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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Binder & Binder – The National Social Security
Disability Advocates (NY), LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 14-23728 (RDD)

Jointly Administered

¹ The “Debtors” in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Binder & Binder - The National Social Security Disability Advocates (NY), LLC (1450); (2) SSDI Holdings, Inc. (3038); (3) Binder & Binder - The National Social Security Disability Advocates LLC (8580); (4) The Rep for Vets LLC (6421); (5) National Veterans Disability Advocates LLC (dba The Rep for Vets LLC) (7468); (6) The Social Security Express Ltd. (4960); (7) Binder & Binder - The National Social Security Disability Advocates (AZ), LLC (5887); (8) Binder & Binder - The National Social Security Disability Advocates (CA), LLC (1456); (9) Binder & Binder - The National Social Security Disability Advocates (CO), LLC (0945); (10) Binder & Binder - The National Social Security Disability Advocates (CT), LLC (0206); (11) Binder & Binder - The National Social Security Disability Advocates (FL), LLC (1455); (12) Binder & Binder - The National Social Security Disability Advocates (GA), LLC (4768); (13) Binder & Binder - The National Social Security Disability Advocates (IL), LLC (1457); (14) Binder & Binder - The National Social Security Disability Advocates (MD), LLC (3760); (15) Binder & Binder - The National Social Security Disability Advocates (MO), LLC (2108); (16) Binder & Binder - The National Social Security Disability Advocates (NJ), LLC (1454); (17) Binder & Binder - The National Social Security Disability Advocates (NC), LLC (1460); (18) Binder & Binder - The National Social Security Disability Advocates (OH), LLC (7827); (19) Binder & Binder - The National Social Security Disability Advocates (PA), LLC (1453); (20) Binder & Binder - The National Social Security Disability Advocates (TX), LLC (1458); (21) Binder & Binder - The National Social Security Disability Advocates (VA), LLC (7875); (22) Binder & Binder - The National Social Security Disability Advocates (WA), LLC (0225); (23) Binder & Binder - The National Social Security
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**JOINT STATEMENT OF STELLUS CAPITAL INVESTMENT CORPORATION
AND OFFICIAL COMMITTEE OF UNSECURED CREDITORS WITH
RESPECT TO DISCLOSURE STATEMENT IN CONNECTION WITH “JOINT
PLAN OF LIQUIDATION UNDER CHAPTER 11 OF THE BANKRUPTCY
CODE, PROPOSED BY STELLUS CAPITAL INVESTMENT CORPORATION
AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS”**

Stellus Capital Investment Corporation (“Stellus”), prepetition unsecured lender and postpetition secured lender to the debtors and debtors-in-possession (collectively, the “Debtors”) in the above-referenced chapter 11 cases (collectively, the “Cases”), and the official committee of unsecured creditors appointed in the Cases (the “Committee”), by and through their respective undersigned counsel, respectfully submit this statement (the “Statement”) with respect to the disclosure statement pertaining to the joint chapter 11 plan proposed by Stellus and the Committee (the “Joint Plan”).

1. On October 27, 2015, the Court held a hearing on Stellus’ motion to terminate the Debtors’ exclusive periods pursuant to section 1121(d) of the Bankruptcy Code, and on October 29, the Court entered an order granting Stellus’ motion and terminating exclusivity. [D.I. 372].

2. As reflected on the record of the October 27 hearing, the parties anticipated at that time a competitive plan process involving a plan jointly proposed by Stellus and the Committee, and a separate plan proposed by Charles and Harry Binder (the “Binders”). In an effort to minimize professional costs associated with disclosure statement preparation and to streamline the solicitation process of competing plans, the Debtors undertook to prepare one disclosure statement that would pertain to the two plans (the “Debtor Disclosures”).

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Disability Advocates (LA), LLC (8426); (24) Binder & Binder - The National Social Security Disability Advocates (MI), LLC (8762); and (25) Binder & Binder - The National Social Security Disability Advocates (DC), LLC (5265).

3. On November 3, 2015, the Debtors provided Stellus with an initial working draft of the Debtor Disclosures.

4. On November 9, 2015, Stellus and the Committee provided the Debtors with their proposed insert for the Debtor Disclosures (describing the salient terms of the Joint Plan), as well as the then-current version of the Joint Plan.

5. On the date hereof, Stellus and the Committee filed the Joint Plan. Upon information and belief, no competing plan is being pursued any longer.

6. In light of the foregoing, Stellus and the Committee have now undertaken to incorporate the previously provided Debtor Disclosures into a single proposed disclosure statement corresponding to the Joint Plan (rather than a disclosure statement pertaining to two competing plans, as previously anticipated). Stellus and the Committee intend to file such disclosure statement on or before Monday, November 23, 2015, so as to preserve the December 21 disclosure statement hearing date.

7. In addition to working to prepare a disclosure statement for filing on November 23, Stellus and the Committee are either actively involved in, or intend in the near future to engage in, discussions with (i) the Debtors' CRO, regarding the CRO's potential assistance with a cooperative and smooth transition (in the event that the Joint Plan is confirmed), (ii) the Debtors' officers, directors, and professionals, as well as Charles Binder, Harry Binder and the other members of the Debtors' Board, with respect to potential releases and going-forward cooperation (in the event that the Joint Plan is confirmed), and (iii) the Debtors' union representative, with respect to a potential consensual extension of the existing union contract that is presently due to expire in December 2015 (in light of the multi-year wind-down contemplated under the Joint Plan).

Dated: November 18, 2015

/s/ Stephen E. Gruendel

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