

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE  
WESTERN DISTRICT OF WISCONSIN

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In the Matter of

IN BANKRUPTCY

TELEMARK MANAGEMENT COMPANY, INC.  
THE TELEMARK COMPANY, INC.  
TELEMARK LAND COMPANY, INC.  
HISTORYLAND, INCORPORATED  
THAW, INC.,

EF11-81-00747  
EF11-81-00748  
EF11-81-00749  
EF11-81-00750  
EF11-81-00751

Wisconsin Corporations, d/b/a  
Telemark Enterprises

Debtors.

**FILED**

AUG 10 1981

CLERK  
U.S. BANKRUPTCY COURT

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ORDER DENYING APPLICATION  
FOR APPOINTMENT TO CREDITORS COMMITTEE

Robert A. Pearson, duly authorized representative of the Valhalla Townhouse Association, Ltd., filed on June 30, 1981, an application that the Court increase the size of the Creditors Committee and appointing him, as a representative of said Association, to said Committee; and the debtor having duly objected to said application and appointment; and a hearing having been duly held on the 15th day of July, 1981; and counsel having presented their arguments relative to said application; and the Court having previously heard the sworn testimony on June 16, 1981, in a proceedings in which said Robert A. Pearson applied to the Court to have himself appointed as representing his mother as trustee in said matter, which application was duly dismissed; and the parties having filed their briefs and memorandums, and the Court having considered all of the record, the arguments of counsel and testimony, FINDS:

1. That the applicant is the secretary of said Association and his brother is the president of said Association.
2. That the application for relief under Chapter 11 was filed in this Court on the 30th day of April, 1981.

3. That 11 U.S.C. §1102(a)(1) provides:

"As soon as practicable after the order for relief under this chapter, the court shall appoint a committee of creditors holding unsecured claims.

(2) On request of a party in interest, the court may order the appointment of additional committees of creditors or of equity security holders if necessary to assure adequate representation of creditors or of equity security holders. The court shall appoint any such committee."

4. That on May 6, 1981, pursuant to said statute, the Court appointed a Creditors Committee of the seven largest unsecured creditors appearing from the record at that time, as follows:

1. Carley Capital Group  
Att'n: James Carley  
315 W. Gorham  
Madison, Wisconsin 53703
2. Findorff Construction  
Att'n: Larry Thomas  
P. O. Box 1647  
Madison, Wisconsin 53703
3. Telemark Lodge Owners Association  
Attn: Donald Pearson, Treasurer  
P. O. Box 381  
Cable, Wisconsin 54821
4. Alex Janows & Associates  
Att'n: Sherwin Janows  
2950 North Oakley Avenue  
Chicago, Illinois 60618
5. Manson Insurance  
Att'n: David Scholfield  
First American Center  
Wausau, Wisconsin 54401
6. Elbasani, Logan, Severin  
Att'n: Barry Elbasani  
2040 Addiston Street  
Berkeley, California 94704
7. L. J. Schuster Company  
Att'n: Leo Schuster  
1400 Selby Avenue  
St. Paul, Minnesota 55104

5. That Elbasani, Logan, Severin, being creditor #6 above, declined to act and thereafter on June 16, 1981, pursuant to application, an order was entered by the Court appointing Bayfield Electric Cooperative, Inc. a member of said Committee.

6. That at the meeting on June 16, 1981, a question arose as to the actual seven largest creditors, and the Court

endeavored by subsequent communication to determine the seven largest creditors.

7. That following said date, the Valhalla Townhouse Association, Ltd. filed a proof of claim for \$110,000.00.

8. That it now appears that the nine largest creditors are:

Telemark Lodge Owners Association - \$399,880.27  
Bayfield Electric Cooperative, Inc. - \$143,648.75  
Manson Insurance - \$142,483.69  
Elbasani, Logan, Severin - \$65,000.00  
Alex Janows & Associates - \$46,220.74  
L. J. Schuster Company - \$38,630.15  
Findorff Construction - \$32,000.00  
Approximately \$160,000.00 secured by  
escrow agreement.  
Carley Capital Group - \$30,000.00  
Approximately \$160,000.00 secured by  
escrow agreement.  
Chequamegon Telephone Co-op - \$29,626.87

9. That the contention of the Valhalla Townhouse Association, Ltd. by its application that it be named a member of said Committee as one of the largest creditors is unfounded in that the indebtedness by the debtor is due to each of the townhouse owners and not to the Association.

10. That the said Valhalla Townhouse Association consists of twenty-eight townhouse units individually dealing with the debtor rather than by its Association, and that the amount of the Association's claim, if any, against the debtor is of the approximate amount of \$356.35.

11. That the Court can find no authority to aggregate small claims in order to qualify to the Committee.

12. That actually very few cases have been heard under the new Code and the only one the Court is aware of is In Re Penn-Dixie Industries, Inc., 9 B.R. 936 (1981).

13. That the number of seven is only precatory. Colliers on Bankruptcy, Vol. 5, page 1102-15.

14. That debtor's objection to Mr. Pearson as to a conflict of interest because of his previous attempts to remove the debtor's present management is therefore moot at this time.

15. That the membership of such Committee as now constituted by the orders of this Court made on May 6, 1981, and June 16, 1981, are representative of the different kinds of claims or interests to be represented.

16. That it is not necessary to increase the number of members of said Committee to assure adequate representation of the creditors in said matter.

CONCLUSIONS OF LAW

That an order be entered dismissing the application of Robert A. Pearson as representative of the Valhalla Townhouse Association, Ltd. and confirming the membership of said Creditors Committee as previously determined on May 6, 1981, and June 16, 1981.

O R D E R

NOW, THEREFORE, IT IS ORDERED:

1. That the application of Robert A. Pearson as a duly authorized representative of the Valhalla Townhouse Association, Ltd. for appointment to the Creditors Committee in the above entitled matter be and the same is hereby denied and said application dismissed without costs.

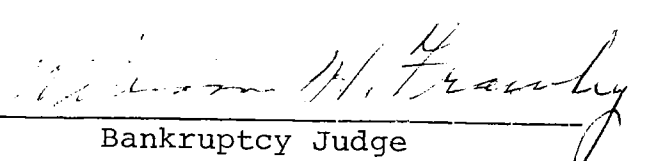
2. That the orders of May 6, 1981, and June 16, 1981, constituting the membership of the Creditors Committee in the above proceedings to be as follows:

Carley Capital Group  
Findorff Construction  
Telemark Lodge Owners Association  
Alex Janows & Associates  
Manson Insurance  
L. J. Schuster Company  
Bayfield Electric Cooperative, Inc.

are hereby confirmed.

Dated: August 10, 1981.

BY THE COURT:

  
Bankruptcy Judge