

IN THE UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF PENNSYLVANIA

IN RE: Bankruptcy No. 16-10347-TPA  
WGC, INC., Chapter 11  
Debtor. Document No: \_\_\_\_\_  
Respondents. Related to Document No. 161

**OBJECTION OF NORTHWEST SAVINGS BANK TO THE DEBTOR'S DISCLOSURE  
STATEMENT TO ACCOMPANY JOINT PLAN DATED JANUARY 20, 2017**

Northwest Savings Bank (the "Bank"), by and through its counsel, Metz Lewis Brodman Must O'Keefe LLC, files this Objection to the Debtor's Disclosure Statement to Accompany Joint Plan dated January 20, 2017, as follows:

1. On April 13, 2016, WGC, Inc. (the "Debtor"), filed a voluntary Petition under Chapter 11 of the United States Bankruptcy Code.
2. On January 20, 2017, the Debtor filed its Disclosure Statement to Accompany Joint Plan dated January 20, 2017 (the "Disclosure Statement").
3. The Bank is a party in interest as it is a secured creditor of the Debtor as evidenced by the following loan documents (collectively, the "Loan Documents"):
  - a. Business Loan Agreement dated May 1, 2009, by and between HMF Golf, Inc. (the "Borrower") and the Bank pursuant to which the Bank made a loan to the Borrower in the original principal amount of \$537,500.00;
  - b. Promissory Note dated May 1, 2009, in the original principal amount of \$537,500.00 executed and delivered by the Borrower to the Bank as amended by that certain Change in Terms Agreement dated January 10, 2012;
  - c. Commercial Guaranty dated May 1, 2009, executed and delivered by the Debtor to the Bank pursuant to which the Debtor absolutely and unconditionally guaranteed full payment of all indebtedness of the Borrower to the Bank; and

d. Commercial Security Agreement dated May 1, 2009, executed and delivered by the Debtor to the Bank granting the Bank a security interest in all of the Debtor's assets with the aforesaid security interest being perfected by the Bank filing a financing statement with the Pennsylvania Secretary of State at Financing Statement No. 2009050506711 and continued at Financing Statement No. 2014022403037 (the "Security Interest").

4. As of February 27, 2017, the total amount due and owing to the Bank under the Loan

Documents is:

Principal	\$ 425,006.31
Interest	\$ 20,501.46
Late Fees	\$ 718.72
Appraisal Fees	\$ 2,125.00
Legal Fees to 1/31/17	\$ 15,674.89
<b>TOTAL</b>	<b>\$ 464,026.38</b>

5. The Security Interest is a first lien on all personal property of the Debtor including, but not limited to, dues paid to the Debtor by members which for the year of 2017 are estimated to be \$60,000.00.

6. 11 U.S.C. §1125 requires that a Disclosure Statement provide "adequate information" which is information in sufficient detail to allow a hypothetical investor to make an informed judgment about the Plan.

7. The Disclosure Statement is misleading with respect to the following matters:

- a. The Disclosure Statement provides the secured claim of the Bank is \$436,301.00 when as of February 27, 2017, the claim is \$464,026.38 after the inclusion of additional interest, late fees, legal fees and costs. See Section I.7.B of the Disclosure Statement.
- b. The Disclosure Statement provides the secured claim of the Bank is subject to a carve out for administrative expense in the amount of \$25,000.00. The Bank has not agreed to such a carve-out. See Section I.7.B of the Disclosure Statement.
- c. The Bank is also of the belief that additional administrative expenses exist which are not enumerated in the Disclosure Statement including, but not limited to, unpaid trustee fees of \$6,50.00 and accounting fees to Richar & Associates in the amount of \$17,650.00, along with any taxes that may have administrative priority. See Section IV.5 of the Disclosure Statement.

WHEREFORE, Northwest Savings Bank requests that this Court deny approval the Disclosure Statement.

**METZ LEWIS BRODMAN MUST O'KEEFE LLC**

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