

**Information and FAQs Regarding Floyd's Insurance Agency, Inc.
U. S. Bankruptcy Court Case No.: 20-01982-5-JNC**

This page is posted to provide general information and answers to common questions regarding the status of the bankruptcy case of Floyd's Insurance Agency, Inc. The information on this page is not a substitute for legal advice and while the information contained in this update is believed to be accurate as of the date shown, it could be affected or superseded by subsequent occurrences, proceedings, and orders of the Bankruptcy Court. Therefore, you should be sure to read very carefully all notices you receive from Bankruptcy Court, Bankruptcy Clerk, or Trustee about this case, and if you have legal questions about the case or your rights you should contact an attorney.

Information as of June 11, 2020:

LATEST UPDATES:

- **The § 341 Meeting of Creditors originally scheduled for June 16, 2020 has been rescheduled to 10:00 am on July 27, 2020, to be conducted telephonically. To participate by telephone, 1-888-363-4734, Access Code: 6773411.**

What happened? On May 20, 2020 ("Petition Date"), Floyd's Insurance Agency, Inc. ("Debtor") of Whiteville, NC filed with the U.S. Bankruptcy Court for the Eastern District of North Carolina ("Bankruptcy Court") a petition under Chapter 11 of the U.S. Bankruptcy Code.

Please see the Notice of Chapter 11 Bankruptcy Case which contains important information about the case.

What does this mean for creditors? As a result of the bankruptcy filing and pursuant to § 362 of the Bankruptcy Code, an automatic stay has been imposed against most collection activities. This means that creditors generally may not take action to collect debts from the Debtor or the Debtor's property. For example, while the stay is in effect, creditors cannot sue, assert a deficiency, repossess property, or otherwise try to collect from the Debtor. Creditors cannot demand repayment from the Debtor by mail, phone, or otherwise.

Will monthly payments to creditors continue? No. Due to the bankruptcy filing, the Debtor is prohibited from paying any debts that arose before the Petition Date. As a result, all payments to creditors of the Debtor have been discontinued and no more monthly payments to creditors may be made.

Who is in charge of the bankruptcy estate? On May 29, 2020 the Bankruptcy Court appointed Algernon L. Butler, III as Chapter 11 Trustee for the Debtor ("Trustee"). As a result of the Trustee's appointment, the Debtor is no longer operating as a debtor-in-possession and the Debtor and its affairs are under the supervision and control of the Trustee.

The case was filed as a Chapter 11 – will a plan be filed and how will my claim be treated? If the case were to proceed under Chapter 11 as a reorganization the Bankruptcy Court would require a plan of reorganization to be filed which would place claims into classes for treatment; the court has not yet set a deadline for a plan to be filed.

However, the Trustee plans to request that the case be converted to Chapter 7, and if the case is converted a plan of reorganization will not be filed and the Trustee will proceed with the administration of the estate and make distribution of estate funds to creditors before the administration is concluded. Creditors desiring to participate in any distribution by the Trustee should timely file a proof of claim with the Bankruptcy Court.

Should I file a proof of claim? Creditors who are owed money from the Debtor should timely file a proof of claim with the Bankruptcy Court in order to be eligible to receive a distribution from the bankruptcy estate.

While if the case were to remain under Chapter 11 it is possible that some claims that were scheduled by the Debtor could be allowed even if no proof of claim were filed.

However, the Trustee plans to request that the case be converted to Chapter 7, and if the case is converted to Chapter 7 creditors desiring to participate in any distribution from the estate must timely file a proof of claim with the Bankruptcy Court in order for their claim to be allowed and eligible for distribution. Currently, the deadlines to file a proof of claim are:

September 14, 2020 - for non-governmental creditors

November 16, 2020 - for governmental creditors

When is the § 341 meeting of creditors, and am I required to attend? The § 341 meeting of creditors currently is scheduled to be held telephonically at 10:00 a.m. on July 27, 2020. In the event that the § 341 meeting is continued, creditors will be mailed notice of the time and date of the rescheduled meeting.

A principal of the pre-petition Debtor is required to attend and be questioned under oath by the Trustee at the § 341 meeting of creditors.

Creditors are permitted, but not required, to attend the § 341 meeting of creditors. Creditors will neither gain nor lose any rights by electing to attend, or not to attend, the meeting of creditors.

How long will all this take? It is unknown exactly how long the process of administering the estate could take. The Trustee is in the process of administering the bankruptcy estate of the Debtor with the goal of recovering funds to pay creditors back as much as possible. The amount of time it will take to fully administer the case is not known at this time but it likely will take several years to complete.

Can I view documents filed in the case? Yes, you can view documents through PACER (Public Access to Court Electronic Records) by visiting www.pacer.gov. You will be required to register for an account and will incur fees; however, if you accrue \$30.00 or less of charges in a quarter, fees are waived for that period. Refer to their “Frequently Asked Questions” for more information.

Who should I contact if I have information that may helpful in recovering assets or in the administration of the case? If you believe that you have important information about the Debtor or its management or assets that might be helpful in the process of recovering assets for creditors or in the administration of the case, you may contact the office of the Trustee, Algernon L. Butler, III, as follows:

Address: 111 N. 5th Avenue, Wilmington, NC 28401
Telephone: (910) 762-1908

Who should I contact for additional information or assistance? While the offices of the U.S. Bankruptcy Clerk and Trustee work hard to make sure that bankruptcy cases run smoothly and are as successful as possible, unfortunately neither the Clerk nor the Trustee can give you any legal advice. If you have legal questions about the case or your rights, you should contact an attorney.