

**FILED**

JAN 08 2004

MICHAEL W. DOBBINS  
CLERK, U.S. DISTRICT COURT

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

RECEIVED  
JAN 09 2004

BT COMMERCIAL CORP., A Delaware Corporation	)	CASE NO. 03C 8309
	)	
Plaintiff,	)	JUDGE CHARLES R. NORGLER
	)	MAGISTRATE JUDGE MASON
	)	
vs.	)	<u>ANSWER AND COUNTERCLAIM</u>
	)	(Demand for Jury Trial)
WILLIAM H. MALOOF, A Citizen of Ohio	)	
	)	
Defendant.	)	

1. Defendant admits that he executed Plaintiff's Exhibit 1.
2. Defendant denies the allegations contained in paragraphs 1 through 24 of the Complaint.

FIRST DEFENSE

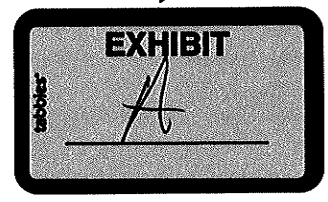
3. Plaintiff and its agents maliciously interfered in Defendant's business thereby preventing Defendant's ability to pay Plaintiff's loans.

SECOND DEFENSE

4. Plaintiff and its agents maliciously initiated involuntary bankruptcy proceedings against Defendant's companies which were the source of his income, knowing that offers to purchase Defendant's companies were in excess of any debt owed to Plaintiff.

THIRD DEFENSE

5. Plaintiff and its agents knew that Defendant's assets were worth more than the bankruptcy amount owed to Plaintiff but maliciously misled the Bankruptcy Court because of personal animosity.



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#### FOURTH DEFENSE

6. Plaintiff and its agents willfully and maliciously siphoned Defendant's companies of its assets during the pendency of the bankruptcy, thereby making it impossible for Defendant to pay his creditors.

#### FIFTH DEFENSE

7. Plaintiff and its agents recklessly managed Plaintiff's companies to such an extent that the value of the companies was grossly diminished upon sale.

#### SIXTH DEFENSE

8. Because of the mismanagement of the companies by Plaintiff and its agents, the companies never had a chance to survive Chapter 11 Bankruptcy.

#### SEVENTH DEFENSE

9. Plaintiff and its agents had no goal under involuntary bankruptcy other than to destroy Defendant's assets and to distribute them to clients.

#### EIGHTH DEFENSE

10. Defendant states that jurisdiction is in the state of Ohio because Plaintiff and its agents' malicious acts in Ohio were in violation of Section 2.2 of Plaintiff's Exhibit 1.

#### COUNTERCLAIM

13. Defendant states that Plaintiff and its agents are in violation of the general principles of equity as mandated in Section 2.2 of Plaintiff's Exhibit 1.

14. Defendant brings this Counterclaim under Section 2.2 of Plaintiff's Exhibit 1 which states as follows:

This Guaranty is the legal valid and binding obligation of Guarantor enforceable in accordance with its terms, except as such enforceability may be limited by (a) bankruptcy, insolvency or similar laws affecting general creditor's rights generally, and (b) general principles of equity. (Emphasis added).

15. Defendant states that Plaintiff and its agents willfully and maliciously instituted bankruptcy proceedings against Defendant's companies and then ruthlessly bilked its assets by conspiring with third parties to the detriment of Defendant and his companies, and so grossly mismanaged the business of the companies that the value of the companies was diminished by the time of sale.

16. To further Plaintiff and its agents' scheme to acquire Defendant's assets in bankruptcy proceedings, Plaintiff conspired with its agents to remove Defendant from management so that it would be impossible for the companies to continue operations. See "Exhibit A" attached hereto.


17. Plaintiff and its agents never intended or even attempted to save the companies in Chapter 11 Bankruptcy but participated in a wholesale looting of the companies' assets.

18. Defendant's net worth as a sole owner of his companies prior to Plaintiff and its agents' malicious acts was over 100 Million dollars.

19. Defendant's net worth after Plaintiff and its agents' malicious conduct is a personal debt of over 100 Million Dollars.

WHEREFORE, having fully answered Defendant prays that Plaintiff's Complaint will be dismissed at Plaintiff's costs.

DEFENDANT FURTHER PRAYS that upon a hearing on his Counterclaim, Defendant will be awarded 100 Million Dollars in compensatory damages, 500 Million in punitive damages, plus attorney fees and cost of this action.

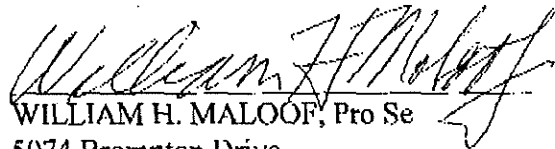
  
WILLIAM H. MALOOF, Pro Se  
5074 Brompton Drive  
Medina, Ohio 44256  
216.214.1854

Jury Demand

A trial by jury is demanded.

NOTICE OF SERVICE

A copy of the foregoing Answer and Counterclaim was mailed to David C. Layden, Esq., Attorney for Plaintiff, One IBM Plaza, Chicago, Illinois, 60611, on this 7<sup>th</sup> day of January, 2004.



WILLIAM H. MALOOF, Pro Se  
5074 Brompton Drive  
Medina, Ohio 44256  
216.214.1854

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION**

In re:

**LEVEL PROPANE GASES, INC., an Ohio  
corporation**

**Alleged Debtor.**

**Chapter 7**

**Case No. 02-16172**

RECEIVED  
U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO  
COLUMBUS, OHIO  
DEC 4 2003

In re:

**LEVEL ENERGY GROUP, INC., an Ohio  
corporation**

**Alleged Debtor.**

**Chapter 7**

**Case No. 02-16174**

In re:

**THE PARK PLACE COMPANIES, INC., an  
Ohio corporation**

**Alleged Debtor.**

**Chapter 7**

**Case No. 02-16175**

In re:

**PARK PLACE, INC., an Ohio corporation**

**Alleged Debtor.**

**Chapter 7**

**Case No. 02-16176**

**EXHIBIT A**

In re:

**PARK PLACE MANAGEMENT, INC., an Ohio corporation**

Chapter 7

Case No. 02-16173

Alleged Debtor.

In re:

**OVER-FLO LOT, INCORPORATED, an Ohio corporation**

Chapter 7

Case No. 02-16177

Alleged Debtor.

In re:

**WEM EMPRISS, INC., an Ohio corporation**

Chapter 7

Case No. 02-16175

Alleged Debtor.

**AGREED FINAL ORDER AND STIPULATION: (a) ACKNOWLEDGING AUTHORITY OF CHARLES SWEET AS SOLE DIRECTOR OF ALL DEBTORS; (b) CONVERTING CASES FROM CHAPTER 7 TO VOLUNTARY CASES UNDER CHAPTER 11; (c) GRANTING ORDER FOR RELIEF UNDER CHAPTER 11; (d) ORDERING JOINT ADMINISTRATION OF ALL CASES; AND (e) GRANTING OTHER RELIEF**

This matter coming on to be heard upon the Emergency Motion For Appointment of Interim Trustee and for Related Relief (the "Motion") filed by Deutsche Bank Trust Company Americas f/s/a Bankers Trust Company, LaSalle Bank National Association and The Provident

that Maloof (and the other Family members) shall in no way whatsoever interfere with the oversight and/or operation of the Debtors' businesses by the Director and any management or other personnel or professionals of the Debtors, and shall not, without the Director's prior written direction, in any manner whatsoever, whether directly or indirectly: (A) contact or communicate with (i) any prospective purchaser of any of the Debtors' assets or businesses, or (ii) any of the employees, contracting parties, vendors, customers or creditors of any of the Debtors; or (B) enter onto or remain present on any business premises owned, leased, operated or controlled by any of the Debtors, provided, however, (1) if Maloof is contacted by his creditors based on his guarantees of any of the Debtors' obligations, he may discuss and negotiate only the resolution of such obligations with such parties; and (2) if Maloof is contacted by prospective purchasers, investors or similar persons he shall direct those persons to the Director, and in all other respects shall comply with the provisions of this paragraph and order. Notwithstanding the foregoing, the Debtors shall continue, for a period of 60 days from the date hereof, to pay and fund the salary/draw and benefits for each member of the Family as such salary/draw and benefits for each member of the Family were in place as of the Petition Date.

7. The Petitioning Creditors (or their designees) shall have the right to monitor, on site, the business and operations of the Debtors. In addition, the Director and the Debtors shall provide the Petitioning Creditors (or their designees) consistent with the Credit Agreement, related documents and agreements and/or applicable law with requested information and reasonable access to the Debtors' businesses, premises, operations, books and records. The Director and the Debtors shall transmit to Maloof at his home address financial and other information reasonably requested by Maloof in form and content consistent with the generation of such information by the Debtors in the ordinary course of their businesses. In addition, the

Director will be available to discuss with Maloof such information and other matters pertaining to the Debtors. In connection with the foregoing, Maloof agrees to and shall treat the information received from the Debtors, in accordance with this Paragraph 7, and all other information in his possession or control pertaining to the Debtors in a confidential manner and not in any way disclose such information to any other person or individual without the prior written consent of the Director or further Court order.

8. The Debtors shall not seek to engage or re-engage John Rudd or Newmarket Associates in the Chapter 11 Cases. In addition, the Debtors and Maloof consent to and shall not assert conflict of interest or other objections in connection with the Agent's employment, if at all of Rudd and/or Newmarket as Agent's consultants in these cases. In connection with the Agent's engagement of Rudd and/or Newmarket, Rudd shall treat the information received from the Debtors and all other information in his possession or control pertaining to the Debtors in a confidential manner and not in any way disclose such information to any individual or person other than the Agent or Petitioning Creditors (including counsel) without the prior written consent of the Director or further Court order. The Debtors shall inquire as to the availability of qualified personnel at Development Specialists, Inc. ("DSI") and seek to engage DSI as financial consultants to the Debtors in the Chapter 11 Cases if the Director is satisfied with the availability and qualifications of the DSI employees that DSI designates to perform services in the Chapter 11 Cases.

Handwritten notes in right margin: "Rudd's Associates (P) Case" and a box containing "with affil Section of the Order can be aug".

9. In connection with any future consensual (as between the Debtors and the Petitioning Creditors) order authorizing debtor-in-possession financing or use of cash collateral entered in the Chapter 11 Cases, the Petitioning Creditors agree to include therein a provision