UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

In re:

EAST COAST BROKERS & PACKERS, INC.	Case No. 8:13-bk-2894-KRM
BATISTA J. MADONIA, SR. and EVELYN M. MADONIA,	Case No. 8:13-bk-2895-KRM
CIRCLE M RANCH, INC.	Case No. 8:13-bk-2896-KRM
RUSKIN VEGETABLE CORPORATION,	Case No. 8:13-bk-2897-KRM
OAKWOOD PLACE, INC.,	Case No. 8:13-bk-2898-KRM
BYRD FOODS OF VIRGINIA, INC.,	Case No. 8:13-bk-3069-KRM
EASTERN SHORE PROPERTIES, INC.,	Case No. 8:13-bk-3070-KRM
Debtors.	**(Jointly Administered Under Case No. 8:13-bk-2894-KRM)**

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DISCLOSURE STATEMENT IN CONNECTION WITH THE JOINT PLAN OF LIQUIDATION PROPOSED BY GERARD A. MCHALE, JR., AS CHAPTER 11 TRUSTEE

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December 7, 2015

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THIS DISCLOSURE STATEMENT MAY NOT BE RELIED ON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN OF LIQUIDATION FILED BY THE CHAPTER 11 TRUSTEE, AND NOTHING CONTAINED IN THIS DISCLOSURE STATEMENT WILL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTORS OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE ADVICE ON THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON HOLDERS OF CLAIMS AGAINST OR INTERESTS IN THE DEBTORS.

THE DESCRIPTION OF THE PLAN OF LIQUIDATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INTENDED AS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN ITSELF. **EACH CREDITOR AND HOLDER OF AN INTEREST SHOULD READ, CONSIDER AND CAREFULLY ANALYZE THE TERMS AND PROVISIONS OF THE PLAN.**

THE PLAN PROPONENT RESERVES THE RIGHTS TO MODIFY AND SUPPLEMENT THIS DISCLOSURE STATEMENT AND THE ACCOMPANYING PLAN OF LIQUIDATION UP TO AND INCLUDING THE TIME OF CONFIRMATION OF THE PLAN OF LIQUIDATION. THE PLAN PROPONENT IS CURRENTLY SOLICITING VOTES ON THE PLAN OF LIQUIDATION.

THE SOLICITATION OF ACCEPTANCES OF THE PLAN OR THE GIVING OF ANY INFORMATION OR THE MAKING OF ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS OR DOCUMENTS ATTACHED HERETO OR INCORPORATED BY REFERENCE OR REFERRED TO HEREIN IS NOT AUTHORIZED BY THE PLAN PROPONENT, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MAY NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE PLAN PROPONENT. SUCH ADDITIONAL REPRESENTATIONS SHOULD BE REPORTED TO COUNSEL FOR THE PLAN PROPONENT, WHO IN TURN WILL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR ACTION AS MAY BE DEEMED APPROPRIATE. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCES IMPLY THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. CREDITORS AND HOLDERS OF INTERESTS ARE ENCOURAGED TO REVIEW THE BANKRUPTCY DOCKET IN THE LEAD CASE IN ORDER TO EVALUATE EVENTS WHICH OCCUR BETWEEN THE DATE OF THIS DISCLOSURE STATEMENT AND THE DATE OF THE CONFIRMATION HEARING. **ALL CREDITORS THAT ARE ENTITLED TO VOTE ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN OF LIQUIDATION AND THE MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT, PRIOR TO SUBMITTING A BALLOT PURSUANT TO THIS SOLICITATION.**

IN THE EVENT THAT ANY OF THE CLASSES OF HOLDERS OF IMPAIRED CLAIMS VOTE TO REJECT THE PLAN (1) THE PLAN PROPONENT MAY ALSO SEEK TO

SATISFY THE REQUIREMENTS FOR CONFIRMATION OF THE PLAN WITH RESPECT TO THAT CLASS UNDER THE SO-CALLED "CRAMDOWN" PROVISIONS OF SECTION 1129(b) OF THE BANKRUPTCY CODE (11 U.S.C. §1129(b)) AND, IF REQUIRED, MAY FURTHER AMEND THE PLAN TO CONFORM TO SUCH REQUIREMENTS OR (2) THE PLAN MAY BE OTHERWISE MODIFIED OR WITHDRAWN AS PROVIDED THEREIN. THE REQUIREMENTS FOR CONFIRMATION, INCLUDING THE VOTE OF HOLDERS OF IMPAIRED CLAIMS TO ACCEPT THE PLAN AND CERTAIN OF THE STATUTORY FINDINGS THAT MUST BE MADE BY THE BANKRUPTCY COURT, ARE SET FORTH UNDER THE CAPTION "VOTING ON AND CONFIRMATION OF THE PLAN."

APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT INDICATE THAT THE BANKRUPTCY COURT RECOMMENDS EITHER ACCEPTANCE OR REJECTION OF THE PLAN, NOR DOES SUCH APPROVAL CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT OF THE FAIRNESS OR MERITS OF THE PLAN OR OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT.

THE PLAN PROPONENT BELIEVES THAT THE PLAN IS IN THE BEST INTERESTS OF CREDITORS AND HOLDERS OF INTERESTS. ALL CREDITORS AND HOLDERS OF INTERESTS ARE THEREFORE URGED TO VOTE IN FAVOR OF THE PLAN. TO BE COUNTED, YOUR BALLOT MUST BE COMPLETED AND EXECUTED AND RECEIVED BY NO LATER THAN THE TIME SET BY THE COURT.

I. INTRODUCTION

Gerard McHale, Jr., as Chapter 11 Trustee (the "Trustee" or "Plan Proponent") of East Coast Brokers & Packers, Inc. ("East Coast"); Batista J. Madonia, Sr. and Evelyn M. Madonia (the "Madonias"); Circle M. Ranch, Inc. ("Circle M"); Ruskin Vegetable Corporation ("Ruskin Vegetable"); Oakwood Place, Inc. ("Oakwood"); Byrd Foods of Virginia, Inc. ("Byrd Foods"); and Eastern Shore Properties, Inc. ("Eastern Shore"), the Debtors and Debtors in Possession in these bankruptcy cases (collectively, the "Debtors"), submits this Disclosure Statement pursuant to Section 1125 of the Bankruptcy Code, 11 U.S.C. §101, *et seq.* (the **"**Bankruptcy Code"), in connection with the solicitation of votes on the Plan of Liquidation (the "Plan") from holders of impaired Claims against the Debtors and the hearing on confirmation of the Plan, as scheduled by the Bankruptcy Court.

This Disclosure Statement is subject to the approval of the Bankruptcy Court in accordance with Section 1125(b) of the Bankruptcy Code as containing information of a kind and in sufficient detail adequate to enable a hypothetical reasonable investor typical of the holders of Claims of the relevant Voting Classes (as defined below) to make an informed judgment whether to accept or reject the Plan. Effort has been made to provide meanings of capitalized and other terms used in this Disclosure Statement. Reference is made to the Plan, however, for the actual meanings of all capitalized and other terms used in this Disclosure Statement and in the Plan and for controlling language with respect to any provision referenced in this Disclosure Statement or in the Plan. Terms used in this Disclosure Statement and in the Plan are defined in Article I of the Plan. In the event of a conflict between the definition of any term or any other provision contained in this Disclosure Statement and the corresponding definition or provision contained in the Plan, the definition or provision contained in the Plan shall control.

In the opinion of the Trustee, the treatment of Claims and Interests under the Plan contemplates a substantially greater recovery than that which is likely to be achieved under other alternatives for the liquidation of the Estates of East Coast and the Madonias. **The Plan also contemplates the dismissal of the remaining five Debtors**: **Circle M; Ruskin Vegetable; Oakwood; Byrd Foods and Eastern Shore (collectively the Dismissed Debtors"), subject to the distribution of funds as set forth in the Plan. Upon the dismissal, Creditors shall retain all claims, rights and/or remedies that they may have against any or all of the Dismissed Debtors. If the Plan is not confirmed, there is a substantial likelihood that unsecured creditors will be left with no recovery at all.**

The Trustee believes that confirmation of the Plan is clearly in the best interests of Holders of Claims and Interests, and strongly recommends that Creditors holding Allowed Claims in the Voting Classes vote to accept the Plan.

II. PURPOSE OF THE DISCLOSURE STATEMENT

The purpose of this Disclosure Statement is to provide the Creditors of the Debtors with adequate information to make an informed judgment about the Plan. This information includes, among other things, the history of the Debtors prior to the filing of the bankruptcy cases, the events leading to the filing of the bankruptcy cases, a brief summary of significant events to date

in the bankruptcy cases, and a summary explanation of how the Plan will function.

This Disclosure Statement contains important information about the Plan and considerations pertinent to a vote for or against the confirmation of the Plan. All Holders of Claims and Equity Interests are encouraged to carefully review this Disclosure Statement and the Plan.

III. VOTING INSTRUCTIONS

A. Who May Vote

Only the Holders of Claims and Interests that are deemed "allowed" under the Bankruptcy Code and that are "impaired" under the terms and provisions of the Plan (the "Voting Classes") are permitted to vote to accept or reject the Plan. For purposes of the Plan, only the holders of Allowed Claims in the Voting Classes are impaired under the Plan and thus may vote to accept or reject the Plan. Under the Plan, the Claims in the East Coast Estate classified in Classes 1 through 6 are Impaired under the Plan, and the Claims in the Madonia Estate classified in Classes 1 through 5 are Impaired under the Plan, and are entitled to vote to accept or reject the Plan and thus constitute the "Voting Classes" thereunder.

B. How to Vote

Each Holder of a Claim in a Voting Class should read this Disclosure Statement, together with the Plan and other exhibits, in their entirety. After carefully reviewing the Plan and this Disclosure Statement and their respective exhibits, please complete the enclosed Ballot, including indicating your vote thereon with respect to the Plan, and return the Ballot as provided below. Please note that your vote and election cannot count unless you return the enclosed Ballot.

If you are a member of a Voting Class and did not receive a Ballot, if your Ballot is damaged or lost, or if you have any questions concerning voting procedures, please contact undersigned counsel at (305) 755-9500, attention: Carmen Cruz.

YOU SHOULD COMPLETE AND SIGN THE ENCLOSED BALLOT AND RETURN IT AS DESCRIBED BELOW. IN ORDER TO BE COUNTED, BALLOTS MUST BE DULY COMPLETED AND EXECUTED AND RECEIVED BY NO LATER THAN 4:00 P.M. (EDT) ON THE DATE FIXED BY THE BANKRUPTCY COURT IN THE ENCLOSED ORDER APPROVING DISCLOSURE STATEMENT AND FIXING DATES FOR CONFIRMATION (THE "BALLOT DEADLINE").

Completed Ballots should be sent by regular mail, hand delivery, or overnight delivery, **SO AS TO BE RECEIVED NO LATER THAN THE BALLOT DEADLINE,** to:

Clerk of the United States Bankruptcy Court
Sam M. Gibbons United States Courthouse
801 N. Florida Avenue, Suite 555
Tampa, Florida 33602

or electronically through the Court's website at: www.flmb.uscourts.gov. A copy of the Ballot should also be sent to:

Jordi Guso, Esq.
BERGER SINGERMAN LLP
Counsel for the Trustee
1450 Brickell Avenue, Ste. 1900
Miami, FL 33131

C. Acceptance of Plan and Vote Required for Class Acceptance

As the Holder of an Allowed Claim in the Voting Classes, your vote on the Plan is extremely important. In order for the Plan to be accepted and thereafter confirmed by the Bankruptcy Court without resorting to the "cramdown" provisions of Section 1129(b) of the Bankruptcy Code as to other classes of Allowed Claims, votes representing at least two- thirds in amount and more than one-half in number of Allowed Claims of each Impaired Class of Claims that are voted must be cast for the acceptance of the Plan. The Trustee is soliciting acceptances only from members of the Voting Classes.

To meet the requirement for confirmation of the Plan under the "cramdown" provisions of the Bankruptcy Code with respect to any Impaired Class of Claims or Interests which votes to reject the Plan (a "Rejecting Class"), the Debtors would have to show that all Classes junior to the Rejecting Class will not receive or retain any property under the Plan unless all Holders of Claims in the Rejecting Class receive, under the Plan, property having a value equal to the full amount of their Allowed Claims.

D. Confirmation Hearing

The Bankruptcy Court will schedule a hearing to consider confirmation of the Plan (the "Confirmation Hearing"), which may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing. The Bankruptcy Court has directed that any objection to confirmation of the Plan must be in writing and specify in detail the name and address of the objector, the basis for the objection and the specific grounds for the objection, and the amount of the Claim held by the objector. Consistent with Rule 3020(b) of the Federal Rules of Bankruptcy Procedure and Local Rule 3020-1(b), any such objection must be filed with the Bankruptcy Court and served upon each of the following parties, so as to be actually received on or before the deadline set by the Court:

Trustee: Gerard A. McHale, Jr., Chapter 11 Trustee
c/o Jordi Guso, Esq.
Berger Singerman LLP
1450 Brickell Avenue, Ste. 1900
Miami, FL 33131

U.S. Trustee: Nicole Peair, Esquire
Assistant United States Trustee
501 East Polk Street, Suite 1200
Tampa, Florida 33602

IV. GENERAL BACKGROUND

A. History of the Debtors

The Debtors had historically been engaged in the business of growing, packing and distributing fresh produce. The Madonias have been engaged in the fresh produce industry since 1956 when they founded East Coast. Prior to the Debtors' filing for bankruptcy, the Debtors owned over 10,000 acres of real property (6,000 of which are farmable) in Florida and Virginia and had leased property to farms in Florida and Virginia. The Debtors also owned other properties in Florida and Virginia which were purportedly used to support the Debtors' farming operations. These other properties included six packing facilities, one of which was a 312,000 square foot facility near Plant City, Florida, as well as labor housing for over 1,300 workers. The packing houses were equipped with technologically advanced computerized optical tomato sorters. The Debtors' assets also included a hotel known as the Red Rose Inn & Suites, located in Plant City, Florida, which was formerly operated by Oakwood, one of the Debtors. The bulk of the real estate was owned by the Madonias. The Madonias also owned all of the stock in East Coast, Circle M, Ruskin, Oakwood, Byrd Foods, Eastern Shore, and Stellaro Bay, Inc. ("Stellaro Bay").

The Debtors' main operations were located at 5050 Highway 60, West Mulberry, Florida, which is owned by the Madonias. Most of the sales and packing operations were managed through East Coast.

B. Events Leading to the Chapter 11 Filing

The Debtors acquired tracts of land over the last twenty years to expand their farming operations. By having land in Virginia and Florida, the Debtors were able to farm tomatoes year round and were able to grow their operations to become, at their height of operations, one of the largest tomato growers, packers, and shippers in the United States.

The Debtors' operations were adversely impacted by a number of difficult events, the significant adverse impact on the tomato industry when the Food and Drug Administration issued its warnings to consumers not to consume certain tomatoes because of a salmonella outbreak, a prior trade agreement with Mexico which previously allowed Mexican tomatoes to be sold at a lower price in the United States,[1] two seasons of freezes in Florida in 2010 and 2011, Hurricane Irene in 2011, and the death of one of the Madonias' daughters after an extended battle with cancer. The foregoing was based upon information from the Debtors and from the Debtors'

[1] In March 2013, the U.S. Department of Commerce entered into an accord with several major Mexican tomato growers, the effect of which is to set a floor price for the sale of Mexican tomatoes. This accord could have the favorable impact of increasing the value of the Debtors' properties by increasing the revenue that can be generated from tomato sales.

perspective. Information and documentation that the Trustee has reviewed throughout these cases indicates that while many of these factors likely did have a negative influence on the business of the Debtors, that additionally the actions of the Debtors and certain of the principals of the Debtors also contributed to the Debtors' financial downfall.[2]

Against the backdrop of those events, the Debtors attempted to restructure significant debts. In addition to judgment creditors, the Internal Revenue Service had claims against the Debtors. Unfortunately, the Debtors' pre-bankruptcy efforts were insufficient or untimely to meet the Debtors' obligations to their creditors and to respond to the lawsuits. Judgments had been entered against the Debtors, including a judgment in Illinois state court in the approximate amount of $6.3 million in favor of Anthony Marano & Company ("Marano"), judgments in favor of Crop Production Services, Inc. ("Crop Production") in the combined approximate amount of $7.8 million, and a judgment in favor of Triangle Chemical Company ("Triangle Chemical") in the approximate amount of $3.5 million. Marano and Crop Production had recorded judgments in Florida and Virginia and Triangle Chemical had a recorded judgment in Florida.

Thus, the Debtors sought protection through these jointly administered Chapter 11 Cases.

V. SIGNIFICANT EVENTS TO DATE IN THE CHAPTER 11 CASES

A. Introduction

On March 6, 2013 (the "Initial Petition Date"), East Coast (Case Nos. 8:13-bk-2894-KRM), Circle M (Case No. 8:13-bk-2896-KRM), the Madonias (Case No. 8:13-bk-2895-KRM), Ruskin Vegetable (Case No. 8:13-bk-2897- KRM), and Oakwood Place (Case No. 8:13-bk-2898-KRM) filed their voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (collectively, the "Initial Debtors"). On March 11, 2013 (the "Subsequent Petition Date", and collectively with the Initial Petition Date, the "Petition Date"), Stellaro Bay (Case No, 8:13-bk-3071-KRM), Byrd Foods (Case No. 8:13-bk-3069-KRM), and Eastern Shore (Case No. 8:13-bk-3070-KRM) filed their voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (collectively, the "Subsequent Debtors"). The Chapter 11 Cases of the Initial Debtors and the Subsequent Debtors shall be referred to herein as the "Bankruptcy Cases." Set forth below is a brief summary of significant matters or events which have occurred to date in the Bankruptcy Cases. The description of such matters or events is qualified in its entirety by the actual pleadings filed in the Bankruptcy Cases and, to the extent of any inconsistencies between the descriptions in this Disclosure Statement and such pleadings, such pleadings shall control. All of such pleadings are on file with, and may be obtained from, the Bankruptcy Court.

B. Joint Administration

Pursuant to an order entered by this Court dated March 13, 2013, the Bankruptcy Cases

[2] By way of example, the allegations set forth in (1) Gerard A. McHale, Jr. v. Professional Talent Group, LLC, Adv. Pro. No. 8:14-ap-00013-KRM); (2) Gerard A. McHale, Jr. v. B3 Sales, LLC and Batista J. Madonia, III, Adv. Pro. No. 8:14-ap-00944-KRM; (3) Gerard A. McHale, Jr. v. Batista J. Madonia, III, Adv. Pro. No. 8:15-ap-00250-KRM); and (4) Gerard A. McHale, Jr. v. Batista J. Madonia, IV, Adv. Pro. No. 8:15-ap-00251-KRM demonstrate actions that likely had a negative impact on the Debtors' operations.

are being jointly administered for procedural purposes only under the lead case of *In re: East Coast Brokers & Packers, Inc.*, Case No. 8:13-bk-2894-KRM.

C. Adequate Assurance as to Utility Companies

At the Petition Date, the Debtors used electricity, water, telephone, and other utility services provided by numerous utility companies. It was necessary for the Debtors to seek an immediate order from the Bankruptcy Court which prohibited any such utility company from altering, refusing, or discontinuing utility services on account of a prepetition amount owed to such utility company or the Debtors' failure to furnish a post-petition deposit to such utility company. On April 11, 2013, the Bankruptcy Court entered an order (i) prohibiting any such utility company from altering, refusing, or discontinuing utility services to the Debtors on account of the filing of the Bankruptcy Cases or a prepetition amount owed to such utility company, and (ii) finding that all utility companies were adequately assured of future performance due to the Debtors' agreement to provide a cash deposit equal to two weeks' worth of utility services based on the Debtors' anticipated post-petition usage, coupled with the Debtors' ability to pay for post-petition utility services.

D. Retention of Professionals by the Debtors

The Debtors retained the law firm of Stichter, Riedel, Blain & Prosser, P.A. ("Stichter, Riedel") as their general bankruptcy counsel in the Bankruptcy Cases. On March 20, 2013 and April 4, 2013, the Bankruptcy Court entered interim and final orders approving the application by the Debtors to employ Stichter, Riedel as their general bankruptcy counsel. The Debtors also sought Bankruptcy Court approval to retain, and obtained approval to retain the following professionals: (i) Fowler White Banker Boggs, as special counsel in connection with real estate and tax matters; (ii) Wilcox & Savage, P.C., as special counsel to represent the Debtors in connection with Virginia real estate matters; (iii) Warren Averett, LLC to prepare federal and state tax returns and assist in the preparation of the Debtors' monthly operating reports; and (iv) Murray Wise Associates, LLC ("Murray Wise") as their financial advisors and real estate broker.

E. Schedules and Statements of Financial Affairs

On April 3, 2013, each of the Debtors filed its Schedules and Statement of Financial Affairs with the Bankruptcy Court. Since that date, certain of the Debtors have filed amendments to their Schedules and Statements of Financial Affairs.

F. Section 341 Meetings of Creditors

On April 8, 2013, the United States Trustee convened meetings of Creditors in each of the Bankruptcy Cases pursuant to Section 341 of the Bankruptcy Code. The meetings of Creditors was continued until April 22, 2013 and concluded on that date.

G. Bar Dates

The Court issued Notices of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines. The Notice fixed May 20, 2013 as the bar date to file claims in the cases filed by the

Initial Debtors and May 28, 2013 as the bar date to file claims in the cases filed by the Subsequent Debtors. The bar date for the government to file claims was fixed as September 2, 2013 in the cases filed by the Initial Debtors and September 9, 2013 in the cases filed by the Subsequent Debtors.

H. Insurance Premium Finance Agreements

The Debtors received a binding and firm commitment for their property insurance from Jennings & Associates, of which the Debtors did not have sufficient funds to pay. On June 5, 2013, the Debtors filed an emergency motion seeking approval of insurance premium financing in order to pay the Debtors' property insurance. The Court conducted a hearing to consider the motion on June 11, 2013. The Court authorized the Debtors to enter into a premium financing agreement with Premium Assignment Corporation.

I. Extension of Time to File Objections to Exemptions

On May 22, 2013, the U.S. Trustee and Crop Production filed motions to extend the time to object to the Madonias' claim of exemptions. The Court granted the request by the U.S. Trustee and considered Crop Production's motion withdrawn as moot. On July 11, 2013, the Trustee and Crop Production filed motions to further extend the deadline to object to the Madonias' claimed exemptions. On October 8, 2013, the Trustee filed his objection to the Madonias' claimed exemptions. Prior to a ruling on the objection, the Trustee and the Madonias reached an agreement as to the claimed exemptions. *See* S(ii) below.

J. West Virginia Tax Certificates

Prior to the Petition Date, certain tax certificates encumbering parcels of real estate in West Virginia were sold. To avoid the tax certificates from being redeemed and title to the property being transferred, Crop Production redeemed the tax certificates. The Debtors filed a motion to grant Crop Production a first priority lien status as the holders of the tax certificates, which was granted by the Court.

K. Lease of Farmlands

On April 10, 2013, the Debtors sought approval to lease certain farmlands in Virginia (the "Virginia Farmlands"), subject to the receipt of higher offers. Objections to the motion were filed by MLIC Asset Holdings, LLC and MLIC CB Holdings, LLC (collectively referred to as "MLIC"), Marano, and Crop Production. After the filing of the motion, the Debtors obtained higher offers and obtained an order from the Court to lease the Virginia Farmlands to Benny F. Hall & Sons, LLC, as the highest bidder.

L. Motion to Appoint a Trustee or Dismiss Cases

On April 24, 2013, MLIC filed a motion seeking the appointment of a chapter Trustee. Joinders to the motion were filed by the judgment creditors, Marano and Crop Production. On May 7, 2013, the U.S. Trustee filed a motion to dismiss the cases. On June 14, 2013, this Court entered the order on [i] Debtors' Motions for Extension of Time to File Plan and Disclosure

Statement and [ii] MLIC's Emergency Motion to Terminate Debtors' Exclusivity Period; Permit Creditors to File Plan of Reorganization and Disclosure Statement and Establish Bid Procedures for Sale of Assets [ECF No. 251] (the "Bid Procedures Order"). The Trustee was advised that this Sale Procedures Order was the result of negotiations between counsel for MLIC, Marano and Crop Production and counsel for the Debtors and established a schedule by which motions to establish bid procedures to seek the approval of the sale of any portion of the Debtors' Assets, and plans and disclosure statements were to be filed. All of this was designed to facilitate the scheduled auctions, with sales to be consummated pursuant to confirmed Chapter 11 plans. The order also scheduled a status conference for June 19, 2013. At the conclusion of the status conference on June 19, 2013, the Court ruled that there was sufficient uncontroverted evidence to support the appointment of a Chapter 11 trustee.

On June 20, 2013, the Court entered *Order Granting MLIC's Motion to Appoint a Chapter 11 Trustee Pursuant to 11 U.S.C. §1104, or in the Alternative, to Dismiss the Case Pursuant to 11 U.S.C. §1112* [ECF No. 264], which order approved the appointment of a chapter 11 trustee in lieu of dismissal. On June 20, 2013, the United States Trustee filed a Notice of Appointment of Chapter 11 Trustee [ECF No. 268] and an Application for Order Approving Appointment of Trustee [ECF No. 269] which motions otherwise sought to appoint Gerard A. McHale, Jr. as the Chapter 11 Trustee. On June 21, 2013, the Court entered *Order Approving Application to Appoint Chapter 11 Trustee, Gerald A. McHale, Jr.* [ECF No. 271].

M. Retention of Professionals by the Trustee

On June 28, 2013, the Trustee filed his applications to retain Berger Singerman, LLP as counsel to the Trustee and Gerard A. McHale, Jr., P.A. as Financial Advisor to the Trustee. Additionally, after conferring with the Office of the United States Trustee and in reviewing the professionals retained by the Debtors, the Trustee filed a motion seeking the continued employment of the following professionals: (a) Fowler White Boggs, P.A., solely as Special Tax Counsel to the Trustee; and (b) Wilcox & Savage, P.C., as Special Real Estate Counsel to the Trustee, which was granted by the Bankruptcy Court.

Because the Trustee had determined that it was in the best interest of the Estates and the Creditors, the Bid Procedures Order also provided for the continued retention of Murray Wise, who had previously been retained by the Debtors as their financial advisors and real estate broker. Since the inception of the Bankruptcy Cases, Murray Wise had worked with the Debtors and the Secured Creditors (as defined below) to advertise the Debtors' properties, develop bidding procedures, who the properties to respective purchasers, and in certain instances obtaining potential stalking horse bidders, and to schedule and make arrangements for multiple auctions of the Debtors' properties.

During the course of the Bankruptcy Cases, the Trustee also sought approval to retain Read & Kelley Estates Services, LLC as appraiser to the Trustee; Stephen Turner, Esq. and the Law Firm of Broad and Cassel, as Special Litigation Counsel to the Trustee, in connection with any legal action and/or lobbying for the recovery of monies through litigation or special federal legislation regarding the 2008 actions of the United States Department of Agriculture (USDA) and Food and Drug Administration (FDA) directing the destruction of tomato inventory of the

Debtor (and other growers) arising from an alleged outbreak of salmonella (the "USDA/FDA Claims"); and McCarron & Diess, as Special Litigation Counsel to the Trustee to represent the Debtor in connection with any potential claims of the Debtor, East Coast Brokers & Packers, Inc. under the Perishable Agriculture Commodities Act ("PACA") against third-party recipients of PACA trust assets.

N. Tax Returns

On the Petition Date, certain Prepetition tax returns had not been filed by the Debtors (the "Federal and State Tax Returns"). The Court entered an order requiring all delinquent tax returns to be filed by April 7, 2013. The Debtors filed a motion seeking an extension of the time to file returns until October 31, 2013, which was granted by the Court. The Internal Revenue Service filed a motion for reconsideration of that order. The Court continued consideration of that motion until September 5, 2013. The Court granted the motion for reconsideration and extended the time through and including January 15, 2014 for the Trustee to file the Federal and State Tax Returns. After the Trustee's filing of various extension motions, the parties reached a settlement that did not require the Trustee or the Debtors to file the Federal and State Tax Returns. *See* S(iii) below.

O. Motions for Relief from Stay

Six motions seeking relief from the automatic stay have been filed during the pendency of these bankruptcy cases. Stella L. Jimenez and Tony Jimenez filed two motions. The first motion sought relief from stay to pursue personal injury claims against Oakwood's insurance. The Court denied the motion for failure to pay the filing fee but upon re-filing of the motion and paying the appropriate fee, the Court granted the motion.

Ervin Garcia, Toledo Nicto and Marre Rodriquez (the "Garcia Parties") filed a motion, which sought relief from the automatic stay to continue litigation pending in federal court to liquidate wage claims against the Debtor, *Garcia, et al. v. East Coast Brokers & Packers, Inc.,* No. 8:12-cv-478 T27AEP (M.D. Fla., Tampa Div.), which the Court denied for failure to pay the appropriate filing fees. The Garcia Parties filed an amended motion for relief from stay and paid the appropriate filing fees, which the Court also denied.

Crop Production filed two motions. The first motion sought relief from the automatic stay to continue litigation in state court to liquidate the amount of attorney fees, if any, that Crop Production was entitled to recover against the Debtors. The Court denied that motion. The second motion filed by Crop Production sought relief from the automatic stay to inspect certain collateral located in Ranson, Jefferson County, West Virginia and Winchester, Virginia for the purpose of conducting environmental inspections and real estate appraisals, which was granted by the Court.

Triangle Chemical filed a motion seeking relief from the automatic stay to foreclose a mortgage against real property located at Alexander Street Packing House, Plant City. The Debtor was not able to procure insurance for that property and Triangle Chemical was granted stay relief.

L3064, LLC (the "Lender") filed a motion for an order modifying the automatic stay to permit the Lender to proceed to conclusion a pending foreclosure action brought against property owned by Professional Talent Group, LLC ("PTG"). The Court granted stay relief.

P. Auction Procedures and Sale Motions

On July 10, 2013, the Trustee sought approval of sale procedures to sell the following real and personal property of the Debtors (collectively, the "Assets"): (a) Group A, the Florida Essential Operating Assets; (b) Group B, the Virginia Essential Operating Assets; (c) the Florida Non-Essential Operating Assets; (d) Group D, the Virginia Non-Essential Operating Assets, and (e) Group E, the Florida and Virginia farm equipment and rolling stock. These Assets were encumbered by various liens and claims of liens. In order to maximize the value of the Assets, the Trustee proposed selling the Assets through public auctions in order to generate the highest and best prices. The Court granted the motion (the "Sale Procedures Order") and auctions of the Assets were held in Lakeland, Florida; Cape Charles, Virginia; Exmore, Virginia; Mulberry, Florida; and Bloxom, Virginia. Some of the auctions were also conducted on-line. At a final hearing on September 5, 2013, the Court ratified the sale of the Assets at auctions held on August 15, 16, 19, 20 and 28, and on September 4, 2013.

As a result of extensive negotiations, the Trustee and Marano, Crop Production, MLIC, Sam Fasson, Jr., as Trustee under the Same Fasson. Jr. Revocable Trust dated October 2, 1990 ("Fasson"), and Wauchula State Bank ("Wauchula" and collectively, with Marano, Crop Production, MLIC and Fasson, the "Secured Creditors"), who held secured claims against the Assets, settled in amounts less than they contended were due to them and made prompt distributions from the sale proceeds, upon the Court's approval. The settlement including a release, with certain exceptions, of the Debtors' estates, the Trustee, his professionals, accountants, attorneys and advisors from each of the Secured Creditors. *See* S(i) below.

On August 8, 2013, the Trustee sought approval from the Court to sell the Sailfish Point Condominium located at 3001 S.E. Island Point Lane, Unit 34, Stuart, Florida titled in the name of the Madonias (the "Sailfish Point Condominium"). On August 12, 2013, after the Court set the hearing on an expedited basis, the Court granted the motion.

On November 21, 2013, at a hearing being conducted in the Bankruptcy Cases, the Trustee obtained an order from the Court approving the contract for sale of the Red Rose Inn, titled in the name of Oakwood. On December 17, 2013, after noticing the sale of the Red Rose Inn, the Court approved the sale.

In total, the auctions and sales of the Debtors' real property, conducted by the Trustee, yielded gross proceeds in the amount of $67,452,134.00. The auctions of the personal property yielded gross proceeds of $7,581,362.50.

Q. Carve-Out Agreement

Part of the Sale Procedures Order approved the agreement to "carve-out" for the payment of the Trustee and the Trustee's retained professionals' fees and expenses from the proceeds of

the sale of the Assets. The Trustee and the Secured Creditors agreed to carve-out 1.75% from the gross proceeds from the sale of the Assets to pay the Court approved fees and expenses of the Trustee and any retained professionals of the Trustee, including the fees payable to the Trustee pursuant to Sections 326 and 330 of the Bankruptcy Code (the "Carve-Out"). The Carve-Out was held by the Trustee and distributed upon the entry of orders awarding the Trustee and his professionals' compensation. The Carve-Out was not intended to pay all fees, but rather was intended to serve as an agreed upon "back-stop" in the event that the liquidation of the real estate was not successful.

In addition to the Carve-Out, each Secured Creditor has assigned to the Estates for the sole benefit of Holders of Allowed Administrative Expense Claims and Allowed General Unsecured Claims against the Estates, their Liens and Claims in and to the Claims of the Debtors in an action to enforce rights under the Perishable Agricultural and Commodities Act in the United States District Court for the Central District of California styled *S&H Packing & Sales Co., et al. v. Tanimura Distributing, Inc., et al.,* Case No. 2-08-CV-05250-GW-FFM (the "PACA Claim") and the proceeds of the PACA Claim. This potential source of recovery may be available for the General Unsecured Creditors of the Debtors' Estates.

R. Dismissal of Stellaro Bay

On November 1, 2013, the Chapter 11 Trustee filed its Motion (I) to Approve Compromise and Settlement, and (II) for Order Authorizing Distributions of Sale Proceeds [ECF No. 530], which was granted on November 14, 2013 [ECF No. 554] (the "Distribution Order"). Pursuant to the Distribution Order, the Trustee was authorized to make a distribution to the Accomack County Treasurer and MLIC in satisfaction of their claims against the bankruptcy estate of Stellaro Bay. The Trustee held $881,885.99 in cash in the Stellaro Bay Estate. There were no other assets for the Trustee to administer other than the remaining claim of the Internal Revenue Service in the amount of $2,030.05, which was to be paid in full. Therefore, on May 30, 2014, the Trustee filed his Motion for Order (I) Authorizing Distribution and (II) Dismissing Case [ECF No. 732] in connection with the Stellaro Bay Bankruptcy Case. On July 3, 2015, after the Court conducting a hearing, the Court authorized a final distribution to Creditors and dismissed the bankruptcy case of Stellaro Bay.

S. Litigation or Contested Matters That Have Been Settled

(i) Settlement between the Trustee and MLIC, Marano, Fasson, CPS and Wauchula

As discussed above, the auctions and private sale of the real property Assets yielded gross proceeds in the amount of $69,752,134.00, and the auctions of the personal property Assets yielded gross proceeds of $7,581,362.50. Most of the real property Assets and personal property Assets was subject of multiple liens. MLIC, Marano, Wauchula, Crop Production and Fasson (collectively, the "Settling Secured Creditors") filed various proofs of claims in the bankruptcy cases. MLIC filed proofs of claims in the Debtors' Estates totaling $50,300,542.78; Marano totaling $6,310,181.29; Wauchula totaling $15,872,566.52; Fasson totaling $140,062.46; and Crop Production totaling $32,021.414.10. Based on the Trustee's preliminary assessment of the

claims of MLIC, Marano and Fasson, the amount of proceeds from the sale of their respectively collateral exceeded the amount of their indebtedness. The settlement reached provided for the prompt distribution of proceeds from the total amount of asserted Claims from $76,475,711.87 to the agreed settled amounts totaling $63,027,057.55. Through the settlement, the Settling Secured Creditors and the Trustee exchanged mutual releases, with some exception, as provided for in the *Motion (I) to Approve Compromise and Settlement, and (II) for Order Authorizing Distribution of Sale Proceeds* [ECF No. 530], which the Court granted on November 14, 2013 [ECF No. 554].

(ii) Settlement between Trustee and Batista J. Madonia and Evelyn M. Madonia

The Madonias claimed as exempt on Schedule C the homestead real property located at 3208 Polo Place, Plant City, Florida (the "Plant City Property") and claimed as exempt certain furs, jewelry, household goods and furnishings of the Plan City Property (the "Personal Property") listed on Schedule B. The Trustee filed an objection to the Madonias' claims of exemptions in the Plant City Property and the Personal Property and sought turnover of the Personal Property in the Plant City Property. The Trustee and the Madonias engaged in a settlement conference and reached a settlement of the claims of exemptions by the Madonias. Pursuant to the settlement reached between the Trustee and the Madonias, the Madonias shall be deemed to be the owners and record title holders to the Plant City Property for so long as they occupy the Plant City Property as their principal residence. Should the Plant City Property no longer be the principal residence of the Madonias, because the Madonias have moved, relocated, deceased or otherwise abandoned the Plant City Property, or if the Madonias default in the obligations imposed under the parties' agreement, the Trustee may sell the Plant City Property and retain a portion of the net proceeds of the sale. The net proceeds of the sale shall be distributed, at closing, one-half to the Trustee and one-half to the Madonias or their designees or heirs. The Madonias have the right to "purchase" the Trustee's interest any time by paying the Trustee one-half (1/2) of the net value of the Plant City Property. As to the Personal Property, the Madonias paid $60,000 to re-purchase the Personal Property. Additional covenants are provided for in the settlement agreement. On May 30, 2014, the Trustee filed his *Motion to Approve Compromise of Controversy with Batista J. Madonia and Evelyn M. Madonia* [ECF No. 731], which the Court granted on July 9, 2014 [ECF No. 783].

(iii) Settlement between the Trustee and the Internal Revenue Service

The Internal Revenue Service ("IRS") filed claims against the Debtors estates' in the following amounts: $3,910,541.46 (secured), $39,441,309.93 (priority), and $5,522,610.98 (general unsecured) for a total amount in claims of $48,874,462.37 (the "IRS Claims"). The IRS Claims assert including, among other things, estimated claims based on the Debtors' failure to timely file tax returns. The Trustee and the IRS reached a settlement that does not require the Trustee or the Debtors to prepare and file income tax returns for the years 2011, 2012 and 2013 and provides for the allowance of the IRS Claims. The agreement also provides that the IRS will only receive a distribution equal to fifty percent (50%) of the cash on hand in each Estate, leaving the remaining fifty percent (50%) for distribution to the General Unsecured Creditors of the Estates, excluding the General Unsecured Claims of the IRS. On July 10, 2014, the Trustee

filed his *Motion to Approve Compromise of Controversy with the Internal Revenue Service* [ECF No. 786], which the Court granted on August 27, 2014 [ECF No. 806].

(iv) Global Settlement between Trustee, Professional Talent Group, LLC, Batista Madonia, Jr. a/k/a Batista Madonia, Sr., Batista Madonia, III a/k/a Batista Madonia, Jr., Evelyn Madonia, Batista Madonia, IV, and L3064, LLC

In carrying out his duties as Trustee, the Trustee conducted an investigation which revealed potential fraudulent transfer claims against certain parties for monies received from the Debtor, East Coast for the benefit of third parties. The Trustee's investigation led to the filing of the following complaints: (1) Gerard A. McHale, Jr. v. Professional Talent Group, LLC, Adv. Pro. No. 8:14-ap-00013-KRM); (2) Gerard A. McHale, Jr. v. B3 Sales, LLC and Batista J. Madonia, III, Adv. Pro. No. 8:14-ap-00944-KRM (the "B3 Sales Adversary"); (3) Gerard A. McHale, Jr. v. Batista J. Madonia, III, Adv. Pro. No. 8:15-ap-00250-KRM); and (4) Gerard A. McHale, Jr. v. Batista J. Madonia, IV, Adv. Pro. No. 8:15-ap-00251-KRM (the "Batista IV Adversary", and collectively, the "Adversary Proceedings"). After a mediation settlement conference held on April 28, 2015 before the Honorable Paul G. Hyman, the Trustee and PTG, the Madonias, Batista Madonia, III, a/k/a Batista Madonia, Jr. ("Junior."), Batista Madonia, IV ("Madonia IV", and collectively, with PTG, Madonia Sr., Junior and E. Madonia, the "Madonia Parties"), and the Lender reached a global settlement to resolve the Adversary Proceedings (the "Global Settlement Agreement"). The parties entered into a Global Settlement Agreement. The principal terms of the settlement are as follows: (1) the property located at 332 Blanca Avenue, Tampa, Florida (the "Blanca Avenue Property") shall be sold and the Trustee shall retain the first $400,000 of the net proceeds of sale and split equally all net proceeds in excess of $600,000; (2) Junior and his wife, Angela Madonia, will provide sworn financial disclosures which support Junior's contention that he is unable to pay or satisfy a judgment. Such disclosure must be acceptable to the Trustee. If the Trustee finds that the disclosures are not adequate or if Junior, defaults under any terms of the settlement, the Trustee may obtain a $10,000,000 judgment against Junior and B3; (3) the Batista IV Adversary shall be dismissed. As part of the Global Settlement Agreement, the Lender has agreed to abate prosecution of the foreclosure of the Blanca Avenue Property for a period of 180 days. Upon faithful and timely performance of all the obligations imposed by the Global Settlement Agreement, the Madonia Parties, the Trustee and the Debtors' Estates shall release each of the Madonia Parties from any and all demands, claims, actions or causes of action, whether known or unknown. On May 1, 2015, the Trustee filed his *Expedited Motion for Entry of an Order (I) Approving Global Settlement between the Trustee and Professional Talent Group, LLC, Batista Madonia, Jr. a/k/a Batista Madonia, Sr., Batista Madonia, III a/k/a Batista Madonia, Jr., Evelyn Madonia, Batista Madonia, IV and L3064, LLC; and (II) Shortening Notice* [ECF No. 937], which the Court granted on May 26, 2015 [ECF No. 962] (the "Global Settlement Order").

As a result of Junior's default under the Global Settlement Order, the Trustee has obtained a Final Judgment against Junior and B3 Sales, LLC in the amount of $10,000,000. The Trustee is taking all the steps necessary in order to monetize this judgment.

(v) Settlement between the Trustee and the Commonwealth of Virginia, Department of Taxation

The Commonwealth of Virginia, Department of Taxation ("VA Commonwealth") filed claims against the Debtors estates' in the following amounts: $925,753.17 against the bankruptcy estate of Byrd Foods of Virginia, Inc. (the "Byrd Claim") and $16,957.41 against the bankruptcy estate of Circle M. Ranch, Inc. (the "Circle M Claim" and, together with the Byrd Claim, the "VA Claims") for amounts allegedly owed in connection with past due employee withholding tax assessment or payments. The Trustee and the VA Commonwealth reached a settlement that provides for the allowance of the VA Claims in a reduced total amount of $200,000. On October 29, 2015, the Trustee filed his *Motion to Approve Compromise of Controversy with the Commonwealth of Virginia Department of Taxation* [ECF No. 1024]. If no objections to the settlement are filed, the Court, after 30 days, will enter an order granting the settlement.

(vi) Settlement between the Trustee and the Florida Department of Revenue

The Florida Department of Revenue ("FDOR") filed claims against the Debtors estates' in the following amounts: (i) $195,472.22 against the bankruptcy estate of East Coast Brokers & Packers, Inc.; (ii) $1,379.39 and $656,617.01 against the bankruptcy estate of Oakwood Place, Inc.; and (iii) $951,508.72 against the bankruptcy estate of Batista J. Madonia, Sr. and Evelyn M. Madonia (the "FDOR Claims") for amounts allegedly owed in connection with past due taxes, interest, and penalties; for a total amount in claims of $1,804,977.34. The Trustee and the FDOR reached a settlement that provides for the allowance of the FDOR as follows: (i) an allowed priority claim in the East Coast Brokers & Packers, Inc. case in the amount of $23,504, (ii) an allowed priority claim in the Oakwood Place, Inc. case in the amount of $150,000, and (iii) an allowed priority claim in the Batista J. Madonia Sr. and Evelyn M. Madonia case in the amount of $180,000 (collectively the "Allowed Priority Claims"). The Allowed Priority Claims aggregate $353,504 and shall be paid as allocated amongst East Coast, the Madonias and Oakwood. On November 17, 2015, the Trustee filed his Motion to Approve Compromise of Controversy with the Florida Department of Revenue [ECF No. 1037]. If no objections to the settlement are filed, the Court, after 30 days, will enter an order granting the settlement.

(vii) Avoidance Actions

The Trustee has analyzed additional potential fraudulent conveyance actions under 11 U.S.C. §§ 544 and 548 and Fla. Stat. §§ 726.105 and 726.106, and potential recoveries under 11 U.S.C. § 550 (the "Avoidance Actions"). This investigation includes a review of the Debtors' bank statements, accounting records, payment practices, and contract terms for the purpose of tracing and analyzing the timing of payments made to trade creditors. The Trustee's investigation led to the issuance of approximately 27 demand letters for the return of the potential prepetition fraudulent transfers made by the Debtor, East Coast for the benefit of third parties (the "Transferees"). As a result of the demands made by the Trustee, pre-suit settlements were reached with some of the Transferees while others, specifically 15, required the commencement of adversary proceedings for the return of the prepetition fraudulent transfers. In an effort to achieve maximum results and minimize the expense to the Debtor's Estate, the

Trustee engaged in settlement discussions with certain of the Transferees which led to the recovery of approximately $1.8 Million[3], to date, for the benefit of the Debtors Estate.

T. Pending Litigation and Claims

(i) Adversary Proceeding against B3 Sales, LLC and Batista J. Madonia, III

The Trustee filed a complaint against B3 and Junior to recover money of the Debtor, East Coast that Junior and/or B3 diverted from the Debtor for the benefit of Junior. As discussed above, the Trustee has obtained a Final Judgment against B3 and Junior. The Trustee is in the process of attempting to monetize the judgment therefore, this adversary remains open.

(ii) Adversary Proceeding against Professional Talent Group, LLC

The Trustee filed a complaint against PTG to avoid and recover fraudulent transfers, to impose a constructive trust on certain real property owned by PTG, and/or to impose an equitable lien and to foreclose that equitable lien on real property owned by PTG. This adversary proceeding was settled as part of the Global Settlement Order. Because the Trustee is in the process of selling the Blanca Avenue Property, and the lis pendens recorded in O.R. Book 22395, Page 1935, in the public records of Hillsborough County, Florida on February 3, 2014 was extended pending further order of the Court and the sale. The sale occurred on September 18, 2015 and the proceeds received by the estate were $208,485, after expending $28,428 for necessary repair.

(iii) Avoidance Actions

There are 4 pending Avoidance Actions: Curry Law Group (8:15-ap-00215), Bergdorf Goodman, Inc., *et al.* (8:15-ap-00218), The Neiman Marcus Group, Inc., *et al.* (8:15-ap-00219) and Saks, Incorporated, *et al.* (8:15-ap-00221).The Trustee will continue in his efforts to settle and/or litigate as necessary these Avoidance Actions. The Trustee has entered into a tolling agreement with Stephen Madonia in connection with potential fraudulent conveyance actions to be filed under 11 U.S.C. §§ 544 and 548 and Fla. Stat. §§ 726.105 and 726.106, and potential recoveries under 11 U.S.C. § 550. These pending Avoidance Actions represent a potential recovery to the Debtors' Estates of approximately $600,000. Exhibit "A" sets forth the recoveries received to date in the Avoidance Actions.

VI. DESCRIPTION OF THE PLAN OF LIQUIDATION

THIS DISCLOSURE STATEMENT IS INTENDED TO ALSO CONSTITUTE A MOTION TO DISMISS THE CHAPTER 11 CASES OF CIRCLE M, RUSKIN, OAKWOOD PLACE, BYRD FOODS AND EASTERN SHORE (THE "DISMISSED CASES"), PURSUANT TO SECTION 1112(B) OF THE BANKRUPTCY CODE. THE DISSEMINATION OF THIS DISCLOSURE STATEMENT IN CONJUNCTION WITH THE

[3] This excludes the amounts received pursuant to the settlement reached in the PTG adversary complaint and the sale proceeds of the Blanca Avenue property.

ORDER SETTING THE NOTICE OF HEARING ON CONFIRMATION IS INTENDED TO SATISFY THE REQUIREMENT FOR NOTICE OF A MOTION TO DISMISS UNDER FED. R. BANKR. P. 2002(A)(4). THE CHAPTER 11 TRUSTEE INTENDS TO SEEK, PURSUANT TO SAID NOTICE, THE ENTRY OF ORDERS OF DISMISSAL IN EACH OF THE DISMISSED CASES. FROM AND AFTER THE ENTRY OF THE ORDERS OF DISMISSAL, CREDITORS OF DISMISSED CASES SHALL BE ENTITLED TO EXERCISE ALL OF THEIR NON-BANKRUPTCY RIGHTS AGAINST EACH RESPECTIVE DISMISSED DEBTOR AS IF THE SUBJECT BANKRUPTCY CASES HAD NOT BEEN FILED.

A. <u>Plan Treatment for Liquidating Debtor, East Coast Brokers & Packers, Inc</u>.

The Plan for East Coast provides the following Classes of Claims: IRS Allowed Claims against East Coast (Class 1), Allowed Claims of Commonwealth of Virginia, Department of Taxation (Class 2), Allowed Claim of Florida Department of Revenue (Class 3), Allowed Secured Claims (Class 4), Classified Priority Claims (Class 5), Allowed General Unsecured Claims (Class 6), and Allowed Interests (Class 7).

1. Summary of Assets and Liabilities

2. Class Treatment

(a) Treatment of IRS Allowed Claims (Class 1)

The Class 1 Allowed IRS Claims are Impaired. The Holder of the IRS Allowed Claim shall receive the treatment as provided for in the IRS Settlement.

(b) Treatment of Allowed Claims of the Commonwealth of Virginia, Department of Taxation (Class 2)

The Class 2 Allowed Claims of Commonwealth of Virginia, Department of Taxation are Impaired. The Holder of the Allowed Claims of Commonwealth of Virginia, Department of Taxation shall receive the treatment as provided for in the Virginia Commonwealth Settlement.

(c) Treatment of Allowed Claims of the Florida Department of Revenue (Class 3)

The Class 3 Allowed Claims of the Florida Department of Revenue are Impaired. The Holder of the Allowed Claims of the Florida Department of Revenue shall receive the treatment as provided for in the FDOR Settlement.

(d) Treatment of Allowed Secured Claims (Class 4)

Class 4 Secured Claims are Impaired. The Trustee reasonably believes that the collateral securing any Allowed Secured Claim has been sold or abandoned by prior orders of the Court, and thus there are no Allowed Secured Claims as of the date hereof. To the extent any collateral has not been sold or abandoned as of the Effective Date, each Holder of an Allowed Class 4

Secured Claim shall receive, in the sole discretion of the Trustee, and in full and complete satisfaction, settlement, release, extinguishment and discharge of such Claim, one of the following forms of treatment:

(a) The Plan Administrator shall pay to the holder of an Allowed Class 4 Secured Claim, Cash equal to the amount of such Allowed Secured Claim on or as soon as practicable after the later of (i) the Effective Date and (ii) the date that is 10 Business Days after a Class 4 Secured Claim becomes an Allowed Secured Claim by a Final Order; or

(b) The Plan Administrator shall abandon the Property that secures the Allowed Class 4 Secured Claim to the Holder of such Claim on or as soon as practicable after the later of (i) the Effective Date and (ii) the date that is 10 Business Days after such Claim becomes an Allowed Secured Claim by a Final Order; or

(c) The Plan Administrator shall provide such other treatment as the Trustee and such Holder shall have agreed upon in writing.

(e) Treatment of all Classified Priority Claims (Other than the IRS Allowed Claim, the Allowed Claims of the Commonwealth of Virginia, Department of Taxation and Allowed Claims of the Florida Department of Revenue) (Class 5)

Class 5 Classified Priority Claims are Impaired. Each Holder of an Allowed Class 5 Classified Priority Claim shall receive in full and complete satisfaction, settlement, release, extinguishment and discharge of such Claim: (A) the amount of such unpaid Allowed Claim in Cash on or as soon as reasonably practicable after the later of: (i) the Effective Date, (ii) the date on which such Class 5 Claim becomes an Allowed Claim, after entry of a Final Order, and (iii) a date agreed to by the Debtor and/or the Plan Administrator, as appropriate, and the Holder of such Class 5 Claim; or (B) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Trustee or as the case may be, or as the Bankruptcy Court has ordered. The non-priority portion of such Allowed Claim will be treated as a Class 6 General Unsecured Claim.

(f) Treatment of Allowed General Unsecured Claims (Class 6)

Class 6 is Impaired. All Class 6 Creditors shall receive a pro rata distribution of all of the Assets after the making of the payments provided for in Section 3.03 – 3.06, inclusive, and the Plan Administrator has reserved funds to pay its administrative costs and Disputed Claims, on the later of: (a) the Initial Distribution Date; or (b) the date the Claim is Allowed by Final Order. The Trustee estimates that the distribution to Class 6 Creditors may be between 6% and 10%. However, certain Class 6 Creditors have guaranty claims in the Madonia case and may receive a distribution on account of such related claims in both cases. This could result in an aggregate distribution of approximately 8%-12%4 for such creditors.

[4] These are estimates. Many factors will have an impact on the ultimate distribution percentages.

(g) Treatment of all Allowed Interests (Class 7)

Class 7 is Impaired. All Interests in the Debtor shall be extinguished as of the Effective Date of the Plan. Class 7 shall not receive nor retain any Property under the Plan. Class 7 is deemed to have rejected the Plan.

B. Plan Treatment for Liquidating Debtors, Batista J. Madonia, Sr. and Evelyn M. Madonia

The Plan for the Madonias provides the following Classes of Claims: IRS Allowed Claims against the Madonias (Class 1); Allowed Secured Claims (Class 2); Classified Priority Claims (Class 3); Allowed General Unsecured Claims (Class 4); and Allowed Interests (Class 5).

1. Summary of Assets and Liabilities

2. Class Treatment

(a) Treatment of IRS Allowed Claims (Class 1)

Class 1 Allowed IRS Claims are Impaired. The Holder of the IRS Allowed Claims shall receive the treatment provided for in the IRS Settlement.

(b) Treatment of Allowed Claims of Florida Department of Revenue (Class 2)

Class 2 Allowed Claims of the Florida Department of Revenue are Impaired. The Holder of the IRS Allowed Claims shall receive the treatment provided for in the FDOR Settlement.

(c) Treatment of Allowed Secured Claims (Class 3)

Class 3 Secured Claims are Impaired. The Trustee reasonably believes that the collateral securing any Allowed Claims has been sold or abandoned by prior orders of the Court and, thus, that there are no Allowed Secured Claims as of the date hereof. To the extent any collateral has not been sold or abandoned as of the Effective Date, each Holder of an Allowed Class 3 Secured Claim shall receive, in the sole discretion of the Trustee, and in full and complete satisfaction, settlement, release, extinguishment and discharge of such Claim, one of the following forms of treatment:

(a) The Plan Administrator shall pay to the holder of an Allowed Class 3 Secured Claim, Cash equal to the amount of such Allowed Secured Claim on or as soon as practicable after the later of (i) the Effective Date and (ii) the date that is 10 Business Days after a Class 3 Secured Claim becomes an Allowed Secured Claim by a Final Order; or

(b) The Plan Administrator shall abandon the Property that secures the Allowed Class 3 Secured Claim to the Holder of such Claim on or as soon as practicable after the later of (i) the Effective Date and (ii) the date that is 10 Business Days after such Claim becomes an Allowed

Secured Claim by a Final Order; or

(c) The Plan Administrator shall provide such other treatment as the Trustee and such Holder shall have agreed upon in writing.

(d) Treatment of Classified Priority Claims (Other than the Allowed Claim of the Internal Revenue Service and the Florida Department of Revenue) (Class 4)

Class 4 Classified Priority Claims are Impaired. Each Holder of an Allowed Class 4 Classified Priority Claim shall receive in full and complete satisfaction, settlement, release, extinguishment and discharge of such Claim: (A) the amount of such unpaid Allowed Claim in Cash on or as soon as reasonably practicable after the later of: (i) the Effective Date, (ii) the date on which such Class 4 Claim becomes an Allowed Claim, after entry of a Final Order, and (iii) a date agreed to by the Debtor and/or the Plan Administrator, as appropriate, and the Holder of such Class 4 Claim; or (B) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Trustee or as the case may be, or as the Bankruptcy Court has ordered. The non-priority portion of such Allowed Claim will be treated as a Class 5 General Unsecured Claim.

(e) Treatment of Allowed General Unsecured Claims (Class 4)

Class 4 is Impaired. All Class 4 Creditors shall receive a pro rata distribution of all of the Trust Assets after the making of the payments provided for in Section 3.03 – 3.06 of the Plan, inclusive, and the Plan Administrator has reserved funds to pay its administrative costs and Disputed Claims, on the later of: (a) the Initial Distribution Date; or (b) the date the Claim is Allowed by Final Order. The Trustee estimates that the distribution to Class 4 Creditors may be between 2% and 5%. However, certain Class 4 Creditors have claims in the East Coast Case similar to the related guaranty claim asserted in the Madonia Case. These creditors may receive a distribution on account of such claim in both cases. This could result in an aggregate distribution of approximately 8%-12%[5] for such creditors.

VII. EXECUTORY CONTRACTS

Pursuant to the Plan, on the Effective Date, all executory contracts or unexpired leases that exist between any of the Debtors and any Person which (i) have not expired or terminated pursuant to their own terms, or (ii) have not previously been assumed, or assumed and assigned or rejected pursuant to an order of the Bankruptcy Court on or before the Confirmation Date, or (iii) are not the subject of pending motions to assume, or assume and assign or reject as of the Confirmation Date, will be deemed rejected in accordance with the provisions and requirements of Section 365 of the Bankruptcy Code. Non-Debtor parties to any rejected personal property leases shall be responsible for taking all necessary steps to retrieve the personal property that is subject of such rejected executory contracts or unexpired leases.

[5] These are estimates. Many factors will have an impact on the ultimate distribution percentages.

A. Claims Based Upon Rejection of Executory Contracts or Unexpired Leases.

Pursuant to the Plan, all Proofs of Claim allegedly arising from the rejection of any executory contract or unexpired lease pursuant to either Plan or the Confirmation Order shall be filed with the Bankruptcy Court, with a copy served on counsel for the Trustee, within thirty (30) days after the service of the earlier of: (i) notice of entry of the Confirmation Order or (ii) other notice that the executory contract or unexpired lease has been rejected. Any such claim for rejection of a lease or executory contract shall be deemed a General Unsecured Claim under Section 3.07 or 5.07 of the Plan, as the case may be. Any Holder of a Claim arising from the rejection of any executory contract or any unexpired lease that fails to File such Proof of Claim on or before the date specified in this paragraph shall be forever barred, estopped and enjoined from asserting such Claims in any manner against the Debtors (or Filing Proofs of Claim with respect thereof) or their Property, the Plan Administrator or the Trustee. The Debtors' Estates shall be forever discharged from all indebtedness or liability with respect to such Claims, and such Holders shall not be permitted to vote on the Plan or to participate in any distribution in these Chapter 11 Cases on account of such Claims or to receive further notices regarding such Claims, and shall be bound by the terms of the Plan.

B. Objection to and Treatment of Rejection Claims.

The Bankruptcy Court shall determine any Objections to any Proofs of Claim Filed in accordance with Article IX of the Plan at a hearing to be held on a date to be determined by the Bankruptcy Court. Allowed Unsecured Claims arising out of the rejection of executory contracts and unexpired leases shall, pursuant to Section 502(g) of the Bankruptcy Code, be General Unsecured Claims entitled to treatment pursuant to Section 3.07 or Section 5.07 of the Plan.

VIII. PROCEDURES FOR RESOLVING DISPUTED CLAIMS Objections to Claims and Interests. Unless otherwise ordered by the Bankruptcy Court after notice and hearing, and except as otherwise provided in the Plan, the Plan Administrator, as appropriate, shall have the exclusive right to make and file Objections to Administrative Claims, Claims and Equity Interests.

All objections to Administrative Claims, Claims and Equity Interests shall be in writing and filed by the Plan Administrator, with the Bankruptcy Court and served upon the Holders of the Administrative Claims, Claims and Equity Interests to which objections are made no later than 180 days after the Effective Date, or such later time as authorized by the Bankruptcy Court. The failure of the Trustee to object to any Claim or Interest for voting purposes shall not be deemed a waiver of the Plan Administrator's right to object to, or re-examine any such Claim in whole or in part.

B. Amendments to Claims and Requests for Payment of Administrative Claims; Claims filed after the Bar Date. Unless otherwise provided in a Final Order of the Bankruptcy Court: (a) after the Bar Date, a Claim on account of which a Proof of Claim is not timely Filed in accordance with Article IX of the Plan, may not be Filed or amended without the authorization of the Bankruptcy Court and, even with such Bankruptcy Court authorization, may be amended by the Holder of such Claim solely to decrease, but not to increase, the face amount or priority;

and (b) except as provided for in Article IX of the Plan, after the Administrative Claims Bar Date, a Claim on account of which a request for payment of Administrative Claim is not timely Filed in accordance with Article IX of the Plan, may not be Filed or amended without the authorization of the Bankruptcy Court and, even with such Bankruptcy Court authorization, may be amended by the Holder of such Claim solely to decrease, but not to increase, the face amount or priority. Except as otherwise provided in the Plan, any new or amended Claim Filed after the Bar Date or the Administrative Claims Bar Date (as applicable) shall be deemed Disallowed in full and expunged without any action by the Trustee, unless the Holder of such Claim has obtained prior Bankruptcy Court authorization for the Filing. The Holder of a Claim which is Disallowed pursuant to Section 9.01 of the Plan shall not receive any distribution on account of such Claim.

C. Estimation of Disputed Claims. In order to effectuate distributions pursuant to the Plan and avoid undue delay in the administration of the Estate, the Plan Administrator shall have the right, at any time, to seek an order of the Bankruptcy Court, after notice and a hearing (which notice may be limited to the Holder of such Disputed Claim and which hearing may be held on an expedited basis), estimating a Disputed Claim pursuant to Section 502(c) of the Bankruptcy Code, irrespective of whether the Debtors or the Plan Administrator has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such Objection. If the Bankruptcy Court estimates any contingent, disputed, or unliquidated Claim, that estimated amount will constitute either the Allowed Amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Plan Administrator may elect to pursue supplementary proceedings to object to any ultimate payment on such Claim.

D. Cumulative Remedies. In accordance with the Plan, all of these Objection and resolution procedures are cumulative and not necessarily exclusive of one another. In addition to seeking estimation of Claims as provided in Section 9.05 of the Plan, the Plan Administrator may resolve or adjudicate any Disputed Claim in the manner in which the amount of such Claim and the rights of the Holder of such Claim would have been resolved or adjudicated if these Chapter 11 Cases had not been commenced, subject only to the terms of the Plan, or in a manner otherwise approved by the Bankruptcy Court. Claims may be subsequently compromised, settled, withdrawn or resolved by the Plan Administrator, pursuant to Section 9.07 of the Plan.

E. No Payment or Distribution Pending Allowance. All references to Claims and Interests and amounts of Claims and Interests refer to the amount of the Claim or Interest Allowed by operation of law, Final Order of the Bankruptcy Court or the Plan. Accordingly, notwithstanding any other provision in the Plan, no payment or distribution shall be made on account of or with respect to any Claim or Interest to the extent it is a Disputed Claim or Disputed Interest, unless and until the Disputed Claim or Disputed Interest becomes an Allowed Claim or an Allowed Interest, as applicable. No partial distributions will be made while an Objection is pending to part or all of a Claim or Interest.

F. Disputed Distribution. If any dispute arises as to the identify of a Holder of an Allowed Claim who is to receive any distribution, the Plan Administrator may, in lieu of making such distributions to such Holder, make such distribution into a segregated account until the

disposition thereof shall be determined by Final Order of the Bankruptcy Court or by written agreement among the interested parties to such dispute.

G. Resolution of Disputed Claims and Interests. The Plan Administrator shall have the right (i) to initiate and prosecute any Objections to Claims against the Debtors or the Estates, (ii) to request estimation of each such Claims pursuant to Section 9.05 of the Plan, (iii) to litigate any Objection to Final Order, (iv) to settle or to compromise any Claim, provided that all such settlements shall nevertheless be subject to the settlement standards imposed by Bankruptcy Rule 9019 and the standards set forth in In re Justice Oaks II, Ltd., 898 F.2d 1544, 1549 (11th Cir. 1990); or (v) to withdraw any Objection to any Claim (other than a Claim that is Allowed or deemed to be Allowed pursuant to the Plan or a Final Order).

IX. MEANS FOR IMPLEMENTATION OF THE PLAN, EFFECT OF CONFIRMATION AND DISMISSAL OF DEBTORS' CHAPTER 11 CASES

A. Vesting of Property of the Estate. Upon the Effective Date of the Plan, any and all Liquidating Assets of the Estates pursuant to Section 541 of the Bankruptcy Code, including, without limitation, all Causes of Action, shall be transferred to and vested in the Plan Administrator.

B. Plan Administrator. On the Effective Date, each Liquidating Debtor shall transfer possession and control of all of its Liquidating Assets to the Plan Administrator who shall have all of the powers of a chapter 7 trustee and be deemed an agent of the Creditors and other parties in interest who may be entitled to receive distributions under the Plan. The Plan Administrator shall perform the duties and have the rights and obligations prescribed in Section 704 of the Bankruptcy Code and as set forth herein.

C. Injunction. The automatic stay imposed by Section 362 of the Bankruptcy Code shall remain in full force and effect through the Effective Date. From and after the Effective Date, each Person shall be permanently enjoined from commencing, continuing or prosecuting any Claim or Cause of Action against the Liquidating Assets or the Plan Administrator.

D. Exculpation and Limitation of Liability. To the fullest extent provided under Section 1125(e) of the Bankruptcy Code, the Trustee and his employees (and his attorneys, financial advisors, accountants, and other professionals retained by the Trustee) shall neither have nor incur any liability to any Person or Entity (including any Holder of a Claim or Equity Interest) for any pre- or post-petition act taken or omitted to be taken in connection with or related to the formulation, negotiation, preparation, dissemination, implementation, administration, confirmation, or occurrence of the Effective Date of the Plan, the Disclosure Statement, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan or any other pre-petition or post-petition act taken or omitted to be taken in connection with, or in contemplation of, restructuring of Debtors.

E. Exoneration and Reliance. Neither the Trustee nor any or professional of the Trustee shall be liable to any Holder of a Claim or Equity Interest or other party with respect to any action, omission, forbearance from action, decision, or exercise of discretion in connection

with: (a) the administration of the Chapter 11 Case; (b) the management or operation of the Debtors; (c) the implementation of any of the transactions provided for, or contemplated in, the Plan; or (d) the administration of the Plan or Property to be distributed pursuant to the Plan, other than for willful misconduct or gross negligence. The Trustee may rely upon the opinions of counsel, certified public accountants, and other experts or professionals employed by the Trustee, and such reliance shall conclusively establish good faith and the absence of willful misconduct. In any action, suit, or proceeding by any Holder of a Claim or Equity Interest or other party in interest contesting any action by, or non-action of, the Trustee as not being in good faith, the reasonable attorneys' fees and costs of the prevailing party shall be paid by the losing party.

F. Dismissal of Dismissed Debtors' Cases. On the first business day following the Effective Date (or as soon thereafter as is practicable), from the Cash on hand in each of the Dismissed Debtors' Estate the Trustee shall:

(a) Pay Allowed Administrative Expenses of each of the Dismissed Debtors' Estates, including any U.S. Trustee Fee Claims;

(b) After the payment of Allowed Administrative Expenses, pay (i) to the Internal Revenue Service the lesser of (X) one-half of the remaining Cash in the Estate, or (Y) the Allowed Amount of the IRS Claim against such Estate; and (b) pay the holders of Allowed General Unsecured Claims the lesser of (X) one-half of the remaining Cash in the Estate, Pro Rata, or (Y) the Allowed Amount of General Unsecured Claims; and

(c) Retain for the benefit of the Holders of Allowed Claims against the Madonias any Cash remaining in the applicable Estate after making all of the foregoing payments.

Following the making of the foregoing Distributions, the Dismissed Debtors' Chapter 11 Cases shall be dismissed with prejudice to the filing of any petition by or against any of the Dismissed Debtors for a period of 24 months from the date of the Confirmation Order.

Exhibit "B" reflects the cash on hand in each Estate as of the date of this Disclosure Statement.

X. BAR DATES FOR UNSECURED CLAIMS, ADMINISTRATIVE CLAIMS AND PROFESSIONAL CLAIMS

A. Bar Date for Certain Claims.

The Bar Date with respect to all Proofs of Claims was **July 8, 2013**. Except as provided herein with respect to executory contracts and unexpired leases, any Holder of a Claim against the Debtor arising before or which may be deemed to have arisen before the Petition Date that failed to File such Proof of Claim on or before the Bar Date shall be forever barred, estopped and enjoined from asserting such Claims (or Filing Proofs of Claim with respect thereof) in any manner against the Debtors or their Property, and the Debtors shall be forever discharged from all indebtedness or liability with respect to such Claims, and such Holders shall not be permitted

to vote on the Plan or to participate in any distribution in these Chapter 11 Cases on account of such Claims or to receive further notices regarding such Claims and shall be bound by the terms of the Plan.

B. Bar Date for Certain Administrative Claims.

With the exception of applications for compensation for fees and reimbursement of expenses Filed by Holders of Professional Claims for services rendered on or before the Effective Date as specified in Section 10.03 of the Plan, and except as otherwise set forth herein or in an order of the Bankruptcy Court regarding a specific claim, all requests for payment of Administrative Claims (or any other means of preserving and obtaining payment of Administrative Claims found to be effective by the Bankruptcy Court) shall be Filed by the date of the hearing on the Disclosure Statement, the Administrative Claims Bar Date; provided, however, that no such request or application need be Filed with respect to (i) U.S. Trustee's Fee Claims; (ii) any Claims held by any other party as to whom an order of the Court has been entered approving a later bar date for Filing Administrative Claims against the Debtors and (iii) all requests for payment of Administrative Claims (or any other means of preserving and obtaining payment of Administrative Claims found to be effective by the Bankruptcy Court). If requests for payment of Administrative Claims are not timely Filed, the Holders of such Claims shall be forever barred, estopped, and enjoined from asserting such Claims in any manner against the Debtors, their Property, or the Trustee.

C. Bar Date for Professionals.

All applications or other requests for payment of Professional Claims shall be filed at least 15 days prior to the Confirmation Hearing or as otherwise ordered by the Bankruptcy Court and may be supplemented for time expended through the date prior to the Confirmation Hearing. Applications for allowance and payment of Professional Claims, and objections thereto, if any, shall be considered at the Confirmation Hearing. Any Professional Claims for which an application or other request for payment is not filed by the deadline specified in this section shall be discharged and forever barred. Allowed Professional Claims shall be paid in full by the Trustee.

XI. CONDITIONS TO CONSUMMATION OF THE PLAN

A. Conditions to Consummation.

The Plan shall not be consummated and the Effective Date shall not occur unless and until the following conditions have occurred or have been duly waived (if waivable) in accordance with Section 11.02 of the Plan:

(a) the Bankruptcy Court shall have approved the information contained in the Disclosure Statement as adequate under Section 1125 of the Bankruptcy Code;

(b) the Confirmation Order shall have been entered and shall have become a Final Order, and such order shall not have been vacated, reversed, stayed, modified, amended, enjoined or restrained by order of a court of competent jurisdiction;

(d) all documents and agreements required to be executed or delivered under the Plan on or prior to the Effective Date shall have been executed and delivered by the parties thereto;

(e) the Bankruptcy Court shall have entered an order (contemplated to be part of the Confirmation Order) authorizing and directing the Trustee to take all actions necessary or appropriate to enter into, implement, and consummate the contracts, instruments, Releases, indentures and other agreements or documents created, amended, supplemented, modified, or adopted in connection with the Plan, and authorizing the Trustee and Liquidating Agent to take all actions necessary to implement its terms;

(f) all authorizations, consents and regulatory approvals required, if any, in connection with the Plan's effectiveness shall have been obtained; and

(g) no order of a court shall have been entered and shall remain in effect restraining the Trustee from consummating the Plan;

B. Waiver of Conditions to Consummation.

The conditions to consummation in Section 11.01 of the Plan may be waived at any time by a writing signed by an authorized representative of each of the Trustee, without notice or order of the Bankruptcy Court, or any further action other than proceeding to consummation of the Plan.

XII. PLAN ADMINISTRATOR

The Plan provides that Gerard A. McHale, Jr., Esq., 1601 Jackson Street, Ste. 200, Fort Myers, Florida 33901, shall serve as Plan Administrator.

A. Limitations on a Plan Administrator.

The Plan Administrator shall not do any act or undertake any activity unless he determines, in good faith, that such act or activity is desirable, necessary or appropriate for the management, conservation, and protection of the assets of the Estates. The investment powers of the Plan Administrator are limited to the powers to invest temporarily cash portions of the Estate in demand and time deposits in banks or savings institutions, or temporary investment such as short-term certificates of deposit or Treasury bills or money market funds. The Plan Administrator shall be restricted to the holding, liquidation, and collection of the assets of the Estates and the payment and distribution thereof for the purposes set forth in the Plan and to the conservation and protection of the assets of the Estates and administration thereof in accordance with the provisions of the Plan.

B. Specific Powers of Plan Administrator.

Subject to the provisions of the preceding paragraph and Section 12.05 of the Plan, the Plan Administrator shall have the following specific powers in addition to any powers granted by 11 U.S.C. §§ 1104 and 704 or conferred upon him by any other provision of the Plan; provided,

however, that enumeration of the following powers shall not be considered in any way to limit or control the power of the Plan Administrator to act as specifically authorized by any other provisions of the Plan and to act in such manner as the Plan Administrator may deem necessary or appropriate to discharge all obligations of or assumed by the Plan Administrator or provided herein and to conserve and protect the Estates or to confer on the Creditors benefits intended to be conferred upon them by the Plan:

(a) To determine the terms on which assets comprising the Debtors' Estates should be sold, liquidated or otherwise disposed of;

(b) To collect and receive any and all money and other Property of whatsoever kind or nature due to or owing or belonging to the Estates and to give full discharge acquittance therefor;

(c) Pending sale or other disposition or distribution, to retain all or any assets constituting part of the Debtors' Estates regardless of whether or not such assets are, or may become, unproductive or a wasting asset. The Plan Administrator shall not be under any duty to reinvest such part of the Debtors' Assets as may be in cash, or as may be converted into cash; nor shall the Plan Administrator be chargeable with interest thereon;

(d) To retain and set aside such funds out of the Debtors' Estates as the Plan Administrator shall deem necessary or expedient to pay, or provide for the payment of (i) Allowed Claims pursuant to the Plan; and (ii) any Reserve amounts;

(e) To do and perform any acts or things necessary or appropriate for the management, conservation and protection of the Liquidating Assets, including acts or things necessary or appropriate to maintain assets held by the Plan Administrator pending sale or other disposition thereof or distribution thereof to the Creditors, and in connection therewith to employ such agents, including professionals as provided for in the Plan, and to confer upon them such authority as the Plan Administrator may deem expedient, and to pay fees and expenses therefor;

(f) To cause any investment of the Liquidating Assets to be registered and held in the name of the Plan Administrator or in the names of a nominee or nominees, or in the names of a nominee or nominees of another entity, without increase or decrease of liability with respect thereto;

(g) To prepare, file, assert, commence and prosecute, or continue to prosecute in the case of existing actions, any and all causes of action retained by the Estates, as the Plan Administrator may determine to be of value and benefit to the Creditors;

(h) To institute or defend actions or declaratory judgments, to substitute the Plan Administrator for the Debtor or the Debtors' Estates as the real party in interest in pending litigation, and to take such other action, as the Plan Administrator may deem necessary or desirable to enforce any instruments, contracts, agreements, or causes of action relating to or forming a part of the Liquidating Assets;

(i) To cancel, terminate, or amend any instruments, contracts or agreements which are an asset of, which relating to or forming a part of the Plan to the full extent permitted by such instruments, contracts or agreements and to execute new instruments, contracts, or agreements;

(j) To deal in and with all accounts receivable, promissory notes and contracts which form a part of the Liquidating Assets with full authority to compromise, settle and otherwise deal in and with such assets as the Plan Administrator shall deem appropriate, in his sole discretion;

(l) To take all actions for and on behalf of the Debtor and the Debtor's Estate, including but not limited to, the preparation, execution and filing of documents, as the Plan Administrator shall deem necessary, desirable or appropriate in order to complete, conclude and finalize any filing, reporting or other obligations which the Debtor's Estate or the Liquidating Debtor may have to any state or federal governmental authority, including but not limited to, the Internal Revenue Service;

(m) To enter into such consulting or employment arrangements or otherwise retain such accountants, agents, attorneys, consultants or independent contractors as the Plan Administrator shall deem necessary, desirable and appropriate to enable the Plan Administrator to accomplish the purposes enumerated in the Plan; and

(n) To make the distributions provided for in the Plan.

C. Compensation of Plan Administrator.

The Plan Administrator shall be paid on a per hour basis (at his normal hourly rate, subject to the requirements of Section 12.07 of the Plan) plus actual out-of-pocket expenses, to be paid monthly from the Liquidating Assets without the filing of any fee applications.

D. Resignation of Plan Administrator.

The Plan Administrator shall, upon 30 days' written notice to the Bankruptcy Court, be entitled to resign as Plan Administrator for any reason. The Plan Administrator shall be obligated to perform, and shall be entitled to compensation, through and including the effective date of his resignation.

E. Removal of Plan Administrator.

The Plan Administrator may be removed for good cause, subject to the Bankruptcy Court's approval on motion and hearing with notice to all creditors.

F. Preservation, Prosecution, and Defense of Causes of Action.

The Plan Administrator shall have the right to pursue any and all causes of action of the Debtor or its Estate, whether or not such causes of action had been commenced as of the Effective Date, and shall be substituted as a real party in interest in any actions commenced by or

against the Debtor or the Debtor's Estate. The Plan Administrator shall be authorized at any point in any litigation (a) to enter such settlements as the Plan Administrator deems to be in the best interest of creditors, subject to Bankruptcy Court approval after notice and a hearing in accordance with Bankruptcy Rule 9019; or (b) to abandon, dismiss, and/or decide not to prosecute any such litigation if the Plan Administrator deems such action to be in the best interest of the Creditors.

G. Payment of Costs/Expenses.

All costs and expenses and obligations incurred by the Plan Administrator in administering the Liquidating Assets and/or the Plan or any manner connected, incidental, or related thereto, shall be a claim against the Liquidating Assets, including but not limited to, payments to the Plan Administrator and any attorneys, accountants, brokers, or other professionals employed by the Plan Administrator (the Plan Administrator and Professionals by him, together the "Plan Administrator Professionals"), without the need for the filing of Fee Applications. However, on a quarterly basis, the Plan Administrator shall file a Report of Payments to Plan Administrator Professionals.

H. Bond. The Plan Administrator shall not be required to post a bond.

The Plan Administrator was not selected by the Office of the United States Trustee, will not be supervised by the Office of the United States Trustee and will not be bonded in favor of the Office of the United States Trustee in an amount set by the Office of the United States Trustee.

I. Indemnification of Plan Administrator.

The Plan Administrator shall be indemnified by and receive reimbursement from the Liquidating Assets against and from any and all loss, cost, expense, liability or damage which the Plan Administrator may actually incur or sustain in the exercise and performance of any of the powers and duties under the Plan, excepting those acts of the Plan Administrator arising from his own gross negligence, fraud or willful misconduct.

J. Liability of Plan Administrator.

The Plan Administrator shall not be liable for any error of business judgment with respect to any action taken or omitted to be taken by the Plan Administrator in such capacity, unless it shall be proven that the Plan Administrator shall have been grossly negligent or shall have acted with gross and willful misconduct in ascertaining the pertinent facts or in performing any of the rights, powers or duties hereunder. The Plan Administrator shall not be deemed to make any representations or warranties as to the value or condition of the Liquidating Assets or any part thereof, or as to the validity, execution, enforceability, legality, or sufficiency of the Plan, and the Plan Administrator shall incur no liability or responsibility in respect of such matters. Persons dealing with the Plan Administrator shall look only to the Liquidating Assets to satisfy any liability incurred by the Plan Administrator to such person in carrying out the terms of the Plan, and the Plan Administrator shall have no personal or individual obligation to satisfy any

such liability, unless it is proven that the Plan Administrator was grossly negligent or acted with willful misconduct in ascertaining the pertinent facts or in performing any of the rights, powers or duties hereunder.

XIII. DISTRIBUTIONS UNDER THE PLAN

A. Creation of Reserves.

On the Effective Date, all of the Liquidating Assets shall be deemed to have been transferred to the Plan Administrator. The Plan Administrator shall: (a) pay all Allowed Administrative Claims, Allowed Priority Tax Claims and Allowed Claims in accordance with the terms of the Plan; and (b) create a reserve or reserves to pay any Disputed Claims (the "Claims Reserve"); and (c) create a reserve for payment of post-Confirmation Administrative Claims (the "Post-Confirmation Administrative Reserve"). The Post-Confirmation Administrative Reserve shall be used to cover projected expenses of the Plan Administrator necessary to carry out the provisions of the Plan. The Claims Reserve shall contain funds sufficient to pay holders of Disputed Claims the maximum distribution to which they are entitled under the Plan based on the amount and Class of the Claim asserted by such holders. The Claims Reserve and the Post-Confirmation Administrative Reserve (together, the "Reserves") shall be maintained by the Plan Administrator in an interest bearing account pending distributions. Any funds remaining in this Post-Confirmation Administrative Reserve immediately prior to the Final Distribution shall be included in the Final Distribution to Class 4 Creditors.

B. Initial Distribution Date.

Within 30 days after the date of the Effective Date the Plan Administrator shall pay all Allowed Administrative Claims, Allowed Priority Tax Claims.

C. Method of Payment to Creditors.

The holders of Allowed Claims shall receive payments by check or other method of payment from the Plan Administrator at such times in such manner as are deemed practicable by the Plan Administrator, unless provided otherwise in the Plan. Payments need not be made of dividends amounting to less than $5 to a particular creditor. All distributions will be sent to creditors at the address stated in the Debtor's Schedules or as stated in a properly filed proof of claim, unless a creditor notifies the Plan Administrator in writing of a change of address. Neither the Plan Administrator nor any professional retained by him will have any obligation to locate creditors whose distribution or notice is properly mailed but nevertheless returned. The Plan Administrator shall deposit with the Court Registry any payment made to a Creditor who failed to claim its distribution due under the Plan (for example, by failing to cash the check or by failing to provide an accurate, current mailing address to the Plan Administrator or his attorney) within 90 days after a Distribution. The Plan Administrator shall be permitted to file an application for withdrawal of the funds pursuant to the Local Bankruptcy Rules for the Middle District of Florida, and to redistribute any funds withdrawn pursuant thereto in accordance with the Plan.

D. Payments Made from Liquidating Assets Pursuant to the Plan Only.

All holders of Claims against and/or interests in the Debtor's Estate shall be enjoined from proceeding against the Liquidating Assets, the Debtor's Estate or any assets in the custody or possession of the Plan Administrator to pursue their Claims, and their recovery with respect to their Claims shall be limited to the distributions provided for in the Plan and described herein.

XIV. FINAL REPORT

At such time as all of the distributions provided for in the Plan have been made and the Reserves shall be reduced to zero, the Plan Administrator shall file a final accounting with the Bankruptcy Court, together with the Final Report. The Plan Administrator shall serve as Plan Administrator until such time as the entry of a Final Decree closing the Chapter 11 Case, at which time the Plan Administrator shall be discharged.

XV. ABANDONMENT

The Plan Administrator may abandon any Liquidating Assets he deems burdensome or of inconsequential value by filing a Notice of Abandonment with the Court and serving it on the Service List. No Property shall be deemed abandoned unless the Plan Administrator files and serves a Notice of Abandonment. Such abandonment shall be effective on the date indicated on the Notice. Additionally, the Trustee shall be authorized to abandon and/or destroy any and all records of the Debtors upon the conclusion of the pending Avoidance Actions and pay all appropriate document destruction costs. Any party seeking to obtain any of the proposed records to be destroyed shall provide notice to the Trustee and request the documents to be retained at their own cost and expense. If the Trustee has any dispute regarding the document destruction, same shall be resolved by the Bankruptcy Court.

XVI. RETENTION OF JURISDICTION

A. Exclusive Jurisdiction of Bankruptcy Court.

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain after the Effective Date exclusive jurisdiction of all matters arising out of, arising in or related to, the Chapter 11 Cases to the fullest extent permitted by applicable law, including, without limitation, jurisdiction to:

(i) allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest (whether Filed before or after the Effective Date and whether or not contingent, disputed or unliquidated), including the compromise, settlement and resolution of any request for payment of any Administrative Expense Claim or Priority Claim, the resolution of any Objections to the allowance or priority of Claims pursuant to the Plan, and to hear and determine any other issue presented or arising under the Plan, including during the pendency of any appeal relating to any Objection to such Claim or Interest (to the extent permitted under applicable law);

(ii) grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

(iii) hear and determine motions, applications, adversary proceedings, contested matters and other litigated matters pending on, Filed or commenced after the Effective Date, including proceedings with respect to the rights of the Debtor or the Plan Administrator to recover Property under Sections 542, 543 or 553 of the Bankruptcy Code, or to bring any Avoidance Action, or otherwise to collect or recover on account of any claim or Cause of Action that the Debtor may have;

(iv) determine and resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which any Debtor may be liable, and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

(v) to ensure that all payments due under the Plan and performance of the provisions of the Plan are accomplished as provided therein, and resolve any issues relating to distributions to Holders of Allowed Claims pursuant to the provisions of the Plan;

(vi) construe, take any action and issue such orders, prior to and following the Confirmation Date and consistent with Section 1142 of the Bankruptcy Code, as may be necessary for the enforcement, implementation, execution and consummation of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, including, without limitation, the Disclosure Statement and the Confirmation Orders, for the maintenance of the integrity of the Plan;

(vii) determine and resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation, implementation or enforcement of the Plan (and all Exhibits to the Plan) or the Confirmation Orders, including the indemnification and injunction provisions set forth in and contemplated by the Plan or the Confirmation Order, or any Entity's rights arising under or obligations incurred in connection therewith;

(viii) modify the Plan before or after the Effective Date pursuant to Section 1127 of the Bankruptcy Code, or modify the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, or remedy any defect or omission, or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code, the Plan and the Plan Documents;

(ix) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

(x) enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

(xi) determine any other matters that may arise in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, except as otherwise provided in the Plan;

(xii) determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(xiii) hear and determine any other matters related hereto and not inconsistent with Chapter 11 of the Bankruptcy Code;

(xiv) continue to enforce the automatic stay through the Effective Date;

(xv) hear and determine (A) disputes arising in connection with the interpretation, implementation or enforcement of the Plan, or (B) issues presented or arising under the Plan, including disputes among Holders and arising under agreements, documents or instruments executed in connection with the Plan;

(xvi) shorten or extend, for cause, the time fixed for performance of any act or thing under the Plan, on notice or ex-parte, as the Bankruptcy Court shall determine to be appropriate.

(xvii) enter any order, including injunctions, necessary to enforce the title, rights and powers of the Plan Administrator, and to impose such limitations, restrictions, terms and conditions on such title, rights and powers as the Bankruptcy Court may deem necessary.

(xviii) appoint a successor Plan Administrator, if necessary.

(xix) adjudicate any settlements pursuant to Bankruptcy Rule 9019, if required under the Plans or the Confirmation Orders; and

(iv) enter a final decree closing the Chapter 11 Case or converting it into a Chapter 7 case.

B. Exclusive Jurisdiction.

Following the Effective Date, the Bankruptcy Court will retain exclusive jurisdiction of the Chapter 11 Case to the fullest extent permitted by applicable law, including, without

limitation, jurisdiction to:

(i) recover all assets of the Debtor and Property of its Estate, wherever located;

(ii) hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes and tax benefits and similar or related matters with respect to the Debtor or its Estate arising prior to the Effective Date or relating to the period of administration of the Chapter 11 Case, including, without limitation, matters concerning federal, state and local taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy Code;

(iii) hear any other matter not inconsistent with the Bankruptcy Code.

C. Failure of Bankruptcy Court to Exercise Jurisdiction.

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over any matter arising under, arising in or related to the Debtor's Estate, including with respect to the matters set forth in Section 16.01 and 16.02 of the Plan, Article XVI shall not prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

XVII. CONFIRMATION AND CONSUMMATION PROCEDURES

Under the Bankruptcy Code, the following steps must be taken to confirm the Plan:

A. Solicitation of Votes.

The Trustee seeking confirmation of the Plan is soliciting the acceptances of Classes of Claims that are Impaired and entitled to vote under the Plan. Equity Interests are not being solicited as they shall not retain or receive any Property under the Plan and, thus, are deemed to have rejected the Plan. The Bankruptcy Code defines acceptance of a plan by a class of creditors as acceptance by holders of two-thirds in dollar amount and more than one-half in number of the claims in that class which actually cast ballots for acceptance or rejection of the Plan. The votes of a Creditor may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that the acceptance or rejection was not solicited or procured in good faith or in accordance with the Bankruptcy Code. Any Creditor who holds an Allowed Claim in an Impaired class is entitled to vote.

B. Confirmation Hearing.

The Bankruptcy Code requires that the Bankruptcy Court, after notice, hold a hearing on the confirmation of the Plan. The Confirmation Hearing has been scheduled for o'clock a.m./p.m. on , 2015. The Confirmation Hearing may be adjourned from time to time by the Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing. Any objection to Confirmation of the Plan must be made in writing, filed with the Court and served upon the following parties so as to be actually received on or before , 2015:

To the Plan Administrator:
Gerard A. McHale, Jr., as Plan Administrator
1601 Jackson Street, Suite 200
Ft. Myers, FL 33901

with a copy to:
Jordi Guso, Esq.
BERGER SINGERMAN LLP
1450 Brickell Avenue, Suite 1900
Miami, Florida 33131

To the United States Trustee:
Office of the United States Trustee
501 E Polk St # 1200
Tampa, FL 33602

C. Confirmation.

At the Confirmation Hearing, the Bankruptcy Court shall confirm the Plan, and all of the requirements of section 1129(a) of the Bankruptcy Code are met, or alternatively pursuant to the "cramdown" provisions of section 1129 (b) of the Bankruptcy Code. Two of the requirements are section 1129 (a) are known as the "best interest of creditors test" and the "feasibility test."

(i) Best Interest Test.

In order to meet the "best interest" test, the Trustee must establish that each holder of a Claim or Interest which is impaired under the Plan, either has accepted the Plan, or will receive or retain under the Plan in respect of its Claim or Interest, Property of a value as of the Effective Date, that is not less than the amount such Holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code.

To determine what Creditors and Holders of Interests would receive if the Debtors were liquidated under chapter 7, the Bankruptcy Court must determine the dollar amount that would be generated from the liquidation of the assets and properties of the Debtors in the context of a chapter 7 liquidation. The cash amount that would be available for satisfaction of Claims and Interests would consist of: (i) the proceeds resulting from the disposition of the Debtors' assets, (ii) the cash held by the Debtors on the Petition Date, and (iii) any interest earned on the investment thereof, minus the costs of the liquidation and any Administrative Expense Claims and Priority Claims that may result from the liquidation of the Debtors and the sale of the Debtors' assets and property in chapter 7.

A chapter 7 trustee's costs of liquidating the Debtors under chapter 7 would include the fees (in the nature of a commission) payable to a trustee (or trustees) in bankruptcy and any attorneys and other professionals engaged by such trustee (or trustees), plus unpaid expenses incurred during the Chapter 11 Case including compensation of attorneys and accountants. The additional costs and expenses incurred by a trustee (or trustees) in a chapter 7 liquidation would

likely be substantial, including those associated with the trustee's need to obtain expertise in the particular cruise related assets to be liquidated and the background of all of the pending and anticipated complex litigation claims against insiders and others. The potential loss of management knowledge of the institutional data underlying the prosecution of extensive litigation that is pending or is to be filed would create a significant obstacle for recovery by a chapter 7 trustee. The costs associated with these factors would be significant and would both delay the final disposition of the cases and would decrease the amounts that Allowed Claims and Interests would receive under the Plans.

Under chapter 7, the Claims arising from the chapter 7 administration of these cases would be paid in full before proceeds would be paid to Holders of Allowed Claims.

Also, the Bankruptcy Code and Rules would permit the establishment of a new Claims bar date upon conversion. The reopening of the claims process would provide a second opportunity for tens of thousands of additional potential claims to be filed, claims which are now time-barred under Chapter 11. The additional costs of noticing, administration and analysis of these additional potential Claims which are now barred will be enormous.

The Trustee believes that the most likely outcome of liquidation proceedings under chapter 7 would be the application of the rule of absolute priority for distributions and that, it is unlikely that the Holders of General Unsecured Claims would receive the same level of distribution which may be anticipated under the confirmed Plan.

Consequently, the Trustee believes that under chapter 7, Creditors would receive distributions in amounts less than they would receive under the Plan.

(ii) Feasibility.

The Trustee submits that feasibility is not an issue under the Plan inasmuch as the Plans contemplate that virtually all assets of the Liquidating Debtors shall be conveyed to the Plan Administrator and be reduced to cash for the benefit of Creditors. Distributions will be made according to the priorities established by the Bankruptcy Code.

(iii) Acceptance.

Creditors must accept the Plans in the manner described in this Section or the "fair and equitable" test (described below) must be met with respect to each Impaired Class which does not accept the Plan.

(iv) Confirmation of Plan without Necessary Acceptances; Cramdown.

A COURT MAY CONFIRM A PLAN, EVEN IF IT IS NOT ACCEPTED BY ALL IMPAIRED CLASSES, IF THE PLAN HAS BEEN ACCEPTED BY AT LEAST ON IMPAIRED CLASS OF CLAIMS AND THE PLAN MEETS THE "CRAMDOWN" REQUIREMENTS SET FORTH IN SECTION 1129(b) OF THE BANKRUPTCY CODE. SECTION 1129 (b) OF THE BANKRUPTCY CODE REQUIRES THAT THE COURT FIND

THAT A PLAN IS "FAIR AND EQUITABLE" AND DOES NOT "DISCRIMINATE UNFAIRLY" WITH RESPECT TO EACH NON-ACCEPTING IMPAIRED CLASS OF CLAIMS OR INTERESTS. **IN THE EVENT THAT ANY IMPAIRED CLASS REJECTS EITHER OF THE PLANS IN ACCORDANCE WITH SECTION 1129 (a)(8) OF THE BANKRUPTCY CODE, AND AT LEAST ONE IMPAIRED CLASS VOTED TO ACCEPT THE PLAN, THE TRUSTEE INTENDS TO REQUEST THAT THE BANKRUPTCY COURT CONFIRM THE PLAN IN ACCORDANCE WITH THE "CRAMDOWN" PROVISIONS OF SECTION 1129 (b) OF THE BANKRUPTCY CODE OR MODIFY THE PLAN IN ACCORDANCE WITH THE TERMS THEREOF.**

The Plan provides for the possibility of invoking the cramdown provisions as defined in Section 1129 of the Bankruptcy Code. Under this provision the Court has the authority to confirm the Plan even though a Class of Claims which is Impaired does not vote to accept the Plan, if another Class of Claims which is also Impaired votes to accept the Plan. This provision does not take into account the possibility that one large claimant or several claimants may arbitrarily vote to reject the Plan which would be detrimental to other Creditors. In this instance the Court, notwithstanding the negative votes, in the interest of being "fair and equitable," may confirm the Plan. Such determination, if necessary, would be addressed at the hearing on Confirmation.

D. No Unfair Discrimination; Fair and Equitable Test.

Section 1129(b) of the Bankruptcy Code permits the confirmation of a chapter 11 plan notwithstanding the non-acceptance of the plan by a class of claims or interests which is impaired provided that at least one impaired class of claims accepts the plan. Under section 1129(b) of the Bankruptcy Code, a chapter 11 plan may be "crammed down" and confirmed by the Bankruptcy Court if it "does not discriminate unfairly" and is "fair and equitable" with respect to the non-accepting class. A plan does not discriminate unfairly if no class receives more than it is entitled to receive under the Bankruptcy Code. The "fair and equitable" rule requires absolute priority in the payment of claims and interests with respect to the dissenting class or classes. The plan will be deemed "fair and equitable" with respect to Creditors if: (i) Creditors receive or retain under the plan Property of a value equal to the amount of their Allowed Claims; or (ii) no holders of Claims or Equity Interests that are junior to the Claims of Creditors receive any property under the plan. The strict requirement of the allocation of full value to dissenting classes before junior classes can receive distribution is known as the "Absolute Priority Rule".

The Trustee believes that under the Plans: (i) all impaired Classes of Claims and Interests are treated in a manner that is consistent with the treatment of other Classes of Claims and Interests with which their legal rights are intertwined, if any; and (ii) no Class of Claims or Interests will receive payments or Property with an aggregate value greater than the aggregate value of the Allowed Claims or allowed Interests in such a Class. Accordingly, the Trustee believes that the Plan does not discriminate unfairly as to any impaired class.

E. Consummation.

The Plan will be consummated and the distributions made if the Plan is confirmed pursuant to a Final Order of the Court. It will not be necessary for the Trustee to await any required regulatory approvals from agencies or departments of the United States Government to consummate the Plan. The Plan will be implemented pursuant to the provisions of the Bankruptcy Code.

XVIII. EFFECT OF CONFIRMATION

A. Binding Effect of Confirmation.

Confirmation will legally bind the Trustee, Plan Administrator, all Creditors, Interest Holders and other Parties in Interest to the provisions of the particular Plan whether or not the Claim or Interest Holder is Impaired under the Plan and whether or not such Creditor or Interest Holder has accepted the Plan.

B. Vesting of Assets Free and Clear of Liens, Claims and Interests.

Except as otherwise provided in the Plan or in the Confirmation Order, upon the Effective Date, title to all assets and property of Debtors for which Confirmation is being sought, and all property of the subject Estates, including, pursuant to section 1123(b)(3)(b) of the Bankruptcy Code, each and every claim, demand or cause of action which such Debtors had or had power to assert immediately prior to Confirmation, will vest with the Plan Administrator, free and clear of all Liens, Claims and Interests. Thereafter, the Plan Administrator will hold these assets without further jurisdiction, restriction or supervision of the Bankruptcy Court except as may be otherwise specifically provided.

C. Good Faith.

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

D. Discharge of Claims.

The rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge, and release of all Claims. Confirmation of the Plan shall discharge the Debtors from all Claims that arose before the Confirmation Date and all Claims of all kinds specified in sections 502(g), (h) and (i) of the Bankruptcy Code, whether or not a proof of Claim is filed or deemed filed, and whether or not a Creditor has accepted the Plan.

E. Judicial Determination.

As of the Confirmation Date, except as provided in the Plan, all Persons shall be precluded from asserting against the Debtors for whom Confirmation has been obtained any other or further Claims, debts, rights, causes of action, liabilities, or equity interests based on any

act, omission, transaction or other activity of any kind or nature that occurred before the Confirmation Date, and the Confirmation Order shall be a judicial determination of discharge of all Claims against the Debtors for whom Confirmation is obtained pursuant to sections 524 and 1141 of the Bankruptcy Code, and shall void any judgment obtained or entered against such Debtors at any time, to the extent the judgment relates to discharged Claims.

F. Injunction.

Unless otherwise provided in the Plan or the Confirmation Order, all injunctions and stays provided for in the Chapter 11 Cases pursuant to sections 105 and 362 of the Bankruptcy Code or otherwise in effect on the Confirmation Date, shall remain in full force and effect until the Effective Date in respect of the Debtors for whom Confirmation is obtained. From and after the Effective Date, all Persons are permanently enjoined from and retrained against, commencing or continuing in any court any suit, action or other proceeding, or otherwise asserting any claim or interest, seeking to hold (a) any Debtor entity, and (b) the Property of any such Debtor entity.

XIX. TAX ANALYSIS

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN MATERIAL FEDERAL INCOME TAX CONSEQUENCES OF THE PLANS TO HOLDERS OF CLAIMS AND INTERESTS IN THE LIQUIDATING DEBTORS, BUT IS NOT A COMPLETE DISCUSSION OF ALL SUCH CONSEQUENCES. CERTAIN OF THE CONSEQUENCES DESCRIBED BELOW ARE SUBJECT TO SUBSTANTIAL UNCERTAINTY DUE TO THE UNSETTLED STATE OF THE TAX LAW GOVERNING BANKRUPTCY REORGANIZATIONS. NO RULINGS HAVE BEEN OR WILL BE REQUESTED FROM THE INTERNAL REVENUE SERVICE (THE "IRS") WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN. FURTHER, THE TAX CONSEQUENCES OF THE PLAN TO THE HOLDERS OF CLAIMS AND INTERESTS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER, AND MAY BE AFFECTED BY MATTERS NOT DISCUSSED BELOW, SUCH AS THE SPECIAL RULES APPLICABLE TO CERTAIN TYPES OF HOLDERS (INCLUDING PERSONS SUBJECT TO SPECIAL RULES, SUCH AS, FOR EXAMPLE, NONRESIDENT ALIENS, LIFE INSURANCE COMPANIES AND TAX-EXEMPT ORGANIZATIONS). IN ADDITION, THERE MAY BE STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES OF THE PLAN APPLICABLE TO PARTICULAR HOLDERS OF CLAIMS OR INTERESTS, NONE OF WHICH ARE DISCUSSED BELOW. THEREFORE, THE FOLLOWING SUMMARY IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR INTEREST, AND EACH HOLDER OF A CLAIM OR INTEREST IN THE LIQUIDATING DEBTORS IS URGED TO CONSULT HIS, HER OR ITS TAX ADVISORS CONCERNING THE INDIVIDUAL TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING STATE, LOCAL AND FOREIGN TAX CONSEQUENCES.

A. Tax Consequences to Holders of Claims.

A portion of the consideration received pursuant to the Plan in payment of a Claim may

be allocated to unpaid interest, and the remainder of the consideration will be allocated to the principal amount of the Claim. The tax consequences of the consideration allocable to the portion of a Claim related to interest differ from the tax consequences of the consideration allocable to the portion of a Claim related to principal.

B. Consideration Allocable to Interest.

Holders of Claims will recognize ordinary income to the extent that any consideration received pursuant to the Plans is allocable to interest, and such income has not already been included in such Holder's taxable income. The determination as to what portion of the consideration received will be allocated to interest is unclear, and may be affected by, among other things, rules in the Internal Revenue Code (the "Tax Code") relating to original issue discount and accrued market discount. Holders of Claims should consult their own tax advisors as to the amount of any consideration received under the Plans that will be allocated to interest.

In the event amounts allocable to interest are less than amounts previously included in the Holder's taxable income, the difference will result in a loss. Any amount not allocable to interest will be allocated to the principal amount of the Claim paid and discharged pursuant to the Plans, and will be treated as discussed below.

C. Consideration Allocable to Principal.

Holders of Claims receiving Cash generally will recognize gain or loss on the exchange equal to the difference between the Holder's basis in the Claim and the amount of Cash received that is not allocable to interest. The character of any recognized gain or loss will depend upon the status of the Holder, the nature of the Claim in its hands and the holding period of such Claim.

If a Holder of a Claim has treated a Claim as wholly or partially worthless and been allowed a bad debt deduction, the Holder will include the amount of Cash received in income to the extent such Cash exceeds the Holder's remaining tax basis in the Claim.

Holders of Claims may be entitled to installment sales treatment or other deferral with respect to the distribution they receive subsequent to the Effective Date. Holders of Claims may already have claimed partial bad debt deductions with respect to their Claims. The Internal Revenue Service may take the position that Holders of Allowed Claims cannot claim an otherwise allowable further loss in the year in which their Claim is allowed because such claimants could receive further distributions. Thus, a Holder of a Claim could be prevented from recognizing a loss until the time when its Claim has been liquidated and distributions have been completed. If a Holder of a Claim is permitted to recognize a loss in the year of the Effective Date by treating the transaction as a "closed transaction" at such time, such Holder may recognize income on any subsequent distribution.

D. Compliance with Tax Requirements.

In making distributions pursuant to the Plan, the Plan Administrator will comply with all withholding and reporting requirements imposed by federal, state or local taxing authorities. All

distributions pursuant to the Plan will be subject to all applicable withholding and reporting requirements.

XX. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed and consummated, the only alternative is the liquidation of the Liquidating Debtors under Chapter 7 of the Bankruptcy Code. If no Chapter 11 Plan can be confirmed, the Chapter 11 Cases would be converted to cases under Chapter 7 of the Bankruptcy Code, in which Chapter 7 trustees would be elected or appointed to liquidate the assets of the Liquidating Debtors for distribution to Creditors in accordance with the priorities established by the Bankruptcy Code. The Liquidating Debtors' analysis of the probable recovery to Creditors and holders of Equity Interests under chapter 7 has been presented in the foregoing discussion regarding the "best interest" test..

XXI. RESERVATION OF RIGHTS

This Disclosure Statement and the treatment of the Chapter 11 Cases discussed herein contemplates the dismissal of five Chapter 11 Cases and asset monetization through a Plan Administrator for the remaining two Chapter 11 Case(s). Nonetheless, the Debtors continue to actively pursue a number of potential reorganization opportunities. Accordingly, the Trustee reserves the right to amend the Plan and this Disclosure Statement (or to withdraw them entirely and to substitute new ones) to preserve such opportunities.

XXII. RECOMMENDATION

The Trustee believes that confirmation and consummation of the Plan, and the dismissal of the Chapter 11 cases of the other Debtors is preferable to all other alternatives.

XXIII. CONCLUSION

THE TRUSTEE URGES CREDITORS ENTITLED TO VOTE TO ACCEPT THE PLAN FOR THOSE LIQUIDATING DEBTORS SEEKING CONFIRMATION AND TO EVIDENCE SUCH ACCEPTANCE BY RETURNING THEIR BALLOTS SO THEY WILL BE RECEIVED BY _____, 2015.

Tampa, Florida

Dated as of December 7, 2015

EAST COAST BROKERS & PACKERS, INC.
BATISTA J. MADONIA, SR. & EVELYN M. MADONIA
CIRCLE M. RANCH, INC.
RUSKIN VEGETABLE CORPORATION,
OAKWOOD PLACE, INC.
BYRD FOODS OF VIRGINIA, INC. EASTERN SHORE PROPERTIES, INC.

By: */s/ Gerard A. McHale, Jr.*
Gerard A. McHale, Jr., Chapter 11 Trustee

INDEX TO EXHIBITS TO
DISCLOSURE STATEMENT

East Coast Brokers & Packers, et. al.
Exhibit to Disclosure Statement
Avoidance Action Recoveries

	Settled
Barneys New York	$32,500.00
Rydberg Law Firm	10,000.00
BOA Credit Cards	375,000.00
SunTrust Mortgage	337,500.00
American Express	850,000.00
Uffizzi LLC	15,000.00
Isaac Galindo	3,000.00
Capital One Bank	9,000.00
Stahl Consulting	13,000.00
PJ Leary & Assoc.	1,500.00
J.A.M.S. Entertainment, Inc.	4,000.00
Bright House Networks, LLC	200,000.00
Chase Auto Finance	18,000.00
Hartford Life & Annuity Insuance Co.	6,250.00
	$1,874,750.00

EXHIBIT A

East Coast Brokers & Packers, et. al.
Exhibit to Disclosure Statement
Cash on Hand By Estate

Case Name	Case Number	Cash Balance as of 12/7/2015
East Coast Brokers & Packers, Inc.	8:13-bk-2894-KRM	$1,831,485.11
Madonia	8:13-bk-2895-KRM	294,615.01
Circle M Ranch, Inc.	8:13-bk-2896-KRM	142,485.37
Ruskin Vegetable Corp	8:13-bk-2897-KRM	0.00
Oakwood Place, Inc.	8:13-bk-2898-KRM	430,560.35
Byrd Foods of Virginia, Inc.	8:13-bk-3069-KRM	562,527.99
Eastern Shore Properties	8:13-bk-3070-KRM	136,441.20
	GRAND TOTALS	$3,398,115.03

EXHIBIT B