

Stephen R. Winship
(Wyoming State Bar No. 5-2093)
Winship & Winship, P.C.
100 North Center, Sixth Floor
Casper, WY 82602

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF WYOMING

In re:)	
)	
MARMC TRANSPORTATION, INC.)	Case No. 10-20653
)	Chapter 11
)	
Debtor-in-Possession.)	

SECOND AMENDED CHAPTER 11 PLAN OF REORGANIZATION

The Debtor, Marmc Transportation, Inc., (hereinafter “Marmc”), respectfully submits this Second Amended Plan of Reorganization in good faith and by means not forbidden by law.

ARTICLE ONE-DEFINITIONS

“*Administrative Expense*” means a claim allowed pursuant to 11 U.S.C. §§503(b) and 507(a)(1).

“*Allowed unsecured claim*” means a claim held by a creditor that:

- (i) has timely filed a claim with the court that has not been objected to or has been allowed by the court following an objection,
- (ii) is listed on the Debtor’s bankruptcy schedules and not designated as disputed, contingent, or unliquidated [See 11 U.S.C. §1111(A)]; or
- (iii) the Court has allowed the claim after resolution of an objection thereto.

“*Bankruptcy Court*” or “*Court*” means the United States Bankruptcy Court for the District of Wyoming.

The “Debtor” or “*Marmc*” means the Debtor and the plan proponent herein.

“*Effective date*” means 40 days after the date that the order confirming the plan is final and non-appealable.

“*Plan*” means the “Chapter 11 Plan of Reorganization” filed by the Debtor with this court.

“*Confirmation of the Plan*” means the entry by this Court of an Order confirming the Plan in accordance with Chapter 11.

“*Consummation of the Plan*” means the accomplishment of all things contained or provided for in this Plan, and the entry of an Order of Consummation or Final Degree finally dismissing this case.

ARTICLE TWO--CLASSIFICATION AND TREATMENT OF CLAIMS

Class One-Wyoming Department of Revenue. This Class is a priority unsecured creditor. The Plan proposes to pay this creditor \$6,021.14 in satisfaction of its claim on the Effective Date of the Plan. This Class is impaired.

Class Two-Wyoming Department of Employment, Employee Services. This Class is a priority unsecured creditor. The Plan proposes to pay this creditor \$13,071.83 in satisfaction of its claim on the Effective Date of the Plan. This Class is impaired.

Class Three-Wyoming Department of Employment, Workers Safety and Compensation Division. This Class is a priority unsecured creditor. The Plan proposes to pay this creditor \$11,079.61 in satisfaction of its claim on the Effective Date of the Plan. This Class is impaired.

Class Four-Natrona County Treasurer. This Class is a priority unsecured creditor. The Plan proposes to pay this creditor \$13,615.68 in satisfaction of its claim on the Effective Date of the Plan. This Class is impaired.

Class Five-Internal Revenue Service. This Class will be paid as a priority unsecured creditor in the amount of \$655,763.97. This amount, plus interest at the statutory rate at the time of confirmation, will be paid on the effective date of confirmation. The remainder of this creditor's claim will be paid under Class 10. This Class is impaired.

Class Six-Wells Fargo Equipment Finance, Inc. This creditor will be paid as a fully secured creditor in the estimated amount of approximately \$25,000.00; which represents this creditor's estimated attorney's fees and collection related costs and expenses. This Class will be paid 30 days after the Court approves this creditor's application for attorney fees and expenses. This Class is impaired.

Class Seven-Wells Fargo Bank, N.A. This Class will be paid on the Effective Date of the Plan as a fully secured creditor in the amount of \$55,644.10 (as of December 30, 2011) with interest on the principal balance at the contract rate (7.25% per annum) and its attorney fees and costs as allowed by the Bankruptcy Court. This Class is impaired.

Class Eight-Summit Electric. This Class asserts a judgment lien of \$33,361.88 against Debtor's real estate, which lien is avoidable under a novation theory due to the acceptance of a post-judgment promissory note. This Class also asserts an unsecured claim of \$2,239.96. Marmc will file an objection to the Claims. If Debtor's objection to the Claims is upheld, the allowed amount of its claims will be paid under Class 11 of the Plan. Marmc will maintain in its bank account the sum of \$33,361.88 pending resolution of the claims litigation. If the secured portion of the claim of this Class is allowed, the retained sum shall be paid to this Class with interest at the State of Wyoming Judgment Rate. This Class is impaired.

Class Nine-Dave and Marcille Sundem. This Class asserts a judgment lien of \$159,611.62 against Marmc's real estate and proceeds held in escrow, which lien is avoidable under a novation theory due to the acceptance of a post-judgment promissory note. This claim is subject to a setoff in the amount of \$24,825.30 due to unpaid pre-petition amounts owed to Marmc. This Class also asserts an unsecured claim of \$4,778.33. If Marmc's objection to these claims is upheld, the allowed amount of its claims will be paid under Class 11 of the Plan. Marmc will continue to hold in a segregated bank account the sum of \$159,611.62 pending the outcome of the Claims objection, which will be paid to this Class in satisfaction of the secured portion of this claim if allowed by the Court along with interest at the State of Wyoming Judgment Rate. This Class is impaired.

Class Ten-Fremont Aviation. This Class, as part of a compromise of the Debtor's appeal of the Court's allowance of Fremont Aviation's Proof of Claim, shall be paid \$95,900 in satisfaction of its claim on the Effective Date of the Plan. This Class is impaired.

Class Eleven-Unsecured Claims. The claims filed and/or listed in the Schedules for this Class total \$2,420,617.00. Many of these claims are or will be subject to objections, the resolution of which will likely extend beyond the Effective Date of the Plan. Marmc anticipates the Plan will pay 100% of the allowed unsecured claims without interest. This will be accomplished by an initial distribution of \$1,250,000.00 on the Effective Date of the Plan. This initial distribution is anticipated to satisfy almost 90% of the undisputed and allowed unsecured claims in this Class. The

next distribution will occur after Marmc's 2011 tax liabilities and allowed administrative claims are determined and paid. The other and/or remaining amounts owing on the claims in this Class will be paid within 30 days after the final resolution of all pending adversary proceedings and claim objections by this Court and any appeals. Interest at the Federal Judgment Rate as of the Confirmation of the Plan will be paid on the allowed claims.

ARTICLE THREE--ADMINISTRATIVE EXPENSES-NON CLASSIFIED CLAIMS

Administrative Claims. Administrative claimants consist of the estate's attorney, Stephen R. Winship, Cindy Richardson for post-petition loans and the US Trustee for its quarterly fees. Mr. Winship was paid a \$22,000.00 pre-petition retainer, and the \$1,039.00 filing fee. Counsel estimates that his post-petition fees and expenses will total \$85,000.00. Ms. Richardson will be reimbursed \$70,000.00 in allowed administrative expenses. The Debtor is current on the payment of quarterly fees to the United States Trustee and will pay all fees required by law. There is anticipated to be a \$2 million Federal Income tax owing to the IRS as a result of the sales described above. This amount will be paid upon confirmation or when the liability is determined, whichever occurs last. As a part of the Kruse litigation, Kruse asserts an administrative claim of \$300,000.00, which amount will be held in Marmc's bank account until resolution of the Kruse litigation.

ARTICLE FOUR—EXECUTORY CONTRACTS

Marmc will assume its post-petition real estate lease agreement with Hemphill Trucking, LLC.

ARTICLE FIVE—EXECUTION AND IMPLEMENTATION OF THE PLAN

After approval and confirmation of this Plan of Organization, Marmc proposes to retain all undistributed property, which will vest in Marmc along with all after acquired property and proceeds thereof.

The funds necessary for the implementation of the plan have been generated primarily from asset sales. The remaining funds will be derived from business income. Marmc will be the disbursing agent and shall be responsible for all obligations under the plan. The creditors agree to execute all ordinary and necessary documents connected with the effectuation of the plan.

Marmc reserves the right to contest the claims of its creditors. Any objections to claims shall be filed by the reorganized Marmc or any other party no later than 90 days from the Effective Date of the Plan.

In order to continue to fund the Plan, Marmc will continue to pursue those adversary proceedings which are currently pending and may bring an adversary proceeding (or may assign said cause of action) against Mark Richardson for his actions and omissions that caused the Debtor to seek protection under Bankruptcy.

Confirmation of this Plan shall bind all creditors of Marmc, and in accordance with the provisions of 11 U.S.C. § 1141, shall discharge Marmc of all debts incurred prior to confirmation, and Marmc shall be bound only by the terms of the Plan and any documents executed to effectuate its terms thereafter, and the creditors treated under this Plan shall be limited to their remedies set forth in the Plan and any other documents executed to effectuate its terms. The discharge provided hereby shall also satisfy Cindy Richardson's guaranty of the disputed claims of Summit Electric and Sundems. This release of Ms. Richardson is limited to only those claims that may be asserted against her arising out of or related to this case, and will not include any willful misconduct by her.

ARTICLE SIX –DEBTOR'S INTERESTS

Immediately upon confirmation, all of the property of the estate shall revert in the Debtor, free and clear of all creditors, liens and interests except as especially provided for herein, along with any and all rights of the Debtor-in-possession that may be necessary or convenient for the Debtor to utilize to effectuate the terms of the Plan

ARTICLE SEVEN –POSTCONFIRMATION MODIFICATION-DEFAULT

The reorganized Debtor may convert to Chapter 7 if the Debtor determines that the need for continued operation or liquidation under Chapter 11 is no longer beneficial for the creditors.

Prior to taking action to repossess collateral or collect a claim from the reorganized Debtor in any manner, a creditor treated under the plan must send a written notice to the reorganized Debtor 15 days prior to taking action. The Debtor shall have a 15 day cure period from the receipt of the written notice of default.

ARTICLE EIGHT-JURISDICTION OF THE COURT

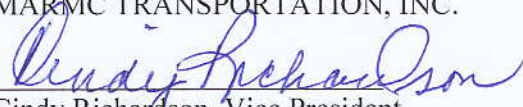
Following confirmation the bankruptcy court shall retain jurisdiction to:

1. Hear any dispute concerning the plan or claims or defaults arising under the plan.
2. To enter orders necessary or appropriate to carry out the provisions of the plan, including the curing of a defect, omission, or inconsistency in the plan necessary to carry out the overall intent of the plan.
3. To adjudicate claim objections.
4. To adjudicate a claim arising from the rejection of an executory contract.
5. To hear and determine all fee applications for professionals retained by the estate or secured creditors.
6. To enforce orders previously entered by the court.
7. To modify the plan as permitted by law.

DATED this 2nd day of March, 2012.

MARMC TRANSPORTATION, INC.

By:


Cindy Richardson, Vice President

By:


Stephen R. Winship
Marmc 's Counsel