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The Honorable Marc L. Barreca  
United States Bankruptcy Judge

Chapter 11

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In re

**DAVID F. YARNALL  
GAIL YARNALL**

Debtor.

IN PROCEEDINGS UNDER CH. 11

NO. 15-15762

DEBTOR'S CORRECTED  
DISCLOSURE STATEMENT

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**DAVID F. and GAIL YARNALL'S CORRECTED DISCLOSURE STATEMENT  
DATED: May 3, 2016**

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## I. INTRODUCTION

This is the disclosure statement (the “Disclosure Statement”) in the chapter 11 case of David F. Yarnall and Gail Yarnall (the “Debtor”). This Disclosure Statement contains information about the Debtor and describes the Corrected Debtors’ Plan (the “Plan”) filed by the Debtor on May 3, 2016. A full copy of the Plan is attached to this Corrected Disclosure Statement as Exhibit A. ***Your rights may be affected. You should read the Plan and this Corrected 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 Corrected Plan are discussed at pages 13-14 of this Corrected Disclosure Statement. [General unsecured creditors are classified in Class V, and will receive a distribution of 10.0% of their allowed claims, to be distributed as set forth, infra.

### A. Purpose of This Document

This Corrected 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 the Proponent 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 Corrected Plan as well as the Corrected Disclosure Statement. This Corrected Disclosure Statement describes the Corrected Plan, but it is the Plan itself that will, if confirmed, establish your rights.

### B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

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.

#### 1. *Time and Place of the Hearing to Finally Approve This Disclosure Statement and Confirm the Plan*

Plan Confirmation is scheduled for July 21, 2016 at 9:30 AM. The Confirmation Hearing will take place in the courtroom of the Honorable Marc L. Barreca, at the United States Courthouse 700 Stewart Seattle, WA 98101.

#### 2. *Deadline For Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to David W. Freese at his regular office address of P. O. Box 1253 Lynnwood, WA 98046. See Section IV (A). below for a discussion of voting eligibility requirements.

Your ballot must be received by Debtor's Attorney by the deadline set forth in the Ballot provided with this Disclosure Statement, July 14, 2016, or it will not be counted.

3. *Deadline For Objecting to the Adequacy of Disclosure and Confirmation of the Plan*

Objections to the confirmation of the Plan must be filed with the Court and served upon Debtor's Counsel, David W. Freese, all parties requesting special notice and the Office of the U.S. Trustee by the deadline set forth in the Ballot provided with this Disclosure Statement,, July 14, 2016.

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

If you want additional information about the Plan, you should contact David W. Freese at his regular office address of P. O. Box 1253 Lynnwood, WA 98046.

C. **Disclaimer**

***The Court has conditionally approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and Court approval of this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted.***

ABSOLUTELY NOTHING CONTAINED HEREIN SHALL CONSTITUTE LEGAL ADVICE TO ANYONE. EACH RECIPIENT MUST CONSULT HIS OR HER OWN ATTORNEY FOR LEGAL ADVICE AND FOR THE LEGAL EFFECT OF THESE DOCUMENTS.

II. **BACKGROUND**

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

The Debtor is an individual. Since February 2013, when Goal Driven Solutions, Inc. a Washington corporation was formed Debtor David F. Yarnall had been in the business of computer software development. Goal Driven Solutions ceased operations third quarter 2014. Debtor David F. Yarnall has been employed as a W-2 employee with Leszynski Group, Inc., a Microsoft subcontractor as a technical project manager.

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

Debtor's company had one major client, which client terminated Debtor's services circa May 2014. The company was held alive until third quarter 2014 when all activity ceased.

#### **E. Significant Events During the Bankruptcy Case**

- Asset Sales outside the ordinary course of business: none
- Debtor in possession financing: none
- Cash Collateral orders: none
- Professionals approved by the court:

Name of Professional	Role	Employed as of
David W. Freese	Debtor's Attorney	September 26, 2015

- Steps taken to improve operations and profitability of the Debtor: Debtor David F. Yarnall has been employed on a salary basis with a subcontractor to Microsoft.

Other significant events as appropriate: Debtor David F. Yarnall's employer, in accordance with Microsoft contractor protocols, likely will require that Debtor David F. Yarnall not work at Microsoft for 6 consecutive months, starting about June 2016.

#### **F. Projected Recovery of Avoidable Transfers**

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions with the exception that contribution from Jeffrey Fischer for certain employment taxes for Goal Driven Solutions, Inc, paid by Debtor David F. Yarnall may be made if Jeffrey Fischer attains solvency. The prospective recovery would be about \$5,500.00..

#### **G. 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.

#### **H. Current and Historical Financial Conditions**

The identity and fair market value of the estate's assets are listed in Exhibit B.

Financial Position as of the Petition Date

Debtor's Residence: 1219 5th St. Anacortes WA 98221

Value: \$ 525,000

Property	Lien Holders		Total of Liens	Net Equity	Mo Pmt
Debtor's Residence	Wilmington Savings Fund c/o Fay Servicing, LLC		\$ 585,066		\$ 3,350
<b>Totals</b>			\$ 585,066	\$ <60,066>	\$ 3,350
Property	Value	Lender(s)	Lien Totals	Net Equity	Mo Pmts
N/A	\$ 0	0	\$ 0	0	\$ 0
<b>Total Realty</b>				\$ 0	\$ 0
<b>Total Realty</b>	\$ 525,000	525,000	\$ 585,066	\$ -60,066	\$ 3,350
<b>County Taxes</b>			\$ 4,200		
<b>IRS Lien</b>			\$ 0		
<b>State Tax Lien</b>			\$ 0		
<b>Other RP Lien(s)</b>			\$ 0		
<b>Total RP Liens</b>			\$ 589,200		
<b>Net Realty</b>				\$ <64,266>	
<b>PERSONAL</b>	<b>PROPERTY</b>				
Property	Value	Lender(s)	Lien Totals	Net Equity	Mo Pmts
2001 GMC Yukon	\$ 500	None	\$ 0	\$ 500	\$ 0
2006 Ford Escape	\$ 750	None	\$ 0	\$ 750	\$ 0
<b>Total Vehicles</b>	\$ 1,250		\$ 0	\$ 1,250	\$ 0
<b>Investments</b>	\$ 0	N/A	\$ 0	\$ 0	\$ 0
<b>Household Items</b>	\$ 900	None	\$ 0	\$ 900	\$ 0
<b>Other Pers Prop</b>					
2 Painting sculpture	\$ 85	None	\$ 0	\$ 85	\$ 0
Watches, assorted Jewelry	\$ 750	None	\$ 0	\$ 750	\$ 0
used pistol	\$ 90	None	\$ 0	\$ 90	\$ 0
used kayak, 2 bikes, misc	\$ 200	None	\$ 0	\$ 200	\$ 0
used, damaged treadmill	\$ 40	None	\$ 0	\$ 40	\$ 0
Stock in Goal Driven Solutions	\$ 0	None	\$ 0	\$ 0	\$ 0
Term life insurance	\$ 0	None	\$ 0	\$ 0	\$ 0

<b>Interest in Timeline</b>	\$ 0	None	\$ 0	\$ 0	\$ 0
<b>accounts receivable</b>	\$ 0	None	\$ 0	\$ 0	\$ 0
<b>Claim against Jeff Fischer</b>	\$ 0	None	\$ 0	\$ 0	\$ 0
<b>used computer equipment</b>	\$ 750	None	\$ 0	\$ 750	
<b>used rock tumbler</b>	\$ 50		\$ 0	\$ 50	
<b>Household pets</b>	\$ 0		\$ 0	\$ 0	
<b>Total Other Pers</b>	\$ 2,015		\$ 0	\$ 2,015	\$ 0
<b>TOTAL Pers Prop</b>	\$ 4,165		\$ 0		\$ 0
<b>Net Pers Prop</b>				\$ 4,165	
<b>Total Net Prop</b>				\$ -60,101	
<b>Exemption</b>				\$ 5,325	
<b>Net Exempt</b>				\$ -65,426	
<b>Admin Claims</b>					
<b>IRS Priority</b>				\$ 24,706	
<b>Other Priority</b>				\$ 0	
<b>Total Priority</b>				\$ 24,706	
<b>Liquidat'n Amt</b>				\$ -90,132	
<b>IRS Gen Unsec</b>			\$ 74,858		
<b>Other Unsec</b>			\$ 168,303		
<b>Total Gen Uns</b>				\$ 243,162	
<b>Dividend Rate</b>				10.0%	

The Debtor's most recent financial statements, if any, issued before bankruptcy, each of which was filed with the Court, are set forth in Exhibit C.

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

**Yarnall Claims Analysis**

		10.0% Dividend 4 Year Amortization			\$557.25	\$557.25
		TOTAL	48.00	24,705.52		243,161.61
Claimant	For	POC No	Secured	Priority		General
Discover CC	Credit Card	1				19,016.77
IRS	Income Taxes	2		24,705.52		74,858.37
Wells Fargo	Credit Card	3				8,568.33
Wells Fargo Bank	Credit Card	4				26,335.58
Wells Fargo Bank	Credit Card	5				1,385.68
Wells Fargo Bank	Credit Card	6				13,542.16
Wells Fargo Card Svcs	Credit Card	7				8,446.59
Merchants Credit	Assigned CC	8				28,626.49
Synchrony Bank	Credit Card	9				2,903.54
Balance from Schedules						59,478.10
			48	Month Plan General Unsecured Dividend		<b>\$24,316.16</b> 10.0%

## 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:

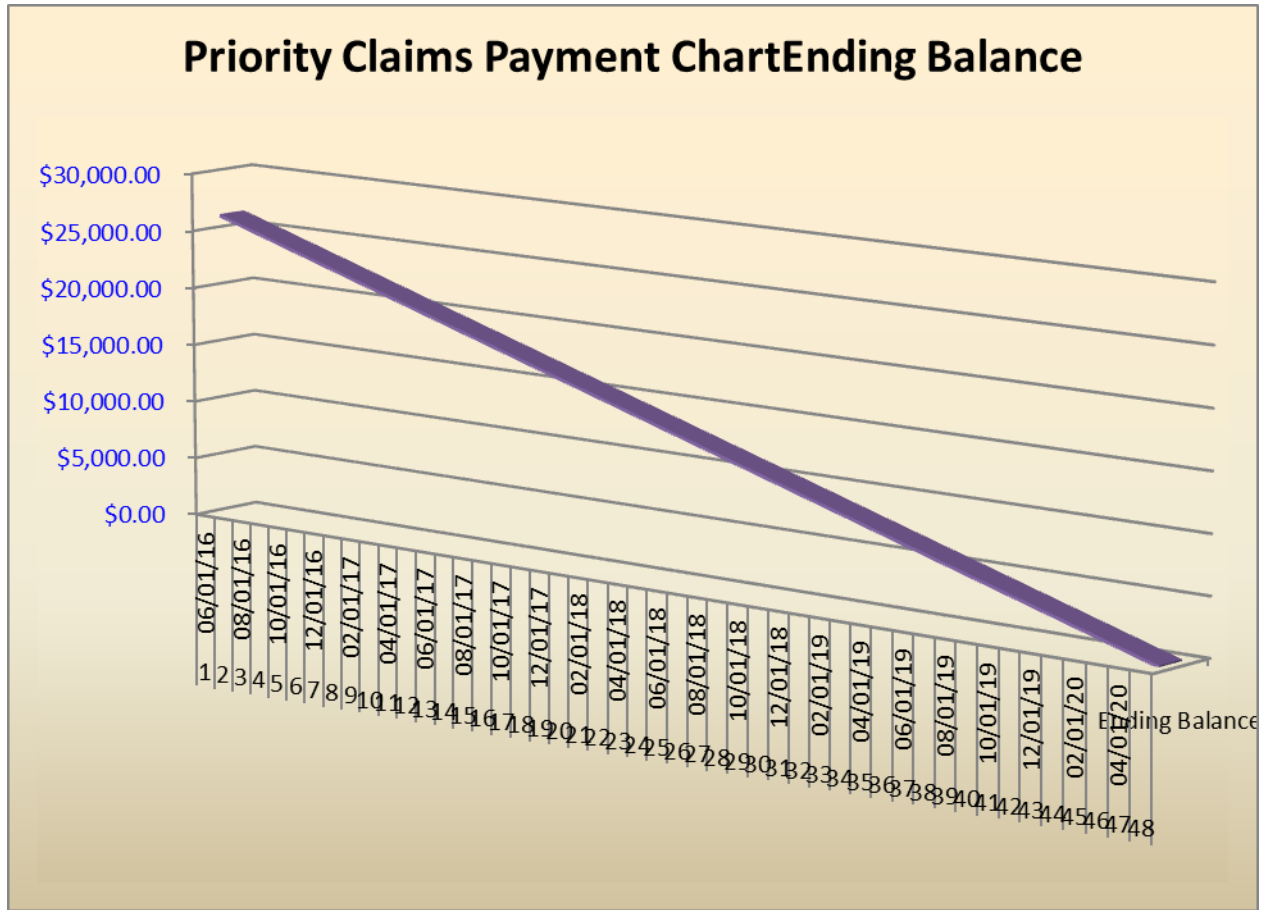
<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date	None	Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	None	Paid in full on the effective date of the Plan, or according to terms of obligation if later
Professional Fees, subject to approval by the Court.	\$9,875.00	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
Clerk's Office Fees	De minimus	Paid in full on the effective date of the Plan
Other administrative expenses	\$0	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$0.00	Paid in full on the effective date of the Plan
<b>TOTAL</b>	<b>\$9,875.00</b>	



2. Priority Tax Claims

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

The following chart lists the Debtor’s estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:



Description (name and type of tax)	Estimated Amount Owed	Date of Assessment	Treatment
Internal Revenue Service	\$24,705.52	September 22, 2014	Pmt interval = monthly [Monthly] payment = \$659.98 Begin date = June 5, 2016 End date = May 5, 2020 Interest Rate % = 5.0%: Total Payout Amount see chart
Skagit County [Real	\$4,200.00	December	Pmt interval = semi annually

Description (name and type of tax)	Estimated Amount Owed	Date of Assessment	Treatment
Property Taxes]		12/15 of the preceding year	[Monthly] payment = Begin date = June 5, 2016 End date = May 5, 2020 Interest Rate % = Taxes are Total Payout Amount escrowed =

### 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:

CLASS III SECURED CLAIMS: Debtor's Residence: 1219 5th St., Anacortes, WA 98221:  
Sub Classes A thru H

Class	Description	Insider?	Impaired?	Treatment
III A	Skagit County for real property taxes	No	No. These Taxes are escrowed in the monthly mortgage payment	No distribution under the Plan. Payments will continue to be made via the lender
III B	Secured claim of: Wilmington Savings Fund  Collateral description: Debtor's residence at 1219 5th St. Anacortes, WA 98221  Allowed Secured Amount \$525,000.00 \$2,663.36 arrears Priority of lien: 2 <sup>nd</sup> [after county real property taxes]  Principal owed	No.	No.	Payments will continue to be made to the lender as due. A. Any pre-petition arrearage will be paid upon the effective date of the plan. The contractual terms between Debtors and the house lender shall not be altered and Debtors will perform fully according to the obligations under the loan.

	\$585,066.11			
	Pre-pet. arrearage \$2,663.36 arrears			
	Total claim \$585,066.11			

2. *Classes of Priority Unsecured Claims*

IV A	Internal Revenue Service  Priority of Lien:	No	Yes	Delinquent taxes to be paid with interest at the current federal rate of 5.0% per annum, within 5 years from petition date in even monthly payments
IV B	Department of Revenue, State of Washington  Priority of Lien:	No	Yes	Current taxes to be paid currently & in full. Delinquent taxes to be paid with interest at 12.0% within 5 years from petition date in even monthly payments
IV C	Department of Labor & Industries, State of Washington  Priority of Lien:	No	Yes	Current taxes to be paid currently & in full. Delinquent taxes to be paid with interest at 12.0% within 5 years from petition date in even monthly payments
IV D	Employment Security Department, State of Washington  Priority of Lien:	No	Yes	Current taxes to be paid currently & in full. Delinquent taxes to be paid with interest at 12.0% within 5 years from petition date in even monthly payments

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment.

The following chart lists all classes containing claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code and their proposed treatment under the Plan:

Class #IV	Description	Impairment	Treatment
IV A	Internal Revenue Service: Priority unsecured claim pursuant to Section 507(a)  Total amt of claims = \$24,705.52	impaired	Paid in equal monthly installments commencing 30 days after plan confirmation and extending through no later than 48 months from the Plan Confirmation date. Interest rate = 5.0%

### 3. *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] V which contains general unsecured claims against the Debtor:

Class #V	Description	Impairment	Treatment
V A	Internal Revenue Service General Unsecured [non penalty]: \$74,858.37	impaired	10.0% dividend payable in 48 equal monthly installments, commencing 30 days after plan confirmation. Approximate monthly payment of \$155.96. Debtor reserves the right to accelerate such payments.
V B	General Unsecured Class [ Other than IRS Penalty claim] \$168,303.24	impaired	10.0% dividend payable in 48 equal monthly installments, commencing 30 days after plan confirmation. Approximate monthly payment of \$350.63. Debtor reserves the right to accelerate such payments. payable in 48 equal monthly installments, commencing 30 days after plan confirmation

V C	IRS Penalty claim \$31,381.00	Impaired	No dividend
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#### D. Means of Implementing the Plan

##### 1. Source of Payments

Payments and distributions under the Plan will be funded by the following:

Debtor's post confirmation earnings .

#### E. Risk Factors

The proposed Plan has the following risks:

Economic uncertainty

Industry contraction

Market share uncertainty

Termination of Contract with Microsoft

[[Debtor works for a subcontractor to Microsoft. It has been Microsoft's policy to have an involuntary furlough for 6 months after 12 to 18 months of work. That 18 month period will culminate about June 2016. Debtor anticipates that his employer will find comparable work for him for any such 6 month furlough from Microsoft]]

#### F. Executory Contracts and Unexpired Leases

The Plan, in Exhibit 5.1, lists all executory contracts and unexpired leases that the Debtor will assume under the Plan. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. Exhibit 5.1 also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in Exhibit 5.1 will be rejected under the Plan. Consult your adviser or attorney for more specific information about particular contracts or leases.

If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

***The Deadline for Filing a Proof of Claim Based on a Claim Arising from the Rejection of a Lease or Contract Is April 23, 2016.*** Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

#### 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.***

The following are the anticipated tax consequences of the Plan: [List the following general consequences as a minimum: (1) Tax consequences to the Debtor of the Plan; (2) General tax consequences on creditors of any discharge, and the general tax consequences of receipt of plan consideration after confirmation.]

#### 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 most claims in classes IV & V are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that most claims in classes I, & III are unimpaired and that holders of claims in each of these classes, therefore, do not have the right to vote to accept or reject the Plan.

However, you must consult the table, above, classifying claim to determine if you hold a claim that is entitled to vote.

##### 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.

***The deadline for filing a proof of claim in this case was January 12, 2016 for non-governmental creditors and March 24, 2016 for governmental creditors***

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 No accepting Classes

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the no accepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds no accepting classes is commonly referred to as a “cram down” plan. The Code allows the Plan to bind no accepting 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.

The Plan Proponent's financial projections show that the Debtor will have an aggregate annual average gross income prior to payment of taxes, of \$120,000., if but only if the Debtor retains his current employment. The final Plan payment is expected to be paid on May 5, 2020.

***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** Notwithstanding anything to the contrary herein, Debtor will not be discharged until Plan Completion.

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.

Upon request of the Debtor, the United States trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

C. **Final Decree**

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, and at the election of the Debtor, the Plan is fully completed, 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.

**VI. OTHER PLAN PROVISIONS**

None

/s/ David F. Yarnall	Gail Yarnall
David F. Yarnall	Gail Yarnall

/s/ David W. Freese
David W. Freese Attorney for Debtors

**EXHIBITS**

**[Exhibit A – Copy of Proposed Plan of Reorganization]**

David W. Freese, WSBA 5629  
 Attorney at Law  
 P. O. Box 1253  
 Lynnwood, WA 98046  
 (425) 776-9171

The Honorable Marc L. Barreca  
 United States Bankruptcy Judge

## Chapter 11

Noted for:	July 21, 2016
Time of Hearing	9:30 AM
Place of Hearing	Judge Barreca's Courtroom 7106 U.S. Courthouse 700 Stewart St. Seattle, WA 98101
<b>Response Deadline</b>	July 14, 2016

IN THE UNITED STATES BANKRUPTCY COURT  
 FOR THE WESTERN DISTRICT OF WASHINGTON  
 AT SEATTLE

In re

**DAVID F. YARNALL**  
**GAIL YARNALL**

Debtor.

IN PROCEEDINGS UNDER CH. 11

NO. 15-15762

DEBTOR'S AMENDED CORRECTED  
 PLAN OF REORGANIZATION

**DEBTOR'S CORRECTED AMENDED PLAN OF REORGANIZATION**  
**DATED: May 3, 2016**

**ARTICLE I SUMMARY**

This Corrected Amended Plan of Reorganization (the "Plan") under chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of David F. Yarnall Gail Yarnall (the "Debtor") from future income. This Plan provides for several classes of secured claims and several classes of unsecured claims. Unsecured creditors holding

allowed claims will receive distributions, which the proponent of this Plan has valued at approximately (10.0) cents on the dollar in monthly payments over the length of the Plan, 42 months. This Plan also provides for the payment of administrative and priority claims.]

All creditors and equity security holders should refer to Articles II 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 I. Class I is Cost of Administration claims.

Class I(A) is the Chapter 11 Cost of Administration claims consisting primarily of Debtor’s attorney’s fees, estimated at about \$9,875.00 and any unpaid U.S. Trustee’s fees, estimated at about \$0.00 [dependent upon timing of fees due and fees paid at quarter’s end]. Also included would be any fees due the Clerk of the Court, estimated at \$0.00. The Debtor’s 2011 1040 liability of approximately \$0.00 is also included.

Class I(B) is the Chapter 13 Cost of Administration claims, consisting of Debtor’s unpaid Attorney’s fees while the case was in Chapter 13, approximately \$8,640.12

2.02 Class II. Reserved

2.03 Class III. These are secured claims.

CLASS III SECURED CLAIMS: Debtor’s Residence: 1219 5th St., Anacortes, WA 98221: Sub Classes A thru H

Class	Description	Insider ?	Impaired?	Treatment
III A	Skagit County for real property taxes	No	No. These Taxes are escrowed in the monthly mortgage payment	No distribution under the Plan. Payments will continue to be made via the lender

III B	<p><i>Secured claim of:</i> Washington Savings Fund</p> <p>Collateral description: Debtor's residence at 1219 5th St. Anacortes, WA 98221</p> <p>Allowed Secured Amount \$525,000.00</p> <p>Priority of lien: 2<sup>nd</sup> [after county real property taxes]</p> <p>Principal owed \$585,066.11</p> <p>Pre-pet. arrearage \$2,663.36</p> <p>Total claim \$585,066.11</p>	No.	No.	Payments will continue to be made to the lender as due. A. Any pre-petition arrearage will be paid upon the effective date of the plan. The contractual terms between Debtors and the house lender shall not be altered and Debtors will perform fully according to their obligations under the loan

2.04 Class IV.

All allowed claims entitled to priority under §507 of the Code (except administrative expense claims under §507(a)(2), ["gap" period claims in an involuntary case under § 507(a)(3),] and priority tax claims under § 507(a)(8)). There is one claim in this category, the Internal Revenue Service, \$24,705.52.

IV A	Internal Revenue Service Priority of Lien:	No	Yes	Delinquent taxes to be paid with interest at the current federal rate of 4.0% per annum, within 5 years from petition date in even monthly payments
IV B	Department of Revenue, State of Washington Priority of Lien:	No	Yes	Current taxes to be paid currently & in full. Delinquent taxes to be paid with interest at 12.0% within 5 years from petition date in even monthly payments
IV C	Department of Labor & Industries, State of Washington	No	Yes	Current taxes to be paid currently & in full. Delinquent taxes to be paid with interest at 12.0% within 5 years from petition date in even monthly payments

	Priority of Lien:			
IV D	Employment Security Department, State of Washington  Priority of Lien:	No	Yes	Current taxes to be paid currently & in full. Delinquent taxes to be paid with interest at 12.0% within 5 years from petition date in even monthly payments

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

Class V(A) Includes the non penalty portion of the Internal Revenue Service claim, about \$74,858.37.

Class V(B) Includes the general unsecured claims of other creditors, about \$168,303.24. It does not include the penalty portion of the Internal Revenue Service unsecured claim.

Class V(C) The penalty portion of the Internal Revenue Service unsecured claim, about \$31,381.00.

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

3.01 Unclassified Claims. Under section §1123(a)(1), administrative expense claims, ["gap" period claims in an involuntary case allowed under § 502(f) of the Code,] and priority tax claims are not in classes.

3.02 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code [, and a "gap" claim in an involuntary case allowed under § 502(f) of the Code,] will be paid in full on the effective date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor. These claims are scheduled for even payments over 42 months. The Debtor's 2015 1040 liability, any unpaid U.S. Trustee fees and any charges due the Clerk of the Court shall be paid in full at plan confirmation

3.03 Priority Tax Claims. Each holder of a priority tax claim will be paid in full with interest at the statutory rate for underpayments per the Internal Revenue Code as of the plan confirmation date consistent with §1129(a)(9)(C) of the Code. Notwithstanding anything to the contrary, each such claim shall be fully paid no later than five(5) years from the date of assessment. This Plan provides for even monthly payments over 60 months.

- 3.04 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:

4.02 Reserved

CLASS III SECURED CLAIMS: Debtor's Residence: 1219 5th St., Anacortes, WA 98221: Sub Classes A thru H

Class	Description	Insider?	Impaired?	Treatment
III A	Skagit County for real property taxes	No	No. These Taxes are escrowed in the monthly mortgage payment	No distribution under the Plan. Payments will continue to be made via the lender
III B	<p><i>Secured claim of:</i> Wilmington Savings Fund</p> <p>Collateral description: Debtor's residence at 1219 5th St. Anacortes, WA 98221</p> <p>Allowed Secured Amount \$525,000.00</p> <p>Priority of lien: 2<sup>nd</sup> [after county real property taxes]</p> <p>Principal owed \$585,066.11</p> <p>Pre-pet. arrearage \$2,663.36</p> <p>Total claim \$585,066.11</p>	No.	No.	Payments will continue to be made to the lender as due. Any pre-petition arrearage will be paid upon the effective date of the plan. The contractual terms between Debtors and the house lender shall not be altered and Debtors will perform fully according to their obligations under the loan.

#### CLASS IV PRIORITY CLAIMS

IV A	Internal Revenue Service	No	Yes	Delinquent taxes to be paid with interest at the current federal rate of 5.0% per annum, in 48 equal monthly
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				payments
IV B	Department of Revenue, State of Washington	No	Yes	Delinquent taxes to be paid with interest at the current federal rate of 5.0% per annum, in 48 equal monthly payments
IV C	Department of Labor & Industries, State of Washington	No	Yes	Delinquent taxes to be paid with interest at the current federal rate of 5.0% per annum, in 48 equal monthly payments
IV D	Employment Security Department, State of Washington			Delinquent taxes to be paid with interest at the current federal rate of 5.0% per annum, in 48 equal monthly payments

#### **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. There are no known executory contracts or leases.

#### **ARTICLE VII MEANS FOR IMPLEMENTATION OF THE PLAN**

Debtor will fund the plan by means of post confirmation earnings.

**ARTICLE VIII**  
**GENERAL PROVISIONS**

8.01 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: [Insert additional definitions if necessary].

8.02 Effective Date of Plan. The effective date of this Plan is the eleventh business day following the date of the entry of the order of confirmation. But if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

8.03 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.

8.04 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.

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

8.06 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 State of Washington govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

**ARTICLE IX**  
**DISCHARGE**

A. **DISCHARGE OF DEBTOR** Notwithstanding anything to the contrary herein, entry of the Discharge will be deferred until after Plan completion.

**ARTICLE X**  
**OTHER PROVISIONS**

**None.**

Respectfully submitted, May 3, 2016

By:       /s/      David F. Yarnall  
David F. Yarnall

By:       /s/      Gail. Yarnall  
Gail Yarnall

By:       /s/      David W. Freese  
David W. Freese, WSBA No. WSBA 5629

**Exhibit B – Identity and Value of Material Assets of Debtor**

1. Debtors' residence located at 1219 5th St. Anacortes, WA. Value; \$525,000.00. Liens: Skagit County Real Property Taxes which are current and escrowed in the monthly payment to the lender. The only lender is Wilmington Savings Fund. The balance owed is about \$585,000.00.
2. 2001 Yukon with approximately 175,000 miles. Value: \$500.00. No liens.
3. 2006 Ford Escape Hybrid with approximately 225,000 miles. Value: \$750.00. No liens.
4. Cash & Cash Accounts. Asif the Plan Date Debtors have cash of about \$6,766.61
5. Household Goods and other personal property. Value: \$2,875.00. No liens.

**Exhibit C** – Prepetition Financial Statements  
(to be taken from those filed with the court)

None Known of.

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**Exhibit D** – [Most Recently Filed Post petition Operating Report/Summary of Post-petition Operating Reports]

See the reports filed with the Clerk of the Court for Detail.. other than the monthly financial reports on file in this case. Those reports show monthly income of about \$10,700.00 yielding a net monthly disposable cash of about \$1,500.00.

**Exhibit E – Liquidation Analysis**

Debtor's Plan provides for a 10.0% dividend on unsecured claims other than the penalty portion of the claim of the Internal Revenue Service, which penalty portion of the general unsecured claim shall receive no distribution under the Plan.

**Exhibit F – Cash on hand on the effective date of the Plan**

<b>Cash on hand on effective date of the Plan:</b>	<b>\$5,000.00</b>
<i>Less –</i>	<b>\$ 0.00</b>
Amount of administrative expenses payable on effective date of the Plan [Estimated Debtors' Attorney's fees of \$9,750.00 to be paid in monthly installments of \$50000 per month	0
Amount of statutory costs and charges	
Amount of cure payments for executory contracts	\$0
Other Plan Payments due on effective date of the Plan: The delinquency in Debtor's escrow account with the residence mortgage lender, estimated at less than \$2,500.00; Balance of Debtors' Attorney Fees, estimated at \$9,750.00. these will be paid in monthly installments of \$500.00 or more.	
Balance after paying these amounts.....	

The sources of the cash Debtor will have on hand by the effective date of the Plan are estimated as follows:

\$ 6,776.00	Cash in Debtor's bank account now
+ 3,000.00	Additional cash Debtor will accumulate from net earnings between now and effective date of the Plan [state the basis for such projections]
+	Borrowing [separately state terms of repayment]
+	Capital Contributions
+	Other
\$ 9,776.00	Total [This number should match "cash on hand" figure noted above]



**Exhibit G** – Projections of Cash Flow and Earnings for Post-Confirmation Period

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David W. Freese, J.D., LL.M.  
WSBA No. 5629  
P. O. Box 1253  
Lynnwood, WA 98037  
(425) 776-9171 / (fax) 672-7019

## Yarnall Claims Analysis

		10.0% Dividend 4 Year Amortization		\$559.98	\$506.59
		TOTAL	48.00	24,705.52	243,161.61
Claimant	For	POC No	Secured	Priority	General
Discover CC	Credit Card	1			19,016.77
IRS	Income Taxes	2		24,705.52	74,858.37
Wells Fargo	Credit Card	3			8,568.33
Wells Fargo Bank	Credit Card	4			26,335.58
Wells Fargo Bank	Credit Card	5			1,385.68
Wells Fargo Bank	Credit Card	6			13,542.16
Wells Fargo Card Svcs	Credit Card	7			8,446.59
Merchants Credit	Assigned CC	8			28,626.49
Synchrony Bank	Credit Card	9			2,903.54
Balance from Schedules					59,478.10
				48 Month Plan	<b>\$24,316.32</b>
				General Unsecured Dividend	9.1%

## Exhibit D: Summarized Monthly Reports

David & Gail Yarnall, USBC No. 15-15762

Item	Sep-2015	Oct-2015	Nov-2015	Dec-2015	Jan-2016
Income	3,740	10,022	12,101	10,770	8,715
Cash	2,775	4,465	4,052	3,461	6,767
Other Personality	4,365	4,365	4,365	4,365	4,365
Real Property	525,000	525,000	525,000	525,000	525,000
Total Assets	532,140	533,830	533,417	532,826	536,132
Secured Claims	585,250	585,251	585,252	585,253	585,254
Net Equity	(53,110)	(51,421)	(51,835)	(52,427)	(49,122)
Unsecured Claims	324,994	324,995	324,996	324,997	324,998
Financial Position	<b>(378,104)</b>	<b>(376,416)</b>	<b>(376,831)</b>	<b>(377,424)</b>	<b>(374,120)</b>

Note: September 2015 was a short month.

## Exhibit E: Liquidation Analysis

David & Gail Yarnall, USBC No. 15-15762

Item	Amounts
Real Property	525,000
Liens	585,250
Net Equity	(60,250)
Personal Property	11,123
Total Assets	11,123
Exemptions	11,123
Amount Available	-
Dividend Per Cent	0.0%

Debtor's Plan provides for a 10.0% dividend on unsecured claims other than the penalty portion of the claim of the Internal Revenue Service, which penalty portion of the general unsecured claim shall receive no distribution under the Plan.

# Yarnall Priority Claims

## Initial Data

LOAN DATA		TABLE DATA	
Claims amount:	<b>24,705.52</b>	Table starts at date:	8/21/2016
Annual interest rate:	5.0%	or at payment number:	1
Term in years:	4		
Payments per year:	12		
First payment due:	8/21/2016		

## PERIODIC PAYMENT

Entered payment:		<i>The table uses the calculated periodic payment amount</i>
Calculated payment:	<b>\$559.98</b>	<i>unless you enter a value for "Entered payment".</i>

## CALCULATIONS

Use payment of:	<b>\$559.98</b>	Beginning balance at payment 1:	<b>\$24,705.52</b>
1st payment in table:	<b>1</b>	Cumulative interest prior to payment 1:	<b>\$0.00</b>

## Table

No.	Payment Date	Beginning Balance	Interest	Principal	Ending Balance	Cumulative Interest
1	08/21/16	\$24,705.52	\$102.94	\$457.04	\$24,248.48	\$102.94
2	09/20/16	\$24,248.48	\$101.04	\$458.95	\$23,789.53	\$203.97
3	10/20/16	\$23,789.53	\$99.12	\$460.86	\$23,328.67	\$303.10
4	11/20/16	\$23,328.67	\$97.20	\$462.78	\$22,865.88	\$400.30
5	12/20/16	\$22,865.88	\$95.27	\$464.71	\$22,401.18	\$495.58
6	01/20/17	\$22,401.18	\$93.34	\$466.65	\$21,934.53	\$588.91
7	02/19/17	\$21,934.53	\$91.39	\$468.59	\$21,465.94	\$680.31
8	03/22/17	\$21,465.94	\$89.44	\$470.54	\$20,995.40	\$769.75
9	04/21/17	\$20,995.40	\$87.48	\$472.50	\$20,522.89	\$857.23
10	05/21/17	\$20,522.89	\$85.51	\$474.47	\$20,048.42	\$942.74
11	06/21/17	\$20,048.42	\$83.54	\$476.45	\$19,571.97	\$1,026.28
12	07/21/17	\$19,571.97	\$81.55	\$478.43	\$19,093.54	\$1,107.83
13	08/21/17	\$19,093.54	\$79.56	\$480.43	\$18,613.11	\$1,187.38
14	09/20/17	\$18,613.11	\$77.55	\$482.43	\$18,130.68	\$1,264.94
15	10/21/17	\$18,130.68	\$75.54	\$484.44	\$17,646.24	\$1,340.48
16	11/20/17	\$17,646.24	\$73.53	\$486.46	\$17,159.78	\$1,414.01
17	12/21/17	\$17,159.78	\$71.50	\$488.48	\$16,671.30	\$1,485.51
18	01/20/18	\$16,671.30	\$69.46	\$490.52	\$16,180.78	\$1,554.97
19	02/19/18	\$16,180.78	\$67.42	\$492.56	\$15,688.21	\$1,622.39
20	03/22/18	\$15,688.21	\$65.37	\$494.62	\$15,193.60	\$1,687.76
21	04/21/18	\$15,193.60	\$63.31	\$496.68	\$14,696.92	\$1,751.07
22	05/22/18	\$14,696.92	\$61.24	\$498.75	\$14,198.17	\$1,812.30
23	06/21/18	\$14,198.17	\$59.16	\$500.82	\$13,697.35	\$1,871.46
24	07/22/18	\$13,697.35	\$57.07	\$502.91	\$13,194.44	\$1,928.53
25	08/21/18	\$13,194.44	\$54.98	\$505.01	\$12,689.43	\$1,983.51

26	09/20/18	\$12,689.43	\$52.87	\$507.11	\$12,182.32	\$2,036.38
27	10/21/18	\$12,182.32	\$50.76	\$509.22	\$11,673.09	\$2,087.14
28	11/20/18	\$11,673.09	\$48.64	\$511.35	\$11,161.75	\$2,135.78
29	12/21/18	\$11,161.75	\$46.51	\$513.48	\$10,648.27	\$2,182.29
30	01/20/19	\$10,648.27	\$44.37	\$515.62	\$10,132.66	\$2,226.66
31	02/20/19	\$10,132.66	\$42.22	\$517.76	\$9,614.89	\$2,268.88
32	03/22/19	\$9,614.89	\$40.06	\$519.92	\$9,094.97	\$2,308.94
33	04/22/19	\$9,094.97	\$37.90	\$522.09	\$8,572.88	\$2,346.83
34	05/22/19	\$8,572.88	\$35.72	\$524.26	\$8,048.62	\$2,382.55
35	06/21/19	\$8,048.62	\$33.54	\$526.45	\$7,522.17	\$2,416.09
36	07/22/19	\$7,522.17	\$31.34	\$528.64	\$6,993.53	\$2,447.43
37	08/21/19	\$6,993.53	\$29.14	\$530.84	\$6,462.68	\$2,476.57
38	09/21/19	\$6,462.68	\$26.93	\$533.06	\$5,929.63	\$2,503.50
39	10/21/19	\$5,929.63	\$24.71	\$535.28	\$5,394.35	\$2,528.21
40	11/21/19	\$5,394.35	\$22.48	\$537.51	\$4,856.84	\$2,550.68
41	12/21/19	\$4,856.84	\$20.24	\$539.75	\$4,317.09	\$2,570.92
42	01/20/20	\$4,317.09	\$17.99	\$542.00	\$3,775.10	\$2,588.91
43	02/20/20	\$3,775.10	\$15.73	\$544.25	\$3,230.84	\$2,604.64
44	03/21/20	\$3,230.84	\$13.46	\$546.52	\$2,684.32	\$2,618.10
45	04/21/20	\$2,684.32	\$11.18	\$548.80	\$2,135.52	\$2,629.28
46	05/21/20	\$2,135.52	\$8.90	\$551.09	\$1,584.44	\$2,638.18
47	06/21/20	\$1,584.44	\$6.60	\$553.38	\$1,031.05	\$2,644.78
48	07/21/20	\$1,031.05	\$4.30	\$555.69	\$475.37	\$2,649.08

# Yarnall General Claims

## Initial Data

LOAN DATA		TABLE DATA	
Claims amount:	<b>\$24,316.16</b>	Table starts at date:	8/21/2016
Annual interest rate:	0.0%	or at payment number:	1
Term in years:	4		
Payments per year:	12		
First payment due:	8/21/2016		

## PERIODIC PAYMENT

Entered payment:		<i>The table uses the calculated periodic payment amount</i>
Calculated payment:	<b>\$506.59</b>	<i>unless you enter a value for "Entered payment".</i>

## CALCULATIONS

Use payment of:	<b>\$506.59</b>	Beginning balance at payment 1:	<b>\$24,316.16</b>
1st payment in table:	1	Cumulative interest prior to payment 1:	<b>\$0.00</b>

## Table

No.	Payment Date	Beginning Balance	Interest	Principal	Ending Balance	Cumulative Interest
1	08/21/16	\$24,316.16	\$0.00	\$506.59	\$23,809.57	\$0.00
2	09/21/16	\$23,809.57	\$0.00	\$506.59	\$23,302.99	\$0.00
3	10/21/16	\$23,302.99	\$0.00	\$506.59	\$22,796.40	\$0.00
4	11/21/16	\$22,796.40	\$0.00	\$506.59	\$22,289.81	\$0.00
5	12/21/16	\$22,289.81	\$0.00	\$506.59	\$21,783.23	\$0.00
6	01/21/17	\$21,783.23	\$0.00	\$506.59	\$21,276.64	\$0.00
7	02/21/17	\$21,276.64	\$0.00	\$506.59	\$20,770.05	\$0.00
8	03/21/17	\$20,770.05	\$0.00	\$506.59	\$20,263.47	\$0.00
9	04/21/17	\$20,263.47	\$0.00	\$506.59	\$19,756.88	\$0.00
10	05/21/17	\$19,756.88	\$0.00	\$506.59	\$19,250.29	\$0.00
11	06/21/17	\$19,250.29	\$0.00	\$506.59	\$18,743.71	\$0.00
12	07/21/17	\$18,743.71	\$0.00	\$506.59	\$18,237.12	\$0.00
13	08/21/17	\$18,237.12	\$0.00	\$506.59	\$17,730.53	\$0.00
14	09/21/17	\$17,730.53	\$0.00	\$506.59	\$17,223.95	\$0.00
15	10/21/17	\$17,223.95	\$0.00	\$506.59	\$16,717.36	\$0.00
16	11/21/17	\$16,717.36	\$0.00	\$506.59	\$16,210.77	\$0.00
17	12/21/17	\$16,210.77	\$0.00	\$506.59	\$15,704.19	\$0.00
18	01/21/18	\$15,704.19	\$0.00	\$506.59	\$15,197.60	\$0.00
19	02/21/18	\$15,197.60	\$0.00	\$506.59	\$14,691.01	\$0.00
20	03/21/18	\$14,691.01	\$0.00	\$506.59	\$14,184.43	\$0.00
21	04/21/18	\$14,184.43	\$0.00	\$506.59	\$13,677.84	\$0.00
22	05/21/18	\$13,677.84	\$0.00	\$506.59	\$13,171.25	\$0.00
23	06/21/18	\$13,171.25	\$0.00	\$506.59	\$12,664.67	\$0.00

24	07/21/18	\$12,664.67	\$0.00	\$506.59	\$12,158.08	\$0.00
25	08/21/18	\$12,158.08	\$0.00	\$506.59	\$11,651.49	\$0.00
26	09/21/18	\$11,651.49	\$0.00	\$506.59	\$11,144.91	\$0.00
27	10/21/18	\$11,144.91	\$0.00	\$506.59	\$10,638.32	\$0.00
28	11/21/18	\$10,638.32	\$0.00	\$506.59	\$10,131.73	\$0.00
29	12/21/18	\$10,131.73	\$0.00	\$506.59	\$9,625.15	\$0.00
30	01/21/19	\$9,625.15	\$0.00	\$506.59	\$9,118.56	\$0.00
31	02/21/19	\$9,118.56	\$0.00	\$506.59	\$8,611.97	\$0.00
32	03/21/19	\$8,611.97	\$0.00	\$506.59	\$8,105.39	\$0.00
33	04/21/19	\$8,105.39	\$0.00	\$506.59	\$7,598.80	\$0.00
34	05/21/19	\$7,598.80	\$0.00	\$506.59	\$7,092.21	\$0.00
35	06/21/19	\$7,092.21	\$0.00	\$506.59	\$6,585.63	\$0.00
36	07/21/19	\$6,585.63	\$0.00	\$506.59	\$6,079.04	\$0.00
37	08/21/19	\$6,079.04	\$0.00	\$506.59	\$5,572.45	\$0.00
38	09/21/19	\$5,572.45	\$0.00	\$506.59	\$5,065.87	\$0.00
39	10/21/19	\$5,065.87	\$0.00	\$506.59	\$4,559.28	\$0.00
40	11/21/19	\$4,559.28	\$0.00	\$506.59	\$4,052.69	\$0.00
41	12/21/19	\$4,052.69	\$0.00	\$506.59	\$3,546.11	\$0.00
42	01/21/20	\$3,546.11	\$0.00	\$506.59	\$3,039.52	\$0.00
43	02/21/20	\$3,039.52	\$0.00	\$506.59	\$2,532.93	\$0.00
44	03/21/20	\$2,532.93	\$0.00	\$506.59	\$2,026.35	\$0.00
45	04/21/20	\$2,026.35	\$0.00	\$506.59	\$1,519.76	\$0.00
46	05/21/20	\$1,519.76	\$0.00	\$506.59	\$1,013.17	\$0.00
47	06/21/20	\$1,013.17	\$0.00	\$506.59	\$506.59	\$0.00
48	07/21/20	\$506.59	\$0.00	\$506.59	\$0.00	\$0.00



# Exhibit G: Projections

David & Gail Yarnall, USBC No. 15-15762

Priority	560
General	507
Total	<u>1,067</u>

	Jun-2016
Beginning Cash	6,776
Net Income	8,715
Total Available	15,491
Expenses	7,678
Net Available	7,813
Plan Payments	1,067
Ending Cash	6,747

Factor 1.002

	Jul-2016	Aug-2016	Sep-2016	Oct-2016	Nov-2016	Dec-2016
Beginning Cash	6,747	6,719	6,694	6,671	6,650	6,631
Net Income	8,732	8,750	8,767	8,785	8,802	8,820
Total Available	15,479	15,469	15,461	15,456	15,452	15,451
Expenses	7,693	7,709	7,724	7,739	7,755	7,770
Net Available	7,786	7,761	7,737	7,716	7,697	7,680
Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	6,719	6,694	6,671	6,650	6,631	6,614

	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017
Beginning Cash	6,614	6,599	6,586	6,576	6,567	6,561
Net Income	8,838	8,855	8,873	8,891	8,909	8,926
Total Available	15,452	15,454	15,459	15,467	15,476	15,487
Expenses	7,786	7,802	7,817	7,833	7,848	7,864
Net Available	7,666	7,653	7,642	7,634	7,627	7,623
Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	6,599	6,586	6,576	6,567	6,561	6,557

	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017
Beginning Cash	6,557	6,554	6,554	6,557	6,561	6,567
Net Income	8,944	8,962	8,980	8,998	9,016	9,034
Total Available	15,501	15,517	15,535	15,555	15,577	15,601
Expenses	7,880	7,896	7,911	7,927	7,943	7,959
Net Available	7,621	7,621	7,623	7,627	7,634	7,642
Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	6,554	6,554	6,557	6,561	6,567	6,576

	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018
Beginning Cash	6,576	6,586	6,599	6,614	6,632	6,651
Net Income	9,052	9,070	9,088	9,107	9,125	9,143
Total Available	15,628	15,657	15,688	15,721	15,756	15,794
Expenses	7,975	7,991	8,007	8,023	8,039	8,055
Net Available	7,653	7,666	7,681	7,698	7,717	7,739

Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	6,586	6,599	6,614	6,632	6,651	6,672

	Jul-2018	Aug-2018	Sep-2018	Oct-2018	Nov-2018	Dec-2018
Beginning Cash	6,672	6,696	6,722	6,750	6,780	6,813
Net Income	9,161	9,180	9,198	9,216	9,235	9,253
Total Available	15,834	15,876	15,920	15,967	16,015	16,066
Expenses	8,071	8,087	8,103	8,120	8,136	8,152
Net Available	7,763	7,789	7,817	7,847	7,879	7,914
Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	6,696	6,722	6,750	6,780	6,813	6,847

	Jan-2019	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019
Beginning Cash	6,847	6,884	6,923	6,965	7,008	7,054
Net Income	9,272	9,290	9,309	9,328	9,346	9,365
Total Available	16,119	16,175	16,232	16,292	16,354	16,419
Expenses	8,168	8,185	8,201	8,218	8,234	8,250
Net Available	7,951	7,990	8,031	8,075	8,120	8,168
Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	6,884	6,923	6,965	7,008	7,054	7,102

	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019
Beginning Cash	7,102	7,152	7,204	7,259	7,316	7,375
Net Income	9,384	9,402	9,421	9,440	9,459	9,478
Total Available	16,485	16,554	16,625	16,699	16,775	16,853
Expenses	8,267	8,283	8,300	8,317	8,333	8,350
Net Available	8,218	8,271	8,325	8,382	8,441	8,503
Plan Payments	1,067	1,067	1,067	1,067	1,067	1,067
Ending Cash	7,152	7,204	7,259	7,316	7,375	7,436

	Jan-2020	Feb-2020	Mar-2020	Apr-2020	May-2020	Jun-2020
Beginning Cash	7,436	7,500	7,566	7,634	7,704	7,777
Net Income	9,497	9,516	9,535	9,554	9,573	9,592
Total Available	16,933	17,016	17,101	17,188	17,277	17,369
Expenses	8,367	8,383	8,400	8,417	8,434	8,451
Net Available	8,566	8,632	8,700	8,771	8,844	8,919
Plan Payments	1,067	1,067	1,067	1,067	1,067	-
Ending Cash	7,500	7,566	7,634	7,704	7,777	8,919