

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:
Royal Flush, Inc.,

Debtor.

Bankruptcy No. 16-23458 JAD
Chapter 11
Document No.

**AMENDED DISCLOSURE STATEMENT
TO ACCOMPANY AMENDED PLAN DATED April 10, 2017**

 Chapter 11 Small Business (Check box only if debtor has elected to be considered a small business under 11 U.S.C. §1121(e))

Debtor furnishes this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code §1125 to assist them in evaluating Debtor's proposed Chapter 11 plan, a copy of which is attached hereto. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing time. The Court will schedule a hearing on the plan pursuant to 11 U.S.C. §1129.)

Address for return of ballots:

Donald R. Calaiaro, Esquire
CALAIARO VALENCIK
428 Forbes Avenue, Suite 900
Pittsburgh, PA 15219-2230

I. Background

1. Name of Debtor
Royal Flush, Inc.

2. Type of Debtor (individual, partnership, corporation)
Pennsylvania Closed Corporation

3. Debtor's Business or Employment
The Debtor is involved in the Oil & Gas industry; it transports "fracked" water from gas drilling sites. This accounts for 85% of the Debtor's business; the Debtor also rents and services portable toilets. It serves the construction industry, the entertainment industry and consumers.

4. Date of Chapter 11 Petition
September 15, 2016

5. Events that Caused the Filing:
The Oil & Gas industry weakened in 2014- 2016. Fewer gas wells were being operated because of the failing price of natural gas. As there were fewer oil & gas wells,

competition increased and the market price for their services fell by more than 25%. The Debtor lost a major portion of their business as the economy weakened the construction business sector. Their income decreased and they were unable to meet their obligations. The debtor was not able to contract more than 80 % of their equipment up through August of 2016 because of reduced demand. They were not able to service their fixed equipment costs as their income was reduced. Their lenders would not restructure their debt outside of a bankruptcy. The Debtor filed this chapter 11 to reorganize.

- 6. Anticipated Future of the Company & Source of this Information and Opinion**
The Debtor has been able to restructure the secured debt to an affordable level; and it will be able to meet the future payments to creditors under this Plan. . The Debtor has made adequate protection payments to secured creditors as they have negotiated adequate protection agreements. In September through December of 2016, the Debtor has been able to contract 95% of its equipment.
- 7. Summarize all Significant Features of the Plan Including When and How Each Class of Creditor Will Be Paid and What, If Any, Liens Will Be Retained By Secured Creditors or Granted to Any Creditor Under the Plan**

Class 1, Administrative Claims Class 1 will be paid in full on the Plan Effective Date unless the parties agree on a different payment arrangement.

(B) Class 2, First National Bank of Pennsylvania: is the holder of liens on AR, Equipment, Dumpsters, Portable Johns, and the Payoff of Citizens Bank LLC. The total secured claim of this creditor is \$ 2,730,522.05. First National Bank of Pennsylvania will be paid in full over seven (7) years with a fixed interest rate of five percent (5%). The Loans shall be consolidated into one loan. All payments shall in be applied and allocated by FNB to the indebtedness under the Loans in which the Debtor under an amortization schedule of the debt over 7 years. The Minimum payment will be \$ 14, 371.06. All other terms of the loan shall remain in full force and effect. Upon confirmation of the Plan, all pre-confirmation defaults will be waived. The lien on FNB shall be retained, as modified, until paid in full. Royal Flush, Inc. agrees that it will not declare any dividends to its shareholders during the period of the repayment to Class 2. The Debtor may retain necessary cash reserves to protect against any instability in its cash flow, a capital reserve for future repairs and maintenance of its equipment and an appropriate reserve for future capital acquisitions. In the event there are excess funds available, Royal Flush, Inc. agrees that it will not declare any dividends to its shareholders during the period of the repayment to Class 2. The Debtor may retain necessary cash reserves to protect against any instability in its cash flow, a capital reserve for future repairs and maintenance of its equipment and an appropriate reserve for future capital acquisitions. In the event there are excess funds available not required for necessary cash reserves to protect against any instability in its cash flow, a capital reserve for future repairs and maintenance of its equipment and an appropriate reserve for future capital acquisitions, then the Reorganized Debtor will use any excess funds to pre-pay the Class 2 claims of First National Bank of Pennsylvania.

(C) Class 3, Ally Financial, is the holder of liens on a 2014 Ram 2500, a 2014 Ram 5500, a 2014 Jeep Wrangler, and a 2014 Dodge Grand Caravan. The Creditor has filed claims at POC # 8 in the amount of \$24,113.32, at POC # 9 in the amount of \$32,091.29, at POC #10 in the amount of \$21,599.63, and at POC # 11 in the amount of \$13,427.10. The total secured claim of the Creditor is \$91,231.34. The Creditor will be paid in full over seven (7) years with a fixed interest rate of five percent (5%).

(D) Class 4, Chrysler Capital, is the holder of liens on two 2014 Ram 2500, a 2014 Ram 1500, and a 2015 Ram 1500. The Creditor has filed claims at POC #5 in the amount of \$18,067.69, at POC #6 in the amount of \$18,070.99, and at POC # 7 in the amount of POC #24,571.19. The Creditor did not file a claim for the 2015 Ram 1500 VIN: 4922. The Debtor believes that the Creditor is owed \$26,487.30. The total secured claim of this Creditor is \$87,197.17. Chrysler Capital will be paid in full over seven (7) years with a fixed interest rate of five percent (5%).

(E) Class 5, J.P. Morgan Chase Bank N.A., is the holder of a lien on a 2014 Subaru and has filed a claim at POC # 22 in the amount of \$16,012.11. The Creditor will be paid in full over seven (7) years with a fixed interest rate of 5 percent (5%).

(F) Class 6, Equipment Leases with C. Swank Enterprises, Inc. The Debtor will assume leases for the rental of the following equipment:

1. 2011 Ford F-250; 60 payments (RF-1)
2. 2011 Ford F250 Pick-Up; 60 payments (RF-2)
3. Isuzu NPR; 36 payments (RF-5)
4. 2012 Dodge Ram 4500; 48 payments (RF-8)
5. 2012 Hino 238; 48 payments (RF-11)
6. 2013 Dodge Ram 550; 60 payments with \$950.00 monthly (RF-16)
7. 2013 Peterbilt, (RF 20)
8. 2012 Dodge Ram 2500; 48 payments RF-21)
9. 2012 Peterbilt 388; 60 payments with \$3000.00 monthly (RF-23)
10. 2013 International 5900i; 60 payments with \$3750.00 monthly (RF-24)
11. 2012 Peterbilt; 60 payments with \$3500.00 monthly (RF-25)
12. 2013 Dodge Ram (RF 26)
13. 2012 Peterbilt 388; 60 payments with 26 months remaining (RF- 28)
14. 2012 Peterbilt 388; 60 payments with \$3500.00 monthly (RF- 29)
15. 2013 Dodge Ram 5500; 60 payments with \$950.00 monthly (RF-31)
16. 2012 Peterbilt 388; 60 payments with \$3500.00 monthly (RF-32)
17. 2013 International 5900i; 60 payments with \$3500.00 monthly (RF-33)
18. 2013 Peterbilt 388; 60 payments with \$4000.00 monthly (RF- 35)
19. 2013 Peterbilt 388; 60 payments with \$4000.00 monthly (RF-36)
20. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-37)
21. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-38)
22. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-39)
23. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-40)
24. 2015 Peterbilt 388; 60 payments with \$4000.00 monthly (RF-41)
25. 2014 Ram 5500; 60 payments with \$1500.00 monthly (RF-43)
26. 2014 Ram 5500; 60 payments with \$1,500.00 monthly (RF-44)
27. 2014 Peterbilt 337; 60 payments with \$3500 monthly (RF-45)
28. 2015 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-50)

29. 2012 Peterbilt 388; 60 months with \$3500.00 monthly (RF-51)
30. 2012 Peterbilt 388; 60 payments with \$ 4250.00 monthly (RF-52)
31. 2012 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-53)
32. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-54)
33. 2012 Peterbilt 388; 48 payments with \$4250.00 monthly (RF-55)
34. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-56)
35. 2013 Peterbilt 388; 60 payments with \$4,250.00 monthly (RF-57)
36. 2013 Peterbilt 388; 60 payments with \$4250.00 monthly (RF-61)
37. 2013 Peterbilt 388; 60 Payments with \$4250.00 monthly (RF-62)
38. 2015 Peterbilt 367; 60 payments with \$4250.00 monthly (RF-64)
39. 2014 International 5900i's; 60 payments with \$5000.00 mthly (RF-65)
40. 2014 International 5900i's; 60 payments with \$5000.00 mthly (RF- 66)
41. 2014 Peterbilt 367; 36 payments with \$5000.00 monthly (RF-69)
42. 2013 Peterbilt 367; 48 payments with \$5000.00 monthly (RF-70)
43. 2015 International 5900i; 36 payments \$5000.00 monthly (RF-71)
44. 2014 Peterbilt 567; 36 payments with \$5000.00 monthly (RF-72)
45. 2016 Peterbilt 367; 48 payments with \$5000.00 monthly (RF-73)
46. 2016 Peterbilt 367; 48 payments with \$5000.00 monthly (RF-74)
47. 2016 Peterbilt 389; 48 payments with \$5000.00 monthly (RF-75)
48. 2016 Peterbilt 367; 60 payments with \$5000.00 monthly (RF-76)
49. 2016 Peterbilt 367; 60 payments with \$5000.00 monthly (RF-77)
50. 2016 Peterbilt 367; 48 payments with \$5000.00 monthly (RF-78)
51. 2015 Peterbilt 389; 48 payments with \$5000.00 monthly (RF-80)
52. 2016 Peterbilt 389 (RF-81)
53. 2016 Peterbilt 389; 48 payments with \$5000.00 monthly (RF-82)
54. 2016 Peterbilt 367; 36 payments with \$5000.00 monthly (RF-83)
55. 2016 Peterbilt 389S; 36 payments with \$5000.00 monthly (RF-84)
56. 2016 Peterbilt 389S; 36 payments with \$5000.00 monthly (RF-85)
57. 2013 Aspen Trail; 12 payments
58. 2015 Alpine 5th Wheel; 36 payments with \$1500.00 monthly

(G) Class 7, Executory contracts with the Debtor, will be treated as follows:

- a. 10 Industrial Park Drive, Carmichael, PA 15320- Bravo Charlie-Modified and Assumed
- b. 1693 Route 56, Spring Church, PA 15686- Catherine Corsetti-Assumed
- c. 61530 Bailey Road, Barnesville, OH 43712- Deborah Kaiser- Assumed
- d. 198 East Main Street, Salem, WV 26426-Thomas Mason-lease rejected.
- e. 955 Canyon Road, Morgantown, WV- Twins LLC- Assumed
- f. Comdoc copier lease- Assumed

(H) Class 8, Priority Claims, The allowed priority claims of approximately \$ 409,465.67 will be paid in full over 5 years with 3% post- confirmation interest from the Plan effective date.

(I) Class 9, Essential Vendors, This class consists of the Unsecured Creditors who have continued to provide goods and services to the Debtor and who will continue to provide goods and services to the Reorganized Debtor AND who give the Debtor post-confirmation credit terms and preferred pricing. The following list sets forth the members in Class 9:

Creditor	Class	Total Amount Owed	Percent of Dividend
Guttman Oil	9	\$76,378.51	100%
Jacobs Petroleum Products, Inc.	9	\$71,238.62	100%
Hunter Truck Sales & Service Inc.	9	\$39,537.13	100%
TOTAL			

Any creditor may opt out of Class 9 if they cease doing business with the Debtor.

(J) Class 10, General Unsecured Creditors, unsecured creditors will be paid in full over seven (7) years without interest. The Plan breaks this class into two subclasses. Small claims less than \$ 2500.00 and other class 10 claims in excess of \$ 2500.00.

The Small Claims will be paid over 12 months following the plan effective date.

The Claims in excess of \$ 2500.00 shall receive distributions over 7 years.

(K) Class 11, Creditors who have claims arising from Guaranties of related entities. These creditors will retain their claims against the related entities. They shall be enjoined from taking any action against the related entities while the Borrower or C. Swank Enterprises LLC remains current on the contract or under C Swank’s Plan. Their debts will not be discharged. Any creditor who holds claims against C Swank will be limited to the payment under that conformed plan and may not seek any additional claim against this debtor.

(L) Class 12, Equity Shareholder Claims and Rights, The equity ownership of the Debtor will be retained but modified. The Equity interest of the Debtor will limit is compensation from the Debtor and Carol Swank will not increase her compensation until 2018. Thereafter, she may receive any reasonable adjustment provided that the Debtor is current with all payments to classes 2, 3, 4, 5, 6, 7,

8. **Are All Monthly Operating Statements Current and on File with the Clerk of Court? Yes X No _____ If Not, Explain:**

9. **Does the plan provided for releases of nondebtor parties? Specify which parties and terms of release.**
The Plan releases the debtor from any amount which is not paid by C. Swank Enterprises, LLC under its plan when contract interest rates are modified. The lost opportunity of the higher interest rate will be discharged upon the successful completion of the C. Swank Enterprises, LLC Plan of Reorganization.

The Plan also contemplates an injunction under 11 U.S. C. § 105 against any entity who holds a guaranty against the Debtor, the sole Member, Carol Swank or officer of the Debtor, Brian Swank from collection of any amount which are not paid by the Debtor or C. Swank Enterprises, LLC under its plan when contract interest rates are modified.

10. Identify all executory contracts that are to be assumed or assumed and assigned.

- a. 10 Industrial Park Drive, Carmichael, PA 15320- Bravo Charlie-Modified
- b. 1693 Route 56, Spring Church, PA 15686- Catherine Corsetti-Assumed
- c. 61530 Bailey Road, Barnesville, OH 43712- Deborah Kaiser- Assumed- \$13, 200.00 to cure arrears – POC # 42
- d. 198 East Main Street, Salem, WV 26426-Thomas Mason-lease rejected.
- e. 955 Canyon Road, Morgantown, WV- Twins LLC- Assumed
- f. Lease for a Comdoc Copier- Assumed

11. Has a bar date been set? Yes X no
 (If not, a motion to set the bar date has been filed simultaneously with the filing of this disclosure statement.)

12. Has an election under 11 U.S.C. §1121(e) has been filed with the Court to be treated as a small business? Yes ___ No X

13. Specify property that will be transferred subject to 11 U.S.C. §1146(c).
 NONE

II. Creditors

A. Secured Claims

SECURED CLAIMS

Creditor	Total Amount Owed	Arrears	Type of Collateral Priority of Lien (1, 2, 3)	Disputed(D) Liquidated(L) Unliquidated (U)	Will Liens be Retained Under the Plan (Y)or(N)
First National Bank \$64,800.00 note \$100,000.00 note \$80,640.00 note \$200,000.00 note \$750,000.00 note \$2,200,000.00 note \$492,000.00 note <u>note</u> \$2,734,179.77	\$ 2,734,179.77	Not Applicable	1 st line on Accounts receivable, liens on equipment and blanket security interest.	Balance as of the commencement of the case. The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Ally Bank POC # 8	\$24,113.32	Not Applicable	2014 Ram 2500	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Ally Bank POC # 9	\$32,091.29	Not Applicable	2014 Ram 5500	The balance will be reduced by post-petition payments; final balance subject	Yes, As Modified by the Plan

				to verification.	
Ally Bank POC # 10	\$21,599.63	Not Applicable	2014 Jeep Wrangler	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Ally Bank POC # 11	\$13,427.10	Not Applicable	2014 Dodge Caravan	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Chrysler Capital POC # 5	\$18,067.69	Not Applicable	2014 Ram 2500	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Chrysler Capital POC # 6	\$18,070.99	Not Applicable	2014 Ram 2500	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Chrysler Capital POC # 7	\$24,571.19	Not Applicable	2014 Ram 1500	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
Chrysler Capital	\$26,487.30		2015 Ram 1500	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
JP Morgan Chase Bank N.A. POC # 22	\$16,012.11	Not Applicable	2014 Subaru	The balance will be reduced by post-petition payments; final balance subject to verification.	Yes, As Modified by the Plan
TOTAL	\$2,928,620.39				

B. Priority Claims

PRIORITY CLAIMS

Creditor	Total Amount Owed	Type of Collateral	(D)(L)(U) *
Berkheimer	\$8,377.77	Local Withholding	Disputed
Berkheimer	\$1,077.00	LST Tax	Disputed
Internal Revenue Service POC # 17- Disputed	\$117,773.19	Taxes	Disputed
Office of UC Tax Services	\$43,306.87	PA UC Fund-Employer Portion	Disputed
Office of UC Tax Services	\$1,354.69	Employee Withholding	Disputed
OH Department of Job and Family Services	\$13,009.30	OH Unemployment	Disputed
OH Dept. of Taxation	\$15,244.78	OH Withholding	Disputed
PA Department of Revenue POC # 13- Disputed (priority)	\$63,957.82	PA Withholding	Disputed
Unemployment Compensation Division	\$217.38	WV Unemployment	Disputed
WV State Tax Department- Disputed	\$7,979.00	WV Withholding	Disputed
TOTAL	\$250,609.60		

* Disputed (D), Liquidated (L), or Unliquidated (U)

C. Unsecured Claims

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$800,717.21
2.	Amount of Unscheduled Unsecured Claims¹	\$ N/A
3.	Total Claims Scheduled or Filed	\$ 876,569.29.
4.	Amount Debtor Disputes	\$ 494,087.66
5.	Estimated Allowable Unsecured Claims	\$ 600,000.00.

D. Other Classes of Creditors-Contingent Claims- Class 9- Essential Creditors

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$187,154.26
2.	Amount of Unscheduled Claims¹	\$ N/A
3.	Total Claims Scheduled or Filed	\$187,154.26
4.	Amount Debtor Disputes	\$ N/A
5.	Estimated Allowable Claims	\$187,154.26

Other Classes of Creditors-Contingent Claims- Class 12

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$1,594,348.75
2.	Amount of Unscheduled Claims¹	\$ N/A
3.	Total Claims Scheduled or Filed	\$1,594,348.75

¹Includes a.) Unsecured claims filed by unscheduled creditors; b.) that portion of any unsecured claim filed by a scheduled creditor that exceeds the amount debtor scheduled; and c.) Any unsecured portion of any secured debt not previously scheduled.

- 4. Amount Debtor Disputes \$ N/A
- 5. Estimated Allowable Claims \$1,594,348.75

E. Other Classes of Interest Holders

- 1. Amount Debtor Scheduled (Disputed and Undisputed) \$
- 2. Amount of Unscheduled Claims¹ \$
- 3. Total Claims Scheduled or Filed \$
- 4. Amount Debtor Disputes \$
- 5. Estimated Allowable Claims \$

III. Assets

ASSETS

Assets	Value	Basis for Value Priority of Lien	Name of Lien Holder (if any) (Fair Market Value/Book Value)	Amount of Debtor's Equity (Value Minus Liens)
Citizens Bank	\$113,255.27	Actual Value	First National Bank of PA	0.00
FNB-Operating A/C-0722	\$2,977.93	Actual Value	First National Bank of PA	0.00
FNB- Payroll A/C-6312	\$0	Actual Value	First National Bank of Pa	0.00
FNB Waynesburg A/C- 0739	\$0.86	Actual Value	First National Bank of PA	0.00
Accounts Receivable	\$2,303,743.42	Debtor's Opinion in the Bankruptcy Schedules	First National Bank Of PA	0.00
Inventory	\$5,318.00	Debtor's Opinion in the Bankruptcy Schedules	First National Bank of PA	0.00
Office Equipment	\$5,000	Debtor's Opinion in the Bankruptcy Schedules	First National Bank of PA	0.00
2014 Ram 2500 Vin: 6360	\$12,000	Debtor's Opinion in the Bankruptcy Schedules	Ally Financial	0.00
2014 Dodge Caravan Vin: 5509	\$5,000	Debtor's Opinion in the Bankruptcy Schedules	Ally Financial	0.00
2014 Jeep Wrangler Vin: 5827	\$10,000	Debtor's Opinion in the Bankruptcy Schedules	Ally Financial	0.00
2014 Ram 5500 Vin: 7679	\$18,000	Debtor's Opinion in the Bankruptcy Schedules	Ally Financial	0.00

2014 Ram 2500 Vin:6558	\$8,000	Debtor's Opinion in the Bankruptcy Schedules	Chrysler Capital	0.00
2014 Ram 2500 Vin: 5901	\$8,000	Debtor's Opinion in the Bankruptcy Schedules	Chrysler Capital	0.00
2014 Ram 1500 Vin: 5595	\$10,000	Debtor's Opinion in the Bankruptcy Schedules	Chrysler Capital	0.00
2014 Subaru Vin: 8021	\$7,000	Debtor's Opinion in the Bankruptcy Schedules	Subaru Financial	0.00
2014 Ram 2500 Vin: 6360	\$12, 000	Debtor's Opinion in the Bankruptcy Schedules		0.00
2015 Ram 1500 Vin: 4922	\$12,000	Debtor's Opinion in the Bankruptcy Schedules	Chrysler Capital	0.00
Dumpsters and Portable Johns, porta John Trailers and porta John equipment	\$30,000	Debtor's Opinion in the Bankruptcy Schedules	First National Bank of PA	0.00
2004 Ford F-250	\$1,500.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$1,500.00
2005 Isuzu Workmate 800	\$ 2,500.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 2,500.00
2005 Isuzu Workmate 1250	\$ 3,000.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	3,000.00
2005 Ford F-250	\$ 1,500.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	1,500.00
2007 Ford F-450 w/ tank	\$ 2,500.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	2,500.00
2007 Ford Focus	\$ 1,200.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 1,200.00
International Vacuum Truck	\$ 5,000.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	5,000.00
2008 Ford F-550	\$ 2,900.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 2,900.00
2008 Chrysler Aspen	\$ 3,600.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 3,600.00

2010 Ford F-550	\$ 3,500.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	3,500.00
2010 Isuzu Truck	\$ 5,000.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 5,000.00
J&E Trucks – 2004 Chevy 2500 HD w/450 gallon tank	\$ 1,200.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 1,200.00
J&E Trucks –2004 GMC 5500 w/850 gallon progress tank	\$ 4,000.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$ 4,000.00
J- Town Trucks 1998 International Truck	\$5,500.00	Debtor's Opinions in the Bankruptcy Schedules	NONE	\$5,500.00
	\$2,605,795.48 TOTAL			\$43,500.00 TOTAL

1. Are any assets which appear on Schedule A or B of the bankruptcy petition not listed above? NO
If so, identify asset and explain why asset is not in estate:
2. Are any assets listed above claimed as exempt? If so attach a copy of Schedule C and any amendments. NO

IV. SUMMARY OF PLAN

1. Effective Date of Plan: February 2017
2. Will cramdown be sought? X Yes No
If Yes, state bar date: The Hearing on the Confirmation of the Plan,
3. Treatment of Secured Non-Tax Claims

SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Ally Financial POC # 11	3	\$13,427.10	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as

			modified, is paid in full.
Ally Financial POC # 10	3	\$21,599.63	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
Ally Financial POC # 9	3	\$32,091.29	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
Ally Financial POC # 8	3	\$24,113.32	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
Chrysler Capital POC # 6	3	\$18,070.99	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
Chrysler Capital POC # 5	3	\$18,067.69	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
Chrysler Capital POC # 7	3	\$24,571.19	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
Chrysler Capital	4	\$26,487.30	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
First National Bank of PA		\$ 2,734,179.77	The total secured claim of this creditor is \$ 2,734,179.77. First National Bank of Pennsylvania will be paid in full over seven (7) years with a fixed interest rate of five percent (5%). The Loans shall be consolidated into one loan. All payments shall in be applied and allocated by FNB to the indebtedness under the Loans in which the Debtor under an amortization schedule of the debt over 7 years. The Minimum payment will be \$ 14, 371.06. All other terms of the loan shall remain in full force and effect. Upon confirmation of the Plan, all pre-confirmation defaults will be waived.

			The lien on FNB shall be retained, as modified, until paid in full.
JP Morgan Chase Bank POC # 22		\$16,012.11	The Debt will be restructured and reamortized over a new 5 year term with a fixed interest rate of 5%. The lien will be retained after confirmation until the debt, as modified, is paid in full.
TOTAL		\$2,928,620.39	

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
NONE			

5. Treatment of Administrative Non-Tax Claims²

ADMINISTRATIVE NON-TAX CLAIMS

Name of Creditor *	Amount Owed	Type of Debt **	Summary of Proposed Treatment and Date of First Payment
Calaiaro Valencik	\$ 105,000.00-estimate	Attorney for Debtor Fees	To be paid in full on the Plan Effective Date or as parties agree.
John Steiner, Esq. atty for the Official Committee of unsecured creditors	\$ 80,000.00-estimate	Attorney for the Official Committee of Unsecured Creditors	To be paid in full on the Plan Effective Date or as parties agree.
United States Trustee	\$ 6,250.00-estimate	Court Costs	To be paid in full on the Plan Effective Date.
Matt Tymoczko, CPA/ C & H Accounting.	\$ 30,000.00-estimate	Accountant for the Debtor	To be paid in full on the Plan Effective Date.
TOTAL	\$ 181,250.00		

* Identify and Use Separate Line for Each Professional and Estimated Amount of Payment

** Type of Debt (P=Professional, TD=Trade, TX=Taxes)

6. Treatment of Administrative Tax Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor *	Amount Owed	Type of Debt **	Summary of Proposed Treatment and Date of First Payment
NONE			

7. Treatment of Priority Non-Tax:

PRIORITY NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
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²Include all §503(b) administrative claims.

NONE			
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8. Treatment of Priority Tax Claims³:

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
Berkheimer		\$8,377.77		Will be paid in full over 5 years with 3% post -confirmation interest
Berkheimer		\$1,077.00		Will be paid in full over 5 years with 3% post -confirmation interest
Internal Revenue Service POC # 17 (Includes unassessed liabilities)- Disputed		\$114,443.19		Will be paid in full over 5 years with 3% post -confirmation interest
Office of UC Tax Services		\$43,306.87		Will be paid in full over 5 years with 3% post -confirmation interest
Office of UC Tax Services		\$1,354.69		Will be paid in full over 5 years with 3% post -confirmation interest
OH Dept. of Job & Family Services		\$13,009.30		Will be paid in full over 5 years with 3% post -confirmation interest
OH Dept. of Job of Taxation		\$15,244.78		Will be paid in full over 5 years with 3% post -confirmation interest
PA Department of Revenue – Amended POC # 13-Disputed		\$63,957.82		Will be paid in full over 5 years with 3% post -confirmation interest
WV Unemployment Compensation		\$217.38		Will be paid in full over 5 years with 3% post -confirmation interest
WV State Tax Department- Disputed		\$7,989.00		Will be paid in full over 5 years with 3% post -confirmation interest
TOTAL		\$352,221.74		

9. Treatment of General Unsecured Non-Tax Claims: Class 11- Essential Creditors

Creditor	Class	Total Amount Owed	Percent of Dividend
Guttman Oil- POC # 18	10	\$76,378.51	100%
Jacobs Petroleum Products, Inc.-POC # 41	10	\$63,617.18	100%
Hunter Truck Sales & Service Inc.	10	\$39,537.13	100%
TOTAL		\$187,154.26	

³Include dates when any §507(a) (7) taxes were assessed.

GENERAL UNSECURED NON-TAX CLAIMS

CLASS 11

Creditor	Class	Total Amount Owed	Percent of Dividend
Advanced Auto Parts	11	\$ 1,683.71	100%
Apex Energy Services, LLC	11	\$8,120.00	100%
Appalachian Water Services, LLC	11	\$2,968.00	100%
BDI	11	\$2,697.38	100%
Burns Drilling & Excavating	11	\$2,760.00	100%
BUY DMI Inc.	11	\$37.17	100%
City of Salem	11	\$64.45	100%
Cleaning Systems	11	\$100.0	100%
Cambrian Well Services- POC # 23- Not Listed	11	\$4,748.09	100%
Cumberland Truck Parts	11	\$13,607.16	100%
Curry Supply	11	\$2,405.20	100%
D.D.T.A. Services Inc.	11	\$3,071.50	100%
Diamond Oil Services	11	\$2,450.00	100%
Dr. Robert Corcetti	11	\$62,891.77	100%
E&R Energy Services	11	\$23,167.00	100%
Erie Indemnity Company POC # 4 (disputed audit liability)	11	\$243,570.72	100%
Ernie's Waste Oil	11	\$120.00	100%
First National Bank of PA POC # 1	11	\$7,516.91	100%
Fleet Pride Truck & Trailer Parts	11	\$5,274.02	100%
Fleetmatics USA LLC	11	\$2,645.76	100%
Franklin Township Sewer Authority- Disputed	11	\$4,077.60	100%
Frontier	11	\$127.13	100%
Galloway	11	\$60.96	100%
Guardian	11	\$2,067.02	100%
Good Tire Service, Inc.	11	3,103.00	100%
Greene County Water Treatment, LLC	11	\$2,892.50	100%
Hartman Drug and Health	11	\$145.00	100%
Highmark Blue Shield POC # 14- Disputed	11	\$105,438.63	100%
Hinerman Automotive Inc.	11	\$2,607.90	100%
IPFS Corporation- Disputed	11	\$1,481.69	100%
J & E Sanitation- Disputed	11	\$94,737.78	100%
J&J Chemical-Disputed	11	\$1,215.00	100%
KLX Energy Services	11	\$352.00	100%
JM Teagarden	11	\$4,165.28	100%
Keystone Spring Services Inc.	11	\$2,964.21	100%
Kimble Landfill	11	\$8,935.23	100%
Kleese Development Associates	11	\$352.00	100%

L.A.D./Hapchuck Inc.	11	\$19,038.75	100%
Liquid Waste Solidification	11	\$13,930.00	100%
MB & Companies, Inc. POC # 16	11	\$9,469.75	100%
M&M Pump & Supply	11	\$5,318.68	100%
MAG Trucking Inc.	11	\$521.85	100%
Thomas Mason & Anthony Mason- POC \$ 12	11	\$37,100.00	100%
Mason's Depot & Filling Station	11	\$47.00	100%
Med Express	11	\$8,514.50	100%
Model Uniforms- Disputed	11	\$18,795.03	100%
Ohio Valley Hospital	11	\$1,425.00	100%
Pop-A-Lock of Pittsburgh	11	\$241.15	100%
Robinson Vacuum Tanks, Inc.	11	\$1,080.00	100%
Safety Kleen	11	\$974.66	100%
Schwab MFG & Environmental Supply	11	\$1,942.80	100%
Sherrard German, & Kelly, P.C.	11	2,471.00	100%
Sommer Law Group, PC POC # 20	11	\$2,984.56	100%
Southwest Regional Medical Center	11	\$20.00	100%
Square One Marketing	11	\$334.88	100%
Straight-N-Clear	11	\$1,160.00	100%
Tri-County Joint Municipal Authority- Disputed	11	\$9,937.67	100%
Uniontown Auto Spring Co.	11	\$945.52	100%
UPMC Health Network-Disputed	11	\$14,833.54	100%
US Tank and Supply	11	\$2,720.77	100%
Verizon Wireless	11	\$2,454.00	100%
Vision Benefits of America	11	\$394.40	100%
Washington Health Systems-Greene	11	\$97.00	100%
Washington Water Service, LLC	11	\$16,211.30	100%
Wayne Lumber Company	11	\$258.62	100%
West Penn Power POC # 19	11	\$2,012.78	100%
Windstream	11	\$860.23	100%
TOTAL		\$800,717.21	

10. Treatment of General Unsecured Tax Claims:

GENERAL UNSECURED TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
IRS POC # 17	10	14,442.92	No Dividend
PA DOR	10	4,663.15	No Dividend
TOTAL			

GENERAL UNSECURED CONTINGENT CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
First Commonwealth Bank-POC # 15	12	\$750,963.36	No Dividend
Paccar Financial Corp –POC # 2	12	\$ 138,330.87	No Dividend

Paccar Financial Corp –POC # 3	12	\$ 379,273.52	No Dividend
TCF Equipment Finance- POC # 21	12	\$ 325,682.99	No Dividend
GE Navistar Capital	12	\$ 99,698.56	No Dividend
TOTAL		\$1,594,348.75	

11. Will periodic payments be made to unsecured creditors?

Yes X No _____ First payment to begin: July 2017

If so:

Amount of each payment (aggregate to all unsecured claimants) \$ 12,492.30²

Estimated date of first payment: July 2017

Time period between payments: Quarterly

Estimated date of last payment: June 2024

Contingencies, if any:

State source of funds for planned payments, including funds necessary for capital replacement, repairs, or improvements:

Other significant features of the plan:

Include any other information necessary to explain this plan:

V. Comparison of Plan with Chapter 7 Liquidation

If debtor's proposed plan is not confirmed, the potential alternatives would include proposal of a different plan, dismissal of the case or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtor's non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants.

Total value of Chapter 7 estate \$2,605,795.48

(See Section III)

1. Less secured claims (See IV-2) \$2,928,620.39

2. Less administrative expenses (See IV-3 and include approximate Chapter 7 expenses) \$ 181,250.00

3. Less other priority claims (See IV-4) \$352,221.74

Total Amount Available for Distribution to Unsecured Creditors \$ 0.00

Divided by total allowable unsecured claims of \$800,717.21

² This is a combination of the payment to Small Claims of \$ 2,400.85 and payment to the other creditors of \$10,091.45.

Percentage of Dividend to Unsecured Creditors: 0%

Will the creditors fare better under the plan than they would in a Chapter 7 liquidation?

Yes X No _____ Explain:

Under this chapter 11 Plan, the unsecured creditors will receive \$800,717.21. In a chapter 7, they would have received no distribution. Unsecured creditors will receive a projected dividend of 100% under the Plan of Reorganization.

VI. Feasibility

- A. Attach Income Statement for Prior 12 Months.
- B. Attach Cash Flow Statement for Prior 12 Months.
- C. Attach Cash Flow Projections for Next 12 Months.

Estimated amount to be paid on effective date of plan, including administrative expenses. \$ 410,000.00

Show how this amount was calculated.

\$ 175,000.00	Administrative Class
\$ 0.00	Taxes
\$ 0.00	Unsecured Creditors
<u>\$ 6,250.00</u>	UST Fees
\$ 181,250.00	
TOTAL	

What assumptions are made to justify the increase in cash available for the funding of the plan?

Will funds be available in the full amount for administrative expenses on the effective date of the plan? From what source? If not available, why not and when will payments be made?

Cash on hand \$ 698,075.00 in the DIP Account as of April 10, 2017.

Cash on hand \$ 410,000.00 is projected to be the balance as of the date of confirmation; and the balance as of the Plan Effective date will be \$ 102,864.00 by the Plan Effective Date.

If this amount is less than the amount necessary at confirmation, how will debtor make up the shortfall?

The Debtor and counsel for the Debtor will enter into an agreement to pay the fees as money is available.

VII. Management Salaries

MANAGEMENT SALARIES

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post-Confirmation)
Carol Swank – President and Sole shareholder	\$ 90,000	\$ 0.00
Brian Swank – Vice President	\$ 90,000	\$ 0.00

VIII. Identify the Effect on Plan Payments and Specify Each of the Following:

1. What, if any, Litigation is Pending? NONE
2. What, if any, Litigation is Proposed or Contemplated?
 - A. Objections to Claims
 - B. Chapter 5 actions
 - C. Adversary Actions to Impose an injunction under 11 USC § 105 to enjoin collections against officer and shareholders.
 - D. Actions to enforce the Plan

IX. Additional Information and Comments

Prior to the bankruptcy, this Debtor owed C Swank \$1,646,041.52 for lease rentals of equipment which were not paid. On August 31, 2016, that debt was written off as uncollectible.

The Debtor has negotiated a resolution of the treatment of First National Bank which is incorporated into the plan. First National Bank has agreed to support the plan which incorporates their agreements. The Debtor has entered into an adequate protection payment stipulation with First national Bank; the Debtor has made all payments required by that stipulation.

IX. Certification

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry.

Date: April 10, 2017

BY: /s/ Donald R. Calaiaro

Donald R. Calaiaro, Esquire, PA I.D. #27538

dcalaiaro@c-vlaw.com

BY: /s/ David Z. Valencik

David Z. Valencik, Esquire PA ID #30836

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CALAIARO VALENCIK

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:
Royal Flush, Inc.,
Debtor.

Bankruptcy No. 16-23458 JAD
Chapter 11
Document No.

**CERTIFICATE OF SERVICE OF
Amended Disclosure Statement to Accompany Amended Plan Dated April 10, 2017**

I certify under penalty of perjury that I served the above captioned pleading on the parties at addresses specified below or on the attached list on April 11, 2017.

Service by Email:

Royal Flush, Inc., R.R. 1693, Route 56 East, Spring Church PA 15686

Service by NEF:

John M. Steiner on behalf of Creditor Committee Official Committee of Unsecured Creditors
jsteiner@leechtishman.com, mproden@leechtishman.com; bankruptcy@leechtishman.com; cthorton-illar@leechtishman.com

Heather A. Sprague on Behalf of the United States Trustee by on behalf of U.S. Trustee Office of the United States Trustee; Heather.Sprague@usdoj.gov,
Lisa.Geyer@usdoj.gov; David.A.Milko@usdoj.gov; Jennifer.M.Smith@usdoj.gov; David.A.Berry@usdoj.gov; Steven.W.Albright@usdoj.gov; Andrew.F.Cetnarowski@usdoj.gov

The type(s) of service made on the parties (first-class mail, electronic notification, hand delivery, or another type of service) was: First Class Mail or Electronic Notification.

If more than one method of service was employed, this certificate of service groups the parties by the type of service. For example, the names and addresses of parties served by electronic notice will be listed under the heading "Service by Electronic Notification," and those served by mail will be listed under the heading "Service by First-Class Mail."

DATE: April 11, 2017

BY: /s/ Donald R. Calaiaro
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