

B1 (Official Form 1)(4/10)

United States Bankruptcy Court Northern District of Georgia, Atlanta Division		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): Persian Gallery, Inc.		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) 58-1608212		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)
Street Address of Debtor (No. and Street, City, and State): 2860 Piedmont Road, N.E. Atlanta, GA <div style="text-align: right;">ZIP Code 30305</div>		Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right;">ZIP Code</div>
County of Residence or of the Principal Place of Business: Fulton		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): <div style="text-align: right;">ZIP Code</div>		Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right;">ZIP Code</div>
Location of Principal Assets of Business Debtor (if different from street address above):		
Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other <hr/> Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding <hr/> Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Statistical/Administrative Information <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY
Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000		
Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		
Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		

<p>Voluntary Petition</p> <p><i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): Persian Gallery, Inc.</p>
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All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)

Location Where Filed: - None -	Case Number:	Date Filed:
Location Where Filed:	Case Number:	Date Filed:

Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)

Name of Debtor: Mahmoud ("Mike") Govahi Kashani	Case Number: 11-63556-jem	Date Filed: 5/02/11
District: NDGA (Atlanta)	Relationship: owner/officer	Judge: Massey

<p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>	<p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p>
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Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.

No.

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue

(Check any applicable box)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property

(Check all applicable boxes)

Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

(Name of landlord that obtained judgment)

(Address of landlord)

Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s):

Persian Gallery, Inc.

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
Signature of Foreign Representative

Printed Name of Foreign Representative

Date

Signature of Attorney*

X /s/ Paul Reece Marr
Signature of Attorney for Debtor(s)

Paul Reece Marr GA Bar # 471230
Printed Name of Attorney for Debtor(s)

Paul Reece Marr, P.C.
Firm Name

Suite 960
300 Galleria Parkway
Atlanta, GA 30339

Address

Email: pmarr@mindspring.com

(770) 984-2255
Telephone Number

May 27, 2011
Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)

Address

X _____
Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X /s/ Mahmoud ("Mike") Govahi Kashani
Signature of Authorized Individual

Mahmoud ("Mike") Govahi Kashani
Printed Name of Authorized Individual

C.E.O.
Title of Authorized Individual

May 27, 2011
Date

B4 (Official Form 4) (12/07)

**United States Bankruptcy Court
Northern District of Georgia, Atlanta Division**

In re Persian Gallery, Inc. Debtor(s) Case No. _____ Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Georgia Department of Revenue 1800 Century Boulevard NE Suite 1200 Atlanta, GA 30345-3205	Georgia Department of Revenue 1800 Century Boulevard NE Suite 1200 Atlanta, GA 30345-3205	sales and use tax		457,180.66
Vintage Rug Inc. Robert Etaat 8 East 30th Street New York, NY 10016	Vintage Rug Inc. Robert Etaat 8 East 30th Street New York, NY 10016	supplier		280,000.00
Nouhian Gallery Habib Nouhian 36 E 31st Street; #204 New York, NY 10016	Nouhian Gallery Habib Nouhian 36 E 31st Street; #204 New York, NY 10016	supplier		280,000.00
Inland American Retail Mangmnt Allison Cowherd 100 Galleria Parkway Atlanta, GA 30339	Inland American Retail Mangmnt Allison Cowherd 100 Galleria Parkway Atlanta, GA 30339	corporate guaranty		100,517.58
Jack Kerker	Jack Kerker	supplier		100,000.00
Merrill LynchCommercialFinance c/o Laurance J. Warco, Esq. 999 Peachtree Street NE Atlanta, GA 30309-3996	Merrill LynchCommercialFinance c/o Laurance J. Warco, Esq. 999 Peachtree Street NE Atlanta, GA 30309-3996			100,000.00 (0.00 secured)
Ismet Demirel	Ismet Demirel	supplier		70,000.00
Atlanta Magazine 260 Peachtree Street Suite 300 Atlanta, GA 30303	Atlanta Magazine 260 Peachtree Street Suite 300 Atlanta, GA 30303	account payable		25,000.00
Rug International 8733 West 3rd Street Los Angeles, CA 90048	Rug International 8733 West 3rd Street Los Angeles, CA 90048	supplier		25,000.00
John Kruger	John Kruger	supplier		24,000.00

B4 (Official Form 4) (12/07) - Cont.
 In re **Persian Gallery, Inc.**

Case No. _____

Debtor(s) _____

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
 (Continuation Sheet)

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Nalbandian 8733 West 3rd Street Los Angeles, CA 90048	Nalbandian 8733 West 3rd Street Los Angeles, CA 90048	supplier		24,000.00
Wachvia Commercial Loan Services PO Box 740502 Atlanta, GA 30374-0502	Wachvia Commercial Loan Services PO Box 740502 Atlanta, GA 30374-0502	commercial loan		18,305.95
India Imports	India Imports	supplier		18,000.00
Modern Luxury Media c/o Szabo Associates, Inc. 3355 Lenox Road; Suite 945 Atlanta, GA 30326	Modern Luxury Media c/o Szabo Associates, Inc. 3355 Lenox Road; Suite 945 Atlanta, GA 30326	account payable		16,000.00
First Community Bank of E. TN Mark A. Gamble, CEO & Chairman P.O. Box 1384 Kingsport, TN 37662	First Community Bank of E. TN Mark A. Gamble, CEO & Chairman P.O. Box 1384 Kingsport, TN 37662	commercial lot and building, 129 Franklin Road, Brentwood, Tennessee 37207		900,000.00 (Unknown secured)
Fulton County Tax Commissioner 141 Pryor Street, SW Atlanta, GA 30303	Fulton County Tax Commissioner 141 Pryor Street, SW Atlanta, GA 30303	unknown	Contingent Unliquidated	Unknown
Internal Revenue Service CIO PO Box 7346 Philadelphia, PA 19101-7346	Internal Revenue Service CIO PO Box 7346 Philadelphia, PA 19101-7346	unknown	Contingent Unliquidated	Unknown
MCW-RC GA BuckheadCrossing LLC c/o Jeffrey W. Melcher, Esq. 1180 Peachtree St NE; Ste 2900 Atlanta, GA 30309	MCW-RC GA BuckheadCrossing LLC c/o Jeffrey W. Melcher, Esq. 1180 Peachtree St NE; Ste 2900 Atlanta, GA 30309			42,165.85 (Unknown secured)
Peter L. Lowe 413 McClung Avenue Huntsville, AL 35801	Peter L. Lowe 413 McClung Avenue Huntsville, AL 35801	5 specific rugs		140,000.00 (Unknown secured)
Tennessee Dept. of Revenue Andrew Jackson Building 500 Deaderick Street Nashville, TN 37242	Tennessee Dept. of Revenue Andrew Jackson Building 500 Deaderick Street Nashville, TN 37242			Unknown

B4 (Official Form 4) (12/07) - Cont.

In re **Persian Gallery, Inc.**

Case No. _____

Debtor(s) _____

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the C.E.O. of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date **May 27, 2011**

Signature **/s/ Mahmoud ("Mike") Govahi Kashani**

**Mahmoud ("Mike") Govahi Kashani
C.E.O.**

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

Atlanta Magazine
260 Peachtree Street
Suite 300
Atlanta, GA 30303

Attorney General of Georgia
132 State Judicial Bldg.
Atlanta, GA 30334

First Community Bank of E. TN
Mark A. Gamble, CEO & Chairman
P.O. Box 1384
Kingsport, TN 37662

Fulton County Tax Commissioner
141 Pryor Street, SW
Atlanta, GA 30303

Georgia Department of Revenue
Bankruptcy Insolvency Unit
P.O. Box 3889
Atlanta, GA 30334

Georgia Department of Revenue
1800 Century Boulevard NE
Suite 1200
Atlanta, GA 30345-3205

India Imports

Inland American Retail Mangmnt
Allison Cowherd
100 Galleria Parkway
Atlanta, GA 30339

Internal Revenue Service
CIO
PO Box 7346
Philadelphia, PA 19101-7346

Ismet Demirel

Jack F. Stringham, Trustee
Bone McAllester Norton PLLC
511 Union Street, Suite 1600
Nashville, TN 37219

Jack Kerker

John Kruger

MCW-RC GA BuckheadCrossing LLC
c/o Jeffrey W. Melcher, Esq.
1180 Peachtree St NE; Ste 2900
Atlanta, GA 30309

Merrill LynchCommercialFinance
c/o Laurance J. Warco, Esq.
999 Peachtree Street NE
Atlanta, GA 30309-3996

Modern Luxury Media
c/o Szabo Associates, Inc.
3355 Lenox Road; Suite 945
Atlanta, GA 30326

Mohamad Gavahi
4420 Columns Road
Marietta, GA 30067

Mohsen Rabbanifard
3256 Belmont Glen Road
Marietta, GA 30067

Nalbandian
8733 West 3rd Street
Los Angeles, CA 90048

Nouhian Gallery
Habib Nouhian
36 E 31st Street; #204
New York, NY 10016

Persian Gallery of
Nashville Inc.
129 Franklin Road
Nashville, TN 37207

Peter L. Lowe
413 McClung Avenue
Huntsville, AL 35801

Rug International
8733 West 3rd Street
Los Angeles, CA 90048

Rugs & Treasures, Inc.
Mike Kashani
2870 Piedmont Road
Atlanta, GA 30305

Tennessee Dept. of Revenue
Andrew Jackson Building
500 Deaderick Street
Nashville, TN 37242

U.S. Attorney
600 Richard Russell Building
75 Spring Street, SW
Atlanta, GA 30303

U.S. Department of Justice
Civil Trial S, Southern Region
555 4th St NW; Room 6243
Washington, DC 20001-2733

Vintage Rug Inc.
Robert Etaat
8 East 30th Street
New York, NY 10016

Wachovia Bank, N.A.
c/o Thomas McCarty Barton Esq.
1290 Peachtree St NE; Ste 3100
Atlanta, GA 30309-3592

Wachvia
Commercial Loan Services
PO Box 740502
Atlanta, GA 30374-0502