IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:

Bankruptcy No. 16-23033-GLT

P & G Fittings, Inc.,

Chapter 11

Debtor.

DISCLOSURE STATEMENT TO ACCOMPANY CHAPTER 11 PLAN DATED MARCH 3, 2017

Debtor furnishes this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code §1125 to assist them in evaluating debtor's proposed Chapter 11 plan, a copy of which is attached hereto. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing time. The Court will schedule a hearing on the plan pursuant to 11 U.S.C. §1129.

Address for return of ballots:

Francis E. Corbett, Esquire
1420 Grant Building
310 Grant Street
Pittsburgh, PA 15219-2230

I. Background

1. Name of Debtor

P & G Fittings, Inc.

2. Type of Debtor (individual, partnership, corporation)

Corporation

3. Debtor's Business or Employment

Machine shop

4. Date of Chapter 11 Petition

August 17, 2016

5. Events that Caused the Filing:

Collections by the Internal Revenue Service

6. Anticipated Future of the Company & Source of this Information and Opinion

Continuing operations

7. Summarize all Significant Features of the Plan Including When and How Each Class of Creditor Will Be Paid and What, If Any, Liens Will Be Retained By Secured Creditors or Granted to Any Creditor Under the Plan

8. Are All Monthly Operating Statements Current and on File with the Clerk of Court?

Yes __X__ No _____

If Not, Explain:

9. Does the plan provided for releases of non-debtor parties? Specify which parties and terms of release.

No.

10. Identify all executory contracts that are to be assumed or assumed and assigned.

None

11. Has a bar date been set? x yes no
(If not, a motion to set the bar date has been filed simultaneously with the filing of this disclosure statement.)

12. Has an election under 11 U.S.C. §1121(e) has been filed with the Court to be treated as a small business?

Yes _____ No __X__

13. Specify property that will be transferred subject to 11 U.S.C. §1146(c).

None

II. Creditors

A. Secured Claims

SECURED CLAIMS

Creditor	Total Amount Owed	Arrearages	Type of Collateral Priority of Lien (1, 2, 3)	Disputed(D) Liquidated(L) Unliquidated (U)	Will Liens be Retained Under the Plan (Y)or(N)
IRS	$3,736.87	$3,736.87	Business assets	L	Y
TOTAL	$3,736.87				

B. Priority Claims

PRIORITY CLAIMS

Creditor	Total Amount Owed	Type of Collateral	(D)(L)(U) *
Internal Revenue Service	$371.03	None	L
Pennsylvania Dept. of Revenue	$939.58	None	L
TOTAL	$1,310.61		

* **Disputed (D), Liquidated (L), or Unliquidated (U)**

C. Unsecured Claims

1.	**Amount Debtor Scheduled (Disputed and Undisputed)**	**$ 0.00**
2.	**Amount of Unscheduled Unsecured Claims**	**$ 0.00**
3.	**Total Claims Scheduled or Filed**	**$ 0.00**
4.	**Amount Debtor Disputes**	**$ 0.00**
5.	**Estimated Allowable Unsecured Claims**	**$ 0.00**

D. Other Classes of Creditors

1.	**Amount Debtor Scheduled (Disputed and Undisputed)**	**$0.00**
2.	**Amount of Unscheduled Claims[1]**	**$0.00**
3.	**Total Claims Scheduled or Filed**	**$0.00**
4.	**Amount Debtor Disputes**	**$0.00**

5. Estimated Allowable Claims **$0.00**

E. Other Classes of Interest Holders

1.	**Amount Debtor Scheduled (Disputed and Undisputed)**	**$0.00**
2.	**Amount of Unscheduled Claims[1]**	**$0.00**
3.	**Total Claims Scheduled or Filed**	**$0.00**
4.	**Amount Debtor Disputes**	**$0.00**
5.	**Estimated Allowable Claims**	**$0.00**

III. Assets

ASSETS

Assets	Value	Basis for Value Priority of Lien	Name of Lien Holder (if any) (Fair Market Value/Book Value	Amount of Debtor's Equity (Value Minus Liens)
Bank Account	$4,122.41	Debtor	IRS	$4,122.41
Machinery and Equipment	$45,000.00	Debtor	IRS	$45,000.00
Office Furnishings	$200.00	Debtor	IRS	$200.00
	$49,322.41 TOTAL			$49,322.41 TOTAL

1. Are any assets which appear on Schedule A or B of the bankruptcy petition not listed above?

No

If so, identify asset and explain why asset is not in estate:

2. Are any assets listed above claimed as exempt? If so attach a copy of Schedule C and any amendments. None.

IV. SUMMARY OF PLAN

1. Effective Date of Plan:

30 days following confirmation.

2. Will cramdown be sought? __ Yes _X_ No
If Yes, state bar date: _____

3. Treatment of Secured Non-Tax Claims

SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
None			
TOTAL			

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
IRS	2	$3,736.87	Paid in full with interest
TOTAL		$3,736.87	

5. Treatment of Administrative Non-Tax Claims

ADMINISTRATIVE NON-TAX CLAIMS

Name of Creditor *	Amount Owed	Type of Debt **	Summary of Proposed Treatment and Date of First Payment
Francis E. Corbett	$5,000.00	Attorney for Debtor Fees	To be paid as parties agree.
United States Trustee	$325.00	Trustee Fees	To be paid in full on the Plan Effective Date.

TOTAL	$5,325.00		

*** Identify and Use Separate Line for Each Professional and Estimated Amount of Payment**

**** Type of Debt (P=Professional, TD=Trade, TX=Taxes)**

6. Treatment of Administrative Tax Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor *	Amount Owed	Type of Debt **	Summary of Proposed Treatment and Date of First Payment
None			

7. Treatment of Priority Non-Tax:

PRIORITY NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
None			

8. Treatment of Priority Tax Claims:

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
IRS	2	$371.03	04/25/16	Claim will be waived when secured and priority balances paid in full.
Pa. Dept. of Revenue	3	$939,58	04/30/16	Claim will be waived when secured and priority balances paid in full.

9. Treatment of General Unsecured Non-Tax Claims:

GENERAL UNSECURED NON-TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
None			

10. Treatment of General Unsecured Tax Claims:

GENERAL UNSECURED TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
IRS	2	$0.00*by agreement	
Pa. Dept. of Revenue	3	$0.00*by agreement	

11. Will periodic payments be made to unsecured creditors?

Yes ___ No _X__ First payment to begin _N/A_

If so:

Amount of each payment (aggregate to all unsecured claimants) $0.00
Estimated date of first payment: N/A
Time period between payments: N/A
Estimated date of last payment: N/A
Contingencies, if any: None

State source of funds for planned payments, including funds necessary for capital replacement, repairs, or improvements:

Business operation.

Other significant features of the plan: None

Include any other information necessary to explain this plan:

None

V. Comparison of Plan with Chapter 7 Liquidation

If debtor's proposed plan is not confirmed, the potential alternatives would include proposal of a different plan, dismissal of the case or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtor's non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants.

Total value of Chapter 7 estate See Section III)	**$49,322.41**
1. Less secured claims (See IV-2)	**$3,736.87**
2. Less administrative expenses	**$5,325.00**
3. Less other priority claims (See IV-4)	**$1,310.61**
Total Amount Available for Distribution to Unsecured Creditors	**$39,019.93**
Divided by total allowable unsecured claims of (See Section II C)	**$0.00* by agreement**
Percentage of Dividend to Unsecured Creditors:	***0%***

Will the creditors fare better under the plan than they would in a Chapter 7 liquidation?

Yes __ __ No _____ N/A

Explain: A liquidation of assets is never a guarantee of a return to any creditor's claims.

VI. Feasibility

A. Income Statement for Prior 12 Months.

B. Cash Flow Statement for Prior 12 Months.

C. Cash Flow Projections for Next 12 Months.

Estimated amount to be paid on effective date of plan, including administrative expenses.

$5,325.00

Show how this amount was calculated.

$5,000.00	**Administrative Class**
$0	**Taxes**
$0	**Unsecured Creditors**
$325.00	**UST Fees**
$5,325.00	**TOTAL**

What assumptions are made to justify the increase in cash available for the funding of the plan?

The funds held in escrow by Debtor's counsel from the initial retainer, $3,283.00.

Will funds be available in the full amount for administrative expenses on the effective date of the plan? From what source? If not available, why not and when will payments be made?

Yes.

Cash on hand *$5,469.00* **Attach current bank statement**

Cash on hand *$5,325.00* ***** **(Estimated amount available on date of confirmation)**

***Includes $3,283.00 in counsel's escrow account from initial retainer.**

If this amount is less than the amount necessary at confirmation, how will debtor make up the shortfall? Ongoing operations

VII. Management Salaries

MANAGEMENT SALARIES

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post-Confirmation)
Paul Marshall	$48,000.00	$48,000.00

VIII. Identify the Effect on Plan Payments and Specify Each of the Following:

1. What, if any, Litigation is pending?

None.

2. What, if any, Litigation is Proposed or Contemplated?

None

IX. Certification

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry.

The Debtor is a corporation and a Resolution to the Filing of Chapter 11 Plan and Disclosure Statement signed by the sole shareholder is attached.

Date: 03/03/17

/s/ Francis E. Corbett

Francis E. Corbett, Esquire
fcorbett@fcorbettlaw.com
1420 Grant Building
310 Grant Street
Pittsburgh, PA 15219-2230
(412) 456-1882

IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF PENNSYLVANIA

In Re:

P & G Fittings, Inc.,

Debtor.

Bankruptcy No. 16-23033-GLT

Chapter 11

CONSENT OF THE SHAREHOLDER OF ROYAL ONE, INC. TO FILING CHAPTER 11 PLAN AND DISCLOSURE STATEMENT

I, Paul Marshall, do hereby verify that I am the sole shareholder of the corporation known as P & G Fittings, Inc. and in that capacity I am authorized to consent to the filing of the Chapter 11 Plan and Disclosure Statement dated ~~February~~ March 3, 2017.

Date: 3-3-17

Paul Marshall

THE HUNTINGTON NATIONAL BANK
PO BOX 1558 EA1W37
COLUMBUS OH 43216-1558

Huntington

P & G FITTINGS, INC.
PO BOX 550
BUENA VISTA PA 15018-0550

Have a Question or Concern?

Stop by your nearest Huntington office or contact us at:

1-800-480-2001

www.huntington.com/businessresources

Huntington FastTrack Business Checking *Account:* [redacted]

Statement Activity From: 01/01/17 to 01/31/17

Days in Statement Period	31
Average Ledger Balance*	5,217.68
Average Collected Balance*	5,184.39

* The above balances correspond to the service charge cycle for this account.

Beginning Balance	**$714.23**
Credits (+)	**17,226.44**
Regular Deposits	516.00
Electronic Deposits	16,710.44
Debits (-)	**12,471.67**
Regular Checks Paid	11,445.49
Electronic Withdrawals	942.22
Other Debits	83.96
Total Service Charges (-)	**0.00**
Ending Balance	**$5,469.00**

Deposits (+) *Account:* [redacted]

Date	Amount	Serial #	Type	Date	Amount	Serial #	Type
01/23	516.00		Brch/ATM				

Other Credits (+) *Account:* [redacted]

Date	Amount	Description
01/04	4,204.50	ST GOBAIN PAYMENTS 170104 745099
01/06	1,237.50	ST GOBAIN PAYMENTS 170106 745099
01/11	5,055.40	ST GOBAIN PAYMENTS 170111 745099
01/13	155.20	ST GOBAIN PAYMENTS 170113 745099
01/18	102.35	ST GOBAIN PAYMENTS 170118 745099
01/19	2,795.35	ST GOBAIN PAYMENTS 170119 745099
01/23	1,280.40	ST GOBAIN PAYMENTS 170123 745099
01/27	1,879.74	ST GOBAIN PAYMENTS 170127 745099

Checks (-) *Account:* [redacted]

Date	Amount	Check #	Date	Amount	Check #
01/10	68.96	2178	01/12	42.00	2183
01/05	370.50	2179	01/13	102.66	2184
01/11	112.00	2180	01/17	29.23	2185
01/06	1,872.88	2181	01/17	390.35	2186
01/13	200.00	2182	01/18	59.79	2187

Investments are offered through the Huntington Investment Company, Registered Investment Advisor, member FINRA/SIPC, a wholly-owned subsidiary of Huntington Bancshares Inc.

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EXHIBIT A - Historic Summary

P & G Fittings, Inc.

Case No. 16-23033-GLT

Pre-Petition Periods	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Totals
Income	$12,513	$15,363	$18,750	$11,895	$12,677	$18,879	$13,305	$10,258	$11,200	$19,569	$11,334	$9,858	$165,601
Expenses	$12,985	$12,487	$16,071	$17,675	$11,998	$17,164	$12,308	$11,568	$8,600	$19,307	$12,721	$10,939	$163,823
NET CASH FLOW	($472)	$2,876	$2,679	($5,780)	$679	$1,715	$997	($1,310)	$2,600	$262	($1,387)	($1,081)	1778

EXHIBIT B - Plan Feasibility

P & G Fittings, Inc.

Case No. 16-23033-GLT

Post Petition Periods	Aug-16	Sep-16	Oct-17	Nov-17	Dec-17	Jan-17
Income	$5,492.00	$16,840.00	$15,319.00	$14,742.00	$6,285.00	$17,226.44
Expenses	$3,960.00	$11,595.00	$13,633.00	$13,565.00	$17,216.00	$12,471.67
NET CASH FLOW	**$1,532.00**	**$5,245.00**	**$1,686.00**	**$1,177.00**	**($10,931.00)**	**$4,754.77**

EXHIBIT C - Projected Summary

P & G Fittings, Inc.

Case No. 16-23033-GLT

Post Petition Periods	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Total Projected Cash Flow From Operations	$13,000	$12,000	$11,000	$18,000	$12,000	$10,000	$13,000	$16,000	$19,000	$13,000	$13,000	$19,000
Less Total Projected Disbursements	$12,500	$12,000	$11,000	$16,500	$12,000	$10,000	$12,500	$14,000	$16,500	$13,000	$13,000	$17,000
Less Payments to Creditors in the Plan	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Anticipated Cash Flow Available for Plan	**$500**	**$0**	**$0**	**$1,500**	**$0**	**$0**	**$500**	**$2,000**	**$2,500**	**$0**	**$0**	**$2,000**