

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>IN RE:</b>	§	
	§	
<b>CHRIST HEALING CHURCH</b>	§	<b>Case No. 15-36538</b>
	§	<b>(Chapter 11)</b>
<b>Debtor.</b>	§	<b>JUDGE DAVID R. JONES</b>

**CHRIST HEALING CHURCH'S DISCLOSURE STATEMENT**

**I. INTRODUCTION**

This is the disclosure statement (the "Disclosure Statement") in the small business chapter 11 case of CHRIST HEALING CHURCH ("CHC" hereinafter), (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the PLAN OF REORGANIZATION (the "Plan") filed by CHC on July 25, 2016. A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. *Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.*

The proposed distributions under the Plan are discussed at pages 4-6 of this Disclosure Statement.

**A. Purpose of This Document**

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case,
- How the Plan proposes to treat claims or equity interests of the type you hold (*i.e.*, what you will receive on your claim or equity interest if the plan is confirmed),
- Who can vote on or object to the Plan,
- What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,
- Why Christ Healing Church believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
- The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

**B. Voting and Objecting; Plan Confirmation**

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

If you are entitled to vote to accept or reject the plan, a ballot will be sent to you; vote on the ballot and return the ballot in the enclosed envelope to 6750 West Loop South, Suite 825, Bellaire,

Texas 77401. See section IV.A. below for a discussion of voting eligibility requirements.

*1. Objecting to the Adequacy of Disclosure and Confirmation of the Plan*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon CHRIST HEALING CHURCH.

*2. Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact Jarrett Perkins at 6750 West Loop South, Suite 825, Bellaire, Texas 77401.

**C. Disclaimer**

This Disclosure Statement must be approved by the Bankruptcy Court and/or District Court, after notice and hearing, prior to the solicitation of creditors with respect to their acceptance of the Plan.

**II. BACKGROUND**

**A. Description and History of the Debtor's Business**

The Debtor is a non-profit corporation. Since 1991, the Debtor has been in the business of worshipping and preaching the word of God, and providing an opportunity for people, regardless of sex, religion or nationality to enhance their spiritual growth and receive divine salvation.

**B. Management of the Debtor Before and During the Bankruptcy**

During the two years prior to the date on which the bankruptcy petition was filed, the officers, directors, managers or other persons in control of the Debtor (collectively the "Managers") were Victor Ade Iyamu, chairman; Aimua Osadaiye, secretary; Benjamin Amandi, board member; and Stella Adebiran, board member.

The Managers of the Debtor during the Debtor's chapter 11 case have been: Victor Ade Iyamu, chairman; Aimua Osadaiye, secretary; Benjamin Amandi, board member; and Stella Adebiran, board member.

After the effective date of the order confirming the Plan, the directors, officers, and voting trustees of the Debtor, any affiliate of the Debtor participating in a joint Plan with the Debtor, or successor of the Debtor under the Plan (collectively the "Post Confirmation Managers"), will be: Victor Ade Iyamu, chairman; Benjamin Amandi, board member; and Stella Adebiran, board member.

**C. Events Leading to Chapter 11 Filing**

CHC has undergone two management changes at the top of its internal management, which turmoil allowed for circumstances which lead CHC to get behind on its payments to Foundation Capital Resources, Inc.'s ("FCR" hereinafter). Prior to the assistance of current counsel in filing this bankruptcy case, on numerous occasions, CHC has requested an accounting of its balance from FCR and FCR has failed to provide CHC with an explanation of charges in their statements, thereby making it difficult for CHC to cure any defaults or even question the accuracy of the amounts due.

**D. Significant Events During the Bankruptcy Case**

- On December 14, 2015, CHC filed this case as a chapter 11 case. The Debtor has remained in possession of its property and has retained control over its ongoing affairs under the Bankruptcy Code.
- On January 6, 2016, FCR filed a Motion to Dismiss the Case for Abuse for Serial Filing.
  - On January 27, 2016 CHC filed a Response to FCR's Motion to Dismiss.
  - The Court issued Orders on this motion on March 16, 2016, April 27, 2016, May 3, 2016, June 2, 2016, and July 1, 2016.
- The first meeting of creditors pursuant to § 341 of the Bankruptcy Code in this Chapter 11 case was held and concluded on February 2, 2016.
- On March 17, 2016, The Law Office of Jarrett C. Perkins, was approved to be employed as general bankruptcy counsel for the Debtor with Jarrett C. Perkins designated as attorney in charge for the representation of the Debtor.

**E. Projected Recovery of Avoidable Transfers**

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions at this time but reserves the right to pursue such claims if any are discovered in the future.

**F. Claims Objections**

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan.

**G. Current and Historical Financial Conditions**

The identity and fair market value of the estate's assets are listed in Exhibit B. The information contained herein has not been independently audited. All the financial information with respect to the Debtor was compiled from information provided from the Debtor's records. The information submitted with this Disclosure Statement is dependent upon these records. The Debtor is unable to warrant or represent that the information contained herein is without any inaccuracies, although every reasonable effort has been made to be accurate and to the best of the Debtor's knowledge, information, and belief, the information contained herein is accurate.

Except as specified herein, no formal appraisals have been undertaken on the Debtor's property. The values placed thereon and summarized below are the Debtor's best estimate of the values of property as of the time of the filing of the Plan and this Disclosure Statement.

The most recent post-petition operating report filed since the commencement of the Debtor's bankruptcy case are set forth in Exhibit D.

**III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS****A. What is the Purpose of the Plan of Reorganization?**

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

## B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has *not* placed the following claims in any class:

### 1. Administrative Expenses

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date	\$2,300.00	Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	\$0.00	Paid in full on the effective date of the Plan, or according to terms of obligation if later
Professional Fees, as approved by the Court.	\$20,250.00 (fees have not yet been approved by the Court)	Paid in full on the effective date of the Plan, or according to separate written agreement, or according to court order if such fees have not been approved by the Court on the effective date of the Plan
Clerks Office Fees		Paid in full on the effective date of the Plan
Other administrative expenses		Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$1,300.00	Paid in full on the effective date of the Plan
<b>TOTAL</b>	<b>23,850.00</b>	

## C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will

receive under the Plan:

*1. Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan:

<b>Class #</b>	<b>Description</b>	<b>Insider? (Yes or No)</b>	<b>Impairment</b>	<b>Treatment</b>
2.	<p><i>Secured claim of:</i> Name = Foundation Capital Resources, Inc.</p> <p>Collateral description = 9915 Belknap Rd, Sugar Land, TX 77478</p> <p>Allowed Secured Amount = \$1,134,383.28</p> <p>Priority of lien = 1<sup>st</sup> lien position</p> <p>Principal owed = \$1,084,383.28 Pre-pet. arrearage = <u>\$50,000.00</u></p> <p>Total claim = <u>\$ 1,134,3383.28</u></p>	No	Impaired	<p>The allowed Secured Claim of Capital, shall be deemed current as to all pre-petition arrearage and shall be cured as of the Effective Date of the Plan. Said loan has previously converted to permanent financing as per the promissory note terms.</p> <p>Upon approval of this plan, the lender shall modify the existing promissory note to amortize the remaining loan balance over thirty (30) years with payments of \$8,722.43. Debtor will make two hundred forty (240) monthly payments of principal and interest, commencing on the 15th day of the month following the confirmation date of this plan, and continuing on the same day of each succeeding month thereafter up to and including November 15, 2035. Thereafter, Debtor will make a final balloon payment of all outstanding principal and accrued outstanding interest on the Maturity Date of December 15, 2035. The previously stated prepayment penalty language contained within the promissory note shall be deleted, null and void upon the Effective Date of this Plan.</p>

*2. Class[es] of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

The following chart identifies the Plan's proposed treatment of Class[es] through, which contain general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
3	Unsecured Claim of Keaton	Impaired	The Unsecured Claim of Keaton, shall be deemed current as to all pre-petition arrearage and shall be cured as of the Effective Date of this Plan. Debtor will pay \$44,222.32, in monthly installments of \$633.00, to Keaton, over a period not to exceed 96 months (8 years) at five 5% interest, with the first payment due 30 days after the Effective Date of this Plan.
3	General Unsecured Class	Impaired	All Allowed General Unsecured Creditors will be paid 20% of their allowed claims in 60 equal monthly payments with the first payment being due and payable on the first day of the first month following the 60th day after the effective date of the plan

#### D. Means of Implementing the Plan

##### 1. Source of Payments

Payments and distributions under the Plan will be funded by the following: Debtor will meet the above described obligations by reducing various cost of operations and continued operations of the church facilities. In addition to the continued contribution income from the congregation.

##### 2. Post-confirmation Management

The Post-Confirmation Managers of the Debtor, and their compensation, shall be as follows:

Name	Affiliations	Insider (yes or no)?	Position	Compensation
Victor Ade Iyamu	Elder in charge	Yes	Chairman of the Board	\$0.00
Aimua Osadaiye	Elder	Yes	Secretary of the Board	\$0.00
Benjamin Amandi	Elder	Yes	Board Member	\$0.00
Stella Adebiran	Elder	Yes	Board Member	\$0.00

#### E. Risk Factors

The proposed Plan has the following risks:

If Debtor is unable to continue to make its regular monthly rental income from its banquet hall and congregation donations there is an inherent risk that the plan may fail.

#### **F. Executory Contracts and Unexpired Leases**

On the Effective Date, the Debtor shall be empowered to assume or reject, within thirty (30) days, any and all executory contracts and leases not previously assumed. The Debtor will notify all parties affected by such a rejection by filing a written notice of rejection and serving such notice on those parties by certified mail, return receipt requested.

All parties to any contract or lease rejected will have thirty (30) days from the rejection of its executory contract or lease in which to file a Proof of Claim for damages, if any, resulting from rejection of the contract or lease. Such claim will be subject to the limitation imposed by the Bankruptcy Code and all other applicable laws, rules and regulations.

The Debtor shall be permitted to negotiate the repayment of arrearages owed on any of the executory contracts or leases that he decides to assume, provided the payment of same does not jeopardize the payments of any claims set forth herein.

#### **G. Tax Consequences of Plan**

*Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, And/Or Advisors.*

### **IV. CONFIRMATION REQUIREMENTS AND PROCEDURES**

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

#### **A. Who May Vote or Object**

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that classes 2 and 3 are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan.

#### *1. What Is an Allowed Claim or an Allowed Equity Interest?*

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

Pursuant to Bankruptcy Local Rule 3003, any creditor desiring to receive a distribution under the provisions of this Plan, whose claim is not evidenced by a Court-authorized order, must file a proof of claim or request for compensation with the Bankruptcy Court within ninety (90) days after the date set for the meeting of the creditors. Unless a claim is listed as disputed, contingent or unliquidated, each secured creditor's claim will be allowed in the absence of filing of a proof of claim in a different amount or status on or before the last day fixed for filing claims. Claims listed as disputed, contingent or unliquidated will not be allowed unless a proof of claim with all supporting documents were filed or the claim was scheduled by the Debtor. In the event a creditor has filed a proof of claim in these proceedings with which the Debtor disagrees, the Debtor shall file an objection to said claim not later than sixty (60) days after confirmation of the Plan. The failure of the Debtor to object to any claim filed herein does not prejudice the Debtor's rights to proceed against any party regarding any causes of action that he may have had at the time this case was filed or that may have accrued during the pendency of this case against any creditor

## 2. *What Is an Impaired Claim or Impaired Equity Interest?*

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

## 3. *Who is **Not** Entitled to Vote*

The holders of the following five types of claims and equity interests are *not* entitled to vote:

- holders of claims and equity interests that have been disallowed by an order of the Court;
- holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes.
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan;
- administrative expenses.

***Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.***

## 4. *Who Can Vote in More Than One Class*

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured



claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

## **B. Votes Necessary to Confirm the Plan**

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by cram down on non-accepting classes, as discussed later in Section [B.2.].

### *1. Votes Necessary for a Class to Accept the Plan*

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

### *2. Treatment of Nonaccepting Classes*

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds nonaccepting classes is commonly referred to as a cram down plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not discriminate unfairly, and is fair and equitable toward each impaired class that has not voted to accept the Plan.

***You should consult your own attorney if a cramdown confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.***

## **C. Liquidation Analysis**

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit E.

## **D. Feasibility**

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

### *1. Ability to Initially Fund Plan*

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan, and the sources of that cash are attached to this disclosure statement as Exhibit F.

2. *Ability to Make Future Plan Payments And Operate Without Further Reorganization*

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.

The Plan Proponent has provided projected financial information. Those projections are listed in Exhibit G.

*You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.*

**V. EFFECT OF CONFIRMATION OF PLAN**

**A. DISCHARGE OF DEBTOR**

Discharge. On the effective date of the Plan, the Debtor shall be discharged from any debt that arose before confirmation of the 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 shall not be discharged of any debt (i) imposed by the 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). After the effective date of the Plan your claims against the Debtor will be limited to the debts described in clauses (i) through (iii) of the preceding sentence.

**B. Modification of Plan**

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan. The Plan Proponent may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated *and* (2) the Court authorizes the proposed modifications after notice and a hearing.

**C. Final Decree**

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

Respectfully submitted,

CHRIST HEALING CHURCH

By: /s/ Victor Ade Iyamu  
Victor Ade Iyamu, Chairman of the Board of  
Directors  
9915 Belknap Rd.  
Sugar Land, Texas 77478

The Law Office of Jarrett C. Perkins  
By: /s/ Jarrett C. Perkins  
Jarrett C. Perkins  
State Bar No. 24041678  
6750 West Loop South, Suite 825  
Bellaire, Texas, 77401  
(713) 977-6600  
(713) 977-6601 (fax)  
**Counsel for Debtor**

**Exhibit A**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>IN RE:</b>	§	
	§	
<b>CHRIST HEALING CHURCH</b>	§	<b>Case No. 15-36538</b>
	§	<b>(Chapter 11)</b>
<b>Debtor.</b>	§	<b>JUDGE DAVID R. JONES</b>

**CHRIST HEALING CHURCH’S PLAN OF REORGANIZATION.**

**ARTICLE I  
SUMMARY**

This Plan of Reorganization (the “Plan”) under chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay creditors of CHRIST HEALING CHURCH (the “Debtor” and “CHC” hereinafter) from cash flow from operations and future income.

This Plan provides for one class of secured claims; one class of unsecured claims; and zero classes of equity security holders. Unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately \$15,543.35. This Plan also provides for the payment of administrative and priority claims for attorney’s fees and U.S. Trustees fees.

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 | <u>Class 1.</u> | All allowed claims entitled to priority under § 507 of the Code except administrative expense claims under § 507(a)(2).  |
| 2.02 | <u>Class 2.</u> | The claim of Foundation Capital Resources, Inc., loan against the bankruptcy estate pursuant to a promissory note dated June 6, 2008 and executed by the Debtor as Makers, Payable to the order of Foundation Capital Resources, Inc., in the original principal sum of \$982,000.00 to the extent allowed as a secured claim under § 506 of the Code. |

- 2.03 Class 3. The Unsecured Claim of Keaton Construction Company, LLC (“Keaton”), against the bankruptcy estate pursuant to Keaton’s Proof of Claim filed March 22, 2016 and amended April 21, 2016.
- 2.04 Class 4. Equity interests of the Debtor.

**ARTICLE III**  
**TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,**  
**U.S. TRUSTEES FEES, AND PRIORITY TAX CLAIMS**

3.1 **Unclassified Claims.** Under section §1123(a)(1), administrative expense claims, and priority tax claims are not in classes.

3.2 **Administrative Expense Claims.**

**Jarrett C. Perkins.** Claim of Jarrett C. Perkins, Attorney at Law, for representing the Debtor in this matter. Mr. Perkins holds \$10,000.00 (before paying the \$1,717.00 filing fee) in a retainer to apply toward his fees and expenses. He estimates his total fees to be \$20,000+- (the fees could be more if situations arise that are not anticipate at this time). His claim will be paid in full once the Court approves his fee application.

3.3 **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:

<b>Class</b>	<b>Impairment</b>	<b>Treatment</b>
Class 1 - Priority Claims	Unimpaired	Class 1 is unimpaired by this Plan, and each holder of a Class 1 Priority Claim will be paid in full, in cash, upon the later of the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non- appealable order.

Class 2 – Secured Claim of Foundation Capital Resources, Inc.	Impaired	<p>The allowed Secured Claim of Capital, shall be deemed current as to all pre-petition arrearage and shall be cured as of the Effective Date of the Plan. Said loan has previously converted to permanent financing as per the promissory note terms.</p> <p>Upon approval of this plan, the lender shall modify the existing promissory note to amortize the remaining loan balance over thirty (30) years with payments of \$8,722.43. Debtor will make two hundred forty (240) monthly payments of principal and interest, commencing on the 15<sup>th</sup> day of the month following the confirmation date of this plan, and continuing on the same day of each succeeding month thereafter up to and including November 15, 2035. Thereafter, Debtor will make a final balloon payment of all outstanding principal and accrued outstanding interest on the Maturity Date of December 15, 2035. The previously stated prepayment penalty language contained within the promissory note shall be deleted, null and void upon the Effective Date of this Plan.</p>
Class 3 - Unsecured Claim of Keaton	Impaired	<p>The Unsecured Claim of Keaton, shall be deemed current as to all pre-petition arrearage and shall be cured as of the Effective Date of this Plan. Debtor will pay \$44,222.32, in monthly installments of \$633.00, to Keaton, over a period not to exceed 96 months (8 years) at five 5% interest, with the first payment due 30 days after the Effective Date of this Plan.</p>
Class 3 - General Unsecured Creditors	Impaired	<p>All Allowed General Unsecured Creditors will be paid 20% of their allowed claims in 60 equal monthly payments with the first payment being due and payable on the first day of the first month following the 60th day after the effective date of the plan</p>

## 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 all executory contracts and/or unexpired leases, excluding those specifically rejected during the Reorganization Case, effective upon the date of the entry of the order confirming this Plan.

**ARTICLE VII**  
**CRAMDOWN**

7.1 In the event any Class rejects the Plan, the Debtor will seek to invoke the provisions of Section 1129(b) of the Bankruptcy Code and confirm the Plan notwithstanding the rejection of the Plan by any Class of Claims or interests.

**ARTICLE VIII**  
**MEANS FOR IMPLEMENTATION OF THE PLAN**

8.1 On the date the confirmation order becomes final all remaining property of the Debtor and of the Estate shall vest in the Reorganized Debtor free and clear of liens, claims, interests and encumbrances arising on or before the effective date, except as otherwise provided in the Plan or the Confirmation Order. If the Reorganized Debtor defaults in performing under the provisions of this Plan and this case is converted to a case under Chapter 7 prior to Substantial Consummation of this Plan, all property vested in the Reorganized Debtor and all subsequently acquired property owned by the Reorganized Debtor as of or after the conversion date shall re-vest in the Debtor and constitute property of the bankruptcy estate in the converted case.

8.2 Debtor will meet the above described obligations by reducing various cost of operations and continued operations of the church facilities. In addition to the continued contribution income from the congregation.

**ARTICLE IX**  
**GENERAL PROVISIONS**

9.1 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, and they are supplemented by the following definitions: None.

9.2 Effective Date of Plan. The effective date of this Plan is the first business day following the date that is fourteen 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.



9.3 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.

9.4 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.

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

## **ARTICLE X** **DISCHARGE**

10.01. 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).

## **ARTICLE XI**

### **OTHER PROVISIONS**

11.01. Default. Subject to any specific default provisions stated in the Plan Documents, in the event that the Debtor breaches any covenant or provision of this Plan or in the underlying documentation evidencing the secured indebtedness, and thereafter fails to remedy or resolve such breach within sixty (60) days from the date of receipt of written notice of such breach, then any Creditor with an Allowed Claim, at its option, may declare that the Debtor is in default of this Plan. Upon the declaration of default as provided herein, the declarant may exercise any remedies available under law.

11.02. Amendment and Modification. This Plan may be amended or modified by the Debtor before, or by the Reorganized Debtors after, the date on which the confirmation order is final as provided in the Bankruptcy Code.

11.03 Withdrawal of Plan. The Debtor reserves the right to withdraw this Plan at any time prior to the Confirmation Date. If the Debtor withdraws this Plan prior to the Confirmation Date, or, if the Confirmation Date or the effective date does not occur, then this Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute an admission, waiver or release of any Claims by or against the Debtor or any other person, or to prejudice in any manner the rights of the Debtor, the Debtor's estate or any person in any further proceedings involving the Debtor.

11.04 Notices. Any notices required to be given under this Plan shall be in writing. Any notice that is allowed or required hereunder except for a notice of change of address shall be considered complete on the earlier of (a) three days following the date the notice is sent by United States mail, postage prepaid, or by overnight courier service, or in the case of mailing to a non-United States address, air mail, postage prepaid, or personally delivered; or (b) the date the notice is actually received. Notices shall be sent to:

(a) If to the Debtor, at:

CHRIST HEALING CHURCH  
c/o Jarrett C. Perkins  
6750 West Loop South, Suite 825  
Bellaire, TX 77401  
[jcperkins@lawjcp.com](mailto:jcperkins@lawjcp.com)

(b) If to the U.S. Trustee, at:  
United States Trustee's Office  
515 Rusk, Suite 3516  
Houston, TX 77002

(c) If to any Creditor in its capacity as such, at its address or facsimile number as reflected on its proof of claim or Notice of Appearance, if any.

(d) To any counsel for the Reorganized Debtor at such address or facsimile number as provided by the Reorganized Debtor.

10.05 Due Authorization by Creditors. Each and every Creditor who elects to participate in the Distributions provided for herein warrants that it is authorized to accept in consideration of its Claim against the Debtor the Distributions provided for in this Plan and that there are no outstanding commitments, agreements, or understandings, express or implied, that may or can in any way defeat or modify the rights conveyed or obligations undertaken by it under this Plan.

10.06 Filing of Additional Documentation. On or before the Effective Date, the Debtor may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan.

10.07 Implementation. The Debtor and the Reorganized Debtor shall be authorized to perform all reasonable, necessary and authorized acts to consummate the terms and conditions of the Plan.

Respectfully submitted,

CHRIST HEALING CHURCH

By: /s/ Victor Ade Iyamu  
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