____

U.S. Bankruptcy Judge