

E-Filed On: September 25, 2013

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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

In Re:

CBS I, LLC,

Debtor.

Case No: 12-16833-MKN
Chapter: 11

Disclosure Statement Hearing:

DATE: September 25, 2013
TIME: 9:30 AM
CTRM: 2

Plan Confirmation Hearing:

DATE: November 13, 2013
TIME: 9:30 AM
CTRM: 2

**DEBTOR CBS I, LLC'S THIRD AMENDED DISCLOSURE STATEMENT
DESCRIBING CHAPTER 11 PLAN OF REORGANIZATION**

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2 **I. INTRODUCTION**

3 CBS I, LLC (“Debtor” or “Proponent”) is Debtor in a Chapter 11 bankruptcy case. On
4 June 7, 2012, Debtor commenced a bankruptcy case by filing its voluntary Chapter 11 petition
5 under the United States Bankruptcy Code (“Code”), 11 U.S.C. §101 et seq. Chapter 11 allows
6 Debtor, and under some circumstances, creditors and other parties in interest, to propose a plan
7 of reorganization (“Plan”).

8 Debtor has prepared this Disclosure Statement (“Disclosure Statement”) in connection
9 with the solicitation of votes on the Plan proposed by Debtor to treat the Claims of Creditors of
10 Debtor. The Plan may provide for Debtor to reorganize by continuing to operate, to liquidate by
11 selling assets of the estate, or a combination of both. Debtor is the party proposing the Plan sent
12 to you in the same envelope as this document.

13 **THE DOCUMENT YOU ARE READING IS THE DISCLOSURE STATEMENT**
14 **FOR THE ENCLOSED PLAN.** Any exhibits to this Disclosure Statement are incorporated
15 into and are a part of this Disclosure Statement. The Plan is provided concurrently with this
16 Disclosure Statement. This is a reorganizing Plan. In other words, the Proponent seeks to
17 reorganize payments under the Plan as to various classes of claims.
18

19
20 **A. PURPOSE OF THIS DOCUMENT.**

21 The objective of a Chapter 11 case is the confirmation (i.e., approval by the bankruptcy
22 court) of a plan of reorganization. A plan describes in detail (and in language appropriate for a
23 legal contract) the means for satisfying the claims against a debtor. After a plan has been filed,
24 the holders of such claims that are impaired (as defined in Bankruptcy Code Section 1124) are
25 permitted to vote to accept or reject the plan. Before a debtor or other plan proponent can solicit
26 acceptances of a plan, Bankruptcy Code Section 1125 requires Debtor or other plan proponent to
27 prepare a disclosure statement containing adequate information of a kind, and in sufficient detail,
28 to enable those parties entitled to vote on the plan to make an informed judgment about the plan

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1 and whether they should accept or reject the plan.

2 The purpose of this Disclosure Statement is to provide sufficient information about
3 Debtor and the Plan to enable Creditors to make an informed decision in exercising their rights to
4 accept or reject the Plan. This Disclosure Statement will be used to solicit acceptances of the
5 Plan once approved by the Bankruptcy Court.

6 After the appropriate Persons have voted on whether to accept or reject the Plan, there
7 will be a hearing on the Plan to determine whether it should be confirmed. At the Confirmation
8 Hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements
9 of the Bankruptcy Code. The Bankruptcy Court will also receive and consider a ballot summary
10 which will present a tally of the votes of Classes accepting or rejecting the Plan cast by those
11 entitled to vote. Once confirmed, the Plan will be treated essentially as a contract binding on all
12 Creditors and other parties-in-interest in the Chapter 11 Case.

13 THIS DISCLOSURE STATEMENT IS NOT THE PLAN. FOR THE CONVENIENCE
14 OF CREDITORS, THE PLAN IS SUMMARIZED IN THIS DISCLOSURE STATEMENT.
15 ALL SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THE PLAN ITSELF. IN
16 THE EVENT OF ANY INCONSISTENCY BETWEEN THIS DISCLOSURE STATEMENT
17 AND THE PLAN, THE PLAN WILL CONTROL.

18 **READ THIS DISCLOSURE STATEMENT CAREFULLY IF YOU WANT TO**
19 **KNOW ABOUT:**

- 20 (1) **WHO CAN VOTE OR OBJECT;**
- 21 (2) **WHAT THE TREATMENT OF YOUR CLAIM IS, (i.e., what your Claim**
22 **will receive if the Plan is confirmed) AND HOW THIS TREATMENT**
23 **COMPARES TO WHAT YOUR CLAIM WOULD RECEIVE IN**
24 **LIQUIDATION;**
- 25 (3) **THE HISTORY OF DEBTOR AND SIGNIFICANT EVENTS DURING**
26 **THE BANKRUPTCY;**
- 27 (4) **WHAT THINGS THE COURT WILL LOOK AT TO DECIDE**
28 **WHETHER OR NOT TO CONFIRM THE PLAN;**
- (5) **WHAT IS THE EFFECT OF CONFIRMATION; AND**
- (6) **WHETHER THIS PLAN IS FEASIBLE.**

This Disclosure Statement cannot tell you everything about your rights. You should consider consulting your own lawyer to obtain more specific advice on how the Plan will affect you and what is the best course of action for you.

1 Be sure to read the Plan as well as the Disclosure Statement. If there are any
2 inconsistencies between the Plan and the Disclosure Statement, the Plan provisions will govern.

3 The Code requires a Disclosure Statement to contain “adequate information” concerning
4 the Plan. Prior to setting a Confirmation Date, the Bankruptcy Court will have approved this
5 document as an adequate Disclosure Statement, containing enough information to enable parties
6 affected by the Plan to make an informed judgment about the Plan. Any party can now solicit
7 votes for or against the Plan.
8

9 **B. DEADLINES FOR VOTING AND OBJECTING; DATE OF PLAN
10 CONFIRMATION HEARING.**

11 THE BANKRUPTCY COURT HAS NOT YET CONFIRMED THE PLAN
12 DESCRIBED IN THIS DISCLOSURE STATEMENT. IN OTHER WORDS, THE TERMS OF
13 THE PLAN ARE NOT YET BINDING ON ANYONE. HOWEVER, IF THE COURT LATER
14 CONFIRMS THE PLAN, THEN THE PLAN WILL BE BINDING ON ALL CREDITORS
15 AND INTEREST HOLDERS IN THIS CASE.

16 **1. Time and Place of the Confirmation Hearing.**

17 The Bankruptcy Court will determine whether or not to confirm the Plan at the Plan
18 Confirmation Hearing assuming the Disclosure Statement is approved. The Plan Confirmation
19 Hearing will be held in Courtroom 2, Foley Federal Building, 300 S. Las Vegas Blvd., Las
20 Vegas, NV 89101. You will receive a second notice of hearing of the Plan Confirmation
21 Hearing upon approval of this Disclosure Statement.
22

23 **2. Deadline To Vote For or Against the Plan.**

24 If you are entitled to vote, it is in your best interest to timely vote on the enclosed ballot
25 and return the ballot in the enclosed envelope to Larson & Zirzow, 810 S. Casino Center Blvd.,
26 #104, Las Vegas, Nevada, 89101, Attn: Zachariah Larson, Esq.
27

28 Unless a different date is set by the Bankruptcy Court in the Order Approving Disclosure

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1 Statement, your ballot must be received by ten (10) business days prior to the Confirmation
2 Hearing or it will not be counted.

3 **3. Deadline For Objecting to the Confirmation of the Plan.**

4 Unless a different date is set by the Court in the Order Approving Disclosure Statement,
5 objections to the Confirmation of the Plan must be filed with the Bankruptcy Court and served
6 upon Debtor's Counsel, Zachariah Larson, Esq., within fourteen (14) business days prior to the
7 Confirmation Hearing.
8

9 **4. Identity of Person to Contact for More Information Regarding the Plan.**

10 Any interested party desiring further information about the Plan should contact Debtor's
11 Counsel, Zachariah Larson, Esq., at the address, phone number or e-mail address set forth on the
12 first page of this document.

13 **C. DISCLAIMER**

14 Unless otherwise specifically noted, the financial information in this Disclosure
15 Statement has not been subject to audit. Instead, this Disclosure Statement was prepared from
16 information compiled from records maintained in the ordinary course of Debtor's operations.
17 Debtor has attempted to be accurate in the preparation of this Disclosure Statement. Other than
18 as stated in this Disclosure Statement, Debtor has not authorized any representations or
19 assurances concerning Debtor, their operations, or the value of their Assets. Therefore, in
20 deciding whether to accept or reject the Plan, you should not rely on any information relating to
21 Debtor or the Plan other than that contained in this Disclosure Statement or in the Plan itself.

22 The information contained in this Disclosure Statement is provided by Debtor and
23 Debtor's Counsel. Debtor represents that everything stated in the Disclosure Statement is true to
24 Debtor's best knowledge. The Bankruptcy Court has yet to determine whether or not the Plan is
25 confirmable and makes no recommendation as to whether or not you should support or oppose
26 the Plan.
27
28

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1 **II. DEFINITIONS AND RULES OF INTERPRETATION**

2 **A. TERMINOLOGY AND MEANINGS.**

3 For the purposes of this Plan, any capitalized terms shall have the respective meanings as
4 set forth in the accompanying Plan, and set forth herein for convenience; such meanings to be
5 equally applicable to the singular and the plural forms of the terms defined, unless the context
6 otherwise requires. Capitalized terms used in this Plan at all times shall refer to terms defined
7 herein and in the Plan. To the extent that there is a conflict regarding any term meaning, the Plan
8 shall control. Unless otherwise provided in this Plan, all terms used herein shall have the
9 meaning assigned to them under the Bankruptcy Code or Bankruptcy Rules. The rules of
10 construction applicable to the Bankruptcy Code and the Bankruptcy Rules shall be applicable to
11 this Plan.
12

13 **1. Definitions.**

14 1.1 “506 Application” means applications, if any are determined to be necessary, filed by the
15 Debtor seeking, among other things, (i) a determination of the Property Value of the Property, as of the
16 Effective Date; (ii) that, subject to an 1111(b) Election, each Secured Lender’s Claim is Secured in an
17 amount equal to the Bankruptcy Court’s determination of the Property Value of the Property securing
18 such Secured Lender’s Claim, less the amount of the Secured Note Deduction for such Property; and (iii)
19 other relief as set forth therein.

20 1.2 “506 Properties” means, collectively, those Properties that are the subject to any 506
21 Application, which seeks to fix the aggregate value of such Properties based upon appraised value
22 determined by Debtor.

23 1.3 “Administrative Claim” means a Claim for costs and expenses of administration,
24 pursuant to Bankruptcy Code Sections 503(b), 507(a)(2) or 507(b), including: (a) the actual and necessary
25 costs and expenses incurred after the Petition Dates and through the Effective Date of preserving the
26 Estates and operating the businesses of Debtor (such as wages, salaries, or commissions for services, and
27 payments for goods and services); (b) compensation and reimbursement of expenses for legal, financial
28

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1 advisory, accounting, and other services, including but not limited to, Allowed Professional Fees,
2 pursuant to Bankruptcy Code Sections 328, 330(a), or 331 or otherwise for the period commencing on the
3 Petition Date and ending on the Effective Date; (c) all fees and charges assessed against the Estates,
4 pursuant to chapter 123 of the Judicial Code and 28 U.S.C. § 1930; and (d) all Bankruptcy Court
5 approved requests for compensation or expense reimbursement for making a substantial contribution in
6 the Chapter 11 Cases, pursuant to Bankruptcy Code Sections 503(b)(3), (4), and (5).

7 1.4 “Administrative Claim Bar Date” means the deadline for filing requests for payment of
8 Administrative Claims, which shall be thirty (30) days after the Effective Date, except with respect to
9 Professional Fees, which shall be subject to the provisions set forth herein relating to the treatment of
10 Administrative Claims for Professional Fees.

11 1.5 “Allowed” means, with reference to any Claim, Equity Interest or Interest and with
12 respect to Debtor: (a) any Claim against or Interest in Debtor that has been listed by Debtor in their
13 Schedules, as such Schedules may be amended by Debtor from time to time in accordance with
14 Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent and for which no contrary
15 Proof of Claim or Interest has been Filed; (b) any Claim or Interest allowed (i) under this Plan, (ii) by
16 Final Order, or (iii) as to which the liability of Debtor and the amount thereof are determined by a final
17 order of a court of competent jurisdiction other than the Bankruptcy Court; or (c) as to which a Proof of
18 Claim has been timely Filed in a liquidated amount with the Bankruptcy Court, pursuant to the
19 Bankruptcy Code or any order of the Bankruptcy Court, or has been Filed with leave of the Bankruptcy
20 Court after notice and a hearing, provided that no objection to the allowance of such Claim or motion to
21 expunge such Claim has been interposed by any party in interest before any final date for the filing of
22 such objections or motions set forth in this Plan, the Confirmation Order or other order of the Bankruptcy
23 Court. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom
24 an amount equal to the amount of any valid and enforceable Claim that Debtor may hold against the
25 Holder thereof, to the extent such Claim may be validly offset, recouped, or otherwise reduced under
26 applicable law. Unless the Bankruptcy Court has entered an order disallowing all or part of a creditor’s
27 Claim prior to the deadline set by the Bankruptcy Court for casting ballots to accept or reject Debtor’s
28

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1 proposed Plan, creditor’s votes will be counted in the balloting process. This shall not impact Debtor’s
2 rights to object to said claims after the Confirmation Order is entered.

3 1.6 “Assets” means all of the assets, property (including the Properties), interests, and effects,
4 Cash, receivables, real and personal, tangible and intangible, wherever situated, of Debtor, as they existed
5 on the Effective Date or thereafter, including: (a) executory contracts and unexpired leases; (b) all of
6 Debtor’s other non-Cash property and assets, including all of the Causes of Action; and (c) any interest in
7 any security deposit held on the Effective Date.

8 1.7 “Assumed Contracts” means any of Debtor’s unexpired leases and executory contracts
9 existing on the Petition Date and any unexpired leases and executory contracts entered into by Debtor
10 post-petition which, prior to the Confirmation Date have been assumed by Debtor pursuant to Bankruptcy
11 Code Section 365, or are to be assumed by Debtor pursuant to this Plan.

12 1.8 “Avoidance Actions” means any actions commenced, or that may be commenced before
13 or after the Effective Date, pursuant to Bankruptcy Code Sections 544, 545, 547, 548, 550 or 551.

14 1.9 “Bankruptcy Code” means Title 11 of the United States Code, as amended from time to
15 time, as applicable to this Chapter 11 Case.

16 1.10 “Bankruptcy Court” means the United States Bankruptcy Court for the District of
17 Nevada, or such other court as may from time to time have jurisdiction over these Chapter 11 Cases.

18 1.11 “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, as heretofore or
19 hereafter amended and the general, local and chambers rules and orders of the Bankruptcy Court.

20 1.12 “Bar Date” means October 10, 2012, the date established by the Bankruptcy Court by
21 which non-governmental Creditors are required to file proofs of claim with respect to pre-petition Claims
22 including Claims asserted, pursuant to Bankruptcy Code Section 503(b)(9), except with respect to
23 Administrative Claims, Claims arising from the rejection of any executory contracts and unexpired leases,
24 and Claims that were scheduled by Debtor as undisputed, non-contingent, and unliquidated; and January
25 8, 2012, by which governmental Creditors are required to file proofs of claim with respect to pre-petition
26 Claims, including but not limited to Priority Tax Claims.

27 1.13 “Business Day” means a day, other than a Saturday, Sunday, or other day on which
28 commercial banks in Las Vegas, Nevada are authorized or required by law to close.

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1 1.14 “Cash” means legal tender of the United States of America, which may be conveyed by
2 check or wire transfer.

3 1.15 “Cash Collateral Orders” means any and all interim and final orders entered by the
4 Bankruptcy Court, which permitted Debtor to use the cash collateral of any of the Secured Lenders.

5 1.16 “Causes of Action” means any Claim, Avoidance Action, cause of action, controversy,
6 demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account,
7 defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, known,
8 unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or
9 unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether
10 arising before, on or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any
11 other theory of law.

12 1.17 “Chapter 11 Case” means the Chapter 11 case filed by Debtor as set forth in the caption
13 of the instant Disclosure Statement.

14 1.18 “Claim” has the meaning set forth in Bankruptcy Code Section 101(5).

15 1.19 “Claim Objection Deadline” means sixty (60) days from the entry of an order confirming
16 the Plan for all Claims, except for Claims for which a specific objection deadline has been set forth
17 elsewhere in this Plan.

18 1.20 “Claims Register” means the official register of Claims and Interests maintained by
19 Debtor.

20 1.21 “Class” means a class of Holders of Claims or Interests as described in Article II of the
21 Plan.

22 1.22 “Confirmation” means the entry by the Bankruptcy Court of the Confirmation Order.

23 1.23 “Confirmation Date” means the date upon which the clerk of the Bankruptcy Court enters
24 the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules
25 5003 and 9021.

26 1.24 “Confirmation Funds” means all funds required to be disbursed, or deposited and held for
27 later disbursement upon allowance or other Bankruptcy Court authorization, on or as of the Effective Date
28 (i) to Holders of Allowed Professional Fee Claims, other Allowed Administrative Claims, Allowed

1 Priority Claims to be paid in Cash on the Effective Date, any Allowed Priority Tax Claims other than
2 Priority Tax Claims to be paid in deferred payments pursuant to this Plan, (ii) to the U.S. Trustee for U.S.
3 Trustee Fees due as of the Effective Date and (iii) for any other Distributions and payment of costs and
4 expenses in connection with consummating the Plan.

5 1.25 “Confirmation Hearing” means the hearing held by the Bankruptcy Court to consider
6 confirmation of the Plan pursuant to Bankruptcy Code Section 1129, as such hearing may be adjourned or
7 continued from time to time.

8 1.26 “Confirmation Order” means the order entered by the Bankruptcy Court confirming the
9 Plan in accordance with the Bankruptcy Code, which shall be in form and substance reasonably
10 acceptable to Debtor.

11 1.27 “Creditor” means a Holder of a Claim.

12 1.28 “Cure” means the payment of Cash by Debtor, or the Distribution of other property and
13 the performance of any other obligations as the parties may agree or the Bankruptcy Court may order
14 necessary to cure defaults under an executory contract or unexpired lease of Debtor that are required to
15 allow Debtor to assume, or to assume and assign that contract or unexpired lease under Section 365(a) of
16 the Bankruptcy Code, or under this Plan.

17 1.29 “Cure Bar Date” means the deadline for filing requests for payment of Cure, which shall
18 be fifteen (15) days prior to the Confirmation hearing.

19 1.30 “Debtor” shall mean CBS I, LLC.

20 1.31 “Debtor in Possession” mean Debtor, as debtor in possession in the Chapter 11 Case,
21 pursuant to Bankruptcy Code Sections 1107 and 1108.

22 1.32 “Deficiency Claim” means the Claim of any Secured Lender on the 506 Properties, who
23 does not make the 1111(b) Election, which is created pursuant to treatment in the Plan and is Allowed as
24 a General Unsecured Claim, which amount shall equal the difference between such Secured Lender’s
25 Allowed Claim and the Property Value of the 506 Properties which secures such Secured Lender’s Claim.
26 Deficiency Claim shall not be construed to include any General Unsecured Claims that were listed as
27 General Unsecured Claims in Debtor’s Schedules.
28

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1 1.33 “Disallowed Claim” means any Claim or portion thereof that has been disallowed by a
2 Final Order of the Bankruptcy Court.

3 1.34 “Disclosure Statement” means the solicitation and disclosure statement for this Plan,
4 including all exhibits and schedules thereto.

5 1.35 “Disputed Claim” means: (a) any Claim or portion of a Claim (including any
6 Administrative Claim, Priority Claim or Other Secured Claim) listed in the Schedules as disputed,
7 contingent, or unliquidated; or (b) any Claim, as to which an objection to the allowance thereof has been
8 filed with the Bankruptcy Court within any time limitation fixed by the Bankruptcy Code, the Bankruptcy
9 Rules, this Plan or an order of the Bankruptcy Court, which objection has not been settled, withdrawn, or
10 determined, in whole or in part, by a Final Order. Pursuant to United States Bankruptcy Court, District of
11 Nevada, Local Rule 3007(d), Debtor may file an objection to any Proof of Claim within sixty (60) days
12 after the entry of an order confirming the Plan.

13 1.36 “Distribution” means any distribution made by the Distribution Agent pursuant to the
14 terms of this Plan.

15 1.37 “Distribution Agent” means Debtor, or the Person or Entity chosen by Debtor to make or
16 to facilitate Distributions pursuant to this Plan.

17 1.38 “Distribution Record Date” means the Confirmation Date unless the Bankruptcy Court
18 establishes a different date for the Distribution Record Date in the Confirmation Order.

19 1.39 “Effective Date” means the first Business Day on which the conditions specified herein
20 in Article XII have been satisfied in full or waived or January 1, 2014 whichever occurs later.

21 1.40 “Entity” has the meaning as set forth in Bankruptcy Code Section 101(15).

22 1.41 “Estate” means, the estate of Debtor that was created by the commencement of the
23 Chapter 11 Case pursuant to Bankruptcy Code Section 541, and shall be deemed to include any and all
24 privileges and incorporeal hereditaments of Debtor and any and all interests in property, whether real,
25 personal or mixed, rights, Causes of Action, avoidance powers or extensions of time that Debtor or the
26 estate shall have had effective as of the Petition Date or thereafter, whether by virtue of Bankruptcy Code
27 Sections 544, 545, 546, 547, 548, 549 or 550 or otherwise.

28 1.42 “Equity Interest” means the same as “Interest.”

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- 1 1.43 “File” means to file a document with the Bankruptcy Court in the Chapter 11 Case.
- 2 1.44 “Final Decree” means an order of the Bankruptcy Court closing the Chapter 11 Case
3 pursuant to Bankruptcy Code Section 350.
- 4 1.45 “Final Order” means an order or judgment entered by the Bankruptcy Court: (a) that has
5 not been reversed, stayed, modified, amended, revoked, varied or set aside, and as to which (i) any right
6 to appeal or seek certiorari, review, reargument, stay or rehearing has been waived, or (ii) the time to
7 appeal or seek certiorari, review, reargument, stay or rehearing has expired and no appeal or petition for
8 certiorari, review, reargument, stay or rehearing is pending; or (b) as to which an appeal has been taken or
9 petition for certiorari, review, reargument, stay or rehearing has been filed, and (i) such appeal or petition
10 for certiorari, review, reargument, stay or rehearing has been resolved by the highest court to which the
11 order or judgment was appealed or from which certiorari, review, reargument, stay or rehearing was
12 sought, and (ii) the time to appeal further or seek certiorari, review, reargument, stay or rehearing has
13 been waived or expired and no such further appeal or petition for certiorari, review, reargument, stay or
14 rehearing is pending, provided, however, that no order or judgment shall fail to be a “Final Order”
15 hereunder solely because of the possibility that a motion pursuant to Section 502(j) or 1144 of the
16 Bankruptcy Code, Rule 59 or 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be
17 Filed with respect to such order or judgment.
- 18 1.46 “First Priority Senior Secured Claim” means a Secured Claim by which a Secured Lender
19 has a Lien that takes priority over all other Secured Lenders over the same Property. For purposes of this
20 Plan, the sole First Priority Senior Secured Claim is the U.S. Bank Secured Claim.
- 21 1.47 “General Unsecured Claims” means all the Claims against Debtor, including any
22 Deficiency Claims of Secured Lenders on the 506 Properties who did not make the Section 1111(b)
23 Election and Claims resulting from rejection of executory contracts and unexpired leases, that are not
24 Secured, Administrative, or Priority Claims, and that are not subject to subordination by agreement or
25 otherwise.
- 26 1.48 “Holder” means any Person or Entity that is the owner of a Claim or Interest in the
27 Chapter 11 Cases.
- 28 1.49 “Insider” shall have the meaning set for the Bankruptcy Code Section 101(31).

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1 1.50 "Interest" means any: (i) any equity or other ownership interest in any Person or Entity,
2 including, but not limited to, all issued and outstanding or reserved for issuance, common stock, preferred
3 stock, membership interests, warrants, options, or other ownership rights or rights to purchase or receive
4 additional shares of stock or membership interests in any Person or Entity, and/or any other instrument or
5 document to the extent that it directly or indirectly evidences, creates or reserves any equity or ownership
6 interest in any Person or Entity giving rise to any Claim or Interest, (ii) equity security, including all
7 membership interests together with any warrants, options, or contractual rights to purchase or acquire
8 such equity securities at any time and all rights arising with respect thereto and (iii) partnership, limited
9 liability company or similar interest.

10 1.51 "Interest Holder" means the Holder of an Interest (or Equity Interest).

11 1.52 "Key Transaction Documents" means, the Plan, the Disclosure Statement, the Ballots,
12 and any and all Plan implementation documents filed with any Plan Supplements.

13 1.53 "Lien" has the meaning set forth in Bankruptcy Code Section 101(37).

14 1.54 "Notice of Confirmation" means that certain notice, pursuant to Bankruptcy Rule
15 3020(c)(2), notifying Holders of Claims and Interests that the Bankruptcy Court has confirmed this Plan.

16 1.55 "Operative Document" means any contract, instrument, release, settlement agreement or
17 other agreement or document, if any, that is reasonably necessary to effectuate and implement the
18 transactions provided for in this Plan, including the Key Transaction Documents.

19 1.56 "Other Secured Claims" means any Secured Claim other than a Claim with respect to a
20 Secured Loan on Debtor's Properties.

21 1.57 "Permitted Encumbrances" means (i) Liens for *ad valorem* taxes not yet due and payable,
22 (ii) easements, restrictions, conditions and limitations of record that affected the title to the Properties as
23 of the Petition Date, (iii) any Liens securing Other Secured Claims that are reinstated or assumed by
24 Debtor (as applicable), and (iv) as such term is defined in the Plan.

25 1.58 "Person" means any individual, corporation, partnership, limited liability company, joint
26 venture, association, trust or organization, or other "person" as defined in Bankruptcy Code Section
27 101(41), as well as any governmental agency, governmental unit or political subdivision.

28 1.59 "Petition Date" means June 7, 2012.

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1 1.60 "Plan" means this Chapter 11 Plan, including all documents referenced herein and all
2 exhibits, supplements, appendices and schedules hereto or thereto, either in its present form or as the
3 same may be altered, amended or modified from time to time pursuant to the Bankruptcy Code or Final
4 Order.

5 1.61 "Plan Proponent" means Debtor.

6 1.62 "Priority Claim" means a Claim entitled to priority under Bankruptcy Code Sections
7 507(a)(2) through (7).

8 1.63 "Priority Tax Claims" means any Claim that is entitled to priority under Section 502(i) or
9 Bankruptcy Code Section 507(a)(8). Priority Tax Claims do not include *ad valorem* tax Claims if such
10 Claims under applicable state law are Secured by a Lien on Debtor's Assets.

11 1.64 "Professional" means a Person or Entity: (a) employed pursuant to a Bankruptcy Court
12 order in accordance with Bankruptcy Code Sections 327 or 1103 and to be compensated for services
13 rendered prior to or on the Effective Date, pursuant to Bankruptcy Code Sections 327, 328, 329, 330, or
14 331; or (b) awarded compensation and reimbursement by the Bankruptcy Court, pursuant to Bankruptcy
15 Code Section 503(b)(4).

16 1.65 "Professional Fees" means all reasonable fees and expenses incurred by Professionals
17 and allowed by the Bankruptcy Court.

18 1.66 "Professional Fee Claim" means any Claim for compensation or reimbursement of fees
19 and expenses as may be requested by a Professional to the extent such Professional is required to apply to
20 the Bankruptcy Court for payment of such Claim pursuant to Bankruptcy Code Sections 326, 328, 330 or
21 331 and the terms of this Plan.

22 1.67 "Proof of Claim" means a Proof of Claim Filed against Debtor in the Chapter 11 Cases.

23 1.68 "Properties" means, collectively, all real estate and Rents thereof owned by Debtor and
24 listed on Debtor's Schedules, as amended or modified, relating to the U.S. Bank Property.

25 1.69 "Properties' Value" means the aggregate going concern value of the Properties, as
26 determined by the Bankruptcy Court or through stipulation between Debtor and its respective lenders,
27 which value must be consistent with the economics of this Plan.

28 1.70 "Property" means any one of the Properties, together with its Rents.

1 1.71 "Property Value" means, for any Property, the Property's going concern value, as
2 determined by the Bankruptcy Court or through stipulation between Debtor and the Secured Lender(s)
3 holding a Lien on such Property, which value must be consistent with the economics of this Plan.

4 1.72 "Proponent" mean Debtor as proponent of this Plan.

5 1.73 "Pro Rata" means, with respect to an amount of Cash or other consideration to be paid or
6 distributed on a particular date to a Holder of an Allowed Claim, that such Distribution shall be made in
7 accordance with the ratio, as of such date, of the amount such Allowed Claim is to the aggregate of the
8 amounts of Claims in the Class to which such Allowed Claim belongs.

9 1.74 "Rejected Contract" means any expired lease or contract, or any unexpired lease or
10 executory contract that has been rejected prior to Confirmation, or is the subject of a pending motion for
11 rejection or has been designated in the Disclosure Statement (or in any other contract, instrument,
12 stipulation, settlement, release, or other agreement or document entered into in connection with this Plan)
13 as a contract or lease that is not to be an Assumed Contract, or is otherwise rejected pursuant to the this
14 Plan.

15 1.75 "Released Liabilities" means, with respect to a given Releasor, all claims, obligations,
16 suits, judgments, damages, demands, debts, rights, Causes of Action and liabilities based on any act,
17 omission, transaction, event or other occurrence (other than rights to enforce the terms of this Plan or any
18 related document or agreement), whether known or unknown, foreseen or unforeseen, then existing or
19 thereafter arising, in law, equity or otherwise that arose prior to the Effective Date and relate to Debtor,
20 this Plan, the Chapter 11 Case, which could have been asserted by such Releasor (or on behalf of Debtor
21 or its Estate) against any Releasee or any of its Representatives. THE DISCHARGE OF THE
22 RESPECTIVE DEBTOR, AS SET FORTH IN THIS PLAN, SHALL NOT RELEASE OR DISCHARGE
23 THIRD PARTIES, INCLUDING, BUT NOT LIMITED TO, DEBTOR'S MANAGING MEMBER(S),
24 FROM ANY PERSONAL OBLIGATIONS IT MAY HAVE TO ANY SECURED LENDER OR
25 OTHER CREDITOR UNDER ANY PERSONAL GUARANTY OR OTHERWISE.

26 1.76 "Releasees" means Debtor, the Distribution Agent, Secured Lenders, and any current
27 shareholders, subsidiaries, partners, members or affiliates of the aforementioned Persons and any of their
28 respective Representatives.

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1 1.77 “Releasors” means Debtor, the Distribution Agent, Secured Lenders, and any current
2 shareholders, subsidiaries, partners, members or affiliates of the aforementioned Persons and any of their
3 Representatives.

4 1.78 “Rents” means, with respect to a Property, such Property’s rents, earnings, income,
5 profits, benefits and advantages arising from such Property, if any, as set forth in the deed of trust and/or
6 assignment of rents securing any Secured Loan with respect to such Property.

7 1.79 “Reorganized Debtor” means Debtor, or any successor thereto, by merger, consolidation
8 or otherwise, on or after the Effective Date.

9 1.80 “Reorganized Debtor Bylaws” means the amended and restated agreements that will
10 govern the Reorganized Debtor as of the Effective Date.

11 1.81 “Representatives” means, with respect to a given Person or Entity, its past and current
12 directors, officers, shareholders, members, partners, employees, agents, attorneys, professionals, advisors,
13 trustees, consultants, accountants, contractors and other representatives.

14 1.82 “Schedule of Assumed Contracts” means the schedule of Assumed Contracts and
15 Debtor’s proposed respective Cure amounts, if any, which is attached as an exhibit to the Disclosure
16 Statement.

17 1.83 “Schedule of Disputed Claims” means the non-exhaustive list of Claims whose amounts
18 are disputed, if any, which is attached as an exhibit to the Disclosure Statement.

19 1.84 “Schedules” means the schedules of Assets and liabilities, the list of Holders of Interests
20 and the statements of financial affairs Filed by Debtor under Bankruptcy Code Section 521 and
21 Bankruptcy Rule 1007, and all amendments and modifications thereto through the Confirmation Date.

22 1.85 “Secured” means when referring to a Claim: (a) secured by a Lien on property in which
23 the Estates have an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or
24 by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to Section 553 of the
25 Bankruptcy Code, to the extent of the value of the Creditor’s interest in the Estates’ interest in such
26 property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to Section
27 506(a) of the Bankruptcy Code; or (b) Allowed pursuant to this Plan as a secured Claim.

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1 1.86 “Secured Lenders” means, collectively, all lenders holding Liens on Debtor’s real
2 property and Rents thereof to secure their Claims as set forth in Debtor’s Schedules, as amended or
3 modified, and any respective other Persons or Entities holding Claims with respect to each Secured Loan
4 held by each of the Secured Lenders and any permitted assignee or other transferee thereof, each
5 individually, a “Secured Lender.”

6 1.87 “Secured Loan” means a loan held by a Secured Lender which is Secured by a Property.

7 1.88 “Secured Note Deduction” means, for each Property and the Secured Lender’s Claim
8 secured by a Lien on such Property, an amount equal to (i) the amount of any Claims secured by a Lien
9 on the subject Property which is senior in priority to the Lien held by the Secured Lender on the said
10 Property, plus (ii) any post-petition amounts paid to a Secured Lender as adequate protection or otherwise
11 to the extent there was no diminution in value of its interest in the subject Property during the Chapter 11
12 Case, plus (iii) any amounts the Bankruptcy Court determines, at the Confirmation Hearing, should be
13 surcharged to the Property or the Secured Lender pursuant to Bankruptcy Code Section 506(c).

14 1.89 “Security Deposits” means the security deposits received from tenants of the Properties.

15 1.90 “Unclassified Claims” means Administrative Claims and Priority Tax Claims.

16 1.91 “U.S. Bank” means U.S. Bank National Association.

17 1.92 “U.S. Bank Claims” means the First Priority Secured Claim held by U.S. Bank and/or
18 any other Persons under the U.S. Bank Loan, U.S. Bank Note and related loan documents.

19 1.93 “U.S. Bank Loan” means the loan pursuant to the U.S. Bank Note as secured by a Deed
20 of Trust, Security Agreement and Fixture Filing (“Deed of Trust”) which was recorded with the Clark
21 County, Nevada, Recorder’s Office on August 24, 2006, and an Assignment of Leases and Rents dated
22 August 23, 2006 (“Assignment of Rents Agreement”) which was recorded with the Clark County,
23 Nevada, Recorder’s Office on August 24, 2006, among other documents, instruments or agreements
24 relating to the U.S. Bank Property, pursuant to which the U.S. Bank Loan is secured by the U.S. Bank
25 Property and Rents thereof.

26 1.94 “U.S. Bank Note” means the promissory note dated August 23, 2006, by and between
27 CBS I, LLC, as borrower, and Wachovia Bank National Association, as lender, in the original principal
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1 amount of \$16,800,000 Dollars, at a fixed rate of 6.06% per annum, as thereafter assigned to or currently
 2 held by U.S. Bank, as successor in interest.

3 1.95 "U.S. Bank Property" means ±71,546 square feet of gross rentable building area on a site
 4 containing approximately ±206,474 net square feet or ±4.74 acres, located at 10100 West Charleston
 5 Boulevard, Las Vegas, Nevada 89135, together with the Rents thereof currently owned by Debtor.

6 1.96 "U.S. Bank Refinanced Secured Loan" means U.S. Bank Loan as restructured and
 7 refinanced under the terms of this Plan as the U.S. Bank Refinanced Secured Loan, as more particularly
 8 defined and set forth in this Plan.

9 1.97 "U.S. Bank Refinanced Secured Loan Maturity" means September 11, 2018.

10 1.98 "U.S. Bank Refinanced Secured Loan Payment Terms" means the payment terms of the
 11 U.S. Bank Refinanced Secured Loan which shall be monthly payments on the U.S. Bank Allowed Claim
 12 at the U.S. Bank Refinanced Secured Loan Interest Rate beginning on January 1, 2014 through and until
 13 the U.S. Bank Refinanced Secured Loan Maturity or earlier full satisfaction of the U.S. Bank Refinanced
 14 Secured Loan. The monthly payments of the U.S. Bank Refinanced Secured Loan shall be interest only
 15 payments at the applicable U.S. Bank Refinanced Secured Loan Interest Rate. Debtor will make its
 16 monthly payments on or before the 15th day of each month.

17 1.99 "U.S. Bank Refinanced Secured Loan Interest Rate" means a fixed stepped interest rate
 18 which shall increase over the life of the Plan, if no Section 1111(b) election is made by U.S. Bank, unless
 19 otherwise determined by the Bankruptcy Court, which rate must be satisfactory to Debtor. The U.S. Bank
 20 Refinanced Secured Loan Interest Rate shall be computed based upon a 360 day years and charged for the
 21 actual number of days elapsed. The U.S. Bank Refinanced Secured Loan Interest Rate shall be as
 22 follows:

Payment Period	Fixed Rate	Payment of Principal/Interest
Plan Year		
1	3.25%	Interest Only Payment
2	4.25%	Interest Only Payment
3	5.25%	Interest Only Payment
4	5.25%	Interest Only Payment
5	5.25%	Interest Only Payment

27 1.100 "U.S. Trustee Fees" means fees payable pursuant to 28 U.S.C. § 1930.

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B. RULES OF INTERPRETATION.

Any term used in this Plan that is not defined in this Plan, either in this Article or elsewhere, but that is used in the Bankruptcy Code or the Bankruptcy Rules, has the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules. For purposes of this Plan: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural; (b) to the extent a reference or description in this Plan to an Operative Document is inconsistent with the terms or conditions of that Operative Document, the terms and conditions of the Operative Document shall govern over the reference or description contained in this Plan; (c) any reference in this Plan to an existing document, schedule, Operative Document, or exhibit Filed or to be Filed means such document, schedule, Operative Document, or exhibit, as it may have been or may be amended, modified, or supplemented as of the Confirmation Date in accordance with the terms hereof; (d) unless otherwise specified in a particular reference, all references in this Plan to Sections, Articles, and exhibits are references to Sections, Articles, and exhibits of or to this Plan; (e) the words “herein”, “hereof”, “hereto”, “hereunder”, and others of similar import refer to this Plan in its entirety rather than to only a particular portion of this Plan; (f) the word “all” shall mean “any and all;” (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretations of this Plan; (h) the rules of construction set forth in Bankruptcy Code Section 102 shall apply, including that the terms “includes,” “shall include,” and “including” are not limiting; (i) reference to a pleading, request, or document being “Filed” means duly and properly filed with the Bankruptcy Court as reflected on the docket of the Bankruptcy Court; (j) all exhibits and schedules to this Plan are incorporated into this Plan, and shall be deemed to be included in this Plan, regardless of when they are Filed; (k) any service or notice provided for in this Plan shall be provided at the

1 addresses specified herein; (1) except to the extent that the Bankruptcy Code or other federal law
2 is applicable, or to the extent the exhibits or Operative Documents provide otherwise, the rights,
3 duties and obligations under this Plan shall be governed, construed and enforced in accordance
4 with the laws of the State of Nevada; and (m) to the extent a reference or description in the
5 Disclosure Statement or an Operative Document is inconsistent with the terms or conditions of
6 the Plan or Operative Document, the terms and conditions of the Plan or Operative Documents,
7 as applicable, shall govern over the reference contained in the Disclosure Statement.
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10 **III. BACKGROUND**

11 **A. DESCRIPTION AND HISTORY OF DEBTOR'S BUSINESS.**

12 Debtor is in the business of real estate development and currently owns a commercial
13 property with improvements in Clark County, Nevada. In addition to leasing space within this
14 commercial property, Debtor has several executory contracts for maintenance, property
15 management, leasing, fire protection and monitoring to maintain the single asset of Debtor. The
16 tenants at the property are described in an exhibit to this Disclosure Statement.

17 In addition to leasing the sole asset, Debtor has ongoing monthly obligations including
18 paying general monthly obligations, such as utilities and maintenance upkeep including, but not
19 limited to landscaping, HVAC repair, graffiti removal, janitorial service, parking lot sweeping,
20 power wash services, elevator maintenance, window cleaning, pest control and repairs. Debtor
21 anticipates that by reorganizing its operations, Debtor will be able to operate at a profit.

22 **B. PRINCIPALS/AFFILIATES OF DEBTOR'S BUSINESS.**

23 Debtor is a limited liability company whose sole asset consists of $\pm 71,546$ square feet of
24 gross rentable building area on a site containing approximately $\pm 206,474$ net square feet or ± 4.74
25 acres, located at 10100 West Charleston Boulevard, Las Vegas, Nevada 89135. Debtor is owned
26 by Jeff Susa (25%), Breslin Family Trust (25%), M&J Corrigan Family Trust (25%) and S&L
27 Corrigan Family Trust (25%).
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C. MANAGEMENT OF DEBTOR BEFORE AND AFTER THE BANKRUPTCY.

During the time period prior to the date on which Debtor filed its bankruptcy petition, Debtor operated as a limited liability company. Debtor intends to maintain the commercial Property it owns in the ordinary course of business upon confirmation of the Plan. Debtor has utilized and will continue to utilize Real Estate Asset Management, LLC as property manager for the Properties.

Real Estate Asset Management, LLC through Jeff Susa has managed Debtor's property since 2008. Real Estate Asset Management, LLC is owned by Jeff Susa who is also the sole manager. Mr. Susa holds the real estate broker's license and property management license for Real Estate Asset Management, LLC which allows the management company to act as a Qualified Manager as defined in Paragraph 2.26 of U.S. Bank's Deed of Trust and as contemplated in Paragraph 3.5 of U.S. Bank's Deed of Trust.

Real Estate Asset Management, LLC leases, collects rents, pays ongoing operating expenses associated with the management of the Property, and evicts tenants as outlined in the Property Management Agreement. There are no other transactions between Debtor and Real Estate Asset Management, LLC other than those contemplated in the Property Management Agreement.

D. EVENTS LEADING TO CHAPTER 11 FILING.

The events leading to this Chapter 11 case are the downturn in the economy generally and the Las Vegas real estate market specifically. Due to the economy, various old tenant leases expiring, and the costs associated with commissions and tenant improvements for new tenant leases, Debtor was unable to pay on the U.S. Bank Note. However, Debtor believes that the terms proposed, the new leases secured and, in some cases, other further lease negotiations that may come to fruition in the near future, will allow Debtor to manage and maintain the Property and its reorganized indebtedness.

E. SIGNIFICANT EVENTS DURING THE BANKRUPTCY PROCEEDINGS

On June 7, 2012, Debtor Filed its Chapter 11 Case. There are no adversary proceedings currently pending. Debtor has not filed any adversary proceedings at this time, however, if the Bankruptcy Court does not confirm the Plan, Debtor may elect to pursue any claims it holds against its lenders.

To date, Debtor has petitioned the Bankruptcy Court to retain the following Professionals in the Case: Marquis Aurbach Coffing and subsequently, Larson & Zirzow, as Debtor's counsel, Flangas McMillan Law Group, as Debtor's special counsel, and Charles E. Jack, IV and Kenneth Funsten, as Debtor's potential expert witnesses. The Application to Employ Marquis Aurbach Coffing was granted and notice of entry of order was filed on August 7, 2012. The Application to Employ Larson & Zirzow was granted and notice of entry of order was filed on July 31, 2013. The Application to Employ Flangas McMillan Law Group was granted and notice of entry of order was filed on August 7, 2012. The Application to Employ Charles E. Jack, IV was approved and notice of entry of order was Filed on May 9, 2013 The Application to Employ Kenneth Funsten was approved and notice of entry of order was Filed on March 4, 2013.

On June 20, 2012, Debtor filed Debtor's Emergency Motion for an Interim Order Authorizing Use of Cash Collateral and Related Relief and Scheduling Final Hearing Pursuant to Fed. R. Bankr. P. 4001(b)(2). On July 9, 2012, the Court entered its Order Authorizing the Debtor's Use of Cash Collateral on an Interim Basis. On or about July 16, 2012, Debtor and Secured Creditor U.S. Bank entered into a Stipulation Authorizing Use of Cash Collateral; Granting Adequate Protection. The Stipulation Authorizing Use of Cash Collateral was approved by the Court and a Notice of Entry of Order Approving the Stipulation was filed on July 23, 2012.

A Notice of Entry of Order Authorizing Debtor's Motion for an Order Under Section 366 of the Bankruptcy Code (A) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Service, (B) Deeming Utilities Adequately Assured of Future Performance, and

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1 (C) Establishing Procedures for Determining Requests for Additional Adequate Assurance was
2 Filed on July 3, 2012.

3 On September 5, 2012, Debtor Filed its Proposed Disclosure Statement Describing
4 Chapter 11 Plan of Reorganization and its Proposed Plan of Reorganization. On October 30,
5 2012, U.S. Bank Filed its Objection to Debtor's Disclosure Statement Describing Chapter 11
6 Plan of Reorganization. On November 7, 2012, Debtor Filed its First Amended Proposed
7 Disclosure Statement Describing Chapter 11 Plan of Reorganization and its First Amended
8 Proposed Plan of Reorganization. On November 14, 2012, Debtor Filed its Second Amended
9 Proposed Disclosure Statement Describing Chapter 11 Plan of Reorganization and its Second
10 Amended Proposed Plan of Reorganization.

11 A hearing was held on the approval of Debtor's Second Amended Disclosure Statement
12 on November 14, 2012 and again on November 28, 2012. At the November 28, 2012 hearing,
13 the Court orally approved Debtor's Second Amended Proposed Disclosure Statement Describing
14 Chapter 11 Plan of Reorganization. However, Debtor and U.S. Bank agreed that the entry of an
15 order related to the approval of the Debtor's Second Amended Proposed Disclosure Statement
16 Describing Chapter 11 Plan of Reorganization should be continued in order to allow the parties
17 to proceed with anticipated objections to proofs of claim and in order to pursue potential
18 settlement discussions. As such, the Disclosure Statement hearing has been continued numerous
19 times as Debtor and U.S. Bank proceeded with objections to proofs of claim and settlement
20 discussions. The hearing related to the Disclosure Statement has been continued to September
21 25, 2013 at 9:30 a.m. as the Debtor and U.S. Bank have been in serious settlement discussions.
22 On February 27, 2013, Debtor Filed its Objection to Claim #6 of Tri-Signal Integration, Inc. No
23 Opposition was filed in response to the Debtor's Objection to Claim #6 of Tri-Signal Integration,
24 Inc. The Court granted Debtor's Objection to Claim #6 of Tri-Signal Integration, Inc. and notice
25 of entry of order was Filed on August 23, 2013.

26 On February 27, 2013, Debtor Filed it Objection to Claim #3 of CW Capital Asset
27 Management, LLC (U.S. Bank). On April 18, 2103, U.S. Bank filed its Response to Debtor's
28 Objection to Claim #3 of CW Capital Asset Management, LLC (U.S. Bank). Debtor Filed its

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1 Reply to U.S. Bank's Response on April 24, 2013. The hearing related to the Objection to Claim
2 #3 of CW Capital Asset Management, LLC (U.S. Bank) has been continued to September 25,
3 2013 at 9:30 a.m. as the Debtor and U.S. Bank have been in serious settlement discussions.

4 On April 22, 2013, Marquis Aurbach Coffing Filed its First Interim Application for
5 Compensation. On June 26, 2013, U.S. Bank Filed its Objection to Marquis Aurbach Coffing's
6 First Interim Application for Compensation. On July 15, 2013, Marquis Aurbach Coffing Filed
7 its Reply to U.S. Bank's Objection to Marquis Aurbach Coffing's First Interim Application for
8 Compensation. The hearing related to the Marquis Aurbach Coffing's First Interim Application
9 for Compensation has been continued to September 25, 2013 at 9:30 a.m. as the Debtor and U.S.
10 Bank have been in serious settlement discussions.

11 On April 25, 2013, Flangas McMillan Filed its First Interim Application for
12 Compensation. On June 26, 2013, U.S. Bank Filed its Objection to Flangas McMillan's First
13 Interim Application for Compensation. On July 15, 2013, Larson & Zirzow Filed its Reply to
14 U.S. Bank's Objection to Flangas McMillan's First Interim Application for Compensation. The
15 hearing related to the Flangas McMillan's First Interim Application for Compensation has been
16 continued to September 25, 2013 at 9:30 a.m. as the Debtor and U.S. Bank have been in serious
17 settlement discussions.

18 Debtor and U.S. Bank have reached an agreement as to the treatment of the U.S. Bank
19 Claim as well as Marquis Aurbach Coffing's First Interim Application for Compensation and
20 Flangas McMillan's First Interim Application for Compensation. The terms agreed to are set
21 forth herein. This Third Amended Disclosure Statement and the Third Amended Plan have been
22 reviewed, approved, and consented to prior to filing by counsel for both Debtor and U.S. Bank.

23 There are six (6) Proof of Claim filed to date. Except to the extent that a Claim is already
24 Allowed pursuant to a final non-appealable order, Debtor reserves the right to object to
25 Creditors' Claims. Therefore, even if your Claim is Allowed for voting purposes, you may not
26 be entitled to a distribution if an objection to your Claim is later upheld. The procedures for
27 resolving Disputed Claims are set forth in this Plan.

28

1 Separately, the Court set a Bar Date for Proofs of Claim in the Case of October 10, 2012
2 for non-governmental Creditors and January 8, 2012 for governmental agencies. The Bar Date is
3 the date after which Creditors cannot file a Proof of Claim in this Case. Importantly, if your
4 Claim is listed in Debtor's Schedules, and you agree with the Claim amount listed there, you do
5 not need to file a Proof of Claim in the Case. However, the non-filing of a Proof of Claim may
6 impact your eligibility for payment in this Plan. If Debtor amends its Schedules and your Claim
7 is affected, you will have an opportunity to file an objection to any such change.

8 **F. OTHER LEGAL PROCEEDINGS.**

9 There is one lawsuit currently pending involving Debtor: (i) Eighth Judicial District
10 Court, Clark County, Nevada, Case No. A-12-661822-C filed by U.S. Bank requesting an
11 appointment of a Receiver which case was stayed due to the current bankruptcy. U.S. Bank has
12 agreed to dismiss this lawsuit without prejudice.

13 Upon information and belief, U.S. Bank has recently filed a federal lawsuit against the
14 four (4) personal guarantors on the U.S. Bank Loan. U.S. Bank has agreed to dismiss this
15 lawsuit without prejudice.

16 City National Bank has obtained a charging order against some or all of the Guarantor's
17 membership interest in the Debtor in the Eighth Judicial Court, Clark County, Nevada, Case No.
18 A-09-596499-C. Nev. Rev. Stat. 86.401(1) provides that a judgment creditor can secure a
19 charging order against a member's interest in a limited liability company, and if so, "has only the
20 rights of an assignee of the member's interest." See NRS 86.401(1). A charging order does not,
21 for example, give the judgment creditor the right to appoint a receiver, foreclose on the
22 member's interest, order, or direct the sale of the judgment debtor's interest. Other than as
23 provided under NRS 86.401(1), "no other remedy may be ordered by [the] court." NRS
24 86.401(2).

25 The Nevada Supreme Court addressed "the rights and remedies of a judgment creditor
26 pursuant to NRS 86.401" in the case of Weddell v. H20, Inc., 128 Nev. Adv. Op. No. 9 (Mar. 1,
27 2012). In Weddell, the Supreme Court indicated that judgment creditors "have no right to
28 participate in the management of the limited-liability company and only obtain the rights of an

1 assignee of the member’s interest—receiving only a share of the economic interests in a limited-
 2 liability company, including profits, losses, and distributions of assets.” Id. In other words,
 3 judgment creditors “cannot disrupt and interfere with the management rights of other members”
 4 and “tak[e] no interest in the LLC’s assets.” Id. The charging order simply “directs the LLC to
 5 make distributions to the creditor that it would have made to the member.” Id. Finally, City
 6 National cannot control when distributions or disbursements are made, because those decisions
 7 are vested in the managers of CBS I, LLC, and City National secures no managerial rights by
 8 way of its charging order.

9 City National Bank has also filed an Application for the Allowance of an Administrative
 10 Claim in the amount of \$16,118.30 which was granted by the Court and notice of entry of order
 11 was Filed on September 16, 2013. Pursuant to the Court’s Order, this Administrative Claim may
 12 not be paid from U.S. Bank’s cash collateral absent U.S. Bank’s consent.

13 **G. RECOVERY OF PREFERENTIAL, AVOIDABLE, OR FRAUDULENT**
 14 **TRANSFERS**

15 At this time, Debtor does not intend to pursue preference, fraudulent conveyance, or other
 16 Avoidance Actions. Debtor does not believe any significant transfers occurred, other than to its
 17 Secured Creditors, during the 2 year period leading up to the filing of this Case. Importantly, the
 18 majority of Debtor’s significant transfers were the payment of their mortgages or operating
 19 expenses.

20 Debtor does reserve its right, however, to perform and complete an investigation with
 21 regard to prepetition transactions. Although Debtor does not believe significant transfers
 22 occurred, Creditors should be aware that if you received a payment or other transfer within 90
 23 days of the Petition Date, or other transfer avoidable under the Bankruptcy Code, Debtor may
 24 seek to avoid such transfer in an Avoidance Action.

25 **H. CURRENT AND HISTORICAL FINANCIAL CONDITIONS.**

26 The identity and fair market value of the estate’s Assets are listed in **Exhibit A**. The
 27 value of the Assets is based on the appraisals performed for any Properties or Debtor’s best
 28 estimation of the Properties’ Value.

1 The Appraisal was done on April 18, 2012. Copies of the appraisals are available for
2 review upon request from Debtor’s Counsel. Debtor has provided Secured Creditor U.S. Bank
3 with a copy of the Appraisal Report.

4 The Property was appraised at \$19,000,000.00 in April 2012. According to the Debtor’s
5 Petition, the U.S. Bank Claim is estimated at \$16,390,230.51. On October 10, 2012, U.S. Bank
6 filed its Proof of Claim in the amount of \$20,997,698.97. See Claim No. 3. Debtor has objected
7 to U.S. Bank’s Proof of Claim. After months of settlement discussions, Debtor and U.S. Bank
8 have reached an agreement that U.S. Bank’s Allowed Claim will be in the total amount of
9 \$17,532,213.09 (“U.S. Bank Allowed Claim”). Based upon the appraised value and the U.S.
10 Bank Allowed Claim, there is equity in the Property and U.S. Bank is over-secured. U.S. Bank
11 does not dispute the appraised value of the Property.

12 **All parties may receive copies of Debtor’s Property appraisals upon request to**
13 **Debtor’s counsel.**

14 **IV. SUMMARY OF THE PLAN OF REORGANIZATION**

15 **A. WHAT CREDITORS WILL RECEIVE UNDER THE PROPOSED PLAN.**

16 As required by the Bankruptcy Code, the Plan places Claims in separate Classes and
17 describes the treatment each Class will receive. The Plan also states whether each Class of
18 Claims is Impaired. If the Plan is confirmed, your recovery will be limited to the amount
19 provided by the Plan.
20
21

22 **B. UNCLASSIFIED CLAIMS.**

23 Certain Claims are automatically entitled to specific treatment under the Code. They are
24 not considered Impaired, and Holders of such Claims do not vote on the Plan. They may,
25 however, object if, in such Claim Holder’s view, the treatment under the Plan does not comply
26 with the Code. As such, Debtor did not place the following Claims in any Class:
27
28

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UNCLASSIFIED CLAIMS: ADMINISTRATIVE CLAIMS					
Name	Amounts (Allowed + Estimated = Total Amount - Paid = Total Due)				
	Allowed	Estimated	Total Amt.	Paid	Total Due
Other administrative expenses		Unknown			
TOTAL AMOUNTS		\$241,618.30±			

Court Approval of Fees Required:

The Court must rule on all “Fees” listed in this chart before the fees will be owed. For all fees except Clerk’s Office fees and U.S. Trustee’s fees, the professional(s) in question must file and serve a properly noticed fee application and the Court must rule on the application. Only the amount of fees allowed by the Court will be owed and required to be paid under this Plan. Debtor shall pay the amount of fees allowed by the Court with thirty (30) days of the entry of any order by the Court allowing said fees.

2. Priority Tax Claims

Priority Tax Claims include certain unsecured income, employment and other taxes described by Section 507(a)(8) of the Bankruptcy Code. The Bankruptcy Code requires that each Holder of such a Section 507(a)(8) Priority Tax Claims receive the present value of such Claim in deferred cash payments, over a period not exceeding five years from the date of the order of relief. The legal and equitable rights of Priority Tax Claims are unaltered by this Plan.

The following chart lists all of Debtor's Section 507(a)(8) Priority Tax Claims and their treatment under the Plan:

Description	Amount Owed	Treatment
Name = City of Las Vegas Type of tax =Semi-Annual Assessments Date tax assessed = Pending	\$42,726.33	Described Below

As of the Date of this Plan, Debtor does not have any Priority Unsecured Claims as referred to in Section 507(a)(1), (4), (5), (6), and (7) of the Bankruptcy Code.

1 *Treatment:* The legal and equitable rights of the Holders of Allowed Priority Claims
2 are unaltered by this Plan. Each Holder of an Allowed Priority Claim shall, either: (i) be paid
3 the Allowed amount of such Claim in Cash on or prior to the Effective Date, or (ii) receive such
4 other treatment as is agreed by the Holder of the Allowed Priority Claim and Debtor.

5 *Impairment and Voting:* Holders of Allowed Priority Claims are not Impaired and the
6 Holders of Allowed Priority Claims are conclusively deemed to have accepted this Plan,
7 pursuant to Bankruptcy Code Section 1126(f). Therefore, Holders of Allowed Priority Claims
8 are not entitled to vote to accept or reject this Plan.

9
10 **C. CLASSIFIED CLAIMS AND INTERESTS**

11 The bar date for filing claims will expire on October 10, 2012. The following are the
12 classes set forth in the Plan, and the proposed treatment that they will receive under the Plan.

13 All Claims and Interests, except Administrative Claims (including Professional Fee
14 Claims) and Priority Tax Claims, are placed in the Classes set forth below. In accordance with
15 Bankruptcy Code Section 1123(a)(1), Administrative Claims and Priority Tax Claims, as de-
16 scribed below, have not been classified.

17 A Claim or Interest is placed in a particular Class only to the extent that the Claim or
18 Interest falls within the description of that Class and is classified in other Classes to the extent
19 that any portion of the Claim or Interest falls within the description of such other Classes. A
20 Claim or Interest is also placed in a particular Class for the purpose of receiving Distributions
21 pursuant to this Plan only to the extent that such Claim or Interest is an Allowed Claim in that
22 Class and such Claim has not been paid, released or otherwise settled prior to the Effective Date.
23 The following are the Classes set forth in the Plan, and the proposed treatment that they will
24 receive under the Plan.
25
26
27
28

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1 **1. Allowed Secured Claims: Secured Claim of U.S. Bank (Class 1)**

2 Allowed Secured Claims are Claims secured by property of Debtor’s Estate (or that are
3 subject to set off) to the extent Allowed as Secured Claims under Section 506 of the Bankruptcy
4 Code.

5 *Claims in Class 1:* Class 1 consists of U.S. Bank First Priority Secured Claims against
6 Debtor.

7 *Treatment of Claims in Class 1:* On the Effective Date, the Holders of the U.S. Bank
8 Secured Claims shall, in full satisfaction, settlement, release and exchange for their Secured
9 Claims, receive a U.S. Bank Refinanced Secured Loan (“U.S. Bank Refinanced Secured Loan”)
10 evidenced by the Plan and the Plan Confirmation Order. The U.S. Bank Refinanced Secured
11 Loan shall be secured by the U.S. Bank Property.

12 The U.S. Bank Refinanced Secured Loan shall be in the principal amount of
13 \$17,532,213.09 (the “U.S. Bank Allowed Claim”). The U.S. Bank Allowed Claim is the amount
14 consented to by Debtor and U.S. Bank in resolution to the dispute regarding the Objection to
15 U.S. Bank’s Proof of Claim. Subject to any partial prepayments made towards the U.S. Bank
16 Allowed Claim, this amount is “fixed” and may not be adjusted by U.S. Bank for any additional
17 attorney’s fees, interest, fees, or other costs other than as set forth in the Plan. There shall be no
18 deferred interest or “waterfall.” In light of this agreement as to the U.S. Bank Allowed Claim,
19 there is no deficiency claim due to U.S. Bank nor can any alleged amount due over and above the
20 U.S. Bank Allowed Claim be pursued as against any guarantors on the U.S. Bank Loan.

21 For the months of August 2013, September 2013, October 2013, November 2013, and
22 December 2013, Debtor shall make monthly payments to U.S. Bank in the amount of \$30,000.00
23 of which \$10,000.00 per month will be applied to pay down the U.S. Bank Allowed Claim and
24 the remaining \$20,000.00 per month will be treated as interest payments. Thus, by December
25 31, 2013, these payments will have reduced the U.S. Bank Allowed Claim by \$50,000.00 to
26 \$17,482,213.09.
27
28

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1 On the Effective Date of the Plan, Debtor shall pay to U.S. Bank a one-time payment in
2 the amount of \$100,000.00 which shall be applied as a partial pre-payment to the U.S. Bank
3 Allowed Claim. It is anticipated that the principal balance of the U.S. Bank Refinanced Secured
4 Loan shall have been reduced to \$17,382,213.09 by January 1, 2014 assuming that Debtor makes
5 the monthly payments in the amount of \$30,000.00 discussed above and the one-time payment in
6 the amount of \$100,000.00 on the Effective Date of the Plan towards the U.S. Bank Allowed
7 Claim.

8 Interest only monthly payments on the U.S. Bank Refinanced Secured Loan pursuant to
9 the U.S. Bank Refinanced Secured Loan Payment Terms shall commence on January 1, 2014
10 with the first payment being due on January 15, 2014 pursuant to the U.S. Bank Refinanced
11 Secured Loan Payment Terms and shall continue monthly until the U.S. Bank Refinanced
12 Secured Loan Maturity unless the U.S. Bank Refinanced Secured Loan is fully satisfied prior
13 thereto through pre-payment. Actual monthly payments amounts are subject to change and to
14 shall be adjusted should there be any partial pre-payments on the U.S. Bank Allowed Claim or
15 the U.S. Bank Refinanced Secured Loan.

16 On the U.S. Bank Refinanced Secured Loan Maturity, the remaining balance due under
17 the U.S. Bank Refinanced Secured Loan shall be due immediately. This amount should be
18 \$17,382,213.09 subject to additional reduction for any partial pre-payments received on the
19 principal balance of the U.S. Bank Refinanced Secured Loan. If Debtor is unable to satisfy the
20 balloon payment due upon the U.S. Bank Refinanced Secured Loan Maturity and a subsequent
21 Chapter 11 bankruptcy becomes necessary, Debtor hereby agrees that Debtor will not pursue an
22 interest rate below 4.25% in any proposed plan in that subsequent bankruptcy proceeding.

23 In the event of a monetary default on the monthly payments only on the U.S. Bank
24 Refinanced Secured Loan pursuant to the U.S. Bank Refinanced Secured Loan Payment Terms
25 that is not cured pursuant to the provisions in the Plan for curing monetary defaults, the Debtor
26 will agree to a recordable deed in lieu of foreclosure. However, the recordable deed in lieu of
27 foreclosure shall not apply or be deemed valid or recordable as related to any other monetary or
28 non-monetary default during the term of the Plan or for Debtor's inability to pay the balloon

1 payment due upon the U.S. Bank Refinanced Secured Loan Maturity.

2 Debtor has the right to make pre-payments on principal of the U.S. Bank Refinanced
3 Secured Loan at any time. Debtor may make full or partial pre-payments on the principal of the
4 U.S. Bank Refinanced Secured Loan without paying a pre-payment penalty or charge (including
5 without limitation any yield maintenance premium). U.S. Bank will use Debtor's pre-payments,
6 if any, to reduce the amount of principal that Debtor owes under the U.S. Bank Refinanced
7 Secured Loan and monthly interest only payments will be adjusted accordingly.

8 Debtor shall have the right to assess and make distributions of profits to its members and
9 there shall be no "lock box" as to any revenue generated after Plan Confirmation. However,
10 prior to any distribution to Debtor's members, the amount available for possible distribution will
11 be determined by the Debtor and 50% of the determined amount available for possible
12 distribution shall be paid to U.S. Bank to reduce the principal amount owed on the U.S. Bank
13 Refinanced Secured Loan and shall be applied as a partial pre-payment on the principal amount
14 owed on the U.S. Bank Refinanced Secured Loan. The 50% of the determined amount available
15 for possible distribution to reduce the principal amount owed on the U.S. Bank Refinanced
16 Secured Loan referenced in the previous sentence shall be paid and sent to U.S. Bank prior to
17 any distributions to Debtor's members. The remaining 50% of the determined amount available
18 for possible distribution may be distributed to Debtor's members at Debtor's discretion.

19 The U.S. Bank Refinanced Secured Loan will modify the U.S. Bank Loan to eliminate
20 any provision in the U.S. Bank Loan that treats the filing of a bankruptcy by any guarantor of the
21 U.S. Bank Loan as a default under the U.S. Bank Loan. However, should any guarantor attempt
22 to modify the terms of the U.S. Bank Loan or the U.S. Bank Refinanced Secured Loan in that
23 guarantor's personal bankruptcy or should any guarantor or the appointed trustee in the
24 guarantor's personal bankruptcy attempt to sell the guarantor's ownership interest in Debtor to
25 an unrelated third-party, than that shall constitute a default under the terms of the U.S. Bank
26 Loan as modified by this Plan as the U.S. Bank Refinanced Secured Loan.

27 Within thirty (30) days of entry of a Confirmation Order, U.S. Bank agrees to file any
28 necessary documents to effectuate the dismissal of any state and federal actions currently

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1 pending against Debtor and/or any guarantor related to the U.S. Bank Loan.

2 The U.S. Bank Refinanced Secured Loan will modify the U.S. Bank Loan so that there
3 shall no longer be any required reserves or impound accounts other than for property taxes and
4 insurance. All reserves/impounds currently being held by U.S. Bank shall be transferred and
5 reallocated for use to pay said taxes and insurance (“Initial Transfer”). As such, Debtor shall
6 establish and maintain at all times while this U.S. Bank Refinanced Secured Loan continues in
7 effect an impound account (“Impound Account”) with Lender for payment of real estate taxes
8 and assessments and insurance on the Property. Once the Initial Transfer into the Impound
9 Account is spent for that purpose, Debtor shall thereafter deposit into the Impound Account an
10 amount reasonably determined by U.S. Bank to be necessary to ensure that there will be on
11 deposit with U.S. Bank an amount which, when added to the monthly payments subsequently
12 required to be deposited with U.S. Bank hereunder on account of real estate taxes, assessments
13 and insurance premiums, will result in there being on deposit with U.S. Bank in the Impound
14 Account an amount sufficient to pay the next due installment of real estate taxes and assessments
15 on the Property at least one (1) month prior to the earlier of (a) the due date thereof or (b) any
16 such date by which Debtor or U.S. Bank is required by law to pay same and the next due annual
17 insurance premiums with respect to the Property at least one (1) month prior to the due date
18 thereof. Debtor shall pay to U.S. Bank, concurrently with and in addition to the monthly
19 payment due under the U.S. Bank Refinanced Secured Loan and until the U.S. Bank Refinanced
20 Secured Loan is fully paid and performed, deposits in an amount equal to one-twelfth (1/12) of
21 the amount of the annual real estate taxes and assessments that will next become due and payable
22 on the Property, plus one-twelfth (1/12) of the amount of the annual premiums that will next
23 become due and payable on insurance policies which Debtor is required to maintain hereunder,
24 each as reasonably estimated and determined by U.S. Bank. All sums in the Impound Account
25 shall be held by U.S. Bank in the Impound Account only to pay said taxes, assessments and
26 insurance premiums before the same become delinquent unless otherwise consented to by Debtor
27 in writing; and U.S. Bank shall pay the governmental authority or other party entitled thereto
28 directly to the extent funds are available for such purpose in the Impound Account.

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1 *Impairment and Voting for Class 1:* Class 1 is Impaired. Holders of Class 1 U.S. Bank
2 Secured Claims are entitled to vote to accept or reject this Plan.

3 **2. Allowed General Unsecured Claims – Class 2**

4 Allowed General Unsecured Claims – Class 2 shall only include (i) Holders of Allowed
5 General Unsecured Claim's listed in Debtor's Schedules as Creditors Holding Unsecured
6 Nonpriority Claims that are not disputed, contingent, or unliquidated; and (ii) Claims resulting
7 from rejection of executory contracts and unexpired leases.

8 The following chart lists all of Debtor's Allowed General Unsecured Claims and their
9 treatment under the Plan:

<u>CLASS #</u>	<u>DESCRIPTION</u>	<u>INSIDERS</u> <u>Y/N</u>	<u>IMPAIRED</u> <u>Y/N</u>
2	Other General unsecured claims • Est. Total Claims: \$10,494.88	N	Y

13 *Claims in Class:* Class 2 consists of Allowed General Unsecured Claims against Debtor.

14 *Treatment:* Holders of Class 2 Allowed General Unsecured Claims, as described in this
15 Plan as eligible for payment will receive payment of 100% of their filed claim. This amount will
16 be paid six (6) months after entry of the confirmation order with simple interest at a rate of 3%
17 and shall be in full satisfaction, settlement, release and exchange for such Allowed General
18 Unsecured Claims. Upon payment, all Allowed General Unsecured Claims shall be released
19 without further action by Debtor or notice to Holders of Allowed General Unsecured Claims
20 being necessary.
21

22 *Impairment and Voting:* Class 2 is Impaired. Holders of Class 2 Allowed General
23 Unsecured Claims are entitled to vote to accept or reject this Plan.
24

25 **3. Insider Unsecured Claims – Class 3**

26 *Claims in Class:* Class 3 consists of Insider Unsecured Claims against Debtor. It is
27 estimated that Insider Unsecured Claims will total approximately \$2,930,927.72.
28

1 *Treatment:* Holders of Class 3 Insider Unsecured Claims shall receive loan repayments
2 on their claims on a Pro Rata basis from the Debtor, at times and in amounts as Debtor shall
3 determine in its discretion until the claims are paid and full; *provided, however,* all of the
4 following: (1) the loan repayments shall only be made to the extent positive net operating
5 revenue exists; and (2) all payments under the U.S. Bank Refinanced Secured Loan shall be
6 current. There shall be no guaranty to the holders of Class 3 Insider Unsecured Claims that they
7 will ever actually receive any loan repayments from the Debtor or that such claims shall ever be
8 paid in full. Each holder of Class 3 Insider Unsecured Claims shall also receive no post petition
9 interest.

10 *Impairment and Voting:* Class 3 is Impaired. Holders of Class 3 Insider Unsecured Claims
11 are entitled to vote to accept or reject this Plan.

12 **D. TERMS APPLICABLE TO ALL CLAIMS.**

13 **1. Retention of Defenses Regarding Claims.**

14 Except as otherwise provided in this Plan, nothing shall affect Debtor's rights and
15 defenses, both legal and equitable, with respect to any Claims.

16 **2. Voting by Impaired Classes.**

17 Members of Classes 1 and 2 are impaired and entitled to vote to reject or accept this Plan.

18 **3. Disputed, Contingent and Unliquidated Claims and Interests.**

19 Any Claim or Interest that has been or is hereafter listed in the Schedules as disputed,
20 contingent, or unliquidated, and for which no Proof of Claim or Interest has been timely Filed by
21 the Bar Date, is not considered Allowed and shall be expunged without further action by Debtor
22 and without any further notice to or action, order, or approval of the Bankruptcy Court.

23
24 **V. ACCEPTANCE OR REJECTION OF THIS PLAN**

25 **A. ACCEPTANCE BY AN IMPAIRED CLASS.**

26 In accordance with Bankruptcy Code Section 1126(c) and except as provided in
27 Bankruptcy Code Section 1126(e), an Impaired Class of Claims shall be deemed to have
28

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1 accepted this Plan if this Plan is accepted by the Holders of at least two-third (2/3) in dollar
2 amount and more than one-half (1/2) in number of the Allowed Claims of such Class that have
3 timely and properly voted to accept or reject this Plan.

4 **B. SUMMARY OF CLASSES VOTING ON THIS PLAN.**

5 Only the votes of Holders of Claims of Classes 1 and 2 will be solicited with respect to
6 this Plan. Holders of Claims in Class 3 shall be deemed to reject the Plan and, accordingly, will
7 not be solicited with respect to this Plan.
8

9 **C. ELIMINATION OF VACANT CLASSES.**

10 Any Class of Claims that is not occupied as of the date of the commencement of the
11 Confirmation Hearing by an Allowed Claim or a Claim temporarily Allowed under Bankruptcy
12 Rule 3018 shall be deemed eliminated from the Plan for purposes of voting to accept or reject the
13 Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant
14 to Bankruptcy Code Section 1129(a)(8).
15

16 **D. TABULATION OF VOTES..**

17 Debtor will tabulate all votes on this Plan for the purpose of determining whether this
18 Plan satisfies Bankruptcy Code Sections 1129(a)(8) and (10).

19 **E. NONCONSENSUAL CONFIRMATION.**

20 If any Impaired Class of Claims entitled to vote shall not accept the Plan by the requisite
21 statutory majorities provided in Bankruptcy Code Section 1126(c), Debtor reserves the right to
22 amend the Plan or undertake to have the Bankruptcy Court confirm the Plan under Bankruptcy
23 Code Section 1129(b), or both. With respect to any Impaired Classes of Claims that are deemed
24 to reject the Plan, Debtor shall request that the Bankruptcy Court confirm the Plan under
25 Bankruptcy Code Section 1129(b).
26
27
28

1 **VI. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

2 **A. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.**

3 Debtor shall be deemed to have assumed each Assumed Contract for the Property to
4 which such contracts relate as of the Effective Date. A list of the Assumed Contracts is included
5 as **Exhibit C** hereto. The Confirmation Order shall constitute an order of the Bankruptcy Court
6 under Bankruptcy Code Sections 365 and 1123(b)(2) approving the contract and lease
7 assumptions by Debtor as of the Effective Date.
8

9 **B. CURE OF DEFAULTS FOR ASSUMED EXECUTORY CONTRACTS AND UNEXPIRED LEASES.**

10 Any of the Assumed Contracts that are, or may be, alleged to be in default, shall be Cured
11 either in the ordinary course of business or on the Effective Date. Except with respect to
12 Assumed Contracts with respect to which Debtor and the applicable counterparties have
13 stipulated in writing the appropriate Cure, all requests of Cure that differ from the amounts and
14 treatment proposed by Debtor must be Filed with the Bankruptcy Court on or before the Cure
15 Bar Date. Any request for payment or other Cure that is not timely Filed shall be disallowed
16 automatically and forever barred from assertion and shall not be enforceable against Debtor,
17 without the need for any objection by Debtor or further notice to or action, order, or approval of
18 the Bankruptcy Court, and any Claim for Cure shall be deemed fully satisfied, released, and
19 discharged upon payment by Debtor of the amounts listed on the proposed Cure schedule,
20 notwithstanding anything included in the Schedules or in any Proof of Claim to the contrary.
21 Debtor also may settle any Cure without further notice to or action, order, or approval of the
22 Bankruptcy Court.
23
24

25 If a counterparty objects to any Cure or any other matter related to assumption and
26 assignment, the Bankruptcy Court shall determine the Allowed amount of such Cure and any
27 related issues. If there is a dispute regarding such Cure, the ability of Debtor to provide
28

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1 “adequate assurance of future performance” within the meaning of Bankruptcy Code Section
2 365, or any other matter pertaining to assumption, then Cure shall occur as soon as reasonably
3 practicable after entry of an order resolving such dispute, approving such assumption (and, if
4 applicable, assignment), or as may be agreed upon by Debtor and the counterparty to the
5 Assumed Contract. Any counterparty to an Assumed Contract that fails to object timely to the
6 proposed assumption and assignment of any such contract or unexpired lease will be deemed to
7 have consented to such assumption and assignment. Debtor reserves the right either to reject or
8 nullify the assumption of any executory contract or unexpired lease no later than thirty (30) days
9 after a Final Order determining the Cure or any request for adequate assurance of future per-
10 formance required to assume such executory contract or unexpired lease.

11
12 Assumption of any Assumed Contract pursuant to the Plan or otherwise shall result in the
13 full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary,
14 including defaults with respect to provisions restricting the change in control or ownership
15 interest composition or other bankruptcy-related defaults against Debtor, arising under any
16 Assumed Contract at any time prior to the effective date of assumption and assignment. Any
17 Proofs of Claim Filed with respect to an Assumed Contract that has been assumed shall be
18 deemed disallowed and expunged, without further notice to or action, order, or approval of the
19 Bankruptcy Court.
20

21
22 **C. REJECTION OF EXECUTORY CONTRACTS.**

23 Entry of the Confirmation Order shall, subject to and upon the occurrence of the
24 Effective Date, constitute the approval, pursuant to Bankruptcy Code Sections 365(a) and
25 1123(b)(2), of the rejection of all executory contracts and unexpired leases other than the
26 Assumed Contracts, as are more particularly set forth in **Exhibit D** hereto.

27 Any Holder of a Claim with a Claim that arises from the rejection of an executory
28

1 contract or unexpired lease with Debtor shall have the rights of a Holder of a General Unsecured
2 Claim and shall receive the treatment provided to Holders of Class 2 General Unsecured Claims
3 as set forth in the Plan.

4 **D. FILING OF REJECTION CLAIMS.**

5 Any Person or Entity who believes they are entitled to assert a Claim against Debtor by
6 virtue of the rejection of an executory contract or unexpired lease pursuant to this Article IV or a
7 Final Order entered after the Confirmation Date, may File a Claim with the Clerk of the
8 Bankruptcy Court not later than twenty (20) days after the date of any such rejection or such later
9 time as may be set forth for the filing of such Claim in said Final Order. If such Claim is not so
10 Filed, it shall be forever barred from assertion against Debtor. Nothing in this Section shall
11 affect the right of any party-in-interest to object to any Claim, which has been improperly Filed
12 or not Filed on a timely basis.

13 **E. MODIFICATIONS, AMENDMENTS, SUPPLEMENTS, RESTATEMENTS,
14 OR OTHER AGREEMENTS.**

15 Unless otherwise provided, each Assumed Contract that is assumed and assigned shall
16 include all modifications, amendments, supplements, restatements, or other agreements that in
17 any manner affect such Assumed Contract, and all executory contracts and unexpired leases
18 related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities,
19 options, rights of first refusal, and any other interests, unless any of the foregoing agreements has
20 been previously rejected or repudiated or is rejected or repudiated under the Plan.

21 Modifications, amendments, supplements, and restatements to pre-petition executory
22 contracts and unexpired leases that have been executed by Debtor during the Chapter 11 Case
23 shall not be deemed to alter the pre-petition nature of the executory contract or unexpired lease,
24 or the validity, priority, or amount of any Claims that may arise in connection therewith.

25 **F. RESERVATION OF RIGHTS.**

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1 Neither the exclusion nor inclusion of any contract or lease in any Plan Supplement, nor
2 anything contained in the Plan, shall constitute an admission by Debtor that any such contract or
3 lease is in fact an executory contract or unexpired lease or that Debtor has any liability
4 thereunder. If there is a dispute regarding whether a contract or lease is or was executory or
5 unexpired at the time of assumption or rejection, Debtor shall have thirty (30) days following
6 entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.
7

8 **VII. PLAN IMPLEMENTATION**

9 **A. PLAN IMPLEMENTATION.**

10 The Plan shall be implemented in all respects in a manner that is consistent with the terms
11 and conditions of the Operative Documents, and the requirements of Section 1123(a) and other
12 applicable provisions of the Bankruptcy Code. Without limiting the generality of the foregoing,
13 the Confirmation Funds shall be used to fund the Plan and shall be distributed or applied in the
14 manner necessary to provide all required Confirmation Funds for Distribution pursuant to the
15 Plan, satisfy the costs, expenses, required payments and entitlements outlined herein on the
16 Effective Date and provide Debtor with working capital and funding for operations and Plan
17 needs.
18

19 **B. AUTHORITY TO EXECUTE OPERATIVE DOCUMENTS.**

20 The Confirmation Order shall, among other things, constitute an Order authorizing
21 Debtor to execute and deliver the Operative Documents, as applicable (to the extent they have
22 not already been executed and delivered).
23

24 **C. GOOD FAITH AND NON AVOIDABILITY.**

25 The Confirmation Order shall, among other things, provide that: (i) Debtor has acted in
26 good faith; and (ii) the Liens securing the Refinanced Secured Loans constitute valid Liens,
27 subject only to any Permitted Encumbrances.
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1 **D. MANAGEMENT.**

2 Following the Effective Date, Debtor shall manage its own affairs. The Property shall
3 continue to be managed by a licensed property manager.

4 **E. EXEMPTION FROM CERTAIN TRANSFER TAXES AND FURTHER**
5 **TRANSACTIONS.**

6 Pursuant to Bankruptcy Code Section 1146(a), the issuance or exchange of any security,
7 or the making or delivery of any instrument of transfer under, in furtherance, or in connection
8 with the Plan, including, but not limited to, any deeds, bills of sale, assignments or other
9 instruments of transfer (including those with respect to the Properties), shall not be subject to any
10 stamp tax, real estate transfer tax or similar tax.

11 **F. FINAL DECREE.**

12 Notwithstanding otherwise applicable law, the Chapter 11 Case shall be closed and a
13 Final Decree entered as soon as possible after the occurrence of the Effective Date, unless and
14 until:

- 15 (a) All adversary proceedings and contested matters pending before the
16 Bankruptcy Court have been resolved by a Final Order.
- 17 (b) All Claims have either: (i) become Allowed Claims and payments have
18 begun to be paid in accordance with the treatment to be given such
19 Allowed Claim pursuant to the Plan; (ii) been disallowed by a Final Order
20 or deemed to be a Disallowed Claim, in accordance with the terms of the
21 Plan; (iii) been assumed by Debtor, or (iv) reinstated.

22 **G. EFFECTUATING DOCUMENTS, FURTHER TRANSACTIONS.**

23 On and after the Effective Date, Debtor is authorized to and may issue, execute, deliver,
24 file, or record such contracts, securities, instruments, releases, and other agreements or docu-
25 ments and take such actions as may be necessary or appropriate to effectuate, implement, and
26 further evidence the terms and conditions of the Plan in the name of and on behalf of Debtor, as
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1 applicable, without the need for any approvals, authorizations, or consents except for those
2 expressly required pursuant to the Plan.
3

4 **VIII. PROVISIONS CONCERNING PLAN DISTRIBUTIONS**

5 **A. DISTRIBUTIONS ON ACCOUNT OF CLAIMS ALLOWED AS OF THE
6 EFFECTIVE DATE.**

7 Distributions under the Plan on account of Claims Allowed on or before the Effective
8 Date shall be made on the Effective Date, as otherwise set forth in the Plan, or on the first date
9 thereafter as is reasonably practicable.

10 **B. DISTRIBUTIONS ON ACCOUNT OF CLAIMS ALLOWED AFTER THE
11 EFFECTIVE DATE.**

12 **1. Payments and Distributions on Disputed Administrative and Priority
13 Claims.**

14 In the event that there are Disputed Administrative Claims or Disputed Priority Claims
15 requiring adjudication and resolution and such Claims have not become Allowed or Disallowed
16 prior to the Effective Date, then the obligation to satisfy such Claims shall be from the
17 Confirmation Funds which are held for same, but to the extent there are no available
18 Confirmation Funds from which to pay such Claim, the obligation to satisfy such Claims will be
19 assumed by Debtor, subject to Allowance or Disallowance by the Bankruptcy Court. Except as
20 otherwise provided in this Plan, or Final Order, any Disputed Administrative Claim or Disputed
21 Priority Claim that becomes Allowed after the Effective Date shall be satisfied from the
22 Confirmation Funds or performed by Debtor in the ordinary course of business in accordance
23 with the terms and conditions of any controlling agreements, course of dealing, course of
24 business, or industry practice.

25 **2. Special Rules for Distributions to Holders of Disputed Claims.**

26 Except as otherwise provided in the Plan and except as otherwise agreed by the relevant
27 parties: (i) no partial payments and no partial Distributions shall be made with respect to a
28

1 Disputed Claim until all such disputes in connection with such Disputed Claim have been
2 resolved by settlement or Final Order, and (ii) any Entity that holds both an Allowed Claim and a
3 Disputed Claim shall not receive any Distribution on the Allowed Claim unless and until all
4 objections to the Disputed Claim have been resolved by settlement or Final Order and the Claims
5 have been Allowed.

6
7 **C. MANNER OF PAYMENT UNDER THE PLAN.**

8 Distributions of Cash to be made by the Distribution Agent pursuant to the Plan shall be
9 made, at the discretion of the Distribution Agent, by check drawn on the Distribution Agent's
10 bank account or by wire transfer from a domestic bank.

11 **D. WHOLE DOLLARS.**

12 Any other provision of the Plan to the contrary notwithstanding, no payments of cents
13 will be made. Whenever any payment of cents would otherwise be called for, the actual payment
14 may reflect a rounding of such fraction to the nearest whole dollar (up or down).

15 **E. ESCHEAT.**

16 Holders of Allowed Claims shall have three (3) months from the check date to negotiate
17 Distribution checks issued by the Distribution Agent under the terms of the Plan, otherwise
18 payment on such checks may at the Distribution Agent's sole discretion be stopped and the funds
19 shall escheat to the Distribution Agent and shall be promptly distributed to Debtor (in accordance
20 with Bankruptcy Code Section 347).

21 **F. DELIVERY OF DISTRIBUTIONS.**

22 **1. Record Date for Distributions.**

23
24
25 On the Distribution Record Date, the Claims Register shall be closed and any Person
26 responsible for making Distributions shall be authorized and entitled to recognize only those
27 record Holders listed on the Claims Register as of the close of business on the Distribution
28

1 Record Date. Notwithstanding the foregoing, if a Claim is transferred twenty or fewer days
2 before the Distribution Record Date, the Distribution Agent shall make Distributions to the
3 transferee only to the extent practical and in any event only if the relevant transfer forms contains
4 an unconditional and explicit certification and waiver of any objection to the transfer by the
5 transferor.

6
7 **2. Distribution Agent.**

8
9 The Distribution Agent shall make all Distributions required under this Plan.

10 **3. Delivery of Distributions in General.**

11
12 Except as otherwise provided in this Plan, and notwithstanding any authority to the
13 contrary, Distributions to all Holders of Allowed Claims shall be made to Holders of record as of
14 the Distribution Record Date by the Distribution Agent:

- 15
16 a. In accordance with Federal Rule of Civil Procedure 4, as modified and
17 made applicable by Bankruptcy Rule 7004; To the signatory set forth on
18 any of the Proofs of Claim Filed by such Holder or other representative
19 identified therein (or at the last known addresses of such Holder if no
20 Proof of Claim is Filed or if Debtor has been notified in writing of a
21 change of address);
- 22 b. To the addresses set forth in any written notices of address changes
23 delivered to Debtor after the date of any related Proof of Claim;
- 24 c. To the addresses reflected in the Schedules if no Proof of Claim has been
25 Filed and the Distribution Agent has not received a written notice of
26 change of address; or
- 27 d. To any counsel that has appeared in the Chapter 11 Cases on the Holder's
28 behalf.

1 Except as otherwise provided in the Plan, Distributions under the Plan, made on account
2 of Allowed Claims, shall not be subject to levy, garnishment, attachment, or like legal process.
3 Each Holder of an Allowed Claim shall have and receive the benefit of the Distributions in the
4 manner set forth in the Plan. Absent willful misconduct or gross negligence, Debtor and
5 Distribution Agent, as applicable, shall not incur any liability on account of any Distributions
6 made under the Plan.
7

8 **4. Returned Distributions.**

9
10 In the case of Distributions to the Holders of Allowed Claims that are returned to the
11 Distribution Agent due to an incorrect or incomplete address, the Distribution Agent shall retain
12 any such returned Distribution in a segregated account established by the Distribution Agent to
13 keep track of any returned Distributions. Unless the Holder of the Allowed Claim relating to any
14 such returned Distribution contacts the Distribution Agent (or its designee) within three (3)
15 months from the date on which such Distribution was returned and provides the Distribution
16 Agent (or its designee) with acceptable proof of identity and an accurate address, such Holder
17 shall forfeit all rights thereto, and to any and all future Distributions or rights under the Plan. In
18 such event, the Claim for which such Distributions was issued shall be treated as a Disallowed
19 Claim and the Distribution on account of such Disallowed Claim shall promptly be distributed to
20 Debtor.
21

22
23 **5. Disputed Distributions.**

24
25 In the event of any dispute between or among Holders of Claims as to the right to any
26 Holder of a Claim to receive or retain any Distribution to be made to such Holder under the Plan,
27 the Distribution Agent, in lieu of making such Distribution to such Holder, may make it instead
28 into an escrow account for payment as ordered by the Bankruptcy Court or as the interested

1 parties to such dispute may otherwise agree among themselves. Any such Holder who fails to
2 raise such dispute by filing an appropriate request for relief with the Bankruptcy Court prior to
3 the issuance of such disputed Distribution by the Distribution Agent shall be deemed to have
4 forever waived any right to dispute such Distribution or to enjoin, impair or otherwise restrict the
5 use of any such Distribution.
6

7 **6. Setoffs.**

8
9 The Distribution Agent may, but shall not be required to, set-off against any Distributions
10 to be made pursuant to the Plan to a Holder of an Allowed Claim, Claims of any nature
11 whatsoever that Debtor may have, or may have had, against such Holder that have not been
12 previously released, but neither the failure to do so, nor the allowance of any Claim held by such
13 Holder shall constitute a waiver or release by the Distribution Agent of any such Claim Debtor
14 may have, or may have had, against such Holder.
15

16 **7. Withholding Taxes.**

17
18 The Distribution Agent shall be entitled to deduct any applicable federal or state
19 withholding taxes from any payments made with respect to Allowed Claims, as appropriate, and
20 shall otherwise comply with Bankruptcy Code Section 346.
21

22 **IX. PROCEDURES FOR RESOLVING DISPUTED CLAIMS**

23 **A. OBJECTION TO AND RESOLUTION OF CLAIMS.**

24 Except as to applications for allowance of compensation and reimbursement of expenses
25 under Bankruptcy Code Sections 330, 331 and/or 503, Debtor shall, on and after the Effective
26 Date, have the exclusive right to make and file objections to Claims (“Disputed Claims”). On
27 and after the Effective Date, Debtor shall have the authority to compromise, settle, otherwise
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1 resolve or withdraw any objections to any Claims and compromise, settle or otherwise resolve
2 Disputed Claims without approval of the Bankruptcy Court. Unless otherwise ordered by the
3 Bankruptcy Court, Debtor and, on and after the Effective Date, Debtor, shall file all objections to
4 Claims that are the subject of Proofs of Claim or requests for payment filed with the Bankruptcy
5 Court (other than applications for allowances of compensation and reimbursement of expenses
6 with respect to Professional Fee Claims) and serve such objections upon the Holder of the Claim
7 as to which the objection is made as soon as is practicable, but in no event later than one (1) year
8 after the Effective Date or such later date as may be approved by the Bankruptcy Court.

10 **B. PAYMENTS.**

11 Payments and Distributions to each Holder of a Disputed Claim that ultimately becomes
12 an Allowed Claim shall be made in accordance with the provision of this Plan with respect to the
13 Class of Creditors to which the respective Holder of an Allowed Claim belongs. Without
14 limiting the generality of the foregoing, Debtor shall not be required to object to any Claim
15 irrespective of whether such Claim is Allowed or Disputed, whether in whole or in part.

17 **C. CONTINGENT CLAIMS.**

18 Until such time as a contingent Claim or a contingent portion of an Allowed Claim
19 becomes fixed or absolute or is Disallowed, such Claim will be treated as a Disputed Claim for
20 all purposes related to Distributions under the Plan. The Holder of a contingent Claim will only
21 be entitled to a Distribution under the Plan when and if such contingent Claim becomes an
22 Allowed Claim.

24 **D. PERSONAL INJURY CLAIMS.**

25 All objections to Claims Filed for personal injury tort damages, if any, shall be
26 determined by the United States District Court for the District of Nevada.

27 **E. ESTIMATION OF CLAIMS.**

28 Debtor shall be permitted, at any time, to request that the Bankruptcy Court estimate any

1 contingent or unliquidated Claim pursuant to Section Bankruptcy Code 502(c), regardless of
 2 whether Debtor previously had objected to such Claim or whether the Bankruptcy Court had
 3 ruled on such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim
 4 at any time during any litigation concerning any objection to such Claim, including during the
 5 pendency of any appeal relating to such objection. In the event that the Bankruptcy Court
 6 estimates any contingent or unliquidated Claim, the amount so estimated shall constitute either
 7 the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by
 8 the Bankruptcy Court. If such estimated amount constitutes a maximum limitation on the
 9 amount of such Claim, Debtor may elect to pursue any supplemental proceedings to object to the
 10 allowance of such Claim.
 11

12 **F. RESERVE FOR DISPUTED CLAIMS.**

13 On and after the Effective Date, the Distribution Agent shall hold in segregated reserve
 14 accounts (the "Reserve"), Cash in an aggregate amount sufficient to make Distributions to each
 15 Holder of a Disputed Claim at the time distributions are made pursuant to the Plan in the amount
 16 that such Holder would have been entitled to receive if such Claim had been an Allowed Claim
 17 on the Effective Date. Nothing contained herein shall be deemed to entitle the Holder of a
 18 Disputed Claim to post-Petition Date interest on such Claim. Any funds remaining in the
 19 Reserve after all Distributions on account of Allowed Claims have been made shall be promptly
 20 distributed to Debtor.
 21

22 **X. RESERVATION OF RIGHTS**

23 **A. WITHDRAWAL OF PLAN; RIGHTS IF PLAN NOT CONFIRMED;
 24 EFFECTIVE DATE DOES NOT OCCUR.**

25 Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation Date
 26 and to File subsequent plans of reorganization. If Debtor revokes or withdraws the Plan, or if
 27 Confirmation of the Plan or the Effective Date does not ultimately occur, then: (1) the Plan shall
 28

1 be null and void in all respects; (2) any settlement or compromise embodied in the Plan
2 (including the fixing or limiting to an amount certain of any Claim or Class of Claims),
3 assumption or rejection of executory contracts or unexpired leases effected by the Plan, and any
4 document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3)
5 nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests
6 by or against Debtor or any Person or Entity; (b) prejudice in any manner the rights of Debtor or
7 any other Person or Entity in any further proceedings involving Debtor; or (c) constitute an
8 admission, acknowledgment, offer, or undertaking of any sort by Debtor or any other Person or
9 Entity.

10 **B. NO ADMISSIONS OR WAIVER.**

11 Without limiting the generality of any similar provision in the Plan, notwithstanding
12 anything in the Plan to the contrary, nothing contained in the Plan, any Plan Supplement or in the
13 Disclosure Statement shall be deemed an admission by Debtor or any Person or Entity with
14 respect to any matter set forth herein. If Confirmation of the Plan or the Effective Date does not
15 ultimately occur, no statement contained in the Plan, any Plan Supplement or in the Disclosure
16 Statement may be used or relied on in any manner in any suit, action, proceeding or controversy
17 within or outside of the Chapter 11 Case against Debtor. Without in any way limiting the
18 provisions set forth in Section X, Subpart A., Debtor reserves any and all of their rights as
19 against all Persons and Entities in the event Confirmation of the Plan or the Effective Date does
20 not ultimately occur.
21

22 **C. TERM OF BANKRUPTCY INJUNCTION OR STAYS.**

23 All injunctions or stays provided for in the Chapter 11 Case under Sections 105 or 362 of
24 the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in
25 full force and effect until the Effective Date unless the Bankruptcy Court shall order otherwise.
26

27 **XI. CONDITIONS TO EFFECTIVE DATE**

28 **A. CONDITIONS TO OCCURRENCE OF EFFECTIVE DATE.**

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1 Each of the following are conditions to be met on or before the Effective Date, which
2 conditions must be satisfied or waived in writing by Debtor:

- 3 a. That the Confirmation Order shall be entered by the Bankruptcy Court and
4 shall have become a Final Order;
- 5 b. The required amount of Confirmation Funds have been paid and turned
6 over to the Distribution Agent for Distribution in accordance with this
7 Plan;
- 8 c. That the Confirmation Order authorizes the assumption and assignment of
9 all Assumed Contracts;
- 10 d. All conditions precedent to the closing of the Refinanced Secured Loan
11 Documents have been satisfied or waived in accordance with the terms
12 hereof; and
- 13 e. Any outstanding U.S. Trustee Fees shall have been paid in full.

14 Debtor, in their sole discretion, may waive the Final Order condition in subpart (a) above
15 at any time from and after the Confirmation Date. In that event, Debtor will be entitled to render
16 any or all performance under the Plan prior to what otherwise would be the Effective Date if the
17 above-referenced conditions were not waived; including, but not limited to, the right to perform
18 under any circumstances which would moot any appeal, review or other challenge of any kind to
19 the Confirmation Order if the Confirmation Order is not stayed pending such appeal, review or
20 other challenge.
21
22

23 **XII. RETENTION OF JURISDICTION**

24 **A. RETENTION OF JURISDICTION.**

25 Except to the extent otherwise expressly set forth herein, the Bankruptcy Court shall
26 retain jurisdiction of the Chapter 11 Case following the Confirmation Date for the following
27 purposes, it being expressly intended that such retention of jurisdiction shall in all cases hereafter
28

1 set forth, extend to any actions or proceedings commenced prior or subsequent to the
2 Confirmation Date and/or the Effective Date whether by Debtor, or the parties specified herein:

- 3 a. To hear and determine any objections to the allowance of Claims,
4 including any objections by Debtor with respect to any Claims which have
5 been reinstated or assumed in accordance with the terms of the Plan;
6 b. To determine any and all applications for compensation for any
7 Professionals and similar fees to the extent made specifically subject to a
8 hearing under the Plan and applicable provisions of the Bankruptcy Code;
9 c. To determine any and all applications for the rejection or assumption and
10 assignment of executory contracts or for the rejection or assumption and
11 assignment, as the case may be, of unexpired leases to which Debtor is a
12 party or with respect to which it may be liable, and to hear and determine,
13 and if need be to liquidate, any and all Claims arising therefrom;
14 d. To modify the Plan pursuant to Bankruptcy Code Section 1127 or to
15 remedy any defect or omission or reconcile any inconsistency in the
16 Confirmation Order to the extent authorized by the Bankruptcy Code;
17 e. To hear and determine all controversies, suits and disputes, if any, as may
18 arise in connection with the interpretation or enforcement of the Plan;
19 f. To hear and determine all controversies, suits and disputes, if any, as may
20 arise with regard to orders of this Bankruptcy Court entered in the Chapter
21 11 Case;
22 g. To adjudicate all controversies concerning the classification of any Claim;
23 h. To liquidate damages in connection with any disputed, contingent or
24 unliquidated Claim;
25 i. To adjudicate all Claims to a security or ownership interest in any of the
26 Assets, or in any proceeds thereof,
27 j. To adjudicate all Claims or controversies arising out of any purchases,
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- sales or contracts made or undertaken by Debtor;
- k. To determine all questions and disputes regarding recovery of and entitlement to any property of Debtor, or in any proceeds thereof;
- l. To adjudicate all Causes of Action with respect to which Debtor is a party, whether or not such Claim or controversy is raised or filed before or after the Effective Date;
- m. To determine issues and disputes concerning entitlement to Distributions to be made under and pursuant to the Plan;
- n. To enter any order, including injunctions, necessary to enforce the title, rights and powers of Debtor’s limitations, restrictions, terms and conditions on such title, rights and powers as the Bankruptcy Court may deem necessary or appropriate;
- o. To determine such other matters as may be provided for in the Confirmation Order and the Plan, or as may from time to time be authorized under the provisions of the Bankruptcy Code or any other applicable law;
- p. To enter a Final Decree closing the Chapter 11 Case;
- q. To enforce the provisions of any Administrative Claim Bar Date entered by the Bankruptcy Court;
- r. To make such orders as are necessary or appropriate to carry out the provisions of the Plan, including but not limited to orders interpreting, clarifying or enforcing the provisions thereof;
- s. To determine issues and disputes with respect to the Refinanced Secured Loan Documents as required by the Plan arising after the Effective Date; and
- t. Without limiting the generality of any of the foregoing, to hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code Sections 345, 505, and 1146.

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B. JURISDICTION UNAFFECTED.

The occurrence of the Effective Date and/or the entry of a Final Decree shall not divest the Bankruptcy Court of any jurisdiction otherwise retained under this Article XII or the Confirmation Order.

C. FAILURE OF BANKRUPTCY COURT TO EXERCISE JURISDICTION.

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction, or is otherwise without jurisdiction over any matter arising under, arising in or related to the Bankruptcy Case, including any of the matters set forth in the Plan, the Plan shall not prohibit or limit the exercise of jurisdiction by any other court of competent jurisdiction with respect to such matter.

D. POST-EFFECTIVE DATE JURISDICTION RELATED TO DEFAULTS.

In the event of a default by Debtor under the Plan, and in the event the Debtor fails to cure such default within ten (10) business days for any monetary default and within thirty (30) days for any non-monetary default (plus such additional reasonable time as may be required with respect to those non-monetary defaults which by their very nature cannot be cured within such thirty (30) day period) after the mailing of notice to the Debtor and to Debtor’s counsel (by regular mail and email), U.S. Bank shall be entitled to enforce all of the terms of the U.S. Bank Refinanced Secured Loan, in addition to all rights under Nevada law, including, without limitation, foreclosure on the Property and the opportunity to credit bid the entire amount of the U.S. Bank Note, as modified by the Plan, or any portion thereof, at any foreclosure sale.

XIII. EFFECT OF CONFIRMATION OF PLAN

A. DISCHARGE.

a. IN CONJUNCTION WITH BANKRUPTCY CODE SECTION 1141, EXCEPT AS OTHERWISE PROVIDED FOR HEREIN, THE RIGHTS AFFORDED HEREIN AND THE TREATMENT OF ALL CLAIMS

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AND EQUITY INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION, DISCHARGE AND RELEASE OF CLAIMS AND EQUITY INTERESTS OF ANY NATURE WHATSOEVER AGAINST DEBTOR, AND OF THE ASSETS OR PROPERTIES OF THE ESTATE, INCLUDING ANY INTEREST ACCRUED ON SUCH CLAIMS FROM AND AFTER THE PETITION DATE.

b. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS PROVIDED IN THE CONFIRMATION ORDER, CONFIRMATION DISCHARGES DEBTOR FROM ALL CLAIMS, OR OTHER DEBTS THAT AROSE BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN SECTIONS 502(G), 502(H) OR 502(I) OF THE BANKRUPTCY CODE, WHETHER OR NOT: (i) A PROOF OF CLAIM BASED ON SUCH A DEBT HAS BEEN FILED, OR DEEMED TO HAVE BEEN FILED, UNDER BANKRUPTCY CODE SECTIONS 501 OR 1111(A); (ii) A CLAIM BASED ON SUCH DEBT IS ALLOWED UNDER BANKRUPTCY CODE SECTION 502 OF THE BANKRUPTCY CODE; OR (iii) THE HOLDER OF A CLAIM BASED ON SUCH DEBT HAS ACCEPTED THE PLAN.

c. EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, (I) ON THE EFFECTIVE DATE, ALL CLAIMS AGAINST DEBTOR WHICH AROSE BEFORE THE EFFECTIVE DATE SHALL BE SATISFIED, DISCHARGED AND RELEASED IN FULL, AND (II) ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST DEBTOR OR ANY OF THEIR ASSETS OR PROPERTIES, ANY OTHER OR FURTHER CLAIMS OR EQUITY INTERESTS BASED UPON ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF

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ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE, AS WELL AS ANY DEBT OF A KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IRRESPECTIVE OF WHETHER (i) A PROOF OF CLAIM BASED ON SUCH A DEBT HAS BEEN FILED, OR DEEMED TO HAVE BEEN FILED, UNDER BANKRUPTCY CODE SECTIONS 501 OR 1111(a), (ii) SUCH CLAIM IS ALLOWED UNDER BANKRUPTCY CODE SECTION 502, OR (iii) THE HOLDER OF THE CLAIM HAS ACCEPTED THE PLAN.

- d. THE DISCHARGE OF THE RESPECTIVE DEBTOR, AS SET FORTH IN THIS PLAN, SHALL NOT RELEASE OR DISCHARGE ANY THIRD-PARTY GUARANTORS FROM ANY PERSONAL OBLIGATIONS THEY MAY HAVE TO ANY SECURED LENDER OR OTHER CREDITOR UNDER ANY PERSONAL GUARANTY OR OTHERWISE.

B. BINDING EFFECT OF PLAN/INJUNCTION.

- a. UPON THE EFFECTIVE DATE, BANKRUPTCY CODE SECTION 1141 SHALL BECOME APPLICABLE WITH RESPECT TO THE PLAN AND THE PLAN SHALL BE BINDING ON ALL PARTIES TO THE FULLEST EXTENT PERMITTED BY BANKRUPTCY CODE SECTION 1141(A). IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 1141, ALL OF DEBTOR'S PROPERTY SHALL BE VESTED IN DEBTOR FREE AND CLEAR OF ALL CLAIMS, LIENS AND INTERESTS OF CREDITORS AND EQUITY INTEREST HOLDERS.
- b. UPON THE EFFECTIVE DATE, ALL PERSONS AND ENTITIES SHALL BE PERMANENTLY ENJOINED BY THE PLAN FROM (i) COMMENCING OR CONTINUING ANY ACTION, EMPLOYING

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ANY PROCESS, ASSERTING OR UNDERTAKING AN ACT TO COLLECT, RECOVER, OR OFFSET, DIRECTLY OR INDIRECTLY, ANY CLAIM, RIGHTS, CAUSES OF ACTION, LIABILITIES, OR INTERESTS IN OR AGAINST ANY PROPERTY DISTRIBUTED OR TO BE DISTRIBUTED UNDER THE PLAN, OR VESTED IN DEBTOR, BASED UPON ANY ACT, OMISSION, TRANSACTION, OR OTHER ACTIVITY THAT OCCURRED BEFORE THE EFFECTIVE DATE, (ii) CREATING, PERFECTING OR ENFORCING ANY LIEN OR ENCUMBRANCE AGAINST ANY PROPERTY DISTRIBUTED OR TO BE DISTRIBUTED UNDER THE PLAN OTHER THAN AS PERMITTED UNDER THE PLAN, AND (iii) WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ASSERTING ANY CLAIMS AGAINST DEBTOR BASED ON SUCCESSOR LIABILITY OR SIMILAR OR RELATED THEORY, EXCEPT TO THE EXTENT A PERSON OR ENTITY HOLDS AN ALLOWED CLAIM UNDER THE PLAN AND IS ENTITLED TO A DISTRIBUTION AND/OR LIEN UNDER THE PLAN IN ACCORDANCE WITH ITS TERMS, AND TO ENFORCE ITS RIGHTS TO DISTRIBUTION UNDER THE PLAN.

c. ON AND AFTER THE EFFECTIVE DATE, EACH HOLDER OF ANY CLAIM AGAINST OR INTEREST IN DEBTOR IS PERMANENTLY ENJOINED FROM TAKING OR PARTICIPATING IN ANY ACTION THAT WOULD INTERFERE OR OTHERWISE HINDER DEBTOR FROM IMPLEMENTING THIS PLAN, THE CONFIRMATION ORDER OR ANY OPERATIVE DOCUMENTS IN ACCORDANCE WITH THE TERMS THEREOF.

d. THE DISCHARGE OF THE RESPECTIVE DEBTOR, AS SET FORTH IN THIS PLAN, SHALL NOT RELEASE OR DISCHARGE ANY

1 THIRD-PARTY GUARANTORS FROM ANY PERSONAL
2 OBLIGATIONS THEY MAY HAVE TO ANY SECURED LENDER OR
3 OTHER CREDITOR UNDER ANY PERSONAL GUARANTY OR
4 OTHERWISE.

5 **C. EXCULPATION.**

6 None of the Releasees nor any of their respective Representatives shall have or incur any
7 liability to any Holder of a Claim against or Interest in Debtor, or any other party-in-interest, or
8 any of their Representatives, or any of their successors or assigns, for any act, omission,
9 transaction or other occurrence in connection with, relating to, or arising out of the Chapter 11
10 Case, the pursuit of confirmation of the Plan, or the consummation of the Plan, except and solely
11 to the extent such liability is based on fraud, gross negligence or willful misconduct. The
12 Releasees shall be entitled to reasonably rely upon the advice of counsel with respect to any of
13 their duties and responsibilities under the Plan or in the context of the Chapter 11 Case. No
14 Holder of a Claim against or Interest in Debtor, or any other party-in-interest, including their
15 respective Representatives, shall have any right of action against the Releasees or any of their
16 Representatives, for any act, omission, transaction or other occurrence in connection with,
17 relating to, or arising out of, the Chapter 11 Case, the pursuit of confirmation of the Plan, the
18 consummation of the Plan or the administration of the Plan, except to the extent arising from
19 fraud. Nothing in this Section shall be deemed an exculpation by any Releasor of any Releasee
20 or any of its Representatives for any acts, omissions, transactions, events or other occurrences
21 taking place after the Effective Date or an exculpation by Secured Lenders or any other party in
22 connection with any obligations with respect to the Refinanced Secured Loans or any amounts
23 owed under any Refinanced Secured Loan Documents (if and where applicable). Nothing herein
24 shall affect the rights of the Secured Creditor related to any personal guarantees.
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28 **D. RELEASES.**

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As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, each Releasor will be deemed to release, waive and forever discharge all Released Liabilities against each Releasee and each Releasee's respective Representatives; provided, however, that, the releases provided in this Section shall not constitute a release of any liability based on willful misconduct, gross negligence or fraud; provided, further, that nothing herein shall be deemed to constitute a release (a) by any Releasor of any Releasee or any of its Representatives for any acts, omissions, transactions, events or other occurrences taking place after the Effective Date, (b) by Secured Lenders in connection with any obligations with respect to the Refinanced Secured Loans or any amounts owed under the Refinanced Secured Loan Documents; (c) by Secured Lenders or other Creditors in connection with any personal guaranty of their Claims by any person other than Debtor; and provided, further, that any party who is rightly included in the definition of Releasee that challenges the Plan or its implementation shall no longer be classified as a Releasee.

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1 **E. INJUNCTIONS.**

2 **1. Injunction Against Releasors.**

3 All of the Releasors, along with any of their successors or assigns, are permanently
4 enjoined, from and after the Effective Date, from (i) commencing or continuing in any manner
5 any action or other proceeding of any kind against the Releasees or any of their respective
6 Representatives in respect of any Released Liabilities, (ii) enforcing, attaching, collecting or
7 recovering by any manner or means of any judgment, award, decree or order against the
8 Releasees or any of their respective Representatives in respect of any Released Liabilities, (iii)
9 creating, perfecting, or enforcing any encumbrance of any kind against the Releasees or any of
10 their respective Representatives in respect of any Released Liabilities, or (iv) asserting any right
11 of setoff, subrogation or recoupment of any kind against any obligation due from the Releasees
12 or any of their respective Representatives or against the property or interests in property of the
13 Releasees or any of their respective Representatives, in respect of any Released Liabilities;
14 provided, however, that nothing contained herein shall preclude such Releasors from exercising
15 their rights pursuant to and consistent with the terms hereof and the contracts, instruments,
16 releases and other agreements and documents delivered under or in connection with this Plan;
17 provided, further, that nothing contained herein shall be deemed to enjoin any Releasor from
18 taking any action against any Releasee or any of its Representatives based on the release
19 exceptions contained in the Plan.
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22 **2. Injunction Protecting Exculpation of Releasees.**

23 All Holders of Claims against or Interests in Debtor and any other parties-in-interest,
24 along with any of their Representatives and any of their successors or assigns are permanently
25 enjoined, from and after the Effective Date, from (i) commencing or continuing in any manner
26 any action or other proceeding of any kind against Releasees or any of their respective
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1 Representatives in respect of any potential liability for which exculpation is granted pursuant to
2 this Plan, (ii) enforcing, attaching, collecting or recovering by any manner or means of any
3 judgment, award, decree or order against Releasees or any of their respective Representatives in
4 respect of any potential liability for which exculpation is granted pursuant to this Plan, (iii)
5 creating, perfecting, or enforcing any encumbrance of any kind against Releasees or any of their
6 respective Representatives in respect of any potential liability for which exculpation is granted
7 pursuant to this Plan, or (iv) asserting any right of setoff, subrogation or recoupment of any kind
8 against any Releasee or any of their respective Representatives or against the property or
9 interests in property any Releasee or any of their respective Representatives, in respect of any
10 potential liability for which exculpation is granted pursuant to this Plan; provided, however, that
11 nothing contained herein shall preclude any Holder or other party-in-interest from exercising its
12 rights pursuant to and consistent with the terms hereof and the contracts, instruments, releases
13 and other agreements and documents delivered under or in connection with this Plan. Nothing
14 herein shall affect the rights of the Secured Creditor related to any personal guarantees.

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17 **3. Injunction Against Interference With Plan.**

18 Upon the Effective Date, all Holders of Claims against or Interests in Debtor and their
19 respective Representatives and any of their successors or assigns shall be enjoined from taking
20 any actions to interfere with the implementation or consummation of the Plan.

21
22 **F. ADEQUATE PROTECTION LIENS; CASH COLLATERAL ORDERS.**

23 As of the Effective Date, any replacement Liens granted as adequate protection pursuant
24 to the terms of any Cash Collateral Orders shall be deemed to be terminated, discharged,
25 eliminated and of no further force and effect.

26 As of the Effective Date, Debtor's obligations under all Cash Collateral Orders shall be
27 deemed to be fully satisfied, released, discharged and terminated, and such Cash Collateral
28

1 Orders shall be of no further force and effect.

2 **G. MODIFICATION OF DEBT INSTRUMENTS.**

3 On the Effective Date, all instruments evidencing indebtedness of Debtor held by Holders
4 of Claims that are Impaired by the Plan or have been paid in full pursuant thereto shall be
5 deemed modified or canceled as against Debtor as set forth in the Plan.

6 **H. JUDGMENTS VOID.**

7 Any judgment obtained before or after the Effective Date in any court other than the
8 Bankruptcy Court shall be null and void as a determination of liability of Debtor with respect to
9 any debt treated by the Plan.

10 **I. REVESTING OF ASSETS IN DEBTOR.**

11 Except as otherwise expressly provided herein or in the Confirmation Order, on the
12 Effective Date, but retroactive to the Confirmation Date, without any further action, Debtor will
13 be vested with all of the property of the Estate, wherever situate, free and clear of all Claims,
14 Liens (except for Liens provided or authorized pursuant to this Plan and Permitted
15 Encumbrances). Without limiting the generality of the foregoing, on and after the Effective
16 Date, Debtor shall be vested with all of the property of the Estate, wherever situate, free and
17 clear of any Claims based on any form of successor liability or similar or related theory of
18 liability. On and after the Effective Date, (i) Debtor shall be free of any restrictions imposed by
19 the Bankruptcy Code or Bankruptcy Court, may operate their business and may use, acquire or
20 dispose of their assets (including the Properties) free of any restrictions imposed by the
21 Bankruptcy Code and the Bankruptcy Rules and without supervision or approval by the
22 Bankruptcy Court, other than the obligations set forth in this Plan, or the Confirmation Order.
23 Without limiting the generality of the foregoing and except as otherwise expressly provided
24 herein or in the Confirmation Order, any Causes of Action, will be preserved and retained solely
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1 for Debtor's commencement, prosecution, use and benefit.

2 **J. PRESERVATION OF CAUSES OF ACTION.**

3 Pursuant to Bankruptcy Code Section 1123(b), Debtor shall retain and reserve the right to
4 enforce all rights to commence and pursue Causes of Action whether arising prior to or after the
5 Petition Dates, and whether pending as of or Filed after the Effective Date, in any court or other
6 tribunal. Unless a Cause of Action is expressly waived, relinquished, released, compromised or
7 settled in the Plan, or any Final Order, Debtor on behalf of themselves expressly reserve all
8 Causes of Action for later adjudication and, therefore, no preclusion doctrine, including, without
9 limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion,
10 estoppel (judicial, equitable or otherwise) or laches shall apply to any Causes of Action upon
11 Confirmation or the Effective Date. No entity may rely on the absence of a specific reference in
12 the Plan, any Plan Supplement, or the Disclosure Statement to any Cause of Action against them
13 as an indication that Debtor, will not pursue any and all available Causes of Action against them.
14 Debtor expressly reserves all rights to prosecute any and all Causes of Action against any Entity,
15 except as otherwise expressly provided in the Plan.

16
17
18 Debtor is not aware of any causes of action or claims that Debtor currently has against
19 U.S. Bank.

20 **K. MAINTENANCE OF ADMINISTRATIVE CLAIM STATUS POST**
21 **DISCHARGE.**

22 Notwithstanding any discharge granted to Debtor, Allowed Administrative Claims shall
23 maintain their administrative priority status under Bankruptcy Code Section 507(a)(2) until paid
24 in full.

25 **L. NO LIMITATION ON EFFECT OF CONFIRMATION.**

26 Nothing contained in the Plan or the Disclosure Statement will limit, waive or restrict in
27 any way the effect of Confirmation as set forth in Bankruptcy Code Section 1141. Confirmation
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1 will bind Debtor, all Creditors, Equity Interest Holders and other parties in interest to the
2 provisions of the Plan, whether or not the Claim or Equity Interest of such Creditor or Equity
3 Interest Holder is Impaired under the Plan and whether or not such Creditor or Equity Interest
4 Holder has accepted the Plan and whether or not a proof of Claim or Equity Interest has been
5 filed or deemed to have been filed under Bankruptcy Code Sections 501 or 1111(a), or such
6 Claim or Equity Interest is allowed under Bankruptcy Code Section 502.
7

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9 **XIV. MISCELLANEOUS PROVISIONS**

10 **A. MODIFICATION OF THIS PLAN.**

11 Debtor may alter, amend or modify the Plan at any time before the entry of the
12 Confirmation Order, provided that the Plan, as altered, amended or modified, satisfies the
13 conditions of Bankruptcy Code Sections 1122 and 1123, and Debtor shall have complied with
14 Bankruptcy Code Section 1125. However, the Bankruptcy Court may require a new disclosure
15 statement and/or re-voting on the Plan if Debtor modifies the plan before Confirmation.
16

17 Debtor may also seek to alter, amend or modify the Plan at any time after Confirmation
18 so long as (i) the Plan has not been substantially consummated, (ii) as altered, amended or
19 modified the Plan satisfies the conditions of Bankruptcy Code Sections 1122 and 1123, and (iii)
20 the Bankruptcy Court authorizes the proposed modification after notice and a hearing under
21 Bankruptcy Code Section 1129.

22 A Holder of a Claim that has accepted the Plan shall be deemed to have accepted the
23 Plan, as altered, amended or modified, if the proposed alteration, amendment or modification
24 does not materially and adversely change the treatment of the Claim of such Holder. Prior the
25 Effective Date, Debtor may make appropriate technical non-material modifications to the Plan or
26 the Disclosure Statement without further order or approval of the Bankruptcy Court, provided
27
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1 that such technical modifications do not adversely affect the treatment of Holders of Claims or
2 Equity Interest.

3 Debtor further reserves the right to modify the treatment of any Allowed Claims at any
4 time after the Effective Date of the Plan upon the consent of the Creditor whose Allowed Claim
5 treatment is being modified, so long as no other Creditors are materially adversely affected.

6 Debtor reserves the right, in accordance with the Bankruptcy Code, to amend, amend or
7 modify this Plan before or after the Confirmation Date, including making any amendments or
8 modifications to satisfy the requirements of Bankruptcy Code Section 1129(b), if necessary.

9
10 **B. NOTICES.**

11 Except as otherwise set forth below, all notices, requests or demands in connection with
12 the Plan, including any change of address of any Holder of a Claim for the purposes of receiving
13 any Distributions under the Plan, shall be in writing and shall be delivered personally or by
14 facsimile, electronic mail or overnight courier (confirmed by first class mail or express mail) or
15 mailed by first class mail. Such notice shall be deemed to have been given when received or, if
16 mailed by first class mail, seven (7) days after the date of mailing, or if express mailed, the next
17 Business Day following the date of mailing and addressed to the following:
18

19 If to Debtor, to:

20 CBS I, LLC
21 Attn: Jeff Susa
22 3275 South Jones #105
23 Las Vegas, NV 89146

24 with copies to:

25 Larson & Zirzow, LLC
26 ZACHARIAH LARSON, ESQ.
27 810 S. Casino Center Blvd. #101
28 Las Vegas, Nevada 89145
Telephone: (702) 382-1170
Facsimile: (702) 382-1169
zlarson@lzlawnv.com

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1 All notices and requests to Holders of Claims of any Class shall be sent to them at their
2 known address. Any Holder of a Claim of any Class may designate in writing any other address
3 for purposes of this Section, which designation shall be effective upon receipt.

4 **C. LIMITATION OF NOTICE.**

5 Debtor shall give the following notice with regard to the following matters, which notice
6 shall be deemed to be good and sufficient notice of such matters, with no requirement for any
7 additional or further notice:
8

- 9 a. Notice of Entry of Confirmation Order-- Notice of the entry of the
10 Confirmation Order shall be sufficient if mailed to all known Holders of
11 Claims (which have not become Disallowed Claims) and Interests within
12 five (5) Business Days of the entry of Confirmation Order.
- 13 b. Post-Confirmation Date Service List - Additional Persons Entitled to
14 Notice. Except as set forth in Section XIV, Subpart(B) hereof, from and
15 after the date the Confirmation Order becomes a Final Order, notices of
16 appearances and demands for service of process Filed with the Bankruptcy
17 Court prior to such date shall no longer be effective, and no further
18 notices, other than Notice of Confirmation Order, shall be required to be
19 sent to such parties, unless such parties File a new notice of appearance
20 and demand for service of process dated subsequent to the Effective Date,
21 which subsequent notice and demand must be Filed with the Bankruptcy
22 Court and served upon the Persons and Entities listed in Section 15(B)
23 above.
- 24 c. Subordination - Nothing in the Plan shall in any way be deemed to have
25 Impaired, altered or otherwise affected the rights of Debtor to enforce any
26 right of subordination that may exist by agreement or otherwise, including
27 under Bankruptcy Code Section 510.
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1 **D. REQUISITE SECURED LENDER’S APPROVAL.**

2 Wherever the approval of a Secured Lender with respect to a Secured Loan or Refinanced
3 Secured Loan is referred to anywhere in the Plan, the Person or Entity seeking such approval
4 shall be entitled to direct the request for approval solely to that Secured Lender named herein
5 with respect to such Secured Loan or Refinanced Secured Loan on behalf of other Holders of
6 Claims with respect to such Secured Loan or Refinanced Secured Loan (“Related Secured Claim
7 Holders”) and such Secured Lender shall then be responsible for determining and communi-
8 cating in writing whether or not such approval has or has not been obtained. Any written
9 statement by such Secured Lender to any other Person or Entity concerning any consent or
10 approval of the Secured Lender and Related Secured Claim Holders required hereunder may be
11 relied upon by such Person or Entity.
12

13 **E. HEADINGS.**

14 The headings used in the Plan are inserted for convenience only and do not constitute a
15 portion of the Plan nor in any manner affect the provisions of the Plan.
16

17 **F. EXHIBITS.**

18 All exhibits and documents included in the Disclosure Statement are incorporated into
19 and are a part of the Plan, as if set forth in full in the Plan. After the exhibits and documents are
20 filed, copies of such exhibits and documents shall have been available upon written request to
21 Debtor’s counsel at the address above or by downloading such exhibits and documents from the
22 Bankruptcy Court’s website at <http://www.nvb.uscourts.gov>. To the extent any exhibit or
23 document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy
24 Court, the non-exhibit or non-document portion of the Plan shall control.
25

26 **G. NONSEVERABILITY OF PLAN PROVISIONS.**

27 If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy
28 Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power, at the

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1 request of Debtor and subject to the consent of any party adversely affected thereby, to alter and
2 interpret such term or provision to make it valid or enforceable to the maximum extent
3 practicable, consistent with the original purpose of the term or provision held to be invalid, void,
4 or unenforceable, and such term or provision shall then be applicable as altered or interpreted.
5 Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and
6 provisions of the Plan will remain in full force and effect and will in no way be affected,
7 Impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order
8 shall constitute a judicial determination and shall provide that each term and provision of the
9 Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (a) valid and
10 enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified
11 without the consent of Debtor and any other Person or Entity affected by such provision; and (c)
12 nonseverable and mutually dependent.
13

14 **H. WAIVER OR ESTOPPEL.**

15 Each Holder of a Claim or an Interest shall be deemed to have waived any right to assert
16 any argument, including the right to argue that its Claim or Interest should be Allowed in a
17 certain amount, in a certain priority, Secured or not subordinated by virtue of an agreement made
18 with Debtor or its counsel, or any other Entity, if such agreement was not disclosed in the Plan,
19 the Disclosure Statement, or papers Filed with the Bankruptcy Court prior to the Confirmation
20 Date.
21

22 **I. CONFLICTS.**

- 23 a. To the extent that any provision of the Disclosure Statement, any Plan
24 Supplement (other than any amendments to the Plan or any Refinanced
25 Secured Loan Documents), or any other order (other than the
26 Confirmation Order) referenced in the Plan (or any exhibits, schedules,
27 appendices, supplements or amendments to any of the foregoing), conflict
28

1 with or are in any inconsistent with any provision of the Plan, the Plan
2 shall govern and control, unless expressly set forth herein.

3 b. From and after the Effective Date, to the extent that any provision of the
4 Plan, the Disclosure Statement, any Plan Supplement, or any other order
5 (other than the Confirmation Order) referenced in the Plan (or any
6 exhibits, schedules, appendices, supplements or amendments to any of the
7 foregoing), conflict with or are in any way inconsistent with any provision
8 of any Refinanced Secured Loan Document, then such Refinanced
9 Secured Loan Document shall govern and control, unless expressly set
10 forth therein.

11 **J. COMPUTATION OF TIME.**

12 In computing any period of time prescribed or allowed by the Plan, the provisions of
13 Bankruptcy Rule 9006(a) shall apply.

14 **K. GOVERNING LAW.**

15 Except to the extent that the Bankruptcy Code or any other Federal law is applicable, the
16 rights and obligations arising under this Plan shall be governed by, and construed and enforced in
17 accordance with, the laws of the State of Nevada.

18 **L. SUCCESSORS AND ASSIGNS.**

19 The rights and obligations of any Person or Entity named or referred to in this Plan shall
20 be binding upon, and shall inure to the benefit of, the successors and assigns of such Person or
21 Entity.

22 **M. GOOD FAITH.**

23 Confirmation of the Plan will constitute a finding that the Plan has been proposed in good
24 faith and in compliance with all applicable provisions of the Bankruptcy Code.

25 **N. POST CONFIRMATION CONVERSION OR DISMISSAL.**

26 A creditor or party in interest may bring a motion to convert or dismiss the Chapter 11
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1 Cases under Bankruptcy Code Section 1112(b), after the Plan is confirmed, if there is a default in
2 performance of the Plan or if cause exists under Bankruptcy Code Section 1112(b).

3 If the Bankruptcy Court orders the case converted to Chapter 7 after the Plan is
4 confirmed, then all property that had been property of the Estate, and that has not been disbursed
5 or distributed pursuant to the Plan, will revert in the Chapter 7 estate, and the automatic stay will
6 be re-imposed upon the re-vested property only to the extent that relief from stay was not
7 previously granted by the Bankruptcy Court during these Chapter 11 Cases. In addition, any
8 Allowed Administrative Claims which are not paid on the Effective Date shall continue to be
9 entitled to administrative priority, under Bankruptcy Code Section 507(a)(1) in any such
10 subsequent Chapter 7 case to which this case is converted.

11
12 **O. POST CONFIRMATION REPORTS AND QUARTERLY FEES.**

13 Until the entry of the final decree, Debtor shall file with the clerk, not later than twenty
14 (20) days after the end of the calendar quarter which occurs after the entry of this order, and
15 every six (6) months thereafter, a report of the action taken by the reorganized debtor and the
16 progress made toward consummation of the confirmed plan. Said report shall include, at a
17 minimum, the following information:
18

- 19 a. A schedule of any personal property costing more than \$5,000 and any
20 real property acquired, sold or disposed of since confirmation of the plan
21 and the price paid for each;
- 22 b. A schedule listing each debt, the total amount required to be paid under
23 the plan, the amount required to be paid to date, the amount actually paid
24 to date, and the amount unpaid;
- 25 c. A schedule of executory contracts entered into after plan confirmation;
- 26 d. A statement listing each post-petition tax (i.e., income, payroll, property,
27 sales), and payee and the amount actually paid;
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- e. The progress toward completion of the confirmed plan and a list and status of any pending adversary proceedings or motion and resolution expected; and
- f. A statement regarding the status of payment of both pre-confirmation and post confirmation United States trustee quarterly fees.

U.S. Trustee Fees continue to be payable to the Office of the United States Trustee post-confirmation until such time as the case is converted, dismissed, or closed pursuant to Final Decree.

P. ENTIRE AGREEMENT.

The Plan, as described herein, the Disclosure Statement and exhibits thereto, and any Plan Supplements set forth the entire agreement and understanding of the parties hereto relating to the subject matter hereof and supersede all prior discussions and documents. No party hereto shall be bound by any terms, conditions, definitions, warrants, understandings or representations with respect to the subject matter hereof, other than as in expressly provided for herein or as may hereafter be agreed by the parties in writing.

Respectfully submitted,

/s/ Jeff Susa
 Debtor CBS I, LLC
 By its Manager: Jeff Susa

/s/ Zachariah Larson
 Zachariah Larson, Esq.
 Larson & Zirzow, LLC
 Attorneys for Debtor

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EXHIBIT A
LIST OF ALL ASSETS

CURRENT ASSETS (as of 7/31/2013)**

a.	Cash on Hand	\$	0.00
b.	Debtor-in-Possession Accounts	\$	369,718.00
c.	Accounts Receivables	\$	6,961.00

TOTAL CURRENT ASSETS		\$	376,679.00
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FIXED ASSETS (APPRAISED OR STIPULATED VALUE)

a.	10100 West Charleston Boulevard, Las Vegas, NV	\$	19,000,000.00*
	*Per Debtor's Appraisal		

TOTAL FIXED ASSETS		\$	19,000,000.00
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TOTAL ASSETS		\$	19,376,679.00
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**THIS LIST DOES NOT ACCOUNT FOR EXEMPTIONS

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EXHIBIT B
FINANCIAL STATEMENTS

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3 Statement of Debtor's Financial Condition has been filed along with Debtor's other
4 schedules and these statements give a fair approximation of the condition of Debtor. No recent
5 financial statements have been prepared. Monthly Operating Reports have been filed with the
6 Bankruptcy Court throughout the Case.
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EXHIBIT CUNEXPIRED LEASES/EXECUTORY CONTRACTS TO BE ASSUMED

<u>LEASES/CONTRACTS</u>	<u>ARREARS/DMGS</u> (as of 8/15/2012)	<u>METHODS OF CURE</u>
<ul style="list-style-type: none"> • Rental Lease with Corrigan Management, Inc. • Property Address: 10100 West Charleston Boulevard #110, Las Vegas, Nevada 89135 • Term: Month to Month • Monthly Rents: \$10,316.32 • Monthly CAMS: \$890.15 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> • Rental Lease with Resort Services Group, LLC • Property Address: 10100 West Charleston Boulevard #120, Las Vegas, Nevada 89135 • Term: Expires 11/14/2014 with two, 2 year options to extend • Monthly Rents: \$7,449.75 • Monthly CAMS: None 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> • Rental Lease with College Loan Corporation • Property Address: 10100 West Charleston Boulevard #130, Las Vegas, Nevada 89135 • Term: Expires 09/30/2013 • 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> • Rental Lease with Vintners Grill (Harmon Enterprises, Inc) • Property Address: 10100 West Charleston Boulevard #140, Las Vegas, Nevada 89135 • Term: Expires 1/31/2016 with three, 5 year options to extend • Monthly Rents: \$17,077.08.00 • Monthly CAMS: \$1,610.41 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.

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1	<ul style="list-style-type: none"> Rental Lease with Vintners Grill Patio (Harmon Enterprises, Inc) Property Address: 10100 West Charleston Boulevard (Patio), Las Vegas, Nevada 89135 Term: Expires 1/31/2016 with three, 5 year options to extend Monthly Rents: \$656.42 Monthly CAMS: None 	<ul style="list-style-type: none"> Default amt = \$0.00 Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
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7	<ul style="list-style-type: none"> Rental Lease with Remax Central (and Pinpoint Communications, Inc. as subtenant) Property Address: 10100 West Charleston Boulevard #160, Las Vegas, Nevada 89135 Term: Expires 6/1/2016 with two, 5 year options to extend Monthly Rents: \$6,000.00 Monthly CAMS: None 	<ul style="list-style-type: none"> Default amt = \$0.00 Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
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14	<ul style="list-style-type: none"> Rental Lease with Meadowbrook Inc. Property Address: 10100 West Charleston Boulevard #200, Las Vegas, Nevada 89135 Term: Expires 1/14/2017 with one, 5 year option to extend Monthly Rents: \$15,051.20 Monthly CAMS: None 	<ul style="list-style-type: none"> Default amt = \$0.00 Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
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19	<ul style="list-style-type: none"> Rental Lease with Willis Insurance (Willis of Arizona, Inc.) Property Address: 10100 West Charleston Boulevard #215, Las Vegas, Nevada 89135 Term: Expires 12/31/2016 Monthly Rents: \$5,140.10 Monthly CAMS: None 	<ul style="list-style-type: none"> Default amt = \$0.00 Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
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25	<ul style="list-style-type: none"> Rental Lease with Sugar Factory LLC Property Address: 10100 West Charleston Boulevard #220, Las Vegas, Nevada 89135 Term: Expires 7/17/2014 	<ul style="list-style-type: none"> Default amt = \$0.00 Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
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<ul style="list-style-type: none"> • Monthly Rents: \$5,500.00 • Monthly CAMS: None 		
<ul style="list-style-type: none"> • Rental Lease with Cunningham Group Architecture, PA • Property Address: 10100 West Charleston Boulevard #230, Las Vegas, Nevada 89135 • Term: Expires 8/31/2016 with two 5 year options to extend • Monthly Rents: \$12,411.00 • Monthly CAMS: \$902.72 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> • Rental Lease with Vintners Grill (Harmon Enterprises, Inc) • Property Address: 10100 West Charleston Boulevard #240 (140B), Las Vegas, Nevada 89135 • Term: Expires 1/31/2016 • Monthly Rents: \$270.00 • Monthly CAMS: None 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> • Rental Lease with Well Health • Property Address: 10100 West Charleston Boulevard, #210, Las Vegas NV 89135 • Term: Expires 09/14/2016 • Monthly Rent: \$14,802.15 • Monthly CAMS: None 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> • Rental Lease with Sierra Pacific Securities • Property Address: 10100 West Charleston Boulevard, #214, Las Vegas NV 89135 • Term: Expires 08/15/2019 • Options: Two 3 year Options • Monthly Rent: \$5,595.35 • Monthly CAMS: None 	<ul style="list-style-type: none"> • Default amt = \$0.00 • Tenant owes Debtor \$0.00 	<ul style="list-style-type: none"> • In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.

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<ul style="list-style-type: none"> Rental Lease with Santoro Whitmire Property Address: 10100 West Charleston Boulevard, #250, Las Vegas NV 89135 Term: Expires 09/30/2018 Options: One 5 year option Monthly Rent: \$14,749.00 Monthly CAMS: None 	<ul style="list-style-type: none"> Default amt = \$0.00 Tenant owes Debtor \$0.00 	In event of non-payment of rents, Debtor will attempt to collect the monies owed from Tenant via applicable legal processes.
<ul style="list-style-type: none"> Contract for security systems with ADT Security Services, Inc. Term: Expires 8/2013 Monthly Payment: \$ 	<ul style="list-style-type: none"> Default amt = \$0.00 	Assume
<ul style="list-style-type: none"> Contract for internet service with COX Communications Term: No expiration date Monthly Payment: \$ 	<ul style="list-style-type: none"> Default amt = \$0.00 	Assume
<ul style="list-style-type: none"> Landscape maintenance contract with Green Thumb Maintenance, LLC Term: Perpetual (90 day notice to terminate) Monthly Payment: \$ 	<ul style="list-style-type: none"> Default amt = none 	Assume
<ul style="list-style-type: none"> Contract for interior plant maintenance with Interiorscapes, Inc. Term: No expiration date Monthly Payment: \$ 	<ul style="list-style-type: none"> Default amt = \$250.00 	Assume and Cure Default
<ul style="list-style-type: none"> Contract for janitorial/porter services with ISS Facility Services Term: Expires 1/2013 Monthly Payment: \$ 	<ul style="list-style-type: none"> Default amt = \$14,007.12 	Assume and Cure Default
<ul style="list-style-type: none"> Property Management contract and leasing with Jeff Susa/Real Estate Asset Management Term: Expires 5/31/2018 Monthly Payment: 	<ul style="list-style-type: none"> Default amt = \$10,801.06 	Assume and Cure Default
<ul style="list-style-type: none"> Contract for HVAC maintenance with LMS Building Services - Trane Term: Annual renewal Monthly Payment: \$ 	<ul style="list-style-type: none"> Default amt = \$5,205.50 	Assume and Cure Default

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<ul style="list-style-type: none"> • Contract for elevator maintenance with Otis Elevator Company • Term: Expires 9/23/2012 • Monthly Payment: \$ 	<ul style="list-style-type: none"> • Default amt = none 	Assume
<ul style="list-style-type: none"> • Contract for window cleaning with Property Maintenance Services, Inc. • Term: No expiration date • Monthly Payment: \$ 	<ul style="list-style-type: none"> • Default amt = \$900.00 	Assume and Cure Default
<ul style="list-style-type: none"> • Contract for fire sprinkler inspections with Southland Industries • Term: Expires 7/2013 • Monthly Payment: \$238.00 	<ul style="list-style-type: none"> • Default amt = none 	Assume
<ul style="list-style-type: none"> • Contract for pest control with Terminix • Term: No expiration date • Monthly Payment: 	<ul style="list-style-type: none"> • Default amt = \$77.00 	Assume and Cure Default

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EXHIBIT D
EXECUTORY CONTRACTS TO BE REJECTED

<u>CONTRACT</u>	<u>DEFAULT/DMGS</u>	<u>TREATMENT</u>
<ul style="list-style-type: none">• None	<ul style="list-style-type: none">• Default amt• Actual pecuniary loss	<ul style="list-style-type: none">• Method of curing default & loss

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EXHIBIT E

LIQUIDATION ANALYSIS¹

A. OVERVIEW

A Chapter 11 plan cannot be confirmed unless the bankruptcy court determines that the plan is in the “best interests” of all holders of claims and interests that are impaired by the plan and that have not accepted the plan. The “best interests” test requires a bankruptcy court to find either that (i) all members of an impaired class of claims or interests have accepted the plan or (ii) the plan will provide a member who has not accepted the plan with a recovery of property of a value, as of the effective date of the plan, that is not less than the amount that such holder would recover if Debtor were liquidated under Chapter 7 of the Bankruptcy Code. The property in question here would have a liquidated value equal to its appraised value, less foreclosure costs and fees.

B. UNDERLYING ASSUMPTIONS AND DISCLAIMER

This liquidation analysis (the “**Liquidation Analysis**”) was prepared in connection with the filing of Debtor’s Disclosure Statement and Plan.

Debtor has prepared this Liquidation Analysis based on a hypothetical liquidation under Chapter 7 of the Bankruptcy Code. The determination of the costs of, and proceeds from, the hypothetical liquidation of Debtor’s assets in a Chapter 7 case is an uncertain process involving the extensive use of estimates and assumptions that, although considered reasonable by Debtor, are inherently subject to significant business, economic and competitive uncertainties, and contingencies beyond the control of Debtor and its legal advisors. Inevitably, some assumptions in the Liquidation Analysis would not materialize in an actual Chapter 7 liquidation, and unanticipated events and circumstances could affect the ultimate results in an actual Chapter 7 liquidation.

It is assumed, among other things, that the hypothetical liquidation under Chapter 7 would commence under the direction of a court-appointed trustee and would continue for a period of time, during which time all of Debtor’s major assets would be sold or surrendered to its respective lien holders, and the cash proceeds, if any, net of liquidation related costs, would then be distributed to creditors in accordance with relevant law.

THE LIQUIDATION ANALYSIS IS NOT INTENDED AND SHOULD NOT BE USED FOR ANY OTHER PURPOSE. THE LIQUIDATION ANALYSIS DOES NOT PURPORT TO BE A VALUATION OF DEBTOR’S ASSETS AS A GOING CONCERN, AND THERE MAY BE A SIGNIFICANT DIFFERENCE BETWEEN THE LIQUIDATION

¹ All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Disclosure Statement. To the extent that a definition of a term in the text of this Exhibit C to the Disclosure Statement and the definition of such term in the Disclosure Statement is inconsistent, the definition included in the Disclosure Statement shall control.

1 ANALYSIS AND THE VALUES THAT MAY BE REALIZED IN AN ACTUAL
2 LIQUIDATION. THIS ANALYSIS ASSUMES "LIQUIDATION VALUES" BASED ON
3 APPRAISALS, WHERE AVAILABLE, AND DEBTOR'S BUSINESS JUDGMENT, WHERE
4 APPRAISALS ARE NOT AVAILABLE.

5 THE UNDERLYING FINANCIAL INFORMATION IN THE LIQUIDATION
6 ANALYSIS WAS NOT COMPILED OR EXAMINED BY ANY INDEPENDENT
7 ACCOUNTANTS. NEITHER DEBTOR NOR ITS ADVISORS MAKE ANY
8 REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS WOULD OR
9 WOULD NOT APPROXIMATE THE ESTIMATES AND ASSUMPTIONS REPRESENTED
10 IN THE LIQUIDATION ANALYSIS. ACTUAL RESULTS COULD VARY MATERIALLY.
11 THIS ANALYSIS ASSUMES "LIQUIDATION VALUES" BASED ON FAIR MARKET
12 VALUE APPRAISALS, WHERE AVAILABLE AND WHEN APPLICABLE, AND
13 DEBTOR'S BUSINESS JUDGMENT, WHERE APPRAISALS ARE NOT AVAILABLE.

14 **C. SUMMARY NOTES TO THIS LIQUIDATION ANALYSIS**

15 The Liquidation Analysis should be read in conjunction with the following notes and
16 assumptions:

17 1. Dependence on Unaudited Financial Statements. This Liquidation Analysis
18 contains estimates that are still under review and it remains subject to further legal and
19 accounting analysis.

20 2. Preference or Fraudulent Transfers. No recovery or related litigation costs
21 attributed to any potential avoidance actions under the Bankruptcy Code, including potential
22 preference or fraudulent transfer actions are assumed within this analysis due to, among other
23 issues, anticipated disputes about these matters.

24 3. Allowance of Claims. This Liquidation Analysis assumes the Allowance of all
25 Claims. It is anticipated that Debtor will object to the Proof of Claim of U.S. Bank. If the Court
26 disallows a portion of the U S. Bank Proof of Claim, this Liquidation Analysis is subject to
27 change.

28 4. Duration of the Liquidation Process. Debtor has assumed that the liquidation
would involve very little operations. Thus, this Liquidation Analysis assumes the liquidation
would be completed within twelve (12) months. In an actual liquidation the wind down process
and time period(s) could vary thereby impacting recoveries. For example, the potential for
priority, contingent and other claims, litigation, rejection costs and the final determination of
allowed claims could substantially impact both the timing and amount of the distribution of the
asset proceeds to the creditors. Accordingly, there can be no assurance that the values reflected
in this Liquidation Analysis would be realized if Debtor was, in fact, to undergo such a
liquidation.

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1 CURRENT ASSETS (as of 7/31/2013)**

2	a.	Cash on Hand	\$	0.00
3	b.	Debtor-in-Possession Accounts	\$	369,718.00
4	c.	Accounts Receivables	\$	6,961.00

5		TOTAL CURRENT ASSETS		\$ 376,679.00
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6 FIXED ASSETS (APPRAISED OR STIPULATED VALUE)

7	a.	10100 West Charleston Boulevard, Las Vegas, NV	\$	19,000,000.00*
8		*Per Debtor's Appraisal		

8		TOTAL FIXED ASSETS	\$	19,000,000.00
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9		TOTAL ASSETS	\$	19,376,679.00
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10 **Less:**

10		Chapter 7 trustee fees and expenses ²	\$	(1,937,667.90)
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11 **Less:**

11		Chapter 11 administrative expenses	\$	(241,618.30±)
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12 **Less:**

12		Priority claims, excluding admin. expense claims	\$	(42,726.33)
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13		TOTAL ASSETS LESS ADMIN. EXPENSES/CLAIMS	\$	17,154,666.47
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14 **Less**

14		(1) Estimated Balance of secured claims	\$	17,532,213.09
15		(Based upon U.S. Bank Allowed Claim)		

16		Remaining Balance for Unsecured Claims	\$	0.00
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17		Estimated Total amount of Allowed Unsecured Claims	\$	10,494.88
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18		% Of Claims Which Unsecured Creditors Would Receive or Retain		
19		in a Ch. 7 Liquidation (after Chapter 7 estimated costs):		0%

20		% Of Claims Which Other Unsecured Creditors Will Receive or		
21		Retain Under This Plan:		<u>100% plus Interest</u>

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25 ² Chapter 7 Liquidation Costs. These are estimated at 10% of Non-Exempt Estate Assets. Pursuant to section 726
26 of the Bankruptcy Code, the allowed administrative expenses incurred by a Chapter 7 trustee, including, but not
27 limited to, expenses affiliated with selling Debtor's assets, will be entitled to payment in full prior to any
28 distribution to Chapter 11 administrative and other priority claims. It is anticipated that creditors' recoveries
would be extinguished by the secured claims of Debtor's first lien holder, leaving no recovery for unsecured
creditors.

EXHIBIT F
LIST OF ADMINISTRATIVE EXPENSE CLAIMS

UNCLASSIFIED CLAIMS: ADMINISTRATIVE CLAIMS					
Name	Amounts (Allowed + Estimated = Total Amount - Paid = Total Due)				
	Allowed	Estimated	Total Amt.	Paid	Total Due
Marquis Aurbach Coffing		\$100,000.00±			
Larson & Zirzow		\$25,000.00			
Flangas McMillan Law Group		\$75,000.00±			
Expenses Arising in the Ordinary Course of Business Post-Petition		\$25,000.00±			
City National Bank		\$16,118.30			
Office of the U.S. Trustee Fees		\$500.00±			
Clerk's Office Fees		Unknown			
Other administrative expenses		Unknown			
TOTAL AMOUNTS		\$241,618.30±			

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EXHIBIT G

LIST OF PRIORITY UNSECURED CLAIMS

CLASSIFIED CLAIMS: §507(a)(8)(B) PRIORITY CLAIMS						
			SCHEDULED CLAIMS		FILED CLAIMS	
Name	Insider Y/N	Impaired Y/N	Amount	D/C/U*	Amount	Objection
City of Las Vegas (Semi-Annual Special Assessments)	N	N	\$42,726.33			
TOTAL AMOUNT FOR PRIORITY UNSECURED CLAIMS			\$42,726.33			

*Disputed/contingent/unliquidated

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EXHIBIT H

LIST OF SECURED CLAIMS

CLASSIFIED CLAIMS: SECURED CLAIMS								
Class	Name	Description	Insider Y/N	Impaired Y/N	SCHEDULED CLAIMS		STIPULATED ALLOWED CLAIM	
					Amount	D/C/U*	Amount	Objection
1	U.S. Bank	First Priority Secured Loan on Property	N	N	\$16,390,230.51		\$17,532,213.09	N
SUBTOTAL FOR SECURED CLAIMS							\$17,532,213.09	

To the extent that the Plan is confirmed pursuant to the settled terms between the Debtor and U.S. Bank, Debtor has no objection to the U.S. Bank Allowed Claim amount.

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EXHIBIT I

LIST OF ALLOWED GENERAL UNSECURED NONPRIORITY CLAIMS

CLASSIFIED CLAIMS: ALLOWED GENERAL UNSECURED CLAIMS								
Class	Name	Description	Insider Y/N	Impaired Y/N	SCHEDULED CLAIMS		FILED CLAIMS (POC)	
					Amount	D/C/U*	Amount	Objection
2	Bailey Kennedy	Legal Services	N		\$30,932.62	N	\$9,841.25	N
2	J & J Services	Steam Cleaning Service	N		\$300.00	N	\$300.00	N
2	Nevada Illuminations, Inc.	Lights	N		\$58.63	N	\$58.63	N
2	Tri Signal Integration, Inc	Services Performed	N		N/A	N	\$295.00*	Y
SUBTOTAL FOR ALLOWED UNSECURED NONPRIORITY CLAIMS (Proof of Claim if Filed; Otherwise, Scheduled Claim)					\$10,494.88			

** The Proof of Claim Filed on behalf of Tri-Signal was in the amount of \$1,232.40. Debtor filed its Objection to the Tri-Signal Proof of Claim and the Court has entered an Order granting Debtor's Objection to the Proof of Claim of Tri-Signal and reducing the Tri-Signal Proof of Claim to the allowed amount of \$295.00.

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EXHIBIT J

LIST OF INSIDER UNSECURED CLAIMS

CLASSIFIED CLAIMS: INSIDER UNSECURED CLAIMS							
Class	Name	Insider Y/N	Impaired Y/N	SCHEDULED CLAIMS		FILED CLAIMS (POC)	
				Amount	D/C/U*	Amount	D/C/U*
4	Jeff Susa	Y		\$732,731.93	N		
4	Breslin Family Trust	Y		\$732,731.93	N		
4	S&L Corrigan Family Trust	Y		\$732,731.93	N		
4	M&J Corrigan Family Trust	Y		\$732,731.93	N		
TOTAL AMOUNT FOR CLASS				\$2,930,927.72			

* Disputed/contingent/unliquidated

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