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FILED

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN

SEP 30 1986

CLERK, U.S.
BANKRUPTCY COURT
CASE NO. ~~XXXXXXXXXXXX~~

In re:

Case Number:

LAVERN T. RISLER

EF11-85-01903

Debtor.

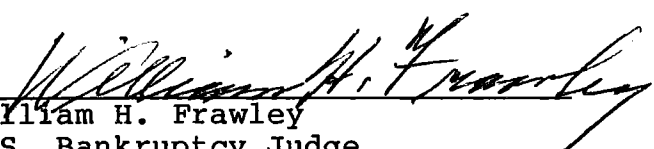
ORDER

The court having this day entered its memorandum opinion,
findings of fact, and conclusions of law;

NOW, THEREFORE, IT IS ORDERED that the Production Credit
Association's motion seeking dismissal of this bankruptcy case is
hereby denied.

Dated: September 30, 1986.

BY THE COURT:


William H. Frawley
U.S. Bankruptcy Judge

cc: Attorney Peter F. Herrell
Attorney Bruce E. Zito
Attorney G. Scott Nicastro

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MEMORANDUM OPINION,
FINDINGS OF FACT, AND CONCLUSIONS OF LAW

The Production Credit Association (PCA), by Peter F. Herrell, has brought this motion seeking dismissal of this bankruptcy case pursuant to 11 U.S.C. § 1112(b). The debtor appears by Bruce E. Zito and objects to the motion. Northern Investment appears by G. Scott Nicastro and requests that the debtor be allowed additional time to file a proposed plan of reorganization. Peter F. Herrell also appears for the United Bank of Osseo. A hearing was held in this matter on September 22, 1986. The parties have been provided opportunity to call and examine witnesses and to make their respective arguments.

The debtor filed for relief under Chapter 11 of the Bankruptcy Code on September 25, 1985. Exactly one year has now elapsed and the debtor has still not filed a disclosure statement or a proposed plan of reorganization. PCA argues that this case should be dismissed for three reasons:

1. Continuing loss to or diminution of estate and absence of a reasonable likelihood of rehabilitation.
2. Inability to effectuate a plan, and
3. Unreasonable delay by the debtor that is prejudicial to the creditors.

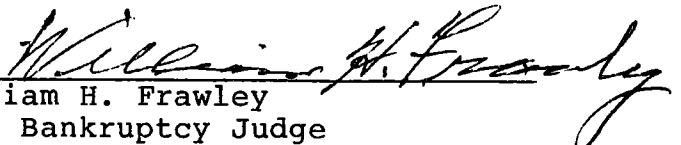
11 U.S.C. § 1112(b). PCA as the moving party carries the burden of proof in this matter.

The debtor has three major secured creditors in this Chapter 11 case. The debtor has been making substantial monthly payments to all three of these creditors. It also appears that the debtor is in the process of obtaining a divorce and is under a substantial amount of stress due both to the divorce and his financial difficulties. The debtor offers to file a disclosure statement and a proposed plan of reorganization within the next five days. It is the conclusion of the court that the debtor should be allowed additional time to file a disclosure statement and a proposed plan of reorganization.¹

This opinion shall constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052.

Dated: September 30, 1986.

BY THE COURT:



William H. Frawley
U.S. Bankruptcy Judge

¹ The court notes that by the date of this opinion the debtor has filed a disclosure statement and a proposed plan of reorganization.