

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
Greenbelt Division

In re: *
*
GOD’S UNIVERSAL KINGDOM CHRISTIAN * Case No: 16-21952
CHURCH, INC. *
Debtor-in-Possession * Chapter 11
*

**DEBTOR-IN-POSSESSION’S
SECOND AMENDED CHAPTER 11 DISCLOSURE STATEMENT**

THIS SECOND AMENDED DISCLOSURE STATEMENT WAS FILED WITH THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND ON AUGUST 31, 2017. IT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AND IT WAS FILED SOLELY TO ENABLE THE COURT AND PARTIES IN INTEREST TO EVALUATE THE ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

God’s Universal Kingdom Christian Church, Inc., Debtor-In-Possession,
(hereafter ‘Debtor’ or ‘Church’) submits, as proponent, this Disclosure Statement in compliance with 11 U.S.C. § 1125 in connection with the “Debtor-In-Possession’s Second Amended Plan of Reorganization” pursuant to Chapter 11 of Title 11 of the United Sates Code (the “Plan”). Capitalized terms used and not otherwise defined herein shall have the same meaning as are ascribed to them in the Plan.

I. INTRODUCTION

On September 6, 2016, the Debtor filed with the United States Bankruptcy Court for the District of Maryland a voluntary petition under Chapter 11 of Title 11 of the United States Code. Since the date of filing, the Debtor as Debtor-In-Possession has managed its own affairs. A creditors committee was not formed by the Office of the United States Trustee.

No other plan of reorganization has been filed by any other interested party. The Debtor-In-Possession originally filed its Plan of Reorganization and its Disclosure Statement on January 3, 2017 which were Amended on May 3, 2017 and August 31, 2017.

II. PURPOSE OF THE DISCLOSURE STATEMENT, AND PROVISIONS FOR VOTING AND CONFIRMATION

This Disclosure Statement describes:

The Debtor, its history and significant events during the bankruptcy case,
How the Plan proposes to treat claims or equity interest of the type you hold,
Who can vote on or object to the Plan,
What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,

Why God's Universal Kingdom Christian Church, Inc., believes the Plan is feasible, and how the treatment of your claim under the Plan compares to what you would receive on your claim in liquidation, and, the effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

A. Purpose

The Debtor submits this Disclosure Statement, pursuant to the requirements of Section 1125 of the Bankruptcy Code, to provide to the holders of all claims against the Debtor adequate information about the Debtor and the Plan, so that they may make an informed judgment with respect to the merits of the Plan.

This Disclosure Statement does not purport to be a complete description of the Plan, the financial status of the Debtor, the applicable provisions of the

Bankruptcy Code, or other matters that may be deemed significant by certain creditors and parties-in-interest. This Disclosure Statement is an attempt to set forth, in reasonable detail, information that will enable a creditor to make an informed judgment with respect to the Plan. For further information, you may desire to examine the Plan directly (a copy of which is included in this Disclosure Statement), and/or consult with your legal and financial advisors.

The description of the Plan, (hereafter “the Plan”) is provided only as a summary and all creditors and parties-in-interest should review the Plan, the balance of this Disclosure Statement, and the other documents and information referenced herein, to obtain more complete information. Approval by the Bankruptcy Court of the Disclosure Statement is not an approval of the Plan. You should not rely upon any representations or inducements made to secure your acceptance of the Plan which is other than as contained in this Disclosure Statement.

B. Voting Instructions:

The deadline for voting on the Plan will be fixed by Order of the Court and notice of the deadline will be provided by the Debtor. In order for your ballot to be counted, it is imperative that it be received by the deadline fixed by the Court, to be sent by first class mail to:

Michael G. Wolff, Esquire
Wolff & Orenstein, LLC
Shady Grove Plaza
Suite 465 North
15245 Shady Grove Road
Rockville, MD 20850

C. Voting Provisions

1. General

Except for claimants holding only Administrative claims, every holder of a claim is entitled to vote to accept or reject the Plan, provided that either: (a) the Debtor has scheduled its claim and the claim is not scheduled as a disputed, contingent, or unliquidated claim, or (b) the claimant has filed a Proof of Claim on or before any Bar Date set by the Court for filing Proofs of Claim, Classes of Claims that are not impaired under the Plan are presumed to have accepted the Plan.

Consequently, only impaired claims are entitled to vote. In this instance, only Classes III creditors are impaired and votes from the holders in this class will be solicited to vote on the Debtor's plan. "Claim" is defined in the Plan as "..... a claim as that term is defined in section 101(5) of the Bankruptcy Code, against the Debtor and/or, pursuant to Section 102(2) of the Code, any of the Debtor's Assets." As such, all Creditors who hold claims against the Debtor, except as indicated below, may vote on the Plan by filling out the enclosed ballot and mailing it to the counsel for the Debtor-in-Possession.

The Plan can be confirmed by the Court if it is accepted by creditors holding at least 2/3 in dollar amount and more than 1/2 in number of allowed claims in each class voting on the plan.

2. Claimants not entitled to Vote

Administrative Claims

Class I Claimants holding only Administrative Claims are not entitled to vote on the Plan because Section 1123(a)(1) of the Code does not require that such Claims be designated in a class and because the Plan provides for the payment of

such claims under the terms which satisfy the requirements of Sections 1129(a)(9)(A) of the Code.

Sections 1122(a) and 1123(a)(1) of the Code require that the Plan designate classes of claims other than administrative claims and priority tax claims, and that each class consist of substantially similar claims. Claimants holding claims in Class I and Class II are not entitled to vote on the Plan because pursuant to Section 1126(f) of the Code a Class that is not impaired under the Plan, and each Claimant in the Class, is conclusively presumed to have accepted the Plan.

As a general matter, under Section 1124 of the Code, a class of claims is impaired unless the rights of the Claimants in the Class are not altered by the Plan (with the exception of certain rights of the Claimants to receive accelerated payment of their Claims and certain rights of the Debtor to cure defaults).

The claimants in Class II are not impaired by the Debtor's plan and are not entitled to vote.

3. Confirmation

Objections

Should you have an objection to Confirmation of the Plan, it must be filed, in writing with the Bankruptcy Court and served on the Debtor-In-Possession and counsel on or before _____, 2017.

The Debtor-In-Possession is seeking Confirmation of the Plan under Section 1129(a) of the Bankruptcy Code. Confirmation under Section 1129(a) is dependent upon a finding of the Bankruptcy Court that a number of requirements have been met.

4. Representations Limited

APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR THE MERITS OF THE PLAN. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

NO REPRESENTATIONS OR OTHER STATEMENTS CONCERNING THE DEBTOR (PARTICULARLY THE VALUE OF ITS ASSETS) OR THE PROPOSED PLAN ARE AUTHORIZED BY THE DEBTOR, OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE, WHICH ARE OTHER THAN AS SET FORTH IN THIS STATEMENT, SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION. ANY SUCH ADDITIONAL REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO THE COURT.

THE INFORMATION CONTAINED HEREIN HAS NOT BEEN INDEPENDENTLY AUDITED EXCEPT AS SPECIFICALLY REFERENCED HEREIN. FOR THIS REASON, THE DEBTOR DOES NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS CORRECT, ALTHOUGH EVERY REASONABLE EFFORT HAS BEEN MADE TO BE ACCURATE. THIS DISCLOSURE STATEMENT CONTAINS ONLY A BRIEF SUMMARY OF THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS AND PROVISIONS OF THE PLAN. EACH CREDITOR IS URGED TO REVIEW THE PLAN IN FULL BEFORE VOTING ON THE PLAN TO INSURE A COMPLETE UNDERSTANDING OF THE PLAN AND THE DISCLOSURE STATEMENT.

THIS DISCLOSURE STATEMENT IS INTENDED FOR THE SOLE USE OF CREDITORS, EQUITY INTEREST HOLDERS AND PARTIES-IN-INTEREST TO ENABLE THEM TO MAKE AN INFORMED DECISION ABOUT THE PLAN.

THIS STATEMENT IS NOT A SOLICITATION FOR ACCEPTANCE OF THE PLAN. NO SOLICITATION CAN OCCUR UNTIL AFTER THE COURT HAS APPROVED THIS STATEMENT.

III. INQUIRIES

Inquiries by Creditors may be directed to:

Michael G. Wolff, Esquire
Wolff & Orenstein, LLC
Shady Grove Plaza
Suite 465- North
15245 Shady Grove Road
Rockville, MD 20850
Phone: (301)250-7232
Email: Mwolff@wolawgroup.com

IV. THE DEBTOR

Description and History of the Debtor

God's Universal Kingdom Christian Church was organized and founded in 1974 by Bishop Fernette Saint Nichols, a gifted leader who dedicated her life to ministry at age 18. In September, 2008, following a brief illness, the founder transitioned to her eternal rest. During the period of eighteen months after the death of the founder, 90% of the membership left the congregation, creating an extreme financial hardship for the Church.

At that time the mortgage on the Church's property required a payment of \$25,000.00 per month, and the small struggling congregation could not properly service the debt. The Church building was placed on the market for a listing price of \$6.5 million Dollars, however, the lien holder filed for foreclosure. The Church had a qualified buyer under contract who had difficulty finalizing his financing and couldn't complete the purchase.

To protect the Church from foreclosure and acting in the best interest of the creditors, a Chapter 11 bankruptcy (12-28851) was filed on October 16, 2012. During the prior Chapter 11 the Debtor was able to sell its Church building, to

satisfy all of its creditors and receive net proceeds in the amount of \$1,131,003. The prior Chapter 11 case was dismissed on June 17, 2013.

In the prior case and with Court approval the Church was able to finance the purchase of its current building on Branch Avenue in Marlow Heights, Maryland, used as its house of worship. Using the proceeds from the sale, it purchased the property for \$1.2 million with the seller taking back a \$750,000 balloon note, due in May of 2016. When the Debtor agreed to the owner-financed purchase, it believed its congregation would grow and recover in the three year term of the note. However, the congregation struggled to pay the mortgage, utilities and insurance, on a building that turned out to be larger than was necessary and more than the Church could afford.

On September 6, 2016, the Directors of the Church again made the decision to sell the Church property to satisfy all of its creditors and authorized the filing of this Chapter 11 case. The case was filed in order to gain the necessary time to properly market and sell the property for its current market value.

It is expected that the sale of the property, with a significant equity cushion, will yield sufficient funds to satisfy the administrative, secured and unsecured claims in full. The Debtor then plans to relocate the Ministry to a smaller rented space, more suitable for the size of the congregation.

ASSETS OF THE DEBTOR

The Debtor estimated the value of the business assets, as of January 3, 2017, as follows:

Church Building - 4350 Branch Avenue, Marlow Heights, MD 20748 – value: listed for sale at \$1,700,000.00

900 cushioned chairs located at the Church - value: \$9,000.00

Musical equipment, Pulpit Furnishings and two desks – value: \$2,720.00

VI. CONDITION OF DEBTOR WHILE IN CHAPTER 11

The Debtor has operated under the protection of the Bankruptcy Court since its filing on September 6, 2016. It has fulfilled its obligations as directed and monitored by the Office of the United States Trustee and the applicable provisions of the United States Bankruptcy Code. The Debtor has made all required quarterly payments to the Office of the United States Trustee. It has filed Operating Reports on a monthly basis which is a part of the Court record. Creditors and interested parties are urged to review those reports as a part of the consideration of the Debtor-In-Possession's Second Amended Chapter 11 Plan.

VII. SIGNIFICANT EVENTS IN THE BANKRUPTCY CASE

Retention of Sales Broker

The Debtor sought and obtained the approval of the Court to hire a qualified and experienced Sales Broker to market the Church property for sale. The Debtor previously made application to employ Herb Patterson and Remax-One Realty as its Broker which this Court approved on October 14, 2016. The Debtor and the appointed Broker mutually agreed to terminate the Listing Agreement. The Debtor, in need of a qualified real estate Broker has currently listed the Church for sale with Thurman Battle, Broker doing business as Exit Bennett Realty and Terrence Coles, Agent as real estate broker for the listing price of \$1,700,000.00.

Marketing of the Church Property

Once the Debtor determined that it could not afford to sustain the cost of operating its church building it sought advice from a licensed real estate professional to assist it in determining the value of the property. NAI Michael, a respected commercial real estate brokerage located in Lanham, Maryland inspected the property and offered an opinion in March of 2016 that the property could be listed for sale at approximately \$2,650,000.00. (See exhibit 'A' attached) It was believed that this was a reasonable valuation for the property.

In October of 2016 when the Chapter 11 was filed, relying on the opinion of value, it began the marketing process. The Sales Agent appointed by the Court also advised the Debtor and listed the property for sale in the suggested price range. After attracting no interest in the property the Debtor in consultation with its appointed sales agent began to reduce the listing price by increments of \$100,000.00 periodically until the true market price for the property could be identified. This process resulted in the property currently being listed for sale at \$1,700,000.00.

The current advertised price has now generated serious interest from four different entities. Two of the interested parties are Churches which want to establish its church and ministries in Prince George's County, Maryland. One of the interested parties has indicated its desire to purchase the property to operate a mortuary and funeral parlor business at the premises. Although these three entities have expressed an interest in the property, for various reasons, formal offers have not yet been made. Although no offers have been made by these three parties, none

of these entities have indicated that they have abandoned their interest in the property and the Debtor believes that all three continue to remain interested and are possible purchasers of the property.

The fourth prospective purchaser has made a written offer in the amount of \$1,450,000.00 which the Debtor is in the process of responding to in an attempt to negotiate a sales price consistent with what it believes to be the true market value of the property. Negotiations with this party will continue until they reach a conclusion.

The Debtor has structured its Second Amended Chapter 11 Plan to bring this marketing effort and negotiations to a conclusion within ninety (90) days after the entry of a Confirmation Order, recognizing that if it has not procured a contract for the sale of its real property capable of being closed within 60 days after ratification of the contract, then the Debtor would place the property with a qualified auctioneer to sell the property at public auction at a reserve price of \$1,450,000.00. It believes that the reserve price is an amount that is less than the current market value of the property and if sold at that minimum price it would yield sufficient proceeds to fund the Plan.

VIII. THE PLAN OF REORGANIZATION

SUMMARY OF PLAN

The Plan provides for the payment of all administrative expenses and payment of the secured and general unsecured claims of creditors from the profits generated from the sale of the real estate and the building owned and operated by the Church. The Plan is to continue for as long as is necessary to procure a qualified buyer and to

complete the sale of the Church property. After the sale of the real property with the remaining proceeds the Debtor will continue to operate as a church. The congregation will search for a suitable property to rent to provide its congregation a house of worship.

ARTICLE 1

DEFINITIONS

Except as otherwise indicated, the terms used in this Plan have the definitions used in the Bankruptcy Code and applicable Federal Rules of Bankruptcy Procedure and the Local Rules of the United States Bankruptcy Court for the District of Maryland and the United States District Court for the District of Maryland. In addition, the following terms shall have the following meanings:

1.01. Administrative Claim means a claim under Section 503(b)(1), (2) or (6) of the Bankruptcy Code that is entitled to priority under Section 507(a)(1) of the Bankruptcy Code. **1.02. Allowed Claim** shall mean a claim (a) with respect to which a proof of claim has been filed with the Court within the applicable period of limitation fixed by the Federal Rules of Bankruptcy Procedure, Rule 3003, or (b) scheduled in the list of creditors prepared and filed with the Court pursuant to Federal Rules of Bankruptcy Procedure, Rule 1007(b) and not listed as disputed, contingent or unliquidated as to amount, and in either case, as to which no objection to the allowance thereof has been filed within any applicable period of limitation fixed by Federal Rules of Bankruptcy Procedure, Rule 3007 or an order of the Court, or as to which any such

objection has been determined by an order or judgment which is no longer subject to appeal and as to which no appeal is pending.

1.03. Allowed Secured Claim shall mean an Allowed Claim secured by a lien, security interest, mortgage or other interest in property in which the Debtor has an interest or which is subject to set off under Section 553 of the Code, to the extent of the value pursuant to Section 506(a) of the Code of the property or to the extent of the amount is subject to said setoff as the case may be. An Allowed Secured Claim may include post-petition interest if permitted under Section 506 of the Code.

1.04. Confirmation Date shall mean the date upon which the Order of Confirmation is entered by the Court.

1.05. Court shall mean the United States Bankruptcy Court for the District of Maryland in which the Debtor's Chapter 11 case is pending or the United States District Court for the District of Maryland together with any court having competent jurisdiction to hear appeals from either the Bankruptcy Court or the United States District Court.

1.06. Debtor shall mean God's Universal Kingdom Christian Church, Inc. the Debtor-in-Possession and the proponent of this Plan of Reorganization.

1.07. Effective Date shall mean the later of the date of settlement of a sale of the Church real property Ordered by the Court and the date following the Order of Confirmation after which no appeal can be taken or, if an appeal is taken, by the date of the resolution of such appeal in favor of confirmation .

1.08. Order of Confirmation shall mean the order entered by the Court confirming the Plan in accordance with the provisions of Chapter 11 of the Code.

1.09. Plan shall mean this Plan of Reorganization as amended, modified or altered in accordance with the Code.

1.10. Final Order means:

(a) an order, judgment or other decree issued by the Court and entered on its docket that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, petition for certiorari or seek re-argument or rehearing has expired, and as to which no appeal, petition for certiorari, re-argument or rehearing is pending, or as to which any right to appeal, petition for certiorari or seek re-argument or rehearing has been waived in writing in a manner satisfactory to the Debtor, or, if an appeal, certiorari or seek re-argument or rehearing thereof has been sought, the order, judgment or decree of the Court has been affirmed by the highest Court to which the order, judgment or decree was appealed or from which the re-argument or rehearing was sought, or certiorari has been denied, and the time to take any further appeal or to seek certiorari or further re-argument or rehearing has expired; or

(b) A stipulation or other agreement entered into which has the effect of a Final Order, as defined above; Provided, however, that an order, judgment or decree shall be considered to be a Final Order for purposes of this Plan, if any party seeking an appeal, petition for certiorari, re-argument or rehearing shall fail to post the bond or other security necessary to stay the enforcement or effectiveness of such order, judgment or decree.

ARTICLE II
PROVISIONS FOR IMPLEMENTATION AND
EXECUTION OF THE PLAN

2.01 All funds necessary for the payment of the allowed claims of creditors shall be generated from the sale of the real estate and the building owned and operated by the Church. If, within ninety (90) days after the entry of a Confirmation Order, the Debtor has not procured a contract for the sale of its real property capable of being closed within 60 days after ratification of the contract, then the Debtor will place the property with a qualified auctioneer to sell the property at public auction at a reserve price of \$1,450,000.00.

2.02 The debtor will authorize the party settling the approved contract of sale to pay the secured creditors who hold valid liens on the Church's property when it is sold. The lien held in first position by secured creditor, National Retail Properties, Inc. shall be satisfied first from the sales proceeds. After satisfaction of the first lien, the judgment lien in second position held by secured creditor, Cheryl Rose, Trustee for the Estate of Lynette Nichols, shall then be satisfied.

After payment of the usual and customary costs of sale, the debtor will then deposit into an escrow account all of its remaining net proceeds generated from the sale of the property. The funds will be held in the escrow account (hereafter known as the "Creditors' Account"). It is from the Creditors' Account that the Debtor will direct payment, no later than 30 days after deposit, of all legal fees, costs, administrative claims and the unsecured claims in Class III.

2.03 The debtor is an organization which operates as a Church which is registered with the Internal Revenue Service (IRS) as a 501(c) (3) tax exempt organization. According to the IRS Publication 598, "Tax on Unrelated Business Income of Exempt Organizations" the debtor has determined that the Church's exempt status relieves it from the obligation to pay income taxes. In addition, as a Church that is a

501(c) (3) entity, upon the sale of the building and property, since it engages in no activity which generates income at the Church property, the sale of the Church property is also exempt from the payment of capital gains taxes upon the sale. The debtor will have no tax liability as a result of the sale of the Church property leaving all of the net proceeds available for distribution to administrative, secured and unsecured claims.

2.04 Debtor shall retain possession of all personal property of the estate.

2.05 This Plan is proposed by the Debtor-In-Possession in the good faith belief that if the Church property is marketed properly and the price obtained is maximized that all claimants will realize a 100% distribution of their respective claims. By maximizing the value of the real property all parties will realize more value from the property through the Plan than through liquidation under Chapter 7 of the Bankruptcy Code.

ARTICLE III

EXPENSES OF ADMINISTRATION

3.01 *Administrative Expenses*: Administrative expenses of the Debtor's Chapter 11 case, allowed pursuant to Section 503(b) of the Code and given priority pursuant to Section 507 (a)(1) of the Code shall be paid in full upon the Effective Date or shall be paid upon such other terms as may be agreed between the holder of any allowed administrative claim and the Debtor.

ARTICLE IV

CLASSIFICATION OF CLAIMS

4.01 *Class I*: Claims with Administrative Priority - The legal fees approved by the Court to Debtor's Counsel, Wolff & Orenstein, LLC (in an amount to be approved by the Court but is estimated not to exceed \$35,000.00), Commissions owed to the Estate's appointed Realtor who procures the buyer of the Church property (in an

amount to be approved by the Court but is contracted at 6% of the contract price) and any fees due to the Office of the U.S. Trustee.

4.02 Class II: The secured claims of National Retail Properties, Inc. in the amount of \$1,026,177.77 as of August 7, 2017 and the Bankruptcy Estate of Lynette Nichols in the amount of \$88,278.50 plus judgment rate of interest.

4.03 Class III: The allowed claims of unsecured creditors:
Advanced Elevator Corporation - \$1,491.00
Albertino Silveira - \$41,600.00
Hall, Block, Garland & Meyer, LLP - \$601.52
McCarthy Burgess & Wolff - \$3,921.59
The Diamond Law Group - \$8,835.00
The Hartford - \$3,266.50
Wagner, Falconer & Judd, Ltd. - \$2,606.26
Washington Gas - \$3970.13

ARTICLE V

CLASSES OF CLAIMS AND INTERESTS

IMPAIRED UNDER THE PLAN

5.01 The creditors holding claims in Class III are impaired and may not be paid 100% of their allowed claims as the funding for this plan is dependent on the sale of the Church property at a price sufficient to satisfy the liens and yield sufficient proceeds to satisfy the unsecured claims in full. It is therefore anticipated that votes on the acceptance or rejection of the plan will be solicited from Classes III claim holders only.

ARTICLE VI

TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

A. (Class I) Claims with Administrative Priority

The Administrative claims of professionals held by Goren, Wolff & Orenstein, LLC will be paid after approval by the Court and no later than the Effective Date of the Plan, unless otherwise agreed by the respective claimants. All costs and fees payable pursuant to 28 U.S.C. Section 1930, including but not limited to any outstanding

quarterly fees and the fees which have accrued for the quarter in which the Plan is confirmed, shall be paid in full, in cash, on or before the effective date of the Plan and in no event later than thirty (30) days following the date of the Confirmation Order. In addition, until such time as this case is closed, dismissed or converted to one under Chapter 7, the Debtor shall report to the United States Trustee all of its disbursements, whether pursuant to this Plan or otherwise, for each calendar quarter and shall timely pay all fees set forth in 28 U.S.C. Section 1930 until the Plan is substantially consummated and the Debtor receives an Order closing the case.

B. (Class II) Claims of Secured Creditors

Claims of all secured creditors who possess valid liens against the Debtor's property shall be paid at the closing of the sale of the Church property. All valid liens held by secured creditors shall be retained as liens against the property until the property is sold and the liens are satisfied.

C. (Class III) Claims of Unsecured Creditors

Claims of all allowed unsecured creditors shall receive a distribution from the Creditor's Fund paid within thirty (30) days after the closing of the sale of the Church property.

ARTICLE VII

EXECUTORY CONTRACTS, EXECUTORY CONTRACT HOLDERS, AND UNEXPIRED LEASES

7.01 The Debtor reserves the right to assume or reject any executory contract not assumed or rejected prior to the Effective Date of the Plan. Any such executory contract not assumed as of the Effective Date of the Plan shall be deemed rejected. Any executory contract which has been rejected by the Debtor shall be treated as a member of Class III.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.01 Vesting Of Assets. Upon confirmation all assets of the Debtor's bankruptcy estate shall vest in the Debtor subject to the liens, encumbrances, security interests and provisions of this Plan as provided herein.

8.02 Retention of Jurisdiction. The Court shall retain jurisdiction over the Debtor and its operations subject to confirmation of the Plan for the following purposes only:

- A. To rule on the allowance of claims and to hear any objections thereto.
- B. To conclude any adversary proceedings pending upon the Effective Date.
- C. To allow and approve or disapprove the payment of any administrative expenses not previously allowed;
- D. To determine and resolve questions concerning the existence of defaults under the Plan;
- E. To modify the Plan pursuant to Section 1127(b) of the Code;
- F. To correct any defect, to cure any omission, to reconcile any inconsistency in the Plan or Order of Confirmation as may be necessary to carry out the purposes and intent of the Plan; and;
- G. To issue any order necessary to carry out the Plan.

8.03 Adversary Proceedings/Contested Matters: The Debtor reserves the right to begin or continue any adversary proceedings or contested matters including motions to avoid liens permitted under Title 11, United States Code and the applicable Federal Rules of Bankruptcy Procedure.

8.04 Modification of Plan: The Debtor may submit modifications of the Plan to the Court at any time prior to confirmation pursuant to Section 1127.

ARTICLE IX

CASE CLOSING AND DISCHARGE

9.01 The debtor may apply to the Court to close the case upon Substantial Consummation of the Plan. In the event that Plan payments have not been completed at that time, the Debtor may later re-open the case without any case reopening filing fee once Plan payments have been completed, so that the Court may enter the Debtor's Discharge.

Notwithstanding the closing of the case by the Bankruptcy Court, should the Debtor fail to make any payments required under the Plan, any creditor may apply to the Court to reopen this case and seek to compel the Debtor to comply with the terms of the Plan or to convert this case to a case under Chapter 7 of the Bankruptcy Code.

ARTICLE X

DISCHARGE OF DEBTOR

10.01 Upon confirmation of the Plan and vesting of all assets, the Debtor will be discharged of all claims and liabilities arising prior to the filing of the petition for relief pursuant to 11 U.S.C. Section 1141. Confirmation of the Plan shall satisfy all claims or causes of action arising out of any claim settled and satisfied under the terms of the Plan.

Respectfully Submitted,

WOLFF & ORENSTEIN, LLC

Dated: August 31, 2017

/s/ Michael G. Wolff #10269

Michael G, Wolff, Esquire

15245 Shady Grove Road

Suite 465 North

Rockville, MD 20850

(301) 250-7232

Mwolff@wolawgroup.com

Attorneys for Debtor-In-Possession