

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
NORTHERN DIVISION – BAY CITY**

In re: ) Case No. 20-21214  
)  
BOYCE HYDRO, LLC, *et al.* ) (Joint Administration Requested)  
)  
Debtors.<sup>1</sup> ) Chapter 11  
)  
\_\_\_\_\_ ) Honorable Daniel S. Opperman

**DEBTORS’ FIRST DAY MOTION FOR ENTRY OF AN ORDER (I)  
AUTHORIZING DEBTORS TO (A) MAINTAIN INSURANCE POLICIES  
AND PROGRAMS; (B) HONOR INSURANCE OBLIGATIONS; AND  
(C) CONTINUE PREMIUM FINANCING AGREEMENT;  
AND (II) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors-in-possession (collectively, the “*Debtors*”), by their undersigned counsel, hereby move (the “*Motion*”) this Court, pursuant to sections 105(a), 363(b), and 503(b) of title 11 of the United States Code (the “*Bankruptcy Code*”), and Rules 4001, 6003, and 6004 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), for entry of an order (i) authorizing, but not directing, the Debtors to (a) maintain their pre-petition Insurance Policies and Programs (as defined herein); (b) honor their Insurance Obligations (as defined herein) in the ordinary course of business during the administration of the above captioned chapter 11 cases (the “*Chapter 11 Cases*”), including paying any

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<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: (i) Boyce Hydro, LLC (6694), Case No. 20-21214 and (ii) Boyce Hydro Power, LLC (3034), Case No. 20-21215.

prepetition Insurance Obligations (as defined herein), and (c) continue to honor and make payments under the Premium Financing Agreement (as defined herein), and (ii) granting related relief. In support of the Motion, the Debtors respectfully state as follows:

### **JURISDICTION AND VENUE**

1. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. 157(b)(2).
2. Venue of these cases and this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

### **BACKGROUND**

3. On July 31, 2020 (the “*Petition Date*”), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code commencing the above-actioned chapter 11 cases. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.
4. No examiner or statutory committee has been appointed. The Office of the United States Trustee has appointed Mark H. Shapiro of Steinberg, Shapiro & Clark as the Subchapter V Trustee for the Chapter 11 Cases.
5. The factual background relating to the Debtors’ commencement of the Chapter 11 Cases is set forth in detail in the *Declaration of Lee W. Mueller in*

*Support of First Day Motions and Applications (the “Mueller Declaration”)*, which is being filed contemporaneously herewith and is incorporated herein by reference.

### **Debtors’ Insurance Policies and Programs**

6. In connection with the operation of the Debtors’ businesses and the management of their properties, the Debtors maintain various insurance policies and workers’ compensation programs (collectively, the “*Insurance Policies and Programs*” and all essential premiums and other obligations related thereto, including any broker or advisor fees, assessments, financing costs or other fees, collectively, the “*Insurance Obligations*”) through several different insurance carriers (the “*Insurers*”) including, but not limited to, those Insurance Policies and Programs and Insurers listed on **Exhibit A** annexed hereto (the “*Insurance Schedule*”).<sup>2</sup>

#### **A. The Insurance Policies**

7. The Debtors maintain various liability, property and other insurance policies, which provide the Debtors with insurance related to, among other things, general liability, automotive liability, excess liability, and business property coverage (collectively, the “*Insurance Policies*”). The Debtors maintain the

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<sup>2</sup> The Debtors may, in the future, modify existing policies or enter into new Insurance Policies and Programs not listed on **Exhibit A**. The Debtors reserve the right to do so in the ordinary course and will alert the U.S. Trustee’s Office when changes are made.

Insurance Policies to help manage and limit the various risks associated with operating their businesses, which is essential to the preservation of the value of the Debtors' businesses and assets. Additionally, the Bankruptcy Code requires the Debtors to carry the Insurance Policies, as section 1112(b)(4)(C) of the Bankruptcy Code provides that "failure to maintain appropriate insurance that poses a risk to the estate or to the public," is "cause" for mandatory conversion or dismissal of a chapter 11 case. 11 U.S.C. § 1112(b)(4)(C).

8. Pursuant to the Insurance Policies, the Debtors pay premiums based upon a fixed rate established and billed by each Insurer (collectively, the "*Insurance Premiums*"). The Debtors pay approximately \$128,715.50 in Insurance Premiums and related financing charges each year.

#### **B. The Premium Financing Agreement**

9. The Debtors pay their Insurance Premiums in full annually, or, to manage liquidity, through an insurance premium finance agreement (the "*Premium Financing Agreement*") with IPFS Corporation (the "*PFA Lender*") for certain Insurance Policies (the "*PFA Policies*"). The Premium Finance Agreement is used to finance certain commercial property and commercial inland marine policies. Pursuant to the Premium Financing Agreement, the PFA Lender has agreed to pay the insurance premiums due under the PFA Policies in exchange for payments from the Debtors, as set forth more fully below. The Debtors' obligations under the

Premium Financing Agreement are secured by all sums due under the Premium Financing Agreement and any unearned premiums or other sums that may become payable under the PFA Policies. The PFA Policies are essential to the preservation of the Debtors' business.

10. For the PFA Policies, which cover the period through January 1, 2021, the Debtors made an initial down payment of \$22,197.22 and agreed to make ten (10) monthly payments in the amount of \$5,155.60 (the Debtors are current on payments).

11. In the Debtors' business judgment, the terms of the Premium Financing Agreement represent the best available terms. The Debtors' estates will benefit by maintaining this low-cost financing from the PFA Lender. Moreover, any interruption of payments might adversely affect the Debtors' ability to obtain financing for future policies on favorable terms. Thus, the Debtors request the authority, but not direction, to continue honoring essential obligations (including any pre-petition obligations) pursuant to the Premium Financing Agreement, including the granting of security interests to the PFA Lender, and to renew or replace the Premium Financing Agreement in the ordinary course of business.

### **C. The Workers' Compensation and Employer's Liability Programs**

12. The Debtors maintain workers' compensation and employer liability insurance as required by state statute (collectively, the "*Workers' Compensation Programs*"). The Debtors' Workers' Compensation Programs are not self-insured.

13. In connection with the Workers' Compensation Programs, the Debtors pay premiums based upon a fixed rate established and billed by the insurance carrier (the "*Workers' Compensation Premiums*"). The Debtors pay approximately \$6,773.00 in Workers' Compensation Premiums each year.

#### **RELIEF REQUESTED**

14. The Debtors submit this Motion pursuant to Bankruptcy Code sections 105(a) and 365(b) for entry of an order (i) authorizing, but not directing, the Debtors to (a) maintain their pre-petition Insurance Policies and Programs (as defined herein), (b) honor their Insurance Obligations (as defined herein) in the ordinary course of business during the administration of the Chapter 11 Cases, including paying any prepetition Insurance Obligations (as defined herein), and (c) continue to honor and make payments under the Premium Financing Agreement (as defined herein), and (ii) granting related relief.

## **AUTHORITY IN SUPPORT OF RELIEF REQUESTED**

### **A. Maintaining the Debtors' Insurance Policies and Programs and Payment of the Insurance Obligations is Warranted Under Section 363(b)(1) of the Bankruptcy Code and the Doctrine of Necessity**

15. A bankruptcy court may authorize a debtor to pay certain prepetition obligations pursuant to section 363(b) of the Bankruptcy Code. Section 363(b) of the Bankruptcy Code provides, in pertinent part, that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). To approve the use of assets outside the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code, courts require only that the debtor show that a sound business purpose justifies such actions. *Stephens Indus., Inc. v. McClung*, 789 F.2d 386, 389-90 (6th Cir. 1986) (citing *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070 (2d Cir. 1983)).

16. In addition, the Court has the authority, pursuant to its equitable powers under section 105(a) of the Bankruptcy Code, to authorize the relief requested herein, because such relief is necessary for the Debtors to carry out their fiduciary duties under section 1107(a) of the Bankruptcy Code. Section 105(a) of the Bankruptcy Code empowers bankruptcy courts to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Section 1107(a) of the Bankruptcy Code “contains an implied duty

of the debtor-in-possession” to “protect and preserve the estate, including an operating business’ going-concern value,” on behalf of a debtor’s creditors and other parties in interest. *In re CEI Roofing, Inc.*, 315 B.R. 50, 59 (Bankr. N.D. Tex. 2004) (quoting *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002)); *see also In re RnD Eng’g, LLC*, 556 B.R. 303, 308 (Bankr. E.D. Michigan 2016).

17. Courts have recognized the “necessity of payment” doctrine, which authorizes the payment of pre-petition claims if such payment is essential to the preservation of the estate. *See, e.g., In re Lehigh & New Eng. Ry. Co.*, 657 F.2d 570, 581 (3d Cir. 1981) (holding that “if payment of a claim which arose prior to reorganization is essential to the continued operation of the . . . [business] during reorganization, payment may be authorized even if it is made out of [the] corpus”); *Dudley v. Mealey*, 147 F.2d 268, 271 (2d Cir. 1945) (extending doctrine for payment of prepetition claims beyond railroad reorganization cases), *cert. denied* 325 U.S. 873 (1945).

18. Insurance premium financing traditionally involves an advance by the finance company to the insurance company or its agent of the premium due for the full term of the insurance policy. “This advance is then repaid by the insured to the finance company in amortized monthly installments which include an additional amount to cover financing charges. The finance company is secured in making this advance payment by obtaining the right to cancel the policy and to receive the return



premium due upon cancellation if timely repayments are not made.” *Baker & Co. v. Preferred Risk Mut. Ins. Co.*, 569 F.2d 1347, 1348 (5th Cir. 1978). The return premium due to the finance company upon cancellation is known as an unearned premium. In practice, premium financing allows the Debtors to maintain liquidity by financing portions of certain of the Insurance Policies at low borrowing costs.

19. In addition, the security interests created by premium finance arrangements generally are recognized as secured claims in bankruptcy to the extent of the amount of unearned premiums financed pursuant to such agreements. *See TIFCO, Inc. v. U.S. Repeating Arms Co. (In re U.S. Repeating Arms Co.)*, 67 B.R. 990, 994–95 (Bankr. D. Conn. 1986); *Drabkin v. A.I. Credit Corp. (In re Auto-Train Corp.)*, 9 B.R. 159, 164–66 (Bankr. D.D.C. 1981). Moreover, Bankruptcy Code section 361 specifically contemplates providing adequate protection to the extent of the diminution in value of a secured creditor’s collateral, and security interests such as those under the Premium Financing Agreement warrant adequate protection in the form of periodic payments pursuant to the Premium Financing Agreement’s terms. *See, e.g., In re Waverly Textile Processing, Inc.*, 214 B.R. 476, 480 (Bankr. E.D. Va. 1997); *TIFCO, Inc.*, 67 B.R. at 1000.

20. Therefore, if the Debtors are unable to renew and continue making essential payments under the Premium Financing Agreement, the PFA Lender could seek relief from the automatic stay to cancel the respective PFA Policies in

accordance with the terms of the Premium Financing Agreement or to seek adequate protection of its respective investment. *See Universal Motor Express*, 72 B.R. 208, 211 (Bankr. W.D.N.C. 1987) (recognizing that a default under the financing arrangement and the resulting decline in value of the unearned premiums justified relief from the automatic stay). The Debtors then would be required to obtain replacement insurance on an expedited basis and at significant cost to the estates. If the Debtors are required to obtain replacement insurance and to pay a lump-sum premium for such insurance in advance, this payment may be the same or greater than what the Debtors currently pay to the PFA Lender under the current Premium Financing Agreements. Even if the PFA Lender is not permitted to terminate the PFA Policies, any interruption of essential payments would severely and adversely affect the Debtors' ability to finance premiums for future policies. Accordingly, the Debtors submit that the practical solution is to continue making essential premium financing payments.

21. Paying the Insurance Obligations are necessary costs of preserving the Debtors' estates. The Debtors' failure to maintain the Workers' Compensation Programs could jeopardize their coverage and expose the Debtors to fines and other adverse actions by state workers' compensation boards. In addition, the risk that eligible workers' compensation claimants would not receive timely payments for prepetition employment-related injuries could negatively impact the financial well-

being and morale of not just those claimants, but also the Debtors' active employees. In addition, the Insurance Programs are essential to the Debtors' operations, as the Debtors would be exposed to significant liability if the Insurance Programs were allowed to lapse or terminate. Such exposure could have a materially adverse impact on the Debtors' chapter 11 strategy and their ability to maximize value for their stakeholders.

22. Accordingly, authority to maintain the Insurance Policies and to pay Insurance Obligations, including any unpaid Insurance Obligations arising prior to the commencement of these chapter 11 cases, is critical to the Debtors' ability to preserve the going-concern value of their businesses, which will inure to the benefit of all parties in interest.

23. Moreover, the relief requested by this Motion represents a sound exercise of the Debtors' business judgment, is necessary to avoid immediate and irreparable harm to the Debtors' estates, and is justified under sections 363(b) and 105(a) of the Bankruptcy Code, and Rule 6003 of the Bankruptcy Code.

**B. Cause Exists to Authorize the Debtors' Financial Institutions to Honor Checks and Electronic Fund Transfers**

24. The Debtors have sufficient funds to pay the Insurance Obligations in the ordinary course of business by virtue of expected cash flows from ongoing business operations. In addition, under the Debtors' existing cash management system, the Debtors can readily identify checks or wire transfer requests as relating

to an authorized payment in respect of the obligations addressed in this Motion. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to the Insurance Obligations, inadvertently may not be honored and that the Court should authorize any bank, when requested by the Debtors, to receive, process, honor and pay any and all checks or wire transfer requests in respect of the relief requested herein, solely to the extent that the Debtors have sufficient funds standing to their credit with such banks, and such banks may rely on the representations of the Debtors without any duty of further inquiry and without liability for following the Debtors' instructions.

### **RESERVATION OF RIGHTS**

25. Nothing contained herein is intended or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder; or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an

admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

**BANKRUPTCY RULES 4001(A)(3), 6004(A), AND 6004(B)**

26. To implement the foregoing successfully, the Debtors request that the Court find that notice of the Motion is adequate under Bankruptcy Rule 6004(a) under the circumstances, and waive the fourteen (14) day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h) and an order authorizing relief from the automatic stay under Bankruptcy Rule 4001(a). The relief requested herein is necessary to avoid immediate and irreparable harm to the Debtors. Accordingly, ample cause exists to justify finding that the notice requirements under Bankruptcy Rule 6004(a) have been satisfied and to grant a waiver of the fourteen (14) day stay imposed by Bankruptcy Rule 6004(h) and 4001(a)(3), to the extent such notice requirements and such stay apply.

**NOTICE**

27. The Debtors have provided notice of this Motion to the following parties or their respective counsel: (a) each of the Insurance Companies listed on **Exhibit A**; (b) the United States Trustee's Office for the Eastern District of Michigan; (c) Byline Bank; (d) the holders of the twenty (20) largest unsecured claims against the Debtors; (e) the Federal Energy Regulatory Commission; (f) the United States Attorney's Office for the Eastern District of Michigan; (g) Applicable

Taxing Authorities<sup>3</sup>; and (h) any party that has formally appeared and requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors submit that no other or further notice need be given.

**NO PRIOR REQUEST**

28. The Debtors have not previously sought the relief requested herein from this or any other Court.

*[conclusion and signature to follow]*

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<sup>3</sup> The term “Applicable Taxing Authorities” as used herein and in the notice section of future motions filed in these Chapter 11 Cases shall mean the following taxing authorities that the Debtors are aware of: (a) the Internal Revenue Service; (b) the Gladwin and Midland County Treasurers; and (c) the Hay, Secord, Bourret, Clement, Jerome, Billings, Edenville, and Tobacco Township Treasurers.

## **CONCLUSION**

WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached hereto as **Exhibit B**, granting the relief requested in this Motion and such other and further relief as may be appropriate and proper.

Dated: August 6, 2020

Respectfully submitted,

By: /s/ Matthew E. McClintock

Matthew E. McClintock, Esq.  
Jason J. Ben, Esq.  
Daniel C. Curth, Esq.  
Eric W. Garavaglia, Esq.  
**GOLDSTEIN & MCCLINTOCK LLLP**  
111 W. Washington Street, Suite 1221  
Chicago, IL 60602  
Telephone: (312) 337-7700  
Facsimile: (312) 277-2310

*Proposed Counsel to the Debtors*

# **EXHIBIT A**



## Insurance Schedule

### First Day Motion Exhibit

Insurance Carrier	Insured	Type	Policy	Period	Premium
A.S. Arbury & Sons, Inc. (Travelers)	Boyce Hydro, LLC	Commercial Property; Commercial Inland Marine	GRB CP500061007	1/1/2020 - 1/1/2021	\$ 12,064.00
Markel	Boyce Hydro, LLC	Excess	MKLV1IEFX1004 12	4/28/2020 - 1/1/2021	\$ 6,906.00
Federal Insurance Company (CHUBB)	Boyce Hydro, LLC	General Liability	35817035WUC	1/1/2020 - 1/1/2021	\$ 23,388.00
A.S. Arbury & Sons, Inc. (Travelers)	Boyce Hydro, LLC	Commercial Auto	GRB CA500020907	11/8/2019 - 11/8/2020	\$ 14,069.00
Landmark American Ins. Co.	Boyce Hydro, LLC	Commercial Property; Commercial Inland Marine	LHT911300	1/1/2020 - 1/1/2021	\$ 72,288.50
<b>Total</b>					<b>\$ 128,715.50</b>
Federal Insurance Company (CHUBB)	Boyce Hydro, LLC	Workers Comp.	(21) 78390862	1/1/2020 - 1/1/2020	\$ 6,773.00
<b>Total</b>					<b>\$ 6,773.00</b>

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
NORTHERN DIVISION – BAY CITY**

In re: ) Case No. 20-21214  
)  
BOYCE HYDRO, LLC, *et al.* ) (Joint Administration Requested)  
)  
Debtors.<sup>1</sup> ) Chapter 11  
)  
\_\_\_\_\_ ) Honorable Daniel S. Opperman

**FIRST DAY ORDER (I) AUTHORIZING DEBTORS TO (A) MAINTAIN  
INSURANCE POLICIES AND PROGRAMS; (B) HONOR INSURANCE  
OBLIGATIONS; AND (C) CONTINUE PREMIUM FINANCING  
AGREEMENT; AND (II) GRANTING RELATED RELIEF**

Upon the Motion<sup>2</sup> of the Debtors for entry of an order, pursuant to Bankruptcy Code sections 105(a), 363(b), and 503(b) and Bankruptcy Rules 4001, 6003, and 6004: (i) authorizing, but not directing, the Debtors to (a) maintain their pre-petition Insurance Policies and Programs, (b) honor their Insurance Obligations in the ordinary course of business during the administration of the Chapter 11 Cases, including paying any prepetition Insurance Obligations, and (c) continue to honor and make payments under the Premium Financing Agreement (as defined below), and (ii) granting related relief; and upon the Mueller Declaration; and it appearing

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<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: (i) Boyce Hydro, LLC (6694), Case No. 20-21214 and (ii) Boyce Hydro Power, LLC (3034), Case No. 20-21215.

<sup>2</sup> Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the Motion.

that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and this Court may enter a final order consistent with Article III of the United States Constitution; and proper and adequate notice of the Motion and the hearing thereon having been given; and it appearing that no other or further notice being necessary; and it appearing that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and this Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED:

1. The Motion is granted as set forth herein.
2. The Debtors are authorized, but not directed, to (i) continue to maintain and perform under their Insurance Policies and Programs and honor their Insurance Obligations, (ii) pay prepetition amounts due and owing related the Insurance Policies and Programs to the extent that the Debtors determine that such payment is necessary or appropriate, and (iii) revise, extend, renew, supplement, or change the Insurance Policies and Programs or enter into new policies, if necessary, in the ordinary course of business consistent with the Debtors' past practice.
3. The Debtors are authorized, but not directed, to continue honoring, in the ordinary course of business, without further order of the Court, the Premium

Financing Agreement, including making any payments thereunder regardless of when such payments accrued.

4. The Debtors are authorized, but not directed, to enter into new insurance premium finance agreements, to the extent consistent with the Debtors' ordinary course prepetition practices, and to renew or continue, in the ordinary course of business, their current Premium Financing Agreement.

5. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as being approved by this Order.

6. The Debtors are authorized, but not directed, to issue postpetition checks or to effect postpetition fund transfer requests in replacement of any checks or fund transfer requests that are dishonored as a consequence of the Chapter 11 Cases with respect to prepetition amounts authorized to be paid herein.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

8. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in this Order shall constitute, nor is it intended to

constitute, an admission as to the validity or priority of any claim against the Debtors, the creation of an administrative priority claim on account of the prepetition obligations sought to be paid, or the assumption or adoption of any contract or agreement under Bankruptcy Code section 365.

9. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

10. The requirements of Bankruptcy Rule 6004(a) are hereby waived.

11. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, this Order shall be immediately effective and enforceable upon its entry.

12. To the extent that the Motion is inconsistent with this Order, the terms of this Order shall govern.

13. This Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
NORTHERN DIVISION – BAY CITY**

In re: ) Case No. 20-21214  
)  
BOYCE HYDRO, LLC, *et al.* ) (Joint Administration Requested)  
)  
Debtors.<sup>1</sup> ) Chapter 11  
)  
\_\_\_\_\_ ) Honorable Daniel S. Opperman

**NOTICE OF DEBTORS’ FIRST DAY MOTION FOR ENTRY OF AN  
ORDER (I) AUTHORIZING DEBTORS TO (A) MAINTAIN  
INSURANCE POLICIES AND PROGRAMS; (B) HONOR  
INSURANCE OBLIGATIONS; AND (C) CONTINUE  
PREMIUM FINANCING AGREEMENT; AND  
(II) GRANTING RELATED RELIEF**

The above-captioned debtors (the “*Debtors*”), as Chapter 11 debtors and debtors in possession, have filed papers with the court for entry of interim and final orders authorizing the Debtors to maintain their insurance policies issued in the ordinary course of their businesses (the “*Motion*”).

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)**

If you do not want the court to grant the Motion, or if you want the court to consider your views on the Motion, you or your attorney must attend a hearing on the Motion, which the Debtors understand is being held on **Thursday, August 6, 2020 at 2:00 PM (EST), Dial-in #: 888-557-8522, Access #: 1287364.** The Debtors shall provide you with the court order

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<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: (i) Boyce Hydro, LLC (6694), Case No. 20-21214 and (ii) Boyce Hydro Power, LLC (3034), Case No. 20-21215.

scheduling the Motion, if a different hearing date or time is established prior to presentment.

You or your attorney may also file with the court a written response or an answer, explaining your position at:<sup>2</sup>

**United States Bankruptcy Court**  
111 First Street  
Bay City, MI 48708

If you mail your response to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above. All attorneys are required to file pleadings electronically.

You must also send a copy to:

**Goldstein & McClintock, LLLP**  
**c/o Matthew E. McClintock, Esq.**  
111 West Washington Street—Suite 1221  
Chicago, IL 60602

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

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<sup>2</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

Dated: August 3, 2020

/s/ Matthew E. McClintock

Matthew E. McClintock, Esq.

Jason J. Ben, Esq.

Daniel C. Curth, Esq.

Eric W. Garavaglia, Esq.

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*Proposed Counsel to the Debtors*



**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
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In re: ) Case No. 20-21214  
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BOYCE HYDRO, LLC, *et al.* ) (Joint Administration Requested)  
)  
Debtors.<sup>1</sup> ) Chapter 11  
)  
\_\_\_\_\_ ) Honorable Daniel S. Opperman

**CERTIFICATE OF SERVICE**

I, Matthew E. McClintock, Esq., hereby certify that on August 3, 2020, I served documents as follows:

Documents Served: Debtors’ First Day Motion for Entry of an Order (I) Authorizing Debtors to (A) Maintain Insurance Policies and Programs; (B) Honor All Insurance Obligations; and (C) Continue Premium Financing Agreement; and (II) Granting Related Relief

Served Upon and Method of Service:

Overnight Delivery Service

Office of the U.S. Trustee for the Eastern District of Michigan  
201 Superior Avenue, Suite 441  
Cleveland, OH 44144

United States Attorney’s Office for the Eastern District of Michigan  
211 W. Fort Street, Suite 2001  
Detroit, MI 48226

Electronic Mail

Chubb Group of Insurance Companies  
Attn: Siobhan M. Murphy  
Lewis Brisbois Bisgaard & Smith LLP  
550 West Adams Street, Suite 300,  
Chicago, IL 60661  
(312) 463-3325  
[Siobhan.Murphy@lewisbrisbois.com](mailto:Siobhan.Murphy@lewisbrisbois.com)

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<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: (i) Boyce Hydro, LLC (6694), Case No. 20-21214 and (ii) Boyce Hydro Power, LLC (3034), Case No. 20-21215.

Internal Revenue Service  
P.O. Box 7346  
Philadelphia, PA 19101

Gladwin County Treasurer  
Attn: Christy Van Tiem  
401 W. Cedar Ave.  
Gladwin, MI 48624

Midland County Treasurer  
Attn: Catherine L. Lunsford  
County Services Building  
220 W Ellsworth Street  
Midland, MI 48640-5194

Billings Township Treasurer  
Attn: Linda J. McSweyn  
1050 Estey rd  
Beaverton, MI 48612

Bourret Township Treasurer  
Attn: Lisa Ball  
4430 Pine St  
Alger MI 48610-0000

Clement Township Treasurer  
Attn: Eric House  
1497 E. M-30  
Alger MI 48610-0000

Edenville Township Treasurer  
Attn: Lydia Draves  
467 Moore St.  
P.O. Box 24  
Edenville MI 48620-0000

Hay Township Treasurer  
Sandra Priemer  
1220 E. Highwood Rd.  
Beaverton MI 48612-0000

Markel Corporation  
Attn: Yosef Klien  
Rich, Campbell & Roeder, PC  
30665 Northwestern Highway,  
Suite 160  
Farmington Hills, MI 48334  
[yklein@rcrfirm.com](mailto:yklein@rcrfirm.com)

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