

**B1 (Official Form 1) (12/11)**

<b>United States Bankruptcy Court Western District of Virginia</b>		<b>Voluntary Petition</b>
Name of Debtor (if individual, enter Last, First, Middle): <b>Michael Brothers, Inc.</b>		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) /Complete EIN (if more than one, state all): <b>54-1145102</b>		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) /Complete EIN (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): <b>520-C Rockingham Street Elkton, VA</b>		Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
ZIPCODE <b>22827</b>		ZIPCODE
County of Residence or of the Principal Place of Business: <b>Rockingham</b>		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address) <b>P.O. Box 92 Elkton, VA</b>		Mailing Address of Joint Debtor (if different from street address):
ZIPCODE <b>22827</b>		ZIPCODE
Location of Principal Assets of Business Debtor (if different from street address above): <b>520-C East Rockingham Street, Elkton, VA</b>		
ZIPCODE <b>22827</b>		
<p style="text-align: center;"><b>Type of Debtor</b> (Form of Organization) (Check <b>one</b> 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> <hr/> <p style="text-align: center;"><b>Chapter 15 Debtor</b></p> <p>Country of debtor's center of main interests:</p> <hr/> <p>Each country in which a foreign proceeding by, regarding, or against debtor is pending:</p> <hr/>	<p style="text-align: center;"><b>Nature of Business</b> (Check <b>one</b> 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 style="text-align: center;"><b>Tax-Exempt Entity</b> (Check box, if applicable.)</p> <p><input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).</p>	<p style="text-align: center;"><b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check <b>one</b> box.)</p> <p><input type="checkbox"/> Chapter 7                      <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding</p> <p><input checked="" type="checkbox"/> Chapter 11                      <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding</p> <p><input type="checkbox"/> Chapter 12                      <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding</p> <p><input type="checkbox"/> Chapter 13</p> <hr/> <p style="text-align: center;"><b>Nature of Debts</b> (Check <b>one</b> 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>
<p style="text-align: center;"><b>Filing Fee</b> (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 style="text-align: center;"><b>Chapter 11 Debtors</b></p> <p><b>Check one box:</b></p> <p><input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p><input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p><b>Check if:</b></p> <p><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (<i>amount subject to adjustment on 4/01/13 and every three years thereafter</i>).</p> <p>-----</p> <p><b>Check all applicable boxes:</b></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>	
<p><b>Statistical/Administrative Information</b></p> <p><input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors.</p> <p><input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.</p>		<b>THIS SPACE IS FOR COURT USE ONLY</b>
<p>Estimated Number of Creditors</p> <p><input checked="" type="checkbox"/> 1-49    <input type="checkbox"/> 50-99    <input type="checkbox"/> 100-199    <input type="checkbox"/> 200-999    <input type="checkbox"/> 1,000-5,000    <input type="checkbox"/> 5,001-10,000    <input type="checkbox"/> 10,001-25,000    <input type="checkbox"/> 25,001-50,000    <input type="checkbox"/> 50,001-100,000    <input type="checkbox"/> Over 100,000</p>		
<p>Estimated Assets</p> <p><input type="checkbox"/> \$0 to \$50,000    <input type="checkbox"/> \$50,001 to \$100,000    <input type="checkbox"/> \$100,001 to \$500,000    <input checked="" type="checkbox"/> \$500,001 to \$1,000,000    <input type="checkbox"/> \$1,000,001 to \$5 million    <input type="checkbox"/> \$5,000,001 to \$10 million    <input type="checkbox"/> \$10,000,001 to \$50 million    <input type="checkbox"/> \$50,000,001 to \$100 million    <input type="checkbox"/> \$100,000,001 to \$500 million    <input type="checkbox"/> \$500,000,001 to \$1 billion    <input type="checkbox"/> More than \$1 billion</p>		
<p>Estimated Liabilities</p> <p><input type="checkbox"/> \$0 to \$50,000    <input type="checkbox"/> \$50,001 to \$100,000    <input type="checkbox"/> \$100,001 to \$500,000    <input checked="" type="checkbox"/> \$500,001 to \$1,000,000    <input type="checkbox"/> \$1,000,001 to \$5 million    <input type="checkbox"/> \$5,000,001 to \$10 million    <input type="checkbox"/> \$10,000,001 to \$50 million    <input type="checkbox"/> \$50,000,001 to \$100 million    <input type="checkbox"/> \$100,000,001 to \$500 million    <input type="checkbox"/> \$500,000,001 to \$1 billion    <input type="checkbox"/> More than \$1 billion</p>		

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<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): <b>Michael Brothers, Inc.</b>	
<b>All Prior Bankruptcy Case Filed Within Last 8 Years</b> (If more than two, attach additional sheet)			
Location Where Filed: <b>None</b>	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
<b>Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor</b> (If more than one, attach additional sheet)			
Name of Debtor: <b>None</b>	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
<p style="text-align: center;"><b>Exhibit A</b></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 style="text-align: center;"><b>Exhibit B</b></p> (To be completed if debtor is an individual whose debts are primarily consumer debts.)		
<input type="checkbox"/> Exhibit A is attached and made a part of this petition.	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).		
<div style="display: flex; justify-content: space-between;"> <span>X _____</span> <span>_____</span> </div> Signature of Attorney for Debtor(s) <span style="float: right;">Date</span>			
<b>Exhibit C</b>			
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?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No			
<b>Exhibit D</b>			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached a made a part of this petition.			
<b>Information Regarding the Debtor - Venue</b> (Check any applicable box.)			
<input checked="" type="checkbox"/> 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.			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> 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.			
<b>Certification by a Debtor Who Resides as a Tenant of Residential Property</b> (Check all applicable boxes.)			
<input type="checkbox"/> 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)			
<input type="checkbox"/> 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			
<input type="checkbox"/> 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.			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

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**Voluntary Petition**

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

Name of Debtor(s):  
**Michael Brothers, Inc.**

**Signatures**

**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

**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 S. Sease  
Signature of Attorney for Debtor(s)

**James S. Sease 19220  
James S. Sease, PC  
10458 Buckley Hall Road P.O. Box 715  
Mathews, VA 23109**

**jseaselaw@gmail.com**

**February 9, 2013**  
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 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

**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/ Verlin Erwin Michael  
Signature of Authorized Individual

**Verlin Erwin Michael**  
Printed Name of Authorized Individual

**President**  
Title of Authorized Individual

**February 9, 2013**  
Date

X \_\_\_\_\_  
Signature

\_\_\_\_\_  
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 of Virginia**

**IN RE:**

Case No. \_\_\_\_\_

**Michael Brothers, Inc.**

Chapter **11**

Debtor(s)

**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 and Fed. R. Bankr. P. 1007(m).

(1) Name of creditor and complete mailing address including zip code	(2) Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contract, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to setoff	(5) Amount of claim (if secured also state value of security)
<b>Rockingham County P.O. Box 471 Harrisonburg, VA 22803</b>	<b>(540) 564-2408</b>			<b>97,999.99</b>
<b>Town Of Elkton 173 West Spottswood Ave. Elkton, VA 00000</b>		Trade debt		<b>14,984.76</b>
<b>Eagle Carpet, Inc. 1188 Port Republic Road Harrisonburg, VA 22801</b>	<b>(540) 434-1818</b>			<b>12,391.27</b>
<b>ROOME Management Corp P.O. Box 367 Buena Vista, VA 24416</b>	<b>(800) 261-7565</b>			<b>11,650.00</b>
<b>Capital One P.O. Box 6492 Carrol Stream, IL 60197</b>				<b>635.00</b>

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

I, [the president *or* other officer *or* an authorized agent of the corporation][*or* a member *or* an authorized agent of the partnership] 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 9, 2013** Signature: **/s/ Verlin Erwin Michael**

**Verlin Erwin Michael, President**

(Print Name and Title)

CAPITAL ONE  
P.O. BOX 6492  
CARROL STREEM, IL 60197

EAGLE CARPET, INC.  
1188 PORT REPUBLIC ROAD  
HARRISONBURG, VA 22801

NEWBIRDGE BANK  
P.O. BOX 867  
LEXINGTON, NC 27292

ROCKINGHAM COUNTY  
P.O. BOX 471  
HARRISONBURG, VA 22803

ROOME MANAGEMENT CORP  
P.O. BOX 367  
BUENA VISTA, VA 24416

SUZANNE F. THOMAS, ESQ.  
LENHART OBENSHAIN PC  
P.O. BOX 1287  
HARRISONBURG, VA 22803-0000

TOWN OF ELKTON  
173 WEST SPOTTSWOOD AVE.  
ELKTON, VA 00000

**UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA  
Harrisonburg Division**

IN RE: Michael Brothers, Inc.

Case No.

Debtor

Chapter 11

**CORPORATE OWNERSHIP STATEMENT**

Pursuant to Federal Rule of the Bankruptcy Procedure 1007(a), the undersigned counsel for the Debtor in the above captioned case, certifies that no corporation directly or indirectly owns 10% or more of any class of the Debtor's equity interests. The foregoing information is consistent with the requirements of Rule 7007.1

*/s/ James S. Sease*

James S. Sease, Esquire – VSB#19220

James S. Sease, P.C.

P.O. Box 715

Mathews, VA 23109

Counsel for the Debtor

[jseaselaw@gmail.com](mailto:jseaselaw@gmail.com)

(804) 725-4700

(804) 725-4704

Michael Brothers, Inc.

Unanimous Consent of Directors and Stockholders

The undersigned, being the sole director of Michael Brothers, Inc., a Virginia corporation (the "Company"), does hereby consent to each of the actions set forth below:

- A. The Company shall file promptly a chapter 11 bankruptcy in the Western District of Virginia at Harrisonburg.
- B. The company is authorized to retain James S. Sease as bankruptcy counsel and to enter into such arrangements as the officers determine reasonable with respect to payment for such services.
- C. The existing officers of the Company are confirmed as follows: Verlin Erwin Michael, President, Secretary and Treasurer
- D. The officers of the Company are authorized to take any action on behalf of the Company or in the management of the Company with respect to the Chapter 11 bankruptcy and related matters, including but not limited to execution of the petition, statements, schedules, lists, pleadings, reports and other documents; appearance at any meeting, hearing, trial of other proceeding; negotiations with any party in interest; and determination of the position of the Company in any aspect of the bankruptcy case.
- E. The officers or either of them are authorized to take any and all actions necessary or convenient to accomplish the intents and purposes expressed herein.

And no further action is taken or authorized by this content.

/s/Verlin Erwin Michael

Verlin Erwin Michael, Sole Director

Seen and approved

/s/Verlin Erwin Michael

Verlin Erwin Michael, Sole Stockholder

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF VIRGINIA  
Harrisonburg Division**

In re: Michael Brothers, Inc.

Case No:  
Chapter 11

Attorney for Debtor: James S. Sease

**LIST OF EQUITY SECURITY HOLDERS**

Number	Registered Name of Holder of Security	Number of Shares	Class of Shares, Kind of Interest
<i>1</i>	<i>Verlin Erwin Michael</i>	<i>500</i>	<i>Common Shares</i>

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION**

I, Verlin Erwin Michael, President, Sec /Tresurer of Michael Brothers, Inc. named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Holders and that it is true and correct to the best of my knowledge, information and belief.

Date: 2/9/2013\_\_\_\_\_

Signature: /s/Verlin Erwin Michael

Verlin Erwin Michael  
President/Sect/Tres.



**UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA  
Harrisonburg Division**

IN RE: MICHAEL BROTHERS, INC.

Case No.

Debtor

Chapter 11

**CORPORATE OWNERSHIP STATEMENT**

Pursuant to Federal Rule of the Bankruptcy Procedure 1007(a), the undersigned counsel for the Debtor in the above captioned case, certifies that no corporation directly or indirectly owns 10% or more of any class of the Debtor's equity interests. The foregoing information is consistent with the requirements of Rule 7007.1

/s/ James S. Sease

James S. Sease, Esquire – VSB#19220

James S. Sease, P.C.

P.O. Box 715

Mathews, VA 23109

Counsel for the Debtor

[jseaselaw@gmail.com](mailto:jseaselaw@gmail.com)

(804) 725-4700

(804) 725-4704