

IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF ILLINOIS

)	Case No. 15-30112-lkg
BRIDGET ELLEN BRASFIELD,)	Honorable Laura K. Grandy
)	Chapter 11
Debtor.)	
)	DEBTOR’S FIFTH AMENDED COMBINED
)	DISCLOSURE STATEMENT AND PLAN OF
)	REORGANIZATION
)	DATED JUNE 1, 2016

ARTICLE I - INTRODUCTION

This is the Fifth Amended Combined Plan and Disclosure Statement (the "Plan") in the Chapter 11 case of Bridget Ellen Brasfield. This Plan is filed under Chapter 11 of the Bankruptcy Code and proposes to pay the Debtor’s Creditors from monies that the Debtor has accumulated during her Chapter 11 case and funds from the Debtor’s future income and/or distributions.

This Plan provides for four Classes of Allowed Secured Claims, including two Classes of Allowed Secured Tax Claims and two Classes of Claims secured by Promissory Notes and Deeds of Trust, two Classes of Allowed Priority Tax Claims, one Class of Administrative Priority Claims and two Classes of Allowed General Unsecured Claims. The Debtor estimates that Creditors holding Allowed Secured Tax Claims and/or Allowed Priority Tax Claims shall receive payment in full over a five (5) year period of time. The Debtor estimate that Creditors holding Allowed General Unsecured Claims will receive their pro rata share of not less than \$55,050.00 under the Plan. This Plan also provides for the payment of Administrative Expense Claims. Creditors should refer to Article V of this Plan for information on the treatment of their particular Claims.

This Plan also provides detailed information regarding the terms for payment of the Debtor’s Creditors and other information designed to assist Creditors in determining whether to accept the Plan. The information in this Plan was provided by the Debtor and has not been audited, compiled, or otherwise reviewed by any Fifth party, other than Debtor’s counsel. The Debtor specifically disclaims any liability for unintentional errors and inadvertent inaccuracies contained in this Plan. All capitalized terms in the Plan shall, unless otherwise defined, have the meanings ascribed to them in Article II of the Plan regarding Definitions.

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THESE PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU HAVE ONE. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE TO DETERMINE AND EVALUATE YOUR RIGHTS UNDER THIS PLAN.

A. Purpose of This Document

This Plan describes:

- Historical information regarding the Debtor, the events leading to the Bankruptcy Case, and significant events during the Bankruptcy Case.
- How the Plan proposes to treat Claims of the type you hold, i.e., what you will receive on your Claim if the Plan is confirmed and how issues on the allowance of Claims will be addressed.
- How the Debtor will put the Plan into effect, why the Debtor believes the Plan is feasible, and how the treatment of your Claim under the Plan compares to what you would receive on your Claim in a bankruptcy liquidation.
- Who can vote on or object to the Plan.
- What factors the Bankruptcy Court will consider when deciding whether to confirm the Plan.
- The effect of confirmation of the Plan.

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

The Court has not yet confirmed the Plan and circulation of the Plan to you should not be deemed tantamount to the Court's approval of the Plan. This section describes the procedures under which the Plan will or will not be confirmed. These procedures will be described in more detail in the Order Establishing Procedures for Disclosure Statement and Confirmation Processes and you should consult that Order for a definitive statement of the procedures to be followed.

1. Time and Place of the Hearing to Confirm the Plan/Approve the Adequacy of the Disclosure Statement

The Court will consider confirmation of the Plan and determine the adequacy of the disclosures set forth in the Plan on _____, 2016 at __ a.m. prevailing Central Time in the U.S. Bankruptcy Court for the Southern District of Illinois, 750 Missouri Avenue, East St. Louis, IL 62204.

2. Identity of Person to Contact for More Information

If you want additional information about the Plan, you should contact Rochelle D. Stanton, Esq. at 745 Old Frontenac Square, Suite 202, Frontenac, MO 63131, 314-991-1559 either in writing or by telephone. Take Notice—Ms. Stanton cannot give you legal advice or assist you in determining how to vote on the Plan.

ARTICLE II - GENERAL PROVISIONS

A. Definitions and Rules of Construction

The definitions and rules of construction stated in Code §§ 101 and 102 apply when terms defined or construed in the Code are used in this Plan, and they are supplemented by the following definitions:

1. **Administrative Expense Claim** shall mean a Claim comprising costs or expenses of administration of the Debtor' Estate under Code § 503(b) and arising from the Petition Date to and including the Confirmation Date, including, without limitation, (a) any actual and necessary expenses of preserving the Debtor' Estate, (b) compensation and reimbursement awarded

to professionals under Code § 330, and (c) any fees or charges assessed against the Debtor's Estate under Chapter 123 of Title 28 of the United States Code.

2. **Allowed**, as used in reference to a Claim, shall mean any Claim, that (a)(i) was filed on or before the Claims Bar Date or (ii) was or hereafter is scheduled by the Debtor as both (x) liquidated and (y) neither disputed nor contingent, and (b)(i) is not subject to any objection in the Bankruptcy Court, (ii) is not subject to any requirement for application and approval by the Bankruptcy Court, and (iii) as to which an application or objection has been determined by a Final Order. In no event shall a Claim be deemed Allowed if such Claim has been objected to or is objected to after entry of the Confirmation Order unless or until such Claim has been determined by a Final Order of the Bankruptcy Court. Unless otherwise specified, no Allowed Claim shall include interest on the principal amount of such Claim from and after the Petition Date, late fees, attorneys' fees, court or other costs, or other charges.

3. **Bankruptcy Code** or Code shall mean 11 U.S.C. §§ 101-1550, as effective as of the Petition Date.

4. **Bankruptcy Court** shall mean the United States Bankruptcy Court for the Southern District of Illinois, in which the Case is pending.

5. **Bankruptcy Rules** shall mean the Federal Rules of Bankruptcy Procedure adopted by the Supreme Court of the United States, as amended from time to time.

6. **Bar Date** shall mean September 14, 2015, the deadline set by the Bankruptcy Court for the filing of Claims in the Case.

7. **Business Day** shall mean a day other than a Saturday, Sunday, federal holiday, or other day on which banks are authorized or required to close in the State of Illinois.

8. **Case** shall mean that certain Chapter 11 bankruptcy case captioned Bridget Ellen Brasfield presently pending before the Bankruptcy Court as case number 15-30112.

9. **Cash** shall mean currency, check, draft, wire transfer and other similar forms of payment.

10. **Chapter 11** shall mean Chapter 11 of the Bankruptcy Code.

11. **Claim** shall mean (a) any right to payment from Debtor, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, pre-petition or post-petition; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment from the Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, unsecured, pre-petition or post-petition.

12. **Claimant** shall mean any person who has a Claim against Debtor.

13. **Class** shall mean Class 1, 2, 3, 4, 5 or 6 as described in Article IV of this

Plan.

14. Confirmation Date shall mean the date on which the Confirmation Order is entered by the Clerk of the Bankruptcy Court on the docket for the Case.

15. Confirmation Order shall mean the Final Order entered by the Bankruptcy Court confirming the Plan pursuant to Code § 1129.

16. Court shall mean (a) the Bankruptcy Court, (b) any court having jurisdiction to hear appeals or certiorari proceedings therefrom, and (c) any other federal or state court having jurisdiction over matters addressed in or related to this Plan.

17. Creditor shall mean a Person that held a Claim against Debtor that arose on or before the Petition Date or a Claim against the Estate of any kind specified in Code §§ 502(g), 502(h), or 502(i).

18. Creditor Fund Account shall mean that certain bank account in the name of the Debtor at a federally insured depository institution or similar institution that offers on-line banking to its customers, or such other institution as Debtor or the Reorganized Debtor deems satisfactory for deposit of the Funds and performance of the duties and services set forth in Articles IV and V of the Plan.

19. Debtor shall mean Bridget Ellen Brasfield, the Debtor in the Case.

20. Disclosure Statement shall mean this document which is a combined Plan and Disclosure Statement submitted by the Debtor contemporaneously herewith concerning the Plan and as approved by the Bankruptcy Court pursuant to Code § 1125(b).

21. Disputed Claim shall mean a Claim against the Debtor that is not an Allowed Claim and as to which there is no Final Order disallowing such Claim.

22. Distribution shall mean the Cash and other consideration distributed by the Debtor under the Plan from time to time.

23. Effective Date shall mean the thirtieth (30th) calendar day following the day that the Confirmation Order becomes a Final Order as further described in Article II. B of the Plan.

24. Estate shall mean the estate created upon the commencement of the Case pursuant to Code §§ 541(a), (c) and (d) and 1115.

25. Estate Property shall mean all of the property of the Estate.

26. Final Order shall mean an order or judgment of a Court, as entered by the Clerk of such Court on a docket related to the Case, as to which: (a) the time for any appeal or petition for review has expired and no appeal or petition for review is pending or timely was filed, or (b) any appeal or petition for review finally has been determined or dismissed.

27. **Impaired** shall have the meaning ascribed to it in Article IV.D of the Plan.

28. **IRS** shall mean the Internal Revenue Service.

29. **II-DOR** shall mean the Illinois Department of Revenue.

30. **Petition Date** shall mean January 28, 2015, the date upon which the Debtor filed the Case with the Bankruptcy Court.

31. **Person** shall mean a/an individual, corporation, limited liability company, limited or general partnership, joint stock company, joint venture, trust, estate, incorporated association or organization, and/or other entity, but does not include a governmental unit other than as stated in Code § 101(41)(A-C).

32. **Plan** shall mean this combined Disclosure Statement and Chapter 11 Plan of Reorganization, in its present form and as it may be further amended or modified from time to time in accord with the Bankruptcy Code, the Bankruptcy Rules, and the provisions contained herein.

33. **Priority Claim** shall mean a Claim that arises under Code § 507(a), other than an Administrative Expense Claim or a Priority Tax Claim.

34. **Priority Tax Claim** shall mean a Claim of a governmental unit, as defined in Code § 101(27), that is both unsecured and entitled to priority under Code § 507(a)(8).

35. **Proof of Claim** shall mean a Claim asserted by a Claimant and filed with the Court.

36. **Pro Rata** shall mean the proportion that an Allowed Claim in a Class bears to the aggregate amount of all Allowed Claims in such Class. To the extent that one or more Disputed Claims exist in such Class, pro rata shall mean the same proportion that an Allowed Claim in a particular Class bears to the aggregate amount of the sum of all Allowed Claims and all Disputed Claims in such Class until all such Disputed Claims become Allowed Claims.

37. **Reorganized Debtor** shall mean the Debtor as she will exist financially after the Confirmation Date.

38. **Schedules** shall mean the schedules of assets and liabilities and the statement of financial affairs filed by Debtor pursuant to Code § 521 and Bankruptcy Rules 1007 and 1009, including all amendments and supplements thereto as of the Confirmation Date.

39. **Secured Claim** shall mean a Claim as to which the Claimant has a validly perfected and enforceable lien or security interest pursuant to Code §§ 101(37), (50) and (51) and that is secured in whole or in part by Estate Property. A Secured Claim shall only be such a Claim in an amount that does not exceed the value of the Estate Property securing such Claim and to the extent of the value of the lien, encumbrance or security interest of the holder of such Claim in such

Estate Property, as determined in accord with Code § 506. To the extent that the value of a Claimant's Secured Claim exceeds the value of the Estate Property subject to such Claim, such Secured Claim shall be treated as an Unsecured Claim.

40. Secured Tax Claim shall mean a Claim for taxes by a governmental unit secured by property owned by the Debtor.

41. Unsecured Claim shall mean a Claim other than (a) a Secured Claim, (b) a Secured Tax Claim, (c) an Administrative Expense Claim, (d) a Priority Tax Claim or (e) a Priority Claim.

B. Effective Date of Plan

The Effective Date of this Plan is the thirtieth (30th) calendar day following the date on which the Confirmation Order becomes a Final Order. However, if a stay of the Confirmation Order is in effect on that date, the Effective Date will be the first business day after that date on which no stay of the Confirmation Order is in effect, unless the Confirmation Order has been vacated.

C. Severability

If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability or operative effect of any other provision of this Plan.

D. Binding Effect

The rights and obligations of any entity named or referred to in this Plan will be binding upon and will inure to the benefit of the successors or assigns of such entity.

E. Captions

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

ARTICLE III - BACKGROUND

A. Events Leading to the filing of the Bankruptcy Case

Debtor is licensed as a Chiropractor, and Debtor initially was self-employed and working with her former husband as a Chiropractor and Weight Loss consultant. Debtor separated from her former husband in 2013, which severed their joint business pursuits at that time. Debtor's former husband was charged with maintaining the business finances while they were married and self-employed, and Debtor discovered, shortly after the separation, that much of the ordinary business debt the business had accumulated over the course of time the parties were married and operating the business was not being paid, including significant tax debt.

After the separation in 2013, Debtor's business suffered a significant loss of clientele, who had come to know and interact with both Debtor and her spouse over the course of the marriage. Debtor suffered the emotional upheavals of an acrimonious divorce, which coupled with a disastrous loss of income, resulted in a loss of more than 50% of Debtor's income compared with the business gross receipts prior to the separation. Debtor operated, prior to August of 2014, Physical Medical Clinic and Dr. Bridget Brasfield, LLC. Physical Medical Clinic and Dr. Bridget Brasfield were

operated jointly with each other, the first providing counseling and chiropractic services for weight loss and other health conditions, and the second was the weight loss clinic, which provided clients with the actual weight loss services after the clients had been counseled. These businesses were inextricably bound to Debtor's former husband, and Debtor closed these businesses to prevent her former husband from accessing her business accounts or gaining access to her business computer files. Debtor also operated for a short period of time Yoga Central, a yoga exercise studio. The exercise studio had no positive cash flow, and closed in February of 2015. It was operated with the intent of providing additional services to Debtor's weight loss clientele, but it failed to either operate at a profit or to steer its clients to Advanced Medical Weight Loss RX (hereinafter referred to as "Advanced"). All of the businesses operated at a loss in 2014, but Advanced, after the initial start up costs, is operating at a sufficient profit to afford Debtor wages with which to cover her personal expenses and make payments to her creditors as outlined in this Chapter 11 Plan.

After recovering from the dual problems of the failed business and marriage, Debtor concentrated on reviving her finances by incorporating and founding a new business entity, Advanced, which opened its doors in August of 2014 at the commercial building owned by Debtor, located at 2861 Madison Avenue in Granite City, Illinois. This new business entity has been growing and thriving through the second half of 2014 and through 2015 to date, and Debtor's gross receipts are increasing. As a result of the successes at that location, Debtor opened a second location for Advanced Medical Weight Loss RX in September of 2015 in Glen Carbon, Illinois. Debtor is attracting more clients to this new business, and has employed aggressive advertising, email and television advertising in order to attract new clients to the business. These efforts are succeeding, and this business is, and will continue to be, successful. Debtor is not working as a Chiropractor, but Debtor is able to refer several of the businesses' clients monthly to a Chiropractor who is available to meet with them at the Advanced office, which increases the value of Debtor's services to her clients. Debtor has now surrendered this commercial building to the Bank of Edwardsville, and is operating at its second site in Glen Carbon, Illinois.

Advanced Medical Weight Loss RX entered into a lease agreement with Buckeye in February of 2015 to rent office space in Glen Carbon, Illinois, and opened its doors in September, 2015 and began operating at that time as a satellite facility. The rent paid at this facility is \$3,250.00 per month, and Advanced is operating profitably there. This facility operated in Glen Carbon, Illinois is no longer a satellite facility, and is now the only clinic operated by Advanced. The Clinic has a total of four full time employees, and contracts with a registered nurse, who is paid \$32.00 hourly, and who works for Advanced approximately 20 hours per week.

There is a significant need, in the Glen Carbon, Illinois area, for an experienced weight loss consultant who can advise clients, set them up on a weight loss regimen, and counsel them on a personal basis. In addition to the Weight Loss program, Debtor has added laser hair removal services, Botox and Lubriderm treatments, which are administered by the registered nurse. The laser hair removal service was added in November of 2015, and the Botox and Lubriderm treatments were added in February, 2016. A physician uses an office in this facility to consult with the Clinic's patients and customers. The physician does not pay rent to Advanced because he provides services to the clientele, and oversees the administration of Botox and Lubriderm treatments to patients. Month after month, Debtor notes that her business is improving, and Debtor is confident that there will be funds available to pay the secured debt Debtor owes, the tax debt Debtor, jointly her former

spouse, and independently, has incurred, and pay a portion of Debtor's unsecured debt. The Glen Carbon Office operates at 11 Junction Drive, Glen Carbon, Illinois and this will be the only location operating. Debtor is surrendering the original site of Advanced in Granite City to the Bank of Edwardsville, and will operate solely in the Glen Carbon, Illinois location.

B. Significant Events During the Bankruptcy Case

In the first days of her Chapter 11 converted case (converted from Chapter 13 to Chapter 11), the Debtor received approval to retain Rochelle D. Stanton, Attorney, as her attorney, who prepared and filed the Schedules and Statements, and attended the Meeting of Creditors. No Creditors' committee was appointed in the Case. The Claims bar date has passed for all Claims, and a total of 22 claims have been filed to date. Claim One was objected to and the Claim was denied.

On April 26, 2016, a Felony Information was filed by the United States against Debtor. The Information alleged two felony counts, Health Care Fraud and Money Laundering. The case is presently pending in the U.S. District Court for the Southern District of Illinois. The Case Number is 3:16-cr-30054-SMY, and titled USA v. Brasfield. The case relates back to events occurring between January, 2011 and January, 2014 while Debtor operated Physical Medicine Clinic, LTD. Debtor provided services to her clients under the supervision of a physician. The services provided were billed to medical insurance plans. Plaintiff alleges that Debtor improperly billed medical insurance providers, that the insurance benefits paid to Debtor were deposited into Debtor's Bank Account, and transferred into a different Bank account at the same financial institution. Plaintiff accepted a guilty plea from Debtor on Tuesday, May 10, 2016, but the case has not yet been fully disposed. Debtor anticipates that there is a companion case that must be adjudicated, and that sentencing will occur sometime in 2017. While Debtor has not been promised that she will not be sentenced to serve any time in jail or prison, her attorney has indicated that incarceration is highly unlikely. Debtor is anticipating that she will be fined or required to pay restitution, and that she will have a reasonable period of time to pay the amount due. Debtor is not engaged in the same type of activity that is subject to the criminal charges, and will not engage in such activities in the future.

During the pendency of this Bankruptcy case, the Debtor managed her financial affairs and took steps to place herself in a position where she is now ready to seek to confirm this Plan. On a personal level, the Debtor has taken substantial steps to economize and budget for daily living. Moreover, as Debtor is surrendering the commercial building located at 2861 Madison Avenue in Granite City and the rental property located at 2869-71 in Granite City, Debtor will no longer receive rental income from these properties. Debtor's future income will be derived completely from wages and from income from the operation of her business. Debtor will operate her business in the future exclusively at 11 Junction Drive in Glen Carbon, Illinois.

C. Debtor's Financial Condition in Bankruptcy

The Debtor has been a Chapter 11 Debtor since May of 2015. The Monthly Operating Reports for the period from May, 2015 (after the date of filing) through February 29, 2016 are as follows:

<u>Month</u>	<u>Total Income</u>	<u>Monthly Expenses</u>	<u>Cash Profit</u>
May, 2015	\$ 6,733.00	\$ 557.82	\$ 6,175.18

June, 2015	7,888.00	1,000.88	6,887.12
July, 2015	14,888.00	25,069.53	4,314.04
August, 2015	7,888.00	9,069.44	-1,181.44
September, 2015	14,888.00	10,688.90	4,199.10
October, 2015	12,966.00	9,623.00	3,342.48
November, 2015	12,962.00	10,832.95	2,129.05
December, 2015	16,284.00	15,273.74	1,010.28
January, 2016	12,966.00	9,945.21	3,020.79
February, 2016	12,866.00	9,741.09	3,124.91

The Debtor has earned monthly wages from Advanced of \$7,156.00 net income, and Advanced will increase the amount of wages paid to Debtor in the future in order to assure that Debtor will be able to afford the increased expenses and the plan payment. Debtor's net wages will increase to \$15,200 monthly, which reflects an increase in wages based on increased business profits. Debtor anticipates that the overall income will be stable in the future, and for the months when her income is higher than the median income, she will be saving to assure that funds are available to pay real estate taxes, personal income taxes and other reoccurring debt payments that are not paid monthly.

Debtor's income is derived from wages paid to debtor by Advanced Medical Weight Loss RX. Debtor, between the months of August, 2015 and March, 2016, has been paid net wages by Advanced Medical Weight Loss RX of approximately \$7,150.00 per month through April, 2016. Debtor's household expenses are usually approximately \$2,687.00. Debtor does not expect expenses to increase, but projects that, as a result of new services being offered by Advanced and internet and direct mail advertising, business income will increase somewhat over the next six months from an average to an average of \$18,000.00, which could result in a net increase in income for Debtor to \$8,000.00 overall compared with Debtor's present income from wages.

Debtor has paid all real estate taxes due on Debtor's residence for the 2014 tax year, and Debtor will pay the 2015 real estate tax payments on Debtor's residence for 2015 to the Madison County, Illinois Treasurer's Office as the payments become due.

Debtor is current in payments to the United States Trustee as of the date of this Disclosure Statement and Plan.

D. Projected Recovery of Avoidable Transfers and from Other Litigation

The Debtor does not believe that there are any transfers subject to avoidance in this case and there is and will be no pending litigation in this case from which additional funds may be derived.

E. Claims and Claims Objections

As of the date of this Amended Plan Creditors have asserted Claims in the Case totaling \$1,028,158.39 secured, including debt on assets whose debt exceeds the value of the asset, \$139,628.32 priority (est.), and \$265,372.77 of allowed unsecured claims. The Debtor may file Claim objections in her case, as necessary. The claims filed thus far in this case are generally consistent with the debt scheduled by the Debtor in her Schedules D, E and F as most recently amended. Creditors should be aware that certain claim objections may be filed and may not be decided by the Court as of the date of this Plan, the Confirmation Date or Effective Date.

F. Current and Historical Financial Conditions

The identity and liquidation value of the estate's assets as of the Petition Date and in a hypothetical Chapter 7 liquidation as of the Petition Date are listed in Exhibit "A". All values were based upon the Debtor's best estimates after reasonable investigation and evaluation. Creditors should note that asset values are listed as of the Petition Date and were based upon the Schedules filed by the Debtor at the inception of her bankruptcy case, or as thereafter amended when additional facts became known to Debtor. Values in the Schedules were based upon the Debtor's best estimates of fair market value, except as otherwise noted. In addition, and especially for household goods and similar personal property, the liquidation value reflects depreciation of assets where appropriate and the cost of sale.

The Debtor believes that the analysis in Exhibit "A" provides an estimate of the most that Creditors conceivably could receive after liquidation in a Chapter 7 case. Creditors should keep in mind that liquidation in Chapter 7 would involve fees, expenses and costs that will not have to be paid under this Plan including, without limitation, (a) sales commissions on assets, estimated to be approximately ten percent of any gross sales price, (b) fees for a Chapter 7 Trustee as described in Code § 326, (c) fees for a Chapter 7 Trustee's attorney and other professionals, and (d) taxes.

Additionally, the Debtor has formulated a post-confirmation budget, attached hereto as Exhibit "B". The post-confirmation budget clearly evidences that the Debtor will have sufficient income during the life of this Plan to make the Plan feasible as discussed later in the Plan. Moreover, the Debtor has filed periodic monthly operating reports ("MORs") during the pendency of her Chapter 11 case. The MORs are available via the Bankruptcy Court's ECF system. In reviewing those reports, creditors should note that they do not reflect exemptions, Chapter 7 expenses, or other items as described above.

Debtor's business, Advanced Medical Weight Loss, has been operational since August of 2014, and Debtor opened a second location thereafter, bearing the same name, Advanced Medical Weight Loss RX. Last year, the gross receipts of this business at all locations between January 1, 2015 and December 31, 2015 total \$409,897.21. The Business Income for the months of January and February, 2016 reflect gross income, after deduction for refunds, is \$75,337.66. The projected annualized income for this business for 2016, based on the receipts for the first two months of 2016, is \$452,025.96. Debtor's business is somewhat cyclical, and the busy months are the times of year when individuals are preparing for swimsuit season. Because January and February income is prior to "swimsuit season", Debtor expects that gross income will increase. Generally, Debtor pays for medical supplies used in the business from gross receipts. Advanced has enhanced the services offered to its clientele to include Laser Hair Removal—this service was added in November of 2015, and Botox and Lubriderm procedures were added in February of 2016.

Wages to the businesses' employees, not including Debtor, rents paid to Debtor, and all the costs of operating the business are paid from Gross Profit. Debtor listed Net Income in the 2015 Profit & Loss Statement of \$13,297.44. This amount is the wage received by Debtor as compensation for her employment with Advanced Medical Weight Loss RX. Debtor was growing her business during the early months of 2015, and took almost no profit from the business during that period of time, only about \$11,000.00 over 4 and a half months. The Advanced Medical Weight Loss Profit and Loss Statements are attached to this Combined Disclosure Statement and Plan as Exhibit C.

After payment of all expenses, there is essentially no net profit retained by the business.

**ARTICLE IV - THE PLAN OF REORGANIZATION AND
TREATMENT OF CLAIMS AND EQUITY INTERESTS**

A. What is the Purpose of the Plan of Reorganization?

As required by the Code, the Plan places Allowed Claims in various Classes and describes the treatment each Class will receive. The Plan also states whether each Class of Claims is Impaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Explanation of Classes of Claims and Equity Interests

1. Classes of Secured Claims

Allowed Secured Claims are Claims secured by Estate Property to the extent Allowed as Secured Claims under Code § 506. If the value of the collateral securing the Creditor's Claim is less than the amount of the Creditor's Allowed Claim, the deficiency will be classified as an Unsecured Claim.

2. Classes of Priority Unsecured Claims

Certain Claims that are referred to in Code § 507(a) are required to be placed in Classes. In this case, only Priority Tax Claims exist to the knowledge of the Debtor. These Claims are required to be paid on a particular schedule under the Code.

3. Classes of Unsecured Claims

Unsecured Claims are not secured by Estate Property and are not entitled to priority under Code § 507(a).

C. Treatment of Unclassified Claims

Certain types of Claims automatically are entitled to specific treatment under the Code. They are not considered Impaired. Holders of these Claims do not vote on the Plan but may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. Accordingly, the Debtor has not placed the following Claims in any Class:

1. Administrative Expenses

Administrative Expense Claims are costs or expenses of administering the Debtor's Chapter 11 case that are allowed under Code § 507(a)(2). The Debtor estimate that Administrative Expenses in the Case will consist of (i) professional fees (net of any retainer), and (ii) United States Trustee fees.

a. Plan Treatment

Administrative Expense Claims will be paid in full upon the Effective Date to the extent such Claims are Allowed Administrative Expense Claims on that date, except for those Claimants who elect to receive different treatment. Administrative Expense Claims that are not Allowed Administrative Expense Claims as of the Effective Date will be paid on or before thirty (30) days after they are Allowed, unless deferred payment arrangements have been made. In the event that an Administrative Expense Claim is a Disputed Claim on the Effective Date, sufficient funds shall be reserved by Debtor to pay such Administrative Expense Claim in full upon its allowance,

unless deferred payment arrangements have been made. Notwithstanding the foregoing, United States Trustee fees and Bankruptcy Court costs shall be paid fully current on or before the Confirmation Date.

b. Administrative Claims Bar Date

Any Claimants or Creditors seeking an Allowed Administrative Expense Claim, other than professionals employed in this case pursuant to order of the Bankruptcy Court, must file their application for an Administrative Expense Claim on or before thirty (30) days after the Effective Date or otherwise be barred from asserting any Administrative Expense Claim in this matter. Within five (5) days after the Effective Date, Debtor shall serve notice of the Administrative Claims Bar Date on all known parties asserting Administrative Expense Claims other than professionals.

c. Professional Fees

Any professionals employed in this case pursuant to order of the Bankruptcy Court must file their applications for Allowed Administrative Expense Claims for periods through and including the Effective Date on or before sixty (60) days after the Effective Date or otherwise be barred from asserting any Administrative Expense Claim in this matter. Professionals holding pre-petition retainers from the Debtor shall apply such retainers to any pre-confirmation fees accrued but unpaid as of the Effective Date, subject to final approval by and accounting to the Bankruptcy Court. Professionals need not make application for allowance or payment of any fees accrued or incurred after the Effective Date.

d. United States Trustee Fees

The Debtor shall pay post-confirmation United States Trustee fees pursuant to 28 U.S.C. § 1930(a)(6) until the Case is converted, dismissed or closed. Moreover, the Debtor shall provide the United States Trustee with and file with the Court post-confirmation reports substantially in the format required by the United States Trustee within thirty (30) days of the end of each calendar quarter post-confirmation until the Debtor no longer is required to pay fees pursuant to 28 U.S.C. § 1930.

2. Priority Tax Claims

Priority Tax Claims are Claims for unsecured income and other taxes described by Code § 507(a)(8). Unless the holder of such a Priority Tax Claim agrees otherwise, it must receive the present value of its Claim, in regular installments of not less than one payment each quarter, paid over a period not exceeding five (5) years from the Petition Date.

ARTICLE V – STATEMENT AND TREATMENT OF CLAIMS

STATEMENT OF CLAIMS

Proofs of Claims filed by Creditors are as follows:

<u>Creditor</u>	<u>Classification of Claim</u>	<u>Claim #</u>	<u>Amount of Claim</u>
Anheuser Busch Employees	Denied	1-1	\$ 0.00
The Bank of Edwardsville(residence)	Secured	4-2	442,102.83

The Bank of Edwardsville(rental)	Secured	5-1	113,434.41
The Bank of Edwardsville(business)	Secured	6-1	376,014.24
The Bank of Edwardsville(residence)	Secured	10-1	66,951.91
Internal Revenue Service(tax lien)	Secured	3-1	29,655.00
Internal Revenue Service	Priority	3-1	136,140.55
Illinois Dept. of Revenue	Priority	21-1	3,463.24
Illinois Dept. of Revenue	Priority	22-1	24.53
Navient Solutions, Inc.	Priority	2-1	72,392.56
The Bank of Edwardsville	Unsecured	7-1	53,371.75
The Bank of Edwardsville	Unsecured	8-1	104,480.40
US Bank, N.A.	Unsecured	9-1	771.94
DDI Media	Unsecured	11-1	5,985.64
NCMIC Finance Corp.	Unsecured	12-1	5,863.02
NCMIC Finance Corp.	Unsecured	13-1	11,782.62
NCMIC Finance Corp.	Unsecured	14-1	2,493.81
American InfoSource LP	Unsecured	15-1	244.27
Stearns Equipment Finance	Unsecured	16-2	51,866.40
Capital One, N.A.	Unsecured	17-1	237.81
Portfolio Recovery Assoc.	Unsecured	18-1	1,726.16
Portfolio Recovery Assoc.	Unsecured	19-1	10,356.53
Portfolio Recovery Assoc.	Unsecured	20-1	6,716.17
Internal Revenue Service	Unsecured	3-1	8,716.75
Illinois Department of Revenue	Unsecured	21-1	588.90
Illinois Department of Revenue	Unsecured	22-1	170.60

Plan Treatment

D. Treatment of Classified Claims

All Allowed Claims other than Allowed Claims specified in subparagraph C, above, are placed in the Classes listed below. **All of the below Claims are Impaired.**

1. Class 1: Priority Administrative Claims

Any Allowed Claim entitled to priority under Code § 507 other than Administrative Expense Claims and Priority Tax Claims will be paid in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is sixty (60) months from the Petition Date, in full satisfaction of its Claim. In the event that a Priority Claim is a Disputed Claim as of the first anniversary of the Effective Date, sufficient funds shall be reserved by Debtor to pay such Priority Claim in full. To the best knowledge and belief of Debtor, there are no Class 1 claims filed or Allowed in this bankruptcy proceeding or to receive payment under this Plan.

2. Class 2: Secured Property Taxes--Madison County Collector of Revenue

The Secured Real Estate Tax Claim of the Madison County Collector of Revenue is secured by individual liens on real estate located at 7355 Hearthstone, in Edwardsville, Illinois, 2861 Madison Avenue and 2869-2871 Madison Avenue in Granite City, Illinois. Debtor has elected to surrender

the real properties located at 2861 Madison Avenue and 2869-71 Madison Avenue in Granite City, Illinois. The Madison County Collector of Revenue shall be paid the full amount of its Secured Property Tax Claim against Debtor's residence located at 7355 Hearthstone in Edwardsville, Illinois in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is thirty-six (36) months from the Petition Date, in full satisfaction of its Allowed Secured Property Tax Claim. The full amount of this Claim is estimated to be \$0.00 at the present time as to the Debtor's 2014 Real Estate tax. Debtor will pay the 2015 Real Estate Taxes due timely as scheduled by the Collector of Revenue. The Madison County Collector of Revenue shall retain its liens securing its claim to the extent allowable under applicable state law or until any balance due is paid in full, at which time the Madison County Collector of Revenue shall release its liens according to customary procedures. No escrow account will be established for the payment of this post-petition Claim.

3. Class 3: Secured Tax Lien owed to the Internal Revenue Service

The Allowed Secured Tax Claim of the Internal Revenue Service (IRS) is secured by a Federal Tax lien on real estate located at 7355 Hearthstone, in Edwardsville, Illinois, 2861 Madison Avenue and 2869-2871 Madison Avenue in Granite City, Illinois. The IRS shall be paid the full amount of its Allowed Secured Federal Tax Claim in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is sixty (60) months from the Petition Date, in full satisfaction of its Allowed Secured Tax Claim. The full amount of this Claim is estimated to be \$29,655.00. The IRS shall retain its lien securing its claim to the extent allowable under applicable federal and state law or until the balance due is paid in full, with post-confirmation interest at the current statutory rate, at which time the IRS shall release its liens according to customary procedures. If the reorganized Debtor substantially defaults on the plan payments due to the IRS while the case remains open at the court and the stay is still in effect, the IRS reserves the right to request the case be converted or dismissed. If the stay is no longer in effect upon default, the outstanding balance is immediately due and payable and the IRS may collect these unpaid tax liabilities through the administrative collection provisions of the Internal Revenue Code. **This Class of Claims is impaired.**

4. Class 4: Secured Claims of The Bank of Edwardsville in Debtor's Residence

The Class 4 Secured Claims of The Bank of Edwardsville (Claims 3 and 10) are secured by first and second deeds of trust on Debtor's residence. Debtor is current on her post-petition monthly contractual obligations with The Bank of Edwardsville pursuant to an adequate protection agreement between Debtor and this creditor, and shall continue to make monthly payments on each Claim pursuant to and in accordance with the terms of that Adequate Protection Agreement entered into by Debtor and The Bank of Edwardsville. Debtor, with Court permission, will obtain new mortgage loans and refinance the secured indebtedness on or before June 30, 2017 and pay the debt owed to The Bank of Edwardsville in full at that time. However, if a verified contract for the sale, or if refinancing is pending on June 30, 2017, Debtor shall be permitted an extension of time up to and including July 31, 2017 to complete the sale or refinance of her principal residence. No further extensions will be permitted. The Bank of Edwardsville shall retain the liens securing its Claims until the balance due under both promissory notes are paid in full, at which time The Bank of

Edwardsville shall release both liens according to customary procedures. **This Class of Claims is impaired.**

5. Class 5: Secured Claims of The Bank of Edwardsville—Non-residential real property

The Class 5 Secured Claim of The Bank of Edwardsville is secured by a first deed of trust on real estate located at 2861 Madison Avenue, Granite City, Illinois and 2869-2871 Madison Avenue, Granite City, Illinois. Debtor is surrendering the real property to the Bank of Edwardsville. Any debt remaining on the properties listed in this paragraph will be determined to be unsecured, and paid in accordance with the provisions of Paragraph D. 8 hereinbelow. **This Class of Claims is impaired.**

6. Class 6: Unsecured Priority Claim of the Internal Revenue Service

The Allowed Unsecured Priority Tax Claim of the Internal Revenue Service (IRS) shall be paid the full amount of its Allowed Claim including post-confirmation interest in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is sixty (60) months from the Petition Date, in full satisfaction of the Unsecured Priority Tax debt owed and guaranteed by Debtor. The full amount of this Claim is estimated to be \$136,140.55. If the reorganized Debtor substantially defaults on the plan payments due to the IRS while the case remains open at the court and the stay is still in effect, the IRS reserves the right to request the case be converted or dismissed. If the stay is no longer in effect upon default, the outstanding balance is immediately due and payable and the IRS may collect these unpaid tax liabilities through the administrative collection provisions of the Internal Revenue Code. Each Priority Tax Creditor shall be paid the full amount owed or guaranteed by Debtor in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is sixty (60) months from the Petition Date. Any administrative interest and/or nondischargeable penalties shall be paid outside of the Plan, as necessary. The aggregate contribution by Debtor each month for payment of Priority Tax debt will range from \$2,200.00 to \$2,400.00, depending on Debtor's available funds, but Debtor reserves the right to make a payment in excess of the average monthly payment anticipated by this Plan when finances permit. Moreover, at the Debtor's election, the Debtor may pay the Priority Tax debt in full at any time, without penalty. **This Class of Claims is impaired.**

7. Class 7: Unsecured Priority Claim of the Illinois Department of Revenue

The Allowed Unsecured Priority Tax Claim of the Illinois Department of Revenue shall be paid the full amount of its Allowed Claim including post-confirmation interest in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is sixty (60) months from the Petition Date, in full satisfaction of the Unsecured Priority Tax debt owed and guaranteed by Debtor. The full amount of this Claim is estimated to be \$3,487.77. If the reorganized Debtor substantially defaults on the plan payments due to the Illinois Department of Revenue while the case remains open at the court and the stay is still in effect, the Illinois Department of Revenue reserves the right to request the case be converted or dismissed. If the stay is no longer in effect upon default, the outstanding balance is immediately due and payable and the Illinois Department of Revenue may collect these unpaid tax liabilities through the administrative collection provisions of

Illinois Compiled Statutes (ILCS). Each Priority Tax Creditor shall be paid the full amount owed or guaranteed by Debtor in monthly installments payable on the last day of each month (excluding Sundays and holidays), commencing on the first full calendar month immediately following the Effective Date and concluding on a date that is sixty (60) months from the Petition Date. Any administrative interest and/or nondischargeable penalties shall be paid outside of the Plan, as necessary. The aggregate contribution by Debtor each month for payment of Priority Tax debt will range from \$58.00 to \$70.00, depending on Debtor's available funds, but Debtor reserves the right to make a payment in excess of the average monthly payment anticipated by this Plan when finances permit. Moreover, at the Debtor's election, the Debtor may pay the Priority Tax debt in full at any time, without penalty. **This Class of Claims is impaired.**

8. Class 8: General Unsecured Creditors

For the period beginning thirty (30) days from the payment, in full, of Allowed Administrative Claims and concluding on a date that is sixty (60) months from the Effective Date, Debtor shall place her Available Funds, on the last business day of each month, in a segregated, interest-bearing account at UMB Bank, such account to be designated as the Creditor Fund Account. Debtor's Available Funds shall consist of deposits equal to: (1) income tax refunds received during the forgoing period, if any; and (2) Debtor's monthly net disposable income (calculated as gross income less taxes, social security, retirement, insurance and other deductions of the type and similar to those deductions currently withheld from Debtor's gross income as set forth on Debtor's Schedule I and Exhibit "B", less living expenses, and necessities of the type described on Debtor's Schedule J, and Exhibit "B" and/or that are usual and customary in the maintenance of health and home, and less payments required to be made under this Plan to creditors with a higher priority than Class 5 Claims under the Bankruptcy Code, including but not limited to any and all amounts due for U.S. Trustee fees, attorneys' fees, Allowed Secured Tax Claims and Allowed Priority Tax Claims inside or outside of the Plan. Debtor shall pay into the Creditor Fund Account an aggregate amount equal to the greater amount of: (i) \$55,050.00; or (ii) the aggregate disposable income over the course of the Plan. Allowed Unsecured Creditors will receive pro rata distributions, without interest, from the Creditor Fund Account annually within thirty (30) days after each anniversary of the Effective Date, commencing on the first anniversary of the Effective Date and concluding on the fifth anniversary of the Effective Date, however, no distribution will be made to Class 8 Creditors unless the Creditor Fund Account has funds in excess of \$4,000 on hand after payment of all Allowed Administrative Expense Claims. No distributions will be made to Class 5 Creditors until all Class 8 Creditors' Claims have been allowed by Final Order of the Bankruptcy Court. **This Class of Claims is impaired.**

9. Class 9: Subordinated and/or Late Filed Unsecured Claims

No creditors have filed subordinated or late filed claims, consequently no distributions will be made to Class 9 Creditors.

ARTICLE VI--DISTRIBUTIONS FROM THE CREDITOR FUND

A. Distributions from the Creditor Fund

All Class 8 Creditors to be paid by the Debtor under this Plan will be paid from funds held in the Creditor Fund Account, as described in this Plan. Cash distributions made from the Creditor Fund Account shall be in United States currency, by check drawn on a domestic bank or, if the Debtor so

elects, in her sole discretion, by wire transfer from a domestic bank. To facilitate prompt and efficient payment and avoid potential bank fees/charges, Debtor reserves the right to transfer those funds necessary to pay Class 8 Creditors from the segregated Creditor Fund Account to her daily operating account, prior to distribution, and to make all distributions to Class 8 Creditors from the operating account. No distribution, other than a final distribution, shall be made to any Claimant where the distribution payment is less than \$10.00.

Checks issued by the Debtor with respect to Claims shall be null and void if not cashed within ninety (90) days of the date of issuance thereof. Requests for re-issuance of any check must be made directly to the Debtor or her Counsel by the holder of the Allowed Claim with respect to which the check originally was issued. Any Claim in respect of such a null and voided check shall be made on or before ninety (90) days after the date of issuance of the check, after which time all Claims in respect of such null and voided checks shall be forever barred.

B. Creditor Addresses

Cash distributions by check from the Creditor Fund Account shall be mailed to Creditors at the addresses set forth on the Creditors' Proofs of Claim or, if no Proof of Claim was filed, shall be mailed to the Creditor's last known address contained in the Schedules. If any Creditor's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until the Debtor is notified of such holder's then current address, at which time all missed distributions shall be made to such holder without interest. In the event a distribution is returned and Debtor does not receive notice of a current address within thirty (30) days, Debtor shall be authorized to redeposit such funds into the Creditor Fund Account and pay such amounts to remaining Creditors, if any, or retain such funds for her personal use if all Allowed Claims have been paid hereunder.

ARTICLE VII - ALLOWANCE AND DISALLOWANCE OF CLAIMS

A. Disputed Claims

A Disputed Claim is a Claim that has not been Allowed or disallowed by Final Order of the Bankruptcy Court, and as to which either: (i) a Proof of Claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no Proof of Claim has been filed, and the Debtor scheduled such Claim as disputed, contingent, or liquidated.

No distribution will be made on account of a Disputed Claim unless and until such Claim is allowed by Final Order of the Bankruptcy Court.

B. Settlement of Disputed Claims

The Debtor will have the power and authority to settle and compromise disputed Claims with Bankruptcy Court approval and compliance with Bankruptcy Rule 9019.

ARTICLE VIII - PROVISIONS FOR EXECUTORY CONTRACTS/UNEXPIRED LEASES

A. Executory Contracts and Unexpired Leases

Debtor hereby rejects the lease with Advance Medical Weight Loss RX listed on Schedule G. The Debtor conclusively will be deemed to have rejected all other executory contracts and unexpired leases that (a) are not expressly assumed under this Article of the Plan or (b) were not assumed

under a separate motion before the Effective Date of this Plan. A Proof of Claim arising from the rejection of an executory contract or unexpired lease under this Article of the Plan must be filed no later than thirty (30) days after the Effective Date. Any Claim based on the rejection of a contract or lease will be barred if the Proof of Claim is not timely filed, unless the Bankruptcy Court orders otherwise.

Consult your adviser or attorney for more specific information about particular contracts or leases. If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

ARTICLE IX - MEANS OF IMPLEMENTING THE PLAN

A. Source of Payments

Payments and distributions under the Plan will be funded by Debtor's earnings and profits realized from the operation of her business, Advanced Medical Weight Loss RX. Based upon Debtor's projections, there should be sufficient funds for the Debtor to make the monthly payments. See Exhibit "B" for Debtor's post-confirmation budget.

B. Post-Confirmation Income

It is anticipated that the Debtor's primary source of income will be generated from the Weight Loss business. However, the Debtor may choose to obtain different or alternative employment after the Effective Date.

C. Risk Factors

The primary risks under the Plan are that Debtor would be unable to attract a sufficient number of clients to her weight loss business and thus become unable to generate enough profit to fund the Plan. In that event, the Debtor anticipates that she would be able to find alternative employment or income sources that would allow her to make the required payments under this Plan. The Debtor does not believe that any additional risks exist under the Plan.

D. Tax Consequences of Plan

Creditors concerned with how the Plan may affect their tax liability should consult with their accountants, attorneys, or advisors. The Debtor anticipates that there will not be any tax consequences of the Plan to her.

ARTICLE X - CONFIRMATION REQUIREMENTS AND PROCEDURES

A. Overview of Requirements

To be confirmable, the Plan must meet the requirements listed in Code §§ 1129(a) or (b). These include the requirements that (1) the Plan must be proposed in good faith; (2) at least one Impaired Class of Claims must accept the Plan, without counting votes of insiders; (3) the Plan must distribute to each Creditor and equity interest holder at least as much as the Creditor or equity interest holder would receive in a Chapter 7 liquidation case, unless the Creditor or equity interest holder votes to accept the Plan; and (4) the Plan must be feasible. These requirements are not the only requirements listed in Code § 1129, and they are not the only requirements for confirmation.

B. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met. Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A Creditor or equity interest holder has a right to vote for or against the Plan only if that Creditor or equity interest holder has a Claim or equity interest that is both (1) Allowed or Allowed for voting purposes as of the date of any confirmation hearing and (2) Impaired.

C. What Is an Allowed Claim?

Only a Creditor with an Allowed Claim as of the date of any confirmation hearing has the right to vote on the Plan. Generally, a Claim is allowed if either (1) the Debtor has scheduled the Claim on the Schedules, unless the Claim has been scheduled as disputed, contingent, or unliquidated, or (2) the Creditor has filed a Proof of Claim, unless an objection has been filed to such Proof of Claim. When a Claim is not Allowed as of the date of any confirmation hearing, the Creditor holding the Claim cannot vote unless the Court overrules the objection or allows the Claim for voting purposes under Bankruptcy Rule 3018(a).

The deadline for most Creditors to file a Proof of Claim in the Case was September 14, 2015; governmental Creditors had until November 9, 2015 to file a Proof of Claim, a late Claim was filed by the Illinois Department of Revenue, which was allowed by the Court. Debtor believes that all tax claims have been filed as of the date of this Plan.

D. What Is an Impaired Claim or Impaired Equity Interest?

As noted above, the holder of an Allowed Claim has the right to vote only if it is in a Class that is Impaired under the Plan. As provided in Code § 1124, a Class is considered Impaired if the Plan alters the legal, equitable, or contractual rights of the members of that Class.

E. Who is Not Entitled to Vote

The following types of Creditors and equity interest holders are not entitled to vote:

1. Holders of Claims that have been disallowed by an order of the Court.
2. Holders of other Claims that are not "Allowed Claims" (as discussed above) as of the date of any confirmation hearing, unless they have been "Allowed" for voting purposes.
3. Holders of Claims in unimpaired Classes.
4. Holders of Claims entitled to priority pursuant to Code §§ 507(a)(2), (a)(3), and (a)(8).
5. Holders of Claims in Classes that do not receive or retain any value under the Plan.
6. Holders of Administrative Expense Claims.

Even if you are not entitled to vote on the Plan, you have a right to object to the confirmation of the Plan.

F. Votes Necessary to Confirm the Plan

If Impaired Classes exist, the Court cannot confirm the Plan unless (1) at least one Impaired Class of

Creditors has accepted the Plan without counting the votes of any insiders within that Class, and (2) all Impaired Classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by "cram down" on non-accepting Classes, as discussed below in Article IX.F.2.

1. Votes Necessary for a Class to Accept the Plan

A Class of Claims accepts the Plan if both of the following occur: (1) the holders of more than one-half of the allowed Claims in the Class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-Fifths in dollar amount of the allowed Claims in the Class, who vote, cast their votes to accept the Plan.

2. Treatment of Nonaccepting Classes

Even if one or more Impaired Classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting Classes are treated in the manner prescribed by Code § 1129(b). A plan that binds nonaccepting Classes is commonly referred to as a "cram down" plan. The Code allows the Plan to bind nonaccepting Classes of Claims if it meets all the requirements for consensual confirmation except the voting requirements of Code § 1129(a)(8), does not "discriminate unfairly," and is "fair and equitable" toward each Impaired Class that has not voted to accept the Plan. The Debtor reserves her right to request the Bankruptcy Court to confirm the Plan pursuant to Code § 1129(b) and to automatically cause such modification of the Plan as is necessary to enable the Plan to provide treatment of Claims to satisfy the requirements of Code § 1129(b). You should consult your own attorney if a "cramdown" confirmation will affect your Claim or equity interest, as the variations on this general rule are numerous and complex.

G. Liquidation Analysis

Nonetheless, to confirm the Plan, the Court must find that all Creditors who do not accept the Plan will receive at least as much under the Plan as such Claimant would receive in a Chapter 7 liquidation. A liquidation analysis as of March 30, 2016 is included in Exhibit "A" to the Plan.

Debtor believes that the analysis in Exhibit "A" provides an estimate of the maximum that Creditors reasonably could receive after liquidation in a Chapter 7 case. Creditors must note that liquidation in a Chapter 7 case would involve the payment of administrative and other fees, expenses and other costs that are not paid under this Plan.

H. Ability to Fund Plan and Operate without Further Reorganization

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

The Debtor believes that she has enough cash on hand to pay all claims and expenses that are entitled to be paid on or within ninety (90) days of the Effective Date. The Debtor also must show that she will have enough cash over the life of the Plan to make the required Plan payments. The monthly payments will be paid from the Debtor's income. Debtor's proposed post-confirmation budget is attached hereto as Exhibit "B" and demonstrates that Debtor shall have sufficient monthly income to satisfy all payments required under this Plan.

ARTICLE XI - EFFECT OF CONFIRMATION OF PLAN

A. Binding Effect of Plan

On and after the Confirmation Date, the provisions of the Plan shall bind Debtor, the Reorganized Debtor, and all Creditors (whether they have accepted the Plan or not) and the respective heirs, executors, administrators, successors or assigns, if any, of any of the foregoing.

B. Operation of Confirmation Order

Pursuant to Code § 1142(b), the Confirmation Order shall operate as an order of the Court directing the Debtor, the Reorganized Debtor, and any other necessary parties, to execute and deliver, or join in the execution and delivery of any instrument required to effect a transfer of the Estate Property, and to perform any other act that is necessary for the consummation of this Plan.

The confirmation of the Plan does not determine the validity, extent, or priority of any party's alleged liens on property of the Debtor. Validity, extent or priority of said liens must be adjudicated by separate order of a court.

C. Discharge

Confirmation of this Plan does not discharge any debt provided for in this Plan until completion of payments as required under this Plan, or as otherwise provided in Code § 1141(d)(5). Specifically, the Secured Claim of The Bank of Edwardsville shall not be discharged until the total amount due under the note is paid in full. Moreover, the Debtors will not be discharged from any debt excepted from discharge under Code § 523, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

Upon completion of payments as required under this Plan and entry of the Debtor's discharge by the Court, pursuant to the provisions of Code §§ 105, 524, and 1141, the Debtor's discharge shall discharge and release the Debtor, the Reorganized Debtor, and her Estate, and all of her respective property, from any and all other Claims, debts, liens, security interests, encumbrances and interests that arose before the entry of the Debtor's discharge, including, but not limited to, all principal and any interest accrued thereon; provided, however, that pursuant to Code § 524(e), such discharge and release shall not affect the liability of any other entity on, or the property of any other entity for, such Claims. In addition, subject to the provisions of this Article, the payments and Distributions made under this Plan shall be in exchange for and in complete satisfaction, discharge, and release of all Claims against the Debtor and the Reorganized Debtor, and any of her respective assets or property, including any Claim/s for interest accruing after the Petition Date and prior to the Effective Date. On or after the Effective Date, except as expressly provided in the Plan, all holders of Claims arising prior to the Confirmation Date shall, to the fullest extent possible under applicable law, be permanently barred and enjoined from asserting against the Reorganized Debtor or her assets or property any other or further Claims, including Claims based on any act or omission, transactions or other activity of any kind or nature that occurred prior to the Confirmation Date.

The Debtor may seek to have the Case closed after the Plan is substantially consummated and then have the case reopened without court cost or fee upon satisfaction of all payments due under the Plan in order to have the Court grant her discharge as described in Article X. C. hereinabove.

D. Modification of Plan

The Debtor may modify the Plan at any time before confirmation of the Plan. However, the Court may require new or additional disclosures to Creditors and/or re-voting on the Plan. Upon request of the Debtor, the United States Trustee, or the holder of an Allowed Unsecured Claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on Claims of a particular Class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution

to a Creditor whose Claim is provided for by the Plan to the extent necessary to take account of any payment of the Claim made other than under the Plan.

E. Retention of Jurisdiction

The Bankruptcy Court shall retain jurisdiction of this case pursuant to the provisions of Chapter 11 of the Bankruptcy Code, until the entry of a final decree closing the estate of the Debtor, and with respect to the following matters:

1. to preserve and enable the Debtor to consummate any and all proceedings brought or to commence any action to set aside liens or encumbrances and to recover any preferences, transfers, assets or damages to which the Debtor may be entitled under applicable provisions of the Code, including without limitation Code §§ 544, 545, 547, 548, 549 and 553(b), or other federal, state or local laws;

2. to adjudicate, hear and determine all controversies concerning the amount, Classification and priority of all Claims against or interests in the Debtor and to re-examine any Claims or interests which may have been Allowed including, without limitation, to hear and determine all Claims arising from the rejection of any executory contracts or unexpired leases. The failure by the Debtor or any party in interest initially to object or to examine any Claims or interests shall not be deemed to be a waiver of their rights to object to, or cause to be reexamined, any such Claim, in whole or in part;

3. to liquidate damages in connection with any disputed, contingent or unliquidated Claims;

4. to adjudicate all Claims to a security or ownership interest in any Estate Property or property of the Debtor or in any proceeds thereof;

5. to conduct hearings on valuation, as necessary, and to determine whether any party-in-interest is entitled to recover against any Person any Claim, whether arising under Chapter 5 of the Bankruptcy Code, state law, out of a voidable preference, out of a fraudulent transfer, or otherwise, whether such voidable transfer occurred prior to or after the Petition Date;

6. to adjudicate all Claims or controversies arising out of any purchase, sale or contract made or undertaken by the Debtor during the pendency of this Chapter 11 case;

7. to hear and determine any and all pending adversary proceedings or contested matters;

8. to enforce any judgment entered or settlement approved by the Bankruptcy Court;

9. to recover all assets and properties of the Debtor wherever located;

10. to hear and determine all applications for compensation of professionals and other Administrative Expenses;

11. to adjudicate all Claims of Debtor against Fifth parties, to the extent the Court has authority to maintain jurisdiction over said Claims;

12. to determine all matters, controversies and disputes arising under or in connection with the Plan or the application or disposition of the Estate Property to determine any modification of the Plan after Confirmation pursuant to Code § 1127;

13. to determine such other matters as may be provided for in this Plan and the order of Confirmation and for the purposes set forth in Code § 1127(b);

14. to make such orders as are necessary or appropriate to establish and enforce the rights and powers of the Debtor under the confirmed Plan or to carry out the provisions of this Plan, including but not limited to orders interpreting, clarifying or enforcing the provisions thereof; and

15. to enter a final decree pursuant to Rule 3022 of the Bankruptcy Rules.

F. Final Decree

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Debtor shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

ARTICLE XII — REQUEST FOR CONFIRMATION

To the extent deemed necessary, the Debtor hereby requests that the Court enter an order confirming the Plan.

BRIDGET ELLEN BRASFIELD

By: /s/ Bridget Ellen Brasfield
Bridget Ellen Brasfield,
Debtor and Debtor in Possession

By: /s/ Rochelle D. Stanton
Rochelle D. Stanton, Fed. Bar # 49641
745 Old Frontenac Square, Suite 202
St. Louis, MO 63131
(314) 991-1559
(314) 991-1183 Facsimile

EXHIBITS

Exhibit A - Chapter 7 Liquidation Analysis

Exhibit B - Post-confirmation Budget Analysis

Exhibit C – Advanced Medical Weight Loss Profit & Loss

Bridget Brasfield - Exhibit A - Liquidation Analysis as of 5/20/16

1. Real Estate

Residence	2861 Madison	2869-71 Madison	Totals	Description
\$ 650,000.00	Surrendered	Surrendered	\$ 650,000.00	Property Values
\$ (538,709.74)	\$ (376,014.24)	\$ (113,434.41)	\$ (998,503.39)	Due on Mortgages, Liens
\$ 111,290.26	\$ (-376,014.24)	\$ (-113,434.41)	\$ 111,290.26	Net Equity—residence only

2. Personal Property on Schedule B

Cash	\$	20.00	Exempt
Banks	\$	9,610.00	Not Exempt
HHG & Cloth	\$	1,300.00	Exempt
Business A/R	\$	7,000.00	Not Exempt
Vehicles	\$	9,225.00	Exempt
Office Furn.	\$	1,200.00	Exempt
	\$	<u>28,335.00</u>	

Non-Exempt Personal Property:

Banks	\$	9,610.00
Business A/R	\$	<u>7,000.00</u>
Total	\$	<u>16,610.00</u>

- Net non-exempt Equity in Real Estate	\$96,290.26
- Net non-exempt Equity in Personal Property	\$16,610.00
	<u>\$112,900.26</u>

Available to creditors after allowed secured claims paid \$ 112,900.26

(less) Costs to Liquidate estate—Trustee fees, auction fees—est. 55,050.00

C

Amount available to unsecured creditors in a Chapter 7 liquidation is \$57,050.26

EXHIBIT B**Bridget Ellen Brasfield
Income Statement**

Wage income from Debtor Business	\$ 15,200.00
Total Net Monthly Income	\$ 15,200.00

Expenses

Electricity and Heat	\$ 275.00
Water and Sewer	\$ 95.00
Home Maintenance	\$ 150.00
Food	\$ 375.00
Clothing	\$ 80.00
Laundry and Dry Cleaning	\$ 30.00
Medical	\$ 100.00
Transportation	\$ 325.00
Recreation	\$ 50.00
Charitable	\$ 10.00
Life Insurance	\$ 40.00
Auto Insurance	\$ 117.00
Debtor Mortgage Payments (est.)	\$ 8,672.00
Debtor Personal Household Expenses	\$ 50.00
Personal Property Taxes	\$ 35.00
Federal/State Income Taxes	\$ 350.00
Telephone/Cellular	\$ 305.00
Home Insurance	\$ 225.00
Cable	\$ 75.00

Total Monthly Expenses	\$ 11,359.00
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Average Monthly income	\$ 15,200.00
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Average Monthly Expenses	\$ 11,359.00
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Monthly Net Income	\$ 3,841.00
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EXHIBIT C BUSINESS PROFIT AND LOSS
Advanced Medical Weight Loss
Profit & Loss
January through December 2015

Jan.-Dec.2015

Total Expense	<u>\$307,122.13</u>
Net Ordinary Income	\$47,075.36
Other Income/Expense	
Other business supply expenses	<u>\$12,508.23</u>
Net Income	\$34,567.12