

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter:	11
)		
)	Case No.	15-5998
Pavel Savenok,)		
)	Judge:	Hon. Jack B. Schmetterer
)		
Debtor.)		

**NOTICE OF MOTION TO SELL INTEREST IN SKYLINE PLASTERING, INC.
PURSUANT TO 11 U.S.C. §363 AND TO SHORTEN NOTICE**

TO: See attached Service List

Please take notice that on **November 3, 2016 at 10:00 a.m.**, I shall appear before the Honorable Judge **Jack B. Schmetterer**, or any judge sitting in his place and stead, in **Courtroom No. 682** in the United States Bankruptcy Court, for the Northern District of Illinois, Eastern Division, located at **219 South Dearborn St., Chicago, Illinois**, and present Debtor's *Motion to Sell Interest in Skyline Plastering, Inc. Pursuant to 11 U.S.C. §363 and to Shorten Notice*, a copy of which is hereby served upon you.

Joshua D. Greene
Springer Brown, LLC
300 South County Farm Rd., Suite I
Wheaton, IL 60187
630-510-0000
Fax: (630) 510-0004

CERTIFICATE OF SERVICE

I, the undersigned, an attorney, hereby state that pursuant to the Administrative Procedures for the Case Management/Electronic Case Filing System, I caused a copy of the foregoing NOTICE OF MOTION and MOTION to be served on all persons set forth on the attached Service List identified as Registrants through the Court's Electronic Notice for Registrants and, as to all other persons on the attached Service List by mailing a copy of same in an envelope properly addressed and with postage fully prepaid and by depositing same in the U.S. Mail, Wheaton, Illinois on **October 26, 2016**.

/s/ Joshua D. Greene /s/

Service List

Via Electronic Service

Unites States Trustee
Patrick S. Layng
219 South Dearborn St.
Suite 873
Chicago, Illinois 60604

Rue K Toland
Mayer Brown LLP
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Chicago, IL 60606.
rtoland@mayerbrown.com

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ryan@brotschulpotts.com

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Vuckovich
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219 S. Dearborn
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Chicago, IL 60604
michael.kelly@usdoj.gov

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LLC
251 E. Ohio Street
Indianapolis, IN 46204
amps@manleydeas.com

Tyler Ferguson
Mayer Brown LLP
71 South Wacker Drive
Chicago, IL 60606

Jeffrey S. Jacobovitz
Arnall Golden Gregory
LLP
1775 Pennsylvania Avenue
NW
Suite 1000
Washington, DC 20006

Via U.S. Mail

Pavel Savenok
102 E. Farnham Ln.
Wheaton, IL 60189

EL Funding Partnership
LLC
4117 West Oakton St.
Skokie, IL 60076

First Community Financial
Bank
14150 S. US Route 30
Plainfield, IL 60544

U.S. Bankruptcy Court
Eastern Division
219 S. Dearborn St., 7th
Floor
Chicago, IL 60604

1775 Pennsylvania Ave.,
NW, Suite 100
Washington, DC 20006

American Honda Finance
P.O. Box 168088
Irving, TX 75016

Bank of America
P.O. Box 982238
El Paso, TX 79998

Bank of America, N.A.
P.O. Box 982284
El Paso, TX 79998

Blitt and Gaines PC
For Discover Bank
661 Glenn Ave.
Wheeling, IL 60090

Cardmember Services
P.O. Box 15153
Wilmington, DE 19886

Community Bank-
Wheaton/Glen Ellyn
100 N. Wheaton Ave.
Wheaton, IL 60187

David J. Boersma
1776A S. Naperville Rd.
Suite 103
Wheaton, IL 60189

Dept. of Treasury
Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101

Discover
P.O. Box 6103
Carol Stream, IL 60197

Discover Bank
Discover Products Inc.
P.O. Box 3025
New Albany, OH 43054

Discover Financial
Services, LLC
P.O. Box 3025
New Albany, OH 43054

EL Funding Partnership
LLC EL Funding
Partnership Alex Loyfman
and Alexander Etman
Bradley Block Law Offices
of Bradley
707 Skokie Blvd. Ste. 600
Northbrook, IL 60062

First Community Financial
Bank
Plainfield
14150 S. US Hwy 30
Plainfield, IL 60544

Illinois Department of
Revenue
Bankruptcy Section
P.O. Box 64338
Chicago, IL 60664

Nationstar Mortgage
P.O. Box 650783
Dallas, TX 75265

Nationstar Mortgage LLC
8950 Cypress Waters Blvd.
Irving, TX 75063

Nationstar Mortgage LLC
Manley Deas Kochalski
LLC
P.O. Box 165028
Columbus, OH 43216

Oleg Sladkov
1553 Kirkwood Dr.
Geneva, IL 60134

Peregrine Stime Newman
Ritzman & Bruckner
For Community Bank-
Wheaton/Glen Ellyn
P.O. Box 564
Wheaton, IL 60187

Potestivo & Associates,
P.C.
For Nationstar Mortgage
223 W. Jackson Blvd., Ste.
610
Chicago, IL 60606

Sickich
1415 W. Diehl Rd., Ste.
400
Naperville, IL 60563

Small Business Grown
Corp. LLC
Attn: Nancy Anderson
2401 West White Oaks
Drive
Springfield, IL 62704

TD Bank USA NA
c/o Freedman Anselmo
1771 W. Diehl Rd., Ste.
150
Naperville, IL 60563

TD Bank USA NA
Target Credit
P.O. Box 673
Minneapolis, MN 55440

Thornwell AMP LLC
c/o Jeffrey S. Jacobovitz
Esq.
Arnall Golden Gregory
LLP
1775 Pennsylvania Ave.,
Ste. 1000
Washington, DC 20006

Thornwell AMP, LLC
15504 85th Ave. E
Puyallup, WA 98375

U.S. Small Business
Admin.
c/o Kate O'Loughlin
500 W. Madison St.,
#1150
Chicago, IL 60661

US Bank National
Association
as Trustee for Structured
Asset Invstmnt
Nationstar Mortgage LLC
Attn: Bankruptcy
Department
P.O. Box 619096
Dallas, TX 75261

West Suburban Bank
711 S. Westmore/Meyers
Rd.
Lombard, IL 60148

Alex Loyfton
4117 West Oakton Street
Skokie, IL 60076

Alexander Etman
933 Sheridan Road
Highland Park, IL 60035

Wheaton Bank
Ashen/Faulkner
217 N. Jefferson St., Ste.
601
Chicago, IL 60661

Ventcho Panctchev
c/o Benjamin Butler
Collins Bargione &
Vuckovich
One North LaSalle Street,
Suite 300
Chicago, IL 60602

Internal Revenue Service
Mail Stop 501CHI
230 S. Dearborn Street,
Room 2600
Chicago, IL 60604

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter:	11
)		
)	Case No.	15-5998
Pavel Savenok,)		
)	Judge:	Hon. Jack B. Schmetterer
)		
Debtor.)		

**MOTION TO SELL INTEREST IN SKYLINE PLASTERING, INC. PURSUANT
TO 11 U.S.C. §363 AND TO SHORTEN NOTICE**

NOW COMES the Debtor, Pavel Savenok ("Debtor"), by and through his counsel Joshua D. Greene and the law firm of Springer Brown, LLC, pursuant to 11 U.S.C. §363 and Federal Rule of Bankruptcy Procedure 2002 and requests that the court enter an order granting him leave to sell his 65% ownership interest in Skyline Plastering, Inc. (the "Motion") and for reduced notice. In support of this Motion, the Debtors state as follows:

Background

1. This case was commenced on February 23, 2015 when the Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code. No trustee has been appointed.
2. The Debtor has continued to manage his business and assets and to administer the affairs of his estate as debtor in possession in accordance with 11 U.S.C. §§ 1107 and 1108.
3. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This is a core proceeding pursuant to one or more sections of 28 U.S.C. §157(b).
4. The Debtor, through the Paul Savenok Revocable Trust dated April 23, 2003 is the 65% owner of the stock of Skyline Plastering, Inc. ("Skyline"), which is in the business of plastering and insulation systems for real estate throughout the Chicagoland area.

5. Debtor has recently received an offer to purchase his shares of Skyline from Peter Klyachenko, who is President of Skyline and minority shareholder, for the amount of \$500,000, which has been accepted by the Debtor and subject to the court's approval. Attached hereto as Exhibit A is an executed Stock Purchase Agreement and Promissory Note.

6. While Skyline generates substantial revenues, it has experienced cash flow problems over the past year and is now subject to a lawsuit from its union in the U.S. District Court for the Northern District of Illinois, Eastern Division, Case No. 16 CV 448, which seeks an audit of the corporation's accounts and seeks a judgment for at least \$392,000 for delinquent contributions.

7. Based on Skyline's recent financial issues, if the corporation were liquidated today, Debtor believes that his stock would have little value. The purchase of Debtor's stock by Klyachenko is believed to be part of an overall restructuring of Skyline where its primary lender, First Community Bank, is agreeable to taking a reduced payment on its loan in exchange for payment in full from a new loan generated by Klyachenko. Thus, Debtor believes that the proposed purchase is in the best interest of his estate and creditors as it is substantially more than would be received if his stock were sold otherwise.

Relief Requested

7. Section 363 of the Bankruptcy Code provides that "The trustee, after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate..." 11 U.S.C. §363(b)(1). Under Section 363, the debtor in possession can sell property of the estate outside of the ordinary course of business if: he has an articulated business justification, he provides adequate notice to all creditors, and a hearing is held on the sale. *In re: Schipper*, 933 F.2d 513, 515 (7th Cir. 1991); *Colfin Bulls Funding, LLC v. Paloian* (In re: Dvorkin Holdings, LLC), 2016 U.S. Dist. Lexis 32916, *12 (N.D. Ill. Mar. 14, 2016).

8. Here, the proceeds from the sale will be used to fund the initial lump sum payments under the Debtor's plan of reorganization, which is set for confirmation on the presentment date of this motion. In addition, the purchase price is much more than the Debtor would receive on the open market, as if Skyline were liquidated, Debtor would receive very little for his shares, given the current financial problems of Skyline. The current buyer is likely the only party motivated to purchase the stock given his position with the company and efforts to restructure the company.

Request for Reduced Notice

9. Federal Rule of Bankruptcy Procedure 2002 requires 21 days' notice of any motion to sell property of the estate pursuant to Section 363 of the Bankruptcy Code. Debtor request that the court shorten the notice of this motion so that notice is deemed adequate under the circumstances. Reducing the notice would allow the proposed sale to complete reasonably close to the time contemplated in the Stock Purchase Agreement. The Agreement contemplates a closing date of October 31, 2016, but the parties have agreed to postpone the closing subject to the court's approval.

WHEREFORE, the Debtor requests the entry of an order authorizing him to sell his interest in Skyline Plastering, Inc., and granting such other and further relief as this court deems just and proper.

Respectfully submitted,
Pavel Savenok

By: /s/ Joshua D. Greene
One of his Attorneys

Joshua D. Greene
Springer Brown, LLC
300 South County Farm Rd.
Suite I
Wheaton, Illinois 60187
Phone: (630) 510-0000
Fax: (630) 510-0004
jgreene@springerbrown.com

Draft of October 24, 2016

STOCK PURCHASE AGREEMENT

THIS AGREEMENT (the "Agreement") is made effective this 24 day of Oct, 2016, between PETER KLYACHENKO, JR. ("Buyer") and PAUL SAVENOK, as Trustee of the Paul Savenok 2003 Trust dated April 23, 2003 ("Seller") and SKYLINE PLASTERING, INC., an Illinois Corporation ("Corporation").

WITNESSETH:

WHEREAS, the Corporation is an Illinois corporation which was incorporated on October 31, 1997 and has One Thousand (1,000) authorized shares of common stock outstanding, One Hundred (100) of which have been issued; and,

WHEREAS, Seller owns Sixty-five (65) shares of common stock of the corporation (referred to as "Seller's Shares"); and,

WHEREAS, Buyer desires to purchase and Seller has agreed to sell all of Seller's 65 (Sixty-five) shares of the corporation stock upon the terms and conditions set forth herein; and,

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties mutually covenant and agree as follows:

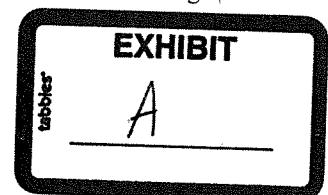
Article I

Sale of Seller's Shares

1.1 Stock to be Sold. Seller agrees to sell and Buyer agrees to buy Sixty-five (65) of Seller's shares, which constitutes Seller's entire ownership interest in the Corporation, at the price and under the terms and conditions as set forth in this Agreement.

1.2 Purchase Price. The purchase price of Seller's Shares shall be Five Hundred Thousand and NO/100 Dollars (\$500,000.00) which is referred to as the "Purchase Price" and shall be payable in accordance with the terms of the Promissory Note referred in Paragraph 1.5 herein.

1.3 Closing. The Closing of this transaction shall occur on October 31, 2016 or at such other time and date as mutually agreed by the parties at the offices of Hoscheit, McGuirk, McCracken & Cuscaden, P.C., 1001 East Main Street, St. Charles, Illinois 60174 at the hour of 12:00 p.m.



Draft of October 24, 2016

1.4 Closing Documents.

- (a) At Closing, the Seller shall provide Buyer with the following document:
 - (i) Original common stock certificate number 6 representing Seller's Shares with proper endorsement, together with the entire corporate record book for the Corporation;
 - (ii) A resignation of Seller's position as an Officer and Director of the Corporation.
- (b) At Closing, Buyer shall provide Seller with the following documents:
 - (i) *Promissory Note* as of the Effective Date in substantially for form attached hereto as Exhibit A.

1.5 Promissory Note. The Promissory Note ("Note") shall be in the amount of the Purchase Price and shall provide for lump sum payments of \$250,000 on November 30, 2016 and February 28, 2017. Said Promissory Note shall further provide for installment payments if Buyer is unable to pay each lump sum payment in full when due.

The Note shall be without interest.

**Article II
Corporate Governance Prior To Purchase**

2.1 Operation of Corporation During Term of Purchase.

Buyer and Seller agree it is in both parties' best interest, prior to the Purchase (defined as the period of time commencing when this Agreement is executed by both parties, through Closing), for Buyer to make all decisions affecting the Corporation to ensure the viability of the Corporation and ensure the payment of the Purchase Price to Seller in accordance with the terms of this Agreement. Accordingly, effective upon the execution of this Agreement by both parties, all major business decisions in the operation of the Corporation, shall be made by Buyer, subject to the commercial reasonableness of such decisions to the extent they affect Seller.

**Article III
Re-conveyance of Shares**

In the event that the Buyer fails to perform his obligations under this Agreement, Seller shall have the right to demand re-conveyance of his shares in the Corporation. Seller's right to the re-conveyance of the shares the Corporation shall be contingent upon his providing notice to the Buyer

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and complying with the requirements of Article V with respect to default.

Article IV
Representations and Warranties

Seller represents and warrants that the following are true and correct as of the date of this Agreement and up through and including the date on which the Shares are conveyed to Buyer:

(a) This Agreement and the performance of its terms by Seller will not conflict with, result in a breach of the terms and conditions of, or constitute a default under any contract or agreement to which Seller or the corporation is a party.

(b) There is no action, proceeding or investigation pending or threatened against Seller or the Corporation before any court, governmental department, commission, board, agency or instrumentality, nor does Seller know or have reason or reasonable grounds to know of any basis for such action, proceeding or investigation which could or might affect or impair the ability of Seller to convey good and merchantable title to the shares of the Corporation to the Buyer.

(c) Simultaneously with the execution and delivery of the installment note referred to herein, Seller shall transfer to the Buyer the shares, free and clear of any claim, lien, option, charge or encumbrance of any nature whatsoever, except for any such matters as may arise through the actions of the Corporation.

(d) Seller shall not cause or permit the Corporation to issue any additional shares or to otherwise change its capital structure in a manner that would otherwise adversely affect the interest in the Corporation which the Buyer is purchasing pursuant to the terms of this Agreement.

(e) That the Corporation has filed all tax returns required to be filed to date and all taxes due and owing have been paid.

(f) That Seller has no knowledge or notice of any claims pending or threatened against Seller or the Corporation in connection with the Corporation business.

Article V
Buyer's Failure to Make Payment: Remedies

The parties hereto agree that Seller shall have no direct recourse against Buyer hereunder or under the Note to recover the purchase Price or interest thereon. Instead, in the event Buyer fails to make the payment as provided for in the Agreement or in the Note, or otherwise defaults in his obligations hereunder, Seller's sole rights and remedies shall be as stated in this Article.

In the event of a default under the terms of this Agreement by Buyer, Buyer shall have the right to cure any such default within thirty (30) days of notice to Buyer for any breach of a non-financial matter set forth herein or within ten (10) days for any payment required herein. In the event of the

Draft of October 24, 2016

death of Buyer, Buyer's estate shall be given a one hundred twenty (120) day grace period in the performance of its obligations hereunder and shall not be considered to be in default for its failure to make the payment required under this Agreement during such 120 day grace period in such an event.

Article VI Tax Matters

Skyline Plastering, Inc. is an S Corporation and the Seller and Buyer agree to elect under IRC Sec. 1377(a)(2) and Reg. 1.1377-1(b) to have the rules provided in IRC Sec. 1377(a)(1) applied as if the tax year consisted of two separate tax years. The Corporation and each affected shareholder consent to this election which is made with respect to the termination of the entire interest of Paul Savenok, as Trustee of the Paul Savenok 2003 Trust dated April 23, 2003 as follows:

Manner of Shareholder's Termination - Sale of entire stock ownership

Date of Termination - October 31, 2016

Article VII Miscellaneous

7.1 Entire Agreement. This Agreement contains each and all of the provisions with respect to the subject matter covered herein between the parties hereto, and consolidates and includes all various discussions, negotiations, proposals or agreements, and this Agreement has been entered into only in reliance upon the provisions contained herein and not upon any other representations by either of the parties.

7.2 Waivers, Modifications and Amendment. No waiver, modification or amendment of any of the provisions of this Agreement by either party will be valid unless evidenced in writing and signed by a duly authorized representative of the parties hereto. The failure of either party to enforce the performance of any term, condition, or provision of this Agreement will not thereby act as a waiver of such performance or the acceptance of any modification.

7.3 Interpretation/Governing Law. This Agreement and any dispute arising with regard to the validity, interpretation or application of this Agreement will be governed by the laws of the State of Illinois.

7.4 Severability. Each paragraph of this Agreement shall be considered severable and if, for any reason, any paragraph herein is determined to be invalid and contrary to any existing or future laws, such invalidity shall not impair or affect those portions of the Agreement which are valid.

7.5 Binding Effect. This Agreement shall be binding upon the executors, administrators, successors and assigns of the parties hereto.



7.6 Notices. All notices, consents, waivers, and other communications under this Agreement

Draft of October 24, 2016

must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by telecopier (with written confirmation of receipt), provided that a copy is mailed by certified mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses and telecopier numbers set forth below (or to such other addresses and telecopier numbers as a party may designate by notice to the other parties):

IN WITNESS WHEREOF, this Agreement is executed by the parties by their respective signatures:

SELLER:


	
PAUL SAVENOK, as Trustee of the Paul Savenok 2003 Trust dated April 23, 2003	VLADIMIR UPENSKY, for the sole Purpose of consenting to the tax matters provision

BUYER:

	<u>10/24/16</u>
PETER KLYACHENKO, JR.	Date

Agreed and acknowledged by the following persons who are not themselves parties to this Agreement, but who are the corporation whose shares are the subject of this Agreement and who agree that it will be bound by all of its provisions.

Company:
SKYLINE PLASTERING, INC.
an Illinois corporation

By:  _____
Its President

Draft of October 24, 2016

EXHIBIT "A"
PROMISSORY NOTE

Draft of October 24, 2016

PROMISSORY NOTE

Principal Amount: \$500,000.00

October 24th, 2016, St. Charles, IL

FOR VALUE RECEIVED, PETER KLYACHENKO, JR. (hereinafter referred to as the "Debtor"), promises to pay to the order of PAUL SAVENOK, as Trustee of the Paul Savenok 2003 Trust dated April 23, 2003 (hereinafter referred to as "Lender") the principal sum of Five Hundred Thousand Dollars (\$500,000.00) via payments towards principal of Two Hundred Fifty Thousand Dollars (\$250,000.00) on November 30, 2016 and Two Hundred Fifty Thousand Dollars (\$250,000.00) on February 28, 2017. No interest shall accrue on this principal balance unless said payments are made late in which case interest shall then begin to accrue at a rate of five percent (5%) per annum until the payments are brought current.

Debtor and Lender agree that in the event that the Debtor is unable to make the lump sum payments described herein when they become due, Debtor shall be permitted to make equal monthly installments of the outstanding lump sum balance due over a period of six (6) months.

All payments on account of this Note shall be paid to Lender at such office as Lender shall direct from time to time.

Debtor shall have the privilege of prepayment of this Note at any time and from time to time, either in whole or in part. No premium, penalty, or cost of any kind whatsoever shall be payable in conjunction with such prepayment.

The following events shall constitute an event of default under this Agreement: (i) default shall be made in the punctual payment of any obligation hereunder, when due and shall fail to cure said default within ten (10) days notice from Lender, or Debtor shall fail to perform or observe any of the covenants, terms or conditions of the Note; (ii) Debtor shall become insolvent, or shall be unable to pay its debts as they mature, or shall admit in writing its inability to pay its debts as they mature; or shall make an assignment for the benefit of creditors; or shall make or commence to have filed or commenced against it any proceeding for relief under any bankruptcy or insolvency laws or any laws relating to the relief of Debtor, readjustment of indebtedness, reorganization, compositions or extensions. Upon the occurrence of any event of default, then Lender shall have the option of calling the Note and all outstanding principal and interest immediately due and payable, with presentment, demand, or notice to Debtor.

No delay or omission on the part of Lender in exercising any power or right hereunder shall impair such right or power or any other right or power of Lender hereunder. All rights, powers, and remedies are cumulative. No waiver by Lender of any default shall operate as a waiver of any other default or of the same default on a future occasion.

If Debtor breaches its obligations hereunder, then the Debtor shall be liable to the Note holder for all damages provided by law including court costs and attorney's fees.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the day and year first above written.

Draft of October 24, 2016

DEBTOR:

A handwritten signature in black ink, appearing to be 'PK' with a large loop and a horizontal stroke extending to the right.

Peter Klyachenko, Jr.

10/24/16