

**UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF INDIANA  
HAMMOND DIVISION AT LAFAYETTE**

In re:

MAXIMUS SUPPLY CHAIN HOLDINGS, LLC  
MAXIMUS LOGISTICS SOLUTIONS, LLC  
MAXIMUS TRANSPORT SYSTEMS, LLC  
MAXIMUS INDUSTRIES CORPORATION  
GC3 LOGISTICS, INC.  
GC3 WAREHOUSING LLC and  
ACTION SCS LLC,

Debtors.<sup>1</sup>

Case No. 24-40167

Chapter 11

(Jointly Administered)

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**DISCLOSURE STATEMENT**

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**I. Introduction**

The Debtor-in-possession provides this Disclosure Statement to all of their creditors in order to disclose that information deemed by the Debtor to be important and necessary for exercising their right to vote for acceptance of the Plan of Reorganization filed with the Court on **December 15, 2025**.

Those creditors whose claims are impaired under the Plan may vote on the Plan by filling out and mailing to R. David Boyer, II BOYER & BOYER 110 W. Berry St./Suite 1910, Fort Wayne, Indiana 46802, a Ballot which will be supplied by the Court. In order for the Plan to be accepted by Ballot, Ballots of voting creditors who hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of allowed claims of each impaired class entitled to vote, voting separately, must be cast in favor of the acceptance of the Plan.

NO REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY AS TO THEIR FUTURE BUSINESS OPERATIONS, VALUE OF PROPERTY, OR THE VALUE OF ANY PROMISSORY NOTE TO BE ISSUED UNDER THE PLAN) ARE AUTHORIZED BY THE Debtor OTHER THAN AS SET FORTH IN THIS STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCES WHICH ARE OTHER THAN AS CONTAINED IN THIS STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATIONS AND/OR INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE Debtor WHO IN turns SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE

THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. THE RECORDS KEPT BY THE Debtor ARE DEPENDENT UPON INTERNAL ACCOUNTING PERFORMED BY THE Debtor. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE COMPLEXITY OF THE DEBTOR'S FINANCIAL MATTERS, THE Debtor is UNABLE TO WARRANT OR REPRESENT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE.

#### **A. General Information**

Essentially, the purpose of any Plan under chapter 11 is to preserve the assets of the Debtor and save them from disastrous or premature sales, such as at foreclosure, so that junior interests (junior mortgage holders and unsecured, general creditors, and Debtor) will receive the greatest possibility of preserving their right to recovery or equity in the Debtor's property. The Debtor seeks to reorganize its Debt and structure of the organization by consolidation of operations and streamlining production, services and logistics.

There are limitations on what Debtor can do under a Chapter 11 Plan; primarily, a Plan may be confirmed over the objections of a Class of secured creditors only if the Court finds that those creditors are given fair and equitable treatment, and secured creditors must receive the "indubitable equivalent" of the value of their security. However, "indubitable equivalent" does not necessarily mean that secured creditors must receive payment right away; what it means is that the secured creditors, if they must Wait, are entitled to a reasonable rate of interest on their money until they are paid. In other words, where a secured creditor is receiving payment in full over a reasonable period of time, with an appropriate interest or discount factor being paid, that creditor is receiving all the law requires, that is — full payment over a reasonable period of time. Under the new Bankruptcy Code, the term of any mortgage debt may be extended; payments required under the mortgage, of either principal or interest, may be postponed; and deferred or reduced payments of principal or interest may be added to the mortgage balance.

#### **B. General Background**

The Debtors are composed of the following: Maximus Supply Chain Holdings, LLC, Maximus Transport Systems, LLC, Maximus Logistics Corporation, Maximus Industries Corporation, Maximus Logistics Solutions, LLC, Action SCS, LLC, GC3 Logistics, Inc, and GC3 Warehousing, LLC, as debtors and debtors-in-possession (each a "Debtor" and collectively, the "Debtors")

Action SCS, LLC, GC3 Logistics, Inc. And GC3 Warehousing, LLC were the legacy companies the principals of the Debtors purchased. The Maximus Supply Chain Holdings, LLC, Maximus Transportation Systems, LLC, Maximus Logistics Corporation and Maximus Industries Corporation and Maximus Logistics Solutions, LLC were the operating entities after the purchase of the above legacy companies.

The Debtors have three lines of business manufacturing, logistics, and warehousing/sourcing. The entities do have some overlaps and operate near the manufacturing hub in Lafayette, Indiana. The consolidation through the Chapter 11 process and the relief of some debt through some key sales of certain lines of manufacturing have primed the Debtors for a reorganization of its business moving forward.

#### **C. Commencement of the Chapter 11 Case**

On June 25, 2024 (the “Petition Date”), Debtors each filed a Voluntary Petition under Chapter 11 of Title 11 of the Bankruptcy Code. Debtors continue to operate and maintain their businesses as debtors-in-possession pursuant to 11 U.S.C. §§ 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this Chapter 11 case. Additional information about the Debtors’ businesses, its capital structure, and the circumstances leading to the Chapter 11 cases is contained in the *Declaration of Sam Bazzi in Support of Debtors’ Chapter 11 Petitions and Related Motions* (the “Declaration”) filed on June 26, 2024 [Dkt. 11], which is incorporated by reference herein. Debtors have been appointed as Debtor-in-Possession under §§ 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtor’ reorganization case.

#### **D. Creditors’ Committee**

There is no creditor’s committee in this case.

#### **E. Employment of Professionals**

On September 16, 2024, the Debtor filed an Application to Employ R. David Boyer, II, Boyer & Boyer, as counsel for the Debtor. The Court entered an Order authorizing such employment on October 9, 2024.

#### **F. Affiliate Entities**

The Debtors are composed of the following: Maximus Supply Chain Holdings, LLC, Maximus Transport Systems, LLC, Maximus Logistics Corporation, Maximus Industries Corporation, Maximus Logistics Solutions, LLC, Action SCS, LLC, GC3 Logistics, Inc, and GC3 Warehousing, LLC, as debtors and debtors-in-possession (each a “Debtor” and collectively, the “Debtors”)

### **G. Current (Post-Petition) Operations**

The Debtors prior to the Petition Date, the Debtors began negotiations with Wabash National, L.P. (“Wabash”) to sell certain manufacturing liens and related equipment to Wabash. After extensive negotiations, Maximus Industries Corporation (“MIC”) and Maximus Logistics Solutions, LLC (“MLS”) (MIC and MLS collectively are the “Debtor Sellers”) entered into an Asset Purchase Agreement (“Purchase Agreement”) whereby the Debtor Sellers agreed to sell the following assets to Wabash for a total purchase price of \$9,950,000 (the “Purchase Price”). The sale closed on November 1, 2024. The Debtor filed motions for Distribution of Proceeds to satisfy secured debt and some administrative professional fees. Those Motions were filed on November 22, 2024, and were approved.

The Debtors have turned in all monthly operating reports and the vast majority have been positive. The Debtors have consolidated the operations from three (3) locations to (2) and will save almost \$2,000,000.00 in operating cost with the consolidation. Further, Debtors have surrounded numerous equipment of semi-tractors and semi-trailers to save on cost and operating overhead. Debtors have adopted the do more with less approach regarding operations.

The management has the following comments regarding the status of the Debtor entities as follows:

Maximus Transport Systems (“MTS”) has undergone a significant strategic transformation over the past two years in response to one of the softest freight markets in recent history. Like many transportation companies, MTS faced declining spot-market rates, excess national capacity, volatile fuel costs, and downward pricing pressure. Recognizing that the traditional for-hire transportation model was no longer sustainable under these conditions, the

company proactively implemented measures to reduce risk, stabilize revenue, and reshape the organization for long-term resiliency. Through fleet optimization, route rationalization, and a complete restructuring of its business model, MTS has repositioned itself from a market-exposed for-hire carrier to a stable, contract-driven dedicated transportation provider. This transition was further strengthened by the successful execution of multi-year agreements with Subaru of India, Subaru of America, and Heartland Automotive — commitments that now anchor the company's revenue base and provide predictable demand and operational continuity.

Today, MTS operates a streamlined, efficient, contract-backed network that is substantially insulated from the volatility of the broader freight market. These efforts collectively create a clear path toward operational stability, profitability, and sustainable long-term performance.

## **II. Debts and Assets Analysis**

### **A. Assets**

The following values are taken from the known current assets of the Debtors.

#### **Real Property**

There is no real estate.

#### **Personal Property**

Listed on the Appraisals attached hereto as Exhibit A

Cash on Hand

B. The following information is a summary of the Debtor's debt obligations pursuant to information as set forth in the Schedules filed in the case. These amounts are presented as an indication of the Debtor's financial status as of the commencement of the case.

## Treatment of Classes

**Class 1—Secured Creditors**—This Class shall consist of two types of Creditors, those who had a claim based on loans to Debtors with a security agreement and properly perfected. The Creditors are as follows:

### **Class 1.1 CENTIER BANK**

**1<sup>st</sup> Priority Secured Creditor as they have the 1<sup>st</sup> Position. Its claim docketed as 33 was timely filed and is owed under their claim. The Debtor proposes the following treatment:**

**Principal:** \$1,635,919.13

**Interest Rate:** 5%

**Amortization:** 84 months

**Balloon Payment:** After 12 months

**Start Date:** January 1, 2026

**Monthly Payment:** \$23,121.93

**A. First 12 Payments (leading to balloon):**

| <b>Pmt #</b> | <b>Due Date</b> | <b>Beginning Balance</b> | <b>Payment</b> | <b>Interest</b> | <b>Principal</b> | <b>Ending Balance</b> |
|--------------|-----------------|--------------------------|----------------|-----------------|------------------|-----------------------|
| <b>1</b>     | Feb 1, 2026     | 1,635,919.13             | 23,121.93      | 6,816.33        | 16,305.60        | 1,619,613.53          |
| <b>2</b>     | Mar 1, 2026     | 1,619,613.53             | 23,121.93      | 6,748.39        | 16,373.54        | 1,603,239.99          |
| ...          | ...             | ...                      | ...            | ...             | ...              | ...                   |
| <b>12</b>    | Jan 1, 2027     | 1,452,773.59             | 23,121.93      | 6,053.22        | 17,068.71        | <b>1,435,704.88</b>   |

**Balloon Due January 1, 2027: \$1,435,704.88**

The proposal creates a deficiency based on Claim filed of \$2,883,975.24.

### **Class 1.2 CAMBRIDGE FAMILY OF FUNDS**

**2<sup>nd</sup> in Priority with the Small Business Administration. Its claims docketed as 12, 13, 14, 15, 16 and 17 were timely filed and the amount owed is approximately \$4,800,000.00. The Debtor proposes the following treatment:**

**Principal:** \$296,290.00

**Interest Rate:** 5%

**Amortization:** 84 months  
**Balloon:** 36 months  
**Start Date:** January 1, 2026  
**Monthly Payment:** \$4,187.74

**Balloon Due Jan 1, 2029: \$181,849.00**

The proposal creates a deficiency based on the above valid claim of \$4,584,127.77.

## **Class 1.3 SMALL BUSINESS ADMINISTRATION (SBA)**

**2<sup>nd</sup> in Priority with the Small Business Administration. Its claims docket as 5, 6, 7 and 8 were timely filed and the amount still outstanding. The Debtor proposes the following treatment:**

**Principal:** \$88,499.00  
**Interest Rate:** 5%  
**Amortization:** 84 months  
**Balloon:** 36 months  
**Start Date:** January 1, 2026  
**Monthly Payment:** \$1,250.84

**Balloon:** (approx. \$53,000).

The proposal creates a deficiency based on the above valid claim of \$2,028,460.69.

The following Creditors are those who at the time of the purchase of the equipment or products took a security interest in said items to secure the payment for said purchase.

## **Class 1.4 BYLINE BANK — AISLE MASTER**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$400,000.00  
**Monthly Payment:** \$5,653.56  
**Balloon (36 months):** \$245,584.53  
**Start Date:** Jan 15, 2026  
**Rate:** 5%

## **Class 1.5 LEAF FINANCIAL — METLSAW**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$24,870.00  
**Payment:** \$351.51  
**Balloon (36 months):** ~ \$15,000  
**Rate:** 5%

## **Class 1.6 DE LEGE LENDELL — FORKLIFTS**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$51,102.48  
**Payment:** \$722.28  
**Balloon:** ~ \$32,000  
**Rate:** 5%

## **Class 1.7 MIDLAND BANK — ROBOTIC WELD CELL**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$270,000.00  
**Payment:** \$3,816.16  
**Balloon:** \$165,629.47  
**Rate:** 5%

## **Class 1.8 MITSUBISHI CAPITAL**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$255,000.00  
**Payment:** \$3,604.15  
**Balloon:** \$156,502.57  
**Rate:** 5%

## **Class 1.9 U.S. BANK — FOM MACHINE**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$305,000.00  
**Payment:** \$4,310.84  
**Balloon:** \$187,197.98  
**Rate:** 5%

## **Class 1.10 BMO — METLSAW**

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$65,129.00

**Payment:** \$920.53

**Balloon:** \$39,972.11

**Rate:** 5%

## Class 1.11 PATHWARD

The proposal is based on the value of the collateral yet will be less than the outstanding principal.

**Principal:** \$52,000.00

**Payment:** \$734.96

**Balloon:** \$31,893.47

**Rate:** 5%

## Class 2 General Unsecured

These are claims filed by the Creditor that have no security interest in collateral. These claims include those with a deficiency from its secured claim(s). The Proposed Treatment of Class 2 is to pay 2% of allowed claims over 36 months.

All Class 2 unsecured creditors shall receive a pro-rata distribution totaling **\$216,713.35**, which equates to **2.00%** of the total allowed claims.

| Creditor                    | Allowed Claim  | Plan Distribution (2.00%) |
|-----------------------------|----------------|---------------------------|
| Kaye Skoog                  | \$140,912.56   | \$2,818.25                |
| Motion Industries           | \$9,963.71     | \$199.27                  |
| Axle-Tru Alignment Repair   | \$28,867.81    | \$577.36                  |
| Phoenix Paramedic Solutions | \$3,533.75     | \$70.68                   |
| Matrix Designs              | \$470,134.96   | \$9,402.70                |
| XTRA Leasing                | \$31,106.60    | \$622.13                  |
| PWC                         | \$59,500.00    | \$1,190.00                |
| Great Dane                  | \$61,218.54    | \$1,224.37                |
| Duke Energy                 | \$5,054.88     | \$101.10                  |
| Bystronic                   | \$462,192.46   | \$9,243.85                |
| Joseph Emery                | \$66,618.48    | \$1,332.37                |
| Centier Bank (Deficiency)   | \$2,883,975.24 | \$57,679.50               |
| Cambridge (Deficiency)      | \$4,584,127.77 | \$91,682.56               |
| SBA (Deficiency)            | \$2,028,460.69 | \$40,569.21               |

|              |                        |                     |
|--------------|------------------------|---------------------|
| <b>TOTAL</b> | <b>\$10,835,667.45</b> | <b>\$216,713.35</b> |
|--------------|------------------------|---------------------|

**Payment Terms:** Paid over 36 months beginning the first full month after the Effective Date. No interest shall accrue on these payments. Payments shall be made on a pro-rata basis.

## **Class 3 – Equity Interests - Waiver of Administrative Claim**

Pursuant to the Plan and the new value exception under 11 U.S.C. §1129(b):

1. **Inna Bazzi shall receive 51% of the equity interests in the Reorganized Debtor in exchange for waiving her portion of the \$150,000 in post-petition, court-approved insider financing**, which constitutes a substantial, money's-worth new value contribution that is necessary for the reorganization and funding of the Plan.
2. **Sam Bazzi shall receive 49% of the equity interests in the Reorganized Debtor solely pursuant to the new value exception to the absolute priority rule.** All prepetition equity interests are canceled on the Effective Date. No equity interest is retained or issued on account of any prepetition ownership interest, insider status, or prior role with the Debtor. Any equity issued is conditioned exclusively upon the contribution of new value in money or money's worth.
3. The **prior equity interests** of Sam Bazzi in Maximus Supply Chain Holdings, LLC are **canceled**, and new ownership interests in **Nova-Tech Industries** shall be issued as set forth herein. Because the prior equity is canceled and replaced with new equity interests under the terms of this Plan, Class 3 Equity Interests are impaired and deemed to reject the Plan and are not entitled to vote. No equity interest is issued or retained on account of any prepetition ownership, and any post-confirmation equity is issued solely in exchange for new value determined by the Court to satisfy §1129(b)

### **ADMINISTRATIVE CLAIMS**

The Claims are solely for disclosure and informational purposes.

It does not create, and shall not be deemed to create, a class, category, subclass, or separate treatment of administrative expenses. All administrative expenses are unclassified and shall be paid in accordance with §1129(a)(9)(A) of the Bankruptcy Code.”

#### **1 - Euler Hermes NA – ALPCO**

**Principal:** \$196,828.63

#### **2 - Securit Metal**

**Principal:** \$256,663.50

#### **3 - Renishaw**

**Principal:** \$13,733.86

#### **4 - Stretto**

**Principal:** \$68,500.00 (Disputed Amount)

#### **5- Cardinal Contracting, LLC**

**Principal:** \$51,000.00

**6 - JR Kelly Co.**

**Principal: \$17,800.00**

**7 - MP Baker Electric**

**Principal: \$108,191.04**

**8 - Plymouth REIT**

**Principal: \$135,000.00**

**9-BOYER & BOYER**

**Principal: \$100,000.00**

→Debtor will seek an agreement for payment overtime of these Administrative Claimants. The Payment terms will be based on 12, 24, or 36 Months.

### **PRIORITY TAX CLAIM (Informational Only; Not a Class)**

*Maximus Supply Chain Holdings, LLC*

*Case No. 24-40167-reg — Judge Robert E. Grant*

**Tippecanoe County Personal Property Taxes**

**Principal: \$144,195.99**

→Debtor will see an agreement for payment overtime of this Claim. The Payment twill be based on a 60 month term.

## **C. Liquidation Analysis**

This liquidation analysis comparing the estimated recoveries in a hypothetical Chapter 7 liquidation to the projected recoveries under the Debtors' proposed Chapter 11 Plan. This updated analysis incorporates the **equipment appraisal values** (two appraisals with a combined Orderly Liquidation Value of **\$2,038,500** and Forced Liquidation Value of **\$1,082,000**). The purpose of this comparison is to demonstrate that the Plan satisfies the "best interests of creditors" test under 11 U.S.C. § 1129(a)(7), i.e. that each impaired creditor will receive at least as much under the Plan as it would in a Chapter 7 liquidation. All values and percentages are estimates based on the Debtors' records and the updated asset appraisals and are subject to the assumptions and notes below.

## **Hypothetical Chapter 7 Liquidation Analysis**

**Gross Liquidation Proceeds:** In a Chapter 7, the Debtors' business would cease operating and a trustee would quickly liquidate assets. The **primary assets** are the Debtors' machinery, vehicles, and equipment. Recent appraisals indicate an Orderly Liquidation Value ("OLV") of about **\$2.04 million** and a Forced Liquidation Value ("FLV") of about **\$1.08 million** for the combined equipment assets. For a conservative analysis, we assume a **forced auction sale** on a shortened timeframe,

yielding roughly **\$1.08 million** gross proceeds (the FLV). There are minimal other unencumbered assets available (any accounts receivable or inventory are assumed to be fully encumbered by the secured lender's (Centier) liens in this scenario).

## A-CENTIER'S COLLATERAL

### 1. Collateral Subject to Centier's Lien

Centier has a lien on:

| Asset Category        | Book Value |
|-----------------------|------------|
| Raw Material          | \$250,000  |
| WIP Inventory         | \$150,000  |
| Accounts Receivable   | \$350,000  |
| Cash                  | \$100,000  |
| Total Collateral Base | \$850,000  |

### 2. Apply Forced-Liquidation Discounts (Chapter 7)

Chapter 7 liquidations typically yield:

- **Raw Materials:** 20–40% of book
- **WIP:** 0–15% of book
- **Accounts Receivable:** 40–70% depending on age
- **Cash:** 100%
- **Trustee & administrative fees:** 20–25% of gross proceeds

We will use **conservative but standard forced-sale percentages**.

#### Forced-Liquidation Value (FLV) Estimate

| Asset               | Book Value | FLV % | Estimated FLV |
|---------------------|------------|-------|---------------|
| Raw Materials       | \$250,000  | 35%   | \$87,500      |
| WIP                 | \$150,000  | 10%   | \$15,000      |
| Accounts Receivable | \$350,000  | 60%   | \$210,000     |
| Cash                | \$100,000  | 100%  | \$100,000     |
| Totals              | \$850,000  | —     | \$412,500     |

So, the **gross liquidation value** of Centier's collateral  $\approx$  **\$412,500**.

### 3. Deduct Chapter 7 Liquidation Costs

Typical Chapter 7 costs for these assets:

- Auctioneer + sale costs: **10%**
- Trustee commission: **3–5%**
- Professional fees: **5%**
- Storage, transport, rigging: **5%**

Total Cost Range = 20–25%

Using 25% for conservative analysis:

$$412,500 \times 0.25 = 103,125 \text{ (costs)}$$

Net Available Proceeds to Centier:

$$412,500 - 103,125 = \boxed{\$309,375}$$

### 4. Final Estimate (Chapter 7 Proceeds to Centier)

Centier would receive approximately \$300,000-325,000 in a chapter 7 liquidation.

This represents **only ~19% of their secured claim of \$1.63 million.**

### 5. Interpretation

- Centier is **deeply undersecured** in a forced Chapter 7.
- They would recover **~19%** of their collateral value, leaving a **deficiency claim over \$1.3M**, which would receive **0% in Chapter 7**.
- Under the **Chapter 11 Plan**, Centier receives **100% recovery**, amortized over 84 months and balloon payment within 12 months.

This supports the **best interests test** under §1129(a)(7).

## B-PMSI CREDITORS COLLATERALS

**Liquidation Costs:** A Chapter 7 liquidation would incur substantial costs that must be paid from the sale proceeds, reducing the funds available for creditors. Consistent with prior assumptions, the following cost ranges are used:

- **Auctioneer & Sale Fees:** ~10% of gross proceeds (for conducting auctions, advertising, buyer premiums, etc.).
- **Equipment Removal/Rigging Costs:** ~5% of proceeds (to dismantle, transport, or prepare machinery for sale “as-is, where-is”).
- **Chapter 7 Trustee Commission:** ~3–5% of proceeds (statutory commission per 11 U.S.C. § 326, which for ~\$1 million in proceeds would be roughly 5%).
- **Legal and Professional Fees (Chapter 7):** ~5% of proceeds (trustee’s counsel, accountants, auctioneer’s expenses, etc.).

In total, **liquidation costs are estimated at approximately 20–25%** of the gross recovery. Using the \$1,082,000 FLV as a base, about **\$200,000–\$270,000** would be consumed by fees and expenses. This yields **net proceeds of roughly \$800,000–\$880,000** available for distribution to creditors in Chapter 7. For purposes of this analysis, we use an approximate midpoint net of **~\$810,000** (about 75% of gross FLV).

**Distribution of Liquidation Proceeds:** The table below summarizes the **estimated Chapter 7 recoveries** for each class of claims, compared to their treatment under the Chapter 11 Plan:

| Claim/Interest                                                                                       | Recovery in Chapter 7(Liquidation)                                                                                                                                                                               | Recovery Under Chapter 11 Plan (Proposed)                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Secured Creditors (Centier Bank, Cambridge Family, SBA, and Purchase-Money Equipment Lenders)</b> | ≈ <b>\$810,000</b> (≈ 20–25% of ~\$3.44MM total secured claims)<br><i>All net proceeds (after costs) would go to lienholders up to their collateral value. Deficiency claims of ~\$2.6MM+ roll to unsecured.</i> | <b>100% of allowed secured claims</b><br><i>Secured claims total ~\$3.44MM. Under the Plan, secured creditors retain liens and are paid in full (principal + 5% interest) over 7 years (84 months).</i>                                                                                |
| <b>Chapter 11 Administrative Claims (§503(b) expenses, post-petition trade, professional fees)</b>   | <b>\$0 (0% recovery)</b><br><i>No Chapter 7 funds remain for Chapter 11 administrative expenses. These claims would go unpaid absent surplus proceeds, as the secured creditors exhaust the estate.</i>          | <i>Administrative Expenses are not classified under the Plan and are paid in accordance with §1129(a)(9)(A) of the Bankruptcy Code. Any reference to amounts is for disclosure purposes only. The Plan does not impose installment payments or interest on administrative expenses</i> |

|                                                                            |                                                                                                                                                                       |                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Priority Tax Claims</b><br>(e.g. 2023 Personal Property Taxes)          | <b>\$0 (0% recovery)</b><br><i>No proceeds available for non-secured priority creditors in Chapter 7.</i>                                                             | <b>100% of allowed priority claims</b><br><i>Priority tax claim (~\$144,196 for property taxes) will be paid in full under the Plan, in equal installments over 60 months with 3% interest (per §1129(a)(9)(C)).</i>                                                                      |
| <b>General Unsecured Claims</b><br>(trade creditors and deficiency claims) | <b>\$0 (0% recovery)</b><br><i>No Chapter 7 recovery – all estate value is absorbed by higher-priority claims. General unsecured creditors would receive nothing.</i> | <b>~2% recovery (aggregate)</b><br><i>*Allowed general unsecured claims (~\$10.84MM total, including deficiencies) will receive ~\$216,713 total under the Plan. This equates to approx. 2% on each claim, paid as a settlement distribution (per Plan Class *).</i>                      |
| <b>Equity Interests</b><br>(Membership Interests in Debtor)                | <b>No recovery (0%).</b> <i>Interests would be canceled as having no value in a liquidation.</i>                                                                      | <b>No monetary recovery.</b> <i>Equity holders are not receiving any distribution under the Plan (their interests are being canceled or retained only if contributing new value per the Plan). In either case, they receive no value distribution, consistent with Chapter 7 outcome.</i> |

**Notes on Chapter 7:** In a Chapter 7 case, the **secured creditors** (holding first-priority liens and PMSIs on the equipment) would effectively capture all the net sale proceeds (approximately \$0.8 million), but even that would be far **insufficient to satisfy their liens** (secured claims total roughly \$3.44 million). Thus, the secured lenders would be **undersecured**, recovering only an estimated 20–25% of their claims, and would hold large **deficiency claims** (unpaid balances) that fall into the general unsecured class. **Chapter 11 administrative claims** (accrued during the case, approximately \$947,000) have **priority in payment** in a Chapter 11, but in a Chapter 7 liquidation they would **not be paid at all** because the estate would have no unencumbered funds after satisfying secured claims and Chapter 7 administrative costs. The **priority tax claim** (~\$144,000 for 2023 personal property taxes) would similarly go unpaid, as there would be no residual funds for priority creditors. **General unsecured creditors** would receive **no distribution** in Chapter 7 (0% recovery), since the secured and priority claims exhaust the estate. Equity interests, being last in priority, would be wiped out with no recovery. In sum, **no creditor junior to the secured lenders would realize any value in a Chapter 7 liquidation.**

## Chapter 11 Plan Recovery and Treatment

Under the proposed **Chapter 11 Plan**, the Debtors will continue operating or conduct an orderly reorganization, allowing for a **greater recovery** for creditors than the forced Chapter 7 scenario. Key

provisions of the Plan (as derived from Exhibits A–E and the Plan term sheet) are summarized below:

- **Secured Creditors (Class 1 Claims): Impaired** under the Plan and entitled to vote. The secured lenders (Centier Bank, Cambridge Family of Funds, U.S. SBA, and equipment purchase-money lenders) will **retain their liens** and receive payment in full of their allowed secured claims (100% principal) over time. Specifically, the Plan provides for replacement notes amortizing over **84 months at 5% interest** (with any balloon payments as noted) starting January 2026. This treatment yields a **100% recovery** of the ~\$3.44 million in total secured debt, albeit over the Plan period, and is far superior to the partial ~20% recovery they'd see in liquidation.
- **Administrative Expense Claims:** Administrative Expenses are not classified under the Plan and are paid in accordance with §1129(a)(9)(A) of the Bankruptcy Code. Any reference herein to amounts or timing is for disclosure purposes only and does not constitute plan treatment
- **Priority Tax Claims:** Priority Tax Claims are not classified and are paid pursuant to §1129(a)(9)(C).
- **General Unsecured Claims (Class 2 Claims): Impaired.** The Plan provides a designated **Unsecured Creditors' Fund/Settlement** for general unsecured claims (including trade creditors and the deficiency portions of secured lenders' claims). As reflected in the unsecured claim schedule, general unsecured creditors (with total claims of approximately **\$10,835,667** including deficiencies) will receive a **pro rata distribution of \$216,713.35** under the Plan. This equals roughly a **2% recovery** on allowed unsecured claims. Distribution to Class 3 may be made in installments after the Effective Date (as outlined in the Plan), but in all events provides value that far exceeds the **0%** these creditors would receive in a Chapter 7. *(For example, a trade creditor with a \$100,000 claim would receive ~\$2,000 under the Plan, whereas in liquidation it would likely recover \$0.)* The unsecured class's acceptance of this Plan treatment (or satisfaction of cramdown standards) will be addressed at confirmation, but the **best-interest test is satisfied by this 2% dividend versus a 0% liquidation outcome.**
- **Equity Interests (Class 3 Equity/): Impaired.** Under the Plan, the existing membership interests in the Debtor are not receiving or retaining any property on account of those interests, **except** to the extent the reorganized Debtor's ownership is revested in an insider **conditioned on new value contributions** (per the Plan's terms or the agreed settlement with creditors). In essence, the current equity holders **receive no net value** under the Plan unless they invest new capital; their prior interests are being canceled or substantially diluted. In a Chapter 7, equity would likewise receive nothing (the Debtor is insolvent). Thus, there is no equity recovery in either scenario.

## Comparison and Best-Interest Test Conclusion

The foregoing analysis demonstrates that the **Chapter 11 Plan will provide recoveries equal to or greater than those in a Chapter 7 liquidation for all creditor classes.** In Chapter 7, after liquidating the Debtors' assets at forced-sale values, **only the secured creditors** would receive any payment (and then only partial, ~20¢ on the dollar), and all other claims – administrative, priority, and unsecured – would **recover nothing.** Under the Plan, **every category of claim does better:**

Secured creditors are to be paid **100%** of their claims (albeit over time), priority and administrative claims are paid in full (100%), and general unsecured creditors receive a meaningful distribution (~2%) that they would not receive in a liquidation. Each impaired creditor will receive “value, as of the effective date of the plan, that is not less than the amount **they would receive if the debtor were liquidated under Chapter 7**”. Therefore, the Plan **satisfies the best-interests of creditors test** of 11 U.S.C. § 1129(a)(7) for all impaired classes. The Debtors submit that confirmation of the Plan is in the best interest of all creditor constituents, as the Plan avoids the severe dilution of value that a Chapter 7 fire-sale would cause and instead maximizes recoveries.

*(Certification: I, the undersigned, hereby certify under penalty of perjury that the above Liquidation Analysis is true and correct to the best of my knowledge and belief.)*

Sam Bazzi

*Sam Bazzi*  
President

### **III. Bankruptcy Code Requirements for Confirmation**

The Bankruptcy Court will confirm the Plan only if it finds that all of the requirements of §1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a Plan are that the Plan: (i) is accepted by all impaired classes of claims and equity interests, or if rejected or deemed rejected by an impaired Class, satisfies the “cramdown” standard; (ii) is feasible; and (iii) is in the “best interests” of creditors and stockholders (interest holders) impaired under the Plan.

Section 1129 of the Bankruptcy Code which sets forth the requirements that must be satisfied in order for the Plan to be confirmed, lists the following requirements for the approval of any plan of reorganization:

1. A plan must comply with the applicable provisions of the Bankruptcy Code.
2. The proponent of a plan must comply with the applicable provisions of the Bankruptcy Code.
3. A plan must be proposed in good faith and not by any means forbidden by law.
4. Any payment made or to be made by the proponent, by the Debtor, or by a person issuing securities or acquiring property under a plan, for services or for costs and expenses in or in connection with the case, or in connection with such plan and incident to the case, must be approved by, or be subject to the approval of, the court as reasonable.
5. (i)(A) The proponent of a plan must disclose the identity and affiliations of any individual proposed to serve, after confirmation of such plan, as a director, officer, or voting trustee of the

Debtor, an affiliate of the Debtor participating in a joint plan and the Debtor, or a successor to the Debtor under such plan; and

(B) The appointment to, or continuance in, such office of such individual, must be

consistent with the interests of creditors and equity security holders and with public policy; and

(ii) The proponent of a plan must disclose the identity of any insider that will

be employed or retained by the reorganized Debtor, and the nature of any compensation for each insider.

6. Any governmental, regulatory commission with jurisdiction, after confirmation of

a plan, over the rates of the Debtor must approve any rate change provided for in such

plan, or such rate change is expressly conditioned on such approval.

7. Each holder of a claim or interest in an impaired class of claims or interests must have accepted the plan or must receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the Debtor were liquidated under chapter 7 of the Bankruptcy Code on such date, or, if the class is a class of secured claims that elects non-recourse treatment of the claims under § 1111(b) of the Bankruptcy Code, each holder of a claim in such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims. This is the so-called "best interests" test.

8. With respect to each class of claims or interests, such class must accept the plan or not be impaired under the plan (subject to the "cramdown" provisions discussed herein.)

9. Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, a plan must provide that:

(i) with respect to an administrative claim and certain claims arising in an involuntary case, on the effective date of the plan, the holder of the claim will receive on account of such claim cash equal to the allowed amount of the claim;

(ii) with respect to a class of priority wage, employee benefit, consumer deposit and certain other claims described in §507(a)(3)-(6) of the Bankruptcy Code, each holder of a claim of such class will receive

(A) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(B) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and

(iii) with respect to a priority tax claim of a kind specified in §507(a)(8) of the Bankruptcy Code, the holder of such claim will receive on account of such claim

deferred cash payments, over a period not exceeding five (5) years after the date of the order for relief, of a value, as of the date of assessment of such claim of a value, as of the effective date of the plan equal to the allowed amount of such claim, and such treatment must be in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the Plan (other than cash payments made to a class of creditors under § 1122(b)).

10. If a class of claims is impaired under a plan, at least one class of claims that is impaired under such plan must have accepted the plan, determined without including any acceptance of the plan by any insider; except that in a case in which the debtor is an individual, the Debtor may retain property included in the estate subject to the requirements of 11 U.S.C. §1 129(a)(14) described in ¶15 below.

11. Confirmation of a plan must not be likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor under the plan unless such liquidation or reorganization is proposed in the plan. This is the so-called “feasibility” requirement.

12. All fees payable under §1930 of the Bankruptcy Code, as determined by the court at the hearing on confirmation of the plan, must have been paid or the plan must provide for the payment of all such fees on the effective date of the plan.

13. A plan must provide for the continuation after its effective date of payment of all retiree benefits, as that term is defined in § 1114 of the Bankruptcy code, at the level established pursuant to either subsection (e)(1)(B) or (g) of § 1114 of the Bankruptcy Code, at any time prior to confirmation of such plan, for the duration of the period the Debtor have obligated themselves to provide such benefits.

14. An individual debtor may not obtain confirmation unless post-petition domestic support obligations are paid in full.

15. In those chapter 11 cases in which the debtor is an individual, and in which the holder of an allowed unsecured claim objects to the confirmation of the Plan, the court will confirm the Plan only if the value, as of the effective date of the Plan, of the property to be distributed under the Plan on account of such claim is not less than the amount of such claim; or the value of the property to be distributed under the Plan is not less than the projected disposable income of the Debtor (as defined in 11 U.S.C. § 1325(b)(2) to be received during the five (5) year period beginning on the date

that the first payment is due under the Plan, or during the period for which the Plan provides payments, whichever is longer.

This Disclosure Statement discusses three of these requirements: (a) the feasibility of the Plan; (b) acceptance by impaired classes; and (c) the “best interests” standard. The Debtor believes that the Plan meets all the requirements of § 1129(a) of the Bankruptcy Code (other than as to voting, which has not taken place) and will seek a ruling of the Court to this effect at the hearing on confirmation of the Plan. You are urged to consult your own attorneys to evaluate each of the standards for confirmation of the Plan under the Bankruptcy Code.

#### **IV. Vote Required for Acceptance: Confirmation**

The Bankruptcy Code defines acceptance of a plan by an impaired class of claims as acceptance by holders of at least two-thirds in dollar amount, and more than one-half in number, of the claims of that class which actually cast ballots (other than any holders who are found by the Bankruptcy Court to have cast their ballots in bad faith). The Bankruptcy Code defines acceptance of a plan by an impaired class of equity interests as acceptance by holders of at least two-thirds in number of the equity interests of that class that actually cast ballots other than any holders who are found by the Bankruptcy Court to have cast their ballots in bad faith.

In addition to this voting requirement, § 1129 of the Bankruptcy Code requires that a plan be accepted by each holder of a claim or interest in an impaired class or that the plan otherwise be found by the Court to be in the best interests of each holder of a claim or interest in an impaired class. See “Best Interests Test” below.

If one Class of impaired Claims or Interests accepts the Plan, the Court may confirm the Plan under the “cramdown” provisions of § 1129(b) of the Bankruptcy Code, which permits the confirmation of a plan over the dissenting votes of creditors or equity interest holders that have voted, as a Class, to reject the plan, provided that certain standards are met. See “Cramdown” below.

In the event any Voting Class votes against the Plan, and the Plan is not withdrawn, the terms of the Plan may be modified by the Debtor, as necessary to effect a “cramdown” on such dissenting Class or Classes by reallocating value from all Classes Junior to the objecting Class or Classes to any impaired senior Classes until such impaired senior Classes are paid in accordance with the absolute priority rule of § 1129(b) of the Bankruptcy Code. Any such modifications or amendments shall be filed with the Bankruptcy Court and served on all parties in interest entitled to receive notice of the hearing on the confirmation of the affected Plan. Subject to the conditions set forth in the Plan, a determination by the Bankruptcy Court that the Plan is not confirmable pursuant to § 1129 of the Bankruptcy Code will not limit or affect the Debtor’s ability to modify the Plan to satisfy the provisions of § 1129 of the Bankruptcy Code.

Only impaired classes entitled to vote under § 1126(c) are counted for purposes of Plan acceptance. Administrative Expenses, Priority Tax Claims, and Equity Interests deemed to reject are not entitled to vote and are excluded from vote tabulation.

## **V. Best Interests Test**

Notwithstanding acceptance of the Plan by each impaired Class, in order to confirm the Plan the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim or Interest that has not accepted the Plan. Accordingly, if an impaired Class does not unanimously accept the Plan, the “best interests” test of § 1129(a)(7) of the Bankruptcy Code requires that the Court find that the Plan provides to each Holder of a claim or interest in such impaired Class a recovery on account of the Holder’s Claim or Interest that has a value of at least equal to the value of the Distribution that each such Holder would receive if the Debtor were liquidated under chapter 7 of the Bankruptcy Code.

To estimate what members of each impaired Class of Claims or Interests would receive if the Debtor were liquidated in a chapter 7 case, the Bankruptcy Court must first determine the aggregate dollar amount that would be available if the Debtor’s case were converted to a chapter 7 liquidation by a chapter 7 trustee (the “Liquidation Value”). The Liquidation Value would consist of the net proceeds from the disposition of the assets of the Debtor, augmented by the Cash held by the Debtor and reduced by certain increased costs and Claims that arise in a chapter 7 liquidation case that do not arise in a chapter 11 reorganization case including sale costs. Debtor believe that a chapter 7 liquidation would have a material and adverse effect upon the values which would be received by its creditors when measured against such values assuming consummation of the Plan.

The Liquidation Value available to general creditor would be reduced by: (a) the Claims of secured creditors to the extent of the value of their collateral; and (b) the costs and expenses of the liquidation under chapter 7, which would include: (i) the compensation of a trustee and its counsel and other professionals retained; (ii) disposition expenses; (iii) all unpaid expenses incurred by the Debtor during their Reorganization Case (such as compensation for attorneys, auctioneers and accountants) which are allowed in the chapter 7 case; (iv) litigation costs; and (v) Claims arising from the operation of the Debtor during the pendency of the chapter 11 and chapter 7 liquidation cases. The liquidation itself would cause the realization of additional Priority Claims and would accelerate other priority payments which would otherwise be payable in the ordinary course. These Priority Claims would be paid in full out of the liquidation proceeds before the balance would be made available to pay most other Claims or to make any Distribution in respect of Interests. A discussion concerning liquidation of the Debtor’s assets is set forth above. (See Liquidation Analysis)

Once the percentage liquidation recoveries for each Class re ascertained, the value of the Distribution available out of the Liquidation Value is compared with the value of the property offered to such Class under the Plan to determine if it is in the best interests of Holders of Allowed Claims or Allowed Interests, as the case may be, in such Class.

After considering the effect that a chapter 7 liquidation would have on the value of the Debtor, including the costs of an Claims resulting from a chapter 7 liquidation, the adverse effect of a forced sale on the prices of the Debtor’s assets, the potentially adverse impact on the Debtor’s business and the delay in the distribution of liquidation proceeds, the Debtor have determined estimated Liquidation Values for its Reorganization Case, which are set forth above. Based on the

analysis set forth therein, and subject to the assumptions and qualifications therein expressed, the Debtor believe that the Plan as proposed herein satisfies the requirements of the “best interests” test of § 1129(a)(7) of the Bankruptcy Code.

#### **VI. Fair and Equitable Test: Cramdown**

Any Voting Class that fails to accept the Plan will be deemed to have rejected the Plan. Notwithstanding such rejections, the Bankruptcy Court may confirm the Plan and the Plan will be binding upon all Classes, including the Classes rejecting the Plan, if the Debtor demonstrates to the Bankruptcy Court that at least one impaired Class of Claims has accepted the Plan and that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to each non-accepting Class. A plan does not discriminate unfairly if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are similar to those of the dissenting class and if no class receives more than it is entitled to for its claims or interests.

The Bankruptcy Code establishes different “fair and equitable” tests for the secured and unsecured creditors as follows:

1. Secured Creditors. Either (i) each secured creditor in a non-accepting impaired class retains the liens securing its secured claim and receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim; (ii) each secured creditor in a non-accepting impaired class realizes the indubitable equivalent of its allowed secured claim or (iii) the property securing the claim is sold free and clear of liens with such liens to attach to the proceeds and the treatment of such liens on proceeds as provided in clause (i) or (ii) of this subparagraph.
2. Unsecured Creditors. Either (i) each unsecured creditor in a non-accepting impaired class receives or retains under the plan property having a present value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive or retain any property under the Plan, unless new value is given by and through the operation of the Chapter 11 Plan; additionally, with respect to those cases in which the Debtor is an individual and in which the holder of an allowed unsecured claim objects to the confirmation of the Plan, the court will confirm the Plan only if the value, as of the effective date of the Plan, of the property to be distributed under the Plan on account of such claim is not less than the amount of such claim; or the value of the property to be distributed under the Plan is not less than the projected disposable income of the Debtor (as defined in 11 U.S.C. § 1325(b)(2)) to be received during the five (5) year period beginning on the date that the first payment is due under the Plan, or during the period for which the Plan provides payments, whichever is longer.

THE DEBTORS BELIEVE THAT THE PLAN DOES NOT DISCRIMINATE UNFAIRLY WITH

RESPECT TO ANY CLASS AND IS FAIR AND EQUITABLE WITH RESPECT TO EACH

IMPAIRED CLASS, THEREFORE, THE Debtor INTEND TO SEEK CONFIRMATION OF

THE PLAN EVEN IF LESS THAN THE REQUISITE NUMBER OF FAVORABLE VOTES ARE OBTAINED FROM ANY VOTING CLASS.

## **VII. Feasibility**

The Bankruptcy Code requires that the Bankruptcy Court, in order to confirm the Plan must find that confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization of the Debtor (the “Feasibility Test”). For the Plan to meet the Feasibility Test, the Bankruptcy Court must find that reorganized Debtor, subsequent to the Effective Date, will have a reasonable expectation of generating, through their own operations or access to sources of debt and/or equity capital, funds sufficient to satisfy their obligations under the Plan and otherwise.

Cash Flow Model in including beginning cash (Cash, Inventory and Accounts Receivable), debt payments, balloon obligations, and the \$1,000,000 CapEx expenditure in 2027. This feasibility analysis supports confirmation of the Plan under 11 U.S.C. §1129(a)(11) and demonstrates the Debtor’s ability to perform all Plan obligations.

## **I. Financial Assumptions (2026–2029)**

The following are the core assumptions driving feasibility, consistent with Exhibit E:

- **Beginning Cash (2026):** \$850,000 (Cash, Inventory & A/R support operations)
- **Net Margins:**
  - 2026: \$2,048,226
  - 2027: \$2,247,158
  - 2028: \$2,471,103
- **Debt Payments (Actual):** Based on Installment Schedule
  - 2026: \$1,104,109.93
  - 2027: \$586,442.95
  - 2028: \$586,442.95
- **Balloon Obligations:**
  - **2026/early 2027:** \$1,431,000 Centier balloon
  - **2029:** \$872,000 combined 36-month balloons (Cambridge, SBA, PMSI lenders)
- **CapEx:** \$1,000,000 in 2027 (equipment modernization)
- Post-petition insider financing in the amount of \$150,000 was authorized by Court order and funded into the Debtor’s operating account. This financing is waived as an administrative expense under the Plan and treated as new value for reorganization purposes.

## II. Cash Flow Summary (from Exhibit E)

| Year | Beginning Cash | Net Margin  | Debt Payments (Actual) | Balloon Payment               | CapEx       | Ending Cash |
|------|----------------|-------------|------------------------|-------------------------------|-------------|-------------|
| 2026 | \$850,000      | \$2,048,226 | \$1,104,110            | \$1,431,000 (Centier)         | \$0         | \$363,116   |
| 2027 | \$363,116      | \$2,247,158 | \$586,443              | \$0                           | \$1,000,000 | \$1,023,831 |
| 2028 | \$1,023,831    | \$2,471,103 | \$586,443              | \$0                           | \$0         | \$2,908,491 |
| 2029 | \$2,908,491    | N/A         | ~\$31,092              | \$872,000 (36-month balloons) | \$0         | \$2,005,399 |

These figures reflect operational performance and demonstrate adequate liquidity throughout the Plan period.

## KEY PERFORMANCE INDICATORS (KPIs)

- **Revenue Growth:** +5.2% CAGR from 2026 to 2028
- **Average Gross Margin:** ~74%
- **EBITDA:** approximates Net Margin due to modest interest/depreciation assumed
- **Net Margin (% of revenue):**
  - 2026: 14.2%
  - 2027: 14.8%
  - 2028: 16.2%

These margins support Plan feasibility and allow for balloon reserve accumulation as detailed in Exhibit E.

## NOTES TO PROJECTIONS

1. **Revenue Model:** MIC production revenue based on multi-year customer orders, with expected growth in unit throughput and average price per unit by ~3% annually.
2. **Cost of Goods Sold:** Scales proportionally with production volume; 2028 COGS stabilizes at ~26% of revenue.
3. **Payroll:** Includes increases of 3–4% annually to account for inflation and planned hires.
4. **Operating Expenses:** Facilities, supplies, insurance, and utilities included. Moderate inflation applied (2–3%).
5. **Corporate Overhead:** Centralized services (accounting, management, legal) allocated flat for 2026, with increases through 2028.
6. **Net Margin:** Represents excess cash flow available for Plan payments to creditors and reinvestment.

### III. Liquidity & Solvency Assessment

The Debtor's liquidity strengthens throughout the Plan:

- **2025:** \$150,000 post-petition insider financing provided working capital during the Chapter 11 proceeding and is incorporated into the Debtor's liquidity position as of the Effective Date.
- **2026:** Sufficient to satisfy Centier's \$1.431M balloon and debt service.
- **2027–2028:** Strong liquidity accumulation, reaching **\$2.9M** by YE 2028 and adequate reserve for the upcoming balloons payments.
- **2029:** Even after paying all 36-month balloons, the Debtor maintains **\$2.0M** in cash

This demonstrates:

- Adequate liquidity to fund all Plan obligations
- Ability to withstand operational fluctuations
- Solvency throughout the projection period

### IV. Debt Service Coverage (DSCR) Assessment

Based on Net Margin and actual debt payments (excludes balloons):

| Year | Net Margin  | Debt Service | DSCR  |
|------|-------------|--------------|-------|
| 2026 | \$2,048,226 | \$1,104,110  | 1.86x |
| 2027 | \$2,247,158 | \$586,443    | 3.83x |
| 2028 | \$2,471,103 | \$586,443    | 4.21x |

**Conclusion:** DSCR far exceeds 1.0 in each year, confirming strong operating coverage.

### V. Balloon Payment Feasibility

Centier Balloon (~\$1,431,000) — Due Early 2027

Based on calculations, the Debtor:

- Meets this obligation using **2026 margin + beginning cash**, ending with **\$363,116** after payment.

36-Month Balloons (~\$872,000) — Due 2029

These include Cambridge, SBA, and all PMSI lenders.

Based on Exhibit E:

- YE 2028 liquidity: **\$2.9M**

- 2029 balloons: **\$872k**
- Ending 2029 cash: **\$2.0M**

**Conclusion:** Balloon obligations are fully fundable with a substantial safety margin.

## **VI. Impact of CapEx (2027)**

The \$1,000,000 self-funded capital expenditure:

- Temporarily reduces liquidity in 2027
- Improves operational efficiency
- Increases capacity and margin strength into 2028–2029

Post-CapEx liquidity remains strong:

- YE 2027: **\$1,023,831**
- YE 2028: **\$2,908,491**

## **VII. Feasibility Conclusion Under §1129(a)(11)**

The financial projections confirm the Plan is **feasible**, because:

- The Debtor maintains positive cash flow through all Plan years
- DSCR stays well above 1.0
- Balloon obligations are covered by operations without refinancing
- Liquidity increases meaningfully after 2027
- No new financing is required

Thus, the Plan is **not likely to be followed by liquidation or further financial reorganization**, meeting all requirements under §1129(a)(11).

### **Note:**

The Debtor received \$150,000 in post-petition, court-approved insider financing. This financing was used for operations during the Chapter 11 case. Under the Plan, the contributors waive repayment, and the waived funds serve as the new value contribution supporting confirmation and the capital structure of Nova-Tech Industries.

## **VIII. Compliance with Best-Interest Test**

- Under Chapter 7, recoveries to all classes except secured creditors are **0%**
- Under the Plan, all impaired classes receive **far more than in liquidation**
- Exhibit F confirms **secured, priority, administrative, and unsecured** creditors fare materially better under the Plan

Therefore, the Plan satisfies the **best-interests test** under §1129(a)(7).

Prepared by: *Sam Bazzi*  
Sam Bazzi  
President, Maximus Supply Chain Holdings, LLC

#### **VIII. Legal Effect of Plan Confirmation**

1. As to Cases Other than Individual Debtor. In cases in which the Debtor is not an individual, except as otherwise provided in the Plan or Confirmation Order, in accordance with §1141(d)(1) of the Bankruptcy Code, entry of the Confirmation Order acts as a discharge effective as of the effective date of all debts of, claims against, liens on, and interest in the Debtor, their assets or properties which debts, claims, liens and interest arose at any time before the entry of the Confirmation Order.
2. As to cases in which Debtor is an Individual. Unless after notice and hearing the Court orders otherwise for cause, confirmation of an individual Debtors' Chapter 11 Plan does not discharge any debt provided for in the Plan until the Court grants a discharge on completion of all payments under the Plan under 11 U.S.C. §1141(d)(5)(A) except that the Court may grant a discharge prior to Plan completion under sub-part (b) of that Section if there exists a lack of practical ability to modify the confirmed Plan and the distribution of all property under the Plan is no less than unsecured creditors would have to received in a chapter 7 liquidation.
3. Scope of Discharge The discharge of the Debtors shall be effective as to each claim, regardless of whether a Proof of Claim therefor was filed, whether the claim is an allowed claim or whether the holder thereof votes to accept the Plan. On the effective date as to every discharge claim and interest any holder of such claim or interest shall be precluded from asserting against the reorganized Debtor or against their respective assets or properties any other or further claim or interest based upon any document, instrument, act, omission, transaction, or other activity of any kind or nature that occurred before the Confirmation date. Further, any holder of a claim or interest shall be precluded from asserting the same against the Debtor or the reorganized Debtor, except as specifically provided for in the Plan.
4. Injunction. In accordance with §524 of the Bankruptcy Code, the discharge provided by the Plan and §1141 of the Bankruptcy Code acts as an injunction against the commencement or continuation of any action, employment of process or act to collect, offset or recover the claims discharged hereby.
5. Applicability. Except as otherwise may be set forth in the Plan, the discharge provisions of the Plan do not apply to rights, claims or causes of action whether asserted or yet to be asserted against a non-Debtor except that no rights, claims or causes of action against Debtor can be asserted against the Debtor or reorganized Debtor.
6. Retention of Claims. Except as otherwise provided in the Plan including without limitation any contract, instrument, release or other agreement entered into in connection with the Plan or by Order of the Bankruptcy Court in accordance with §1123(b) of the Bankruptcy

Code, the reorganized Debtor shall retain and may enforce any claims, rights and causes of action that the Debtor or their estate may hold including without limitation any claims, rights or causes of action under §544 through §550 inclusive of the Bankruptcy Code or any other applicable law. After the effective date, reorganized Debtor may pursue any such claims, rights and causes of action in accordance with what is in their best interest. These claims include, but may not be limited to the following listed claims: **Preference Transactions.**

7. **Revesting and Vesting.** Except as otherwise provided expressly in the Plan, on the effective date, all property comprising the estate of the Debtor shall revest in reorganized Debtor and shall become property of the reorganized Debtor free and clear of all claims, liens, charges, encumbrances and interests of creditors and equity security holders (other than as expressly provided in the Plan). As of the effective date reorganized Debtor shall operate their business and use, acquire and dispose of property including any post-petition cash collateral and settle or compromise claims or interests without supervision of the Court free of any restrictions of the Bankruptcy Code or Bankruptcy Rules other than those restrictions expressly imposed by the Plan and Confirmation Order.

8. **Retention of Jurisdiction by the Bankruptcy Court.** Notwithstanding Confirmation of the Plan or occurrence of the effective date, the Court shall retain jurisdiction over the reorganization case. Prior to the entry of a Final Order pursuant to Bankruptcy Rule 3022, the Bankruptcy Court shall retain jurisdiction:

- a. Over all claims against or interests in the Debtor;
- b. To determine the allocability of claims and interests upon objection to such claims by the Debtor or reorganized Debtor or the Creditors' Committee;
- c. To determine any tax liability pursuant to §505 of the Bankruptcy Code;
- d. To adjudicate any dispute under any executory lease or contract assumed during the reorganization case pursuant to §365 of the Bankruptcy Code;
- e. To resolve all matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease of the Debtor;
- f. To determine requests for payment of administrative claims;
- g. To resolve controversies and disputes regarding the interpretation of the Plan including the determination of the priorities of distribution required by the Articles of the Plan.
- h. To implement the provisions of the Plan and enter orders in aid of Confirmation in consummation of the Plan including without limitation, appropriate orders to enforce the right, title and powers of reorganized Debtor from actions by holders of claims against or interests in the Debtor;

- i. To determine classification voting treatment allowance estimation withdrawal disallowance or reconsideration of claims and interests and any objections relating thereto;
- j. To fix, liquidate or estimate claims or interests;
- k. To modify the Plan pursuant to §1127 of the Bankruptcy Code;
- l. To correct any defect, to cure any mistake or omission or reconcile any inconsistency in the Plan or the Confirmation Order as may be necessary or appropriate to carry out the purposes and intent of the Plan;
- m. To adjudicate any causes of action that arose prior to the Confirmation date or in connection with the implementation of the Plan including avoidance actions brought by the Debtor or reorganized Debtor as the representation of Debtor' estate or party in interest (as a representative of the Debtor' estate);
- n. To resolve disputes concerning any disputed claims reserve or the administration thereof and claims for disputed distribution;
- o. To resolve any disputes concerning any release of the Debtor under the Plan or the injunction against acts of employment of process, or actions against the Debtor arising under the Plan;
- p. To resolve any disputes concerning whether a personal entity had sufficient notice of the reorganization case, the applicable claims bar date, the hearing on the approval of the disclosure statement as containing adequate information, the hearing on the Confirmation of the Plan for the purpose of determining whether a claim of interest is discharged under the Plan or for any other purpose;
- q. To order the removal pursuant to § 1452 of Title 28 of the United States Code of any suit instituted against the Debtor, the estate, the reorganized Debtor or any person released pursuant to the Plan and to hear and determine any action so removed;
- r. To enter a Final order closing the reorganization case; and
- s. To hear and determine such other matters as may be provided for under Title 28 or any other title of the United States Code and any reference to the Bankruptcy Code, the Bankruptcy Code, the Bankruptcy Rules, other applicable law, the Plan or the Confirmation Order.

**IX. Summary of the Plan**

The Classes created by the Plan and their respective treatment are summarized below. The obligations under the Plan may be reduced to secured creditors claims based on their security and priority to the current assets.

See Article II, Section B.

**THE FOREGOING IS A BRIEF SUMMARY OF THE PLAN AND SHOULD NOT BE RELIED UPON FOR VOTING PURPOSES. CREDITORS ARE FURTHER URGED TO CONSULT WITH COUNSEL, OR WITH EACH OTHER, IN ORDER TO FULLY REVIEW THE PLAN, PLEASE REVIEW THE PLAN IN ITS ENTIRETY.**

**ADDITIONAL, ANY CREDITOR DESIRING INFORMATION REGARDING THE DEBTOR'S THAT SUCH CREDITOR BELIEVES IS NOT SUPPLIED BY THE DISCLOSURE STATEMENT IS REQUESTED TO CONTACT THE ATTORNEY FOR THE DEBTOR.**

DEBTORS

By: Sam Bazzi

Sam Bazzi

Respectfully submitted,

/s/ R. David Boyer, II

BOYER & BOYER

R. David Boyer, II

Attorney No. 20808-02

110 W. Berry St/Suite 1910

Fort Wayne, IN 46802

(260) 407-7123

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1. The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number are: Maximus Supply Chain Holdings, LLC (6729); Maximus Transport Systems, LLC (9839); Maximus Logistics Corporation (2907); Maximus Industries Corporation (0902);

**CERTIFICATE OF SERVICE**

I hereby certify that on December 16, 2025, a copy of the foregoing was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

- Susan M. Argo sargo@brickergraydon.com
- Debra Babu ddevassy@darcydevassy.com
- Kay Dee Baird kbaird@kdlegal.com, rhobdy@kdlegal.com; crbpgpleadings@kdlegal.com
- Reynold T. Berry rberry@rubin-levin.net, lking@rubin-levin.net; atty\_rberry@bluestylus.com
- Edmond M. Burke eburke@chuhak.com, mvasquez@chuhak.com
- Jason R. Burke jburke@bbrlawpc.com, kellis@bbrlawpc.com
- W. Kent Carter kentcarter@grsm.com, jswick@grsm.com
- Deborah J. Caruso dcaruso@rubin-levin.net, csprague@rubin-levin.net; atty\_dcaruso@bluestylus.com; dwright@rubin-levin.net
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- Brian Tuinenga brian.tuinenga@usdoj.gov
- Charles Randall Woolley rwoolley@darcydevassy.com
- Ross Yates ross.yates@gutweinlaw.com

I hereby certify that on December 16, 2025, a copy of the foregoing was mailed by United States mail to the following:

Mailing Matrix attached hereto as **Exhibit B**.

*R. David Boyer, II*  
*R. David Boyer, II*

## Exhibit B

|                                                                                                                                                                             |                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Action SCS LLC<br>3535 Brady Lane<br>Lafayette, IN 47909                                                                                                                    | Blackwell, Burke & Fowler PC<br>101 W. Ohio Street, Suite 1700<br>Indianapolis, IN 46204                                    |
| Taylor H. Dias<br>Goulston & Storrs PC<br>One Post Office Square, 25 <sup>th</sup> Floor<br>Boston, MA 02109                                                                | David M. Eisenberg<br>Maddin, Hauser, Roth & Heller P.C.<br>One Towne Square, 5 <sup>th</sup> Floor<br>Southfield, MI 48076 |
| GC3 Logistics, Inc.<br>3535 Brady Lane<br>Lafayette, IN 47909                                                                                                               | GC3 Warehousing LLC<br>3535 Brady Lane<br>Lafayette, IN 47909                                                               |
| Maximus Industries Corporation<br>3535 Brady Lane<br>Lafayette, IN 47909                                                                                                    | Maximus Logistics Corporation<br>3535 Brady Lane<br>Lafayette, IN 47909                                                     |
| Maximus Logistics Solutions, LLC<br>3535 Brady Lane<br>Lafayette, IN 47909                                                                                                  | Maximus Transport Systems, LLC<br>3535 Brady Lane<br>Lafayette, IN 47909                                                    |
| Jason R. Burke<br>Blackwell, Burke & Ramsey, P.C.<br>101 West Ohio Street, Suite 1700<br>Indianapolis, IN 46204                                                             | Sarah L. Fowler<br>Blackwell, Burke & Ramsey, P.C.<br>101 W. Ohio St., Suite 1700<br>Indianapolis, IN 46204                 |
| Spencer W. Tanner<br>Gutwein Law<br>20 NW 3rd Street, Suite 830<br>Evansville, IN 47708                                                                                     | Nancy J. Gargula<br>100 East Wayne Street, 5th Floor<br>South Bend, IN 46601-2349                                           |
| Ross Yates<br>Gutwein Law<br>20 NW Third Street, Suite 830<br>Evansville, IN 47708<br>Brian Tuinenga<br>DOJ-Ust<br>100 East Wayne Street, Suite 555<br>South Bend, IN 46601 | David A Newby<br>Momkus LLP<br>1001 Warrenville Rd., Suite 500<br>Lisle, IL 60532                                           |
| AIM TRANSPORTATION SOLUTIONS<br>4944 BELMONT AVE<br>Youngstown, OH 44505                                                                                                    | MILESTONE TRAILER LEASING LLC<br>PO BOX 205589<br>DALLAS, TX 75320                                                          |

|                                                                              |                                                                                               |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| KAYE SKOOG<br>3898 E INDEPENDENCE RD<br>Attica, IN 47918                     | STAR LEASING COMPANY<br>PO BOX 76100<br>Cleveland, OH 44101                                   |
| AMSTON TRAILER SALES AND<br>RENTAL<br>7213 HIGHWAY 41<br>Caledonia, WI 53108 | SAMSARA NETWORKS INC<br>PO BOX 735462<br>DALLAS, TX 75373                                     |
| AXLE TRU ALIGNMENT & REPAIR<br>13044 SOUTH 150 EAST<br>ROMNEY, IN 47981      | POMP'S TIRE SERVICE<br>PO BOX 88697<br>MILWAUKEE, WI 53288                                    |
| MCLEOD SOFTWARE CORPORATION<br>100 CORPORATE PKWY<br>Birmingham, AL 35242    | WHITEFORD KENWORTH<br>4625 W WESTERN AVE<br>SOUTH BEND, IN 46619                              |
| MHC Kenworth<br>PO BOX 879269<br>Kansas City, MO 64187                       | Best Drive<br>7800 Records Street<br>Lawrence, IN 46226                                       |
| JX TRUCK CENTER - INDIANAPOLIS<br>PO BOX 713113<br>CHICAGO, IL 60677         | JACKSON GROUP LEASING<br>SALT LAKE<br>PO BOX 2208<br>DECATUR, AL 35609                        |
| Hoosier Filth Force<br>4933 Fencerow Lane<br>Lafayette, IN 47905             | PRESTIGE FLEET SERVICES LLC<br>745 WEST WINDER INDUSTRIAL PKWY<br>WINDER, GA 30680            |
| NEWTON OIL COMPANY INC<br>3150 S 460 E<br>LAFAYETTE, IN 47905                | ROWE TRUCK EQUIPMENT<br>INCORPORATED<br>506 E. 22 <sup>nd</sup> Street<br>Otterbein, IN 47970 |
| MAGIC GLASS<br>P.O. BOX 57<br>LAFAYETTE, IN 47902                            | TRANSPORTATION SAFETY<br>COMPLIANCE & CONSULTING<br>PO BOX 180<br>LANESVILLE, IN 47136        |

R. David Boyer, II

# 1ST STAR ALACER

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Equipment Appraised At:

Maximus Group  
3701 David Howarth Dr, Suite E  
Lafayette, IN 47909  
Contact: Sam Bazzi



Appraisal Prepared For:

Bridge Business Credit  
900 Wilshire Drive, Suite 305  
Troy, MI 48084



## ***Equipment Appraisal***

*Fabrication Machinery*

Maximus Group  
Report Date: 03/25/2025  
Effective Date: 03/13/2025

Report Date: 03/25/2025  
Effective Date: 03/13/2025

## CONTACT DETAILS

### CLIENT MANAGER

Jay Henry  
First Star Alacer  
125 S. Wacker Drive – Suite 300  
Chicago, Illinois 60606

847.323.1794  
[Jay.henry@firststaralacer.com](mailto:Jay.henry@firststaralacer.com)

### PROJECT MANAGER

John A. Matthies, ASA – Review  
125 S. Wacker Drive – Suite 300  
Chicago, Illinois 60606

779.703.1178  
[John.matthies@firststaralacer.com](mailto:John.matthies@firststaralacer.com)

### APPRAISER

Mark McHugh, CMEA  
716.435.4020  
[Mark.mchugh@firststaralacer.com](mailto:Mark.mchugh@firststaralacer.com)

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Maximus Group  
 Report Date: 03/25/2025  
 Effective Date: 03/13/2025

Effective Date: 03/13/2025

### **MACHINERY & EQUIPMENT – Exhibit A**

|                                    | <b>Forced Liquidation Value</b> | <b>Orderly Liquidation Value</b> |
|------------------------------------|---------------------------------|----------------------------------|
| FABRICATION MACHINERY              | \$372,000                       | \$743,500                        |
| FORKLIFTS, CRANES &<br>ACCESSORIES | \$92,500                        | \$185,000                        |
| TRUCKS & TRAILERS                  | \$64,500                        | \$130,000                        |
| TOTALS                             | \$592,000                       | \$1,058,500                      |

First Star Alacer, LLC advises that Bridge Business Credit consider appraising these assets every two years.

Several factors affect the value of the equipment, including normal wear and tear, acquisitions or deletions, and supply and demand in the secondary marketplace.

It is also essential to understand that when a company faces financial distress, deferring necessary preventative maintenance or repairs on the equipment will commonly occur, which may contribute to further erosion of values compared to those presented in this report.

**The Fabrication Machinery, Yard Truck, Trailers, Forklifts, and Cranes are standard equipment that would yield a reasonable recovery value if sold through proper channels. The cantilever racking and guiderails are heavily customized for large pieces; thus, it would take longer to locate a buyer for recovery. The MetlSaw CS2-T8 Saw has also been heavily customized to fit large work, which impacts the recovery value. All the equipment is lightly used and in excellent condition.**

## Executive Summary

### Scope Of Work

### Information

*This appraisal has been prepared for Bridge Business Credit, 900 Wilshire Drive, Suite 305, Troy, MI 48084 (The Client) for Greg Nelson, Regional Managing Director. Its purpose is to provide our estimate value (as defined below) for internal business and financial decisions regarding asset-based lending.*

*We have agreed to value the Maximus Group equipment (The Assets) at 3701 David Howarth Dr, Lafayette, IN 47909, in accordance with the terms of our letter of engagement signed 03/12/2025.*

#### *Extraordinary Assumptions*

*In our experience, craneways (or rails) are rarely sold; typically, they are abandoned and become LHI. Because of that factor, we recommend they are not used for collateral purposes. Removal costs are high and, at best, reflect pennies on the dollar of the original cost. Further, that value would be speculative and not supported by market data.*

*Representatives of First Star Alacer, inspected the subject equipment on March 13, 2025, at 3701 David Howarth Drive, Lafayette, IN 47929*

*Purpose of the Appraisal and  
Project Outline*

*Value of the Equipment Appraised — based on  
Forced and Orderly Liquidation*

*See Exhibit A*

| Scope Of Work-Continued                                          | Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><i>Summary of the Company<br/>Overview and Operations</i></p> | <ul style="list-style-type: none"> <li>• <i>Manufacturing and supply chain support for the automotive, RV, commercial vehicle, agriculture, and power industries</i></li> <li>• <i>Founded in 2019</i></li> <li>• <i>Located in Lafayette, IN</i></li> <li>• <i>SIC Code – 37, 379 NAICS Code 33, 336</i></li> </ul>                                                                                                                                                                                                                                                                                                                  |
| <p><i>Marketplace for the Assets</i></p>                         | <ul style="list-style-type: none"> <li>• <i>Strong secondary market for each piece aside from the crane rails. In our experience, craneways (or rails) are rarely sold; typically, they are abandoned and become LHI.</i></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p><i>Exit Strategy—Assuming a 6–9-month timescale</i></p>       | <ul style="list-style-type: none"> <li>• <i>We recommend selling the assets via a combination of negotiated private treaty sales and online and offline promotion techniques.</i></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><i>Potential Risks Associated with the Assets</i></p>         | <ul style="list-style-type: none"> <li>• <i>The MetlSaw CS2-T8 is customized with twice the stock length and loading modules of a standard model. These custom features are added costs that do not hold value in a liquidation scenario.</i></li> <li>• <i>In our experience, craneways (or rails) are rarely sold; typically, they are abandoned and become LHI. Because of that factor, we recommend they are not used for collateral purposes. Removal costs are high and, at best, reflect pennies on the dollar of the original cost. Further, that value would be speculative and not supported by market data.</i></li> </ul> |
| <p><i>Plant Inspection Assistance</i></p>                        | <p><i>Our inspection was facilitated by:</i></p> <p><i>Sam Bazzi, CEO</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

## About the Company

### **Maximus Group**

- *Manufacturing and supply chain support for the automotive, RV, commercial vehicle, agriculture, and power industries*
- *Founded in 2019*
- *Located in Lafayette, IN*
- *Customers include OEMS's such as Wabash, Great Dane, Subaru, Heartland Automotive, Aurora Parts, and Vanguard.*
- *Services include wheel and tire mounting, fabrications, and aluminum extrusion work.*

Source: <https://maximusgroupusa.com/>

## Asset Overview

### Location 1 Asset Details



- 3701 David Howarth Dr, Suite E, Lafayette, IN 47909
- 147,420 SF facility
- Year Built: 2008



The principal items of machinery and equipment include, in part:

- Press Brake
- Fiber Laser
- Bender
- Forklifts
- Yard Truck
- Trailer
- Spot Welder
- Crane Hoists

Equipment Representative Photographs — See Exhibit C

## Condition Statements

*The general condition of the assets was good; the equipment ranges in age between 1 and 5 years and, on average, 3 years. Preventive and required maintenance are completed as needed, though no computerized PM program is utilized.*

*The general condition of the assets was standard for equipment of similar age and utility operating in comparable industries. That is, the equipment is being maintained according to all recommended practices of the respective manufacturer and is being utilized for the purpose for which it was intended by design.*

*Proper equipment maintenance is necessary for safety and effective production levels and is advantageous for sustaining the expected useful life of the machinery and equipment. In some instances, machinery was not in operation during the inspection. Unless otherwise explicitly indicated in this report, it has been assumed that all the equipment is in working order.*

***It is also essential to understand that typically, when a company faces financial distress, deferring necessary preventative maintenance or repairs on the equipment, it may further erode condition, age, and value compared to those presented in this report.***

*Any condition statements that appear in the detailed listing of the assets are based on the appraiser's visual inspection and information provided by Maximus Group. It is important to note that it is impossible to judge the actual mechanical condition of the assets without relying on the accuracy of the representations made by Maximus Group management. This appraisal is not a technical or engineering survey.*

*The following explains the condition statements contained in the report.*

**Excellent (E)** Recently purchased, new, unused, or used with extremely limited use. Practically new mechanical condition. Installed or uninstalled.

**Very Good (VG)** Like new condition. Slightly used. Capable of full capacity per design specifications without modifications. In exceptionally good mechanical condition. It has just been completely overhauled or has had such limited use that no repairs or worn part replacement are necessary. Very low hours.

**Good (G)** Used property. Capable of operating at or near-total specified capacity. No known mechanical defects except any that may be described. In operating condition but may have some worn parts that will need repair or replacement soon and/or have undergone repairs as part of regular maintenance.

**Fair (F)** Used property. It has seen considerable service and may require a general overhaul soon. The item's condition is consistent with its actual age, assuming normal usage.

**Poor (P)** This is a Used property that has seen hard service. It operates below the fully specified capacity due to age and/or application. It is worn and requires general maintenance and/or replacement of components and/or worn parts in the foreseeable future.

**Scrap (X)** Beyond service life.

## APPRAISERS CERTIFICATION

*I certify that, to the best of my knowledge and belief:*

- *The statements of fact contained in this report are true and correct.*
- *The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have performed no services as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.*
- *I have no bias toward the property that is the subject of this report or toward the parties involved with this assignment.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the client's cause, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *I have made a personal inspection of the property that is the subject of this report.*
- *No one provided significant personal property appraisal assistance to the person signing this certification.*
- *The NEBB Institute has a mandatory accreditation program for all its Designated Members. I am in compliance with that Program.*

*Mark McHugh*

Mark McHugh, CMEA  
03/25/2025

## Value Definitions & Approaches

The American Society of Appraisers defines these value concepts as:

**Forced Liquidation Value (FLV):** “An opinion of the gross amount, expressed in terms of money, that typically could be realized from a properly advertised and conducted public auction, with the seller being compelled to sell with a sense of immediacy on an as-is, where-is basis, as of a specific date.”

This is a properly advertised and conducted public auction sale held under forced sale conditions and present-day economic trends as of the effective date of the appraisal report. This public auction sale allows for a forty-five-day marketing period, immediately followed by a one or multiple-day final auction, with an additional forty-five-day period after the auction for asset removal and site cleanup. Conclusions taken into consideration are physical location, the difficulty of removal, physical condition, adaptability, specialization, marketability, overall appearance, and psychological appeal. Further, the ability of the asset group to draw sufficient prospective buyers to ensure competitive offers is considered. All assets are to be sold on a piecemeal basis ‘as is’, with purchasers responsible for removing assets at their own risk and expense. Any deletions or additions to the total assets appraised could change the psychological or monetary appeal necessary to gain the price indicated.

**Orderly Liquidation Value (OLV):** “An opinion of the gross amount, expressed in terms of money, that typically could be realized from a liquidation sale, given a reasonable period of time to find a purchaser (or purchasers), with the seller being compelled to sell on an as-is, where-is basis, as of a specific date.”

This is a privately negotiated sale, properly advertised and professionally managed, by a seller obligated to sell over an extended period, in this case within six to nine months, as of the effective date of the appraisal. Further, the ability of the asset group to draw sufficient prospective buyers to ensure competitive offers is considered. All assets are to be sold on a piecemeal basis “as is,” with purchasers responsible for removing assets at their own risk and expense. Any

**Market Approach,** One of the three recognized approaches used in appraisal analysis. This approach involves the collection of market data about the subject assets being appraised. This approach is also known as the ‘Comparison Sales Approach.’ The primary intent of the market approach is to determine the desirability of the assets and recent sales or offerings of similar assets currently on the market to arrive at an indication of the most probable selling price of the assets being appraised. If the comparable sales are not exactly like the asset being appraised, adjustments must be made to bring them as closely in line as possible with the subject property.

**Cost Approach** One of the three recognized approaches used in the appraisal analysis. This approach is based on the proposition that the informed purchaser would pay no more for a property than the cost of producing a substitute property with the same utility as the subject property. It considers that the maximum value to a knowledgeable buyer would be the amount currently required to construct or purchase a new asset of equal utility. When the subject asset is not new, the current cost must be adjusted for all forms of depreciation as of the effective date of the appraisal.

**Income Approach** One of the three recognized approaches used in appraisal analysis. This approach considers value concerning the present worth of future benefits derived from ownership. It is usually measured through the capitalization of a specific level of income. This approach is the least common approach used in the valuation of machinery and equipment since it is difficult to isolate income attributable to such assets and was not utilized for this appraisal project.

Depreciation is defined as the actual loss in value or worth of a property from all causes, including physical deterioration, functional obsolescence, and economic obsolescence.

Physical Deterioration is a form of depreciation in which the loss in value or usefulness of an asset is attributable solely to physical causes such as wear and tear and exposure to the elements.

## Value Definitions & Approaches

*deletions or additions to the total assets appraised could change the psychological or monetary appeal necessary to gain the value indicated.*

Source: Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets 4th Edition, Updated 2020

Functional Obsolescence is a form of depreciation in which the loss in value is due to factors inherent in the property itself and changes in design or process resulting in inadequacy, overcapacity, excess construction, lack of functional utility, or excess operating costs.

Economic Obsolescence is a form of depreciation or loss in value caused by unfavorable external conditions. These can include the economics of the industry, availability of financing, loss of material and labor sources, the passage of new legislation, and changes in ordinances.

All three approaches to value were considered for this engagement. The market approach was the primary basis upon which the assets were appraised. Due to the nature of some of the machinery, market data were not always available from which to draw value indications. In these instances, the cost approach was considered and utilized. The income approach was deemed not appropriate for this assignment. All facts and data outlined in this report are based upon an estimate of value only and are valid and accurate to the best of the appraiser's knowledge and belief.

## Valuation Considerations

The appraisal of the assets located at Maximus Group is being submitted under the Forced Liquidation Value and Orderly Liquidation Value concepts.

Implicit in the Forced and Orderly Liquidation Value concepts is that the company is no longer in business, has been shut down, and is not operating. There is a compulsion to sell these assets under duress conditions. Fair Market Value represents an arm's length transaction between a willing buyer and seller with no compulsion to buy or sell.

### FLV

In a forced liquidation sale, the assets are sold under duress and with a limited time of exposure to the marketplace, about forty-five days. This type of sale is most closely associated with the public auction market instead of the private resale market. Auctions can be live (traditional), or online, or a combination of both. The main difference between conventional auctions and online auctions is that online auctions are meant for convenience. Items are listed on auction house websites in a catalog fashion, and buyers can click on them to learn more details about them. An online auction may be less expensive for sellers due to eliminating costs associated with holding a traditional auction but may limit buyers. In either case, the asset to the highest bidder.

### OLV

While an orderly liquidation allows an extended time frame to locate buyers, in this case, six to nine months, it must be clearly understood that this is also a duress-sale, reflecting a "must-sell" situation on the part of the seller. A fair market value approach is considered an arm's length transaction with no compulsion or duress for either the buyer or seller. Time is not of the essence under this value concept because there is no compulsion. The orderly liquidation value concept contrasts with forced liquidation value, representing an auction situation where the assets are sold to the highest bidder, regardless of the sale price, typically after a relatively short period of market exposure.

Any deletions or additions to the total assets appraised could change the psychological or monetary appeal necessary to gain the values indicated.

To present and discuss in detail all the specific factors considered in the valuation of each item would be burdensome to any user of the appraisal. Instead, it is more important the overall issues be clearly identified so that the reader can better understand their impact on the value of assets.

The forced or orderly liquidation value definition recognizes that the assets are being sold "as is, where is." "As is" means that the equipment is offered for sale without any warranties, guarantees, or representations of fitness for use. There is no right of recourse by the buyer to the seller. If there are any defects in the equipment, they will need to be identified by the buyers, who will then have to remedy them at their own expense. This creates a "buyer beware" situation, which may adversely impact the machinery's marketability, given that alternative equipment may be available in the market from other sources.

The "where is" component of the orderly liquidation value definition means that the assets are being sold to be removed at the risk and expense of the buyer. An Orderly Liquidation Value considers the sale of assets on the open market by any means under the most economically reasonable method. Factors such as original freight, taxes, installation, foundations, connections, etc., have little or no value and, in many situations, detract from value compared with an asset dismantled and packaged

## Valuation Considerations

for transportation. This concept further assumes that the machinery and equipment would be sold to an alternative user in its present condition (as is where is). The buyer bears the cost of removal, appropriate packaging for transportation, and delivery to another location. No additional value that might be derived from such a sale can be assumed, including but not limited to the product line, going concern, patents or copyrights, rights to manufacture, trademarks, mailing or customer lists, and so forth.

The cost of removal has another important ramification to bear in mind when considering the salability of the equipment. In many cases, knowledgeable buyers are not willing to incur the expense of removing components of equipment or other systems that they have no intention of reinstalling. It will be critical that buyers be allowed the right of abandonment. If qualified buyers are required to remove all the assets in their entirety, it may preclude some of the equipment from purchase consideration. It should also be noted that there might be some potential liability on the part of the seller in terms of responsibility for the cost of removing unsold or abandoned equipment from the facilities.

There are usually two types of buyers in the event the subject assets must be liquidated piecemeal. The first is an end-user who would purchase the machinery to either expand existing production capacity or replace less productive equipment. Once the market of end-users has been exhausted, the potential buyer pool usually becomes used machinery dealers or brokers. These are speculative purchasers who acquire machinery in anticipation of its future resale. In addition to removal and transportation costs, dealers will consider their holding costs, including warehousing, any necessary repair or rebuilding, marketing, and warranty expenses, as well as the profit motive in the amount they will pay.

Significant research has been conducted to assist in analyzing the marketability and potential value of the subject assets. We hope that end users will attend the sale, pushing the price past any speculative purchasers. This could increase the gross recoverable dollars for this pool of assets.

Every effort has been made to reach supportable value conclusions and represent the market as it currently exists based on the best available information. In cases where there has been little or no recent activity involving transactions of similar equipment capacity, the value estimates have relied heavily on the appraiser's experience, judgment, and opinion.

While subjective, the assigned value estimates for the equipment are the appraisers' best-informed opinion regarding the level of value at which a knowledgeable buyer would be motivated to purchase.

It should be clearly understood that, in any liquidation proceeding, certain machines might sell for more than the estimated value presented in this report, while others could sell for less. However, it is very much the appraisers' opinion that, overall, the value conclusions represent the current asset market under the confines of the orderly liquidation value and fair market value definitions.

## Valuation Considerations

**The reader of this report must understand that 1st Star has been engaged to provide only a valuation based on a Forced Liquidation Value and Orderly Liquidation Value concept.**

**It is also essential to understand that when a company faces financial distress, deferring necessary preventative maintenance or repairs on the equipment will commonly occur, which may contribute to further erosion of values compared to those presented in this report.**

It is important to note that sometimes, there could be little or no difference between forced and orderly values. When there is no identifiable market for the assets being sold, it will not matter how much time is available to solicit potential purchasers. In both sale scenarios, the assets will have little or no value. However, in other instances, the additional time and ability to negotiate the sale can significantly affect the selling price. Along the same lines, there may be instances where demand for a machine dictates that there would be little difference between orderly liquidation value and fair market value.

There are usually two types of buyers if the subject assets are sold in the open market. First is an end-user who would purchase the machinery to either expand existing production capacity or replace less productive equipment. Then, the potential buyer pool usually becomes used machinery dealers or brokers. These are speculative purchasers who acquire machinery in anticipation of its future resale. In addition to removal and transportation costs, dealers will consider their holding costs, including warehousing, any necessary repair or rebuilding, marketing, and warranty expenses, as well as the profit motive in the amount they will pay.

An appraisal is an opinion of value, and opinions may vary due to differences in perception of quality, condition, etc. Therefore, an appraisal is not a guarantee of value and should not be perceived as such. This appraisal was made under the conditions that existed at the time data was gathered. Fluctuations in the economic situation locally and nationally, along with changes in the condition of items appraised, changes in technology, and functional and economic obsolescence, are but a few things that could substantially alter a future value. Since conclusions by the appraiser are based upon judgments, isolation of any single element as the sole basis of comparison of the complete appraisal may be inaccurate.

## Valuation Theory - Methodology

*On March 13, 2025, a representative of First Star Alacer inspected the machinery and equipment located at 3701 David Howarth Dr, Lafayette, IN 47909.*

*From the information gathered, I researched the relevant markets. Using the Market and Cost Approaches, I arrived at an opinion of the Forced Liquidation Value and Orderly Liquidation Value of the assets listed as of March 13, 2025 (Effective Date).*

*A detailed listing of the machinery and equipment of Maximus Group is included in this report. Leased or rented assets have been excluded from this report.*

*The resources utilized in formulating the opinion of values include, in part:*

- *1st Star internal comparable sales database.*
- *Comparable sales data gathered in quotations or priced advertising from used machinery dealers and advertising publications or websites.*
- *Discussions with used machinery dealers, appraisers, new machinery dealers, original equipment manufacturers, and auctioneers.*
- *Consulting recent auction sales.*
- *The experience of the appraiser.*

*I have provided an Appraisal Report prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), the American Society of Appraisers (ASA), and the Association of Machinery and Equipment Appraisers (AMEA). The client has been provided with an electronic version of the Appraisal Report.*

This appraisal was prepared utilizing some or all the following methodology:

- Each item, unless otherwise noted, was inspected by the appraiser, and is identified by manufacturer, model number, serial number, year of manufacture, capacity, function, and attachments where available.
- Perishable tooling, product line-dedicated tooling, computer hardware, computer software, custom fixtures, custom dies and molds, or factory supplies were not valued as part of this appraisal as it is outside the scope of the engagement.
- The value of spare parts, raw materials, work-in-process, or finished goods inventories have not been included as part of this appraisal as it is outside the scope of the engagement.
- Factors such as condition, age, functionality, obsolescence, marketability, and plant location are considered when assigning the appraised value. Items that are out of service or incomplete are noted in the appraisal report.
- Values are established by comparing the appraised items with comparable items sold at recent auctions or liquidation sales; consulting with new or used equipment dealers offering analogous equipment for sale; consulting selected trade publications, periodicals, and machinery catalogs when appropriate; and consulting with professional machinery movers.
- When allowed by the facility, Mark McHugh digitally photographs items so a committee can review them.

## Statement of Assumptions & Limiting Conditions

- All facts and data outlined in this report are based upon an estimate of value only and are valid and accurate to the best of the appraiser's knowledge and belief.
- No investigation has been made into the title of the property, and all items listed are assumed to be the property of the subject company unless otherwise noted.
- 1st Star has relied upon management to identify any leased equipment or owned by parties unrelated to the appraisal. Conducting a UCC search is outside the scope of this appraisal assignment.
- No allowance has been made for possible liens or encumbrances against the property other than those discussed in the report.
- No allowance has been made, nor was any consideration given to potential environmental problems and the possible impact those problems would have on the findings within this appraisal. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
- The appraised property has been personally viewed unless otherwise noted in the equipment listing.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias concerning the parties involved.
- This appraisal has been completed following the guidelines established by the Uniform Standards of Professional Appraisal Practice (USPAP) and the Association of Machinery and Equipment Appraisers (AMEA). It reflects the best judgment of the appraiser.
- Since conclusions by the appraiser are based upon judgments, isolation of any single element as the sole basis for comparison to the entire appraisal may be inaccurate.
- It is assumed that there are no hidden or unapparent conditions of the equipment which would alter its appraised value. The reported value estimates are predicted on responsible ownership and competent typical management.
- Information provided by the Company and others has been assumed to be correct for this report, and no responsibility is taken for its accuracy.
- The fees for this appraisal are not contingent upon the values reported.
- If any, other limitations or assumptions are clearly defined and individually set out relating to the subject.

## Statement of Assumptions & Limiting Conditions

- *The appraiser is not required to give testimony, be present in any court of law, or appear before any commission or board because of this appraisal unless prior arrangements have been made.*
- *The effective date of the appraisal establishes the current value and is not prospective or retrospective.*
- *Any additions or deletions to the total assets appraised could change the psychological or monetary appeal necessary to gain the prices indicated. No value or consideration was given to raw materials, work in process, or finished inventory.*
- *The appraisal contents are considered confidential and will not be transmitted to any third party without the client's written permission.*
- *Digital pictures have been provided of the appraised assets and are on file and available for review in 1st Star Alacer LLC offices.*
- *Any statements regarding the physical assets covered under this appraisal result from a visual inspection of the respective assets plus such background information as available concerning aging. It is assumed that there are no hidden or unapparent conditions of the equipment that would render it less valuable.*
- *The appraiser disclaims any knowledge regarding each asset's operational ability, capability, or past performance, nor is there any determination as to hidden, latent, or undisclosed defects that may have resulted from current or past use of the asset by present or past owners.*
- *Possession of this report, or a copy thereof, does not carry the right of publication with it. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of that party and, in any event, only with properly written qualification and only in its entirety.*
- *1st Star Alacer LLC reserves the right to recall all copies of this report to correct any error or omission.*
- *Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.*
- *The report sets forth the information required by the terms of the assignment and is prepared in the form expressly needed thereby. This report is intended to be read and used as a whole and not in parts. Separation or alteration of any section or page from the main body of the report is expressly forbidden and invalidates the report.*
- *Neither our opinion nor our report is to be construed as a fairness opinion of an actual or proposed transaction, a solvency opinion, or an investment recommendation.*

## Statement of Assumptions & Limiting Conditions

- *We are under no obligation to update this report presentation or revise the valuation analysis due to events and transactions occurring subsequent to the Valuation (Effective) Date.*
- *We assume no responsibility for legal matters, including interpretations of either the law or contracts. We have made no investigation of legal description or title to the subject property or subject asset(s) and have assumed that owner(s) claim(s) to the property or asset(s) are valid. We have not considered liens or encumbrances, which may exist against the property and or asset(s), except as expressly stated in the report presentation. We have assumed that the subject property and subject asset(s) are free and clear unless otherwise stated and that title is marketable unless otherwise indicated. Full compliance with all applicable federal, state, and local zoning, environmental, and similar laws and regulations is assumed unless noncompliance is stated, defined, and considered in the valuation report.*
- *Additionally, we assume that all required licenses, permits, and other similar documents are in full force and effect. We assume no responsibility for the acceptability of the valuation approaches used in our report presentation as legal evidence in any particular court or jurisdiction. The suitability of our report and opinion for any legal forum is a matter to be determined by the client and the client's legal advisor.*
- *We assume no liability whatsoever concerning the subject property's condition or for hidden or unapparent conditions, if any, of the subject property, subsoil, or structures. We further assume no liability or responsibility whatsoever concerning the correction of any defects, which may now exist or develop in the future. Equipment components considered, if any, were assumed to be adequate for the needs of the property's improvements and in good working condition unless otherwise reported.*
- *It was assumed that all public and private zoning and use restrictions and regulations had been complied with unless non-conformity was stated, defined, and considered in the report.*
- *This appraisal and value estimate in no way implies a warranty of the material condition of the machinery and equipment, which is the subject of the appraisal. Unless otherwise stated in this report, the machinery and equipment are believed to be of suitable manufacture; however, no structural engineering inspection or mechanical inspection has been made, as the appraiser is not qualified to perform such services. Unless otherwise noted herein, the working order of the machinery and equipment is assumed; however, the appraiser in no way warrants the adequacy, design, and sufficiency of mechanical features. Therefore, if deemed prudent by the user of this report, I would recommend that the reader retain an expert(s) in these fields.*

Maximus Group  
Report Date: 03/25/2025  
Effective Date: 03/13/2025

## Equipment List – Exhibit B

| #  | Qty | Description                 | Condition     | Year        | Make       | Model                            | Serial/VIN        | Hours/Miles | OLV        | FLV        | Photo # | Comments                                                                           |
|----|-----|-----------------------------|---------------|-------------|------------|----------------------------------|-------------------|-------------|------------|------------|---------|------------------------------------------------------------------------------------|
| 1  | 1   | Tube Type Bender            | G             | 2020 Refurb | Pines      | #4 Horizontal Heavy Duty Mandrel | 11490-96068       | N/A         | \$ 64,500  | \$ 32,500  | 1       | Powered and in working order at time of inspection                                 |
| 2  | 1   | 10,000 Watt FiberLaser      | E             | 2023        | Bystronic  | BySmart Fiber 3015; F10000       | LA2330-0001       | 303         | \$ 432,000 | \$ 216,000 | 2       | Powered and in working order at time of inspection                                 |
| 3  | 1   | Press Brake                 | E             | 2023        | Bystronic  | ByBend Smart 225/4100            | ByBend23082SU     | 5,941       | \$ 114,000 | \$ 57,000  | 3       | In use at time of the inspection.                                                  |
| 4  | 1   | Racking                     | E             | 2020        | Prolift    | Cantilever Racking & Guide Rails |                   |             | \$ 59,500  | \$ 30,000  | 4       | Disassembled at time of inspection                                                 |
| 5  | 1   | Multi- Directional Forklift | E             | 2020        | Combilift  | C17300                           | 54910             | 1,149       | \$ 47,000  | \$ 23,500  | 5       | In use at time of the inspection.                                                  |
| 6  | 1   | Multi- Directional Forklift | E             | 2020        | Combilift  | C17300                           | 54911             | 1,156       | \$ 47,000  | \$ 23,500  | 6       | In use at time of the inspection.                                                  |
| 7  | 4   | 5 Ton Chain Hoist           | G             | 2022        | Harrington | MR050SD                          |                   |             | \$ 13,500  | \$ 6,500   | 7       | Stored on pallets and shelving at time of the inspection. Each bay has two hoists. |
| 8  | 8   | 3 Ton Chain Hoist           | G             | 2022        | Harrington | NER050L                          |                   |             | \$ 18,000  | \$ 9,000   | 8       | Stored on pallets and shelving at time of the inspection. Each bay has two hoists. |
| 9  | 1   | Saw                         | E             | 2021        | MettSaw    | 2' Cutoff Saw CS2-T8             | 0905              |             | \$ 120,000 | \$ 60,000  | 9       | Powered and in working order at time of inspection                                 |
| 10 | 1   | Flatbed Trailer             | Not Inspected | 2019        | Transcraft | 554C                             | 1TTF532C5K3134352 |             | \$ 19,000  | \$ 9,500   | N/A     | Not seen during inspection. Each trailer was on the road.                          |

Maximus Group  
 Report Date: 03/25/2025  
 Effective Date: 03/13/2025

|    |   |                     |               |      |            |                         |                   |        |              |            |     |                                                                                               |
|----|---|---------------------|---------------|------|------------|-------------------------|-------------------|--------|--------------|------------|-----|-----------------------------------------------------------------------------------------------|
| 11 | 1 | Flatbed Trailer     | Not Inspected | 2019 | Transcraft | 554C                    | 1TTF532C5K3134349 |        | \$ 19,000    | \$ 9,500   | N/A | Not seen during inspection. Each trailer was on the road.                                     |
| 12 | 1 | Flatbed Trailer     | Not Inspected | 2019 | Transcraft | 554C                    | 1TTF532C3K3134348 |        | \$ 19,000    | \$ 9,500   | N/A | Not seen during inspection. Each trailer was on the road.                                     |
| 13 | 1 | Flatbed Trailer     | Not Inspected | 2020 | Transcraft | 554C                    | 1TTF532C4L3197816 |        | \$ 22,500    | \$ 11,000  | N/A | Not seen during inspection. Each trailer was on the road.                                     |
| 14 | 1 | Yard Truck          | E             | 2019 | Capacity   | TJ6500                  | 4LMBF5115KL028307 | 22,525 | \$ 50,500    | \$ 25,000  | 14  | Yard truck was in use throughout the inspection. It is used to move material throughout the p |
| 15 | 1 | Welder              | E             | 2024 | T.J. Snow  | 100KVA @ 50% Duty Cycle | UMC002958         |        | \$ 13,000    | \$ 6,500   | 15  | Powered and in working order at time of insepction                                            |
| 16 | 6 | Crane Bay Buildouts | E             | 2022 | Tri-Esco   | Crane Buildout          |                   |        | \$ -         | \$ -       | 16  | Dissassembled at time of inspection.                                                          |
|    |   |                     |               |      |            |                         |                   |        | \$ 1,058,500 | \$ 529,000 |     |                                                                                               |

**EXHIBIT C - REPRESENTATIVE PHOTOGRAPHS**  
**MAXIMUS GROUP - LAFAYETTE, IN**



#1- Pines #4 Tube Bender



#2 - Bystronic Fiber 3150 - 10,000W Laser



#3 – Bystronic 225/4100 Press Brake



#4 – Cantilever Racking



#5 – Combilift CC17300 Forklift



#6 - Combilift CC17300 Forklift



#7 – Harrington 5-Ton Hoists



#8 – Harrington 3-Ton Hoists



#9 – MetlSaw CS2-T8



#14 – Capacity TJ6500 Yard Truck



#15 – T.J Snow 100KVA Spot Welder



#16 – Crane Buildouts

**APPRAISER QUALIFICATIONS**

**Mark McHugh, CMEA**

**Education**

*Bachelor of Arts*

*Mercyhurst University, Erie, PA*

**Professional Credentials**

*Certified Machinery and Equipment Appraiser, NEBB Institute*

# 1ST STAR ALACER

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*Equipment Located At:*  
*Maximus Logistics Solutions, LLC*  
*3701 David Howarth Dr*  
*Lafayette, Indiana 47909*  
*Contact: Sam Bazzi*

*Appraisal Prepared For:*  
*Sam Bazzi*  
*Owner, Founder & CEO*  
*Maximus Logistics Solutions, LLC*



## ***Equipment Desktop Appraisal***

*Fabrication Machinery*

Maximus Logistics Solutions, LLC  
Report Date: 06/17/2025  
Effective Date: 06/17/2025

Report Date: 06/17/2025  
Effective Date: 06/17/2025

## CONTACT DETAILS

### CLIENT MANAGER

Jay Henry  
First Star Alacer  
125 S. Wacker Drive – Suite 300  
Chicago, Illinois 60606

847.323.1794  
[Jay.henry@firststaralacer.com](mailto:Jay.henry@firststaralacer.com)

### APPRAISERS

Mark McHugh, CMEA  
716.435.4020  
[Mark.mchugh@firststaralacer.com](mailto:Mark.mchugh@firststaralacer.com)

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Maximus Logistics Solutions, LLC

Report Date: 06/17/2025

Effective Date: 06/17/2025

Effective Date: 06/17/2025

**EXHIBIT "A" — MACHINERY & EQUIPMENT**

| <i>Location</i>                                                                                    | <i>OLV</i>       | <i>FLV</i>       |
|----------------------------------------------------------------------------------------------------|------------------|------------------|
| <i>Maximus Logistics Solutions<br/>3701 David Howarth Dr. Ste – E<br/>Lafayette, Indiana 47909</i> | <i>\$980,000</i> | <i>\$490,000</i> |
| <i>Fabrication Machinery<br/>Total</i>                                                             | <i>\$980,000</i> | <i>\$490,000</i> |

- *First Star Alacer, LLC advises that the Company consider appraising these assets every two years.*
- *Several factors affect the value of the equipment, including normal wear and tear, acquisitions or deletions, and supply and demand in the secondary marketplace.*
- *It is also essential to understand that when a company faces financial distress, deferring necessary preventative maintenance or repairs on the equipment will commonly occur, which may contribute to further erosion of values compared to those presented in this report.*
- ***The Fabrication Machinery is relatively standard equipment that would yield a reasonable recovery value if sold through proper channels. The Sumig Robotic Welding Cell includes two OTC Daihen Robotic Welding Systems complete with welding robot, robot controller, power converter, and power converter that would yield reasonable recovery value. The cell work area and linear slide have been heavily customized to fit large work which impacts the recovery value.***

## Executive Summary

### Scope Of Work

*Purpose of the Appraisal and  
Project Outline*

*Value of the Equipment Appraised — based on  
Forced and Orderly Liquidation*

### Information

- *This appraisal has been prepared for Maximus Logistics Solutions, LLC (the Client), 3701 David Howarth Dr, Lafayette, Indiana 47909. Its purpose is to provide our estimated value (as defined below) for internal business and financial decision-making.*
- *We have agreed to value the Maximus Logistics Solutions, LLC (the Company) equipment (the assets) at 3701 David Howarth Dr, Lafayette, Indiana 47909, in accordance with the terms of our letter of engagement signed June 10<sup>th</sup>, 2025.*
- *Extraordinary Assumptions*
- *In our experience, the tooling included with the Amada TPW-250FX holds little to no resale value. This was not included in the value provided. The Customer Cell Work Area and Linear Slide within the Sumig Robotic Welding system have been customized to fit large pieces. This will impact recovery time and value. The rest of the Sumig Robotic Welding System could be stripped down and sold separately with normal recovery time and value through proper channels.*
- *See Exhibit A*

## Executive Summary

|                                                                  |                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><i>Summary of the Company<br/>Overview and Operations</i></p> | <ul style="list-style-type: none"> <li>• <i>Manufacturing and supply chain support for the Automotive, RV, Commercial Vehicle, Agriculture, and Power Industries</i></li> <li>• <i>Founded in 2020</i></li> <li>• <i>Located in Lafayette, IN</i></li> </ul>                                                                                                                             |
| <p><i>Marketplace for the Assets</i></p>                         | <ul style="list-style-type: none"> <li>• <i>Strong secondary market for each piece aside from the Custom Cell Work Area and Linear Slide within the Sumig Robotic Welding System.</i></li> </ul>                                                                                                                                                                                         |
| <p><i>Exit Strategy—Assuming a 6-9 month timescale</i></p>       | <ul style="list-style-type: none"> <li>• <i>We recommend selling the assets via a combination of negotiated private treaty sales and online and offline promotion techniques.</i></li> </ul>                                                                                                                                                                                             |
| <p><i>Potential Risks Associated with the Assets</i></p>         | <ul style="list-style-type: none"> <li>• <i>The Customer Cell Work Area and Linear Slide within the Sumig Robotic Welding system have been customized to fit large pieces. This will impact recovery time and value. The rest of the Sumig Robotic Welding System could be stripped down and sold separately with normal recovery time and value through proper channels.</i></li> </ul> |

## About the Company

### Maximus Group

- *Manufacturing and supply chain support for the automotive, RV, commercial vehicle, agriculture, and power industries*
- *Founded in 2020*
- *Located in Lafayette, IN*
- *Customers include OEMS's such as Wabash, Great Dane, Subaru, Heartland Automotive, Aurora Parts, and Vanguard.*
- *Services include wheel and tire mounting, fabrications, and aluminum extrusion work.*
- *Source: <https://maximusgroupusa.com/> --- Sourced June 2025*

## Asset Overview

### Asset Details



- 3701 David Howarth Dr, Lafayette, IN 47909
- 147,420 SF facility
- Year Built: 2008



The principal items of machinery and equipment include, in part:

- Hydraulic Stamping Press
- 5 Axis Machining Center
- Robotic Welding Systems

## APPRAISERS CERTIFICATION

*I certify that, to the best of my knowledge and belief:*

- *The statements of fact contained in this report are true and correct.*
- *The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.*
- *I have no bias toward the property that is the subject of this report or toward the parties involved with this assignment.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the client's cause, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *No one provided significant personal property appraisal assistance to the person signing this certification.*
- *The NEBB Institute has a mandatory accreditation program for all its Designated Members. I am in compliance with that Program.*

*Mark McHugh*

Appraisers Name & Signature

06/17/2025

## Value Definitions & Approaches

The American Society of Appraisers defines these value concepts as:

**Forced Liquidation Value (FLV):** “An opinion of the gross amount, expressed in terms of money, that typically could be realized from a properly advertised and conducted public auction, with the seller being compelled to sell with a sense of immediacy on an as-is, where-is basis, as of a specific date.”

This is a properly advertised and conducted public auction sale held under forced sale conditions and present-day economic trends as of the effective date of the appraisal report. This public auction sale allows for a forty-five-day marketing period, immediately followed by a one or multiple-day final auction, with an additional forty-five-day period after the auction for asset removal and site cleanup. Conclusions taken into consideration are physical location, the difficulty of removal, physical condition, adaptability, specialization, marketability, overall appearance, and psychological appeal. Further, the ability of the asset group to draw sufficient prospective buyers to ensure competitive offers is considered. All assets are to be sold on a piecemeal basis ‘as is’, with purchasers responsible for removing assets at their own risk and expense. Any deletions or additions to the total assets appraised could change the psychological or monetary appeal necessary to gain the price indicated.

**Orderly Liquidation Value (OLV):** “An opinion of the gross amount, expressed in terms of money, that typically could be realized from a liquidation sale, given a reasonable period of time to find a purchaser (or purchasers), with the seller being compelled to sell on an as-is, where-is basis, as of a specific date.”

This is a privately negotiated sale, properly advertised and professionally managed, by a seller obligated to sell over an extended period, in this case within six to nine months, as of the effective date of the appraisal. Further, the ability of the asset group to draw sufficient prospective buyers to ensure competitive offers is considered. All assets are to be sold on a piecemeal basis “as is,” with purchasers responsible for removing assets at their own risk and expense. Any

**Market Approach,** One of the three recognized approaches used in appraisal analysis. This approach involves the collection of market data about the subject assets being appraised. This approach is also known as the ‘Comparison Sales Approach.’ The primary intent of the market approach is to determine the desirability of the assets and recent sales or offerings of similar assets currently on the market to arrive at an indication of the most probable selling price of the assets being appraised. If the comparable sales are not exactly like the asset being appraised, adjustments must be made to bring them as closely in line as possible with the subject property.

**Cost Approach** One of the three recognized approaches used in the appraisal analysis. This approach is based on the proposition that the informed purchaser would pay no more for a property than the cost of producing a substitute property with the same utility as the subject property. It considers that the maximum value to a knowledgeable buyer would be the amount currently required to construct or purchase a new asset of equal utility. When the subject asset is not new, the current cost must be adjusted for all forms of depreciation as of the effective date of the appraisal.

**Income Approach** One of the three recognized approaches used in appraisal analysis. This approach considers value concerning the present worth of future benefits derived from ownership. It is usually measured through the capitalization of a specific level of income. This approach is the least common approach used in the valuation of machinery and equipment since it is difficult to isolate income attributable to such assets and was not utilized for this appraisal project.

Depreciation is defined as the actual loss in value or worth of a property from all causes, including physical deterioration, functional obsolescence, and economic obsolescence.

Physical Deterioration is a form of depreciation in which the loss in value or usefulness of an asset is attributable solely to physical causes such as wear and tear and exposure to the elements.

## Value Definitions & Approaches

deletions or additions to the total assets appraised could change the psychological or monetary appeal necessary to gain the value indicated.

*Market value is considered an arm's length sale, with no compulsion on the part of the seller or buyer. The value definition recognizes that the assets are being sold to be removed at the buyer's expense. Expenditures made for the installation of the equipment will be lost. In addition, knowledgeable buyers will recognize that costs will be incurred to dismantle, mark for reassembly, rig, transport, and reinstall the equipment.*

Source: Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets 4th Edition, Updated 2020

### **Desktop Appraisal**

*A "Desktop" appraisal is a valuation that estimates the value of the assets that are the subject of the report without the appraiser having had the benefit of conduction a physical inspection of the assets.*

*The scope of the "Desktop" appraisal involves reviewing detailed information provided to First Star Alacer by the Company relative to the assets that are the subject of the valuation. This information includes, but may not be limited to, complete factual information relative to the assets, including their age; manufacturers' name; model number; serial number; all relevant information about capacity and specifications; a statement of operating condition; maintenance; rebuild or retrofit history (when applicable); original cost information (when applicable); photographs (when available); and any other information deemed to be important by First Star or the Client. To the extent that the Client cannot furnish an accurate statement of the operating condition of the asset, First Star will assume the assets to be in average working condition and maintained within industry standards.*

Functional Obsolescence is a form of depreciation in which the loss in value is due to factors inherent in the property itself and changes in design or process resulting in inadequacy, overcapacity, excess construction, lack of functional utility, or excess operating costs.

Economic Obsolescence is a form of depreciation or loss in value caused by unfavorable external conditions. These can include the economics of the industry, availability of financing, loss of material and labor sources, the passage of new legislation, and changes in ordinances.

All three approaches to value were considered for this engagement. The market approach was the primary basis upon which the assets were appraised. Due to the nature of some of the machinery, market data were not always available from which to draw value indications. In these instances, the cost approach was considered and utilized. The income approach was deemed not appropriate for this assignment. All facts and data outlined in this report are based upon an estimate of value only and are valid and accurate to the best of the appraiser's knowledge and belief.

## Valuation Considerations

The appraisal of the assets located at Maximus Logistics Solutions, LLC Company is being submitted under the Forced Liquidation Value / Orderly Liquidation Value - concepts.

Implicit in the Forced and Orderly Liquidation Value concepts is that the company is no longer in business, has been shut down, and is not operating. There is a compulsion to sell these assets under duress conditions. Fair Market Value represents an arm's length transaction between a willing buyer and seller with no compulsion to buy or sell.

### FLV

In a forced liquidation sale, the assets are sold under duress and with a limited time of exposure to the marketplace, about forty-five days. This type of sale is most closely associated with the public auction market instead of the private resale market. Auctions can be live (traditional), or online, or a combination of both. The main difference between conventional auctions and online auctions is that online auctions are meant for convenience. Items are listed on auction house websites in a catalog fashion, and buyers can click on them to learn more details about them. An online auction may be less expensive for sellers due to eliminating costs associated with holding a traditional auction but may limit buyers. In either case, the asset to the highest bidder.

### OLV

While an orderly liquidation allows an extended time frame to locate buyers, in this case, six to nine months, it must be clearly understood that this is also a duress-sale, reflecting a "must-sell" situation on the part of the seller. A fair market value approach is considered an arm's length transaction with no compulsion or duress for either the buyer or seller. Time is not of the essence under this value concept because there is no compulsion. The orderly liquidation value concept contrasts with forced liquidation value, representing an auction situation where the assets are sold to the highest bidder, regardless of the sale price, typically after a relatively short period of market exposure.

Any deletions or additions to the total assets appraised could change the psychological or monetary appeal necessary to gain the values indicated.

To present and discuss in detail all the specific factors considered in the valuation of each item would be burdensome to any user of the appraisal. Instead, it is more important the overall issues be clearly identified so that the reader can better understand their impact on the value of assets.

The forced or orderly liquidation value definition recognizes that the assets are being sold "as is, where is." "As is" means that the equipment is offered for sale without any warranties, guarantees, or representations of fitness for use. There is no right of recourse by the buyer to the seller. If there are any defects in the equipment, they will need to be identified by the buyers, who will then have to remedy them at their own expense. This creates a "buyer beware" situation, which may adversely impact the machinery's marketability, given that alternative equipment may be available in the market from other sources.

The "where is" component of the orderly liquidation value definition means that the assets are being sold to be removed at the risk and expense of the buyer. An Orderly Liquidation Value considers the sale of assets on the open market by any means under the most economically reasonable method. Factors such as original freight,

## Valuation Considerations

taxes, installation, foundations, connections, etc., have little or no value and, in many situations, detract from value compared with an asset dismantled and packaged for transportation. This concept further assumes that the machinery and equipment would be sold to an alternative user in its present condition (as is where is). The buyer bears the cost of removal, appropriate packaging for transportation, and delivery to another location. No additional value that might be derived from such a sale can be assumed, including but not limited to the product line, going concern, patents or copyrights, rights to manufacture, trademarks, mailing or customer lists, and so forth.

The cost of removal has another important ramification to bear in mind when considering the salability of the equipment. In many cases, knowledgeable buyers are not willing to incur the expense of removing components of equipment or other systems that they have no intention of reinstalling. It will be critical that buyers be allowed the right of abandonment. If qualified buyers are required to remove all the assets in their entirety, it may preclude some of the equipment from purchase consideration. It should also be noted that there might be some potential liability on the part of the seller in terms of responsibility for the cost of removing unsold or abandoned equipment from the facilities.

There are usually two types of buyers in the event the subject assets must be liquidated piecemeal. The first is an end-user who would purchase the machinery to either expand existing production capacity or replace less productive equipment. Once the market of end-users has been exhausted, the potential buyer pool usually becomes used machinery dealers or brokers. These are speculative purchasers who acquire machinery in anticipation of its future resale. In addition to removal and transportation costs, dealers will consider their holding costs, including warehousing, any necessary repair or rebuild, marketing, and warranty expenses, as well as the profit motive in the amount they will pay.

Significant research has been conducted to assist in analyzing the marketability and potential value of the subject assets. We hope that end users will attend the sale, pushing the price past any speculative purchasers. This could increase the gross recoverable dollars for this pool of assets.

Every effort has been made to reach supportable value conclusions and represent the market as it currently exists based on the best available information. In cases where there has been little or no recent activity involving transactions of similar equipment capacity, the value estimates have relied heavily on the appraiser's experience, judgment, and opinion.

While subjective, the assigned value estimates for the equipment are the appraisers' best-informed opinion regarding the level of value at which a knowledgeable buyer would be motivated to purchase.

It should be clearly understood that, in any liquidation proceeding, certain machines might sell for more than the estimated value presented in this report, while others could sell for less. However, it is very much the appraisers' opinion that, overall, the value conclusions represent the current asset market under the confines of the orderly liquidation value and fair market value definitions.

**The reader of this report must understand that 1st Star has been engaged to provide only a valuation based on an Orderly Liquidation Value and Force Liquidation Value concept.**

## Valuation Considerations

**It is also essential to understand that when a company faces financial distress, deferring necessary preventative maintenance or repairs on the equipment will commonly occur, which may contribute to further erosion of values compared to those presented in this report.**

It is important to note that sometimes, there could be little or no difference between forced and orderly values. When there is no identifiable market for the assets being sold, it will not matter how much time is available to solicit potential purchasers. In both sale scenarios, the assets will have little or no value. However, in other instances, the additional time and ability to negotiate the sale can significantly affect the selling price. Along the same lines, there may be instances where demand for a machine dictates that there would be little difference between orderly liquidation value and fair market value.

There are usually two types of buyers if the subject assets are sold in the open market. First is an end-user who would purchase the machinery to either expand existing production capacity or replace less productive equipment. Then, the potential buyer pool usually becomes used machinery dealers or brokers. These are speculative purchasers who acquire machinery in anticipation of its future resale. In addition to removal and transportation costs, dealers will consider their holding costs, including warehousing, any necessary repair or rebuild, marketing, and warranty expenses, as well as the profit motive in the amount they will pay.

An appraisal is an opinion of value, and opinions may vary due to differences in perception of quality, condition, etc. Therefore, an appraisal is not a guarantee of value and should not be perceived as such. This appraisal was made under the conditions that existed at the time data was gathered. Fluctuations in the economic situation locally and nationally, along with changes in the condition of items appraised, changes in technology, and functional and economic obsolescence, are but a few things that could substantially alter a future value. Since conclusions by the appraiser are based upon judgments, isolation of any single element as the sole basis of comparison of the complete appraisal may be inaccurate.

## Valuation Theory - Methodology

*From the gathered information, I researched the relevant markets. Using the Market Approach and Cost Approach, I arrived at an opinion of the Forced Liquidation Value and Orderly Liquidation Value of the assets listed as of 06/17/2025, (Effective Date).*

*A detailed listing of the machinery and equipment of ABC Company is included in this report. Leased or rented assets have been excluded from this report.*

*The resources utilized in formulating the opinion of values include, in part:*

- *1st Star internal comparable sales database.*
- *Comparable sales data gathered in quotations or priced advertising from used machinery dealers and advertising publications or websites.*
- *Discussions with used machinery dealers, appraisers, new machinery dealers, original equipment manufacturers, and auctioneers.*
- *Consulting recent auction sales.*
- *The experience of the appraiser.*

*I have provided an Appraisal Report prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), the American Society of Appraisers (ASA), and the Association of Machinery and Equipment Appraisers (AMEA). The client has been provided with an electronic version of the Appraisal Report.*

This appraisal was prepared utilizing some or all the following methodology:

- Each item, unless otherwise noted, was inspected by the appraiser, and is identified by manufacturer, model number, serial number, year of manufacture, capacity, function, and attachments where available.
- Perishable tooling, product line-dedicated tooling, computer hardware, computer software, custom fixtures, custom dies and molds, or factory supplies were not valued as part of this appraisal as it is outside the scope of the engagement.
- The value of spare parts, raw materials, work-in-process, or finished goods inventories have not been included as part of this appraisal as it is outside the scope of the engagement.
- Factors such as condition, age, functionality, obsolescence, marketability, and plant location are considered when assigning the appraised value. Items that are out of service or incomplete are noted in the appraisal report.
- Values are established by comparing the appraised items with comparable items sold at recent auction or liquidation sales, consulting with new or used equipment dealers offering analogous equipment for sale, consulting selected trade publications, periodicals, and machinery catalogs when appropriate, and consulting with professional machinery movers.
- When allowed by the facility, the Mark McHugh digitally photographs items so that a committee can review them.

## Statement of Assumptions & Limiting Conditions

- *All facts and data outlined in this report are based upon an estimate of value only and are valid and accurate to the best of the appraiser's knowledge and belief.*
- *No investigation has been made into the title to the property, and all items listed are assumed to be the property of the subject company unless otherwise noted.*
- *1st Star has relied upon management to identify any leased equipment or owned by parties unrelated to the appraisal. Conducting a UCC search is outside the scope of this appraisal assignment.*
- *No allowance has been made for possible liens or encumbrances against the property other than those discussed in the report.*
- *No allowance has been made, nor was any consideration given to potential environmental problems and the possible impact those problems would have on the findings within this appraisal. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.*
- *I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias concerning the parties involved.*
- *This appraisal has been completed following the guidelines established by the Uniform Standards of Professional Appraisal Practice (USPAP) and the Association of Machinery and Equipment Appraisers (AMEA). It reflects the best judgment of the appraiser.*
- *Since conclusions by the appraiser are based upon judgments, isolation of any single element as the sole basis for comparison to the entire appraisal may be inaccurate.*
- *It is assumed that there are no hidden or unapparent conditions of the equipment which would alter its appraised value. The reported value estimates are predicted on responsible ownership and competent typical management.*
- *Information provided by the Company and others has been assumed to be correct for this report, and no responsibility is taken for its accuracy.*
- *The fees for this appraisal are not contingent upon the values reported.*
- *If any, other limitations or assumptions are clearly defined and individually set out relating to the subject.*
- *The appraiser is not required to give testimony, be present in any court of law, or appear before any commission or board because of this appraisal unless prior arrangements have been made.*

## Statement of Assumptions & Limiting Conditions

- *The effective date of the appraisal establishes the current value and is not prospective or retrospective.*
- *Any additions or deletions to the total assets appraised could change the psychological or monetary appeal necessary to gain the prices indicated. No value or consideration was given to raw materials, work in process, or finished inventory.*
- *The appraisal contents are considered confidential and will not be transmitted to any third party without the client's written permission.*
- *The appraiser disclaims any knowledge regarding each asset's operational ability, capability, or past performance, nor is there any determination as to hidden, latent, or undisclosed defects that may have resulted from current or past use of the asset by present or past owners.*
- *Possession of this report, or a copy thereof, does not carry the right of publication with it. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of that party and, in any event, only with properly written qualification and only in its entirety.*
- *1st Star Alacer LLC reserves the right to recall all copies of this report to correct any error or omission.*
- *Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.*
- *The report sets forth the information required by the terms of the assignment and is prepared in the form expressly needed thereby. This report is intended to be read and used as a whole and not in parts. Separation or alteration of any section or page from the main body of the report is expressly forbidden and invalidates the report.*
- *Neither our opinion nor our report is to be construed as a fairness opinion of an actual or proposed transaction, a solvency opinion, or an investment recommendation.*
- *We are under no obligation to update this report presentation or revise the valuation analysis due to events and transactions occurring subsequent to the Valuation (Effective) Date.*
- *We assume no responsibility for legal matters, including interpretations of either the law or contracts. We have made no investigation of legal description or title to the subject property or subject asset(s) and have assumed that owner(s) claim(s) to the property or asset(s) are valid. We have not considered liens or encumbrances, which may exist against the property and or asset(s), except as expressly stated in the report presentation. We have assumed that the subject property and subject asset(s) are free and clear unless otherwise stated and that title is marketable unless otherwise indicated. Full compliance with all*

## Statement of Assumptions & Limiting Conditions

*applicable federal, state, and local zoning, environmental, and similar laws and regulations is assumed unless noncompliance is stated, defined, and considered in the valuation report.*

- Additionally, we assume that all required licenses, permits, and other similar documents are in full force and effect. We assume no responsibility for the acceptability of the valuation approaches used in our report presentation as legal evidence in any particular court or jurisdiction. The suitability of our report and opinion for any legal forum is a matter to be determined by the client and the client's legal advisor.*
- We assume no liability whatsoever concerning the subject property's condition or for hidden or unapparent conditions, if any, of the subject property, subsoil, or structures. We further assume no liability or responsibility whatsoever concerning the correction of any defects, which may now exist or develop in the future. Equipment components considered, if any, were assumed to be adequate for the needs of the property's improvements and in good working condition unless otherwise reported.*
- It was assumed that all public and private zoning and use restrictions and regulations had been complied with unless non-conformity was stated, defined, and considered in the report.*
- This appraisal and value estimate in no way implies a warranty of the material condition of the machinery and equipment, which is the subject of the appraisal. Unless otherwise stated in this report, the machinery and equipment are believed to be of suitable manufacture; however, no structural engineering inspection or mechanical inspection has been made, as the appraiser is not qualified to perform such services. Unless otherwise noted herein, the working order of the machinery and equipment is assumed; however, the appraiser in no way warrants the adequacy, design, and sufficiency of mechanical features. Therefore, if deemed prudent by the user of this report, I would recommend that the reader retain an expert(s) in these fields.*

| REF | QTY | DESCRIPTION              | YEAR | MANUFACTURER  | MODEL                | SERIAL | HOURS | OLV        | FLV        |
|-----|-----|--------------------------|------|---------------|----------------------|--------|-------|------------|------------|
| 1   | 1   | Hydraulic Stamping Press | 2023 | Amada         | TPW-250FX            | NA     | NA    | \$ 117,000 | \$ 59,000  |
| 2   | 1   | 5 Axis Machining Center  | 2023 | FOM Industrie | Axel 5 100           | NA     | NA    | \$ 341,000 | \$ 170,000 |
| 3   | 1   | Robotic Welding Cell     | 2023 | OTC Daihen    | ECO-ARC 200L         | NA     | NA    | \$ 114,000 | \$ 57,000  |
| 4   | 1   | Material Handling Robot  | 2023 | OTC Daihen    | FD-V100              | NA     | NA    | \$ 104,000 | \$ 52,000  |
| 5   | 1   | Robotic Welding Cell     | 2022 | Sumig         | Robotic Welding Cell | NA     | NA    | \$ 304,000 | \$ 152,000 |
|     |     |                          |      |               |                      |        | TOTAL | \$ 980,000 | \$ 490,000 |

Exhibit C - Representative Photographs  
Maximus Logistics, Lafayette, Indiana



Amada Stamping Press



5 Axis Machining Center



Welding Cell\_1



Welding Cell\_2



Welding Cell\_3



Welding Cell\_4

Effective June 17, 2025



## COMMERCIAL FINANCE AGREEMENT

Contract # 181380

This Commercial Finance Agreement, together with any Amendment(s), Exhibit(s), Schedule(s), and Addendum(s) hereto (collectively, this "CFA"), dated as of **November 08, 2023** is entered into by and between **Mitsubishi HC Capital America, Inc. ("Creditor")**, a Delaware corporation having its principal place of business at **One Pierce Place, Suite 1100 West, Itasca, Illinois 60143** and

**MAXIMUS LOGISTICS SOLUTIONS, LLC ("Borrower")**, with a place of business located **3535 BRADY LANE, LAFAYETTE, IN 47909** telephone number(s): **765-838-8529 765-838-8529** and email address: **sam.bazzi@maimusgroupusa.com**

The use of the word "You," "Your" and "Your Company" in this CFA refers to each of the Borrower and Co-Borrowers, if any. If more than one Borrower is named in this CFA, the liability of each Borrower shall be joint and several and shall be subject to the terms of Section 19(C). "We," "Us" and "Our" refers to Creditor and its successors and assigns. "Term" shall mean the period starting on the Commencement Date (defined below) and continuing through loan expiration.

**1. Equipment Description** (include Quantity, Year, Make, Model and Serial No. (if available)). The Equipment described below and/or listed on an attached Schedule or Invoice identified by Creditor for such purpose, including all additions, replacements, accessions, accessories, attachments, substitutions, exchanges, improvements, repairs, parts, replacement parts, manuals and reference books, supplements, upgrades, thereto and thereof, however designated together with any related software license(s), software, as may be modified, corrected, supplemented or enhanced from time to time, and the proceeds thereon, including any and all cash and non-cash proceeds from any source, including but not limited to insurance proceeds (hereinafter collectively referred to as "Collateral"):

| QUANTITY | COLLATERAL DESCRIPTION     | SERIAL NUMBER |
|----------|----------------------------|---------------|
| 1        | AMADA TPW-250X PRESS (New) |               |
| 1        | SOFT COST TOOLING (New)    |               |
|          | Fixture for Amada machine. |               |

**2. Name and location of "Vendor":** You are solely responsible for the selection of the Vendor and/or manufacturer referenced below:

**AMADA PRESS SYSTEM AMERICA INC.**  
1840 AIRPORT EXCHANGE BLVD #200, ERLANGER, KY 41018  
859-746-3318

**DEC TOOL, CORP.**  
2651 Dukane Drive, St. Charles, IL 60174

**3. Itemization of Purchase Price:** Creditor is directed to pay purchase price described below to Vendor, manufacturer and/or other suppliers as follows:

|                                                                                                                                                                                                                                                                                                                               |                 |                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------|
| <b>SALE PRICE</b> (combined price of each unit as itemized on Your invoice(s) submitted for financing, may include federal excise tax, accessories, attachments, fees, license, title or registration fees, premiums, protection plans or service contracts, services and/or additional charges which may be included below): |                 | <b>\$396,183.00</b> |
| CASH DOWN PAYMENT (If check is payable to Mitsubishi HC Capital America, Inc., please note any payment in excess of \$5,000.00 must be made via cashier's check or wire.):                                                                                                                                                    | \$113,100.00    |                     |
| TOTAL NET TRADE-IN:                                                                                                                                                                                                                                                                                                           | \$0.00          |                     |
| <b>TOTAL DOWN PAYMENT</b> (due at the time of execution):                                                                                                                                                                                                                                                                     |                 | <b>\$113,100.00</b> |
| <b>FEES, CHARGES AND PREMIUMS INCLUDED IN YOUR AMOUNT FINANCED</b>                                                                                                                                                                                                                                                            |                 |                     |
| SALES TAX:                                                                                                                                                                                                                                                                                                                    | \$0.00          |                     |
| DOCUMENTATION FEE FINANCED:                                                                                                                                                                                                                                                                                                   | \$0.00          |                     |
| OTHER FEES FINANCED:                                                                                                                                                                                                                                                                                                          |                 |                     |
| <b>TOTAL FEES/CHARGES FINANCED:</b>                                                                                                                                                                                                                                                                                           | <b>\$0.00</b>   |                     |
| <b>TOTAL AMOUNT FINANCED:</b>                                                                                                                                                                                                                                                                                                 |                 | <b>\$283,083.00</b> |
| <b>MONTHLY INVOICE FEE</b> (waived only for electronic payment):                                                                                                                                                                                                                                                              |                 | <b>\$0.00</b>       |
| <b>ADVANCE PAYMENT(S), FEES, CHARGES, TAXES -- DUE AT SIGNING</b>                                                                                                                                                                                                                                                             |                 |                     |
| 0 ADVANCE PAYMENT(S) OF:                                                                                                                                                                                                                                                                                                      | \$0.00          |                     |
| <b>FEES/CHARGES - DUE AT SIGNING (NON-FINANCED):</b>                                                                                                                                                                                                                                                                          |                 |                     |
| Doc Fee Non Financed                                                                                                                                                                                                                                                                                                          | \$595.00        |                     |
| <b>TOTAL FEES, CHARGES, TAXES (NON-FINANCED)</b>                                                                                                                                                                                                                                                                              | <b>\$595.00</b> |                     |
| <b>TOTAL AMOUNT DUE AT SIGNING:</b>                                                                                                                                                                                                                                                                                           |                 | <b>\$595.00</b>     |

**4. Payment Schedule, Term, Number and Amount of Installment Payments and Payment Due Date:**

|                                                        |                                                           |
|--------------------------------------------------------|-----------------------------------------------------------|
| <b>72 MONTH TERM ("TERM")</b>                          |                                                           |
| INSTALLMENT PAYMENTS:                                  | 72 @ \$5,101.00                                           |
| <b>INVOICE DUE DATE AND INSTALLMENT PAYMENT AMOUNT</b> |                                                           |
| INVOICE DUE DATE:                                      | Due Date Determined Upon<br>Acceptance date of Collateral |
| INVOICE AMOUNT:                                        | \$5,101.00                                                |

**5. NO WARRANTIES: YOU ACKNOWLEDGE THAT WE ARE NOT THE MANUFACTURER OF THE COLLATERAL NOR THE MANUFACTURER'S AGENT NOR A VENDOR THERETO. YOU ARE FINANCING THE COLLATERAL "AS IS" AND WITH ALL FAULTS. WE DO NOT MAKE, AND WE HEREBY DISCLAIM ANY WARRANTY OR REPRESENTATION**

**WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE COLLATERAL, INCLUDING, WITHOUT LIMITATION AS TO THE DURABILITY, QUALITY, CONDITION OR SUITABILITY, THE MERCHANTABILITY OF THE COLLATERAL, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. WE SHALL NOT BE LIABLE FOR ANY LOSS,**



AMADA PRESS SYSTEM AMERICA INC.

1840 AIRPORT EXCHANGE BLVD. #200  
 ERLANGER, KY 41018  
 www.amadapresssystem.com  
 www.mecspringmachine.com

TEL: 859-746-3318  
 FAX: 859-746-3319

# Invoice

|                                                                          |
|--------------------------------------------------------------------------|
| <b>SOLD TO:</b>                                                          |
| MAXIMUS INDUSTRIES CORPORATION<br>3535 BRADY LANE<br>LAFAYETTE, IN 47909 |
| ATTN: ACCOUNTS PAYABLE                                                   |

|                      |                   |
|----------------------|-------------------|
| <b>YOUR ORDER #</b>  | <b>3002382</b>    |
| <b>INVOICE #</b>     | <b>AMV 12557</b>  |
| <b>DATE</b>          | <b>10/12/2023</b> |
| <b>SALES ORDER #</b> | <b>10841-A</b>    |
| <b>OCA P.O. #</b>    | <b>AMP8728</b>    |
| <b>TERMS</b>         | <b>Machine</b>    |
| <b>Due Date</b>      | <b>10/13/2023</b> |

| Item    | Description                                                                                                                                                                             | Amount     |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| MACHINE | TPW-250FX (08800180)<br><br>PAYMENT TERMS:<br>20% WITH PURCHASE ORDER<br>70% WHEN MACHINE IS LOADED ON VESSEL<br>10% AFTER HANDOVER<br><br>TWO YEAR WARRANTY<br><br>FOB NEWPORT NEWS,VA | 207,683.00 |

|                                                                                                               |                                        |
|---------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Questions regarding this invoice - email <a href="mailto:accounting@amadaps.com">accounting@amadaps.com</a> . | <b>Total</b> USD 207,683.00            |
| Thank you for your order. We appreciate your business!                                                        | <b>Payments/Credits</b> USD -41,536.60 |
| We appreciate your prompt payment.                                                                            | <b>Balance Due</b> USD 166,146.40      |

Manufacturers of Stamping Presses, Coil Handling Systems, Robots and Spring Making Machinery



# FomUSA

Aluminum Fabrication Equipment

Quote # **M23-1105**

June 7, 2023

Quote Proposed By:

Patrick Dwyer

330.636.1896

**Maximus Group**

Leonard Baker

3535 Brady Lane

Lafayette, IN 47905

765.340.2822

## Axel 5 100

| Machine Configuration                                                                      | Part Number     | Qty |              | Total               |
|--------------------------------------------------------------------------------------------|-----------------|-----|--------------|---------------------|
| 10 Meter CNC Machining Center with 5 Axes Controlled Interpolation                         | <b>XX100300</b> | 1   | \$577,746.00 | <b>\$577,746.00</b> |
| Electrospindle 22 kW 24,000rpm (HSK E63) - Liquid cooled system                            |                 | 1   |              |                     |
| 20-position tool magazine (HSK E63)                                                        |                 | 1   |              |                     |
| Tool set type C1 (HSK63)                                                                   | PR-29579        | 1   |              |                     |
| Sawblade Ø500mm and HSK63 tool holder                                                      | PR-204461       | 1   |              |                     |
| Pneumatic vices with NC independent positioning                                            | PR-28982 (2)    | 10  |              |                     |
| Adjustable vice pressure with pressure gauge                                               |                 | 1   |              |                     |
| Head guard protecting the working area                                                     |                 | 1   |              |                     |
| Photoelectric cell barrier                                                                 |                 | 1   |              |                     |
| Rear and side fences with swinging gate                                                    |                 | 1   |              |                     |
| Centralized lubrication for all in motion parts                                            |                 | 1   |              |                     |
| Minimum quality lubrication (MQL) with pure oil                                            |                 | 1   |              |                     |
| Electric cabinet cooling system                                                            |                 | 1   |              |                     |
| Electronic equipment "Power-M"                                                             |                 | 1   |              |                     |
| Mobile control console with PC with Windows 10 operating system & 24" touch screen monitor |                 | 1   |              |                     |
| FST CAM4 software - 5 axes version                                                         |                 | 1   |              |                     |
| Software license for Tapping cycle                                                         |                 | 1   |              |                     |
| Mechanical Chip conveyor belt                                                              | PR-28993        | 1   |              |                     |
| Head cover on top with integral lighting and smoke collectors                              |                 | 1   |              |                     |
| 2D and 3D simulation of parts, tools and machining operations                              |                 | 1   |              |                     |
| Left side translating and pneumatic stop with independent positioning                      |                 | 1   |              |                     |
| Pendular machining on two areas with pneumatic RH stop                                     | PR-28983        | 1   |              |                     |
| 2D custom milling module for FST CAM4                                                      | ZP714617        | 1   |              |                     |
| Voltage - 3 Phase & 1 Phase needed (specified at time of order)                            | ZG712380        | 1   |              |                     |
| Machine handling kit for container                                                         | PR-28995        | 1   |              |                     |
| 1 year teleservice                                                                         |                 | 1   |              |                     |

| Optional Accessories                                                                  | Part Number | Qty | Unit Price  | Total  |
|---------------------------------------------------------------------------------------|-------------|-----|-------------|--------|
| Additional pneumatic clamps(2) with NC independent positioning<br>(factory installed) | PR-28982    |     | \$19,800.00 | \$0.00 |
| Cooling system by emulsified oil with coolant recovery                                | PR201068    |     | \$12,200.00 | \$0.00 |
| Fume extractor kit for working cabin                                                  | PR201428    |     | \$7,800.00  | \$0.00 |
| Angular head for machining on the underside of the profile                            | PR204460    |     | \$18,400.00 | \$0.00 |
| Label printer                                                                         | PR205884    |     | \$3,400.00  | \$0.00 |

| Optional Software                                                                           | Part Number | Qty | Unit Price  | Total  |
|---------------------------------------------------------------------------------------------|-------------|-----|-------------|--------|
| Software license for FST CAM4 program 5 Axis version for office                             | ZP715996    |     | \$16,000.00 | \$0.00 |
| Additional license(s) for FST CAM4 program 5 Axis version for office                        | ZP715997    |     | \$13,000.00 | \$0.00 |
| FST Solid Plus 5 axes - Machine recognition module starting from a STEP tridimensional file | ZP715677    |     | \$24,000.00 | \$0.00 |
| Additional license(s) for FST Solid Plus                                                    | ZP715678    |     | \$14,000.00 | \$0.00 |
| Cut & Separate and Step by Step cutting module                                              | PR205694    |     | \$29,600.00 | \$0.00 |

FomUSA

Axel 5

Initials\_\_\_\_\_



# FomUSA

Aluminum Fabrication Equipment

Quote # **M23-1105**

June 7, 2023

Quote Proposed By:

Patrick Dwyer

330.636.1896

**Maximus Group**

Leonard Baker

3535 Brady Lane

Lafayette, IN 47905

765.340.2822

## Axel 5 100

| Optional Software (cont.)                                                                                                  | Part Number | Qty | Unit Price  | Total  |
|----------------------------------------------------------------------------------------------------------------------------|-------------|-----|-------------|--------|
| Cut & Separate and Step by Step cutting module with supplementary vice with piece holder tray ( <i>factory installed</i> ) | PR205692    |     | \$35,200.00 | \$0.00 |
| Wireless optical bar & QR code reader including Data import software                                                       | PR202971    |     | \$5,200.00  | \$0.00 |
| Wireless optical bar & QR code reader including Data import software & Data conversion software                            | PR203728    |     | \$7,800.00  | \$0.00 |
| FST CAM4 module to design and manage special clamping operations                                                           | ZP715829    |     | \$2,800.00  | \$0.00 |
| License for FST Statistics L5 program                                                                                      | ZP712760    |     | \$5,200.00  | \$0.00 |

|                                           |     |              |
|-------------------------------------------|-----|--------------|
| Total                                     | USD | \$577,746.00 |
| <i>Special Discount for Maximus Group</i> | USD | -\$57,775.00 |

|              |            |                     |
|--------------|------------|---------------------|
| <b>Total</b> | <b>USD</b> | <b>\$519,971.00</b> |
|--------------|------------|---------------------|

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Axel 5

Initials\_\_\_\_\_


**Reliable. Repeatable. Clean.**

That's the OTC DAIHEN Single-Source Solution.



ECO-ARC 200L Pre-Engineered System; FD-V8L, WB-P402, GMAW350A, FD-V100 MH: Common, Split-base design, wall &amp; trailer assembly; (2) Workstations w/ Stationary Tables, Pneumatic Shutter Door Operator Load/Unload

| QTY                                    | DESCRIPTION                                | MODEL NO.            | PRICE               |
|----------------------------------------|--------------------------------------------|----------------------|---------------------|
| <b>Custom Cell Components</b>          |                                            |                      | <b>Included</b>     |
| 1                                      | <b>ECO-ARC 200L Mechanical Assy</b>        |                      | \$202,706.00        |
|                                        | ~ Common Base, Wall Assembly               |                      |                     |
|                                        | Robot Pedestal, Headstock Risers           |                      |                     |
|                                        | and Trailer Assembly                       |                      |                     |
|                                        | ~ Two (2) Stationary Tables 915mm x 1220mm |                      |                     |
|                                        | ~ Floor plate                              |                      |                     |
|                                        | ~ Pneumatic Shutter Door Assembly @        |                      |                     |
|                                        | Operator Load/Unload                       |                      |                     |
|                                        | ~ Zone Kit Assembly - 2 station            |                      |                     |
| 1                                      | <b>Mechanical Assy Kit</b>                 |                      |                     |
| 1                                      | <b>Pneumatic Assembly - Shutter Doors</b>  |                      |                     |
| 1                                      | <b>ECO-ARC 200 Electrical Assy</b>         |                      |                     |
|                                        | ~ Junction Boxes, E-Stop Safety Circuit    |                      |                     |
|                                        | ~ Standard Robot Operation & Start Boxes   |                      |                     |
| <b>Robot Module</b>                    |                                            |                      | <b>Included</b>     |
| 1                                      | Robot Manipulator                          | NV8L2-CEFU           |                     |
| 1                                      | Control Unit (Including Relay Unit)        | FD21-LV0000          |                     |
| 1                                      | Teach Pendant ( Cable length 8m )          | FD19TP-DS-JNE        |                     |
| 1                                      | Control Cables (5m)                        | FD19RB-1B05          |                     |
| 1                                      | Unit Transformer 12KVA for FD              | 4810-D021-TR         |                     |
| 1                                      | Decal, Transformer 12KVA for FD            | 4810-D021-DECAL      |                     |
| 1                                      | Transformer Case Assembly                  | 1L0626B00            |                     |
| 1                                      | Circuit Breaker                            | BW125JAGU-3P030SB    |                     |
| 1                                      | Circuit Breaker Rotary Handle              | BW9V0CA              |                     |
| 1                                      | Cable Assembly, Transformer                | 1E0478A00            |                     |
| 1                                      | Cable, Cabinet Power                       | 1E0478A01            |                     |
| 1                                      | Circuit Breaker, M9F53330 (12KVA)          | 100-3857             |                     |
| 1                                      | Operation Box (10m)                        | FDOP-1010            |                     |
| 1                                      | Start Box (5m)                             | FDST-1005            |                     |
| <b>Welding Power Supply</b>            |                                            |                      | <b>Included</b>     |
| 1                                      | Welding Power Supply                       | WB-P402              |                     |
| <b>Welding Kit</b>                     |                                            |                      | <b>Included</b>     |
| 1                                      | Control Cables (5m)                        | FD19RB-5B05          |                     |
| 1                                      | Shock Sensor Unit (B Type)                 | SSV                  |                     |
| 1                                      | Welding Torch (45deg Air Cool)             | RT3500H              |                     |
| 1                                      | Torch Bracket for 45deg torch              | L10620B00            |                     |
| 1                                      | Torch Gauge for 45deg torch                | L6300C00             |                     |
| 1                                      | Tip Gauge Assy 15mm                        | L317X00              |                     |
| 1                                      | Coaxial Power Cable                        | L-10624              |                     |
| 1                                      | Wire Feed Unit                             | AF-4012              |                     |
| 1                                      | Wire Feeder Bracket                        | L11673A0000          |                     |
| 1                                      | Cable & Hose (5m)                          | A2RB-4105            |                     |
| 1                                      | Wire Reel Stand                            | L11433A00            |                     |
| 1                                      | Conduit                                    | L10597D              |                     |
| 10                                     | Cable Hanger for V8L                       | L11885B00            |                     |
| 1                                      | Bracket, Spacer Assy                       | L10675F00            |                     |
| 1                                      | WPS Mounting Bracket                       | 1L0475A00            |                     |
| <b>Material Handling Robot Package</b> |                                            |                      | <b>Included</b>     |
| 1                                      | FD-V100                                    |                      | \$164,581.00        |
| 1                                      | EOAT (Force Design)                        |                      |                     |
| 2                                      | Stationary Staging Locations               |                      |                     |
| 1                                      | Safety Guarding                            |                      |                     |
| 1                                      | FD-ST Offline Programming                  | Free Fabtech Special |                     |
| <b>Installation &amp; Support</b>      |                                            |                      | <b>Included</b>     |
| 2.5 Days                               | Training                                   |                      | \$3,750.00          |
|                                        | Shipping                                   |                      | TBD                 |
| <b>List Price:</b>                     |                                            |                      | <b>\$367,287.00</b> |
| <b>Fabtech 2023 Discount:</b>          |                                            |                      | <b>\$55,093.05</b>  |
| <b>Maximus Group Pricing</b>           |                                            |                      | <b>\$312,193.95</b> |

Note: Special Pricing is valid up to the Start of The Fabtech Show.

Note: Opening Day of The Fabtech Show the Discount is 10% Thru the Last Day of the Show.

**Sumig USA Corporation**

1504 Eagle Ct - Suite 8  
Lewisville, Texas 75057 U.S.A  
www.sumigusa.com

**RETAINER INVOICE**

Retainer# RET-00154

Balance Due

**\$282,250.00**

Bill To

**Maximus Group**

3535 Brady Ln.

Lafayette

47909 Indiana

U.S.A

Retainer Date : 06/07/22

Reference : Proposal 22123

| # | Description                                                  | Amount     |
|---|--------------------------------------------------------------|------------|
| 1 | Down Payment 50%<br>Robotic Welding System<br>Proposal 22123 | 282,250.00 |

Sub Total 282,250.00

**Total \$282,250.00****Balance Due \$282,250.00**

## **QUALIFICATIONS OF THE APPRAISER**

**Mark McHugh, CMEA**  
**Senior Appraiser**

Performed hundreds of machinery and equipment appraisals in numerous industries, including:

### **Professional Experience**

- Metalworking
- Steel Processing
- Stamping
- Fabricating Machinery
- Automotive
- Transportation
- Vehicle Fleets
- Material Handling
- Construction Equipment
- Recycling
- Dental
- Sound/Stage
- Packaging
- Food Processing
- Medical
- Restaurant

### **Accreditations**

Designation of CMEA (Certified Machinery & Equipment Appraiser) from the NEBB (National Equipment and Business Brokers) Institute.

### **Education**

Bachelor of Arts, Competitive Business Intelligence, Mercyhurst University

# Maximus Group

## 2026 P&L Margin Projection

|                                       | 5                   | 4                   | 4                   | 4                   | 5                   | 4                   | 5                   | 4                   | 4                   | 5                   | 4                   | 4                   |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                       | January-26          | February-26         | March-26            | April-26            | May-26              | June-26             | July-26             | August-26           | September-26        | October-26          | November-26         | December-26         |
|                                       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       |
| <b>REVENUE</b>                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| MIC Revenue                           | 1,099,945           | 1,099,945           | 1,137,945           | 1,137,945           | 1,289,245           | 1,175,945           | 1,327,245           | 1,213,945           | 1,213,945           | 1,327,245           | 1,213,945           | 1,213,945           |
| Total Revenue                         | \$ 1,099,945        | \$ 1,099,945        | \$ 1,137,945        | \$ 1,137,945        | \$ 1,289,245        | \$ 1,175,945        | \$ 1,327,245        | \$ 1,213,945        | \$ 1,213,945        | \$ 1,327,245        | \$ 1,213,945        | \$ 1,213,945        |
| <b>TOTAL REVENUE</b>                  | <b>\$ 1,099,945</b> | <b>\$ 1,099,945</b> | <b>\$ 1,137,945</b> | <b>\$ 1,137,945</b> | <b>\$ 1,289,245</b> | <b>\$ 1,175,945</b> | <b>\$ 1,327,245</b> | <b>\$ 1,213,945</b> | <b>\$ 1,213,945</b> | <b>\$ 1,327,245</b> | <b>\$ 1,213,945</b> | <b>\$ 1,213,945</b> |
| <b>EXPENSES</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Cost of Goods Sold</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Cost of Goods Sold-MFG                | 275,422             | 275,422             | 294,422             | 294,422             | 313,422             | 313,422             | 332,422             | 332,422             | 332,422             | 332,422             | 332,422             | 332,422             |
| Total Cost of Goods Sold              | \$ 275,422          | \$ 275,422          | \$ 294,422          | \$ 294,422          | \$ 313,422          | \$ 313,422          | \$ 332,422          | \$ 332,422          | \$ 332,422          | \$ 332,422          | \$ 332,422          | \$ 332,422          |
| <b>Payroll &amp; Related Expenses</b> |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Payroll & Payroll Taxes               | 295,869             | 256,921             | 273,209             | 273,209             | 287,725             | 273,209             | 295,869             | 265,065             | 273,209             | 295,869             | 265,065             | 281,353             |
| Benefits                              | 18,018              | 17,364              | 17,503              | 17,503              | 17,948              | 17,503              | 18,018              | 17,433              | 17,503              | 18,018              | 17,433              | 17,572              |
| Total Payroll and Related             | \$ 313,887          | \$ 274,285          | \$ 290,712          | \$ 290,712          | \$ 305,673          | \$ 290,712          | \$ 313,887          | \$ 282,498          | \$ 290,712          | \$ 313,887          | \$ 282,498          | \$ 298,925          |
| <b>Operating Expenses</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Rent                                  | 133,508             | 133,508             | 133,508             | 133,508             | 133,508             | 133,508             | 133,508             | 133,508             | 133,508             | 138,848             | 138,848             | 138,848             |
| Operating Supplies                    | 50,059              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              | 57,459              |
| Maintenance & Repairs                 | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              | 28,565              |
| Insurance                             | 23,710              | 23,710              | 23,710              | 23,710              | 23,710              | 23,710              | 23,710              | 23,710              | 23,710              | 23,731              | 23,731              | 23,731              |
| Utilities                             | 13,600              | 13,589              | 13,115              | 12,174              | 11,915              | 10,731              | 10,200              | 10,765              | 11,390              | 13,073              | 12,150              | 13,651              |
| Equipment Lease Expense               | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              |
| Computer & Office Expenses            | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              | 12,344              |
| Other Operating Expenses              | 67,665              | 67,665              | 67,665              | 67,665              | 83,068              | 67,665              | 83,068              | 67,665              | 67,665              | 83,068              | 67,665              | 67,665              |
| Taxes, Licenses & Permits             | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               | 4,946               |
| Total Operating Expenses              | \$ 378,897          | \$ 386,285          | \$ 385,811          | \$ 384,870          | \$ 400,015          | \$ 383,428          | \$ 398,300          | \$ 383,461          | \$ 384,086          | \$ 406,534          | \$ 390,207          | \$ 391,708          |
| <b>TOTAL COSTS &amp; EXPENSES</b>     | <b>\$ 968,205</b>   | <b>\$ 935,993</b>   | <b>\$ 970,945</b>   | <b>\$ 970,004</b>   | <b>\$ 1,019,110</b> | <b>\$ 987,562</b>   | <b>\$ 1,044,609</b> | <b>\$ 998,382</b>   | <b>\$ 1,007,220</b> | <b>\$ 1,052,843</b> | <b>\$ 1,005,128</b> | <b>\$ 1,023,055</b> |
| Corporate OH                          | \$ 40,380           | \$ 32,304           | \$ 32,304           | \$ 32,304           | \$ 40,380           | \$ 32,304           | \$ 40,380           | \$ 32,304           | \$ 32,304           | \$ 40,380           | \$ 32,304           | \$ 32,304           |
| <b>NET MARGIN</b>                     | <b>\$ 91,359</b>    | <b>\$ 131,648</b>   | <b>\$ 134,696</b>   | <b>\$ 135,636</b>   | <b>\$ 229,754</b>   | <b>\$ 156,079</b>   | <b>\$ 242,255</b>   | <b>\$ 183,259</b>   | <b>\$ 174,421</b>   | <b>\$ 234,021</b>   | <b>\$ 176,513</b>   | <b>\$ 158,585</b>   |
| <b>CUMULATIVE NET MARGIN</b>          | <b>\$ 91,359</b>    | <b>\$ 223,007</b>   | <b>\$ 357,703</b>   | <b>\$ 493,339</b>   | <b>\$ 723,093</b>   | <b>\$ 879,172</b>   | <b>\$ 1,121,428</b> | <b>\$ 1,304,686</b> | <b>\$ 1,479,107</b> | <b>\$ 1,713,128</b> | <b>\$ 1,889,641</b> | <b>\$ 2,048,226</b> |

**Maximus Group**  
**2027 P&L Margin Projection**

|                                       | 5                   | 4                   | 4                   | 5                   | 4                   | 4                   | 5                   | 4                   | 4                   | 5                   | 4                   | 4                   |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                       | January-27          | February-27         | March-27            | April-27            | May-27              | June-27             | July-27             | August-27           | September-27        | October-27          | November-27         | December-27         |
|                                       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       |
| <b>REVENUE</b>                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| MIC Revenue                           | 1,143,612           | 1,143,612           | 1,183,512           | 1,300,211           | 1,223,412           | 1,223,412           | 1,380,011           | 1,263,312           | 1,263,312           | 1,380,011           | 1,263,312           | 1,263,312           |
| Total Revenue                         | \$ 1,143,612        | \$ 1,143,612        | \$ 1,183,512        | \$ 1,300,211        | \$ 1,223,412        | \$ 1,223,412        | \$ 1,380,011        | \$ 1,263,312        | \$ 1,263,312        | \$ 1,380,011        | \$ 1,263,312        | \$ 1,263,312        |
| <b>TOTAL REVENUE</b>                  | <b>\$ 1,143,612</b> | <b>\$ 1,143,612</b> | <b>\$ 1,183,512</b> | <b>\$ 1,300,211</b> | <b>\$ 1,223,412</b> | <b>\$ 1,223,412</b> | <b>\$ 1,380,011</b> | <b>\$ 1,263,312</b> | <b>\$ 1,263,312</b> | <b>\$ 1,380,011</b> | <b>\$ 1,263,312</b> | <b>\$ 1,263,312</b> |
| <b>EXPENSES</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Cost of Goods Sold</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Cost of Goods Sold-MFG                | 283,685             | 283,685             | 303,255             | 303,255             | 322,825             | 322,825             | 342,395             | 342,395             | 342,395             | 342,395             | 342,395             | 342,395             |
| Total Cost of Goods Sold              | \$ 283,685          | \$ 283,685          | \$ 303,255          | \$ 303,255          | \$ 322,825          | \$ 322,825          | \$ 342,395          | \$ 342,395          | \$ 342,395          | \$ 342,395          | \$ 342,395          | \$ 342,395          |
| <b>Payroll &amp; Related Expenses</b> |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Payroll & Payroll Taxes               | 304,745             | 264,629             | 281,405             | 304,745             | 273,017             | 281,405             | 304,745             | 273,017             | 281,405             | 304,745             | 273,017             | 289,794             |
| Benefits                              | 18,558              | 17,885              | 18,028              | 18,558              | 17,956              | 18,028              | 18,558              | 17,956              | 18,028              | 18,558              | 17,956              | 18,099              |
| Total Payroll and Related             | \$ 323,303          | \$ 282,513          | \$ 299,433          | \$ 323,303          | \$ 290,973          | \$ 299,433          | \$ 323,303          | \$ 290,973          | \$ 299,433          | \$ 323,303          | \$ 290,973          | \$ 307,893          |
| <b>Operating Expenses</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Rent                                  | 138,848             | 138,848             | 138,848             | 138,848             | 138,848             | 138,848             | 138,848             | 138,848             | 138,848             | 144,402             | 144,402             | 144,402             |
| Operating Supplies                    | 51,783              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              | 59,183              |
| Maintenance & Repairs                 | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              | 29,422              |
| Insurance                             | 24,421              | 24,421              | 24,421              | 24,421              | 24,421              | 24,421              | 24,421              | 24,421              | 24,421              | 24,443              | 24,443              | 24,443              |
| Utilities                             | 14,008              | 13,997              | 13,508              | 12,539              | 12,272              | 11,053              | 10,506              | 11,088              | 11,731              | 13,465              | 12,514              | 14,060              |
| Equipment Lease Expense               | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              |
| Computer & Office Expenses            | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              | 12,714              |
| Other Operating Expenses              | 69,695              | 69,695              | 69,695              | 85,560              | 69,695              | 69,695              | 85,560              | 69,695              | 69,695              | 85,560              | 69,695              | 69,695              |
| Taxes, Licenses & Permits             | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               | 5,094               |
| Total Operating Expenses              | \$ 390,485          | \$ 397,874          | \$ 397,385          | \$ 412,282          | \$ 396,149          | \$ 394,931          | \$ 410,249          | \$ 394,965          | \$ 395,608          | \$ 418,784          | \$ 401,967          | \$ 403,513          |
| <b>TOTAL COSTS &amp; EXPENSES</b>     | <b>\$ 997,474</b>   | <b>\$ 964,072</b>   | <b>\$ 1,000,073</b> | <b>\$ 1,038,840</b> | <b>\$ 1,009,948</b> | <b>\$ 1,017,188</b> | <b>\$ 1,075,947</b> | <b>\$ 1,028,333</b> | <b>\$ 1,037,436</b> | <b>\$ 1,084,482</b> | <b>\$ 1,035,335</b> | <b>\$ 1,053,801</b> |
| Corporate OH                          | \$ 42,399           | \$ 33,919           | \$ 33,919           | \$ 42,399           | \$ 33,919           | \$ 33,919           | \$ 42,399           | \$ 33,919           | \$ 33,919           | \$ 42,399           | \$ 33,919           | \$ 33,919           |
| <b>NET MARGIN</b>                     | <b>\$ 103,739</b>   | <b>\$ 145,620</b>   | <b>\$ 149,519</b>   | <b>\$ 218,972</b>   | <b>\$ 179,545</b>   | <b>\$ 172,304</b>   | <b>\$ 261,664</b>   | <b>\$ 201,059</b>   | <b>\$ 191,956</b>   | <b>\$ 253,130</b>   | <b>\$ 194,057</b>   | <b>\$ 175,592</b>   |
| <b>CUMULATIVE NET MARGIN</b>          | <b>\$ 103,739</b>   | <b>\$ 249,359</b>   | <b>\$ 398,879</b>   | <b>\$ 617,850</b>   | <b>\$ 797,395</b>   | <b>\$ 969,699</b>   | <b>\$ 1,231,364</b> | <b>\$ 1,432,423</b> | <b>\$ 1,624,379</b> | <b>\$ 1,877,509</b> | <b>\$ 2,071,567</b> | <b>\$ 2,247,158</b> |

**Maximus Group**  
**2028 P&L Margin Projection**

|                                       | 4                   | 4                   | 5                   | 4                   | 4                   | 5                   | 4                   | 4                   | 5                   | 4                   | 4                   | 5                   |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                       | January-28          | February-28         | March-28            | April-28            | May-28              | June-28             | July-28             | August-28           | September-28        | October-28          | November-28         | December-28         |
|                                       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       | <i>Budget</i>       |
| <b>REVENUE</b>                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| MIC Revenue                           | 1,068,922           | 1,189,122           | 1,351,217           | 1,231,017           | 1,272,912           | 1,393,112           | 1,314,807           | 1,314,807           | 1,435,007           | 1,314,807           | 1,314,807           | 1,435,007           |
| Total Revenue                         | \$ 1,068,922        | \$ 1,189,122        | \$ 1,351,217        | \$ 1,231,017        | \$ 1,272,912        | \$ 1,393,112        | \$ 1,314,807        | \$ 1,314,807        | \$ 1,435,007        | \$ 1,314,807        | \$ 1,314,807        | \$ 1,435,007        |
| <b>TOTAL REVENUE</b>                  | <b>\$ 1,068,922</b> | <b>\$ 1,189,122</b> | <b>\$ 1,351,217</b> | <b>\$ 1,231,017</b> | <b>\$ 1,272,912</b> | <b>\$ 1,393,112</b> | <b>\$ 1,314,807</b> | <b>\$ 1,314,807</b> | <b>\$ 1,435,007</b> | <b>\$ 1,314,807</b> | <b>\$ 1,314,807</b> | <b>\$ 1,435,007</b> |
| <b>EXPENSES</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Cost of Goods Sold</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Cost of Goods Sold-MFG                | 292,195             | 292,195             | 312,353             | 312,353             | 332,510             | 332,510             | 352,667             | 352,667             | 352,667             | 352,667             | 352,667             | 352,667             |
| Total Cost of Goods Sold              | \$ 292,195          | \$ 292,195          | \$ 312,353          | \$ 312,353          | \$ 332,510          | \$ 332,510          | \$ 352,667          | \$ 352,667          | \$ 352,667          | \$ 352,667          | \$ 352,667          | \$ 352,667          |
| <b>Payroll &amp; Related Expenses</b> |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Payroll & Payroll Taxes               | 289,848             | 272,568             | 313,888             | 289,848             | 281,208             | 313,888             | 289,848             | 281,208             | 313,888             | 289,848             | 281,208             | 322,528             |
| Benefits                              | 17,517              | 17,370              | 18,017              | 17,517              | 17,444              | 18,017              | 17,517              | 17,444              | 18,017              | 17,517              | 17,444              | 18,091              |
| Total Payroll and Related             | \$ 307,365          | \$ 289,938          | \$ 331,905          | \$ 307,365          | \$ 298,651          | \$ 331,905          | \$ 307,365          | \$ 298,651          | \$ 331,905          | \$ 307,365          | \$ 298,651          | \$ 340,619          |
| <b>Operating Expenses</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Rent                                  | 144,402             | 144,402             | 144,402             | 144,402             | 144,402             | 144,402             | 144,402             | 144,402             | 144,402             | 150,178             | 150,178             | 150,178             |
| Operating Supplies                    | 53,559              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              | 60,959              |
| Maintenance & Repairs                 | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              | 30,305              |
| Insurance                             | 25,154              | 25,154              | 25,154              | 25,154              | 25,154              | 25,154              | 25,154              | 25,154              | 25,154              | 25,176              | 25,176              | 25,176              |
| Utilities                             | 14,428              | 14,417              | 13,913              | 12,915              | 12,640              | 11,385              | 10,821              | 11,420              | 12,083              | 13,869              | 12,889              | 14,482              |
| Equipment Lease Expense               | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              | 44,500              |
| Computer & Office Expenses            | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              | 13,096              |
| Other Operating Expenses              | 55,444              | 71,785              | 88,127              | 71,785              | 71,785              | 88,127              | 71,785              | 71,785              | 88,127              | 71,785              | 71,785              | 88,127              |
| Taxes, Licenses & Permits             | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               | 5,247               |
| Total Operating Expenses              | \$ 386,134          | \$ 409,864          | \$ 425,702          | \$ 408,362          | \$ 408,087          | \$ 423,174          | \$ 406,268          | \$ 406,868          | \$ 423,872          | \$ 415,114          | \$ 414,135          | \$ 432,069          |
| <b>TOTAL COSTS &amp; EXPENSES</b>     | <b>\$ 985,694</b>   | <b>\$ 991,997</b>   | <b>\$ 1,069,959</b> | <b>\$ 1,028,080</b> | <b>\$ 1,039,248</b> | <b>\$ 1,087,588</b> | <b>\$ 1,066,300</b> | <b>\$ 1,058,186</b> | <b>\$ 1,108,444</b> | <b>\$ 1,075,146</b> | <b>\$ 1,065,453</b> | <b>\$ 1,125,354</b> |
| Corporate OH                          | \$ 35,615           | \$ 35,615           | \$ 44,519           | \$ 35,615           | \$ 35,615           | \$ 44,519           | \$ 35,615           | \$ 35,615           | \$ 44,519           | \$ 35,615           | \$ 35,615           | \$ 44,519           |
| <b>NET MARGIN</b>                     | <b>\$ 47,613</b>    | <b>\$ 161,510</b>   | <b>\$ 236,739</b>   | <b>\$ 167,323</b>   | <b>\$ 198,049</b>   | <b>\$ 261,005</b>   | <b>\$ 212,892</b>   | <b>\$ 221,007</b>   | <b>\$ 282,045</b>   | <b>\$ 204,046</b>   | <b>\$ 213,739</b>   | <b>\$ 265,134</b>   |
| <b>CUMULATIVE NET MARGIN</b>          | <b>\$ 47,613</b>    | <b>\$ 209,124</b>   | <b>\$ 445,862</b>   | <b>\$ 613,185</b>   | <b>\$ 811,234</b>   | <b>\$ 1,072,239</b> | <b>\$ 1,285,131</b> | <b>\$ 1,506,138</b> | <b>\$ 1,788,183</b> | <b>\$ 1,992,229</b> | <b>\$ 2,205,969</b> | <b>\$ 2,471,103</b> |