

Fill in this information to identify the case:

Debtor 1 <u>Morgan Administration, Inc.</u>
Debtor 2 (Spouse, if filing)
United States Bankruptcy Court <u>Northern District of Illinois</u>
Case number: <u>18-30039</u>

FILED
 U.S. Bankruptcy Court
 Northern District of Illinois
 1/11/2019
 Jeffrey P. Allsteadt, Clerk

**Official Form 410
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>Hendricks Commercial Properties, LLC</u>	
	Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
	<u>Hendricks Commercial Properties, LLC</u>	_____
	Name	Name
	Attention: Jacquie Seymour 525 Third Street Suite 300 Beloit, WI 53511	
	Contact phone <u>608-361-6773</u>	Contact phone _____
	Contact email <u>jacquie.seymour@hendricksgroup.net</u>	Contact email _____
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

Part 2: Give Information About the Claim as of the Date the Case Was Filed

<p>6. Do you have any number you use to identify the debtor?</p>	<p><input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____</p>
<p>7. How much is the claim?</p>	<p>\$ <u>570408.71</u></p> <p>Does this amount include interest or other charges? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).</p>
<p>8. What is the basis of the claim?</p>	<p>Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as healthcare information.</p> <p style="text-align: center;"><u>Lease</u></p>
<p>9. Is all or part of the claim secured?</p>	<p><input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. The claim is secured by a lien on property.</p> <p>Nature of property: <input type="checkbox"/> Real estate. If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i>. <input type="checkbox"/> Motor vehicle <input type="checkbox"/> Other. Describe: _____</p> <p>Basis for perfection: _____</p> <p>Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)</p> <p>Value of property: \$ _____</p> <p>Amount of the claim that is secured: \$ _____</p> <p>Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)</p> <p>Amount necessary to cure any default as of the date of the petition: \$ _____</p> <p>Annual Interest Rate (when case was filed) _____ %</p> <p><input type="checkbox"/> Fixed <input type="checkbox"/> Variable</p>
<p>10. Is this claim based on a lease?</p>	<p><input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ <u>40599.71</u></p>
<p>11. Is this claim subject to a right of setoff?</p>	<p><input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____</p>

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. <i>Check all that apply.</i>	Amount entitled to priority
A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.	<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
	<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
	<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
	<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
	<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
	<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(_) that applies	\$ _____
* Amounts are subject to adjustment on 4/1/19 and every 3 years after that for cases begun on or after the date of adjustment.		

Part 3: Sign Below

<p>The person completing this proof of claim must sign and date it. FRBP 9011(b).</p> <p>If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.</p> <p>A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157 and 3571.</p>	<p>Check the appropriate box:</p> <p><input type="checkbox"/> I am the creditor.</p> <p><input checked="" type="checkbox"/> I am the creditor's attorney or authorized agent.</p> <p><input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.</p> <p><input type="checkbox"/> I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.</p> <p>I understand that an authorized signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.</p> <p>I have examined the information in this Proof of Claim and have a reasonable belief that the information is true and correct.</p> <p>I declare under penalty of perjury that the foregoing is true and correct.</p> <p>Executed on date <u>1/11/2019</u></p> <p style="text-align: center;">MM / DD / YYYY</p> <p><u>/s/ George B. Erwin, III</u></p> <p>Signature</p> <p>Print the name of the person who is completing and signing this claim:</p> <p>Name <u>George B. Erwin, III</u></p> <p style="text-align: center;">First name Middle name Last name</p> <p>Title <u>Attorney for Creditor</u></p> <p>Company <u>Schmidt, Darling & Erwin</u></p> <p>Address <u>2600 North Mayfair Road, Suite 1000</u></p> <p style="text-align: center;">Number Street</p> <p style="text-align: center;"><u>Milwaukee, WI 53226</u></p> <p style="text-align: center;">City State ZIP Code</p> <p>Contact phone <u>414-258-4300</u> Email <u>gbe@sdelaw.com</u></p>
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EXPLANATION OF DAMAGES

Creditor: Hendricks Commercial Properties, LLC

Lease for Premises Located at 800 South 108th Street, West Allis, WI 53214

A. Administrative Claim:

November 19, 2018 through December 20, 2018, during possession prior to rejection.

Monthly Rent: \$39,836.05, per diem \$1,309.67

Per diem CAM: \$107.43

Total Admin Claim: Rent: \$40,599.77

Total CAM Charges: \$ 3,330.45

B. Post Possession Rejection Claim

One Year Rent and CAM Charges:

a. 12/21/18 through 4/30/19; per diem of \$1,309.67 for 130 days for total of \$170,257.10.

b. 5/1/19 through 12/20/19; per \$1,349.97 for 235 days for a total of \$317,007.95

c. CAM Charges for 365 days on a per diem of \$107.43 totaling \$39,213.44

Summary: \$570,408.71

SIXTH AMENDMENT TO LEASE

This Amendment to Lease ("Amendment") is made as of this 12 day of November, 2014, between **HENDRICKS COMMERCIAL PROPERTIES, LLC** ("Landlord") and **KLS ACQUISITION CORP.** ("Tenant").

RECITALS:

WHEREAS, by Lease dated March 18, 1996, as amended by an undated First Amendment to Lease Agreement and subsequent lease amendments dated May 1, 1997, June 14, 2001, June 11, 2009, and November 30, 2011 (the "Lease"), the Landlord demised unto Tenant certain premises located at 800 S. 108th Street, West Allis, Wisconsin, for a term commencing May 11, 1996, and ending August 31, 2014; and

WHEREAS, the Landlord and Tenant are mutually desirous of amending said Lease as is hereinafter provided.

In consideration of the mutual terms, covenants and conditions herein contained, the parties hereto agree as follows:

1. **Premises.** Effective September 1, 2014, the Premises shall be increased to a total Premises of 71,702 square feet, as depicted on the Floor Plan attached as Exhibit A by the addition of adjoining space consisting of approximately 6,560 square feet (which may be referred to separately as the "Second Expansion Space").

2. **Exercise of Option to Extend.** Tenant hereby exercises its option to extend the Lease Term for Thirty-Two (32) Months, from September 1, 2014, through April 30, 2017.

3. **Rent.** Rent during the extended Term for the Premises shall be paid in accordance with the following schedule:

Lease Period	Monthly Rent	Annual Rent
Delivery Date – August 31, 2015	\$31,984.08	\$383,809.00
September 1, 2015 – August 31, 2016	\$32,943.61	\$395,323.27
September 1, 2016 – April 30, 2017	\$33,931.91	\$271,455.31

4. **Tenant Improvement Allowance:** Landlord shall provide a Tenant Improvement Allowance of Two Hundred Fifty Thousand Dollars (\$250,000.00) for the Tenant Improvements listed on Exhibit B attached hereto. As may be supplemented by Tenant (the "Tenant Improvements") with respect to both the First Expansion Space and the prior existing premises, Landlord shall perform all work necessary to complete the Tenant Improvements in accordance with applicable laws and codes within the time frames described on Exhibit B. Attached as Exhibit C are preliminary drawings concerning some of the Tenant Improvements and Exhibit D is a preliminary budget for the Tenant Improvements. All Tenant Improvements shall be completed in accordance with plans and specifications approved by Tenant (which approval shall

not be unreasonably withheld) and in accordance with a budget approved by Tenant. Provided Landlord timely delivers information to Tenant, Tenant shall approve the budget and plans/specifications by September 3, 2014. Landlord shall make reasonable efforts to complete the Tenant Improvements without material interruption to the conduct of business from the Premises. Landlord shall keep Tenant advised as to the scheduling of components of the Tenant Improvements so that Tenant may take such additional actions or protections as Tenant deems necessary, the costs of which shall be included within the Tenant Improvement Allowance. With respect to any period where there shall be unsecured openings in the exterior of the Premises during non-business hours, Landlord shall provide Tenant at least three (3) business days' prior notice of such conditions. Tenant may make requests to Landlord to perform additional work as part of the Tenant Improvements so long as Landlord and Tenant agree on the cost and timing related thereto. Tenant is responsible for all costs of the Tenant Improvements in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00).

5. Delivery Date. The Delivery Date shall be the date on which Landlord has completed those items of Tenant Improvements marked with an asterisk on Exhibit B.

6. Options to Extend. Provided Tenant is not then in default under the terms of the Lease beyond any applicable cure period, Tenant shall have upon three hundred sixty-five (365) days' prior written notice to Landlord, two (2) successive rights and options to extend the Term of the Lease, each for five (5) years, commencing May 1, 2017, and terminating April 30, 2022 (the "2017 Option"), and commencing on May 1, 2022, and terminating on April 30, 2027 (the "2022 Option"), under the following conditions applicable to the 2017 Option:

a. As of May 1, 2017, Landlord shall demise to Tenant 7,648 square feet adjacent to the Premises (the "Third Expansion Space") such that Tenant shall then lease the entire 79,350 square foot building of which the Premises is a part.

b. Tenant acknowledges that Landlord has no rights to the North Parking Lot beyond April 30, 2017.

c. Upon receipt of Tenant's written notice of the exercise of the option to extend, Landlord shall provide a one (1)-time Tenant Improvement Allowance of Two Hundred Thousand Dollars (\$200,000.00) for improvements required for the additional 7,648 square feet to be occupied by Tenant. Such improvements shall be completed and the Tenant Improvement Allowance expended on or before April 30, 2018. On May 1, 2018, any unused funds remaining in the Tenant Improvement Allowance shall be forfeited by Tenant and retained by Landlord.

d. Rent during the Term of the 2017 Option shall be paid in accordance with the following schedule:

Lease Period	Monthly Rent	Annual Rent
May 1, 2017 – April 30, 2018	\$38,675.78	\$464,109.35
May 1, 2018 – April 30, 2019	\$39,836.05	\$478,032.63

May 1, 2019 – April 30, 2020	\$41,031.13	\$492,373.61
May 1, 2020 – April 30, 2021	\$42,262.07	\$507,144.82
May 1, 2021 – April 30, 2022	\$43,529.93	\$522,359.16

7. Rent during the Term of the 2022 Option, shall be paid in accordance with the following schedule:

May 1, 2022 – April 30, 2023	\$44,835.83	\$538,029.94
May 1, 2023 – April 30, 2024	\$46,180.90	\$554,170.84
May 1, 2024 – April 30, 2025	\$47,566.33	\$570,795.96
May 1, 2025 – April 30, 2026	\$48,993.32	\$587,919.84
May 1, 2026 – April 30, 2027	\$50,463.12	\$605,557.43

8. All other terms and provisions of the Lease not amended hereby are ratified and confirmed and shall continue in full force and effect. In the event of a conflict between the terms and provisions found in this Amendment and those found in the Lease, the terms and provisions of this Amendment shall govern and control. All capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed in the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first written above.

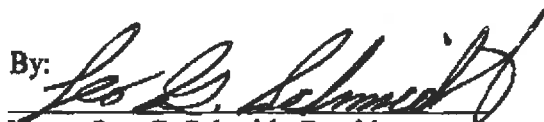
TENANT:

LANDLORD:

KLS ACQUISITION CORP.

HENDRICKS COMMERCIAL
PROPERTIES, LLC

By:



Name: Leo G. Schmidt, President

By:



Robert Gerbitz, President and C.O.O.

Northern District of Illinois Claims Register

[18-30039 Morgan Administration, Inc.](#)

Honorable Judge: Jacqueline P. Cox **Chapter:** 11
Office: Eastern Division **Last Date to file claims:** 01/28/2019
Trustee: **Last Date to file (Govt):** 04/23/2019

<p><i>Creditor:</i> (27439017) Hendricks Commercial Properties, LLC Attention: Jacque Seymour 525 Third Street Suite 300 Beloit, WI 53511</p>	<p>Claim No: 67 <i>Original Filed</i> Date: 01/11/2019 <i>Original Entered</i> Date: 01/11/2019</p>	<p><i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> EPoc ADI <i>Modified:</i></p>
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Amount claimed: \$570408.71

History:

[Details](#) [67-1](#) 01/11/2019 Claim #67 filed by Hendricks Commercial Properties, LLC, Amount claimed: \$570408.71 (ADI, EPoc)

Description:

Remarks:

Claims Register Summary

Case Name: Morgan Administration, Inc.
Case Number: 18-30039
Chapter: 11
Date Filed: 10/25/2018
Total Number Of Claims: 1

Total Amount Claimed*	\$570408.71
Total Amount Allowed*	

*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
Secured		
Priority		
Administrative		