

EXHIBIT 24

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

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| In re: AGRIPROCESSORS, INC., Debtor. | Chapter 11 Case No. 08-02751 |
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**OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO
TRUSTEE'S MOTION FOR AN ORDER APPROVING SALE OF SUBSTANTIALLY
ALL OF THE ASSETS, FREE AND CLEAR OF ALL LIENS, CLAIMS AND
ENCUMBRANCES, TOGETHER WITH RELATED RELIEF**

COMES NOW the duly appointed and acting Official Committee of Unsecured Creditors (the "Committee") of Agriprocessors, Inc. (the "Debtor"), by and through its undersigned counsel, Brown, Winick, Graves, Gross, Baskerville and Schoenebaum, P.L.C., and Lowenstein Sandler, P.C., and hereby objects to the Chapter 11 Trustee's Supplemental Motion for Order Approving Sale filed June 23, 2009 (Doc. 802) (the "Supplemental Motion") because, as set forth more fully below, it is not clear as to who the purchaser is, what assets are being sold, the purchaser's post-sale intention regarding the continued operation of the assets being sold, and for other reasons outlined in more detail below. In further support of its objection, the Committee respectfully states as follows:

1. On January 25, 2009, the Chapter 11 Trustee filed a Motion seeking authority to sell the Estate's assets pursuant to Section 363 of Title 11 of the United States Bankruptcy Code (the "Bankruptcy Code"), pursuant to the bid procedures attached thereto as Exhibit A (the "Bid Procedures").

2. On or about February 27, 2009, the Court entered an Order approving the Bid Procedures for the conduct of an auction and scheduling the auction and sale hearing for March 23, 2009.

3. On March 23 and 24, 2009, an auction was held to sell the assets. However, the Chapter 11 Trustee did not accept any of the bids submitted and did not request an order approving the sale.

4. On or about May 6, 2009, according to the Trustee's Supplemental Motion, First Bank Business Capital, Inc. ("First Bank") assigned all of its right, title and interest in and to its post-petition credit facility as set forth in the Final Financing and Cash Collateral Order to SHF Industries, LLC ("SHF"). Additionally, according to the Supplemental Motion, SHF acquired by assignment all rights from Metropolitan Life Insurance Company ("MLIC") under various loan documents with the Debtor on or about June 5, 2009. However, the Trustee filed no pleadings notifying the Court, creditors or parties in interest of these assignments until the Supplemental Motion and the Committee was otherwise not made aware of these assignments until after they were completed.

5. On June 23, 2009, the Chapter 11 Trustee filed the Supplemental Motion seeking to sell substantially all of the Debtor's assets free and clear of liens claims and encumbrances to SHF.

6. In support of the proposed sale, the Chapter 11 Trustee represents in the Supplemental Motion that the proposed sale "enables the Trustee to sell the primary assets of the Estate on a 'going concern' basis and, thus maximizing asset values and providing creditors with a financially sound trading partner into the future." (Supplemental Motion at ¶ 18). Although the

Committee is disappointed that the auction process apparently will not result in a purchase price sufficient to enable a distribution to unsecured creditors, the Committee strongly supports the Chapter 11 Trustee's efforts to sell the primary assets of the Estate on a "going concern" basis to a financially sound trading partner with whom creditors may potentially do business in the future.

7. It is important to the Committee that the creditors have such a trading partner to do business with in the future and the Committee is hopeful that SHF will prove to be such a trading partner. However, as of the filing of this objection, the Committee has not been provided with any meaningful information or evidence supporting the assertion in the Supplemental Motion that SHF will provide unsecured creditors with a financially sound trading partner in the future. At present, the Committee simply has no information as to: (a) what experience and qualifications SHF has with respect to the management of a beef and poultry processing facility; (b) whether SHF is financially sound and what its intentions are in terms of capitalizing the business operations of the Postville plant; (c) whether SHF intends to continue to operate the Debtor's plant in Postville; and (d) if so, what the scope of those operations will be, how they will be funded and how such operations will be managed and by whom.

8. In an effort to ascertain such information, the Committee placed calls to counsel for SHF during the week of July 6 but neither call was returned.

9. The Supplemental Motion indicates that SHF's offer is "currently being memorialized in an asset purchase agreement (the 'APA') that will be filed with the Court in advance of any continued hearing on the Asset Sale." (Supplemental Motion at ¶ 15). However, no such asset purchase agreement has been filed or forwarded to the Committee as of the time of

this Objection. Without the opportunity to review and evaluate an asset purchase agreement, the Committee, creditors and other parties in interest are prevented from appropriately considering and evaluating the proposed sale. Without the asset purchase agreement, the Court, the Committee and others don't know what assets are proposed to be sold or what assets and liabilities are to remain with the estate.

10. The Supplemental Motion indicates that "SHF shall complete a disclosure statement setting forth, among other things, "any and all connections or affiliations of SHF with any creditors or parties in interest in the case, including, without limitation, connections or affiliations with the Debtor's principals" and setting forth "SHF's post-sale intention with respect to the Postville, Iowa operations." (Supplemental Motion at ¶ 15). The Chapter 11 Trustee has not filed such disclosure statement and has not otherwise provided the Committee with such information.

11. By not submitting the proposed asset purchase agreement or the disclosure statement of SHF, the Chapter 11 Trustee is in violation of his own Bid Procedures previously approved by the Court.

12. The Supplemental Motion provides little if any information concerning the identity of SHF, which, upon information and belief, was an entity created on or about May 6, 2009, for the very purpose of acquiring the Debtor's assets. The Committee was originally given information that SHF was an investor group led by Hershey Friedman of Montreal. That information was corroborated recently in an article appearing in the Des Moines Register on July 6, 2009. However, in a separate article from the Associated Press dated that same date, counsel for SHF Industries denied reports that Mr. Friedman is part of the SHF ownership group

and refused to identify who the SHF's owners are.¹ Thus, it is not even clear at this point who the purchaser of the Debtor's assets is, much less what the purchaser's qualifications, experience and intentions are.

13. The Supplemental Motion indicates that the assets being conveyed "shall not include equipment subject to (a) third-party lease contracts and/or (b) liens of third-parties, other than SHF, by way of the assignments from First Bank and MLIC." (Supplemental Motion at ¶ 15). Given this and the objections already filed by third-party lessors, it is not clear whether SHF, if successful at the sale, will have acquired the requisite assets sufficient to operate the Debtor's plant after the sale.

14. The Supplemental Motion also indicates that "SHF is not acquiring, nor assuming, any debts or obligations of the Debtor or the Estate." (Supplemental Motion at ¶ 15). Since First Bank assigned all of its right, title and interest in and to its post-petition facility, as set forth in the Final Financing Order to SHF on or about May 6, 2009, it is unclear how post-petition administrative expenses will be paid if SHF is not willing to incur such obligations. Given that SHF acquired First Bank's right, title and interest in and to the post-petition credit facility as set forth in the Final Financing Order, and has otherwise benefited, since on or about May 6, 2009, from the Chapter 11 process and has enjoyed the protections and advantages therefrom, not the least of which is the renewed auction and sale process by which it seeks to purchase assets of the Estate free and clear of all liens, claims and encumbrances, SHF should be responsible for the payment of post-petition administrative expense claims.

15. Although the Supplemental Motion indicates that the parties will adduce evidence

¹ Copies of the articles will be available at the Sale Hearing and provided upon request.

in support of the sale at the sale hearing and although the Committee is happy to participate in the presentation of evidence at the hearing, the Committee is concerned that it will not have adequate time to review, evaluate and receive guidance from its counsel regarding the information and evidence presented at the hearing. As a result, the Committee respectfully requests that ample time be provided to all parties to consider, evaluate and take a position on such evidence prior to any order being entered on the sale.

16. Lastly, the Committee wishes to note that it objects to any conveyance of the Estate's avoidance actions to SHF or any other potential purchaser, as such actions may be the only source of potential recovery for the unsecured creditors. The Committee is mindful that the Supplemental Motion indicates that avoidance actions are not being conveyed to SHF, but without the opportunity to review the asset purchase agreement governing the proposed sale to SHF, the Committee is unable to verify that is actually the case.

17. The Committee again wishes to emphasize that it is hopeful that the sale process produces a purchaser who continues to operate the plant in Postville and provides creditors with a financially sound trading partner, and is hopeful that SHF is such a purchaser. However, the Committee simply has not been provided with adequate information at this point, as discussed above, in order to make any reasonable judgment as to whether such is the case. The Committee is also otherwise concerned with the lack of transparency concerning developments in this case following the first auction held in late March and is hopeful that better and more timely information will be provided in the future.

WHEREFORE, the Committee respectfully requests that: (a) it be heard on this Objection; (b) the Court refrain from entering any order approving the proposed sale to SHF

until necessary and appropriate information and evidence concerning SHF and the terms of the proposed sale is presented and until the Committee has had adequate time to evaluate such evidence and formulate a position with respect to the proposed sale; and (c) the Court grant the Committee such other and further relief the Court deems equitable and just.

Dated: July 14, 2009

Respectfully submitted,

/s/ Bradley R. Kruse

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ATTORNEYS FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS

CERTIFICATE OF SERVICE

On the 14th day of July, 2009, this document was served electronically on parties who receive electronic notice through CM/ECF as listed on CM/ECF's notice of electronic filing.

/s/ Bradley R. Kruse

Bradley R. Kruse