

B1 (Official Form 1)(1/08)

**United States Bankruptcy Court
Western District**

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): P. & E. Machine Co., Inc.	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) 56-1702088	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)
Street Address of Debtor (No. and Street, City, and State): 2003 Lane Street Kannapolis, NC <div style="text-align: right; font-size: small;">ZIP Code 28083</div>	Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right; font-size: small;">ZIP Code</div>
County of Residence or of the Principal Place of Business: Cabarrus	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): <div style="text-align: right; font-size: small;">ZIP Code</div>	Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right; font-size: small;">ZIP Code</div>

Location of Principal Assets of Business Debtor (if different from street address above):

<p>Type of Debtor (Form of Organization) (Check one box)</p> <p><input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i></p> <p><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)</p>	<p>Nature of Business (Check one box)</p> <p><input type="checkbox"/> Health Care Business</p> <p><input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B)</p> <p><input type="checkbox"/> Railroad</p> <p><input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Commodity Broker</p> <p><input type="checkbox"/> Clearing Bank</p> <p><input checked="" type="checkbox"/> Other</p> <hr/> <p>Tax-Exempt Entity (Check box, if applicable)</p> <p><input checked="" type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).</p>	<p>Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box)</p> <p><input type="checkbox"/> Chapter 7</p> <p><input type="checkbox"/> Chapter 9</p> <p><input checked="" type="checkbox"/> Chapter 11</p> <p><input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding</p> <hr/> <p>Nature of Debts (Check one box)</p> <p><input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."</p> <p><input checked="" type="checkbox"/> Debts are primarily business debts.</p>
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<p>Filing Fee (Check one box)</p> <p><input checked="" type="checkbox"/> Full Filing Fee attached</p> <p><input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.</p> <p><input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.</p>	<p>Chapter 11 Debtors</p> <p>Check one box:</p> <p><input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p><input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p>Check if:</p> <p><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000.</p> <hr/> <p>Check all applicable boxes:</p> <p><input type="checkbox"/> A plan is being filed with this petition.</p> <p><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).</p>
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Statistical/Administrative Information

Debtor estimates that funds will be available for distribution to unsecured creditors.

Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors										
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	100,001-500,000	OVER 500,000

Estimated Assets										
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	\$1 billion to \$5 billion	More than \$5 billion

Estimated Liabilities										
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	\$1 billion to \$5 billion	More than \$5 billion

THIS SPACE IS FOR COURT USE ONLY

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

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

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

Name of Debtor: - None -	Case Number:	Date Filed:
District:	Relationship:	Judge:

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

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

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

No.

Exhibit D

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

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

If this is a joint petition:

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

Information Regarding the Debtor - Venue

(Check any applicable box)

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

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

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

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

(Check all applicable boxes)

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

(Name of landlord that obtained judgment)

(Address of landlord)

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

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

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

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

Name of Debtor(s):
P. & E. Machine Co., Inc.

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

Telephone Number (If not represented by attorney)

Date

Signatures
Signature of a Foreign Representative
I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.
(Check only one box.)
 I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.
 Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.
X _____
Signature of Foreign Representative

Printed Name of Foreign Representative

Date

Signature of Attorney*
X /s/ James H. Henderson
Signature of Attorney for Debtor(s)
James H. Henderson 13536
Printed Name of Attorney for Debtor(s)
The Henderson Law Firm
Firm Name
1201 Harding Place
Charlotte, NC 28204
Address
Email: henderson@title11.com
704.333.3444 Fax: 704.333.5003
Telephone Number
February 26, 2010
Date
*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

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

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

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

Address
X _____
Date

Signature of Debtor (Corporation/Partnership)
I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
X /s/ Derek A. Eudy
Signature of Authorized Individual
Derek A. Eudy
Printed Name of Authorized Individual
President
Title of Authorized Individual
February 26, 2010
Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.
Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.
A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.

B4 (Official Form 4) (12/07)

**United States Bankruptcy Court
Western District**

In re P. & E. Machine Co., Inc.

Debtor(s)

Case No. _____

Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

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

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Allied Waste Service POB 219 Pineville, NC 28134	Allied Waste Service POB 219 Pineville, NC 28134	trash collection		980.72
AT&T PO Box 538641 Atlanta, GA 30353	AT&T PO Box 538641 Atlanta, GA 30353	phone		1,495.50
Bank of America PO Box 15019 Wilmington, DE 19886-5019	Bank of America PO Box 15019 Wilmington, DE 19886-5019			19,636.82
BP POB 9033 Carlsbad, CA 92018	BP POB 9033 Carlsbad, CA 92018	open account		879.71
Cabarrus County Tax Collector Courthouse Box 707 Concord, NC 28025	Cabarrus County Tax Collector Courthouse Box 707 Concord, NC 28025	personal property taxes		13,042.76
Chase Cardmember Service PO Box 15153 Wilmington, DE 19886-5153	Chase Cardmember Service PO Box 15153 Wilmington, DE 19886-5153	credit card		5,443.71
Duke Energy PO Box 70516 Charlotte, NC 28272-0516	Duke Energy PO Box 70516 Charlotte, NC 28272-0516	electric service		3,417.36
Fifth Third Bank 10200 David Taylor Drive Charlotte, NC 28262	Fifth Third Bank 10200 David Taylor Drive Charlotte, NC 28262	money loaned		19,382.11
Fifth Third Bank 10200 David Taylor Drive Charlotte, NC 28262	Fifth Third Bank 10200 David Taylor Drive Charlotte, NC 28262	money loaned		48,157.41
Fifth Third Bank 10200 David Taylor Drive Charlotte, NC 28262	Fifth Third Bank 10200 David Taylor Drive Charlotte, NC 28262	money loaned		28,277.29
Internal Revenue Service Centralized Insolvency Operations PO Box 21126 Philadelphia, PA 19114	Internal Revenue Service Centralized Insolvency Operations PO Box 21126 Philadelphia, PA 19114	940 and 941 taxes, 2007 and 2008		539,591.00

B4 (Official Form 4) (12/07) - Cont.
 In re P. & E. Machine Co., Inc.

Case No. _____

Debtor(s)

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

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Kaeser Compressors POB 946 Fredericksburg, VA 22404	Kaeser Compressors POB 946 Fredericksburg, VA 22404	open account		974.51
Machine Tool Financial 13420 Reese Blvd. W. Huntersville, NC 28078	Machine Tool Financial 13420 Reese Blvd. W. Huntersville, NC 28078	equipment lease; two OKK VMSII Vertical Machining Centers		482,100.36
Maximum Machine Tool POB 1294 China Grove, NC 28023	Maximum Machine Tool POB 1294 China Grove, NC 28023	open account		3,200.00
Moroil POB 127 Davidson, NC 28036	Moroil POB 127 Davidson, NC 28036	open account		895.95
NC Department of Revenue PO Box 1168 Raleigh, NC 27602	NC Department of Revenue PO Box 1168 Raleigh, NC 27602	2007 and 2008 payroll taxes		82,767.02
Shell Oil POB 689152 Des Moines, IA 50368	Shell Oil POB 689152 Des Moines, IA 50368	credit card		753.12
Specialty Tool, Inc. POB 11060 Rock Hill, SC 29731	Specialty Tool, Inc. POB 11060 Rock Hill, SC 29731	open account		14,394.98
Stocks, Smith, Campbell POB 166 Kannapolis, NC 28082	Stocks, Smith, Campbell POB 166 Kannapolis, NC 28082			1,000.00
Windstream 1720 Galleria Blvd. Charlotte, NC 28270	Windstream 1720 Galleria Blvd. Charlotte, NC 28270	open account		481.62

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

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

Date February 26, 2010

Signature /s/ Derek A. Eudy
Derek A. Eudy
President

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

**United States Bankruptcy Court
Western District**

In re P. & E. Machine Co., Inc.
Debtor

Case No. _____

Chapter 11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Derek Eudy 3560 Trinity Church Rd. Concord, NC 28027	common	7500	

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date February 26, 2010

Signature /s/ Derek A. Eudy
Derek A. Eudy
President

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

**United States Bankruptcy Court
Western District**

In re **P. & E. Machine Co., Inc.** Debtor(s) Case No. _____
Chapter **11**

VERIFICATION OF CREDITOR MATRIX

I, the President of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: **February 26, 2010**

/s/ Derek A. Eudy
Derek A. Eudy/President
Signer/Title

Allied Waste Service
POB 219
Pineville, NC 28134

AT&T
PO Box 538641
Atlanta, GA 30353

Bank of America
PO Box 15019
Wilmington, DE 19886-5019

BCBS
POB 2291
Durham, NC 27702

Blue Cross Blue Shield
of North Carolina
PO Box 30071
Durham, NC 27702-3080

BP
POB 9033
Carlsbad, CA 92018

Cabarrus County Tax Collector
Courthouse Box 707
Concord, NC 28025

Champion Industries
1945 Fifth Ave.
Huntington, WV 25727

Chase
Cardmember Service
PO Box 15153
Wilmington, DE 19886-5153

CIT Group
POB 27248
Tempe, AZ 85285

City of Concord Tax Collector
PO Box 308
Concord, NC 28026-0308

Derek Eudy
3560 Trinity Church Rd.
Concord, NC 28027

Duke Energy
PO Box 70516
Charlotte, NC 28272-0516

EMJ
4015 Westinghouse Blvd.
Charlotte, NC 28273

Employment Security Commission of NC
PO Box 26504
Raleigh, NC 27611

Erie Insurance
100 Erie Ins. Place
Erie, PA 16530

Fifth Third Bank
10200 David Taylor Drive
Charlotte, NC 28262

Gen Worth Financial
POB 10720
Lynchburg, VA 24506

Global Shop
POB 60396
Houston, TX 77205

Hydrocarbon Recovery
POB 257600
Philadelphia, PA 19175

Internal Revenue Service
Centralized Insolvency Operations
PO Box 21126
Philadelphia, PA 19114

Kaeser Compressors
POB 946
Fredericksburg, VA 22404

Kannapolis Water
234 Dale Earnhardt Blvd.
Kannapolis, NC 28082

Kansas City Life Insurance
POB 219425
Kansas City, MO 64121

Machine Tool Financial
13420 Reese Blvd. W.
Huntersville, NC 28078

Manuf. & Mach. Tool Finan. Corp
13420 Reese Blvd. W.
Huntersville, NC 28078

Maximum Machine Tool
POB 1294
China Grove, NC 28023

Moroil
POB 127
Davidson, NC 28036

MSC Industrial Supply
3410-A St. Vardell Ln.
Charlotte, NC 28217

National Welders
287 Executive Park Dr.
Concord, NC 28025

NC Department of Revenue
PO Box 1168
Raleigh, NC 27602

Shell Oil
POB 689152
Des Moines, IA 50368

Specialty Tool, Inc.
POB 11060
Rock Hill, SC 29731

Stocks, Smith, Campbell
POB 166
Kannapolis, NC 28082

Stonewood Insurance
POBN 97488
Raleigh, NC 27624

TCF Equipment Finance, Inc.
11100 Wayzata Blvd. Ste. 801
Hopkins, MN 55305

U.S. Bancorp
13010 SW 68th Pkwy Ste 100
Portland, OR 97223

U.S. Bancorp Equipment Finance, Inc.
POB 230789
Portland, OR 97281

US Attorney's Office
227 West Trade Street Suite 1700
Charlotte, NC 28202

Wachovia Bank
POB 740502
Atlanta, GA 30374

Windstream
1720 Galleria Blvd.
Charlotte, NC 28270

**United States Bankruptcy Court
Western District**

In re **P. & E. Machine Co., Inc.**

Debtor(s)

Case No.

Chapter

11

CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for **P. & E. Machine Co., Inc.** in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

None [*Check if applicable*]

February 26, 2010

Date

/s/ James H. Henderson

James H. Henderson 13536

Signature of Attorney or Litigant

Counsel for **P. & E. Machine Co., Inc.**

The Henderson Law Firm

1201 Harding Place

Charlotte, NC 28204

704.333.3444 Fax:704.333.5003

henderson@title11.com

**United States Bankruptcy Court
Western District**

In re **P. & E. Machine Co., Inc.**

Debtor(s)

Case No. _____

Chapter **11**

STATEMENT REGARDING AUTHORITY TO SIGN AND FILE PETITION

I, **Derek A. Eudy**, declare under penalty of perjury that I am the **President** of **P. & E. Machine Co., Inc.**, and that the following is a true and correct copy of the resolutions adopted by the Board of Directors of said corporation at a special meeting duly called and held on the __ day of __, 20__.

"Whereas, it is in the best interest of this corporation to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

Be It Therefore Resolved, that **Derek A. Eudy, President** of this Corporation, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a chapter 11 voluntary bankruptcy case on behalf of the corporation; and

Be It Further Resolved, that **Derek A. Eudy, President** of this Corporation is authorized and directed to appear in all bankruptcy proceedings on behalf of the corporation, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the corporation in connection with such bankruptcy case, and

Be It Further Resolved, that **Derek A. Eudy, President** of this Corporation is authorized and directed to employ **James H. Henderson 13536**, attorney and the law firm of **The Henderson Law Firm** to represent the corporation in such bankruptcy case."

Date **February 26, 2010**

Signed _____

Derek A. Eudy

Resolution of Board of Directors
of
P. & E. Machine Co., Inc.

Whereas, it is in the best interest of this corporation to file a voluntary petition in the the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

Be It Therefore Resolved, that **Derek A. Eudy, President** of this Corporation, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a chapter 11 voluntary bankruptcy case on behalf of the corporation; and

Be It Further Resolved, that **Derek A. Eudy, President** of this Corporation is authorized and directed to appear in all bankruptcy proceedings on behalf of the corporation, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the corporation in connection with such bankruptcy case, and

Be It Further Resolved, that **Derek A. Eudy, President** of this Corporation is authorized and directed to employ **James H. Henderson 13536**, attorney and the law firm of **The Henderson Law Firm** to represent the corporation in such bankruptcy case.

Date **February 26, 2010** _____

Signed _____

Date **February 26, 2010** _____

Signed _____