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UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND

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In re:)	
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MWM & SONS, CORPORATION)	Case No. 16-25851
)	(Chapter 11)
)	
Debtor)	
_____)	

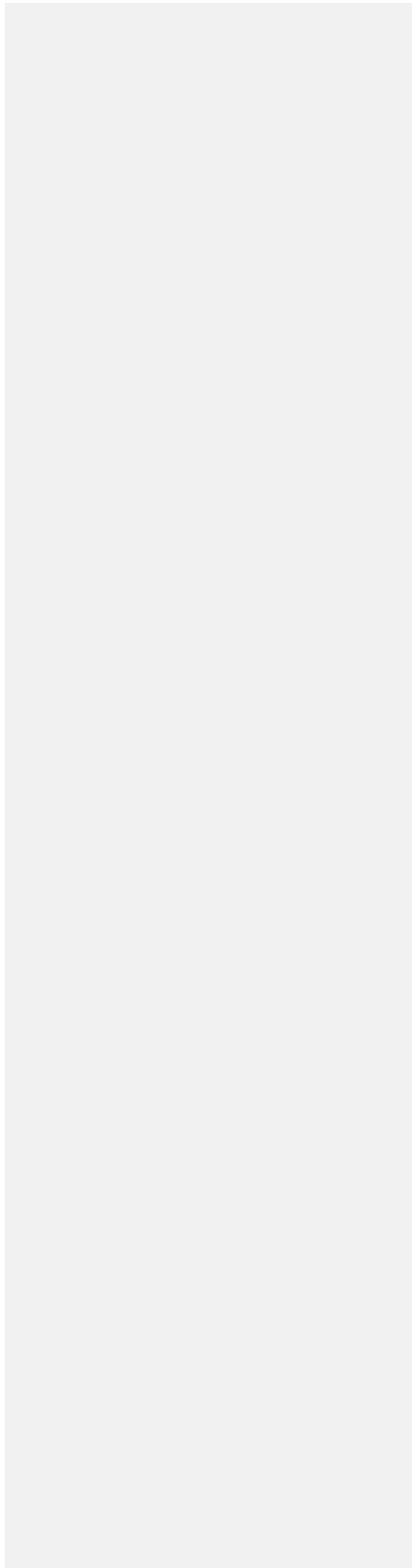
DISCLOSURE STATEMENT
FILED BY MWM & SONS, CORPORATION
(JUNE 5, 2018~~March 8, 2018~~)

I. INTRODUCTION

MWM & SONS, CORPORATION (the "Debtor" or "MWM"), by undersigned counsel, John D. Burns, Esquire, and The Burns Law Firm, LLC, submits this Disclosure Statement (the "Disclosure Statement"), as amended, pursuant to § 1125 of the Bankruptcy Code of 2005, as amended (the "Bankruptcy Code"), to all holders of Claims¹ against or interests in the Debtor, as a prerequisite to soliciting acceptances to the Debtor's Plan of Reorganization (the "Plan"), as amended, which has been filed with the Clerk of the United States Bankruptcy Court for the District of Maryland (the "Bankruptcy Court").

The purpose of this Disclosure Statement is to furnish adequate information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the Debtor and the condition of the Debtor's books and records, that would enable a hypothetical reasonable investor typical of the holders of Claims against or interests in the Debtor to make an informed judgment about the Plan. Therefore, as addressed more fully

¹ Unless otherwise defined herein, to the extent possible the capitalized terms used herein shall have the respective meaning assigned in the Plan and such definitions are incorporated herein in the Plan description section.



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below, the information contained herein has not yet been approved by the Bankruptcy Court as “adequate information” within the meaning of the Bankruptcy Code.

Upon distribution to creditors and prior to the entry of any Order approving it as containing adequate information will be supplied copies of: (a) the Plan, which is attached and incorporated herein as **Exhibit 1**; (b) the Debtor’s balance sheet on a *pro forma* basis to satisfy the liquidation analysis which is ~~attached and incorporated~~ embedded herein within the Liquidation Analysis as **Exhibit 2**; (c) a *pro forma* projection of Plan treatment for Allowed Classes of Claims and Cash Distributions, and a Statement of *pro forma* Revenues and operating expenses which is embedded herein within the Liquidation Analysis ~~attached and incorporated herein~~ as **Exhibit 3**; (d) the Debtor’s Operating Report for the preceding month to be incorporated by reference herein as **Exhibit 4**; and (e) a Ballot for acceptance or rejection of the Plan (“Ballot”) to be incorporated herein as **Exhibit 5**.

After carefully reviewing the Plan, this Disclosure Statement and all the Exhibits annexed hereto, please indicate your vote on the enclosed. Please vote and return your Ballot to the following address: John D. Burns, Esquire, The Burns Law Firm, LLC, 6303 Ivy Lane; Suite 102, Greenbelt, MD 20770. YOU MAY FAX THE BALLOT TO 301.441.9472 PROVIDED YOU PREFACE YOUR FACSIMILE WITH A COVER SHEET IDENTIFYING THE CASE NAME, NUMBER AND IDENTIFYING YOURSELF BY NAME AND COMPANY AFFILIATION, IF ANY.

NO REPRESENTATION CONCERNING THE DEBTOR, THE VALUE OF THEIR PROPERTY, OR THE PLAN, ARE AUTHORIZED BY THE DEBTOR UNLESS SET FORTH IN THIS DISCLOSURE STATEMENT. **ACCORDINGLY, NO REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE OF**

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THE PLAN, OTHER THAN THOSE CONTAINED IN THIS DISCLOSURE STATEMENT, SHOULD BE RELIED UPON IN EXERCISING THE RIGHT TO VOTE OR NOT TO VOTE ON THE ACCEPTANCE OF THE PLAN AND ANY SUCH REPRESENTATION OR INDUCEMENT SHOULD BE REPORTED IMMEDIATELY TO THE DEBTOR'S COUNSEL. THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. NO REPRESENTATION IS MADE THAT FINANCIAL SYNOPSES ANNEXED HERETO OR RELIED UPON HEREIN ARE PREPARED IN ACCORDANCE WITH GAAP. THE RECORDS KEPT BY THE DEBTOR ARE NOT WARRANTED OR REPRESENTED TO BE WITHOUT INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE. THE DEBTOR BELIEVES THAT THE PLAN PROVIDES THE GREATEST AND EARLIEST POSSIBLE RECOVERY TO ITS CREDITORS. THE DEBTOR THEREFORE BELIEVES THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTEREST OF ALL CREDITORS. THE PLAN AND DISCLOSURE STATEMENT ARE COMPLEX INsofar AS THEY CONSTITUTE A LEGALLY BINDING COMMITMENT BETWEEN CREDITORS AND THE DEBTOR. ACCORDINGLY, CREDITORS AND PARTIES-IN-INTEREST ARE URGED TO SEEK LEGAL COUNSEL IF UNSURE OF THE EFFECT OF THE PLAN AND DISCLOSURE STATEMENT.

THE PLAN PROVIDES CERTAIN ADDITIONAL RISKS TO CREDITORS IN THAT WHILE PROJECTIONS AND ASSUMPTIONS HAVE BEEN PREPARED WITH GREAT CARE, THE PAYMENT ON ALLOWED CLAIMS IN THIS CASE IS CONTINGENT UPON APPROVAL OF THE DEBTOR'S PLAN. MOREOVER, THIS

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DISCLOSURE STATEMENT IS NOT A STATEMENT OF COURT APPROVED

REPRESENTATIONS. The description of the Plan in this Disclosure Statement is a summary only, and creditors and other parties in interest are urged to review this entire Disclosure Statement and its Exhibits, the detailed description of the Plan contained herein, and the Plan itself which is annexed hereto for a full understanding of the Plan's provisions.

II. STANDARD AT LAW:

A disclosure statement must contain “adequate information” as is defined and set forth in Section 1125(a) of the Code: This means “information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor’s books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan.”

Moreover, recognizing the practicalities of Chapter 11, the drafters of Title 11 reserved that “adequate information need not include such information about any other possible or proposed plan and in determining whether a disclosure statement provides adequate information, the court shall consider the complexity of the case, the benefit of additional information to creditors and other parties in interest, and the cost of providing additional information.” 11 U.S.C. § 1125(a) (2011). As such, the Code presents inherent flexibility as to the contents of a disclosure statement as they pertain to the unique facets of the debtor in question, such as size of business, complexity of operations and of course, nature of the reorganization at hand.

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A long standing “benchmark” for determining the adequacy of information presented within a Disclosure Statement is found at Judge Drake’s seminal opinion, in Metrocraft, wherein the Bankruptcy Court drew from substantial sources to produce a nineteen (19) factor list:

Relevant factors for evaluating the adequacy of a disclosure statement may include: (1) the events which led to the filing of a bankruptcy petition; (2) a description of the available assets and their value; (3) the anticipated future of the company; (4) the source of information stated in the disclosure statement; (5) a disclaimer; (6) the present condition of the debtor while in Chapter 11; (7) the scheduled claims; (8) the estimated return to creditors under a Chapter 7 liquidation; (9) the accounting method utilized to produce financial information and the name of the accountants responsible for such information; (10) the future management of the debtor; (11) the Chapter 11 plan or a summary thereof; (12) the estimated administrative expenses, including attorneys' and accountants' fees; (13) the collectibility of accounts receivable; (14) financial information, data, valuations or projections relevant to the creditors' decision to accept or reject the Chapter 11 plan; (15) information relevant to the risks posed to creditors under the plan; (16) the actual or projected realizable value from recovery of preferential or otherwise voidable transfers; (17) litigation likely to arise in a non bankruptcy context; (18) tax attributes of the debtor; and (19) the relationship of the debtor with affiliates.

See, In re Metrocraft, 39 B.R. 567, 568 (Bankr. N.D. Ga. 1984).

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As appropriate to cases of the more basic nature as is found with this reorganization, such areas are described below.

III. SHORT SUMMARY:

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The Plan provides that all Allowed Secured Claims will be paid in full from the sale of the Real Property under a pending contract of sale. The closing date under the contract is 60 days from the Confirmation Date, and the Effective Date is 90 days from the Confirmation Date. The United States Trustee has asked why the period is 90 days, and the contract of sale answers that question. There are certain allowable extensions for the buyer under the contract on closing up to a further 60 days from the Confirmation Date. And there

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are certain adjustments on items that must be completed no later than 60 days from closing. Accordingly, although delays may occur for any number of reasons, it is unanticipated that full and final administration of this case would consume more than 180 days from the Confirmation Date. The Debtor has requested in the Plan that the Court administratively close the Chapter 11 Case following the Confirmation Date to ensure that the sale transaction and its proceeds are not subject to United States Trustee Fees pursuant to 28 U.S.C. § 1930(a)(6).

Although it appears the position of the Executive Office of the United States Trustee Program has permitted early administrative closure in numerous Chapter 11 cases for that very purpose, the Senior Trial Attorney for the United States Trustee assigned to this matter has objected to such an early closure, but has promised to inquire of her superiors to determine if she is correct in her position. No response has been received on this written inquiry as of yet and thus the issue remains indeterminate at present. Indeed, in a case before this very same Senior Trial Attorney from the United States Trustee, a case² was previously administratively closed just several months ago to permit a sale to fund on a confirmed Plan prior to such sale disbursements to exclude the proceeds from United States Trustee fees. Thus, perhaps whatever the authorized position of the Executive Office of the United States Trustee may be on this issue, assigned Senior Trial Counsel for that office may have a shifting position from case to case that needs to become settled into one position.

At present, there is one Disputed Claim which is the rejection claim of PMG in respect of a prior dealer agreement, and that matter remains in litigation. Accordingly, the Confirmation Date is projected to be September 5, 2018, and the sale by the contract may be approved on that date if the buyer provides a further addendum signed that authorizes same.

² In re City Theater, 10-37196 (District of Maryland, Lipp, B.J.)

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or it may be approved on June 14, 2018 as it is currently scheduled at 2:00pm.

Allowed Claims in this case should fund in approximately 60 to 120 days from the Confirmation Date as evinced by the contract of sale. It is anticipated whether the PMG Claim is disallowed or sustained in whole or in part the Cash Distributions in this case on the present contract of sale shall satisfy all Administrative Expenses, Allowed Priority Claims, Allowed Secured Claims and Allowed Unsecured Claims in full. As is demonstrated by the *pro forma* and the comparative balance sheet, the Plan is far superior to a liquidation by a Trustee appointed under Chapter 7 because there is special importance to the buyer in respect of the current tenants and current owner of the Debtor that allow him a smooth transition to hand over operations to a dealer-operator by lease rather than having to deal with a Chapter 7 Trustee's random efforts to find a tenant for the buyer. Terms are under negotiation with the present owner and tenants with the buyer for transition matters. Finally, the Debtor is active on a "revived" charter, and for reasons unknown to the Debtor the SDAT has reported it is not in "good standing" which appears to be erroneous. The Debtor will endeavor to cause correction to such an error on the SDAT system, given the United States Trustee was gracious to point it out.

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Following a resolution of the PMG Claim and the Objection to Claim in this matter, it is anticipated that this case and open matters shall proceed to a resolution at the Confirmation Hearing without further litigation.

Finally, the United States Trustee expresses concern that an "inspection service agreement" as to "MWM/Moin Ahmad" exists in the Contract as to the sale, and that MOR's have never shown this income to the Debtor. The United States Trustee presupposes that inspections are performed by the Debtor, rather than the inspector at issue. It is public record

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testimony in this case that some of the inspections are performed by the Bhatti Bros., or their designee and some of the inspections are performed by Moin Ahmad, or his designee. The performance of inspections post-petition has no relationship to the Class 6 Claim nor could it be as post-petition working transactions have nothing to do with pre-petition claims concerning mutuality for set off. The Class 6 Claim is a pre-petition claim held by Mr. Ahmad against the Debtor, thus the Objection is without basis.

III. HISTORY AND BACKGROUND:

1. *Basis for Filing and Factual Predicates:*

On December 2, 2016 (the “Petition Date”), the Debtor filed a voluntary case under Chapter 11 of the United States Bankruptcy Code of 2005, as amended (the “Code”). The Debtor leases by month to month a Citgo service station in Prince George’s County MD and performs various Maryland State Inspections. The principals are Moin Ahmad (99%) and Mohammad Khan (1%).

The Debtor is in possession of all property of the estate and is a debtor in possession pursuant to 11 U.S.C. §§ 1106-1108.

Debtor’s History Prior to 2013:

In 1994, the Debtor was formed by Mirza Moin Ahmad, the current President and 99% shareholder. Mohammed Khan is the 1% shareholder. For over 10 years, the Debtor operated a Sunoco station owned by Sunoco, Inc. However, in 2007, Sunoco, Inc. elected to sell the station to the Debtor. On May 31, 2007, the Debtor entered into a term loan with TD Bank, NA (by and through its predecessor Commerce Bank) in the face amount of \$730,000.00 relative to the ownership of the aforementioned Sunoco service station in Prince George’s County MD situated at 7750 Annapolis Road, Lanham, MD 20706 (the “Property”).

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The Debtor operated all functions of the service station which provides gas products, a service station convenience store, Maryland State Inspections and repair shop continuously from that date to 2016. The aforementioned TD Bank note matures on June 1, 2027, just under a full ten years from now. Stated otherwise, TD Bank agreed to await payment in full of its secured note for another ten years by contract.

In April, 2006, the Debtor entered into a Dealer Supply Franchise Agreement (the "Sunoco Agreement"), which had a contract length through April, 2016. The Sunoco Agreement controlled pricing, the dealer/Sunoco relationship on most economic factors underpinning the dealership. The Sunoco Agreement also provided for early termination fees from year 1 (2006) to year 5 (2010) and thereafter imposed no schedule. Sunoco, Inc. held a deposit and the Debtor and Sunoco asserted claims against one another as detailed below.

In or about 2011, the Debtor alleges that he began to receive disparate treatment from Sunoco, Inc. Gas prices were inflated above and beyond those prices which were being offered to other vendors, according to the Debtor's research. Debtor believed that Sunoco was attempting to force MWM out as a dealer as relations soured. Resultantly MWM could not focus effectively on turning a profit. Basic cost pricing on fuel to the Debtor was raised so high by Sunoco that the Debtor's facility was above the "per gallon rack pricing" on a retail basis when compared to a competing service station across the street. The physical condition of the Debtor's Sunoco facility was inferior to the local competing service stations and for that matter to other Sunoco facilities. Sunoco would provide no facilities upgrade. As a result, the Debtor became delinquent on the TD Bank loan referenced above among other obligations.

On February 6, 2012, a confessed judgment was entered by the Circuit Court

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for Prince George's County, MD in favor of TD Bank, NA against the Debtor in the amount of \$816,665.75, arising out of claims of non-payment made by TD Bank, NA. The Debtor, pushed to difficult measures, worked diligently with counsel and reached an agreement available with PMG (Petroleum Marketing Group) in late 2012 to switch distributors to PMG – which administers Citgo Corporation. This would terminate Sunoco's relationship with the Debtor. However, Sunoco fought and obfuscated against pre-bankruptcy unilateral efforts to terminate its dealership agreement by the Debtor.

Faced with difficult times given the foregoing, the Debtor was able to procure an investor group, known as the Bhatti Brothers. The Bhatti Brothers provided much needed cash in the amount of \$150,000.00 which the Debtor expended expediently and prior to the 2013 petition date on operating needs given the increased operating costs imposed by Sunoco, Inc. The Bhatti Brothers contemplated receipt of a lease and licensure to operate the service station on gas sales and other particulars. However, aside from a self styled *pro se* one or two page writing that was inadequate to bind anyone to much of anything, the Bhatti Brothers deal with the Debtor was essentially a "hand shake" agreement between community friends where someone would work something out someday.

Accordingly, armed with a prospective tenant/investor in the Bhatti Bros. who seemed willing to pay for shared operations, and a new dealership agreement with Citgo Corporation, via PMG, the Debtor believed it could present a workout proposal with merit for TD Bank, NA. However, TD Bank NA advised it wished to proceed to foreclosure despite these options. Accordingly, a Chapter 11 case was filed by the Debtor on July 15, 2013 (the "Prior Petition Date") (Case No. 13-22061).

Debtor's History 2013-2016:

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Following the Prior Petition Date, the Debtor attempted to cut costs and stabilize operations which arose from the sale of Sunoco products. With the guidance of professionals – such as the undersigned counsel - the Debtor was able to operate with a modest net operating profit over the period of July, 2013 to April, 2014 showing gross receipts of \$1,560,106.25 and gross profit after cost of goods of \$196,674.05. After expenses of \$163,480.16, the Debtor showed a net operating profit of \$33,193.89 for the 10 month period. These results, however, were in the 2% profit margin and even though they stabilized the hemorrhage of losses that occurred earlier than the Prior Petition Date, they were insufficient to carry the day without significant changes in the Debtor's business structure and operations.

The Debtor was working to “unwind” the business debacle that it had created by delaying a bankruptcy filing for so long. The Debtor was also bound to restructure the business relationships he had with Sunoco (meaning a termination of dealership by rejection), TD Bank (meaning a restructure of payments), with PMG (inception of a supply agreement and dealership franchise agreement), and with the Bhatti Bros. (arriving at some formal agreement for either a lease, option for purchase or other treatment). Much work had to be done by Debtor with counsel.

In 2013-2014 colloquies were exchanged with TD Bank, NA through counsel over possible reorganization scenarios and debt adjustments. However, the parties could not come to terms at that point in time. Ultimately, an adequate protection Motion was filed providing for payments from November, 2013 forward which was granted on May 16, 2014. The Debtor with counsel engaged in the lengthy and difficult process of negotiating a result with PMG as to the Citgo offer that would provide lower gas prices to the Debtor, much

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needed renovations, and a switch from the dilapidated Sunoco dealership to a much improved Citgo station with a cash infusion into the service station by Citgo via PMG.

The challenge was that PMG had wanted more information concerning resolution of the debt structure with TD Bank before it could commit to a dealership services agreement and whether that secured debt was stabilized. Obviously, if a foreclosure was again imminent, the Debtor would be unable to obtain the PMG contract opportunity through Citgo in 2014. The Debtor with counsel fashioned a remedy that exited Sunoco from the Property and brought in PMG/Citgo while attempting to work out differences with TD Bank, NA, commencing with an adequate protection agreement which the Debtor honored for the most part. A Motion To Establish Adequate Protection was filed and granted as to TD Bank, NA.

To facilitate these results, the Debtor filed a Motion to Use Property Out of the Ordinary Course of Business as pertaining to the Dealer Supply Agreement with PMG/Citgo on June 15, 2014. This motion was granted by Order on July 11, 2014. Contemporaneous with the filing of the motion pertaining to the PMG Dealer Supply Agreement, the Debtor likewise filed a Motion to Reject the Sunoco, Inc. Executory Contract which was filed on June 15, 2014. The Motion to Reject was granted in conjunction with settlement on October 20, 2014. Finally, in connection with the immediately preceding Sunoco contested matter, the Debtor further resolved with Sunoco, Inc. all disputes, and these are set forth at the Motion for Approval of Compromise and Settlement with Sunoco, Inc Pursuant to Fed. R. Bankr. P. 9019(b) filed in the prior Chapter 11 case which too was been granted on October 20, 2014.

The net result of these several filings and resolutions as to Sunoco, PMG/Citgo and the Debtor was that the Debtor was able to retire Sunoco from the Property – without

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hostile and extended litigation that preceded the Prior Petition Date. Moreover, the Debtor received a very healthy deposit return of approximately \$24,000.00 from Sunoco which met important needs such as the United States Trustee's quarterly fees. The Debtor simultaneously obtained a new agreement with PMG/Citgo which carried significant cash bonus incentives for the Debtor, and facility improvement monies that bolstered the Debtor's Property. The PMG agreement further allowed the Debtor to obtain lower fuel and supply prices, store upgrades, cash infusions and a better operating agreement with a more competitive motor fuel supplier, CITGO.

The Debtor then attempted to negotiate a further set of agreements that would provide further stability of its operations; namely, a formalization and novation of the "hand shake" agreement between Debtor and the Bhatti Bros., and a term out on the secured loan with TD Bank, the Debtor's secured lender. Each of these is addressed in turn.

Prior to the Prior Petition Date, as noted the Debtor had negotiated an "Agreement of Lease" (the "Lease") which was entered into by and between Mohammad A. Bhatti, Faisal Bhatti, and Idrees Bhatti (collectively, known as the "Bhatti Bros."), The Lease is disclosed at Amended Schedule G filed in the prior Chapter 11 case on September 27, 2013. The Bhatti Bros. held an unsecured claim for \$150,000.00 in the prior Chapter 11 case, as set forth at Schedule F in the prior Chapter 11.

The so called "Lease" was not a model of clarity, and really appears to be a inherently contradictory self-prepared installment purchase and sale agreement by the Bhatti Bros. without adequate terms to evidence the parties intent, if there even was an intent. There is a generic discussion of revenue splitting between Mr. Ahmad (the owner of the Debtor) and the Bhatti Bros. The term of the Lease is 10 years and there is no rent specified. Rather there

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existed a “goodwill” quotient of \$225,000.00, which was to be paid to Debtor by the Bhatti Bros. over a specified draw schedule of twenty-five (25) months. The Lease referenced a more final document to be prepared by an attorney, and also referenced a “first attested” document (which is unclear whether it is the Lease or a prior document). The Lease is signed by Mssrs. Ahmad on behalf of the Debtor and the Bhatti Bros. Mr. Mohammad Khan has a signature line on behalf of the Debtor as well, but did not sign. He is a 1% owner of the Debtor, pursuant to SOFA #21 in the prior Chapter 11 case.

The Debtor filed a Motion to Reject the Lease as an Executory Contract in the prior case. Simply stated, the Lease was burdensome to the Debtor inasmuch as the Debtor had already received \$150,000.00, and were the Debtor to perform under the Lease, it would not benefit the estate because the residual income that was to be received was relatively small, and the operational benefits to the Bhatti Bros. would be too extensive.

Accordingly, the Debtor and the Bhatti Bros. then reached a new and revised Agreement of Lease (the “Bhatti Agreement”) between themselves which was submitted to the Bankruptcy Court in the prior Chapter 11 case for approval by way of an Amended Motion to Assume Unexpired Lease. The Bhatti Agreement provides that the Bhatti Bros. will lease 7750 Annapolis Road, Lanham, MD 20706 as the Property. The Bhatti Bros. were to be the tenant. The Debtor was to be the landlord.

The Property consists of two (2) separate buildings. On the front side of the dividing line is the gas station, a convenience store and a repair shop known as the “Leased Property.” Behind the dividing line there is a body shop known as the “Non-Leased Property.” The Bhatti Bros. were to have a tenancy and access to the Leased Property and no tenancy or access to the Non-Leased Property. However, the Bhatti Agreement still

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representing a pro se effort by two parties determined not to rely on counsel, was bereft of clarity in many respects. With some attempts to resolve open issues in the pleading submitted, the Bhatti Agreement was submitted to the Bankruptcy Court with the Amended Motion to Assume Unexpired Lease containing such terms, on November, 2014, and the Order itself approving same, which was entered after hearing on March, 2015.

As noted, a hearing was conducted on the Amended Motion to Assume Unexpired Lease on March 18, 2015, at which the Bhatti Bros. appeared with the Debtor and Debtors' counsel and the United States Trustee. Judge Keir essentially "jockeyed" the input from the Bhatti Bros. and the Debtor in a brilliant effort by the presiding jurist to construct an actual agreement within the Order and adopting in substantial part the Bhatti Agreement arrived at between the parties *pro se*, and adopting Debtor's counsel's input on the record, and adopting the Bhatti Bros. extemporaneous epiphanies as they erupted from time to time. Judge Keir took it all with equanimity and was very helpful in fashioning the Order which approved the Amended Motion to Assume the Unexpired Lease.

Although not a model of elegance, the essential terms of the Bhatti Agreement with the ultimate Order with Judge Keir's input that approved it follow:

- The base rent was \$7,000.00 to be paid per month by the Bhatti Bros. to Debtor until Sunoco, Inc. vacates the premises, and thereafter during the term of Citgo/PMG's agreement, the base rent was to be \$8,000.00 per month. Rent would increase 3% every two years during the initial five year term of the Bhatti Agreement, and thereafter every two years during subsequent five year terms;
- To the extent the Bhatti Bros. vacated their tenancy in contravention of the Bhatti Agreement during any five year term, they stipulated to joint and several personal

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liability amongst them to any remaining rent due within that five year term (other than holdover rent);

- Any further damages including but not limited to waste on the Leased Property or consequential or compensatory/punitive damages are to be determined in accordance with the Bhatti Agreement in its entirety and Maryland law. However, the Debtor and Bhatti Bros. agreed that no rent claim for any period exceeding the five (5) year term which was then presently pending at the time of breach of the Bhatti Agreement shall be made against the Bhatti Bros. by the Debtor;

- Under the Bhatti Agreement, the taxes for the Property were to be paid by the Debtor and because there is only one meter for utilities, the Debtor/Bhatti Bros. desired to split utilities pro rata such that the Bhatti Bros. would pay a proportionate share of the utilities relative to the Leased Property, and the Debtor would pay a proportionate share of the utilities relative to the Non-Leased Property and the Bhatti Bros. assume responsibility for establishing the account;

- The “Goodwill” issue was converted by Judge Keir to a right of first refusal. Any right of first refusal must be exercised by Bhatti Bros. presenting a competing contract for purchase to the Debtor within 10 days of receiving written notice from Debtor that Debtor has received an offer for purchase, and such matching contract from the Bhatti Bros. shall meet if not exceed the purchase price of the proposed offer among other terms which the Debtor has identified in its written notice to the Bhatti Bros. The competing contract purchase price submitted by the Bhatti Bros. shall not contain any offset or reduction for the option fees of \$225,000.00 or any portion thereof which shall have been paid (this contemplating the \$150,000.00 previously paid and an additional \$75,000.00 to be paid by the

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Bhatti Bros.). The Bhatti Bros. shall have 6 months to close on the competing contract, which, if they are unable to close, the Bhatti Bros. shall receive from the prevailing purchaser at the sale up to but not to exceed \$200,000.00 of their option fee returned to them to the extent actually paid by the Bhatti Bros. at the time of such closing on the Debtor's procured contract purchaser. If any higher or better offers are received by the Debtor within that 6 month closing period, then following written notice by the Debtor to the Bhatti Bros., the Bhatti Bros. shall likewise have 10 days to provide a written counteroffer to such higher and better offer on the above terms and conditions, and such 6 month closing period shall accrue anew following presentment of such better and higher counteroffer presented by the Bhatti Bros. provided however that the Bhatti Bros shall not have the right to unilaterally increase such 6 month period by unilaterally making a better and higher offer to acquire more time to go to closing without an actual higher and better counteroffer presented to the Bhatti Bros. by the Debtor;

- There is annexed to the Bhatti Agreement a page noted "Ref. Preliminary Lease Agreement" seemingly specifying a required payment of \$75,000.00 at a rate of between \$1,000.00 - \$1,500.00 per month by the Bhatti Bros. to the Debtor, in addition to the \$150,000.00 sum paid pre-petition by the Bhatti Bros. and in addition to the \$7,000.00 - \$8,000.00 per month in base rent otherwise required by the Bhatti Agreement. Further, Mr. Ahmad was to retain his position as a safety inspector/general manager, and was to be compensated in accordance with the document, and Debtor was to receive a sum of one (1 cent) cent per gallon of gas sold over 65,000 gallons per month. The Debtor and Bhatti Bros. further agreed that the \$150,000.00 paid pre-petition is a claim upon which no payment or Cash Distributions shall be paid under the Plan in the prior bankruptcy case, and that it simply

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acts as a credit against the total \$225,000.00 non-refundable option fee previously referred to as “goodwill.” Moreover, the Debtor and Bhatti Bros. have confirmed to the undersigned that the \$75,000.00 is a supplement to be paid by the Bhatti Bros. to the Debtor in addition to the base rent provided for under the Agreement; and

- The Debtor and Bhatti Bros. resolved the inconsistency between (i) a ten (10) year renewal option and whether the sale of the Property by the Debtor will forfeit such renewal lease or whether the Bhatti Agreement will remain binding on the purchaser if the buyer of the Property is not the Bhatti Bros., given the Bhatti Agreement says that it is not to be recorded in the land records. The Debtor and Bhatti Bros. agreed that they wish to have the renewal option extinguished if a third party purchaser acquires the Property; and (ii) the payment of \$75,000.00 for “the right of first refusal” to the extent paid as of the date of any sale of the Property where the Debtor may sell the Property (and thus the business constituting the Leased Property) out from under the Bhatti Bros. The Bhatti Bros. agreed to forfeit any investment of the \$75,000.00 (or any portion that has been paid to the date of sale of the Property) should the Bhatti Bros. not be the prevailing buyer in a sale of the Property by the Debtor; however, the Bhatti Bros. will need not pay any installments not made on goodwill as of the sale of the Property to any third party buyer. The Bhatti Bros. will receive \$200,000.00 from the contract purchaser to the extent the Bhatti Bros. cannot match the buyer which the Debtor may obtain in a purchase of the Property, assuming the Bhatti Bros timely exercised their responsibilities under the right of first refusal provisions. The Debtor is prohibited from closing on the third party purchase without paying the Bhatti Bros. the aforementioned \$200,000.00.

The Debtor accordingly became a tenant to the Bhatti Bros. in the first case for

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the Leased Property and the operator of the Maryland Inspection Station, which employed Mr. Moin Ahmad the President of the Debtor. Likewise, the Bhatti Bros. were obligated to pay escalating rent and a sum of \$75,000.00 for a right of first refusal. In consideration thereof, the Debtor was required to provide notice of a contract for sale if one was received, and the Bhatti Bros. would have 10 days from that notice to provide an equal or better contract, failing which the Bhatti Bros. had no further rights under the right of first refusal on that contract. If the Bhatti Bros. timely complied with their requirement, they would receive \$200,000.00 from the contract purchaser who outbid them providing they had complied with their timely submission of a competing contract and had paid the \$75,000.00 for the right of first refusal in the first instance.

The Debtor also had a lease between Landlord, MWM & SONS, Inc., and Tenant, Mr. Abdelgalil Morsal t/a Rema Autobody. (the "Rema Lease") The term of that Rema Lease is from March 1, 2011 to the last day of the fifth (5th) Lease Year. Morsal was to use and occupy the Property other than the Leased Property for his body shop. This lease use is on-going albeit on a month to month basis.

Following the notable successes of eliminating the Sunoco liability, and assuming the PMG new dealership agreement, and resolving the Bhatti Bros. lease and right of first refusal agreement, and following the adequate protection agreement with TD Bank, NA, the Debtor was poised for reorganization in late 2015 and early 2016 by counsel's valiant efforts. However, the Debtor's plan to be feasible and to meet required debt service required Mr. Ahmad, the principal of the Debtor, to generate for the Debtor the inspection revenues and to commit such income to the reorganization stream. Mr. Ahmad declined to disclose until the very day of the confirmation hearing – while on the stand - that he had not passed his

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inspection licensing for renewal as an inspector, and consequently, the Plan was denied confirmation without leave to amend.

Consequently, a broker was employed by the Debtor (NAI Michaels) in the prior bankruptcy case to provide a reorganization on a sale model; but too much water had passed under the bridge in the small business case. The case was dismissed on March 4, 2016 by Consent Order. A result of the dismissal (stipulated to by the Bhatti Bros. counsel) is that the Bhatti Agreement and Amended Motion for Use of Property Outside the Ordinary Course and Judge Keir's Order (Dkts. 181, 239) are void and moot. Thus, the Bhatti Bros. have their "Lease" for what it is worth, subject to the Motion to Reject filed in this case that is pending. Likewise, the Order approving the PMG Agreement is moot and void, as would be the underlying agreement as it was never approved by a surviving Bankruptcy Court Order.

Debtor's History 2016-Present:

Following dismissal, the Debtor undertook a marketing effort with NAI Michaels relative to the sale of the Property. Various offers were received by Letter of Intent ranging from \$1.1MM – \$1.4MM from Bass Properties, Inc., Lanham Petroleum, LLC and a subsidiary of PEPCO. Among these offers was one from Mr. Babar Ifitkar (Bass Properties, Inc.), who was a stable service station operator with an accurate eye towards value and who claimed to have no financing problems (although he later could not comply with a basic contract).

Further offers were requested by the Debtor (who did not wish to then accept Mr. Ifitkar's offer) and a particular offer arrived from a friend of Mr. Ahmad; namely, Mr. Zahid Feroze by and through Lanham Petroleum, LLC which assumed an approximate \$1.5MM real property purchase price at settlement and a total with added "blue sky" for the

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business in the amount of approximately \$1.85MM. Although the Debtor was cautioned by undersigned counsel about financial offers which were too enthusiastic to bear out³, and cautioned against deviating from the advice of counsel on a traditional “stalking horse” offer with a bidding procedures motion, the Debtor failed to heed such advice. He committed to a closed contract for sale Mr. Feroze, and through many months followed from Spring of 2016 to Summer of 2016 and ultimately to Fall of 2016, following Mr. Feroze’s many odd attempts to procure financing, and multiple appraisals, Mr. Feroze ultimately submitted a contract of sale. During this period there were as many as 3-4 or more “terminations” of the Feroze contract by Mr. Feroze, which always caused some chaos and great delay in what should have been a sale of the Property in mid-2016.

Upon the filing of the Chapter 11 case on the Petition Date in December, 2016, the Debtor’s principal Moin Ahmed fervently represented and likely had been led to believe that the Bhatti Bros. would simply depart the Leased Property without compensation or seeking further rights. Mr. Ahmad has testified to this by affidavit in the record.

This was understandable given the dismissal of the first Chapter 11 case, and because the Bhatti Bros. appeared neither desirous nor capable of funding a serious competing contract to the Feroze contract. However, as circumstances played out, the Bhatti Bros. were not amenable to departure and instead hired now two sets of counsel to continue to assert their rights. As negotiations and discussions with the Bhatti Bros. on a cost effective and simple remedy to their interests moved along, the Feroze contract was terminated in April, 2017 for a

³ By way of example, the Debtor encountered a particular buyer from eas who promised \$6.0MM in cash and when against the advice of counsel, the Debtor further met with him he was faced with a briefcase full of worthless poorly crafted counterfeit bills. Accordingly, there have been special concerns for counsel in attempting to counsel and steer the Debtor to legitimate sources.

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4th or 5th time due to the passage of time. It is apparent that the chokehold on the estate posed by the Feroze contract with its now apparent dubious ability to close was not in the interests of creditors, and thus the Debtor had –again – been counseled to pursue the highest and best offer by a stalking horse contract with bidding procedures. The Debtor this time relented and agreed.

Accordingly, the Debtor by and through counsel and NAI Michaels had re-solicited Mr. Ifitkar who presented a contract of sale for the purchase of the Property and who had consented likewise to bidding instructions, some of which are at Mr. Ifitkar's request. The gravamen of Mr. Ifikhar's contract was a \$1,200,000.00 offer with \$200,000.00 bidding increments, and a very tight time frame on approval for financing (submissions in 4 days and approval in 20 days) with a forfeiture of a \$10,000.00 deposit if Mr. Ifikhar failed to meet that financing schedule. Mr. Ifikhar boasted of his financial abilities, ever the posturing buyer. However, when money was put to the test, Mr. Ifikhar failed to apply for financing or to obtain financing timely. The Ifikhar contract was terminated by the Debtor on May 24, 2017 for incurable default and his deposit forfeit.

Thence, Zahid Feroze, rose once again on May 24, 2017 with a higher and better offer of \$1,450,000.00 and only requiring \$100,000.00 bidding increments. No financing or other contingencies were required other than a title examination. The Debtor had accepted this Contract and was directed counsel to seek its approval. Unfortunately, Lanham Petroleum, LLC despite gentle and not so gentle requests was unable or unwilling to simply demonstrate that it had \$1,450,000.00 in cash or cash equivalents sufficient to close on the purchase of the Property.

Fortunately for all involved, PMG entered the scene and exercised its right of

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first refusal, thus raising the option that the Debtor would need to submit a contract for \$1,450,000.00 for PMG to purchase the Property. This contract is beneficial to the estate; is made by a solvent purchaser who has no reluctance to demonstrate its solvency by financial statement to purchase the Property. The contract raised the bidding stakes to \$1.6MM and preserves increments of \$100,000.00 for competing buyers, who must match the financial capacity of PMG to purchase the Property. Finally, the contract came with the benefit of no commissions otherwise required to be paid to NAI Michaels if Bass Properties, Inc.; Lanham Petroleum, LLC; or the PEPCO subsidiary were to be the buyer, clearly making this contract the winning choice at this time.

Despite the benefit that this PMG Contract provided; the estate has had the fortune to have an even higher and better offer submitted; namely, \$1,625,000.00 cash offer by ~~7750~~ Annapolis 7750, LLC on September 5, 2017. Like the PMG Contract, the present Contract with this Buyer does not contain any brokerage commission and there was no realtor who was a procuring cause for this Contract. Various exchanges in bidding were received in September, 2017 up to \$1,665,000.00 and filings were made to accommodate this ever increasing number, subject to final bidding.

The present Contract reached at bidding on October 26, 2017, PMG and the Buyer bid against each other with verve and purpose and the Buyer prevailed at \$1.9MM. PMG has a back up contract of \$1,850,000.00. Both are cash offers. Buyer here is not an insider.

The Contract provides for a sale of the Property by Debtor to Purchaser for \$1,900,000.00 free and clear of liens, claims, encumbrances and interests pursuant to 11 U.S.C. § 363(f), (m). The Purchaser has placed a good faith deposit of \$25,000.00 in escrow

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with counsel for the Debtor. Here, the Property means the real property, and improvements and includes the equipment/inventory (WAC) that will pass along with the sale per the Contract, and good will is being sold (such as the telephone number). No assets are excluded. The sale is free and clear of all liens, leases, claims, encumbrances or interests, and shall satisfy all real property tax liens, mortgage liens, attorney charging liens by statute, with any surplus paid in the order of priority.

The Buyer shall pay \$1,900,000.00 at closing for all of the assets, with application of the deposit to the purchase price at \$25,000.00 for a remainder of \$1,875,000.00. The Buyer has required that approval of the Contract by the Bankruptcy Court occur by May 30, 2018 otherwise the Contract shall be released by both parties and the deposit returned. A title contingency exists whereupon the Buyer may notify the Debtor at or prior to closing of any material title issues and the Contract provides for a means to resolution of those issues or a cancellation of the Contract if the problems cannot be resolved within the terms of that provision. The Debtor must be in good standing as a body corporate, and have authority to enter into the Contract for sale free and clear, or have approval of the Bankruptcy Court to otherwise close if the Debtor is not in good standing. Debtor must have a series of compliance checks such as operating under valid permits and not have any litigation pending against it other than the Chapter 11 case (and disputes therein) which would have an adverse impact on the Buyer's intended use of the Property. Environmental terms are set forth in the Contract which require appropriate permits and compliance with applicable laws. PMG has a back up contract for \$1,850,000.00 to the extent the Buyer were to default or fail to close.

The Debtor is obligated to comply with termination of the Bhatti Bros. rights whatever they may be; the PMG Agreement, and the Morsal Lease. Each of these has now

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been dealt with. The Debtor had previously withdrawn the Motion to Reject the PMG Agreement (executory contract) because it was inconsistent with the sale approval sought thereby under the PMG Contract for sale of the Property, and if the Debtor was going to consummate that Contract after approval through a Plan, the Plan itself was to assume the PMG Agreement, and if not, then the Plan shall reject the PMG Agreement. This is no longer germane because the PMG Agreement was rejected and the back up contract of \$1,850,000.00 shall be the remedy of PMG, other than a rejection claim under 11 U.S.C. § 365(g) (which is disputed as to the existence of such a claim by Debtor). Debtor also recognizes that rejection of the PMG Agreement does not impact any guaranty – or lack of guaranty – rights that PMG may have in this matter as to third parties.

The Debtor is to file appropriate Court documents to seek the rejection or other conclusion of these parties in interests potential rights in the case and the Property. The Debtor and Buyer have provisions as to ongoing litigation, and in particular one issue that has arisen is a Motion for Relief From Stay by TD Bank, NA which was denied after trial on the merits. Further, there is approximately \$84,000.00 in unpaid real property taxes that need to be paid, with interest from the sale proceeds; however, oddly only about \$28,000.00 in claims have been filed by PG County and this is going to be resolved likely be amendment by the taxing authority.

There are a number of conditions including title, rejection of the rights of Bhatti Bros.; PMG Agreement and the Morsal lease (the latter of which has already been rejected). There is no further bidding motion to set procedures for a “stalking horse” auction before the Bankruptcy Court as this process has not been productive and has only drawn impecunious insiders, interlopers and bottom feeders, some of whom have even sought to

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recover their deposits demonstrating they were never serious to begin with.

Closing shall occur 60 days after an Order confirming the Debtor's Plan of Reorganization which will attempt to exclude transfer taxes and stamp taxes from the transaction under Section 1146 of the Code, and there is some obligation for a further extension for 30 days if required. Debtor has an obligation to employ a real estate attorney to prepare a special warranty deed and a bill of sale for Buyer, which will be borne by the estate.

All settlement charges, taxes and utilities shall be pro-rated as of the date of settlement as is customary. The Debtor has duties to continually operate and not abandon the business during the course of the sale.

There is no brokerage fees or engagement in this sale to the Buyer, and the Purchaser will specifically testify that no broker had any procuring cause or involvement of any nature in the decision to purchase the Property. This produces a \$133,000.00 benefit to the estate above and beyond any low ball and insubstantial contracts procured by NAI Michaels (ie; Lanham Petroleum, LLC and Bass Properties, Inc. and a subsidiary of PEPCO) wherein Debtor had agreed to a 7% commission to NAI Michaels. NAI Michaels' engagement has expired in the early Spring of 2017 without renewal.

There is no break up fee in this Contract. There is no employment of Moin Ahmad or any splitting of inspections revenue as was tied to the Lanham Petroleum, LLC contract; however, Mr. Ahmad may directly negotiate with Meir Duke, the owner of the Buyer, for any personal benefits he sees fit or appropriate to pursue should the parties come to a separate meeting of the minds.

The Debtor has rejected the Morsal Lease by separate Motion and Order, which was entered previously on September 17, 2017. [Dkt. 187] The Bhatti Bros. Unexpired

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Lease and/or Executory Contract which consumed so much time and litigation in this case and in the first case settled at long last, and an Order Granting 9019 Compromise of Controversy was entered on January 26, 2018. [Dkt. 277] Finally, the PMG Agreement was at long last the subject of an Order Rejecting PMG Agreement entered as amended on February 26, 2018.

[Dkt. 294] PMG has duly filed a rejection claim as required on February 19, 2018. [Cl. Dkt. 10] This is a Disputed Claim and was objected to after much discussion and negotiation on April 25, 2018 [Dkt. 313] by Verified Objection to Claim, accompanied by an affidavit. PMG filed a Response Memorandum on May 25, 2018 [Dkt. 326]. A Reply will be filed by the Debtor unless the matter is consensually resolved. The crux of the objection and the Claim is the quantum of the Claim based upon what the Debtor contends are consequential damages, dealings by the buyer Mr. Duke that could truncate the damages, and other incidents that are disputed within the Claim. ~~will be objected to.~~ Other that the remaining disputes in the Objection to Claim to PMG, there are no other litigation matters pending which should be contested. A tax sale occurred and the tax certificate buyer is set forth at Class 2A below and treated at Class 3A. The purchaser has stepped in the shoes of Prince George's County and will be the subject of Allowed Claim Treatment. A Stipulation and Consent Order allowing the Claim will be prepared and filed shortly.

The Plan is addressed in the context of the Plan Summary below:

VI. PLAN OF REORGANIZATION

The following is a brief summary of the Plan of Reorganization of the Debtor filed with the Clerk of the United States Bankruptcy Court for the District of Maryland contemporaneous herewith. All statements made below are general in nature and are qualified in their entirety by reference to the complete terms of the Plan attached hereto and

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 incorporated herein as **Exhibit 1**. Creditors, parties-in-interest and Equity Interest Holders are encouraged to read the entire Plan and consult with their respective counsel, accountants, business advisors and each other in order to fully understand the Plan.

A summary of the Claims and treatment follows:

~~“Class 1 Claim” shall consist of the Disputed Secured Claim of TD Bank NA [Cl. Dkt. 6] in the amount of \$1,134,163.83 in the Real Property and the Personal Property subject to encumbrance under the Security Agreement and Deed of Trust.~~

~~“Class 2 Claim” shall consist of the Allowed Secured Claim of Princee George’s County, MD [Cl. Dkt. 2] in the amount of \$14,746.51 in the Real Property for 2016.~~

~~“Class 3 Claim” shall consist of the Allowed Secured Claim of Princee George’s County, MD [Cl. Dkt. 9] in the amount of \$14,563.49 in the Real Property for 2017.~~

~~“Class 4 Claim” shall consist of the Allowed Secured Claim of Princee George’s County, MD [Cl. Dkt. 1] in the amount of \$298.24 in the Personal Property for 2017.~~

~~“Class 5 Claims” shall consist of the Unsecured Claims. Class 5 shall consist of (i) Allowed Secured Claim of TD Bank NA [Cl. Dkt. 5] in the amount of \$3,714.91; (ii) Allowed Unsecured Claim of The Office of the United States Trustee \$996.25 [Cl. 4]; (iii) Allowed Unsecured Claim of the Bhatti Bros. \$165,000.00; [Cl. 5]; (iv) Disputed Unsecured Claim of PMG in the amount of \$181,000.15 [Cl. 10] arising from 11 U.S.C. § 365(g). A notice to creditors holding disputed, contingent and unliquidated claims [Dkt. 52] was issued in the case thus at this time, no further proofs of claims have arrived and the Bar Date. Should any such Claims arise they will be considered as untimely for evaluation and allowance based on available assets of the estate under 11 U.S.C. §§ 726(a)(2)(C)(ii);~~

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~~1129(a)(7).~~

~~“Class 6 Claim” shall consist of the Insider Claim against the Debtor by Mr. Ahmad which may not be joined with Class 5 Claims because of 11 U.S.C. § 1129(a)(10). Class 5 Claim consist of \$10,000.00 in pre-petition Priority Claims derived from wages by the Insider and Equity Interest holder herein pursuant to 11 U.S.C. § 507(a)(4). Class 10 is not a Class entitled to vote.~~

~~“Class 7 Interests” shall consist of the Equity Interests in the Debtor.~~

~~The Debtor has not designated any Class of Claims under §§ 507(a)(2), or 507(a)(8) pursuant to § 1123(a)(1) of the Bankruptcy Code. The Plan contemplates that all Allowed Administrative Expense Claims shall be accorded treatment and payment as provided for by the Bankruptcy Code and as otherwise addressed by this Plan, or by prior court Order. The Debtor’s counsel is due fees and costs estimated for the Confirmation Date at \$129,534.00 and has received to date \$32,730.88 in retainers and expense reimbursements in escrow. The United States Trustee is owed \$652.50 in respect of fees pursuant to 28 U.S.C. § 1930(a)(6) as this time, which must be paid on or before the Confirmation Date. The Debtor’s accountant has not yet designated an estimated figure, but is close to \$19,000.00 in accounting charges. Further, any Allowed Priority Claims shall be treated as required by the Bankruptcy Code and this Plan. Attorneys and accountants fees shall be paid in accordance with Order of this Bankruptcy Court, on Applications to be filed within 120 days of the Effective Date. The State of Maryland is owed \$4,358.00 [Cl. 8] as an Allowed Priority Claim, which will be paid on or before sixty thirty six (36) months from the Petition Date with statutory interest. The IRS is owed \$1,224.13 [Cl. 3] as an Allowed Priority Claim which will be paid on or before sixty months (60) from the Petition Date with statutory~~

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~~interest fixed pursuant to 11 U.S.C. § 511. The Insider herein, Mr. Ahmad, holds a Priority Claim for wages in the amount of \$10,000.00, which pursuant to 11 U.S.C. § 507(a)(4) shall be paid to him, absent a failure of compliance with 11 U.S.C. § 1129(a)(8). To the extent cram-down is required pursuant to 11 U.S.C. § 1129(b)(2)(B)(ii), the Priority Claim described shall constitute a new value contribution.~~

~~Class 1 Claim is Impaired. (T.D. BANK) In full and complete satisfaction of the Class 1 Claim, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 1 Claim, less any disallowance of the Class 1 Claim by Objection or Surcharge Motion, if filed. For the purposes of the Plan the Allowed Amount of the Class 1 Claim in the Real Property shall be \$1,134,163.83 [Cl. Dkt. 6], with accrued judgment interest to the date of closing. The Class 1 Claim shall be treated through the sale of the Real Property and that Personal Property which conveys pursuant to the Purchase and Sale Agreement (the "Contract") which sale is to close within 90 days of the Confirmation Order. Upon payment in full of the Allowed Class 1 Claim through and in accordance herewith, the lien of the Class 1 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.~~

~~Class 2 Claim is Impaired. (Prince George's County, MD) In full and complete satisfaction of the Class 2 Claim, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 2 Claim. For the purposes of the Plan the Allowed Amount of the Class 2 Claim in the Real Property shall be \$14,746.51 [Cl. Dkt. 2]. The Class 2 Claim will be paid at its statutory rate of interest through the date of closing on the sale which is to occur within 90~~

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~~days from the Confirmation Order. Upon payment in full of the Class 2 Claim through and in accordance herewith, the lien of the Class 2 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.~~

~~Class 3 Claim is Impaired. (Prince George's County, MD) In full and complete satisfaction of the Class 3 Claim, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 3 Claim. For the purposes of the Plan the Allowed Amount of the Class 3 Claim in the Real Property shall be \$14,563.49 in the Real Property [Cl. Dkt. 9]. The Class 3 Claim will be paid at The Class 3 Claim will be paid at its statutory rate of interest through the date of closing on the sale which is to occur within 90 days from the Confirmation Order. Upon payment in full of the Class 3 Claim through and in accordance herewith, the lien of the Class 3 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.~~

~~Class 4 Claim is Impaired. (Prince George's County, MD) In full and complete satisfaction of the Class 4 Claim, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 4 Claim. For the purposes of the Plan the Allowed Amount of the Class 3 Claim in the Real Property shall be \$298.24 in the Personal Property [Cl. Dkt. 1]. The Class 4 Claim will be paid at the Class 4 Claim will be paid at its statutory rate of interest through the date of closing on the sale which is to occur within 90 days from the Confirmation Order. Upon payment in full of the Class 4 Claim through and in accordance herewith, the lien of the Class~~

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~~4 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.~~

~~Class 5 Claims are Impaired. (Unsecured Claims) In full and complete satisfaction, discharge and release of the Class 5 Claims, the Allowed Unsecured Claims shall receive Cash Distributions from the closing on the Contract of the sale previously referenced which is anticipated to occur within 90 days from the closing date in the Face Amount of \$169,711.16. The Disputed PMG Rejection Claim shall be paid pro rata if it becomes an Allowed Unsecured Claim in whole or in part with the Class 5 Claims or become a Disallowed Unsecured Claim depending upon a Bankruptcy Court Order.~~

~~Class 6 Claim Is Impaired (Moin Ahmad) In full and complete satisfaction, release and discharge of the Class 6 Claim, either it shall be dedicated to the Plan in the event a new value contribution is required, or it shall be paid to the Class 6 Claimholder as a Priority Claim under 11 U.S.C. § 507(a)(4) from the closing on the Contract of the sale previously referenced which is anticipated to occur within 90 days from the closing date in the Face Amount of \$10,000.00.~~

~~Class 7 Interests are Impaired. The Equity Interests shall extinguish upon the Confirmation Date. No Equity Interest holder shall receive or retain any interest in property of the estate on account of any pre-petition interest. However, the Equity Interests may receive Cash Distributions to the extent Allowed Claims are paid in full from the closing on the sale of the Contract referenced above. A determination of new value shall be deferred until the Confirmation Date in which case to the extent there is a failure of compliance with 11 U.S.C. § 1129(a)(8), the Debtor shall seek a determination of new value by contested~~

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~~matter based upon a contribution of new value and money's worth at that time. It is specifically contemplated that the surrender of the wage claim contemplated in paragraph 3.6 hereof is a new value contribution. THE PLAN EXPRESSLY CONTEMPLATES A WIPE OUT OF MOHAMMAD MAROOF KHAN'S 1% OWNERSHIP INTEREST AS HE WILL NOT BE MAKING A NEW VALUE CONTRIBUTION OR RETAINING OR RECEIVING ANY EQUITY INTEREST IN RESPECT OF THIS PLAN ON THE CONFIRMATION DATE. THIS PLAN SPECIFICALLY CONTEMPLATES THE ISSUANCE OF UNCERTIFICATED SECURITIES OF OWNERSHIP BY SHARES TO MOIN AHMAD FOR 100% OF THE OWNERSHIP OF THE DEBTOR PURSUANT TO 11 U.S.C. § 1123(a)(5)(J) IN RESPECT OF ANY CASH DISTRIBUTIONS TO BE RECEIVED BY EQUITY SHOULD ALL ALLOWED CLAIMS BY CREDITORS HEREIN BE FIRST PAID IN FULL. MR. KHAN WILL BE WIPED OUT AS A SHAREHOLDER UPON THE CONFIRMATION DATE.~~

~~The Debtor has not designated any Class of Claims under §§ 507(a)(2), or 507(a)(8) pursuant to § 1123(a)(1) of the Bankruptcy Code. The Plan contemplates that all Allowed Administrative Expense Claims shall be accorded treatment and payment in full as provided for by the Bankruptcy Code and as otherwise addressed by this Plan, or by prior court Order (with the exception of the Section 507(a)(4) Priority Claim set forth at Class 6 treated as set forth therein). Further, any Allowed Priority Claims shall be treated as required by the Bankruptcy Code and this Plan. Such Administrative Expense Claims and Allowed Priority Claims are set forth in 2.8.~~

~~The Debtor's schedules and statement of financial affairs represent *prima facie* evidence as to the Claims which have been scheduled, except to the extent amended or~~

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~~in the event an objection to Claim is filed, irrespective of its description in the schedules and/or statement of financial affairs. To the extent any proof of claim filed by an Allowed Claim Holder alters or amends the Claim of such entity or person, the Debtor may file an Objection to Claim which shall place such Disputed Claim into litigation, producing a potentially Disallowed Amount, irrespective of the schedules and statement of financial affairs.~~

~~—————No treatment provided or described herein as to any Allowed Claim shall be preclusive upon an objection to such Claim should grounds exist pursuant to 11 U.S.C. § 502(b). Upon objection, such Claim shall be a Disputed Claim until resolution.~~

~~This Plan is a reorganizing sale Plan under § 1129(a) and (b) of the Bankruptcy Code and is materially premised upon Cash Distributions from the sale of the Real Property and Personal Property by and through a Distribution Fund to Classes of Claims in accordance with the priorities and terms identified in Articles III and IV of the Plan to be derived from the Contract for sale of same previously referenced.~~

~~The Debtor attaches by reference and incorporates Dkt. 219 consisting of the Motion to Approve Sale of 7750 Annapolis Road Lanham, Maryland 20706 And All Or Substantially All of the Property of the Estate Free and Clear of Liens, Claims, Encumbrances and Interests Pursuant to 11 U.S.C. §§ 363(f), and (m) to 7750 Annapolis, LLC (“Purchaser” or “Buyer”) (the “Motion”). The salient terms of the Contract follow (noting that the Allocation [Para. 2.3] and the Approval Date [Para. 3] have been altered to meet and addendum which will be filed shortly between Purchaser and Debtor concerning the transaction:~~

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~~1. **PURCHASE AND SALE.** Purchaser agrees to acquire the Property from Seller, and Seller agrees to sell the Property to Purchaser, pursuant to the terms and conditions set forth herein.~~

~~1.1. **Property Sold.** Except as set forth in Section 1.2 below, the Property includes, without limitation, the following:~~

~~(a) **Land, Building and Improvements.** The Land, Building and Improvements and any and all interests, options or rights therein owned or leased by the Seller and used in the operation of the Business and any and all easements, rights of way and appurtenances thereon and thereto and other improvements and fixtures attached to such real property owned or leased by Seller;~~

~~(b) **Inventory.** All inventory on hand, including all gasoline stored in the tanks and all product held for sale as part of the Business.~~

~~(c) **Machinery, Equipment and Supplies.** Any and all tangible personal property, equipment, machinery, tools, supplies, furniture, leasehold improvements, non-inventoried stores and supplies and other miscellaneous tangible personal property of the Seller used in the operation of the Business (the "MES"). A list of the MES is attached hereto as Schedule 1.1(c);~~

~~(d) **Licenses, Permits.** Any and all federal, state, local and other governmental licenses, permits, approvals and authorizations that relate to the operation of the Business (the "Permits"), to the extent transferable. A list of the Permits is attached hereto as Exhibit 1.1(d);~~

~~(e) **Goodwill, Telephone Number(s).** The goodwill, customer lists, records and telephone number(s) of the Business.~~

~~1.2. **Excluded Assets.** None~~

~~1.3. **Physical Condition.** The Property is sold and shall be conveyed in its "AS IS" condition as of the Closing Date, with only those warranties and representations specifically set forth in this Agreement; all other warranties and representations being expressly disclaimed.~~

~~2. **PURCHASE PRICE.** The purchase price (the "Purchase Price") for the Property shall be an amount equal to the sum of the following:~~

~~(a) **One Million Nine Hundred Thousand Dollars (\$1,900,000.00); plus**~~

~~(b) **The cost of Inventory determined by Weighted Average Cost (WAC). Inventory to be taken the night before the Closing.**~~

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~~2.1. **Deposit.** The Purchaser has placed a deposit of Twenty Five Thousand Dollars (\$25,000.00) (the "Deposit") from The Alba Law Group, PA to The Burns Law Firm, LLC in a non interest bearing escrow. At Closing, the Deposit shall be delivered to the Purchaser's chosen Title Company in immediately available funds and applied to the payment of the Purchase Price. If the Closing does not occur for any reason other than a default by Purchaser, the Deposit shall be refunded to Purchaser.~~

~~2.2. **Payment of Purchase Price.** The Purchase Price shall be paid as follows:~~

~~(a) At Closing, Seller shall be credited with the Deposit and Purchaser shall pay Seller the sum of One Million Eight Hundred Thousand (\$1,875,000.00) in cash, certified check, or other immediately available funds;~~

~~(b) At Closing, Purchaser shall pay Seller the cost of the inventory in cash, certified check, or other immediately available funds.~~

~~2.3 **Allocation of the Purchase Price.** After due negotiation, the Parties agree that the Purchase Price shall be allocated \$1,200,000.00 to the Land; \$600,000.00 to the Building and Improvements; \$50,000.00 to the Machinery, Equipment and Supplies; \$25,000.00 to goodwill; and \$25,000.00 to the Covenant of Non-Competition and Non-Solicitation in Section 9.5 below. The parties agree that in making the allocation they have consulted with their respective accountants using the methods required by Internal Revenue Code Section 1060. The parties agree that this paragraph may be amended if they mutually further agree to a different allocation than is set forth above herein prior to closing.~~

~~3. **Bankruptcy Court Approval.** It is understood and agreed that this Contract is contingent upon approval of the United States Bankruptcy Court for the District of Maryland. Seller shall promptly seek approval of this Contract by the Bankruptcy Court. Upon receipt of such approval, Seller shall give written notice to Purchaser. In the event Purchaser does not receive written proof of approval by May 30, 2018, then Purchaser shall have the right to terminate the Contract by giving written notice to Seller, whereupon the deposit shall be returned to Purchaser absent a Buyer failure under § 10 (a) and the parties shall be relieved of any further liabilities or obligations hereunder. Ratification of this Contract shall occur by mutual execution of this contract by Purchaser and Bankruptcy Court Approval or execution by Seller.~~

~~4. **TITLE.**~~

~~4.1. **Title Commitment and Documents.** Title to the Property shall be good and marketable of record, via special warranty deed, free of financial encumbrances and subject only to Permitted Exceptions, as hereinafter defined. Purchaser shall have thirty (30) days from the Effective Date to obtain a commitment to issue a title policy covering the Property (the "Title Commitment") and a survey of the Property. Purchaser shall notify Seller in writing within forty five (45) days of the Effective Date (the "Title Objection Letter"), of any exceptions to title are not acceptable to Purchaser. Any title matters not identified in the Title Objection Letter shall be deemed to be "Permitted Exceptions" under this Agreement. With respect to any objections to title set forth in the Title Objection Letter, Seller shall have the~~

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~~right, but not the obligation, to cure such objections. Within ten (10) days after receipt of the Title Objection Letter, Seller shall notify Purchaser in writing whether Seller elects to attempt to cure such objections. If Seller does not respond, Seller shall be deemed to have elected not to cure any such objections. If Seller elects to attempt to cure any title objection, and provided that Purchaser shall not have terminated this Agreement, Seller shall have until the date of Closing to remove, satisfy or cure the same and for this purpose Seller shall be entitled to a reasonable adjournment of the Closing if additional time is required, but in no event shall the adjournment exceed thirty (30) days after the date for Closing. If Seller elects not to cure any objections specified in Purchaser's notice, or if Seller is unable to effect a cure prior to the Closing (or any date to which the Closing has been adjourned), Purchaser shall have the following options: (i) to accept a conveyance of the Property; or (ii) to terminate this Agreement by sending written notice thereof to Seller, and upon delivery of such notice of termination, this Agreement shall terminate and the Deposit shall be returned to Purchaser, and thereafter neither party shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement. Seller shall not, after the Effective Date, subject the Property to or permit or suffer to exist any liens, encumbrances, covenants, conditions, restrictions, easements or other title matters or seek any zoning changes without Purchaser's prior written consent.~~

~~5. — **SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller makes the following representations and warranties to Purchaser as of the Effective Date and as of Closing.~~

~~5.1. — **Due Organization.** Seller is a Maryland corporation, duly organized and constituted, validly existing, and not in good standing under the laws of the State of Maryland, but subject to cure prior to Closing Date, and has or will have all requisite power and authority to execute, deliver and perform this Agreement and the related agreements and to perform the transactions contemplated herein. Should Seller decline to place the corporate status in good standing, then any Bankruptcy Court Order approving this sale of any approved Chapter 11 Plan shall confirm Seller's authority to convey the Property notwithstanding that Seller is not in good standing.~~

~~5.2. — **Organization and Authority.** Seller has full power and authority to enter into this Agreement, and under 11 U.S.C. § 363(f), to sell the Property to Purchaser free and clear of claims, non-excluded liens, encumbrances or interests, and to otherwise perform its obligations hereunder without the consent of any other person or entity and deliver to the Purchaser the protections of 11 U.S.C. § 363(m). The execution, delivery and performance of this Agreement, the fulfillment of and compliance with the terms and provisions hereof and the due consummation of the transactions contemplated hereby have been duly and validly authorized, and such authorizations remain in full force and effect. This Agreement and the documents contemplated to be executed in connection herewith have been or will be duly and validly executed and delivered by Seller and constitute, or when so executed and delivered, will constitute the legal, valid and binding obligations of the Seller enforceable in accordance with their respective terms. The sale of the Property pursuant to this Agreement (and the consummation of the transactions contemplated herein) does not violate Seller's Articles of~~

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~~Incorporation or violate any law, ordinance, judgment, decree or order to which Seller or the Property is subject, or which affects Seller or the Property. Seller is not a "foreign person" as that term is defined by Section 1445 of the Internal Revenue Code of 1986, as amended.~~

~~5.3. **Title to Real Property and Personal Property.** Seller has good, marketable and indefeasible title to the Property and Seller will convey such title to Purchaser on the Closing Date, free and clear of all options, rights, covenants, easements, liens, pending litigation rights, and other rights in favor of third parties other than Permitted Exceptions. Purchaser will be vested with good, marketable and indefeasible title to the Property free and clear of claims, liens, encumbrances, and interests all extinguished upon payment of the Purchase Price. Seller owns title to the Equipment and other items of personal property reflected on the Inventory to be delivered to Purchaser, free and clear of any liens, claims, encumbrances and interests. The Equipment is purchased as is.~~

~~5.4. **Compliance with Laws; Licenses and Permits. To the best of Seller's knowledge:**~~

~~(a) The Property and the current operation thereof complies with all laws, regulations, ordinances, rules, orders and other requirements of all governmental authorities having jurisdiction over the Property or affecting all or any part thereof or bearing on its construction or operation, and with all private covenants or restrictions;~~

~~(b) Seller has acquired all permits, easements, and rights of way, including, without limitation, all building and occupancy permits from all governmental authorities having jurisdiction over the Property or from private parties for the normal use, maintenance, occupancy, and operation of the Property as a Business;~~

~~(c) There is access, ingress and egress to and from the Property from the adjacent street, sidewalk and alley as required to permit normal use of the Improvements; and~~

~~(d) All Permits, easements and rights of way are in full force and effect.~~

~~5.5 **Actions and Proceedings.** There are no actions or proceedings (including, without limitation, any condemnation, environmental, zoning or other land use regulation proceedings (including any moratoria)) pending or, to the best of Seller's knowledge known or threatened against Seller or the Property which could have an adverse effect on Purchaser's intended use of the Property for the Business.~~

~~5.6 **Environmental Matters.** Except as disclosed by Seller to Purchaser in writing, (a) neither the Property nor Seller's operation and management thereof is in violation of any Environmental Law (as hereinafter defined) or is subject to any pending or threatened litigation or inquiry by any governmental authority or to any remedial action or obligations under any Environmental Law; (b) the Seller possesses all environmental permits that are required for the operation of the Business, each is valid and in good standing, and the Seller~~

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~~has not been advised by any governmental authority of any actual or potential change in the status or term so and conditions of any environmental permit; and (c) other than its use as a service station, the Property never has been used for industrial purposes or for the storage, treatment or disposal of hazardous waste, hazardous material, chemical waste, or other toxic substance. As used herein, the term "Environmental Law" means any law, statute, ordinance, rule, regulation, order or determination of any governmental authority or agency affecting the Property and pertaining to health or the environment including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1982 and the Resource Conservation and Recovery Act of 1986.~~

~~**5.7 — Other Agreements.** Other than the month to month lease with Mr. Morsal as to the back portion of the service station (which has already been terminated pursuant to an Order of the Bankruptcy Court rejecting that lease); the executory contract with PMG; and the lease or tenancy at will with the Bhatti Bros. for the remainder of the service station, the latter of which the Seller will cause to be terminated as a result of the Parties' entry into this Agreement to the extent it is consummated in Chapter 11 anew, there are no agreements or other material obligations (with the exception of a pending contract of record for sale to PMG which has now been replaced by this Contract), outstanding (i) for the sale, exchange or transfer of the Property or any portion thereof or the business operated thereon by Seller, or (ii) which would create or impose any burdens, obligations or restrictions on Purchaser's use or operation of the Property and the business conducted thereon, to the extent the Purchaser is the successful purchaser of the Property in Chapter 11. Further, Seller, by referencing the pending contract of sale with PMG, does not admit or stipulate that such agreement(s) is/are viable. However, the Seller is under an obligation that is not severable from other conditions in this Agreement to avoid such alleged executory contracts and unexpired leases as noted in Section 17.4 of this Agreement other than as to Mr. Morsal whose Lease has already been rejected by Order of the Bankruptcy Court. The Seller is to withdraw the Motion to Approve Sale Free and Clear to PMG as promptly as expedience will permit.~~

~~**5.8 — Condemnation.** No taking by power of eminent domain or condemnation proceeding has been instituted or, to the best of Seller's knowledge, threatened for the permanent or temporary taking or condemnation of all or any portion of the Property.~~

~~**5.9 — Litigation.** There is no pending or, to the best of Seller's knowledge, threatened, litigation, proceeding or investigation relating to the Property, Seller's title thereto, Seller's right to sell the Property or the zoning or use of the Property other than disclosed herein. There is a foreclosure sale in prospect from T.D. Bank, NA; there is a claim for rights against the Property advanced by Bhatti Bros.; there is an executory contract respective to PMG; there are unpaid property taxes from Prince George's County. There are various interested parties who had submitted bidding intentions. Seller intends to satisfy or extinguish all of these liens, claims, encumbrances and interests within the Chapter 11 by and through motions for appropriate relief. The Seller is to Withdraw the Motion to Approve Sale Free and Clear~~

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~~of Liens, Claims, Encumbrances and Interests with PMG, and file a Motion to Approve Sale Free and Clear of Liens, Claims, Encumbrances and Interests with Purchaser herein.~~

~~**5.10 — Mechanics Liens.** No labor has been performed or materials furnished at the request or direction of Seller that could result in a materialman's or mechanic's lien filed against the Property except as shall be fully paid by Seller or released on or before Closing. All real estate taxes on the Property or personal property taxes relative to the business which have become due and which are required to be paid prior to Closing have been or will be paid by Seller on Closing from the sale proceeds.~~

~~**5.11 — Leases.** Other than the Lease to the Bhatti Brothers, the PMG executory contract (which is not a lease) and the lease formerly held by Mr. Morsal, there are no leases or possessory rights of others granted by Seller or to Seller's knowledge, any predecessor in interest of Seller, at or affecting the Property.~~

~~**5.12 — Service Agreements.** There are no service, maintenance, supply or management agreements to which Seller is a party to the Seller's knowledge, whether oral or written other than an agreement for providing inspection services by MWM/Moin Ahmad for five years, which agreement shall be terminated prior to Closing.~~

~~**5.13 — Assessments.** Seller has received no notice and has no knowledge of any pending, improvements, liens or special assessments to be made against the Property by any governmental authority. Seller is aware of real property and/or personal property taxes due to Prince George's County in an amount more than \$84,000.00 and increasing as such taxes are not being paid.~~

~~**5.14 — Employees.** There are no employees employed by Seller in the operation and maintenance of the Property whom Purchaser will be required to hire. Provided however, this does not preclude the Purchaser from hiring Mirza Moin Ahmad, for such purposes as the Purchaser and Mr. Ahmad may agree to by separate writing.~~

~~**5.15 — No Defaults.** Neither the execution, delivery or performance by Seller of this Agreement or any other agreement contemplated hereby, the fulfillment of and compliance with the respective terms and provisions hereof or thereof, nor the consummation by Seller of the transactions contemplated hereby or thereby, will conflict with, or result in a breach of, any of the terms, conditions or provisions of, or constitute any default under any agreement or instrument of which the Seller has knowledge or to which Seller is a party other than those agreements disclosed herein, or set forth in the bankruptcy petition, Schedules or by amendment thereto.~~

~~**5.16 — No Additional Encumbrances.** Seller shall not take any action to further encumber the Property during the pendency of this Agreement.~~

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~~5.17 — **Insurance Notices.** Seller has not received any written or verbal notice from any insurance company or board of fire underwriters of any defects or inadequacies in or on the Property or any part of component thereof that would materially and adversely affect the insurability of the Property or cause any material increase in the premiums for insurance for the Property that have not been cured or repaired.~~

~~5.18 — **Financial Information.** To Seller's knowledge, all financial information delivered or made available to Purchaser is correct and complete in all material respects and presents accurately the results of the operations of the Property for the periods indicated. Since the date of the last financial statement included in the financial materials so provided, there has been no material adverse change in the financial condition or in the operations of the Property.~~

~~5.19 — **Knowledge.** Notwithstanding that certain of Seller's representations and warranties may be limited to the extent of actual knowledge by Seller and/or Seller's agents of the facts stated therein, it shall be a condition precedent to Purchaser's obligation to go to settlement that the facts stated in all such representations and warranties shall be correct as of the time of the Closing.~~

~~5.20 — **Survival of Representations.** The representation and warranties of Seller set forth in this Article shall survive Closing and shall be a continuing representation and warranty.~~

~~6. — **PURCHASER'S REPRESENTATIONS AND WARRANTIES.**~~

~~6.1. — **Due Organization.** Purchaser is duly organized and constituted, validly existing, and in good standing in Maryland and duly qualified under the laws of the State of Maryland to do business in the State with all requisite power and authority to execute, deliver and perform this Agreement and the related agreements and to perform the transactions contemplated hereby. — In the event that this Agreement is assigned to an assignee, such assignee shall be an entity duly organized and constituted, validly existing, and in good standing in its state of organization and duly qualified under the laws of the State of Maryland to do business in the State of Maryland with all requisite power and authority to execute, deliver and perform this Agreement and the related agreements and to perform the transactions contemplated hereby and thereby.~~

~~6.2. — **Organization and Authority.** Purchaser has and in the event this Agreement is assigned, such assignee shall have full power and authority to enter into this Agreement, to purchase the Property from Seller and to otherwise perform its obligations hereunder without the consent of any other person or entity. The execution, delivery and performance of this Agreement, the fulfillment of and compliance with the terms and provisions hereof and the due consummation of the transactions contemplated hereby have been duly and validly~~

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~~authorized, and such authorizations remain in full force and effect. This Agreement and the documents contemplated to be executed in connection herewith have been or will be duly and validly executed and delivered by Purchaser and constitute, or when so executed and delivered, will constitute the legal, valid and binding obligations of the Purchaser enforceable in accordance with their respective terms. The purchase of the Property pursuant to this Agreement (and the consummation of the transactions contemplated herein) does not violate Purchaser's Articles of Incorporation or by laws or violate any law, ordinance, judgment, decree or order to which Purchaser is subject, or which affects Purchaser or the Property.~~

~~**7. CONDITIONS PRECEDENT TO CLOSING.**~~

~~**7.1. Purchaser's Conditions.** Purchaser's obligation to make a full settlement hereunder shall be subject to the satisfaction or written waiver by Purchaser of the conditions precedent set forth in this Article 6 (the "Purchaser's Conditions Precedent");~~

~~(a) Title. A final examination of title to the Property at Closing shall evidence no title exceptions other than the Permitted Exceptions and other matters approved in writing by Purchaser and the Title Company shall be in position to issue title insurance insuring that Purchaser owns good, marketable and indefeasible fee simple title to the Property free and clear of all claims, liens, and encumbrances of any kind or nature whatsoever other than the Permitted Exceptions, and with all standard preprinted exceptions set forth in Schedule B, Section II of the Title Commitment deleted; and without any exceptions for operation of federal bankruptcy, state insolvency or similar creditors' rights laws (the "Title Policy"), in the amount of the Purchase Price.~~

~~(b) Representations and Warranties. Each of Seller's representations and warranties contained herein shall remain true and correct in all material respects.~~

~~(c) Change in Condition. There shall have been no material factual change in matters represented or warranted by Seller in Article 5 (whether or not made as a factual assertion or limited to Seller's knowledge) between the date of execution of this Agreement and the Closing Date.~~

~~(d) Termination of Bhatti and Morsal Lease; Termination of the PMG Executory Contract; and Rights of First Refusal Contained Therein As to Bhatti and PMG. Purchaser shall not be required to make full settlement hereunder unless the lease and option with Bhatti Brothers; the PMG Executory Contract; and the lease with Mr. Morsal (which has already been rejected and there are no remaining rights therein) and all rights set forth therein, including any right of first refusal is terminated and of no further force and effect. It is anticipated that the Seller shall file a Motion to Reject all Unexpired Leases and Executory Contracts. The PMG Agreement shall be rejected as moot.~~

~~(e) Intentionally deleted.~~

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~~(f) — **Termination of Contracts with Continuing Rights.** Purchaser shall not be required to make full settlement hereunder unless all contracts with continuing rights other than those contracts assumed herein and listed on Schedule 1.3 have been terminated. Such contracts shall include any executory contract canceled or terminated in the Seller's prior Bankruptcy proceeding. Seller represents and warrants that the prior executory agreement with Sunoco, Inc. has terminated and a release of deposit has already occurred.~~

~~(g) — **Motions to Be Filed.** The Seller shall have already filed or shall file (a) a Motion to Sell to Annapolis 7750, LLC Free and Clear of Liens, Claims, Encumbrances and Interests pursuant to 11 U.S.C. § 363(f); (b) a Motion to Reject Unexpired Leases and Executory Contracts of Bhatti Bros.; (c) a Motion to Reject PMG Agreement; (i) a Chapter 11 Plan consistent with this Agreement, and (e) such other and further motions as Seller deems necessary to effectuate the sale of the Property free and clear of Liens, Claims, Encumbrances and Interests and to protect the interests of the Seller thereby.~~

~~(h) — **Effect of Failure of Condition.** If any of the Purchaser's Conditions Precedent is not satisfied or waived in writing by Purchaser as of the Closing Date, Purchaser may, at its option, by written notice to Seller, either (i) extend the Closing Date for a reasonable period of time (but not more than sixty (60) days) to allow Seller to satisfy any such Condition Precedent that is reasonably capable of being satisfied by Seller, (ii) terminate this Agreement and receive a return of the Deposit free of any claims by Seller or any other party with respect thereto, or (iii) waive such Condition Precedent and proceed to Closing.~~

~~7.2. — **Seller's Conditions.** Seller's obligation to make a full settlement hereunder shall be subject to the satisfaction or written waiver by Purchaser of the conditions precedent set forth in this Article 7 (the "Seller's Conditions Precedent"):~~

~~(a) **Representations and Warranties.** Each of Purchaser's representations and warranties contained herein shall remain true and correct in all material respects.~~

~~(b) **Change in Condition.** There shall have been no material factual change in matters represented or warranted by Purchaser in Article 6 (whether or not made as a factual assertion or limited to Purchaser's knowledge) between the date of execution of this Agreement and the Closing Date.~~

~~(c) **Effect of Failure of Condition.** If any of the Seller's Conditions Precedent is not satisfied or waived in writing by Seller as of the Closing Date, Purchaser may, at its option, by written notice to Seller, either (i) extend the Closing Date for a reasonable period of time (but not more than thirty (30) days) to allow Seller to satisfy any such Condition Precedent that is reasonably capable of being satisfied by Purchaser, (ii) terminate this Agreement and retain the Deposit free of any~~

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~~claims by Seller or any other party with respect thereto, or (iii) waive such Condition Precedent and proceed to Closing.~~

~~8. **CLOSING.** The Purchaser shall, unless extended as permitted elsewhere in this Agreement, consummate the purchase and sale contemplated herein at a settlement (“Closing”) which shall be at the offices of the Title Company and which shall take place no later than sixty (60) days of the Bankruptcy Court Order confirming the Seller’s Chapter 11 Plan in order to allow an exemption from recordation stamp and transfer taxes under a confirmed plan per Section 1146(a) of Title 11.~~

~~9. **SELLER’S DELIVERIES.** Seller shall execute, as appropriate, and deliver to the Title Company at Closing, the following:~~

~~9.1. **Deed.** A Special Warranty Deed (“Deed”) conveying title to the Property to Purchaser in accordance with the terms of this Agreement, to be prepared by a real estate attorney selected by the Seller and employed on Application with the Bankruptcy Court;~~

~~9.2. **Bill of Sale.** Seller shall deliver a Bill of Sale to Purchaser conveying title to any and all personal property described in Section 1.1, prepared by that professional person referenced in the preceding paragraph.~~

~~9.3. **Seller’s Affidavit.** Such certificates, affidavits and other evidence signed and delivered by Seller, as may reasonably be required to induce the Title Company to issue the Title Policy, or by Order of the Bankruptcy Court, without exception except for the Permitted Exceptions, together with such other items and instruments as the Title Company may reasonably require;~~

~~9.4. **FIRPTA Affidavit.** An affidavit certifying that Seller is not a “foreign person” as that term is defined by Section 1445 of the Internal Revenue Code of 1986, as amended;~~

~~9.5. **Covenant of Non-Completion and Non-Solicitation.** Seller covenants that from and after the Closing Date, it will not, for a period of three (3) years within a five (5) mile radius of the Property, directly or indirectly, jointly or individually, act as the manager, employee, principal, agent, owner, partner (dormant or otherwise), officer or director of a business entity, or otherwise engage or become financially interested in any business which competes with the Business sold hereunder. (Ownership of publicly traded stock in an oil company shall not violate this provision if such ownership represents no more than five percent (5%) of such company’s stock.) Seller further covenants and agrees that it shall not solicit any employees or customers of the Business during said three (3) year period. The consideration for this Covenant of Non-Competition and Non-Solicitation is contained in Section 2.3 above. If Seller should violate this Covenant, Purchaser shall be entitled to enjoin such a breach and also to receive as damages from Moin Ahmad the appropriate sum allocated to the covenant of non-competition in Section 2.3 above, together with all costs and attorney’s fees. This covenant shall be binding on Moin Ahmad. No damages or rights to seek monetary relief~~

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~~against the Seller exist on behalf of the Buyer in the event of such a breach. By executing this Agreement as Officer of Seller, Mr. Moin Ahmad consents individually to such terms.~~

~~9.6. **Other Documents.** Such other items or documents as are required by this Agreement to be delivered by Seller at Closing or which may be reasonably necessary to effect the assignment, conveyance and transfer of the Property, and which are consistent with the obligations of Seller set forth in this Agreement, including, without limitation, all keys, plans, specifications, permits, licenses, transfer tax forms, a settlement sheet and all requisite state and local recordation and transfer tax forms, prepared by that professional person referenced above.~~

~~10. **PURCHASER'S DELIVERIES.** Purchaser shall execute, as appropriate, and deliver, or cause to be delivered, to the Title Company at Closing, the following:~~

~~10.1. **Payment.** By bank wire transfer payment of the Purchase Price as contemplated by Section 2 of which the Deposit shall be a part.~~

~~10.2. **Other Documents.** The Promissory Notes and Deed of Trust and such other documents required by this Agreement to be delivered by Purchaser at Closing and which are consistent with the obligations of Purchaser set forth in this Agreement, including, but not limited to, a settlement sheet and all requisite recordation and transfer tax forms.~~

~~11. **SETTLEMENT CHARGES; PRORATIONS & ADJUSTMENTS.** Purchaser shall pay all transfer taxes, if any, whether federal, state or municipal, assessed for the transfer of the Business and Equipment, unless exempted from payment under Section 1146(a) of Title 11. Per Section 8, Purchaser has elected to close following confirmation or a Chapter 11 Plan in order to obtain an exemption from recognition of stamp and transfer taxes under a confirmed plan per Section 1146(a) of Title 11. Purchaser may elect to close prior to such confirmation and pay such transfer taxes that would be due if Purchaser and Seller so agree following approval of this Agreement. Seller shall bear the costs to release any mortgage or deed of trust encumbrance granted by Seller affecting Seller's title. Title examination and title insurance premiums shall be paid by Purchaser. Notary fees and other general charges relating to the settlement shall be shared equally by the Purchaser and Seller. Purchaser and Seller each shall pay its own respective legal fees related to the preparation of this Agreement and all documents required to settle the transaction contemplated hereby. At Closing, all real and personal property taxes, water rents, sewer charges, any special assessments, business improvement charges and other similar charges affecting the Property and all utility charges shall be adjusted and prorated as of midnight of the day prior to the Closing Date; provided Purchaser shall only be required to reimburse Seller to the extent such amounts have actually been paid by or on behalf of Seller. To the extent practicable, Seller shall attempt to have utility providers read the meters for the Property on the day prior to Closing for purposes of making such prorations and adjustments. All other charges or fees customarily prorated and adjusted in similar transactions shall be adjusted at Closing. All adjustment items to the extent they cannot be precisely determined at Closing (or to the extent found to be~~

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~~erroneous after the Closing), shall be estimated at Closing and shall be resolved no later than sixty (60) days after the Closing Date and, in the interim, reasonable escrow made therefore.~~

~~**12. CHARGING LIEN.** To the extent of any Seller's charging lien in favor of Seller's counsel pursuant to Md. Code Bus. Occup. Law Art. § 10-501, such lien will be satisfied at sale; pursuant to a fee application if required.~~

~~**13. CONDEMNATION AND RISK OF LOSS.** The risk of condemnation of all or any portion of the Property or loss or damage to the Property by fire or other casualty shall be borne by Seller until recordation of the Deed. In the event of (a) the threatened or actual commencement of eminent domain proceedings or actual condemnation or taking of all or any part of the Property, or (b) damage to the Property by fire or other casualty, act of God or any other event on or prior to the Closing Date, which would cost in excess of \$100,000.00 to repair, or prevent Purchaser from operating the Business for a period of 5 days or longer, Purchaser, at its sole option exercisable within thirty (30) days following receipt of written notice of the event giving rise to the exercise of such option, shall have the right to terminate this Agreement, in which event the Deposit shall be returned to Purchaser, and neither party shall have any further obligations or liabilities to the other. If the damage to the Property can be repaired for \$100,000.00 or less and the repair period will be no longer than 5 days, Purchaser will proceed to Closing; or if the cost of repair exceeds \$100,000.00 and the repair period will exceed 5 days and Purchaser does not exercise its option to terminate this Agreement, Purchaser will proceed with the Closing provided that Seller shall reimburse Purchaser for all costs associated with the repairs in excess of any insurance proceeds received by Purchaser with respect thereto. If Purchaser has the right to terminate this Agreement but does not elect to terminate this Agreement, the condemnation awards and/or insurance proceeds as well as any unpaid claims or rights in connection with such condemnation or casualty shall be assigned to Purchaser at Closing or, if paid to Seller prior to Closing, shall be credited to Purchaser at Closing against the Purchase Price. Purchaser shall have the right to participate in the negotiations and settlement of any condemnation or casualty related claim in the event Purchaser elects or is otherwise obligated to proceed with Closing.~~

~~**14. BROKERAGE COMMISSION.** There is no procuring broker on this Purchaser and for this contract of sale and thus no brokerage commission. Seller's Motion to Sell to Annapolis 7750 Free and Clear of Liens, Claims, Encumbrances and Interests pursuant to 11 U.S.C. § 363(f), and Seller's Chapter 11 Plan shall include a provision that the sale pursuant to this Agreement is made without any liability for a brokerage commission. By executing this Agreement, Buyer so certifies that he has engaged no broker and Seller certifies that no broker was the procuring cause for this Agreement and Purchaser.~~

~~**15. DEFAULT PROVISIONS, REMEDIES & LIQUIDATED DAMAGE.**~~

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~~15.1 — **Purchaser's Default.** If Purchaser shall fail or refuse to make settlement hereunder as herein required and Seller is not in default hereunder, Seller may terminate this Agreement, and the Title Company shall pay the Deposit to Seller as liquidated damages for Purchaser's default. The parties agree that Seller's actual damages are not susceptible of determination and are highly speculative and that the Deposit is both a reasonable and fair recovery by Seller and is not a penalty or inequitable forfeiture to or by Purchaser.~~

~~15.2 — **Seller's Default.** If Seller shall fail or refuse to make settlement hereunder as herein required and such failure or refusal continues for at least thirty (30) days following Purchaser's written notice thereof to Seller, and Purchaser is not in default hereunder, Purchaser, at its election, shall be entitled to either (i) terminate this Agreement, in which case Purchaser shall be entitled to the return of the Deposit as its sole remedy, or (ii) in the alternative, sue for specific performance of this Agreement, only as is permitted by the Bankruptcy Court.~~

~~16. — **SELLER'S COVENANTS.** Seller agrees that between the Effective Date and the Closing Date, Seller shall perform the following obligations:~~

~~**16.1 — Continuity of Operation.**~~

~~(a) — Seller shall conduct the Business operation only in the ordinary course of business by and through its lessee, the Bhatti Bros. or directly should the Bhatti Bros. surrender their occupancy of the premises. As noted, Morsal's Lease has already been rejected by an Order of the Bankruptcy Court.~~

~~(b) — Seller shall not acquire or dispose of any material assets or engage in any material transaction other than in the ordinary course of business or as expressly contemplated by the terms of this Agreement.~~

~~(c) — Seller shall not make any material change in its method or management or operation of the Business operation.~~

~~(d) — Seller will not enter into any new service, maintenance or like agreements or any other agreements which would be binding upon Purchaser from and after the Closing, or as provided for by the Bankruptcy Court.~~

~~(e) — Seller shall maintain in full force and effect its present fire and extended coverage insurance policies for the Property, together with public liability insurance with respect to damage or injury to personal property and public liability insurance with respect to damage or injury to person or property occurring on the Property.~~

~~(f) — Seller shall continue to renew the Permits required for the conduct of the Business operation at the Property.~~

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~~(g) Seller shall not undertake any new material improvements to the Property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed. Unless otherwise agreed in writing by Seller and Purchaser, any new material improvements, which are approved by Purchaser, shall be fully completed as of the Closing Date and all debts incurred in connection therewith shall be fully satisfied by Seller on or before the Closing Date, or as provided for by the Bankruptcy Court.~~

17. MISCELLANEOUS PROVISIONS.

~~17.1 Notices. All notices, requests, consents, and other communications hereunder shall be in writing and shall be personally delivered or sent by Federal Express or other recognized overnight delivery service, postage prepaid to the addresses indicated below. Notice shall be deemed received upon delivery if personally delivered or on the second day following deposit with a nationally recognized overnight delivery service~~

If to Seller:

~~Moin Ahmad, Proprietor
MWM & Sons, Corp.
7750 Annapolis Road
Lanham, MD 20706~~

~~With a copy which shall not constitute notice to:~~

~~John D. Burns, Esquire
The Burns Law Firm, LLC
6303 Ivy Lane
Suite 102
Greenbelt, MD 20770~~

If to Purchaser:

~~Meir Duke, Managing Member
Annapolis 7750, LLC
STE-G
11421 Cronhill Dr
Owings Mills, MD 21117~~

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~~With a copy which shall not constitute notice to~~

~~Mark S. Devan,
The Alba Law Group, P.A.
11350 McCormick Road, Suite 200
Executive Plaza III
Hunt Valley, MD 21031
443-541-8600 x 8545
fax 410-296-2131
mdevan@albalawgroup.com~~

~~Any party may change its address for notice set forth above by notice to the other parties. For purposes of this Agreement, notices shall be effective upon receipt or refusal thereof. The parties agree to reasonably cooperate in accepting delivery of Notices hereunder.~~

~~**17.2 — Completeness and Modification.** This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein, and it supersedes all prior discussions, understandings or agreements between the parties. This Agreement shall not be modified or amended except by an instrument or writing signed by and on behalf of the parties. The parties hereto recognize that this is an executory contract and that the Debtor will present it for approval to the Bankruptcy Court. Purchaser is a sophisticated business entity and is represented by competent counsel, both understanding that the Bankruptcy Court may approve some portions of this Agreement and reject others as its inherent powers as an equity court and the Seller's duties to the estate as a fiduciary may require. However, in all respects as to all aspects of this Agreement, Bankruptcy Court approval by a final Order of all terms is a condition precedent to the consummation of the Agreement, and if the Bankruptcy Court rejects some terms and approves other terms, then the parties agree to be bound by Section 17.4 hereof. The property addressed herein is prospectively property of the estate within the exclusive jurisdiction of the Bankruptcy Court pursuant to 28 U.S.C. §§ 1334(e) and 157(a), and the parties hereby agreed to be bound by final Orders of the Bankruptcy Court relative to this Agreement.~~

~~**17.3 — Intentionally deleted.**~~

~~**17.4 — Severability.** If fulfillment of any provision of this Agreement, or performance of any transaction related hereto, at the time such fulfillment or performance shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled or performed shall be reduced to the limit of such validity; and if any clause or provision contained in this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be held ineffective, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect. Notwithstanding anything contained herein to the contrary, the provisions set forth in Sections 1.1, 2, 3 are not provisions which are severable from the Agreement. If any of these provisions are rejected by the Bankruptcy Court pursuant to Section 17.2 above, the Buyer shall have the rights afforded to it for breach hereof.~~

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~~17.5 **Cumulative Remedies.** Except as specifically provided in this Agreement, each and every one of the rights, benefits, and remedies provided to Purchaser or Seller by this Agreement, or any instruments or documents executed pursuant to this Agreement, are cumulative and shall not be exclusive of any other rights, remedies and benefits allowed to such party by this Agreement, at law or in equity.~~

~~17.6 **Construction.** Each party hereto hereby acknowledges that all parties hereto participated equally in the negotiation and drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than against the other. Should any provisions of this Agreement require judicial interpretation, the court interpreting or construing such provision shall not apply the rule of construction that a document is to be construed more strictly against one party.~~

~~17.7 **Pronouns.** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or entity may require.~~

~~17.8 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, devisees, personal representatives, successors and permitted assigns.~~

~~17.9 **Assignment.** Purchaser may assign this Agreement or designate an entity to take title to the Property without Seller's consent following closing, provided, however such assignment shall not release Purchaser from his liability hereunder. Any assignee of Purchaser's rights hereunder or title holder shall, as a condition to the effectiveness of such assignment or taking title to the Property, assume in writing all of the obligations of Purchaser under this Agreement and agree in writing to be bound by its terms.~~

~~17.10 **Waiver: Modification.** Failure by Purchaser or Seller to insist upon or enforce any of its rights hereto shall not constitute a waiver thereof.~~

~~17.11 **Governing Law and Forum.** This Agreement is intended to take effect as a sealed instrument and shall be governed by and construed in accordance with the laws of Title 11 of the United States Code and laws of the State of Maryland, without regard to principles of conflict of laws. As this Agreement is the result of negotiations between sophisticated parties, no inference in favor of, or against, either party shall be drawn from the fact that any portion of this Agreement has been drafted by or on behalf of such party. Each party hereby consents to personal jurisdiction in the State of Maryland.~~

~~17.12 **Tax Consequences.** This Agreement may impose tax consequences upon Purchaser and/or Seller which are complex and require professional guidance and or opinions. Neither counsel for Seller nor counsel for Purchaser has given any tax advice to their respective clients and Seller and Buyer by entering into this Agreement acknowledge that they are no relying upon each party's respective counsel for any tax advisement, rather they will pursue~~

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~~such advice from other tax professionals or choose to enter the transaction without such advisement.~~

~~**17.13 Headings.** The headings are used herein for convenience of reference only, and shall not be deemed to vary the content of this Agreement.~~

~~**17.14 Counterparts.** To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signature of each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of each party or that the signatures of the persons required to bind any party, appear on one or more such counterparts. All counterparts shall collectively constitute a single agreement. Facsimile transmission (or other electronic transmission including email of a "pdf" signature) of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of any party, the parties will confirm facsimile transmitted (or other electronic transmission including email of a "pdf" signature) signatures by signing an original document.~~

~~**17.15 Business Day.** As used herein, the term "Business Day" shall mean any day other than a Saturday or Sunday, or other day recognized as a holiday by the U.S. Government, or upon which banks or similar financial institutions in the State of Maryland are generally closed.~~

~~**17.16 Recitals, Schedules and Exhibits Incorporated.** All of the Recitals at the beginning of this Agreement and all of the Schedules and Exhibits referred to herein are incorporated as a substantive part of this agreement.~~

~~Except as otherwise specifically provided in this Plan, upon the Confirmation Date, title to all remaining property of the Debtor's Chapter 11 estate, including, but not limited to, monies contained in the Claims Distribution Fund shall vest in the Debtor in accordance with §§ 1141(a), (b) and (c) of the Bankruptcy Code, free and clear of all liens, claims or other interests in such property, and the Debtor's Title Agent for the sale and Debtor's counsel shall serve as the disbursing agent for the Cash Distributions. Any sale proceeds shall be held in escrow by Debtor's counsel from the Title Agent. Upon entry of a Confirmation Order, a discharge shall be entered in favor of the Debtor pursuant to §§ 524 and 1141 of the Bankruptcy Code.~~

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~~Unless otherwise ordered by the Bankruptcy Court, all Cash Distributions contemplated by the Plan shall only occur on or subsequent to the Effective Date. All Cash Distributions under the Plan shall be paid in the manner generally set forth in Article III of the Plan. Upon the Effective Date, as noted the Debtor by and through Title Agent and Debtor's counsel shall act as disbursing agent in respect of all Cash Distributions required under the Plan.~~

~~Notwithstanding anything to the contrary in the Plan, pursuant to the defined Disputed Claims Procedure, all Cash Distributions necessary to satisfy the Allowed Claim of any Disputed Claim will be held by the Debtor to the extent of available Cash Distributions pending resolution of the Disputed Claim by the Court. Should a Disputed Claim become an Allowed Claim in whole or in part, then as soon as practicable in the Debtor's judgment following entry of an Order of the Bankruptcy Court adjudicating the previously Disputed Claim or by agreement with the holder of the Disputed Claim, the Debtor shall release to the Allowed Claim such Cash Distributions as would be required on its Allowed Amount pro rata to the other Allowed Claims within its appropriate Class of Claims.~~

~~"Class 1 Claim" shall consist of the Allowed Secured Claim of TD Bank NA [Cl. Dkt. 6] in the amount of \$1,134,163.83 in the Real Property and the Personal Property subject to encumbrance under the Security Agreement and Deed of Trust.~~

~~"Class 2 Claim" shall consist of the Allowed Secured Claim of Prince George's County, MD [Cl. Dkt. 2] in the amount of \$14,746.51 in the Real Property for 2017.~~

~~"Class 2A" shall consist of the Allowed Secured Claim of Beor Fund I, LLC in the amount of \$76,212.61 in the Real Property for 2014, 2015, and 2016.~~

~~"Class 3 Claim" shall consist of the Allowed Secured Claim of Prince~~

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George's County, MD [Cl. Dkt. 9] in the amount of \$14,563.49 in the Real Property for 2018.

"Class 4 Claim" shall consist of the Allowed Secured Claim of Prince George's County, MD [Cl. Dkt. 1] in the amount of \$298.24 in the Personal Property for 2017.

"Class 5 Claims" shall consist of the Unsecured Claims. Class 5 shall consist of (i) Allowed Secured Claim of TD Bank NA [Cl. Dkt. 5] in the amount of \$3,714.91; (ii) Allowed Unsecured Claim of The Office of the United States Trustee \$996.25 [Cl. 4]; (iii) Allowed Unsecured Claim of the Bhatti Bros. \$165,000.00; [Cl. 5]; (iv) Disputed Unsecured Claim of PMG in the amount of \$181,000.15 [Cl. 10] arising from 11 U.S.C. § 365(g). A notice to creditors holding disputed, contingent and unliquidated claims [Dkt. 52] was issued in the case thus at this time, no further proofs of claims have arrived and the Bar Date. Should any such Claims arise they will be considered as untimely for evaluation and allowance based on available assets of the estate under 11 U.S.C. §§ 726(a)(2)(C)(ii); 1129(a)(7). However, all Allowed Unsecured Claims shall share pro rata in any surplus arising from the sale of the Real Property herein.

"Class 6 Claim" shall consist of the Insider Claim against the Debtor by Mr. Ahmad which may not be joined with Class 5 Claims because of 11 U.S.C. § 1129(a)(10). Class 5 Claim consist of \$10,000.00 in pre-petition Priority Claims derived from wages by the Insider and Equity Interest holder herein pursuant to 11 U.S.C. § 507(a)(4). Class 6 is not a Class entitled to vote.

"Class 7 Interests" shall consist of the Equity Interests in the Debtor.

The Debtor has not designated any Class of Claims under §§ 507(a)(2), or 507(a)(8) pursuant to § 1123(a)(1) of the Bankruptcy Code. The Plan contemplates that all

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Allowed Administrative Expense Claims shall be accorded treatment and payment as provided for by the Bankruptcy Code and as otherwise addressed by this Plan, or by prior court Order. The Debtor's counsel is due fees and costs estimated for the Confirmation Date at \$148,288.00 and has received to date \$38,730.88 in retainers and expense reimbursements in escrow. The United States Trustee is owed \$652.50 in respect of fees pursuant to 28 U.S.C. § 1930(a)(6) as this time, which must be paid on or before the Confirmation Date. The Debtor's accountant has not yet designated an estimated figure, but is close to \$19,000.00 in accounting charges. Further, any Allowed Priority Claims shall be treated as required by the Bankruptcy Code and this Plan. Attorneys and accountants fees shall be paid in accordance with Order of this Bankruptcy Court, on Applications to be filed within 60 days of the Confirmation Date. The State of Maryland is owed \$4,358.00 [Cl. 8] as an Allowed Priority Claim, which will be paid at closing on the sale which will occur well before the required sixty (60) months from the Petition Date with statutory interest. The IRS is owed \$1,224.13 [Cl. 3] as an Allowed Priority Claim which will be paid at closing on the sale which will occur well before sixty months (60) from the Petition Date with statutory interest fixed pursuant to 11 U.S.C. § 511. The Insider herein, Mr. Ahmad, holds a Priority Claim for wages in the amount of \$10,000.00, which pursuant to 11 U.S.C. § 507(a)(4) shall be paid to him, absent a failure of compliance with 11 U.S.C. § 1129(a)(8). To the extent cram down is required pursuant to 11 U.S.C. § 1129(b)(2)(B)(ii), the Priority Claim described shall constitute a new value contribution.

Class 1 Claim is Impaired. (T.D. BANK) In full and complete satisfaction of the Class 1 Claim, on the Effective Date or scheduled closing, whichever is later, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the

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collateral securing the Allowed Amount of the Class 1 Claim. For the purposes of the Plan the Allowed Amount of the Class 1 Claim in the Real Property shall be \$1,134,163.83 [Cl. Dkt. 6], with accrued judgment interest at 11.06% to the date of closing. The Class 1 Claim shall be treated through the sale of the Real Property and that Personal Property which conveys pursuant to the Purchase and Sale Agreement (the "Contract") which sale is to close within 90 days of the Confirmation Order. Upon payment in full of the Allowed Class 1 Claim through and in accordance herewith, the lien of the Class 1 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.

Class 2 Claim is Impaired. (Prince George's County, MD) In full and complete satisfaction of the Class 2 Claim, on the Effective Date or scheduled closing, whichever is later, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 2 Claim. For the purposes of the Plan the Allowed Amount of the Class 2 Claim in the Real Property shall be \$14,746.51 [Cl. Dkt. 2]. The Class 2 Claim will be paid at its statutory rate of 20% interest through the date of closing on the sale which is to occur within 90 days from the Confirmation Order. Upon payment in full of the Class 2 Claim through and in accordance herewith, the lien of the Class 2 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.

Class 2A Claim is Impaired. (Beor Fund I, LLC) In full and complete satisfaction of the Class 2A Claim, on the Effective Date or scheduled closing, whichever is later, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present

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value of the collateral securing the Allowed Amount of the Class 2 Claim. For the purposes of the Plan the Allowed Amount of the Class 2 Claim in the Real Property shall be \$14,746.51 [Cl. Dkt. 2]. The Class 2 Claim will be paid at its statutory rate of 20% interest through the date of closing on the sale which is to occur within 90 days from the Confirmation Order. Upon payment in full of the Class 2 Claim through and in accordance herewith, the lien of the Class 2 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.

Class 3 Claim is Impaired. (Prince George's County, MD) In full and complete satisfaction of the Class 3 Claim, on the Effective Date or scheduled closing, whichever is later, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 3 Claim. For the purposes of the Plan the Allowed Amount of the Class 3 Claim in the Real Property shall be \$14,563.49 in the Real Property [Cl. Dkt. 9]. The Class 3 Claim will be paid at The Class 3 Claim will be paid at its statutory rate of interest through the date of closing on the sale which is to occur within 90 days from the Confirmation Order. Upon payment in full of the Class 3 Claim through and in accordance herewith, the lien of the Class 3 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.

Class 4 Claim is Impaired. (Prince George's County, MD) In full and complete satisfaction of the Class 4 Claim, on the Effective Date or scheduled closing, whichever is later, the Debtor shall tender Cash Distributions from Cash Flow equivalent to the present value of the collateral securing the Allowed Amount of the Class 4 Claim. For the

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purposes of the Plan the Allowed Amount of the Class 3 Claim in the Real Property shall be \$298.24 in the Personal Property [Cl. Dkt. 1]. The Class 4 Claim will be paid at the Class 4 Claim will be paid at its statutory rate of interest through the date of closing on the sale which is to occur within 90 days from the Confirmation Order. Upon payment in full of the Class 4 Claim through and in accordance herewith, the lien of the Class 4 Claimholder against the collateral, or any other property of the Debtor, shall be released, such lien being expressly preserved during the pendency of this Plan through the closing date on the sale.

Class 5 Claims are Impaired. (Unsecured Claims) In full and complete satisfaction, discharge and release of the Class 5 Claims, on the Effective Date or scheduled closing, whichever is later, the Allowed Unsecured Claims shall receive Cash Distributions from the closing on the Contract of the sale previously referenced which is anticipated to occur within 90 days from the closing date in their Allowed Amounts set forth at Section 2.5 plus interest at the legal rate set forth at 28 U.S.C. § 1961. Any surplus Revenues from the sale of the Real Property above and beyond the Allowed Administrative Expense Claims, Allowed Priority Claims, Allowed Secured Claims shall be paid to the Allowed Unsecured Claims. The Disputed PMG Rejection Claim shall be paid *pro rata* if it becomes an Allowed Unsecured Claim in whole or in part with the Class 5 Claims or become a Disallowed Unsecured Claim depending upon a Bankruptcy Court Order.

Class 6 Claim Is Impaired (Moin Ahmad) In full and complete satisfaction, release and discharge of the Class 6 Claim, on the Effective Date or scheduled closing, whichever is later, either it shall be dedicated to the Plan in the event a new value contribution is required in the event of a failure of 11 U.S.C. § 1129(a)(8), or it shall be paid to the Class 6 Claimholder as a Priority Claim under 11 U.S.C. § 507(a)(4) from the closing on the Contract

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of the sale previously referenced which is anticipated to occur within 90 days from the closing date in the Face Amount of \$10,000.00.

Class 7 Interests are Impaired. The Equity Interests shall extinguish upon the Confirmation Date. No Equity Interest holder shall receive or retain any interest in property of the estate on account of any pre-petition interest. However, the Equity Interests may receive Cash Distributions to the extent Allowed Claims are paid in full from the closing on the sale of the Contract referenced above. A determination of new value shall be deferred until the Confirmation Date in which case to the extent there is a failure of compliance with 11 U.S.C. § 1129(a)(8), the Debtor shall seek a determination of new value by contested matter based upon a contribution of new value and money's worth at that time, which the Debtor proffers is met by \$10,000.00 in a cash contribution on the Confirmation Date by waiver of payment of the Insider's Priority Claim. It is specifically contemplated that the surrender of the wage claim contemplated in paragraph 3.6 hereof is a new value contribution.

THE PLAN EXPRESSLY CONTEMPLATES A WIPE OUT OF MOHAMMAD MAROOF KHAN'S 1% OWNERSHIP INTEREST AS HE WILL NOT BE MAKING A NEW VALUE CONTRIBUTION OR RETAINING OR RECEIVING ANY EQUITY INTEREST IN RESPECT OF THIS PLAN ON THE CONFIRMATION DATE. THIS PLAN SPECIFICALLY CONTEMPLATES THE ISSUANCE OF UNCERTIFICATED SECURITIES OF OWNERSHIP BY SHARES TO MOIN AHMAD FOR 100% OF THE OWNERSHIP OF THE DEBTOR PURSUANT TO 11 U.S.C. § 1123(a)(5)(J) IN RESPECT OF ANY CASH DISTRIBUTIONS TO BE RECEIVED BY EQUITY SHOULD ALL ALLOWED CLAIMS BY CREDITORS HEREIN BE FIRST PAID IN FULL. MR. KHAN WILL BE WIPED OUT AS A SHAREHOLDER UPON THE CONFIRMATION DATE.

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The Debtor has not designated any Class of Claims under §§ 507(a)(2), or 507(a)(8) pursuant to § 1123(a)(1) of the Bankruptcy Code. The Plan contemplates that all Allowed Administrative Expense Claims shall be accorded treatment and payment in full as provided for by the Bankruptcy Code and as otherwise addressed by this Plan, or by prior court Order (with the exception of the Section 507(a)(4) Priority Claim set forth at Class 6 treated as set forth therein). Further, any Allowed Priority Claims shall be treated as required by the Bankruptcy Code and this Plan. Such Administrative Expense Claims and Allowed Priority Claims are set forth in 2.8.

The Debtor's schedules and statement of financial affairs represent *prima facie* evidence as to the Claims which have been scheduled, except to the extent amended or in the event an objection to Claim is filed, irrespective of its description in the schedules and/or statement of financial affairs. To the extent any proof of claim filed by an Allowed Claim Holder alters or amends the Claim of such entity or person, the Debtor may file an Objection to Claim which shall place such Disputed Claim into litigation, producing a potentially Disallowed Amount, irrespective of the schedules and statement of financial affairs.

No treatment provided or described herein as to any Allowed Claim shall be preclusive upon an objection to such Claim should grounds exist pursuant to 11 U.S.C. § 502(b). Upon objection, such Claim shall be a Disputed Claim until resolution.

This Plan is a reorganizing sale Plan under § 1129(a) and (b) of the Bankruptcy Code and is materially premised upon Cash Distributions from the sale of the Real Property and Personal Property by and through a Distribution Fund to Classes of Claims in accordance with the priorities and terms identified in Articles III and IV of the Plan to be derived from the

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Contract for sale of same previously referenced. The length of the Plan is anticipated to be not longer than 180 days from the Confirmation Order the time to settle upon the proposed sale and to disburse to Allowed Claims and for the Court to rule upon and payments to be tendered to Allowed Administrative Expense Claims.

The Debtor attaches by reference and incorporates Dkt. 219 consisting of the Motion to Approve Sale of 7750 Annapolis Road Lanham, Maryland 20706 And All Or Substantially All of the Property of the Estate Free and Clear of Liens, Claims, Encumbrances and Interests Pursuant to 11 U.S.C. §§ 363(f), and (m) to Annapolis 7750, LLC (“Purchaser” or “Buyer”) (the “Motion”). The salient terms of the Contract follow (noting that the Allocation [Para. 2.3] and the Approval Date [Para. 3] have been altered to meet and addendum which will be filed shortly between Purchaser and Debtor concerning the transaction:

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I. PURCHASE AND SALE. Purchaser agrees to acquire the Property from Seller, and Seller agrees to sell the Property to Purchaser, pursuant to the terms and conditions set forth herein.

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I.1. Property Sold. Except as set forth in Section 1.2 below, the Property includes, without limitation, the following:

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(a) **Land, Building and Improvements.** The Land, Building and Improvements and any and all interests, options or rights therein owned or leased by the Seller and used in the operation of the Business and any and all easements, rights of way and appurtenances thereon and thereto and other improvements and fixtures attached to such real property owned or leased by Seller;

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(b) **Inventory.** All inventory on hand, including all gasoline stored in the tanks and all product held for sale as part of the Business.

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(c) **Machinery, Equipment and Supplies.** Any and all tangible personal property, equipment, machinery, tools, supplies, furniture, leasehold improvements, non-inventoried stores and supplies and other miscellaneous tangible personal property of the Seller used in the operation of the Business (the “MES”). A list of the MES is attached hereto as Schedule I.1(c);

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(d) Licenses, Permits. Any and all federal, state, local and other governmental licenses, permits, approvals and authorizations that relate to the operation of the Business (the "Permits"), to the extent transferable. A list of the Permits is attached hereto as Exhibit 1.1(d).

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(e) Goodwill, Telephone Number(s). The goodwill, customer lists, records and telephone number(s) of the Business.

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1.2. Excluded Assets. None

1.3. Physical Condition. The Property is sold and shall be conveyed in its "AS IS" condition as of the Closing Date, with only those warranties and representations specifically set forth in this Agreement; all other warranties and representations being expressly disclaimed.

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2. PURCHASE PRICE. The purchase price (the "Purchase Price") for the Property shall be an amount equal to the sum of the following:

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(a) One Million Nine Hundred Thousand Dollars (\$1,900,000.00); plus

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(b) The cost of Inventory determined by Weighted Average Cost (WAC). Inventory to be taken the night before the Closing.

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2.1. Deposit. The Purchaser has placed a deposit of Twenty Five Thousand Dollars (\$25,000.00) (the "Deposit") from The Alba Law Group, PA to The Burns Law Firm, LLC in a non-interest bearing escrow. At Closing, the Deposit shall be delivered to the Purchaser's chosen Title Company in immediately available funds and applied to the payment of the Purchase Price. If the Closing does not occur for any reason other than a default by Purchaser, the Deposit shall be refunded to Purchaser.

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2.2. Payment of Purchase Price. The Purchase Price shall be paid as follows:

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(a) At Closing, Seller shall be credited with the Deposit and Purchaser shall pay Seller the sum of One Million Eight Hundred Thousand (\$1,875,000.00) in cash, certified check, or other immediately available funds;

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(b) At Closing, Purchaser shall pay Seller the cost of the inventory in cash, certified check, or other immediately available funds.

2.3 Allocation of the Purchase Price. After due negotiation, the Parties agree that the Purchase Price shall be allocated \$1,200,000.00 to the Land; \$600,000.00 to the Building and Improvements; \$50,000.00 to the Machinery, Equipment and Supplies; \$25,000.00 to goodwill; and \$25,000.00 to the Covenant of Non-Competition and Non-Solicitation in Section 9.5 below. The parties agree that in making the allocation

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they have consulted with their respective accountants using the methods required by Internal Revenue Code Section 1060. The parties agree that this paragraph may be amended if they mutually further agree to a different allocation than is set forth above herein prior to closing.

3. Bankruptcy Court Approval. *It is understood and agreed that this Contract is contingent upon approval of the United States Bankruptcy Court for the District of Maryland. Seller shall promptly seek approval of this Contract by the Bankruptcy Court. Upon receipt of such approval, Seller shall give written notice to Purchaser. In the event Purchaser does not receive written proof of approval by September 30, 2018, then Purchaser shall have the right to terminate the Contract by giving written notice to Seller, whereupon the deposit shall be returned to Purchaser absent a Buyer failure under § 10 (a) and the parties shall be relieved of any further liabilities or obligations hereunder. Ratification of this Contract shall occur by mutual execution of this contract by Purchaser and Bankruptcy Court Approval or execution by Seller.*

4. TITLE.

4.1. Title Commitment and Documents. *Title to the Property shall be good and marketable of record, via special warranty deed, free of financial encumbrances and subject only to Permitted Exceptions, as hereinafter defined. Purchaser shall have thirty (30) days from the Effective Date to obtain a commitment to issue a title policy covering the Property (the "Title Commitment") and a survey of the Property. Purchaser shall notify Seller in writing within forty-five (45) days of the Effective Date (the "Title Objection Letter"), of any exceptions to title are not acceptable to Purchaser. Any title matters not identified in the Title Objection Letter shall be deemed to be "Permitted Exceptions" under this Agreement. With respect to any objections to title set forth in the Title Objection Letter, Seller shall have the right, but not the obligation, to cure such objections. Within ten (10) days after receipt of the Title Objection Letter, Seller shall notify Purchaser in writing whether Seller elects to attempt to cure such objections. If Seller does not respond, Seller shall be deemed to have elected not to cure any such objections. If Seller elects to attempt to cure any title objection, and provided that Purchaser shall not have terminated this Agreement, Seller shall have until the date of Closing to remove, satisfy or cure the same and for this purpose Seller shall be entitled to a reasonable adjournment of the Closing if additional time is required, but in no event shall the adjournment exceed thirty (30) days after the date for Closing. If Seller elects not to cure any objections specified in Purchaser's notice, or if Seller is unable to effect a cure prior to the Closing (or any date to which the Closing has been adjourned), Purchaser shall have the following options: (i) to accept a conveyance of the Property; or (ii) to terminate this Agreement by sending written notice thereof to Seller, and upon delivery of such notice of termination, this Agreement shall terminate and the Deposit shall be returned to Purchaser, and thereafter neither party shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement. Seller shall not, after the Effective Date, subject the Property to or permit or suffer to exist any liens, encumbrances, covenants, conditions, restrictions, easements or other title matters or seek any zoning changes without Purchaser's prior written consent.*

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5. SELLER'S REPRESENTATIONS AND WARRANTIES. *Seller makes the following representations and warranties to Purchaser as of the Effective Date and as of Closing.*

5.1. Due Organization. *Seller is a Maryland corporation, duly organized and constituted, validly existing, and not in good standing under the laws of the State of Maryland, but subject to cure prior to Closing Date, and has or will have all requisite power and authority to execute, deliver and perform this Agreement and the related agreements and to perform the transactions contemplated herein. Should Seller decline to place the corporate status in good standing, then any Bankruptcy Court Order approving this sale of any approved Chapter 11 Plan shall confirm Seller's authority to convey the Property notwithstanding that Seller is not in good standing.*

Organization and Authority. *Seller has full power and authority to enter into this Agreement, and under 11 U.S.C. § 363(f), to sell the Property to Purchaser free and clear of claims, non-excluded liens, encumbrances or interests, and to otherwise perform its obligations hereunder without the consent of any other person or entity and deliver to the Purchaser the protections of 11 U.S.C. § 363(m). The execution, delivery and performance of this Agreement, the fulfillment of and compliance with the terms and provisions hereof and the due consummation of the transactions contemplated hereby have been duly and validly authorized, and such authorizations remain in full force and effect. This Agreement and the documents contemplated to be executed in connection herewith have been or will be duly and validly executed and delivered by Seller and constitute, or when so executed and delivered, will constitute the legal, valid and binding obligations of the Seller enforceable in accordance with their respective terms. The sale of the Property pursuant to this Agreement (and the consummation of the transactions contemplated herein) does not violate Seller's Articles of Incorporation or violate any law, ordinance, judgment, decree or order to which Seller or the Property is subject, or which affects Seller or the Property. Seller is not a "foreign person" as that term is defined by Section 1445 of the Internal Revenue Code of 1986, as amended.*

5.2. Title to Real Property and Personal Property. *Seller has good, marketable and indefeasible title to the Property and Seller will convey such title to Purchaser on the Closing Date, free and clear of all options, rights, covenants, easements, liens, pending litigation rights, and other rights in favor of third parties other than Permitted Exceptions. Purchaser will be vested with good, marketable and indefeasible title to the Property free and clear of claims, liens, encumbrances, and interests all extinguished upon payment of the Purchase Price. Seller owns title to the Equipment and other items of personal property reflected on the Inventory to be delivered to Purchaser, free and clear of any liens, claims, encumbrances and interests. The Equipment is purchased as is.*

5.3. Compliance with Laws; Licenses and Permits. To the best of Seller's knowledge:

(a) *The Property and the current operation thereof complies with all laws, regulations, ordinances, rules, orders and other requirements of all governmental authorities having jurisdiction over the Property or affecting all or any part thereof or*

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bearing on its construction or operation, and with all private covenants or restrictions;

(b) Seller has acquired all permits, easements, and rights-of-way, including, without limitation, all building and occupancy permits from all governmental authorities having jurisdiction over the Property or from private parties for the normal use, maintenance, occupancy, and operation of the Property as a Business;

(c) There is access, ingress and egress to and from the Property from the adjacent street, sidewalk and alley as required to permit normal use of the Improvements; and

(d) All Permits, easements and rights-of-way are in full force and effect.

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5.5 Actions and Proceedings. There are no actions or proceedings (including, without limitation, any condemnation, environmental, zoning or other land use regulation proceedings (including any moratoria)) pending or, to the best of Seller's knowledge known or threatened against Seller or the Property which could have an adverse effect on Purchaser's intended use of the Property for the Business.

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5.6 Environmental Matters. Except as disclosed by Seller to Purchaser in writing, (a) neither the Property nor Seller's operation and management thereof is in violation of any Environmental Law (as hereinafter defined) or is subject to any pending or threatened litigation or inquiry by any governmental authority or to any remedial action or obligations under any Environmental Law; (b) the Seller possesses all environmental permits that are required for the operation of the Business, each is valid and in good standing, and the Seller has not been advised by any governmental authority of any actual or potential change in the status or term so and conditions of any environmental permit; and (c) other than its use as a service station, the Property never has been used for industrial purposes or for the storage, treatment or disposal of hazardous waste, hazardous material, chemical waste, or other toxic substance. As used herein, the term "Environmental Law" means any law, statute, ordinance, rule, regulation, order or determination of any governmental authority or agency affecting the Property and pertaining to health or the environment including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1982 and the Resource Conservation and Recovery Act of 1986.

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5.7 Other Agreements. Other than the month to month lease with Mr. Morsal as to the back portion of the service station (which has already been terminated pursuant to an Order of the Bankruptcy Court rejecting that lease); the executory contract with PMG; and the lease or tenancy at will with the Bhatti Bros. for the remainder of the service station, the latter of which the Seller will cause to be terminated as a result of the Parties' entry into this Agreement to the extent it is consummated in Chapter 11 anew, there are no agreements or other material obligations (with the exception of a pending contract of record for sale to PMG which has now been replaced by this Contract), outstanding (i) for the sale, exchange or transfer of the Property or any portion thereof or the business operated thereon by Seller.

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or (ii) which would create or impose any burdens, obligations or restrictions on Purchaser's use or operation of the Property and the business conducted thereon, to the extent the Purchaser is the successful purchaser of the Property in Chapter 11. Further, Seller, by referencing the pending contract of sale with PMG, does not admit or stipulate that such agreement(s) is/are viable. However, the Seller is under an obligation that is not severable from other conditions in this Agreement to avoid such alleged executory contracts and unexpired leases as noted in Section 17.4 of this Agreement other than as to Mr. Morsal whose Lease has already been rejected by Order of the Bankruptcy Court. The Seller is to withdraw the Motion to Approve Sale Free and Clear to PMG as promptly as expedience will permit.

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5.8 Condemnation. No taking by power of eminent domain or condemnation proceeding has been instituted or, to the best of Seller's knowledge, threatened for the permanent or temporary taking or condemnation of all or any portion of the Property.

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5.9 Litigation. There is no pending or, to the best of Seller's knowledge, threatened, litigation, proceeding or investigation relating to the Property, Seller's title thereto, Seller's right to sell the Property or the zoning or use of the Property other than disclosed herein. There is a foreclosure sale in prospect from T.D. Bank, NA; there is a claim for rights against the Property advanced by Bhatti Bros.; there is an executory contract respective to PMG; there are unpaid property taxes from Prince George's County. There are various interested parties who had submitted bidding intentions. Seller intends to satisfy or extinguish all of these liens, claims, encumbrances and interests within the Chapter 11 by and through motions for appropriate relief. The Seller is to Withdraw the Motion to Approve Sale Free and Clear of Liens, Claims, Encumbrances and Interests with PMG, and file a Motion to Approve Sale Free and Clear of Liens, Claims, Encumbrances and Interests with Purchaser herein.

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5.10 Mechanics Liens. No labor has been performed or materials furnished at the request or direction of Seller that could result in a materialman's or mechanic's lien filed against the Property except as shall be fully paid by Seller or released on or before Closing. All real estate taxes on the Property or personal property taxes relative to the business which have become due and which are required to be paid prior to Closing have been or will be paid by Seller on Closing from the sale proceeds.

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5.11 Leases. Other than the Lease to the Bhatti Brothers; the PMG executory contract (which is not a lease) and the lease formerly held by Mr. Morsal, there are no leases or possessory rights of others granted by Seller or to Seller's knowledge, any predecessor-in-interest of Seller, at or affecting the Property.

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5.12 Service Agreements. There are no service, maintenance, supply or management agreements to which Seller is a party to the Seller's knowledge, whether oral or written other than an agreement for providing inspection services by MWM/Moin Ahmad for five years, which agreement shall be terminated prior to Closing.

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5.13 Assessments. Seller has received no notice and has no knowledge of any pending, improvements, liens or special assessments to be made against the Property by any governmental authority. Seller is aware of real property and/or personal property taxes due to Prince George's County in an amount more than \$84,000.00 and increasing as such taxes are not being paid.

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5.14 Employees. There are no employees employed by Seller in the operation and maintenance of the Property whom Purchaser will be required to hire. Provided however, this does not preclude the Purchaser from hiring Mirza Moin Ahmad, for such purposes as the Purchaser and Mr. Ahmad may agree to by separate writing.

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5.15 No Defaults. Neither the execution, delivery or performance by Seller of this Agreement or any other agreement contemplated hereby, the fulfillment of and compliance with the respective terms and provisions hereof or thereof, nor the consummation by Seller of the transactions contemplated hereby or thereby, will conflict with, or result in a breach of, any of the terms, conditions or provisions of, or constitute any default under any agreement or instrument of which the Seller has knowledge or to which Seller is a party other than those agreements disclosed herein, or set forth in the bankruptcy petition, Schedules or by amendment thereto.

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5.16 No Additional Encumbrances. Seller shall not take any action to further encumber the Property during the pendency of this Agreement.

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5.17 Insurance Notices. Seller has not received any written or verbal notice from any insurance company or board of fire underwriters of any defects or inadequacies in or on the Property or any part of component thereof that would materially and adversely affect the insurability of the Property or cause any material increase in the premiums for insurance for the Property that have not been cured or repaired.

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5.18 Financial Information. To Seller's knowledge, all financial information delivered or made available to Purchaser is correct and complete in all material respects and presents accurately the results of the operations of the Property for the periods indicated. Since the date of the last financial statement included in the financial materials so provided, there has been no material adverse change in the financial condition or in the operations of the Property.

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5.19 Knowledge. Notwithstanding that certain of Seller's representations and warranties may be limited to the extent of actual knowledge by Seller and/or Seller's agents of the facts stated therein, it shall be a condition precedent to Purchaser's obligation to go to settlement that the facts stated in all such representations and warranties shall be correct as of the time of the Closing.

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5.20 Survival of Representations. The representation and warranties of Seller set forth in this Article shall survive Closing and shall be a continuing representation and warranty.

6. PURCHASER’S REPRESENTATIONS AND WARRANTIES.

6.1. Due Organization. Purchaser is duly organized and constituted, validly existing, and in good standing in Maryland and duly qualified under the laws of the State of Maryland to do business in the State with all requisite power and authority to execute, deliver and perform this Agreement and the related agreements and to perform the transactions contemplated hereby. In the event that this Agreement is assigned to an assignee, such assignee shall be an entity duly organized and constituted, validly existing, and in good standing in its state of organization and duly qualified under the laws of the State of Maryland to do business in the State of Maryland with all requisite power and authority to execute, deliver and perform this Agreement and the related agreements and to perform the transactions contemplated hereby and thereby.

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6.2. Organization and Authority. Purchaser has and in the event this Agreement is assigned, such assignee shall have full power and authority to enter into this Agreement, to purchase the Property from Seller and to otherwise perform its obligations hereunder without the consent of any other person or entity. The execution, delivery and performance of this Agreement, the fulfillment of and compliance with the terms and provisions hereof and the due consummation of the transactions contemplated hereby have been duly and validly authorized, and such authorizations remain in full force and effect. This Agreement and the documents contemplated to be executed in connection herewith have been or will be duly and validly executed and delivered by Purchaser and constitute, or when so executed and delivered, will constitute the legal, valid and binding obligations of the Purchaser enforceable in accordance with their respective terms. The purchase of the Property pursuant to this Agreement (and the consummation of the transactions contemplated herein) does not violate Purchaser’s Articles of Incorporation or by-laws or violate any law, ordinance, judgment, decree or order to which Purchaser is subject, or which affects Purchaser or the Property.

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7. CONDITIONS PRECEDENT TO CLOSING.

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7.1. Purchaser’s Conditions. Purchaser’s obligation to make a full settlement hereunder shall be subject to the satisfaction or written waiver by Purchaser of the conditions precedent set forth in this Article 6 (the “Purchaser’s Conditions Precedent”):

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(a) Title. A final examination of title to the Property at Closing shall evidence no title exceptions other than the Permitted Exceptions and other matters approved in writing by Purchaser and the Title Company shall be in position to issue title insurance insuring that Purchaser owns good, marketable and indefeasible fee simple title to the Property free and clear of all claims, liens, and encumbrances of any kind or nature whatsoever other than the Permitted Exceptions, and with all standard preprinted exceptions set forth in Schedule B, Section II of the Title Commitment deleted; and without any exceptions for operation of federal bankruptcy, state

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insolvency or similar creditors' rights laws (the "Title Policy"), in the amount of the Purchase Price.

(b) **Representations and Warranties.** Each of Seller's representations and warranties contained herein shall remain true and correct in all material respects.

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(c) **Change in Condition.** There shall have been no material factual change in matters represented or warranted by Seller in Article 5 (whether or not made as a factual assertion or limited to Seller's knowledge) between the date of execution of this Agreement and the Closing Date.

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(d) **Termination of Bhatti and Morsal Lease; Termination of the PMG Executory Contract; and Rights of First Refusal Contained Therein As to Bhatti and PMG.** Purchaser shall not be required to make full settlement hereunder unless the lease and option with Bhatti Brothers; the PMG Executory Contract; and the lease with Mr. Morsal (which has already been rejected and there are no remaining rights therein) and all rights set forth therein, including any right of first refusal is terminated and of no further force and effect. It is anticipated that the Seller shall file a Motion to Reject all Unexpired Leases and Executory Contracts. The PMG Agreement shall be rejected as moot.

(e) **Intentionally deleted.**

(f) **Termination of Contracts with Continuing Rights.** Purchaser shall not be required to make full settlement hereunder unless all contracts with continuing rights other than those contracts assumed herein and listed on Schedule 1.3 have been terminated. Such contracts shall include any executory contract canceled or terminated in the Seller's prior Bankruptcy proceeding. Seller represents and warrants that the prior executory agreement with Sunoco, Inc. has terminated and a release of deposit has already occurred.

(g) **Motions to Be Filed.** The Seller shall have already filed or shall file (a) a Motion to Sell to Annapolis 7750, LLC Free and Clear of Liens, Claims, Encumbrances and Interests pursuant to 11 U.S.C. § 363(f); (b) a Motion to Reject Unexpired Leases and Executory Contracts of Bhatti Bros.; (c) a Motion to Reject PMG Agreement; (i) a Chapter 11 Plan consistent with this Agreement, and (e) such other and further motions as Seller deems necessary to effectuate the sale of the Property free and clear of Liens, Claims, Encumbrances and Interests and to protect the interests of the Seller thereby.

(h) **Effect of Failure of Condition.** If any of the Purchaser's Conditions Precedent is not satisfied or waived in writing by Purchaser as of the Closing Date, Purchaser may, at its option, by written notice to Seller, either (i) extend the Closing Date for a reasonable period of time (but not more than sixty (60) days) to allow Seller to satisfy

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any such Condition Precedent that is reasonably capable of being satisfied by Seller, (ii) terminate this Agreement and receive a return of the Deposit free of any claims by Seller or any other party with respect thereto, or (iii) waive such Condition Precedent and proceed to Closing.

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7.2. **Seller's Conditions.** Seller's obligation to make a full settlement hereunder shall be subject to the satisfaction or written waiver by Purchaser of the conditions precedent set forth in this Article 7 (the "Seller's Conditions Precedent"):

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(a) **Representations and Warranties.** Each of Purchaser's representations and warranties contained herein shall remain true and correct in all material respects.

(b) **Change in Condition.** There shall have been no material factual change in matters represented or warranted by Purchaser in Article 6 (whether or not made as a factual assertion or limited to Purchaser's knowledge) between the date of execution of this Agreement and the Closing Date.

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(c) **Effect of Failure of Condition.** If any of the Seller's Conditions Precedent is not satisfied or waived in writing by Seller as of the Closing Date, Purchaser may, at its option, by written notice to Seller, either (i) extend the Closing Date for a reasonable period of time (but not more than thirty (30) days) to allow Seller to satisfy any such Condition Precedent that is reasonably capable of being satisfied by Purchaser, (ii) terminate this Agreement and retain the Deposit free of any claims by Seller or any other party with respect thereto, or (iii) waive such Condition Precedent and proceed to Closing.

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8. **CLOSING.** The Purchaser shall, unless extended as permitted elsewhere in this Agreement, consummate the purchase and sale contemplated herein at a settlement ("**Closing**") which shall be at the offices of the Title Company and which shall take place no later than sixty (60) days of the Bankruptcy Court Order confirming the Seller's Chapter 11 Plan in order to allow an exemption from recordation stamp and transfer taxes under a confirmed plan per Section 1146(a) of Title 11.

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9. **SELLER'S DELIVERIES.** Seller shall execute, as appropriate, and deliver to the Title Company at Closing, the following:

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9.1. **Deed.** A Special Warranty Deed ("**Deed**") conveying title to the Property to Purchaser in accordance with the terms of this Agreement, to be prepared by a real estate attorney selected by the Seller and employed on Application with the Bankruptcy Court;

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9.2. **Bill of Sale.** Seller shall deliver a Bill of Sale to Purchaser conveying title to any and all personal property described in Section 1.1, prepared by that professional person referenced in the preceding paragraph.

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9.3. **Seller's Affidavit.** Such certificates, affidavits and other evidence signed and delivered by Seller, as may reasonably be required to induce the Title Company to issue the Title Policy, or by Order of the Bankruptcy Court, without exception except for the Permitted Exceptions, together with such other items and instruments as the Title Company may reasonably require;

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9.4. **FIRPTA Affidavit.** An affidavit certifying that Seller is not a "foreign person" as that term is defined by Section 1445 of the Internal Revenue Code of 1986, as amended;

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9.5. **Covenant of Non-Completion and Non-Solicitation.** Seller covenants that from and after the Closing Date, it will not, for a period of three (3) years within a five (5) mile radius of the Property, directly or indirectly, jointly or individually, act as the manager, employee, principal, agent, owner, partner (dormant or otherwise), officer or director of a business entity, or otherwise engage or become financially interested in any business which competes with the Business sold hereunder. (Ownership of publicly-traded stock in an oil company shall not violate this provision if such ownership represents no more than five percent (5%) of such company's stock.) Seller further covenants and agrees that it shall not solicit any employees or customers of the Business during said three (3) year period. The consideration for this Covenant of Non-Competition and Non-Solicitation is contained in Section 2.3 above. If Seller should violate this Covenant, Purchaser shall be entitled to enjoin such a breach and also to receive as damages from Moin Ahmad the appropriate sum allocated to the covenant of non-competition in Section 2.3 above, together with all costs and attorney's fees. This covenant shall be binding on Moin Ahmad. No damages or rights to seek monetary relief against the Seller exist on behalf of the Buyer in the event of such a breach. By executing this Agreement as Officer of Seller, Mr. Moin Ahmad consents individually to such terms.

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9.6. **Other Documents.** Such other items or documents as are required by this Agreement to be delivered by Seller at Closing or which may be reasonably necessary to effect the assignment, conveyance and transfer of the Property, and which are consistent with the obligations of Seller set forth in this Agreement, including, without limitation, all keys, plans, specifications, permits, licenses, transfer tax forms, a settlement sheet and all requisite state and local recordation and transfer tax forms, prepared by that professional person referenced above.

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10. **PURCHASER'S DELIVERIES.** Purchaser shall execute, as appropriate, and deliver, or cause to be delivered, to the Title Company at Closing, the following:

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10.1. **Payment.** By bank wire transfer payment of the Purchase Price as contemplated by Section 2 of which the Deposit shall be a part.

10.2. **Other Documents.** The Promissory Notes and Deed of Trust and such other documents required by this Agreement to be delivered by Purchaser at Closing and which are consistent with the obligations of Purchaser set forth in this Agreement, including, but not limited to, a settlement sheet and all requisite recordation and transfer tax forms.

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11. SETTLEMENT CHARGES; PRORATIONS & ADJUSTMENTS. *Purchaser shall pay all transfer taxes, if any, whether federal, state or municipal, assessed for the transfer of the Business and Equipment, unless exempted from payment under Section 1146(a) of Title 11. Per Section 8, Purchaser has elected to close following confirmation or a Chapter 11 Plan in order to obtain an exemption from recognition of stamp and transfer taxes under a confirmed plan per Section 1146(a) of Title 11. Purchaser may elect to close prior to such confirmation and pay such transfer taxes that would be due if Purchaser and Seller so agree following approval of this Agreement. Seller shall bear the costs to release any mortgage or deed of trust encumbrance granted by Seller affecting Seller's title. Title examination and title insurance premiums shall be paid by Purchaser. Notary fees and other general charges relating to the settlement shall be shared equally by the Purchaser and Seller. Purchaser and Seller each shall pay its own respective legal fees related to the preparation of this Agreement and all documents required to settle the transaction contemplated hereby. At Closing, all real and personal property taxes, water rents, sewer charges, any special assessments, business improvement charges and other similar charges affecting the Property and all utility charges shall be adjusted and prorated as of midnight of the day prior to the Closing Date; provided Purchaser shall only be required to reimburse Seller to the extent such amounts have actually been paid by or on behalf of Seller. To the extent practicable, Seller shall attempt to have utility providers read the meters for the Property on the day prior to Closing for purposes of making such prorations and adjustments. All other charges or fees customarily prorated and adjusted in similar transactions shall be adjusted at Closing. All adjustment items to the extent they cannot be precisely determined at Closing (or to the extent found to be erroneous after the Closing), shall be estimated at Closing and shall be resolved no later than sixty (60) days after the Closing Date and, in the interim, reasonable escrow made therefore.*

12. CHARGING LIEN. *To the extent of any Seller's charging lien in favor of Seller's counsel pursuant to Md. Code. Bus. Occup. Law Art. § 10-501, such lien will be satisfied at sale; pursuant to a fee application if required.*

13. CONDEMNATION AND RISK OF LOSS. *The risk of condemnation of all or any portion of the Property or loss or damage to the Property by fire or other casualty shall be borne by Seller until recordation of the Deed. In the event of (a) the threatened or actual commencement of eminent domain proceedings or actual condemnation or taking of all or any part of the Property, or (b) damage to the Property by fire or other casualty, act of God or any other event on or prior to the Closing Date, which would cost in excess of \$100,000.00 to repair, or prevent Purchaser from operating the Business for a period of 5 days or longer, Purchaser, at its sole option exercisable within thirty (30) days following receipt of written notice of the event giving rise to the exercise of such option, shall have the right to terminate this Agreement, in which event the Deposit shall be returned to Purchaser, and neither party shall have any further obligations or liabilities to the other. If the damage to the Property can be repaired for \$100,000.00 or less and the repair period will be no longer than 5 days, Purchaser will proceed to Closing; or if the cost of repair exceeds \$100,000.00 and the repair period will exceed 5 days and Purchaser does not exercise its option to terminate this Agreement, Purchaser will proceed with the Closing provided that Seller shall reimburse Purchaser for all costs associated with the repairs in excess of any insurance proceeds*

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received by Purchaser with respect thereto. If Purchaser has the right to terminate this Agreement but does not elect to terminate this Agreement, the condemnation awards and/or insurance proceeds as well as any unpaid claims or rights in connection with such condemnation or casualty shall be assigned to Purchaser at Closing or, if paid to Seller prior to Closing, shall be credited to Purchaser at Closing against the Purchase Price. Purchaser shall have the right to participate in the negotiations and settlement of any condemnation or casualty-related claim in the event Purchaser elects or is otherwise obligated to proceed with Closing.

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14. BROKERAGE COMMISSION. There is no procuring broker on this Purchaser and for this contract of sale and thus no brokerage commission. Seller's Motion to Sell to Annapolis 7750 Free and Clear of Liens, Claims, Encumbrances and Interests pursuant to 11 U.S.C. § 363(f), and Seller's Chapter 11 Plan shall include a provision that the sale pursuant to this Agreement is made without any liability for a brokerage commission. By executing this Agreement, Buyer so certifies that he has engaged no broker and Seller certifies that no broker was the procuring cause for this Agreement and Purchaser.

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15. DEFAULT PROVISIONS, REMEDIES & LIQUIDATED DAMAGE.

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15.1 Purchaser's Default. If Purchaser shall fail or refuse to make settlement hereunder as herein required and Seller is not in default hereunder, Seller may terminate this Agreement, and the Title Company shall pay the Deposit to Seller as liquidated damages for Purchaser's default. The parties agree that Seller's actual damages are not susceptible of determination and are highly speculative and that the Deposit is both a reasonable and fair recovery by Seller and is not a penalty or inequitable forfeiture to or by Purchaser.

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15.2 Seller's Default. If Seller shall fail or refuse to make settlement hereunder as herein required and such failure or refusal continues for at least thirty (30) days following Purchaser's written notice thereof to Seller, and Purchaser is not in default hereunder, Purchaser, at its election, shall be entitled to either (i) terminate this Agreement, in which case Purchaser shall be entitled to the return of the Deposit as its sole remedy, or (ii) in the alternative, sue for specific performance of this Agreement, only as is permitted by the Bankruptcy Court.

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16. SELLER'S COVENANTS. Seller agrees that between the Effective Date and the Closing Date, Seller shall perform the following obligations:

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16.1 Continuity of Operation.

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(a) Seller shall conduct the Business operation only in the ordinary course of business by and through its lessee, the Bhatti Bros. or directly should the Bhatti Bros.

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surrender their occupancy of the premises. As noted, Morsal's Lease has already been rejected by an Order of the Bankruptcy Court.

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(b) Seller shall not acquire or dispose of any material assets or engage in any material transaction other than in the ordinary course of business or as expressly contemplated by the terms of this Agreement.

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(c) Seller shall not make any material change in its method or management or operation of the Business operation.

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(d) Seller will not enter into any new service, maintenance or like agreements or any other agreements which would be binding upon Purchaser from and after the Closing, or as provided for by the Bankruptcy Court.

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(e) Seller shall maintain in full force and effect its present fire and extended coverage insurance policies for the Property, together with public liability insurance with respect to damage or injury to personal property and public liability insurance with respect to damage or injury to person or property occurring on the Property.

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(f) Seller shall continue to renew the Permits required for the conduct of the Business operation at the Property.

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(g) Seller shall not undertake any new material improvements to the Property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed. Unless otherwise agreed in writing by Seller and Purchaser, any new material improvements, which are approved by Purchaser, shall be fully completed as of the Closing Date and all debts incurred in connection therewith shall be fully satisfied by Seller on or before the Closing Date, or as provided for by the Bankruptcy Court.

17. MISCELLANEOUS PROVISIONS.

17.1 Notices. All notices, requests, consents, and other communications hereunder shall be in writing and shall be personally delivered or sent by Federal Express or other recognized overnight delivery service, postage prepaid to the addresses indicated below. Notice shall be deemed received upon delivery if personally delivered or on the second day following deposit with a nationally recognized overnight delivery service

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If to Seller:

Moin Ahmad, Propreitor
MWM & Sons, Corp.
7750 Annapolis Road
Lanham, MD 20706

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With a copy which shall not constitute notice to:

John D. Burns, Esquire
The Burns Law Firm, LLC
6303 Ivy Lane
Suite 102
Greenbelt, MD 20770

If to Purchaser:

Meir Duke, Managing Member
Annapolis 7750, LLC
STE G
11421 Cronhill Dr
Owings Mills, MD 21117

With a copy which shall not constitute notice to

Mark S. Devan,
The Alba Law Group, P.A.
11350 McCormick Road, Suite 200
Executive Plaza III
Hunt Valley, MD 21031
443-541-8600 x 8545
fax 410-296-2131
mdevan@albalawgroup.com

Any party may change its address for notice set forth above by notice to the other parties. For purposes of this Agreement, notices shall be effective upon receipt or refusal thereof. The parties agree to reasonably cooperate in accepting delivery of Notices hereunder.

17.2 Completeness and Modification. This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein, and it supersedes all prior discussions, understandings or agreements between the parties. This Agreement shall not be modified or amended except by an instrument or writing signed by and on behalf of the parties. The parties hereto recognize that this is an executory contract and that the Debtor will present it for approval to the Bankruptcy Court. Purchaser is a sophisticated business entity and is represented by competent counsel, both understanding that the Bankruptcy Court may approve some portions of this Agreement and reject others as its inherent powers as an equity court and the Seller's duties to the estate as a fiduciary may require. However, in all respects as to all aspects of this Agreement, Bankruptcy Court approval by a final Order of all terms is a condition precedent to the consummation of the Agreement, and if the Bankruptcy Court rejects some terms and approves other terms, then the parties agree to be bound by Section 17.4 hereof. The property addressed herein is

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prospectively property of the estate within the exclusive jurisdiction of the Bankruptcy Court pursuant to 28 U.S.C. §§ 1334(e) and 157(a), and the parties hereby agreed to be bound by final Orders of the Bankruptcy Court relative to this Agreement.

17.3 Intentionally deleted.

17.4 Severability. If fulfillment of any provision of this Agreement, or performance of any transaction related hereto, at the time such fulfillment or performance shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled or performed shall be reduced to the limit of such validity; and if any clause or provision contained in this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be held ineffective, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect. Notwithstanding anything contained herein to the contrary, the provisions set forth in Sections 1.1, 2, 3 are not provisions which are severable from the Agreement. If any of these provisions are rejected by the Bankruptcy Court pursuant to Section 17.2 above, the Buyer shall have the rights afforded to it for breach hereof.

17.5 Cumulative Remedies. Except as specifically provided in this Agreement, each and every one of the rights, benefits, and remedies provided to Purchaser or Seller by this Agreement, or any instruments or documents executed pursuant to this Agreement, are cumulative and shall not be exclusive of any other rights, remedies and benefits allowed to such party by this Agreement, at law or in equity.

17.6 Construction. Each party hereto hereby acknowledges that all parties hereto participated equally in the negotiation and drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than against the other. Should any provisions of this Agreement require judicial interpretation, the court interpreting or construing such provision shall not apply the rule of construction that a document is to be construed more strictly against one party.

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17.7 Pronouns. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or entity may require.

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17.8 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, devisees, personal representatives, successors and permitted assigns.

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17.9 Assignment. Purchaser may assign this Agreement or designate an entity to take title to the Property without Seller's consent following closing, provided, however such assignment shall not release Purchaser from his liability hereunder. Any assignee of Purchaser's rights hereunder or title holder shall, as a condition to the effectiveness of such assignment or taking title to the Property, assume in writing all of the obligations of Purchaser under this Agreement and agree in writing to be bound by its terms.

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17.10 Waiver; Modification. Failure by Purchaser or Seller to insist upon or enforce any of its rights hereto shall not constitute a waiver thereof.

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17.11 Governing Law and Forum. This Agreement is intended to take effect as a sealed instrument and shall be governed by and construed in accordance with the laws of Title 11 of the United States Code and laws of the State of Maryland, without regard to principles of conflict of laws. As this Agreement is the result of negotiations between sophisticated parties, no inference in favor of, or against, either party shall be drawn from the fact that any portion of this Agreement has been drafted by or on behalf of such party. Each party hereby consents to personal jurisdiction in the State of Maryland.

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17.12 Tax Consequences. This Agreement may impose tax consequences upon Purchaser and/or Seller which are complex and require professional guidance and or opinions. Neither counsel for Seller nor counsel for Purchaser has given any tax advice to their respective clients and Seller and Buyer by entering into this Agreement acknowledge that they are no relying upon each party's respective counsel for any tax advisement, rather they will pursue such advice from other tax professionals or choose to enter the transaction without such advisement.

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17.13 Headings. The headings are used herein for convenience of reference only, and shall not be deemed to vary the content of this Agreement.

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17.14 Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signature of each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of each party or that the signatures of the persons required to bind any party, appear on one or more such counterparts. All counterparts shall collectively constitute a single agreement. Facsimile transmission (or other electronic transmission including email of a "pdf" signature) of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of any party, the parties will confirm facsimile transmitted (or other electronic transmission including email of a "pdf" signature) signatures by signing an original document.

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17.15 Business Day. As used herein, the term "Business Day" shall mean any day other than a Saturday or Sunday, or other day recognized as a holiday by the U.S. Government, or upon which banks or similar financial institutions in the State of Maryland are generally closed.

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17.16 Recitals, Schedules and Exhibits Incorporated. All of the Recitals at the beginning of this Agreement and all of the Schedules and Exhibits referred to herein are incorporated as a substantive part of this agreement.

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Except as otherwise specifically provided in this Plan, upon the Confirmation Date, title to all remaining property of the Debtor's Chapter 11 estate, including, but not limited to, monies contained in the Claims Distribution Fund shall vest in the Debtor in accordance with §§ 1141(a), (b) and (c) of the Bankruptcy Code, free and clear of all liens, claims or other interests in such property, and the Debtor's Title Agent for the sale and Debtor's counsel shall serve as the disbursing agent for the Cash Distributions. Any sale proceeds shall be held in escrow by Debtor's counsel from the Title Agent. Upon entry of a Confirmation Order, a discharge shall be entered in favor of the Debtor pursuant to §§ 524 and 1141 of the Bankruptcy Code.

Unless otherwise ordered by the Bankruptcy Court, all Cash Distributions contemplated by the Plan shall only occur on or subsequent to the Effective Date. All Cash Distributions under the Plan shall be paid in the manner generally set forth in Article III of the Plan. Upon the Effective Date, as noted the Debtor by and through Title Agent and Debtor's counsel shall act as disbursing agent in respect of all Cash Distributions required under the Plan.

Notwithstanding anything to the contrary in the Plan, pursuant to the defined Disputed Claims Procedure, all Cash Distributions necessary to satisfy the Allowed Claim of any Disputed Claim will be held by the Debtor to the extent of available Cash Distributions pending resolution of the Disputed Claim by the Court. Should a Disputed Claim become an Allowed Claim in whole or in part, then as soon as practicable in the Debtor's judgment following entry of an Order of the Bankruptcy Court adjudicating the previously Disputed Claim or by agreement with the holder of the Disputed Claim, the Debtor shall release to the Allowed Claim such Cash Distributions as would be required on its Allowed Amount *pro rata*

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to the other Allowed Claims within its appropriate Class of Claims.

IV. LIQUIDATION ANALYSIS

In order for the Court to confirm the Plan, it must make a finding that each Class of Creditors will receive at least as much under the Plan as they would if this case were to be converted to a case under Chapter 7 of the Bankruptcy Code and the assets were liquidated by a Chapter 7 Trustee. By hypothetical comparison, under Chapter 7 of the Bankruptcy Code, creditors will receive less than they would receive under the present plan because of the Trustee's statutory commission (11 U.S.C. § 326), the additional administrative expenses a Trustee would incur (attorneys fees, costs and delay expenditures), and because the Trustee would have no basis to understand how to implement successfully a revenue stream from the Debtor's operations, other than from an auction of Personal Property/Real Property which is worth less than the indebtedness herein on a fair liquidation value basis (FLV), and from operation or sales of the Real Property and Personal Property.

BALANCE SHEET ANALYSIS:

The Debtor's Schedules demonstrate a value for this Real Property of \$1,500,000.00. [Dkt. 46] This should be compared with TD Bank's own valuation in its Claim 6 of \$946,700.00. Although the balance of the Allowed Claims is not yet resolved, there can be no doubt in the case (which is a sale plan) that no one other than counsel for the Debtor has been able to garner and procure a fair market value for the Real Property and Personal Property of \$1,900,000.00. The offers started at \$1,200,000.00, and then went to \$1,450,000.00 and up to \$1,900,000.00. The Contract at issue offers the Purchaser the unique ability to acquire this Real Property, *strategically near an adjoining property he owns*, thus creating by the deft talent of the undersigned counsel a premium that no forced auction or

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 liquidation could have brought to bear. Further, as discussed supra, there is a tenancy carry over that is being negotiated which benefits the Purchaser significantly with current management in place. A Chapter 7 Trustee would not be able to transfer over this potential tenancy and service dealer benefit. Accordingly, this shall be amended once a claims balance is established after allowance or disallowance of the PMG rejection claim. Accordingly a value for a balance sheet on the Real Property without any of the other benefits of this transaction in a forced sale would likely be near TD Bank's figure of \$946,700.00. However, as a sale Plan there can be no serious doubt that the premium obtained by Debtor's counsel exceeds any liquidation standard to be applied.

However, the Debtor's Schedules and Plan are illustrative as to a more practical balance sheet demonstrated hereby. The Plan proposes to treat Allowed Administrative Expense Claims; Allowed Priority Claims, Allowed Secured Claims and Allowed Unsecured Claims in the total amount of \$1,583,218, which constitutes Class 1-Class 5 and those figures set forth in Section 2.8 (without application or estimation of post-petition interest). An additional \$10,000, is set forth at Class 6 for the Insider Claim which may be required for a new value contribution. It is true that counsel holds a retainer of \$38,788, which is to be applied against the Plan funding. A further contingent amount may be awarded to PMG in the Claim Objection litigation discussed above in the amount of \$181,000.15, which if both were added to the total required Plan funding would raise the amount of gross funding to \$1,735,430.

If there is a value of \$946,700, which would not fund \$1,735,430. If there is a value of \$1,500,000, it would not fund \$1,735,430. The sale price of \$1,900,000.00 would fund the plan funding. Any transactions costs on this sale (not contemplated in this analysis)

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would also be minimized by the lack of transfer taxes or brokerage commissions as set forth above. Those transaction costs based on Debtor's estimate should not exceed \$5,000.00.

PLAN PRO FORMA:

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The Plan consists of a simple and straightforward Cash Distribution formula at this juncture. Although TD Bank, NA has not provided a payoff figure for this coming Fall, and the remaining are present estimates, not given the passage of time through September, 2018, and thus lack estimated interest calculations, the following is the Debtor's estimate of Cash Distributions from the sales proceeds of the Contract at issue:

Gross Receipts:	\$1,900,000.00
Costs of Sale: (ie; title report, deed, settlement)	(\$5,000.00)
Attorneys Fees Debtor's counsel ⁴ :	(\$148,288.00)
TD Bank, NA (Class 1)	(\$1,134,163.83)
Real Property Taxes (2014-2018) (Class 2-4)	(\$92,720.85)
Priority Tax Claims and UST:	(\$6,234.63)
Allowed Unsecured Claims ⁵	(\$169,711.16)
TOTAL DISBURSEMENTS	(\$1,556,118.30)
NET EQUITY	\$343,881.17

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If the Court were to allow the \$181,000.15 (or any part of the PMG Disallowed Claim), it would dilute the Net Equity as would payment of Class 6 for \$10,000.00, however there would remain a surplus equity position to the estate.

The Pro Forma assumes funding under the existing Contract and assumes that the

⁴ Less retainers on hand which vary by month.

⁵ Excludes PMG Rejection Claim which is Disallowed at this time of \$181,000.15 and does not include Claim 6 of Moin Ahmad for \$10,000.00 which may be required to be offset for new value contribution.

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Debtor would close and fund within 180 days from the Confirmation Date, which is fixed at September 5, 2018,

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VI. CRAMDOWN/NEW VALUE:

Under § 1129(b) of the Bankruptcy Code, if one or more classes of impaired claims or interests do not accept the Plan, the Bankruptcy Court may confirm the Plan only if the Bankruptcy Court finds that the Plan was accepted by at least one non-insider impaired class and does not discriminate unfairly against, and is fair and equitable as to, all non-accepting impaired classes. This is referred to as a cram down. The second criteria requires the Bankruptcy Court to find that, with respect to classes of secured claims, the holders of the secured claims retain their liens, such that each holder of such a claim receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the Effective Date of the Plan, of at least the value of such holder's interest in the estate's interest in such property, and that each holder of such a claim realize the indubitable equivalent of such claim. Accordingly, pursuant to 11 U.S.C. § 1129(b)(2)(A), any Allowed Secured Claims must receive such treatment in order for the Debtor to achieve cramdown. The absolute priority rule and new value exceptions as they have been termed are not within the elements of 11 U.S.C. § 1129(b)(2)(A) required to show fair and equitable treatment and that the Plan does not unfairly discriminate are defined and delimited terms as pertain to Allowed Secured Claims only.

With respect to classes of Unsecured Claims, unless all members of a non-accepting, impaired class receive payment in full of their Allowed Claims, no class that is junior in priority to the non-accepting Impaired Class shall receive anything under the Plan. This is known as the absolute priority rule. Accordingly, pursuant to 11 U.S.C. §

§ 1129(b)(2)(B), the absolute priority rule is within the elements of fair and equitable treatment and that the Plan does not unfairly discriminate are defined and delimited terms as pertain to Allowed Unsecured Claims only. The third criteria is that all requirements of § 1129(a) of the Bankruptcy Code be met other than § 1129(a)(8) of the Bankruptcy Code. IF ANY CLASS OF ALLOWED CLAIMS REJECTS THE PLAN, THE DEBTOR WILL SEEK TO CONFIRM THE PLAN PURSUANT TO THE CRAMDOWN METHOD PROVIDED BY SECTION 1129(b) OF THE BANKRUPTCY CODE. THE TREATMENT AFFORDED CREDITORS IN EACH CLASS IN THE EVENT OF A "CRAMDOWN" WILL BE AS INDICATED HEREIN. Any effort by the Debtor to confirm the Plan pursuant to the cramdown method likely will involve complex litigation which, regardless of the outcome, may impose substantial administrative expenses on the property of the estate, requiring a longer term of repayment for Creditors holding Allowed Claims than presently contemplated.

The Debtor's Plan contemplates that the Insider will attempt to use his Priority Claim for wages pursuant to 11 U.S.C. § 507(a)(4) as a new value contribution to effectuate a cram down under 11 U.S.C. § 1129(b)(2)(B)(ii) to the extent compliance is not achieved under 11 U.S.C. § 1129(a)(8). To the extent compliance is achieved for confirmation within 11 U.S.C. § 1129(a)(8).

VII. VOTING ON THE PLAN AND CONFIRMATION

Prior to approval of this Disclosure Statement by the Bankruptcy Court, by prior Court Order, a copy must have been mailed to all creditors, all parties-in-interest entitled to vote pursuant to § 1126 of the Bankruptcy Code, and within the manner specified by Court Order exempting the Debtor from Bankruptcy Rule 3017(d), accompanied by a ballot. Pursuant to § 1126(a) of the Bankruptcy Code, any holder of an Allowed Claim or an

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Allowed interest may accept or reject the Plan. However, approval or rejection of the Plan is measured by Classes of Claims and interests rather than by each Claim holder or interest holder. A Class of Claims or interests which is not impaired by the Plan conclusively is presumed to have accepted the Plan. Accordingly, no Class of Claims which is unimpaired by the Plan need submit a ballot for voting.

Pursuant to §1128 of the Code and Bankruptcy Rule 2002(b), the Court shall conduct a hearing to consider confirmation of the Plan on twenty eight (28) days notice to creditors and parties in interest, unless shortened by order of the Bankruptcy Court. A party-in-interest may object to the confirmation of the Plan. The date by which objections must be filed to the confirmation of the Plan and by which votes must be submitted shall be established at a date and in a manner as determined by the Bankruptcy Court, and circulated by a form of Order either concurrent herewith or separately.

VIII. FEDERAL INCOME TAX CONSEQUENCES

THE DISCUSSION OF FEDERAL INCOME TAX CONSEQUENCES SET FORTH BELOW IS LIMITED TO THE GENERAL TAX CONSEQUENCES AFFECTING CREDITORS AS A RESULT OF THE DISCHARGE OF INDEBTEDNESS WITHOUT PAYMENT UNDER THE PLAN. EACH CREDITOR OR EQUITY SECURITY HOLDER SHOULD CONSULT THEIR OWN TAX ADVISOR TO DETERMINE THE TREATMENT AFFORDED THEIR RESPECTIVE CLAIMS OR INTERESTS BY THE PLAN UNDER FEDERAL TAX LAW, THE TAX LAW OF THE VARIOUS STATES AND LOCAL JURISDICTIONS OF THE UNITED STATES AND THE LAWS OF FOREIGN JURISDICTIONS.

BECAUSE OF CONTINUAL CHANGES BY THE CONGRESS, THE

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TREASURY DEPARTMENT AND THE COURTS WITH RESPECT TO THE ADMINISTRATION AND INTERPRETATION OF THE TAX LAWS, NO ASSURANCE CAN BE GIVEN THAT FOLLOWING INTERPRETATIONS WILL NOT BE CHALLENGED BY THE INTERNAL REVENUE SERVICE, OR, IF CHALLENGED, THAT SUCH INTERPRETATIONS WILL BE SUSTAINED.

NO STATEMENT IN THIS DISCLOSURE STATEMENT SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE. THE DEBTOR AND ITS COUNSEL DO NOT ASSUME ANY RESPONSIBILITY OR LIABILITY FOR THE TAX CONSEQUENCES A CREDITOR OR EQUITY SECURITY HOLDER MAY INCUR AS A RESULT OF THE TREATMENT AFFORDED THEIR CLAIM OR INTEREST UNDER THE PLAN.

The principal income tax consequences for a creditor of the Debtor relates to the ability to deduct a portion of its claim against the Debtor in the event the creditor does not receive full payment of the Allowed Amount of its Claim as contemplated under the Plan. Section 166 of the Internal Revenue Code of 1986, as amended, ("IRC") (relating to the deductibility of bad debts) generally provides as follows:

1. totally worthless business bad debt is deductible only in the tax year in which it becomes worthless;
2. partially worthless business bad debt is deductible in an amount not in excess of the part charged off on the taxpayer's books within the taxable year; and
3. in the case of a taxpayer other than a corporation, a nonbusiness bad debt which becomes completely worthless during the taxable year is deductible as a short-term capital loss and is subject to the limitations imposed on the deductibility of such losses.

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For purposes of IRC §166, a "non-business debt" means a debt other than (i) one created or acquired in connection with the taxpayer-creditor's trade or business or (ii) the loss from the worthlessness of which was incurred during the operation of the taxpayer-creditor's trade or business.

Pursuant to Treas. Reg. §1.166-2(c), as a general rule, bankruptcy is generally an indication of the worthlessness of at least a part of an unsecured and unpreferred debt. In bankruptcy cases, a debt may become worthless before settlement in some instances; and in others, only when a settlement in bankruptcy has been reached. In either case, the mere fact that bankruptcy proceedings instigated against the debtor are terminated in a later year, thereby confirming the conclusion that the debt is worthless, shall not authorize the shifting of the deduction under IRC §166 to such year. Pursuant to Treas. Reg. §1.166-1(d) (2) (ii), only the difference between the amount received in distribution of assets of a bankrupt and the amount of the claim may be deducted under IRC §166 as a bad debt.

Generally, taxpayers are entitled to a bad debt deduction with respect to accounts receivable only if the taxpayer has recognized as income the accounts receivable in the year in which the bad debt deduction is claimed or a prior taxable year. Thus, bad debt deductions for worthless or partially worthless accounts receivable are normally available only to accrual method taxpayers. Likewise, worthless debts arising from unpaid wages, salaries, fees, rents and similar items of taxable income are not allowed as a deduction as a bad debt unless the income such items represent has been included in the return of income for the year for which the deduction as a bad debt is claimed or for a prior taxable year.

Further, the availability of the bad debt deduction under IRC §166 is not available for losses governed by IRC §165, including, without limitation, losses incurred on a bond,

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debenture, note or certificate or other evidence of indebtedness, issued by a corporation or by a government or political subdivision thereof, with interest coupons or in registered form. The deductibility of losses for debts evidenced by a "security", as defined in IRC §165(g), is governed by IRC §165.

Business bad debts deductible under IRC §166 may generally be deducted using either the specific charge-off method or, if certain requirements are met, the nonaccrual-experience method. Under the specific charge-off method, specific business bad debts that become either partially or totally worthless during the tax year may be deducted in the manner permitted by IRC §166.

If a deduction is taken for a bad debt which is recovered in whole or part in a later tax year, the taxpayer may have to include in gross income the amount recovered, except, under limited circumstances, the amount of the deduction that did not reduce taxes in the year deducted.

IX. AVOIDABLE TRANSFERS/OBJECTIONS TO CLAIMS

The Debtor is investigating the existence of any avoidable transfers pursuant to §§ 544, 547, 548 and 549 of the Bankruptcy Code and may commence them within the statutory period for recovery if a determination is made that such actions provide a justifiable economic return to the estate. None have been determined viable.

X. DISPUTED CLAIMS PROCEDURE:

The Debtor has designated a Disputed Claims Procedure, which is found in Article I of the Plan. This procedure is designed to facilitate the reservation of Cash Distributions which are suspended due to the temporary disallowance of Claims to the extent there is a dispute by objection to the Claim. Should the objection to the Claim be overruled in whole or

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in part such that there is an Allowed Amount of the Claim, then the Claim shall be treated and paid those Cash Distributions from Revenues as described in Article I of the Plan within the Class of Claims that is substantially similar to. If the Claim is disallowed, or there is a Disallowed Amount, after objection, then the Claim will receive no treatment from Cash Distributions to the extent there is a Disallowed Amount. The Debtor has attempted to highlight the Claims in its Plan as to which there is a likelihood of objection, labeling them Disputed Unsecured Claims. Treatment of Disputed Claims is addressed earlier in this Disclosure Statement.

XII. MISCELLANEOUS

All holders of Claims shall retain, and the Plan shall in no way limit, any recourse rights to the extent they may pursue recovery for all or part of their Claims against persons liable with the Debtor.

Respectfully Submitted,
----/s/ John D. Burns-----

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(301) 441-8780
Counsel for the Debtor

| ~~June 5, 2018~~ ~~March 8, 2018~~