

**IN THE UNITED STATES BANKRUPTCY COURT
FOR DISTRICT OF MARYLAND
(Baltimore Division)**

IN RE:	*	CASE NO: 16-13325
Gerald Patrick Dever	*	
	*	CHAPTER 11
Debtor,	*	
	*	

**DISCLOSURE STATEMENT IN CONNECTION WITH
DEBTOR'S FIRST PLAN OF REORGANIZATION
(September 16, 2016)**

Michael Coyle
The Coyle Law Group
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410-884-3181

Counsel for Gerald Dever

I. INTRODUCTION.

Gerald Dever, debtor and debtor-in-possession ("Debtor"), provides this Disclosure Statement (hereinafter "Statement") to all of his known creditors in order to disclose that information deemed by him to be material, important and necessary for his creditors to arrive at a reasonably informed decision in exercising their right to vote for acceptance of the Debtor's proposed First Plan of Reorganization dated on or about September 16, 2016 (hereinafter, the "Plan") presently on file with the United States Bankruptcy Court.

After approval of this Statement by the United States Bankruptcy Court, whether conditional or otherwise, the Plan will be submitted to the creditors, and the creditors will have the opportunity to vote for the acceptance or rejection of the Plan. The Statement and Plan will be transmitted to creditors along with a Ballot (attached hereto as Attachment A). The Ballot should be completed by you and returned to the counsel for the Debtor at his address stated at the end of this Statement, who will in turn file it with the United States Bankruptcy Court. The Bankruptcy Court will fix a date for the approval of the Plan, referred to as the confirmation hearing. As a creditor, your acceptance is important. In order for the Plan to be deemed accepted, it must be accepted by creditors that hold at least two-thirds in dollar amount of claims and more than one-half in number of the allowed claims in each Class that actually vote for or against the Plan.

NO REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY AS TO HIS FUTURE INCOME AND EXPENSES AND THE VALUE OF ANY PROPERTY) ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE WHICH ARE OTHER THAN AS CONTAINED IN THIS STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATION AND INDUCEMENT SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR, WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE. THE INFORMATION CONTAINED

HEREIN HAS NOT BEEN SUBJECTED TO A CERTIFIED AUDIT. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE COMPLEXITY OF THE DEBTOR'S FINANCIAL MATTERS, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE.

II. HISTORICAL BACKGROUND.

A. Personal and Business History.

Debtor is a resident of the State of Maryland. Debtor is presently employed by and a part owner of owner of BG Petroleum LLC. BG Petroleum is a fully integrated oil distributor and retailer for Exxon and Sunoco. As part of the business, BG Petroleum owns several assets (such as gas stations, restaurants, etc.) associated with rest stops and truck stops in Pennsylvania. BG Petroleum is the Debtor's primary source of income.

However, Dever also holds an interest in several other businesses: Tristar Petroleum, LLC, PMG MA Investors LLC, PMG NJ Investors LLC, and Bedford Holdings LLC.

Debtor experienced a significant reduction of income when three entities – Bedford Oil Company, Sunco Enterprises, Inc., and Simmons Realty Company (the “Breaching Companies”) – breached a contract to sell BG Petroleum thirty one properties located in Pennsylvania, many of which had retail operating facilities. This caused a drop in income and increased BG Petroleum's expenses (both legal and operational) associated with trying to remedy the breach.

In addition, the Breaching Companies interfered with BG Petroleum's relationships with oil/gas distributors. As a result, BG Petroleum was unable to supply oil and gas to Paul and Ashita Patel (the “Patels”), franchisee-dealers who rented several BG Petroleum properties and operated gas stations from those properties.

Further, because BG Petroleum was unable to supply gas and oil to the Patels, they reduced the rent they were paying to BG Petroleum from \$26,000 a month to \$11,000.

Because of these financial difficulties, the Debtor was unable to pay the mortgage on his principal residence. Eventually, a foreclosure sale was scheduled, and this case was filed in response to that sale on March 15, 2016.

The financial difficulties experienced by the Debtor have improved in several material respects

First, a settlement agreement has been reached with the Breaching Parties that will result in BG Petroleum being paid damages and obtaining the assets that were the subject of the contract. Not only will this improve cash flow, but will reduce the legal expenses BG Petroleum has been paying on a monthly basis.

Second, BG Petroleum is on the verge of selling the Patel dealerships to a third party. The purchaser will be paying rent of approximately \$28,000 per month, which greatly exceeds the \$11,000 presently paid by the Patels.

Third, due to the above-described increased capital, BG Petroleum will be able to invest in ten properties that are capable of sustaining dealerships, but that BG Petroleum has not been able to invest in due to capital constraints; thus, further improving cash flow and operational income.

Fourth, once these additional properties become operational, BG Petroleum will be able to supply those sites and realize additional revenue from hauling the oil and gas for these sites.

As a result of these improvements in the business for BG Petroleum, Debtor's pay has increased and will be constant rather than intermittent as it has been over the last several years. More specifically, Debtor is now being paid \$2250 per week. (Exhibit 1). However, it is expected that as the above-described improvements in BG Petroleum's business continues, the Debtor's income will also increase.

Second, the Debtor's wife is now employed with GP Investment Holdings, LLC, as an interior designer/ decorator for firm specializing in homes to be rehabbed in MD.

B. Significant Post-filing Events.

The only significant events that have occurred in this case are the IDI and Creditor's Meeting have been held.

III. PLAN OF REORGANIZATION.

1. The following are the defined terms under the Plan:

Allowed Administrative Expense(s) or Claim(s) means all administrative expenses allowed under section 503(b) of the Code.

Allowed Claim(s) means a Claim: (a) if no objection to the allowance of the Claim is interposed within any applicable period of limitation fixed by Rule or an order of the Court:

(i) in the amount for which a proof of claim has been filed with the Court within the applicable period of limitation fixed by Rule 3003 or an Order of the Court, or (ii) in the amount scheduled in the list of creditors prepared and filed with the Court pursuant to Rule 1007(b), as such may be amended pursuant to Rule 1009 prior to the Confirmation Date, and not listed as disputed, contingent or unliquidated as to amount; or (b) if an objection to the allowance of the Claim is interposed within the applicable period of limitation fixed by Rule or order of the Court, in an amount determined by the Court by a final order allowing such Claim.

Allowed Priority Claim(s) means any Allowed Claim entitled to priority of payment under sections 507(a)(3) through 507(a)(7) of the Code.

Allowed Secured Claim(s) means an Allowed Claim secured by a valid lien, security interest or other charge against or interest in property in which the Debtor has an interest, or

which is subject to setoff under section 553 of the Code, to the extent the value (determined in accordance with section 506(a) of the Code) of the interest of the holder of such Allowed Claim in the Debtor's interest in such property or to the extent of the amount subject to setoff, as the case may be. That portion of such Allowed Claim exceeding the value of security held therefore will be an Allowed Unsecured Claim, except as modified by this Plan.

Allowed Tax Claim(s) means any Allowed Claim entitled to priority of payment under section 507(a)(8) of the Code.

Allowed Unsecured Claim(s) means an Allowed Claim against the Debtor which is not an Allowed Administrative Expense, Allowed Priority Claim or Allowed Secured Claim.

“Blackfoot Drive Property” means the real property located at 121 Blackfoot Drive, Arnold, Maryland owned by the Debtor.

Chapter 11 means Chapter 11 of the Code.

Claim(s) means any right to payment or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment against the Debtor or property of the Debtor in existence on or as of the Petition Date, whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

Claimant means a Person holding a Claim against the Debtor.

Class(es) means any Class into which an Allowed Claim or Allowed Interest is classified pursuant to Article II hereof.

Code means the United States Bankruptcy Code, 11 U.S.C §§ 101 et seq., and any amendments thereof.

Confirmation or Confirmation Date means the date upon which the Order of

Confirmation is entered by the Court.

Court means (a) the United States Bankruptcy Court for the District of Maryland, Northern Division, in which this Reorganization Case, pursuant to which this Plan is proposed, is pending; (b) any Court having competent jurisdiction to hear appeals or certiorari proceedings therefrom; or (c) any successor thereof that may be established by any Act of Congress relating to bankruptcy or the United States District Court for the District of Maryland, to the extent that the United States District Court for the District of Maryland may lawfully exercise subject matter jurisdiction over the Reorganization Case.

Debtor means Gerald Dever.

Effective Date means the later of (a) thirty days following the date the Order of Confirmation becomes final and any appeal had been resolved or the time for appeal, including any extension available for excusable neglect under Rule 8002(c) has expired or (b) the date any Court order staying or otherwise precluding execution of this Plan or any part hereof has been nullified, vacated, modified or appealed, and any further appeals have been resolved or the time for any further appeal has expired. If such day falls on a Saturday or Sunday or legal holiday, the Effective Date will mean the first business day thereafter.

Executory Contract(s) means all contracts, including unexpired leases, to which the Debtor is a party and which are executory within the meaning of section 365 of the Code.

Interest Rate means a rate two (2) points above the prime rate of interest announced by the *Wall Street Journal* on the Confirmation Date.

Order of Confirmation means the order entered by the Court confirming this Plan in accordance with the provisions of Chapter 11.

Person(s) means an individual, corporation, partnership, joint venture, trust,

estate, unincorporated organization or government or any agency or political subdivision thereof.

Petition Date means March 15, 2016, the date on which the Debtor filed his Chapter 11 petition with the Court.

Plan means the Amended Plan of Reorganization.

Professional(s) means all attorneys, accountants, appraisers, consultants and other professionals retained under an order of the Court on behalf of the Debtor or any committee appointed pursuant to 11 U.S.C. § 1102.

Reorganization Case means Case No. 16-13325 in this Court.

Rule(s) means the Federal Rules of Bankruptcy Procedure, as amended and supplemented by any local bankruptcy rules adopted by the Court.

2. Provisions of Plan

The Debtors' Plan of Reorganization divides his creditors into eleven (11) Classes.

Class 1 consists of holders of Allowed Administrative Claims incurred in the administration of the Case and for the fees and expenses of Professional Persons as allowed by the Court, including the costs and attorneys' fees incurred in the preparation and resolution of the Plan and this Statement. Unless the holders of such Expenses agree otherwise, all Allowed Administrative Expenses will be paid in full thirty days after the Effective Date, unless otherwise agreed upon by the Person claiming such expense and the Debtor; provided, however, that (a) Administrative Expenses incurred in the ordinary course of business will be paid in the ordinary course of business, and (b) Professionals are required to apply to the Court for approval of their fees, costs, and disbursements. The fees, costs and disbursements of Professionals approved by the Court will be paid in full on the later of thirty (30) days after the Effective Date or ten days after the entry of an order allowing such payment. The Plan

does not impair these claims. The Plan provides that claims in this class for costs and expenses in or in connection with the Case, or in connection with the Plan and incident to the Case are subject to the approval of the Court as reasonable. Debtor's undersigned counsel, Michael P. Coyle, estimates that his administrative claims for compensation for professional services and for reimbursement of expenses will be approximately \$10,000.00 (an application for compensation for fees and expenses for services rendered must be filed and notice must be issued to creditors and an Order entered by the Court for the payment of Allowed Claims in Class 1). Allowed Claims in Class 1 are being accorded the treatment required by 11 U.S.C. §1129(a)(4) and as such are not claims for voting purposes. The Debtor believes that this Class is not impaired pursuant to 11 U.S.C. § 1124(1). Payment due the U.S. Trustee shall be made along with all quarterly payments required under the Plan.

Class 2 consists of Allowed Claims entitled to priority pursuant to section 507(a)(8) of the Code, which are claims in favor of taxing agencies. The only holder of Class 2 Claims is the IRS, which has filed a proof of claim in the amount of \$13,356 for the 2015 tax year.

These taxes will be paid over a 60-month term in equal installments totaling \$223.00. The Class 2 claim is unimpaired.

Class 3 under the Plan consists of the allowed secured claim of Deutsche Bank Trust Company as Trustee for Residential Accredit Loans, Inc. Mortgage Asset-Backed Pass-Through Certificates Series 2004-QA5 ("Deutsche") on the Blackfoot Road Property consisting of principal in the amount of \$467,575.88, and arrears and expenses totaling \$62,033.11 ("Class 3 Arrears").

Deutsche will retain its lien on the Blackfoot Road Property. The Debtor will repay the Class 3 claim by making a stream of payments on the principal of \$467,575.88 fully amortized

over 60 months at the rate provided in the mortgage documents, or monthly payments of \$3,075.28. This payment accounts for principal, interest, and taxes and insurance escrow. Furthermore, the Debtor will cure the Class 3 Arrears by making monthly payments of \$1,034 over the course of 60 months. The resulting amount will be known as the "Class 3 Arrearage Payment." Accordingly, the Class 3 claim is unimpaired.

The Class 4 Claim consists of the unsecured claim of Portfolio Recovery Associates in the amount of \$1464.79. The Debtor will pay the Class 4 Claim in full by making payments of \$25 per month over 60 months. The Class 4 claim is unimpaired.

The Class 5 Claim consists of the unsecured claim of Portfolio Recovery Associates in the amount of \$2708.56. The Debtor will pay the Class 5 Claim \$46 per month over 60 months. The Class 5 claim is unimpaired.

The Class 6 Claim consists of the unsecured claim of Sosnoski Associates, resulting from a judgment entered in the Circuit Court for Anne Arundel County in the amount of \$151,134.13. Case No. C-02-CV-15-002626. The Debtor will pay the Class 6 Claim \$200 per month over 60 months. The Class 6 claim is impaired.

The Class 7 Claim consists of the unsecured claim of Timco, Ltd, resulting from a judgment entered in the Circuit Court for Anne Arundel County in the amount of \$29,923. Case No. C-02-JG-15-014279. The Debtor will pay the Class 7 Claim \$200 per month over 60 months. The Class 7 claim is impaired.

The Class 8 Claim consists of the unsecured claim of Jerry Thompson, resulting from a judgment entered in the Circuit Court for Harford County in the amount of \$150,000,000. Case No. 12C14000701. The Debtor will pay the Class 8 Claim \$200 per month over 60 months. The Class 8 claim is impaired.

Class 9 consists of the unsecured claim of AAS Debt Recovery Inc. in the amount of \$592.00. The Debtor will pay Class 5 Claims \$10 per month over 60 months. The Class 5 claim is unimpaired.

Class 10 consists of the unsecured student loan claim held by ACS. The student loans are in deferment status.

Class 11 consists of the unsecured student loan claim held by American Education Services. The student loans are in deferment status.

THE FOREGOING IS A BRIEF SUMMARY OF THE PLAN AND SHOULD NOT BE RELIED ON FOR VOTING PURPOSES. CREDITORS ARE URGED TO READ THE PLAN IN FULL. CREDITORS ARE FURTHER URGED TO CONSULT WITH COUNSEL, OR WITH EACH OTHER, IN ORDER TO FULLY UNDERSTAND THE PLAN. THE PLAN IS COMPLEX INASMUCH AS IT REPRESENTS A PROPOSED LEGALLY BINDING AGREEMENT BY THE DEBTOR, AND AN INTELLIGENT JUDGMENT CONCERNING THIS PLAN CANNOT BE MADE WITHOUT UNDERSTANDING IT.

IV. FINANCIAL INFORMATION.

In order for a creditor to arrive at a reasonably informed decision before exercising the right to vote on a Plan of Reorganization, the proposed distribution under a Plan must be considered in light of what the creditor could reasonably anticipate receiving under the alternative of a liquidation (Chapter 7) case. In arriving at this decision, a creditor must consider two factors: (1) the liabilities to be paid in a Chapter 7 case in the order of their priority as established by the Bankruptcy Code, and (2) the liquidation value of the Debtor's assets in a Chapter 7 case.

A. Liquidation Analysis.

To confirm the Plan, the Court must find that all creditors will receive at least as much under the Plan as such claimant would receive in a Chapter 7 liquidation. The first area of inquiry encompasses the assets and liabilities as scheduled by the Debtor or as claimed by the

creditors.

Below is a chart summarizing the liquidation analysis:

	<u>Total Amount</u>	<u>Real Property</u>	<u>Pers. Property</u>
Total Property Value	776,121.00	638,000	176,121.00
Less:			
Schedule D. Secured Claims	431,651.00	529,608.00	0.00
Schedule C. Exemptions	21,421.00	108,392 (T by E)	21,421.00

Interest in Nonexempt Property	323,049.00	0.00	154,700.00
Less:			

Estimated Chapter 7 Admin Expenses \$16,000

Schedule E. Priority Claims 0.00

 Available to General Unsecured: 154,700
 Total General Unsecured: 850,915.00
 Percent Distribution: 18.00%

For a more detailed description of Debtor's property, please see the below analysis.:

121 Blackfoot Drive
 Arnold, MD
 Tenants by the Entirety
 Amount of Claim: \$529,608.00 (Deutsche)
 Value (Zillow): \$ 638,000

2006 Toyota Highlander
 With 42,000 miles
 Value: \$9,221

Checking Account
 with M&T Bank
 Balance on date of filing: \$4,500

Household Goods and Furnishings
 Location: 121 Blackfoot Drive, Arnold, MD
 Value: \$2,000.00
 Tenancy by the Entirety

Electronics: one computer
 Location: 121 Blackfoot Drive, Arnold, MD
 Value: \$200.00

Equipment for Sports and Hobbies:
Bowling balls, treadmill, golf clubs
Location: 121 Blackfoot Drive, Arnold, MD
Value: \$200.00

Clothing and Other Accessories:
Men's casual and business clothes
Location: 121 Blackfoot Drive, Arnold, MD
Value: \$500.00

Jewelry: Wedding Ring and Wedding Band
Location: 121 Blackfoot Drive, Arnold, MD
Value: \$200.00

Business Interests: BG Petroleum (30 percent owner)
Value: \$75,000

Business Interests: Tristar Petroleum, LLC (30 percent owner)
Value: \$0.00

Business Interests: PMG MA Investors LLC (1 percent owner)
Value: \$75,000

Business Interests: PMG NJ Investors LLC (0.100 percent owner)
Value: \$0.00

Business Interests: Bedford Holdings LLC (30 percent owner)
Value: \$0.00

Pension with Shell Oil Company
Value: Unknown

Under the liquidation analysis, unsecured creditors would be paid \$134,700. However, under the proposed Plan, creditors are being repaid essentially this same amount. Accordingly, the Debtor believes that creditors will fare as well under the Plan as in a Chapter 7 liquidation.

B. Feasibility.

Proposed payments under Plan: The Debtor proposes making the following Plan payments:

(1) Class 2 (IRS): \$223.00

(2) Class 3 (Deutsch):	\$1034.00
(3) Class 4 (Portfolio):	\$25.00
(4) Class 5 (Portfolio):	\$46.00
(5) Class 6 (Sosnoski):	\$200.00
(6) Class 7 (Timco):	\$200.00
(7) Class 8 (Jerry Thompson):	\$200.00
(8) Class 9 (AAS Debt Recovery):	\$10.00
TOTAL PLAN PAYMENTS:	\$1,938.00

By contrast, the following is a table of anticipated revenues and expenses:

Proposed revenues:

Debtor's Net BG Petroleum Income:	\$7,626.00	(Exhibit 1)
Debtor's Distributions from <u>PMG Mid Atlantic and PMG New Jersey:</u>	<u>\$833.00</u>	<u>(Exhibit 2)</u>
TOTAL NET MONTHLY INCOME:	\$9,959	
Total Monthly Expenses:	\$7,220.00	(Exhibit 3)
Disposable Income:	\$1,239.00	

The income projections and improvements in BG Petroleum's business described *supra* are borne out by the Monthly Operating Reports submitted in this case. Per those reports, the Debtor has averaged monthly wages of \$8,101. (Exhibit 4).

Further, the financial health of BG Petroleum is established by the Monthly Operating Reports submitted in its Chapter 11 case. (Exhibit 5). Per those MORs, the average cash flow for BG Petroleum for the months of April-June 2016 was \$22,377. (*Id.*).

As such, the disposable income of the Debtor is sufficient to make the total proposed Plan payments. While there may be some feasibility concerns, as discussed *supra*, as BG Petroleum's

business continues to improve, it is expected that the Debtor's income will concomitantly improve, making the Plan feasible.

V. EFFECT OF CONFIRMATION OF PLAN

A. Discharge of Debtor.

Discharge. Upon completion of the Plan payments called for in the Plan, the Debtor will be fully discharged of all pre-Confirmation Claims as provided in Section 1141(d) of the Code. The Debtor believes that because the Plan is comprised primarily of modified payments on account of secured claims extending for up to 30 years post-confirmation that cause exists to authorize the Debtor's discharge upon confirmation, not upon completion of Plan payments. Debtor will not be discharged from any debt excepted from discharge under § 523 of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

B. Modification of Plan.

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or re-voting on the Plan. Upon request of the Debtor, the United States Trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

C. Final Decree.

Once the estate has been fully administered, as provided in Rule 3022 of the Federal

Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion. Under the Plan, upon filing an affidavit of commencement of payments required under the Plan, the Debtor will be authorized to request that the Court close this Chapter 11 case within six months after confirmation

D. Other Plan Provisions.

At the present time, the plan is complete, however, it is subject to modifications and amendments. Creditors may have filed proofs of claim stating amounts with which Debtor may disagree and believe are erroneous. In addition, creditors may have filed proofs of claim asserting personal liability on the part of the Debtor to which he may disagree. The Debtor may file objections to claims, on any basis, including improper amount, improper claim as to classification hereunder, lack of consideration, or otherwise. Any objections to claims shall be filed by the Debtor no later than ninety (90) days after the Effective Date of the Plan.

The Plan provides for the Court to retain jurisdiction for the purposes of resolving objections to claims which may be filed after the Effective Date of the Plan. The filing of an objection to any proof of claim filed against the Debtors and/or their estate shall preclude the consideration of any such claim as "Allowed" for the purposes of a distribution which otherwise might be due to such claimant in accordance with the terms of the Plan. In all contested proof of claim matters, distributions upon the claim amount, to the extent it has actually become payable, will be deposited in a non-interest bearing escrow account pending resolution of the dispute, either through negotiation or judicial determination. If the objection is sustained, in whole or in part, or if any claim is determined to be in the amount of zero (\$0.00) dollars, then

the funds previously reserved to which the creditor may no longer be entitled to receive as distribution shall be redistributed among creditors *pro rata* as appropriate.

VI. INFORMATION PERTAINING TO THE DEBTOR AND CONSIDERATIONS RELEVANT TO DEBTOR'S RECOMMENDATION OF THE PLAN.

A. Recommendation.

The Debtor recommends a vote for **acceptance** of the Plan. The recommendation is based upon the assessment of the present financial condition of the Debtor and the foregoing analysis of the Debtor's assets and liabilities. The Debtor has exercised his best efforts to secure and enhance the funds available for distribution. The only alternative to distribution under this Plan is conversion from Chapter 11 to Chapter 7. Since conversion would diminish the funds available for distribution as the result of the additional expenses and costs incident thereto, the Debtor has formulated this Plan to provide the greatest possible distribution consistent with the schedule of priorities under the Bankruptcy Code. The most current financial information relating to the Debtor is reflected in the Debtor's statement of financial affairs, schedules of assets and liabilities, and monthly statements of income and expenses and receipts and disbursements filed with the Bankruptcy Court. Copies of these financial reports are on file with, and available for inspection at, the Office of the Clerk for the United States Bankruptcy Court for the District of Maryland, 6500 Cherrywood Lane, Greenbelt, Maryland 20770, weekdays between hours of 8:00 a.m. and 4:00 p.m.

The financial reports on file with the Bankruptcy Court demonstrate the funds received by the Debtor and the disbursement of those funds for living expenses and the payment of their secured indebtednesses. The Debtor believes that the best potential for a distribution to his creditors is the confirmation and consummation of this Plan.

B. Tax Ramifications.

Any distribution under the Plan entails certain tax consequences for the recipient. In addition, the Debtor's discharge of his obligations upon confirmation will impact the creditors. The Debtor makes no representation with regard to any such tax consequences. To the extent necessary, you may wish to consult with your financial or tax advisor. Certainly, the receipt of income by the Debtor has tax ramifications to the Debtor as well, which in turn, could reduce the projected disposable income. The Debtor's discharge will also have tax implications for the Debtor which may affect his future disposable income. In particular, the sale or other disposition of any of the Debtor's property may result in capital gains tax consequences to the Debtor under circumstances where the Debtor may not receive any monetary benefit from the sale of the property in light of a lack of equity, necessitating the use of the Debtor's present disposable income for the payment of these tax consequences. The Debtor is utilizing his future income for the payment of debts to retain possession of property -- particularly under circumstances where there may be little or no equity which might be available to general unsecured creditors, it is reasonable for the Debtor to propose that the future income also pay any future tax liability, including tax liability which will arise from the discharge of indebtedness.

VII. VOTING AND IMPAIRMENT.

Claimants entitled to vote under the Plan must affirmatively act in order for the Plan to be confirmed by the Court by casting a ballot. A ballot to be completed by the holders of Claims will be included with the approved Statement. The ballot should be completed and returned to the Debtor's undersigned counsel.

According to the Debtors' Plan, all of the claims are receiving the treatment of their claims as required by the Bankruptcy Code and are therefore non-voting Classes. These classes are conclusively presumed to have accepted the Plan.

The Plan will be confirmed by the Bankruptcy Court and made binding upon all claimants if (a) with respect to impaired classes of claimants, the Plan is accepted by holders of at least two-thirds ($2/3$) in dollar amount and more than one-half ($1/2$) in number of the Allowed Claims in each Class that actually vote for or against the Plan.

Even if an impaired class does not accept the Plan, the Plan may nonetheless be confirmed under § 1129(b) of the Bankruptcy Code (commonly called the "cram down" provisions) if: (i) at least one impaired class has accepted the Plan, determined without including any acceptance of the Plan by any insider; and (ii) the Court determines that the Plan does not discriminate unfairly against, and is fair and equitable with respect to, the rejecting impaired class or classes. This determination will be made by the Court at the confirmation hearing in accordance with the standards set forth in § 1129(b) of the Bankruptcy Code.

A claimant who fails to vote to either accept or reject the Plan will not be included in the calculation regarding acceptance or rejection of the Plan. Moreover, if the Plan is approved by the Bankruptcy Court, whether or not the creditors have voted to accept it, those Claimants who have not voted on the Plan will be bound by, and their claims affected by, its terms and conditions.

This Statement, when approved by the Bankruptcy Court, will be in accordance with § 1125 of the Bankruptcy Code and is provided to each creditor whose claim has been scheduled by the Debtor or who has filed a proof of claim against the Debtor. This Statement is intended to assist creditors in evaluating the Plan and determining whether to accept the Plan. Under the

Code, your acceptance of the Plan may not be solicited unless you receive a copy of this Statement prior to or concurrently with such solicitation.

The Bankruptcy Court will set a hearing to determine whether the Plan has been accepted by the requisite number of creditors and whether the other requirements for confirmation of the Plan have been satisfied. Each creditor will receive the Bankruptcy Court's notice this Confirmation Hearing. A ballot to be completed by the holders of Claims will be included with the approved Disclosure Statement.

VIII. CONCLUSION.

The Debtor believes that based on the financial information disclosed herein and the documents filed in the Bankruptcy Court that the proposed Plan of Reorganization affords creditors an opportunity to realize amounts equal to that which would be realized upon the liquidation of the Debtor's assets. The Debtor urges each creditor to review the Plan, this Disclosure Statement, and the Statement of Affairs and Schedules on file with the Bankruptcy Court, as well as the Debtor's monthly reports of income and expenses which are also on file with the Bankruptcy Court, before coming to a decision as to the acceptability of this Plan. Should you have any questions after consulting with your own counsel or you may contact Michael Coyle, The Coyle Law Group, LLC, 6700 Alexander Bell Drive, Ste 200, Columbia, MD 21046; 410-884-3180; mcoyle@thecoylelawgroup.com, attorney for Debtor.

Dated: September 16, 2016

/s/

Gerald Dever

/s/

Michael Coyle,
The Coyle Law Group,
6700 Alexander Bell Drive, Ste 200
Columbia, MD 21046
410-884-3180
mcoyle@thecoylelawgroup.com

Counsel for Gerald Dever

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of September 2016, copies of the Debtor's Disclosure Statement In Connection With Debtor's First Plan Of Reorganization was served on all parties listed below by first class mail, unless said party is a registered CM/ECF participant and the Notice of Electronic Filing indicates that this document was electronically mailed to said party.

US Trustee – Baltimore
All parties listed on the attached creditor matrix

/s/ Michael Coyle

**Michael Coyle 16202
The Coyle Law Group LLC
6700 Alexander Bell Drive
Suite 200
Columbia, MD 21046
410-884-3180
mcoyle@thecoylelawgroup.com**

Attachment A

**FOR DISTRICT OF MARYLAND
(Baltimore Division)**

IN RE:	*	CASE NO: 16-13325
Gerald Patrick Dever	*	
	*	CHAPTER 11
Debtor,	*	
	*	

BALLOT FOR ACCEPTING OR REJECTING PLAN

The Plan of Reorganization referred to in this Ballot can be confirmed by the United States Bankruptcy Court and thereby made binding on you if it is accepted by the holders of two-thirds (2/3) in amount, and more than one-half (1/2) in number of claims in each class, and the holders of two-thirds (2/3) in amount of equity security interests, in each class voting on the Plan. In the event the requisite acceptances are not obtained, the Bankruptcy Court may nevertheless confirm the Plan if the Court finds that the Plan accords fair and equitable treatment to the class rejecting it. TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE AND RETURN THIS BALLOT. Return of this Ballot accepting or rejecting a Plan will be deemed to be the filing of a proof of claim only for the purposes of computing the vote. This Ballot should be returned to:

The Coyle Law Group,
6700 Alexander Bell Drive, Ste 200
Columbia, MD 21046
410-884-3180
mcoyle@thecoylelawgroup.com

The undersigned, a creditor of the above-named debtor in the unpaid principal amount of \$ _____ ,
(Check One Box): () ACCEPTS () REJECTS

The Plan of Reorganization of the above-named debtor filed on August 10, 2014, and as approved by the Bankruptcy Court for the submission to creditors for your vote.

DATE:
PRINT OR TYPE NAME:
SIGNED:
BY:
TITLE:
ADDRESS: