

**UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

IN RE: :
: :
CROFCHICK REALTY, LLC, : Chapter 11
: Case No.: 5:15-bk-03724
Debtor-In-Possession :

**CROFCHICK REALTY, LLC
FOURTH AMENDED PLAN OF REORGANIZATION, DATED FEBRUARY 8, 2017**

**ARTICLE I
SUMMARY**

This Third Amended Plan of Reorganization (the “Plan”) under chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay creditors of Crofchick Realty, LLC (the “Debtor”) from its operating income, including, but not limited to, rental payments received from, or funds paid directly to creditors by Crofchick, Inc., an affiliate of the Debtor 100% of all such creditors’ Allowed Secured Claims.

This Plan provides for five (5) classes of claims: the Allowed Secured Claim of PNC Bank, N.A., the Allowed Secured Claim of the Luzerne County Tax Claim Bureau, Allowed Priority Unsecured Claims, Allowed General Unsecured Claims and Equity Security Holders.

All creditors and equity security holders should refer to Articles III through VI of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**

**ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS**

2.01 Class 1. The Allowed Secured Claim of PNC Bank, N.A.

- 2.02 Class 2. The Allowed Secured claim of the Luzerne County Tax Claim Bureau.
- 2.03 Class 3. All Allowed Claims entitled to priority under § 507 of the Code (except administrative expense claims under § 507(a)(2).
- 2.04 Class 4. The Allowed Claims of general unsecured creditors
- 2.05 Class 5. Equity interests of the Debtor.

ARTICLE III
TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,
U.S. TRUSTEE'S FEES, AND PRIORITY TAX CLAIMS

3.1 Unclassified Claims. Under section § 1123(a)(1), administrative expense claims are not classified.

3.2 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code will be paid together with accrued interest and penalties on the Effective date of the Plan or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

3.3 Priority Unsecured Claims. It is believed that there are no priority unsecured claims in this case as the Pennsylvania Department of Revenue has amended its claim identified as Claim #2 on the docket. Nevertheless, if Allowed Priority Unsecured Claims exist each will be paid in full together with interest as provided in Article IV.

3.4 United States Trustee Fees. All fees required to be paid by 28 U.S.C. §1930(a)(6) (U.S. Trustee Fees) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code. Any U.S. Trustee Fees owed on or before the Effective Date of this Plan will be paid on the Effective Date.

ARTICLE IV
TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

4.01 Claims and interests shall be treated as follows under this Plan:

Class	Impairment	Treatment
Class 1 – Secured Claim of PNC Bank, N.A.	Unimpaired	The Debtor or its affiliate, Crofchick, Inc., or both shall pay to PNC Bank, N.A. the sum per month upon the terms set forth on Exhibit “A” until its Allowed Secured Claim together with interest paid at the rate set forth in a certain Note issued in favor of the U.S. Small Business Administration dated December 30, 2003 has been paid in full. PNC Bank, N.A. shall retain all liens that secure its claim, whether the property subject to the liens is retained by the Debtor or transferred to another entity, to the extent of the allowed amount of such claims.
Class 2 - Secured Claim of Luzerne County Tax Claim Bureau	Unimpaired	The Debtor shall pay in full the Allowed Secured Claims pre-petition obligation owed to the Luzerne County Tax Claim Bureau together with statutory interest in consecutive equal monthly installments over a period of 60 months commencing no greater than 30 days following the Effective Date. The Luzerne County Tax Claim Bureau shall retain all liens that secure its claim, whether the property subject to the liens is retained by the Debtor or transferred to another entity, to the extent of the allowed amount of such claims.
Class 3 - Priority Unsecured Claims	Unimpaired	The Debtor shall pay in full all Allowed Priority Unsecured Claims together with statutory interest in consecutive equal monthly installments over a period of 60 months commencing as of the date that the Debtor’s bankruptcy petition was filed or unless otherwise agreed to by the claimant and the Debtors or as agreed upon by the parties.
Class 4 - General Unsecured Creditors	Unimpaired	General unsecured creditors, if any, shall be paid 100% of their Allowed Claims in equal monthly installments over a period of 60 months commencing no greater than 30 days following the Effective Date.

Class 5 - Equity Security Holders of the Debtor	Unimpaired	The Debtor will continue operating in the ordinary course of business. Upon the confirmation of this Plan, the Debtor's assets will revert in the Debtor. The existing equity will remain in place.
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ARTICLE V

ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.1 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed by a final non-appealable order, and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

5.2 Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order.

5.3 Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

ARTICLE VI

PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1 Assumed Executory Contracts and Unexpired Leases.

(a) The Debtor assumes the following executory contract and/or unexpired leases effective upon the Effective Date of this Plan as provided in Article VII.”

Lease Agreement with Crofchick, Inc.

(b) The Debtor will be conclusively deemed to have rejected all other executory contracts and/or unexpired leases not expressly assumed under section 6.1(a) above, or before the date of the order confirming this Plan, upon the Effective Date of this Plan. A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than thirty (30) days after the date of the order confirming this Plan.

ARTICLE VII

MEANS FOR IMPLEMENTATION OF THE PLAN

The Debtor will fund its obligations under this Plan from its operating income, including, but not limited to, rental payments received from, or funds paid directly to creditors by, an affiliate of the Debtor, Crofchick, Inc.

ARTICLE VIII
GENERAL
PROVISIONS

8.1 Definitions and Rules of Construction. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

8.2 Effective Date of Plan. The effective date of this Plan is the first business day following the date that is thirty (30) days after the entry of the order of confirmation. If, however, a stay of the confirmation order is in effect on that date, the effective date will be the first business day after the date on which the stay of the confirmation order expires or is otherwise terminated.

8.3 Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

8.4 Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

8.5 Captions. The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

8.6 Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the Commonwealth of Pennsylvania govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

8.7 Corporate Governance. The Debtor shall amend its corporate documents on or before the Effective Date to be compliant with 11 USC §1123(a)(6) as necessary.

8.8 Default. In the event of default by the Debtor of any of the provisions of the Plan concerning its tax obligations, after 30 days written notice of such default and failure of the Debtor to cure, the entire amount owed to the taxing agency shall be immediately due and owing, and the tax agency may proceed with any remedies otherwise available to it under state law, including but not limited to usual state tax collection procedures, or under federal law, including but not limited to conversion or dismissal under 11 U.S.C. § 1112(b). In an event of a default of the obligation owed to PNC Bank under this Plan, PNC Bank may proceed with any remedies otherwise available to it under state law.

8.9 Setoff and Recoupment. The Debtor hereby grants, and all taxing agencies shall retain, all rights of set off in recoupment under state or Federal law.

8.10 Obligation to File Tax Returns and Pay Taxes. The debtor agrees to remain current with the filing of all post-petitions/post-confirmation tax returns and the payment of all post-petition/post-confirmation taxes.

8.11 Obligation To Pay Fees And File Reports. The reorganized Debtor shall be responsible for timely payment of fees incurred pursuant to 28 U.S.C. §1930(a)(6). After confirmation and within thirty (30) days after the end of each calendar quarter, the reorganized Debtor shall file with the court and serve on the United States Trustee a quarterly financial report for each calendar quarter or portion thereof during which the case remains open, in a format prescribed by the United States Trustee and provided to the debtor by the United States Trustee.

ARTICLE IX **DISCHARGE**

9.01. Discharge. On the confirmation date of this Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B). Notwithstanding anything to contrary set forth in this Plan, holders of secured claims shall retain all liens that secure their claims, whether the property subject to the liens is retained by the Debtor or transferred to another entity, to the extent of the allowed amount of such claims.

9.02. Final Decree. A Final Decree should not be issued by the Court until all payments under this Plan have been paid in full and all post-petition and post-confirmation tax returns have been filed and taxes have been paid.

Respectfully submitted,

CROFCHICK REALTY, LLC

August 7, 2017

By: /s/ Robert F. Crofchick
President of the Plan Proponent

/s/ David J. Harris, Esquire
Counsel to the Plan Proponent

/s/ Tullio DeLuca, Esquire
Counsel to the Plan Proponent