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SEP 18 2006

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH DAKOTA
NORTHERN DIVISION

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In re:

ABERDEEN FINANCE CORPORATION,
TAX ID No. 46-0103800,

Debtor.

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Case No. 04- 10175
Chapter 11

ORDER CONFIRMING
PLAN

The plan under chapter 11 of the Bankruptcy Code filed by Aberdeen Finance Corporation, on June 1, 2006, or a summary thereof, having been transmitted to creditors and equity security holder; and

It having been determined after hearing on notice that the requirements for confirmation set forth in 11 U.S.C. § 1129(a) have been satisfied;

IT IS ORDERED that:

The plan filed by Aberdeen Finance Corporation, on June 1, 2006, is confirmed.

So ordered: September 11, 2006.

BY THE COURT:



Charles L. Nail, Jr.
Bankruptcy Judge

NOTICE OF ENTRY
Under Fed.R.Bankr.P. 9022(a)

This order/judgment was entered
on the date shown above.

Linda M. LaFortune
Acting Clerk, U.S. Bankruptcy Court
District of South Dakota

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JUL 26 2006

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Case No. 04- 10175
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DEBTOR'S PLAN
OF REORGANIZATION
DATED JUNE 1, 2006

INTRODUCTION

Debtor proposes the following Plan of Reorganization. Except where otherwise indicated, terms utilized in the Plan of Reorganization have been utilized as defined in Title 11 of the United States Code.

GENERAL DESCRIPTION OF PLAN

Following the Order of Confirmation, Debtor is going to remain in possession of its assets and continue to make small loans and sell insurance. Debtor is cooperating and working with the South Dakota Division of Banking and has implemented and will continue to implement loan policies that will avoid losses. Debtor's Plan proposes to pay its largest secured creditor Wells Fargo in full by monthly payments over a period of approximately four (4) years. Furthermore, Debtor's Plan proposes to pay unsecured creditors with claims less than Ten Thousand Dollars (\$10,000.00), thirty-eight percent (38%) of their allowed secured claim in cash without interest by four (4) annual payments. Unsecured creditors with allowed secured claims over Ten Thousand Dollars

1.05. **Court** shall mean the United States Bankruptcy Court for the District of South Dakota in which the Debtor's Chapter 11 case, pursuant to which the Plan is proposed, is pending and any court having competent jurisdiction to hear appeals or certiorari proceedings therefrom.

1.06. **Debtor** shall mean Aberdeen Finance Corporation, a South Dakota corporation.

1.07. **Distribution Date** shall mean the dates of first payment described in each class.

1.08. **Order of Confirmation** is the effective date of the Plan and shall mean the order entered by the Court confirming the Plan in accordance with the provisions of Chapter 11 of the Code, which order is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending and shall be the effective date of the Plan.

1.09. **Petition Date** shall mean May 20, 2004, the date that Debtor filed its voluntary petition for relief under Chapter 11 of the Code.

1.10. **Plan** shall mean this Chapter 11 Plan of Reorganization dated June 1, 2006, as amended or modified in accordance with the Code.

ARTICLE – 2

UNCLASSIFIED CLAIMS FOR ADMINISTRATIVE EXPENSES AND CLAIMS OF PRIORITY CREDITORS AND THE PROVISIONS FOR PAYMENT OF EACH

2.01. **Administrative Expenses.** The administrative expenses of Debtor's Chapter 11 case, to the extent such claims have been allowed pursuant to Section 503(b) of the Code and given priority by virtue of Section 507(a)(1) of the Code, shall be paid in full in cash. The Distribution Date is when the Order approving the administrative expense is final or as agreed upon by the holder of such administrative Allowed Expense and Debtor or as otherwise ordered by the Court.

having claims of more than Ten Thousand Dollars (\$10,000.00). Totally, they are owed Five Million One Hundred Seventy-four Thousand Five Hundred Seventy-three and Fifty-seven Cents (\$5,174,573.57).

3.05. **Class E.** The interests of Debtor's equity security holders who are Timothy G. Rich and Kathleen Getty.

ARTICLE – 4

IMPAIRMENT OF CLASSES

4.01. **Unimpaired Class.** Class A is unimpaired.

4.02. **Impaired Classes.** Classes B, C, D and E are impaired.

ARTICLE – 5

PROVISIONS FOR TREATMENT OF CLASSES

5.01. **Class A.** The allowed oversecured secured claim of the Rich Family shall be paid in full following payment of Wells Fargo under the Plan according to terms yet to be negotiated. The Rich Family shall retain his lien until paid in full. The Distribution Date shall be the date of first payment.

5.02. **Class B** is the allowed oversecured claim of Wells Fargo. As of March 6, 2006, Debtor and Wells Fargo entered into an agreement entitled "STIPULATION FOR PLAN TREATMENT". That stipulation provides as follows:

"WHEREAS, Aberdeen Finance Corporation, of 18 S.E. 3rd Avenue, PO Box 59, Aberdeen, South Dakota 57402-0059, (hereinafter referred to as "Debtor") is indebted to Wells Fargo Bank, N.A. (hereinafter referred to as "Bank") in the amount of \$877,916.36 as of January 18, 2006, together with interest thereafter pursuant to that certain Promissory Note (hereinafter referred to as "Note"), dated April 29, 2002; and

The Prime Rate as of today would be seven and one quarter percent (7.25%) and Bank and Debtor agree that the interest rate shall have a cap of nine percent (9.00%) and a floor of seven percent (7%). Therefore, the initial interest rate shall be nine percent (9.00%).

As collateral for the total indebtedness Bank has as of the date hereof a perfected first position security interest in certain personal property of Debtor including a perfected security interest in all accounts, together with proceeds thereof as is more precisely set forth in security agreements and financing statements previously executed by Debtor. The parties agree that Debtor's loans, and its collateral for those loans, constitute the primary portion of Debtor's accounts and proceeds which are subject to Bank's perfected security interest. Debtor acknowledges that said liens shall continue in full force and effect during the period of time covered by this agreement. Furthermore, Debtor agrees to execute any and all such additional security agreements and financing statements reasonably requested by Bank to continue its first position perfected security interest in the collateral referenced in this paragraph. Bank is fully secured.

2. Payments to Unsecured Creditors. During the first four (4) years of the Plan, Debtor shall be permitted, as long as Debtor is not in default with regard to any provision thereof, to escrow Five Thousand Dollars (\$5,000) per month into a fund to be utilized to pay unsecured creditors. The escrow payment shall be made monthly and the disbursements from the escrow account should not be made more frequently than on a quarterly basis. Neither the monthly escrow deposits, nor the periodic disbursements, shall be permitted at any time during which Debtor is in default with regard to the provisions hereof. Additionally, during the first twelve months following the approval of the Plan, no disbursement from the escrow account shall be made, with the entire Sixty Thousand Dollars (\$60,000) escrowed during the first twelve (12) months to be distributed only provided that Debtor remains free of default with regard to the remaining terms and conditions hereof.

3. Use of Proceeds. Provided that Debtor is not in default with regard to the remaining terms and provisions hereof, Debtor shall be permitted to use cash proceeds from its ongoing operations consistent with the cash proceed use that is permitted pursuant to the current cash collateral order.

4. S&S Communications Assets. Debtor has obtained certain assets as a result of secured loans previously made to S&S. Debtor will proceed to liquidate those assets to the extent it is feasible. Any proceeds received from the liquidation of any of the S&S Assets after the deduction of any appraisal costs and/or sale fees, shall be divided as follows:

- (iii) Master file (to being handled on a quarterly basis or with an alternative provision for information as has been agreed upon by Bank.)
- (d) The customers that actually pay (current through sixty (60) days) shall not drop below 70%, measured monthly.
- (e) First payment defaults (in the 30 to 90 day category) shall not exceed 3.5 %, measured monthly.
- (f) The percentage of restructured loans to the total loan portfolio shall not increase more than 3% per quarter.
- (g) The average payment rate which is the monthly payments received to the total portfolio should not drop below 3.75% on a weighted six month basis, measured monthly.
- (h) The amount of the debt to Bank shall not be greater than 40% of the current loans (defined as those less than sixty (60) days past due), measured monthly.

8. Additional Payments. In the event that at the end of any quarter the cash available is greater than \$125,000, fifty percent (50%) of that cash shall be payable as an additional payment to Bank and fifty percent (50%) to be retained by Debtor to make new loans.

9. Additional Event of Default. The following two items shall constitute additional events of default:

- (a) In the event that the cash balance at the end of any quarter drops below \$25,000 that shall be an event of default. If the cash balance gets below in any given month, perhaps the Plan could be structured to defer payments to unsecured creditors until cash is available and have the Plan written in a manner that it would not cause a default claim by the unsecured creditors unless payments have been missed for a series of months, and in no event should the lack of payments to the unsecured creditors be a default in the Plan until after Bank has been paid in full.
- (b) In each quarter, the total receipts shall be reduced by the total disbursements and the amount of new loans added to that number and

account of Debtor's operations, receipts and expenditures and Debtor agrees to provide said records to Bank on a periodic basis.

16. Withdrawal of Motion. Bank agrees to withdraw its pending Motion to Dismiss or Alternatively Motion for Relief From the Automatic Stay without prejudice. Bank shall be entitled to refile said Motion in the event that the Plan containing the provisions hereof is not filed by Debtor within three (3) months of the date hereof, or confirmed by the Court within six (6) months of the date hereof, or if Debtor defaults with regard to any of the provisions hereof, including the loan covenants.

Dated as of this 6th day of March, 2006.

Aberdeen Finance Corporation d/b/a
Aberdeen Insurance Agency, Debtor

By /s/Timothy G. Rich
Its President

Wells Fargo Bank, N.A.

By /s/Keith H. Goey
Its Vice President"

5.03. **Class C.** This class consists of the allowed unsecured claims of creditors having claims of less than Ten Thousand Dollars (\$10,000.00). There are Forty-nine (49) members in this class and they total One Hundred Fifty-eight Thousand, Four Hundred Seven and Sixty-five Cents (\$158,407.65). Pursuant to 11 U.S.C. § 1122(b), Debtor believes this separate class of unsecured creditors is reasonable and necessary for administrative convenience. Debtor shall pay Class C, thirty-eight percent (38%) of their claims in cash without interest as shown on Exhibit "A", which is attached and incorporated by this reference. The claims shall be paid by four (4) annual payments. The Distribution Date shall be one (1) year from the Order of Confirmation.

5.03. **Class E.** This class consists of the interests of equity security holders. The equity security holders are Timothy G. Rich and Kathleen Getty. These equity security holders will surrender their shares of stock in Debtor. The Treasury stock will also be surrendered.

<u>Stockholder</u>	<u>Number of Shares</u>
Timothy G. Rich	300.5
Kathleen Getty	300.5

ARTICLE – 6

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Subject to 11 U.S.C. § 365, Debtor assumes its executory contracts and unexpired leases.

ARTICLE – 7

MEANS FOR EXECUTION OF THE PLAN

7.01. Debtor shall remain in possession of its assets and continue to operate its business and shall be entitled to collect and use all proceeds to make loans, purchase or lease necessary capital assets, pay operating expenses, make plan payments and pay reasonable salaries.

7.02. The funds necessary for the satisfaction of creditor's claims shall be generated from interest on loans, insurance commissions and proceeds from the sale of repossessed assets.

7.03. If Debtor is in compliance with all of the provisions of this Plan, Debtor may prepay creditors at times and in amounts at Debtor's sole discretion.

7.04. Notwithstanding any other provisions of this Plan, disputed claims shall be paid upon their allowance by the Court.

9.03. After the Order of Confirmation, Debtor may after notice and hearing and approval of the Court, modify the interests of creditors.

ARTICLE – 10

JURISDICTION OF THE COURT

Subject to Article – 7, paragraph 7.05, and Article – 11, the Court will retain jurisdiction of Debtor including but not limited to the following purposes:

10.01. The classification of the claim of any creditor and the re-examination of claims which have been allowed for purposes of voting, and the determination of such objections as may be filed to creditor's claims. The failure by Debtor to object to, or to examine any claim for the purpose of voting, shall not be deemed to be a waiver of the Debtor's right to object to, or re-examine the claim in whole or in part.

10.02. Determination of all questions and dispute regarding title to the assets of the estate, and determination of all causes of action, controversies, disputes or conflicts, whether or not subject to action pending as of the Order of Confirmation, between Debtor and any other party, including but not limited to, any right of Debtor to recover assets pursuant to the provisions of the Code.

10.03. The correction of any defect, the curing of any omission, or the reconciliation of any inconsistency in this Plan or the Order of Confirmation as may be necessary to carry out the purposes and intent of this Plan.

10.04. The modification of this Plan after confirmation pursuant to the Federal Bankruptcy Code and Rules of Procedure.

10.05. To enforce and interpret the terms and conditions of this Plan.

11.06. Debtor may obtain secured and unsecured credit and incur unsecured debt without notice and a hearing or approval of the Bankruptcy Court.

11.07. Debtor shall comply with the rules and regulations of the South Dakota Division of Banking.

11.08. Pursuant to 28 U.S.C. § 1930(a)(6), Debtor will file monthly operating reports with the U.S. Trustee and pay a quarterly fee to the U.S. Trustee for each calendar year quarter during which the case is pending until the case is closed by the Court, converted or dismissed.

11.09. All fees payable pursuant to 28 U.S.C. § 1930 shall be paid on the effective date of the Plan.

11.10. Debtor has no new post filing indebtedness.

CONCLUSION

It is respectfully submitted that Debtor has given every thought to the complex problems confronting it, and with the assistance of counsel, has devised and formulated this Plan, with the hope that equitableness and fairness of the Plan will be considered by the parties in interest whose consent is necessary to confirm. It is sincerely hoped that all creditors will join in the consent of the Plan, so that they, as well as Debtor, will receive the maximum results.

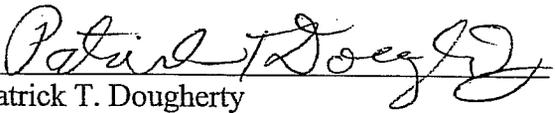
Respectfully submitted this 1st day of June, 2006.

ABERDEEN FINANCE CORPORATION

By _____
Its President

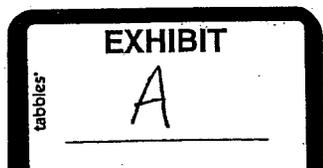
PREPARED BY:

DOUGHERTY & DOUGHERTY, LLP


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(605) 335-8586; FAX – (605) 331-2519
Attorneys for Debtor.

Aberdeen Finance Corporation's Unsecured Creditor Under \$10,000

Name	Allowed Unsecured Claim	38% of Claim	Amount of Annual Payment
Aberdak Sr Grp	7,424.47	2,821.30	705.32
Baer, Lorraine	4,991.69	1,896.84	474.21
Barrett, Norma	1,360.73	517.08	129.27
Becker, Larry	1,888.77	717.73	179.43
Bomar, John	45.12	17.15	4.29
Brink, Francis	3,684.85	1,400.24	350.06
Christianson, Gary	763.07	289.97	72.49
Cleveland, Darrell	38.35	14.57	3.64
Denning, Sharon	629.18	239.09	59.77
Erlenbusch, Lloyd	8,819.27	3,351.32	837.83
Fink, Mildred	9,685.63	3,680.54	920.13
Gacek, Anne	2,788.79	1,059.74	264.94
Gayman, Larry	3,827.67	1,454.51	363.63
Gayman, Leland	3,827.67	1,454.51	363.63
Gayman, Lyle	3,827.68	1,454.52	363.63
Gehrts, Delores	3,023.74	1,149.02	287.26
Getty, Leighton	695.70	264.37	66.09
Heilman, Ronald	2,030.69	771.66	192.92
Iwerks, E Donald	3,278.17	1,245.70	311.43
Kervin, Tammy	5,376.94	2,043.24	510.81
Kramlich, Alice	5,515.36	2,095.84	523.96
Leshar, Brooke	3,686.49	1,400.87	350.22
Leshar, Skye	3,686.49	1,400.87	350.22
Meyer, Kristen	65.90	25.04	6.26
Meyer, Ray J	1,294.12	491.77	122.94
Neifer, Jeanne	8,451.02	3,211.39	802.85
Neifer, Michael	2,873.14	1,091.79	272.95
Neifer, Russell	2,873.18	1,091.81	272.95
Rich, Aaron	177.18	67.33	16.83
Rich, Mark	880.69	334.66	83.67
Rueb, Wes	5,092.12	1,935.01	483.75
Schock, Arthur	2,063.40	784.09	196.02
Schock, Walter	9,000.00	3,420.00	855.00
Schultz, Robert	6,829.39	2,595.17	648.79
Schutte, Donald	498.87	189.57	47.39
SD Horseshoe Assn	617.06	234.48	58.62
Smith, Robert	301.31	114.50	28.62
Stiles, Elizabeth	6,515.84	2,476.02	619.00
Stugelmeyer, Elmer	7,075.39	2,688.65	672.16
Sunrise Lodge	5,167.86	1,963.79	490.95
Super 8 N Cliff	3,262.16	1,239.62	309.91
Tobin, Thomas	183.96	69.90	17.48
Underberg, Joselyn	546.23	207.57	51.89
Vilhauer, Isaiah	83.11	31.58	7.90
Vilhauer, Mariah	691.24	262.67	65.67
Volzke, Ervin	5,399.37	2,051.76	512.94
Wax, Linda	2,012.82	764.87	191.22
Wolf, Ashley	5,029.13	1,911.07	477.77
Zimprich, James	526.64	200.12	50.03
TOTALS:	\$158,407.65	\$60,194.91	\$15,048.73



Meidinger, Bill	250,000.00	71	248,500.00	1,500.00	375.00
Mellang, Laurence	75,000.00	21	73,500.00	1,500.00	375.00
Minerva #5 OES	22,242.97	6	21,000.00	1,242.97	310.74
Mortenson, T Sydney	213,820.41	61	213,500.00	320.41	80.10
Neifer, Cindy	10,546.05	3	10,500.00	46.05	11.51
Neifer, John C	31,000.00	9	28,000.00	3,000.00	750.00
Neifer, Leroy	53,757.32	15	52,500.00	1,257.32	314.33
NUI	150,000.00	43	147,000.00	3,000.00	750.00
Pinkman, Edward	25,999.39	7	24,500.00	1,499.39	374.85
Qwest	21,500.00	6	21,000.00	500.00	125.00
Rich, Timothy	400,263.13	114	399,000.00	1,263.13	315.78
Roehr, Kim	21,683.84	6	21,000.00	683.84	170.96
Roth, Edna	11,105.78	3	10,500.00	605.78	151.45
Schaunaman, Donald	53,985.99	15	52,500.00	1,485.99	371.50
Schlepp, Mona	15,576.52	4	14,000.00	1,576.52	394.13
Schultz, Betty	12,000.00	3	10,500.00	1,500.00	375.00
Schultz, Wilbert	155,000.00	44	154,000.00	1,000.00	250.00
SDN	40,000.00	11	38,500.00	1,500.00	375.00
SD PUC	125,000.00	36	122,500.00	2,500.00	625.00
Simon, Norman	12,607.81	4	10,500.00	2,107.81	526.95
Sportsman Sales	33,391.62	10	31,500.00	1,891.62	472.91
Suedmeier, June	74,315.52	21	73,500.00	815.52	203.88
Suedmeier, Thomas	27,340.66	8	24,500.00	2,840.66	710.17
Tenyer Coatings	28,827.95	8	28,000.00	827.95	206.99
Tomek, Elaine	108,471.19	31	105,000.00	3,471.19	867.80
Tomek, Heidi	33,323.32	10	31,500.00	1,823.32	455.83
Tomek, Megan	37,178.08	11	35,000.00	2,178.08	544.52
Tomek, Bernard	50,211.16	14	49,000.00	1,211.16	302.79
Vilhauer, Clarence	405,037.74	116	402,500.00	2,537.74	634.43
Vilhauer, David	53,888.40	15	52,500.00	1,388.40	347.10
Vilhauer, Douglas	217,794.18	62	217,000.00	794.18	198.54
Wolf, Larry	35,704.89	10	35,000.00	704.89	176.22
World Acceptance	150,000.00	43	147,000.00	3,000.00	750.00
Zenker, Maggie	41,623.54	12	38,500.00	3,123.54	780.89
TOTALS:	\$5,174,573.57	1,477	\$5,047,000.00	\$127,573.57	\$ 31,893.39

