

**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 28, 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 **November 18, 2016**.

/s/ Joshua D. Greene /s/

**Service List**

*Via Electronic Service*

Unites States Trustee  
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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., 7<sup>th</sup>  
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 85<sup>th</sup> 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, Promissory Note and Escrow Agreement.

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 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. First Community Bank is a creditor of the Debtor by virtue of the Debtor's guaranty of the debt due from Skyline, and if First Community Bank is paid off, it will reduce a potential claim due and owing from the Debtor. 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.

8. Debtor originally filed a motion to approve the sale, which was denied by the court as the agreement allowed the purchaser to obtain possession of the stock prior to the purchase price being paid. The current agreement resolves the various issues that the court expressed at the first hearing. Specifically, \$250,000 is paid at closing with purchaser only receiving half of the stock. The remaining stock is held in escrow until full payment is made, and if the payment is not paid in full, the stock is returned to the Debtor, or Debtor has the option to pursue purchaser for the remaining

amount due under the agreement.

**Relief Requested**

9. 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).

10. 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**

11. 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 November 30, 2016.

**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](mailto:jgreene@springerbrown.com)



**STOCK PURCHASE AGREEMENT**

THIS AGREEMENT (the "Agreement") is made effective this \_\_\_\_\_ day of November, 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,

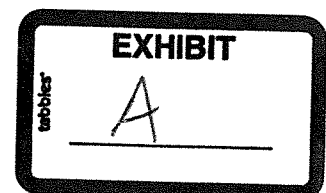
**NOW, THEREFORE**, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties mutually covenant and agree as follows:

**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 two (2) installments as further described herein.

**1.3 Closing.** The Closing of this transaction shall occur on November 30, 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 or at such other location as the Seller and the Buyer mutually agree at the hour of 12:00 p.m..



#### **1.4 Closing Documents.**

- (a) At Closing, the Seller shall provide the Escrowee with the following:
  - (i) Original common stock certificate number 6 representing Seller's 65 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) Payment in the amount of Two Hundred Fifty Thousand and no/100 Dollars (\$250,000) **for which Buyer shall receive 32.5 Shares;**
  - (ii) *Promissory Note* as of the Effective Date in substantially the form attached hereto as Exhibit A;
  - (iii) *Stock Escrow Agreement* as of the Effective Date in substantially the form attached hereto as Exhibit A.

**1.5 Promissory Note.** The Promissory Note ("Note") shall be in the amount of Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) payable on 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.

**1.6 Stock Escrow Agreement.** To secure the obligations of Buyer and under the Note payable to Seller, **32.5** of the Seller's Shares shall be held in escrow until such time as the Note is paid in full. Seller's Shares shall be deposited with Josh Greene ("Escrow Agent"), pursuant to the terms of a Stock Escrow Agreement attached hereto as Exhibit B. The Escrow Agent shall hold the shares in escrow pursuant to the Stock Escrow Agreement and shall not release them **except upon the payment by the Buyer** or on the order of any court having jurisdiction or apparent jurisdiction. The escrow shall be accomplished by Buyer delivering to the Escrow Agent the stock certificate he receives from the Corporation for the Seller's shares along with an *Assignment Separate from Certificate* signed by Buyer in blank, both of which shall be held by the Escrow Agent pursuant to the terms of the Stock Escrow Agreement. While said shares are held in escrow, Buyer shall be entitled to exercise all voting rights for said shares.

## **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 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 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 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 Date  
of the Paul Savenok 2003 Trust dated  
April 23, 2003

\_\_\_\_\_  
VLADIMIR UPENSKY, for the sole Date  
Purpose of consenting to the tax matters  
provision

**BUYER:**

\_\_\_\_\_  
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

**EXHIBIT "A"**  
**PROMISSORY NOTE**

**EXHIBIT "B"**  
**STOCK ESCROW AGREEMENT**



**STOCK ESCROW AGREEMENT**

**THIS AGREEMENT** dated this \_\_\_\_ day of November, 2016, among **Paul Savenok, as Trustee of the Paul Savenok 2003 Trust dated April 23, 2003** ("Seller") and **Peter Klyachenko, Jr.**("Purchaser") and **Josh Greene**, as Escrow Agent.

**W I T N E S S E T H:**

**WHEREAS**, pursuant to the provisions of a certain **Stock Purchase Agreement** dated \_\_\_\_\_, 2016 ("the Agreement"), Purchaser is acquiring from Seller, Sixty-five (65) shares of the issued and outstanding shares of the common stock of **Skyline Plastering, Inc.**. (the "Subject Shares"); and

**WHEREAS**, the Agreement requires Purchaser to escrow 32.5 of the Subject Shares to secure the full payment of all sums required to be paid by Purchaser to Seller under such Agreement, such escrow is to be in accordance to the terms and provisions of such Agreement; and

**WHEREAS**, the Agreement requires that the Subject Shares be deposited with **Josh Greene**, as escrow agent ("Escrow Agent") or such other escrowee that the parties may agree; and

**WHEREAS**, **Josh Greene** agrees to act as Escrow Agent on the terms and conditions set forth in the Agreement and herein.

**NOW, THEREFORE**, in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration, it is agreed as follows:

1. At the closing under the Agreement, Seller shall deposit with Escrow Agent the certificate representing the Subject Shares, together with an *Assignment Separate from Certificate* endorsed by Seller to be held and administered pursuant to the terms and provisions set forth in the Agreement and below.

2. The Escrow Agent shall hold the Subject Shares in escrow for the mutual benefit of the parties in accordance with the provisions of the Agreement, and shall not release or distribute the Subject Shares to Purchaser except upon the payment by the Buyer or until otherwise directed to do so by order of court of competent jurisdiction. Upon full performance by Purchaser of all of its obligations under the Agreement, Seller and Purchaser hereby agree to mutually direct the Escrow Agent to release the Subject Shares to Purchaser, whereupon this escrow shall terminate. If the Purchaser extends payments in accordance with the terms of the Promissory Note, which allows for six (6)

installment payments, the Escrow Agent will release 1/6 of the Shares held in escrow upon each installment payment.

3. While the Subject Shares are held in escrow, and until such time, if ever, as possession of same has been reacquired by Seller by reason of any default by Purchaser, Purchaser shall have all voting rights or other rights or benefits appertaining to the Subject Shares

4. The Escrow Agent shall not be responsible for the genuineness of any certificate or signature and may rely conclusively upon and shall be protected when acting upon any notice, affidavit, request, consent, instruction, check, or other instrument believed by him in good faith to be genuine or to be signed or presented by the proper person, or duly authorized or properly made. The Escrow Agent shall have no responsibility except for the performance of its express duties hereunder and no additional duties shall be inferred herefrom or implied hereby.

5. No amendment or modification of this Agreement or waiver of its terms shall affect the rights and duties of the Escrow Agent unless its written consent thereto shall have been obtained.

6. The Escrow Agent shall not be required to institute or defend any action involving any matters referred to herein or which affect it or its duties or liabilities hereunder unless or until requested to do so by any party to this Agreement and then only upon receiving full indemnity, in character satisfactory to the Escrow Agent against any and all claims, liabilities, and expenses in relation thereto. In the event of any dispute among the parties hereto with relation to the Escrow Agent or its duties, (i) the Escrow Agent may act or refrain from acting in respect of any matter referred to herein in full reliance upon and by and with the advice of counsel selected by him and shall be fully protected in so acting or in refraining from acting upon the advice of such counsel, or (ii) the Escrow Agent may refrain from acting until required to do so by an order of a court of competent jurisdiction.

7. The Escrow Agent shall not be responsible or liable for any act or omission on its part in the performance of its duties as Escrow Agent under this Agreement except as such act or omission constitutes bad faith, gross negligence or fraud.

8. The parties hereto agree to indemnify, defend and hold the Escrow Agent harmless from and against all costs and expenses (including reasonable attorney's fees) incurred by the Escrow Agent in the performance of its duties hereunder or in connection with any lawsuit arising out of or connected with this Agreement.

9. The Seller and Purchaser hereby stipulate and agree that possession of the Subject Shares by the Escrow Agent hereunder shall be deemed to be possession by

Seller for purposes of the perfection of Seller's security interest in the Subject Shares, as required by Chapter 810, Act 5, Section 9-305 of the Illinois Compiled Statutes.

**IN WITNESS WHEREOF**, the parties have set their hands and seals on the date first written above.

**SELLER:**

**PURCHASER:**

\_\_\_\_\_  
Paul Savenok, as Trustee of the Paul  
Savenok 2003 Trust dated April 23, 2003

\_\_\_\_\_  
Peter Klyachenko, Jr.

**ESCROW AGENT:**

\_\_\_\_\_  
Josh Greene

## PROMISSORY NOTE

**Principal Amount: \$250,000.00** \_\_\_\_\_, 2016, Carol Stream, 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 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 form 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, or demanding return of all stock being held by the Escrow Agent pursuant to the terms of the Stock Escrow Agreement

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.

DEBTOR:

\_\_\_\_\_  
Peter Klyachenko, Jr.