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**ATTORNEYS FOR DEBTOR**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

**IN RE:**

**JAMUS CORP.,**

**Debtor.**

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**CASE NO. 16-40505-mxm  
Chapter 11**

**FIRST SMALL BUSINESS DISCLOSURE STATEMENT**  
**DATED MAY 31, 2016**

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**ARTICLE I**  
**INTRODUCTION**

**Identity of the Debtor**

**1.01** Debtor filed a voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. Section 101, et seq. ("**Code**") on February 1, 2016 in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, initiating the above-styled and referenced bankruptcy proceeding. The **Debtor** is operating his business as **Debtor-in-Possession** pursuant to Sections 1107 and 1108 of the **Code**.

**Purpose of This Disclosure; Source of Information**

**1.02** **Debtor** submits this Disclosure pursuant to Section 1125 of the **Code** to all known **Claimants** of **Debtor** for the purpose of disclosing that information which the **Court** has determined is material, important, and necessary for **Creditors** of, and the Members of, **Debtor** in order to arrive at an intelligent, reasonably informed decision in exercising the right to vote for acceptance or rejection of the **Debtor's Plan**. A copy of the Plan is attached hereto as **Exhibit "A"** and incorporated herein by this reference. The Plan sets forth in detail the repayment arrangement between the Debtor and its creditors. This Disclosure describes the operations of the **Debtor** contemplated under the **Plan**. Any accounting information contained herein has been provided by the **Debtor** and has been prepared using the cash method of accounting.

**Explanation of Chapter 11**

**1.03** Chapter 11 is the principal reorganization chapter of the **Code**. Pursuant to Chapter 11, a debtor is authorized to reorganize its business for its own benefit and that of its creditors and equity interest holders. Formulation of a plan of reorganization is the principal purpose of a Chapter 11 reorganization case. A plan of reorganization sets forth the means for satisfying claims against and interests in the debtor. After a plan of reorganization has been filed, it must be accepted by holders of claims against, or interests in, the debtor. Section 1125 of the **Code** requires full disclosure before solicitation of acceptances of a plan of reorganization. This Disclosure is presented to **Claimants** to satisfy the requirements of Section 1125 of the **Code**.

**Explanation of the Process of Confirmation**

**1.04** Even if all **Classes of Claims** accept the plan, its confirmation may be refused by the **Court**. Section 1129 of the **Code** sets forth the requirements for confirmation and, among other things, requires that a plan of reorganization be in the best interests of **Claimants**. It generally requires that the value to be distributed to **Claimants** and **Equity Interest Holders** may not be less than such parties would receive if the debtor were liquidated under Chapter 7 of the **Code**.

**1.05** Acceptance of the plan by the **Creditors** and **Equity Interest Holders** is important. In order for the plan to be accepted by each class of claims, the creditors that hold at least two thirds (2/3) in amount and more than one-half (1/2) in number of the allowed claims actually voting on the plan in such class must vote for the plan and the equity interest holders

that hold at least two-thirds (2/3) in amount of the allowed interests actually voting on the plan in such class must vote for the plan. Chapter 11 of the **Code** does not require that each holder of a claim against, or interest in, the debtor vote in favor of the plan in order for it to be confirmed by the **Court**. The plan, however, must be accepted by: (i) at least the holder of one (1) class of claims by a majority in number and two-thirds (2/3) in amount of those claims of such class actually voting; or (ii) at least the holders of one (1) class of allowed interests by two-thirds (2/3) in amount of the allowed interests of such class actually voting.

**1.06** The **Court** may confirm the plan even though less than all of the classes of claims and interests accept it. The requirements for confirmation of a plan over the objection of one or more classes of claims or interests are set forth in Section 1129(b) of the **Code**.

**1.07 Confirmation** of the plan will discharge the Debtor from all of its pre-confirmation debts and liabilities. **Confirmation** makes the plan binding upon the Debtor and all claimants, equity interest holders and other parties-in-interest, regardless of whether or not they have accepted the plan.

### **Voting Procedures**

**1.08 Unimpaired Class. Claimants** in the unclassified classes are not impaired under the **Plan**. Such Classes, therefore, are deemed to have accepted the **Plan**.

**1.09 Impaired Classes.** The Class 1, 2, 3, 4 and 5 **Claimants/Equity interest Holders** are impaired as defined by Section 1124 of the **Code**. The **Debtor** is seeking the acceptance of the **Plan** by **Claimants/Equity Interest Holders** in **Classes 1, 2, 3, 4 and 5**. Each holder of an **Allowed Claim** in **Classes 1, 2, 3, 4 and 5** may vote on the **Plan** by completing, dating and signing the ballot sent to each holder and filing the ballot as set forth below. One ballot will be sent to each **Claimant** eligible to vote on the **Plan**. For all **Classes**, the ballot must be returned to **Debtor's** attorney, Joyce Lindauer, Joyce W. Lindauer Attorney, PLLC, 12720 Hillcrest Suite 625, Dallas, TX 75230. In order to be counted, ballots must be **RECEIVED** no later than at the time and on the date stated on the ballot.

**1.10 Acceptances.** Ballots that are signed and returned but fail to indicate either an acceptance or rejection will not be counted.

### **Best Interests of Creditors Test**

**1.11** Section 1129(a)(7) of the **Code** requires that each impaired class of claims or interests accept the **Plan** or receive or retain under the **Plan** on account of such claim or interest, property of a value as of the **Effective Date** of the **Plan**, that is not less than the amount that such holder would so receive or retain if the **Debtor** were liquidated under Chapter 7 of the Bankruptcy **Code**. If Section 1111(b)(2) of the **Code** applies to the claims of such class, each holder of a claim of such class will receive or retain under the **Plan**, on account of such claim, property of a value, as of the **Effective Date** of the **Plan**, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims. In order for the **Plan** to be confirmed, the **Court** must determine that the **Plan** is in the best interests of the

**Debtor's** creditors. Accordingly, the proposed plan must provide the **Debtor's** creditors with more than they would receive in a Chapter 7 liquidation. Accordingly, since the **Plan** proposes to pay all secured creditors in full on their allowed claims and the unsecured creditors a 100% dividend, Debtor believes that the creditors are receiving more than they would receive in a Chapter 7 liquidation. Accordingly, the Debtor believes that the **Plan** satisfies the requirements of Section 1129(a)(7).

### **Cramdown**

**1.12** The **Court** may confirm the **Plan** even though less than all of the classes of claims and interests accept it. The requirements for confirmation of a plan over the objection of one or more classes of claims or interests are set forth in Section 1129(b) of the **Code**. Accordingly, **Debtor**, as the plan proponent, requests the **Court** to determine that the **Plan** does not discriminate unfairly, and is fair and equitable with respect to any objecting creditor. A discussion of the specific requirements for Cramdown of a Plan are set forth starting below.

### **Definition of Impairment**

**1.13** As set forth in section 1124 of the Bankruptcy Code, a class of claims or equity interests is impaired under a plan of reorganization unless, with respect to each claim or equity interest of such class, the plan:

leaves unaltered the legal, equitable, and contractual rights of the holder of such claim or equity interest; or

notwithstanding any contractual provision or applicable law that entitles the holder of a claim or equity interest to demand or receive accelerated payment of such claim or equity interest after the occurrence of a default:

cures any such default that occurred before or after the commencement of the case under the Bankruptcy Code, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code; reinstates the maturity of such claim or interest as it existed before such default; compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance on such contractual provision or such applicable law; and does not otherwise alter the legal, equitable or contractual rights to which such claim or interest entitles the holder of such claim or interest.

### **Classification and Treatment of Claims and Interests**

**1.14** The Plan classifies Claims separately in accordance with the Bankruptcy Code and provides different treatment for different classes of Claims.

**1.15** Only holders of Allowed Claims are entitled to receive distributions under the Plan. Allowed Claims are Claims that are not in dispute, are not contingent, are liquidated in amount, and are not subject to objection or estimation. Initial distributions or other transfers of Cash or other consideration specified in the Plan otherwise available to the holders of Allowed

Claims will be made on the Effective Date, or (b) the date on which such Claim becomes an Allowed Claim), as otherwise provided in the Plan, or as may be ordered by the Bankruptcy Court.

**1.16** In accordance with the Plan, unless otherwise provided in the Plan or the Confirmation Order, the treatment of any Claim under the Plan will be in full satisfaction, settlement, release, and discharge of and in exchange for each and every Claim.

**Requirements for Confirmation of the Plan**

**1.17** At the confirmation hearing, the Bankruptcy Court must determine whether the Bankruptcy Code's requirements for confirmation of the Plan have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. As set forth in section 1129 of the Bankruptcy Code, these requirements are as follows:

The plan complies with the applicable provisions of the Bankruptcy Code.

The proponents of the plan comply with the applicable provisions of the Bankruptcy Code.

The plan has been proposed in good faith and not by any means forbidden by law.

Any payment made or promised by the Debtor, by the plan proponents, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in, or in connection with, the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of the Bankruptcy Court as reasonable.

The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the Debtor, an affiliate of the Debtor participating in a joint plan with the Debtor, or a successor to the Debtor under the plan; and the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

The proponent of the plan has disclosed the identity of any insider that will be employed or retained by the reorganized Debtor, and the nature of any compensation for such insider.

Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the Debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

With respect to each impaired class of claims or interests:

(i) each holder of a claim or interest of such class has (A) accepted the plan or (B)

will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the Debtor were liquidated on such date under chapter 7 of the Bankruptcy Code on such date; or (ii) if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, the holder of a claim of such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

With respect to each class of claims or interests:

- (i) such class has accepted the plan; or
- (ii) such class is not impaired under the plan.

Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that:

- (i) with respect to a claim of a kind specified in section 507(a)(1) or 507(a)(2) of the Bankruptcy Code, on the effective date of the plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim;
- (ii) with respect to a class of claims of a kind specified in section 507(a)(3), 507(a)(4), 507(a)(5) or 507(a)(6) of the Bankruptcy Code, each holder of a claim of such class will receive: (i) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (ii) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and
- (iii) with respect to a claim of a kind specified in section 507(a)(7) of the Bankruptcy Code, the holder of a claim will receive on account of such claim deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim.

If a class of claims is impaired under the plan, at least one class of claims that is impaired has accepted the plan, determined without including any acceptance of the plan by any insider holding a claim of such class.

Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

All fees payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the hearing on confirmation of the plan, have been paid or the plan provides for the

payments of all such fees on the effective date of the plan.

The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114, at any time prior to confirmation of the plan, for the duration of the period the Debtor has obligated itself to provide such benefits.

The Debtor believes that the Plan satisfies all the statutory requirements of chapter 11 of the Bankruptcy Code, that the Debtor has complied with or will have complied with all the requirements of chapter 11, and that the Plan is proposed in good faith.

At the Confirmation Hearing, the Bankruptcy Court will determine whether holders of Allowed Claims or Allowed Equity Interests would receive greater distributions under the Plan than they would receive in a liquidation under chapter 7.

The Debtor believes that the feasibility requirement for confirmation of the Plan is satisfied by the fact that the future operating revenues will be sufficient to satisfy the obligations under the Plan in addition to supporting sustainable growth of the enterprise. These facts and others demonstrating the confirmability of the Plan will be shown at the Confirmation Hearing.

### **Cramdown**

**1.18** The bankruptcy court may confirm a plan of reorganization even though fewer than all the classes of impaired claims and interests accept it. For a plan of reorganization to be confirmed despite its rejection by a class of impaired claims or interests, the proponents of the plan must show, among other things, that the plan does not “discriminate unfairly” and that the plan is “fair and equitable” with respect to each impaired class of claims or interests that has not accepted the plan.

**1.19** “Fair and equitable” has different meanings with respect to the treatment of secured and unsecured claims. As set forth in section 1129(b)(2) of the Bankruptcy Code, those meanings are as follows:

With respect to a class of **secured claims**, the plan provides:

(a)(i) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the Debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(ii) that each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder’s interest in the estate’s interest in such property;



(b) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (a) and (b) of this subparagraph; or

(c) the realization by such holders of the “indubitable equivalent” of such claims.

With respect to a class of **unsecured claims**, the plan provides

(a) that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property, except that in a case in which the debtor is an individual, the debtor may retain property included in the estate under section 1115 subject to the requirements that a) the value, as of effective date of the plan, of the property to be distributed under the plan on account of such claim is not less than the amount of such claim; or (b) the value of property to be distributed under the plan is not less than the projected disposable income of the debtor (as defined in section 1325(b)(2)) to be received during the 5-year period beginning on the date that the first payment is due under the plan, or during the period for which the plan provides payments, whichever is longer.

With respect to a class of **interests**, the plan provides:

(a) that each holder of an interest of such class receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled or the value of such interest; or

(b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property.

**1.20** In the event that one or more classes of impaired Claims reject the Plan, the Bankruptcy Court will determine at the Confirmation Hearing whether the Plan is fair and equitable with respect to, and does not discriminate unfairly against, any rejecting impaired class of Claims. **SO LONG AS THE CLASSES OF UNSECURED CREDITORS VOTE FOR THE PLAN THEN THE PLAN WILL NOT VIOLATE THE ABSOLUTE PRIORITY RULE.** The absolute priority rule requires that prior to the Debtor retaining or receiving any non-exempt property the senior classes of claims must be paid in full or vote to accept the Plan.

The Debtor believes the Plan does not discriminate unfairly against, and is fair and equitable with respect to, each impaired class of Claims.

## **ARTICLE II** **REPRESENTATIONS**

**2.01** This Disclosure is provided pursuant to Section 1125 of the **Code** to all of the **Debtor's** known **Creditors** and other parties in interest in connection with the solicitation of acceptance of its **Plan** of reorganization, as amended or modified. The purpose of this Disclosure is to provide such information as will enable a hypothetical, reasonable investor, typical of the holders of **Claims**, to make an informed judgment in exercising its rights either to accept or reject the **Plan**.

**2.02** The information contained in this Disclosure has been derived from information submitted by the **Debtor**, unless specifically stated to be from other sources.

**2.03** No representations concerning the **Debtor** are authorized by the **Debtor** other than those set forth in this Disclosure. The **Debtor** recommends that any representation or inducement made to secure your acceptance or rejection of the **Plan** which is not contained in this Disclosure should not be relied upon by you in reaching your decision on how to vote on the **Plan**. Any representation or inducement made to you not contained herein should be reported to the attorneys for **Debtor** who shall deliver such information to the **Court** for such action as may be appropriate.

**2.04** ANY BENEFITS OFFERED TO THE CREDITORS ACCORDING TO THE PLAN WHICH MAY CONSTITUTE "SECURITIES" HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC"), THE TEXAS SECURITIES BOARD, OR ANY OTHER RELEVANT GOVERNMENTAL AUTHORITY IN ANY STATE OF THE UNITED STATES. IN ADDITION, NEITHER THE SEC, NOR ANY OTHER GOVERNMENTAL AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE OR UPON THE MERITS OF THE PLAN. ANY REPRESENTATIONS TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

**2.05** THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE IMPOSSIBILITY OF MAKING ASSUMPTIONS, ESTIMATES AND PROJECTIONS INTO THE FUTURE WITH ACCURACY, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS COMPLETELY ACCURATE, ALTHOUGH EVERY REASONABLE EFFORT HAS BEEN MADE TO ENSURE THAT SUCH INFORMATION IS ACCURATE. THE APPROVAL BY THE COURT OF THIS DISCLOSURE DOES NOT CONSTITUTE AN ENDORSEMENT BY THE COURT OF THE PLAN OR GUARANTEE THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

**2.06** THE DEBTOR BELIEVES THAT THE PLAN WILL PROVIDE CLAIMANTS WITH AN OPPORTUNITY ULTIMATELY TO RECEIVE MORE THAN THEY WOULD RECEIVE IN A LIQUIDATION OF THE DEBTOR'S ASSETS, AND SHOULD BE ACCEPTED. CONSEQUENTLY, THE DEBTOR URGES THAT CLAIMANTS VOTE FOR

THE PLAN.

**2.07** DEBTOR DOES NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS CORRECT, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE. THE STATEMENTS CONTAINED IN THIS DISCLOSURE ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN.

### **ARTICLE III** **FINANCIAL PICTURE OF THE DEBTOR**

#### **Financial History and Background of the Debtor**

**3.01** JAMUS Corporation is a debtor in the business of property development. The debtor owns real estate, the main asset in this case, and significant progress has already been made in the development of the land. The land will eventually be fully divided into lots for homes to be built on- one house has already been completed, as well as some of the plumbing and roads what will eventually be developed into a sub-division. Prior to the filing of the case the Debtor ended up in a dispute with the 49% owner of the Debtor, Felipe Fernandes. Mr. Fernandes claims his contribution to acquire his 49% interest was not used to do work on the Debtor's property. This issue is disputed by the Debtor and Mr. James Burkhardt. Mr. Fernandes filed a lawsuit in state court against James Burkhardt and Melrose Construction, Inc. The suit was amended to also include the Debtor. The Debtor removed the suit to the Bankruptcy Court in an effort to expedite the disposition of the case. The Debtor contends that Mr. Fernandes has no claims against the Debtor other than as an equity holder. The Debtor has received no contributions from Mr. Fernandes as an equity interest holder and Mr. Burkhardt and Melrose have been covering the expenses and debt service to the creditors of the Debtor.

On February 1, 2016, the Debtor filed its petition seeking to reorganize under Chapter 11 of the Bankruptcy Code, thereby commencing this Bankruptcy Case.

#### **Current Operations**

**3.03** The Debtor has been in bankruptcy for the previous 4 months.

#### **Future Income and Expenses Under the Plan**

**3.04** The Debtor's projections of plan payments is set forth on **Exhibit "B"** attached hereto. Dollars to fund the **Plan** will come from Melrose Construction, Inc. which will contribute the funds necessary for the continued operation of the Debtor's business.

Future management of the Debtor shall be by Melrose Construction, Inc.

### Source of Information for Disclosure Statement

**3.05** The source of information for this Disclosure Statement is the Debtor's President and Director, James Burkhardt. Due to his experience handling the operations and financial obligations of the Debtor, Mr. James Burkhardt has sufficient knowledge to make the representations included herein.

## ARTICLE IV ANALYSIS AND VALUATION OF PROPERTY

### Real Property

**4.01** The **Debtor** owns the real property described as follows:

Property	Value	Exemptions
13.5 Acres, Tuscan Village Addition, City of Glen Rose	\$720,000.00	None.

### Personal Property

**4.02** **Debtor** owns the personal property described as follows:

Property	Value	Exemptions
DIP Bank Account	\$4,920.00	None
Potential cause of action for fill dirt taken from JAMUS property for Felipe Fernandes lot.	\$8,600.00	None
Accounts Receivable	\$5,960.00	None
Total	\$19,480.00	None

The Debtor has prepared this Analysis based on its opinion of the value of its assets. There is no current appraisal on the assets other than the tax appraised value for tax purposes.

### Liquidation Analysis

Taking into account the priority and nonpriority unsecured claims in this case, based on the above analysis a Chapter 7 liquidation would pay the 100% of the unsecured claims. Debtor's plan pays the priority creditors 100% and the unsecured creditors 100% and as much as they

would receive in a Chapter 7 liquidation. The Debtor's values for the personal property are derived from its own opinion of value.

#### Liquidation Analysis

Real Property	\$576,000.00(20% reduction discounted sale)
Personal Property	\$19,480.00
Costs of Sale	(\$46,080.00) (8%)
Net	\$549,400.00
TOTAL	\$549,400.00
Secured Debt	\$139,189.49
Priority Debt	\$0
Unsecured Debt	\$103,295.00
Administrative Expenses	\$25,000.00
TOTAL	\$267,484.49
Net	\$281,915.51 <sup>1</sup>

The projected amount of unsecured debt is \$103,295.00 and the Plan proposes 100% payment of unsecured claims. The projected amount available to unsecured creditors in a Ch. 7 liquidation could be 100%. However, the Debtor contends that the costs of administration will be much higher in a Chapter 7. The Debtor has prepared this Liquidation Analysis based on its opinion of the value of its assets. The major source of funding for the Plan will come from the Debtor's cash on hand and funds contributed by Melrose Construction, Inc. To the extent that the Debtor's business generates income, such income will also be used to fund the Plan.

#### **ARTICLE V** **SUMMARY OF THE PLAN**

The Debtor designates the following Classes of Claims and Interests pursuant to Bankruptcy Code Section 1123. The Debtor shall pay all fees assessed by the Office of the United States Trustee until this Case is closed by the Court or the Debtor is otherwise released from such obligations by the Court.

All Claims and Interests, except Administrative Claims, Professional Fee Administrative Claims, and Priority Unsecured Tax Claims are placed in the Classes set forth below, in accordance with section 1123(a)(1) of the Bankruptcy Code.

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<sup>1</sup> Melrose Construction, Inc. plan contributions equal or exceed \$281,915.51 over Plan life.

**Administrative Claims.** Each holder of an Administrative Claim other than Professional Fee Administrative Claims shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Administrative Claim, (i) Cash equal to the unpaid portion of such Allowed Administrative Claim or (ii) such other treatment as to which the Debtor and such holder shall have agreed upon in writing; *provided, however*, that Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Bankruptcy Case shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto. On or before the Effective Date, the Debtor shall pay or have paid in full all Allowed Administrative Claims for fees payable pursuant to 28 U.S.C. §1930. All fees payable pursuant to 28 U.S.C. §1930 after the Effective Date shall be paid by the Reorganized Debtor when they are due until the Bankruptcy Case is closed pursuant to a final decree, order of dismissal, or order of conversion. Until entry of such an order, the Reorganized Debtor shall file with the Bankruptcy Court and serve upon the United States Trustee a quarterly financial report. Any administrative ad valorem tax claims shall be paid pursuant to otherwise applicable state law.

**Professional Fee Administrative Claims.** All persons that are awarded compensation or reimbursement of expenses by the Bankruptcy Court in accordance with sections 330 or 331 of the Bankruptcy Code or entitled to the priorities established pursuant to sections 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code, shall be paid in full, in Cash, the amounts allowed by the Bankruptcy Court on or as soon as reasonably practicable following the later of the Effective Date or the date on which the order allowing such Claim becomes a Final Order, or upon such other terms as may be mutually agreed upon between such holder of an Allowed Professional Fee Claim and the Reorganized Debtor. The Receiver fee claim shall be treated as a Professional Fee Administrative Claim.

**Priority Unsecured Tax Claims.** Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the holder of a Priority Unsecured Tax Claim and the Debtor or the Reorganized Debtor, each holder of an Allowed Priority Unsecured Tax Claim will receive, in full satisfaction of its Priority Unsecured Tax Claim, deferred cash payments over a period not exceeding six (6) years from the date of assessment of such Priority Unsecured Tax Claim. Payments will be made in equal annual installments of principal, plus interest payable at the rate provided under otherwise applicable state law from the Effective Date on the unpaid portion of each Allowed Priority Unsecured Tax Claim (or upon such other terms determined by the Bankruptcy Court to provide the holder of a Priority Unsecured Tax Claim with deferred cash payments having a value, as of the Effective Date, equal to the Allowed amount of such Priority Unsecured Tax Claim). Unless otherwise agreed by the holder of a Priority Unsecured Tax Claim and the Debtor, the first payment on account of such Priority Unsecured Tax Claim will be payable on the Effective Date or (i) after the date on which an order allowing such Priority Unsecured Tax Claim becomes a Final Order or (ii) an agreement relating to the amount and nature of the Priority Unsecured Tax Claim is executed by the Reorganized Debtor and the holder of the Priority Unsecured Tax Claim; *provided, however*, that the Reorganized Debtor shall have the right to pay any Allowed Priority Unsecured Tax Claim, or any remaining balance of such Allowed Priority Unsecured Tax Claim, in full at any time on or after the Effective Date without premium or penalty.

**Class 1 / Ad Valorem Secured Tax Claims.** Class 1 shall consist of the Allowed Secured Claims of Ad Valorem Taxing Authorities on the Debtor's real and personal property which accrued on or prior to January 1, 2016 (the "**Class 1 Claims**") in the estimated amount of \$2,466.23.

- a. Impairment and Voting. Class 1 Claims are impaired by the Plan. The holders of Class 1 Claims are entitled to vote to accept or reject the Plan.
- b. Treatment. The holders of Allowed Class 1 Claims shall be paid over 60 months from the Confirmation Date. These creditors shall retain their liens to secure their claims until paid in full under this Plan. The Class 1 Claims shall be paid interest from the Petition Date at the rate of 1% per month from the Petition Date through the Effective Date of the Plan and 12% per annum following the Effective Date until paid in full. In the event that the Debtor disputes such claim, the payments will be applied to the undisputed amount of the claim as ultimately allowed. While resolution of any such objection is pending, payments pursuant to the Plan shall be applied to the undisputed portion of the claim as ultimately allowed. Such default must be cured by the Debtor within 10 business days of the date of transmission of such notice of default. In the event the default is not cured, the Class 1 Claimants shall be entitled to pursue all amounts owed pursuant to state law outside of the Bankruptcy Court. The Class 1 Claimants shall only be required to provide two notices of default. Upon a third event of default, (i) the Class 1 Claimants shall be entitled to collect all amounts owed pursuant to state law outside of the Bankruptcy Court without further notice. Failure to cure the first or second default within 10 business days or a third notice of default shall constitute an event of default.

**Class 2 / Allowed Claim of the Internal Revenue Service.** Class 2 shall consist of the Allowed Priority Claim of Internal Revenue Service (the "**Class 2 Claim**") in the estimated amount of \$0. The Allowed Class 2 Claim will be paid once Allowed over five (5) years from the Confirmation Date with interest on such amounts at the rate of 2.5% per annum until paid in full. The claims will be paid in equal monthly installments of principal and interest beginning on the 15th day of the first month after the Confirmation Date and continuing for each month thereafter.

The Class 2 Claim is Impaired and the holder of the Class 2 Claim is entitled to vote to accept or reject the Plan.

**Class 3 / Allowed General Unsecured Claims.** The Class 3 Allowed Claims of General Unsecured Claims (the "**Class 3 Claims**") are estimated at \$103,295.00. The Debtor has not filed claims and objections and does intend to object to certain unsecured claims including the claim of Filipe Fernandes.

- a. Impairment and Voting. Class 3 Claims are impaired by the Plan. The holders of Class 3 Claims are entitled to vote to accept or reject the Plan.

- b. Treatment. Debtor will pay the Allowed Class 3 Claims in full over 60 months following the Effective Date. Payments to Allowed Class 3 Claims shall be due and payable quarterly in equal quarterly payments on the fifteenth (15<sup>th</sup>) day of the next calendar quarter following the Effective Date and shall continue on the fifteenth (15<sup>th</sup>) day of each calendar quarter thereafter until the claim is paid in full as called for by this Plan.

**Class 4 / Allowed Secured Claim of First National Bank of Granbury.** Class 4 shall consist of Allowed Secured Claim of First National Bank and is estimated to be approximately \$139,189.49.

Impairment and Voting. Class 4 is impaired by the Plan. The holders of Class 4 Claims are entitled to vote to accept or reject the Plan.

- a. Treatment. The holders of Allowed Class 4 Claims shall be paid over 60 months from the Confirmation Date through a quarterly payment per calendar quarter. The creditor shall retain its liens to secure its claim until paid in full under this Plan. The Class 4 Claims shall be paid its principal amount amortized over 5 years with interest thereon from the Petition Date at the rate of 5% per annum from the Confirmation Date until paid in full.
- b. The Class 4 Claimant shall retain its liens to secure its Allowed Claim. All other terms of the existing loan documents shall remain in place save and except to the extent inconsistent with the terms of this Plan.

**Class 5 / Allowed Equity Interests.** Class 5 shall consist of all Allowed Interests in the Debtor.

- a. Impairment and Voting. Class 5 Allowed Equity Interests are impaired by the Plan. The equity interests are being cancelled under the Plan. The new equity in the Debtor shall be issued to Melrose Construction, Inc. in exchange for the amounts that are owed to Melrose for loans made to the Debtor pre-petition, administrative claims incurred in favor of Melrose for payment of administrative expenses of the Chapter 11 case and payments to the Bank plus ongoing expenses of the maintenance and operation of the property owned by the Debtor. The holders of Class 5 Interests are entitled to vote to accept or reject the Plan.

## **ARTICLE VI**

### **MEANS FOR IMPLEMENTATION OF PLAN**

**6.01 Implementation of Plan.** This Plan will be implemented, pursuant to § 1123(a)(5) of the Code, by the commencement of payments as called for above. The Debtor will receive “new money” from Melrose Construction in order to make the payments called for by the Plan.



## **6.02 Voting and Impairment of Classes**

**Voting Classes.** Classes of Claims 1, 2, 3, 4, and 5 are impaired by the Plan and shall be entitled to vote to accept or reject the Plan.

**Confirmability of the Plan.** The confirmation requirements of section 1129 of the Bankruptcy Code must be satisfied with respect to the Debtor and the Plan. If the Bankruptcy Court determines that any provision of the Plan is prohibited by the Bankruptcy Code, or renders the Plan not confirmable under section 1129 of the Bankruptcy Code, the Debtor reserves the right to sever such provision from the Plan and to request that the Plan be confirmed as so modified.

## **ARTICLE VII**

### **TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**7.01 Rejection of Executory Contracts and Unexpired Leases.** Debtor shall assume, pursuant to Bankruptcy Code Section 1123(b)(2), its unexpired leases of real property and executory contracts by separate motion and order prior to the Confirmation Date or as part of Confirmation of a Plan in this case.

**7.02 Reservation of Rights.** The Debtor shall have the right to assume or reject, pursuant to Bankruptcy Code Section 365, prior to the Confirmation Date, any executory contract or unexpired lease of real property (to the extent permitted under the Bankruptcy Code) and to the terms of this Plan.

**7.03 Bar Date for Claims Based on Rejection.** If the rejection of an executory contract or an unexpired lease by the Debtor results in damages to the other party or parties to such contract or lease, a Claim for such damages shall be forever barred and shall not be enforceable against the Debtor or its properties or agents, successors, or assigns, unless a proof of Claim is filed with the Bankruptcy Court and served upon the Debtor, by the earlier of (a) the end of the month following the period in which the Effective Date occurs or (b) such other deadline as the Court may set for asserting a Claim for such damages. Any Rejection Claim arising from the rejection of an unexpired lease or executory contract shall be treated as a General Unsecured Claim; *provided, however*, that any Rejection Claim based upon the rejection of an unexpired lease of real property either prior to the Confirmation Date or upon the entry of the Confirmation Order shall be limited in accordance with section 502(b)(6) of the Bankruptcy Code and state law mitigation requirements. Nothing contained herein shall be deemed an admission by the Debtor that such rejection gives rise to or results in a Claim or shall be deemed a waiver by the Debtor of any objections to such Claim if asserted.

## **ARTICLE VIII**

### **FEASIBILITY OF PLAN**

**8.01 Debtor** asserts that its **Plan** is feasible based on *Exhibits "A" and "B"*. The funds necessary to fund the Plan will come from the Melrose Construction. All causes of action shall remain fully vested in the Debtor. The failure to identify a claim or cause of action is not specifically a waiver of such claim or cause of action. To the extent of any recovery on claims

and causes of action that belong to the Debtor as disclosed herein, if any, such funds will be contributed (less costs and expenses associated with any litigation) to pay the creditors with allowed claims.

### **Procedure for Filing Proofs of Claims and Proofs of Interests**

**8.02** All proofs of claims and proofs of interests must be filed by those **Claimants** and **Equity Interest Holders** who have not filed such instruments on or before the **Bar Date** fixed by the **Court**.

**8.03** If **Claimants** have already filed a proof of claim with the **Court** or are listed in the **Debtor's** Schedules as holding non-contingent, liquidated and undisputed claims, a proof of claim need not be filed. The schedules and amendments thereto are on file with the **Court** and are open for inspection during regular **Court** hours. If the equity security interest of an **Equity Interest Holder** is properly reflected in the book and records of the **Debtor**, a proof of interest need not be filed.

## **ARTICLE IX**

### **ALTERNATIVES TO DEBTOR'S PLAN**

**9.01** If the **Debtor's Plan** is not confirmed, the **Debtor's** bankruptcy case may be converted to a case under Chapter 7 of the Code, in which case a trustee would be appointed to liquidate the assets of the Debtor for distribution to its Creditors in accordance with the priorities of the Code. It is also the case that the Debtor's case may be dismissed if the **Debtor's Plan** is not confirmed.

## **ARTICLE X**

### **RISKS TO CREDITORS UNDER THE DEBTOR'S PLAN**

**10.01** **Claimants** should be aware that there are a number of substantial risks involved in consummation of the **Plan**. The **Plan** contemplates that the **Debtor** and Melrose Construction, Inc. will generate income sufficient to pay its obligations. The **Debtor** does not "guarantee" that the expenses will equal those in the projections or that it will achieve the projected income; however, the **Debtor** believes that the projections are reasonable. Debtor anticipates that it will meet its projections and will be able to pay back its creditors as set forth herein.

## **ARTICLE XI**

### **TAX CONSEQUENCES TO THE DEBTOR**

**11.01** TO ENSURE COMPLIANCE WITH U.S. TREASURY DEPARTMENT CIRCULAR 230, HOLDERS OF CLAIMS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF UNITED STATES FEDERAL TAX ISSUES IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED OR RELIED UPON, AND CANNOT BE USED OR RELIED UPON, BY HOLDERS OF CLAIMS OR INTERESTS OR ANY OTHER PERSONS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE

IMPOSED ON HOLDERS OF CLAIMS OR ANY OTHER PERSONS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF U.S. TREASURY DEPARTMENT CIRCULAR 230) OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS OF CLAIMS AND INTERESTS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

#### A. Introduction

The following discussion summarizes certain material U.S. federal income tax consequences of the Plan to the Debtor and holders of Claims and Interests. The summary is provided for general informational purposes only and is based on the United States Internal Revenue Code of 1986, as amended (the "Tax Code"), the treasury regulations promulgated thereunder, judicial authority and current administrative rulings and practice, all as in effect as of the date hereof (except as otherwise noted below with regard to the American Recovery and Reinvestment Act of 2009), and all of which are subject to change, possibly with retroactive effect. Changes in any of these authorities or in their interpretation could cause the United States federal income tax consequences of the Plan to differ materially from the consequences described below. The United States federal income tax consequences of the Plan are complex and in important respects uncertain. No ruling has been requested from the Internal Revenue Service (the "Service"); no opinion has been requested from Debtor's counsel concerning any tax consequence of the Plan; and no tax opinion is given by this Disclosure Statement.

The following discussion does not address all aspects of federal income taxation that may be relevant to a particular holder of a Claim or Interest in light of its particular facts and circumstances or to particular types of holders of Claims subject to special treatment under the Tax Code. For example, the discussion does not address issues of concern to broker-dealers or other dealers in securities, or foreign (non-U.S.) persons, nor does it address any aspects of state, local, or foreign (non-U.S.) taxation, or the taxation of holders of Interests in a Debtor. In addition, a substantial amount of time may elapse between the Confirmation Date and the receipt of a final distribution under the Plan. Events subsequent to the date of this Disclosure Statement, such as the enactment of additional tax legislation, court decisions or administrative changes, could affect the federal income tax consequences of the Plan and the transactions contemplated hereunder.

**On February 13, 2009, the House of Representatives and the Senate passed H.R.1, the American Recovery and Reinvestment Act of 2009 (the Recovery Act), a stimulus bill that includes tax breaks for businesses and individuals. The President signed the Recovery Act on February 17, 2009. The following discussion does not address any aspects of the Recovery Act, some of which may be relevant to a particular holder of a Claim or an Interest.**

**THE DISCUSSION THAT FOLLOWS IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND PROFESSIONAL TAX ADVICE BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR INTEREST. EACH**

**HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT WITH ITS TAX ADVISORS REGARDING THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.**

**B. Certain Definitions**

Except as expressly otherwise provided or unless the context otherwise requires, all capitalized terms not otherwise defined herein or in the Plan shall have the respective meanings assigned to them in this Article.

“*COD*” shall mean cancellation of indebtedness income.

“*NOL*” shall mean net operating loss.

**C. Certain Material Federal Income Tax Consequences to the Debtor**

Cancellation of a Debtor's debt is generally taxable income to the Debtor. COD is the amount by which the indebtedness of a Debtor discharged exceeds any consideration given in exchange therefore. Cancellation of a debt may not necessarily be COD, however. To the extent that a Debtor is insolvent, or if a Debtor is in bankruptcy, as is the case here, the Tax Code permits the Debtor to exclude the COD from its gross income. The statutory exclusion for COD in a title 11 case generally excludes COD from gross income if the discharge is granted by a court to a Debtor under its jurisdiction in a title 11 case, as is sought herein.

The price for the bankruptcy COD exclusion (as well as the insolvency exclusion) is reduction of the Debtor's tax attributes to the extent of the COD income, generally in the following order: NOLs for the year of the discharge and NOL carryovers from prior years; general business tax credit carryovers; minimum tax credit available as of the beginning of the year following the year of discharge; net capital loss for the year of discharge and capital loss carryovers from prior years; basis of the Debtor's assets; passive activity loss and credit carryovers from the year of discharge; and foreign tax credit carryovers to or from the year of discharge. The reduction of attributes does not occur until after the end of the Debtor's tax year in which the COD occurred, so they are available to the Debtor in determining the amount of its income, loss and tax liability for the year of discharge.

As a result of the implementation of the Plan, the Debtor may have COD and potential attribute reduction. Because any reduction in tax attributes does not effectively occur until the first day of the taxable year following the taxable year in which the COD is incurred, any resulting COD, on its own, should not impair the ability of the Debtor to use their tax attributes (to the extent otherwise available) to reduce their tax liability, if any, otherwise resulting from the implementation of the Plan.

Under section 382 of the Tax Code, if a corporation undergoes an “ownership shift,” the amount of its Pre-Change Losses that may be utilized to offset future taxable income generally is subject to an annual limitation. Although the Plan allows for an ownership change it is doubtful that one will occur and as such any owner of the Debtor should consult his own tax adviser concerning the effect of the Plan.

The United States federal income tax consequences of payment of Allowed Claims pursuant to the Plan will depend on, among other things, the consideration received, or deemed to have been received, by the holder of the Allowed Claim, whether such holder reports income on the accrual or cash method, whether such holder receives distributions under the Plan in more than one taxable year, whether such holder's Claim is allowed or disputed at the Effective Date, whether such holder has taken a bad debt deduction or worthless security deduction with respect to its Claim.

In general, a holder of a Claim should recognize gain or loss equal to the amount realized under the Plan in respect of its Claim less the amount of such holder's basis in its Claim. Any gain or loss recognized in the exchange may be long-term or short-term capital gain or loss or ordinary income or loss, depending upon the nature of the Claim and the holder, the length of time the holder held the Claim and whether the Claim was acquired at a market discount. If the holder realizes a capital loss, its deduction of the loss may be subject to limitations under the Tax Code. The holder's aggregate tax basis for any property received under the Plan generally will equal the amount realized. The amount realized by a holder generally will equal the sum of the cash and the fair market value of any other property received (or deemed received) by the holder under the Plan on the Effective Date and/or any subsequent distribution date, less the amount (if any) allocable to Claims for interest. All holders of Allowed Claims are urged to consult their tax advisors. A holder of a Claim constituting an installment obligation for tax purposes may be required to recognize currently any gain remaining with respect to the obligation if, pursuant to the Plan, the obligation is considered to be satisfied at other than its face value, distributed, transmitted, sold or otherwise disposed of within the meaning of Section 453B of the Tax Code.

If the creditors give up all or a portion of their debt in return for stock the Company would change the debt to equity on its books and the Creditor would own their stock with a cost basis equal to the amount of debt given up to purchase it.

#### D. Importance of Obtaining Professional Tax Assistance

The foregoing discussion is intended only as a summary of certain U.S. federal income tax consequences of the Plan, and is not a substitute for careful tax planning with a tax professional. The above discussion is for general information purposes only and is not tax advice. The tax consequences are in many cases uncertain and may vary depending on a holder's individual circumstances.

**HOLDERS OF CLAIMS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.**

**ARTICLE XII**  
**PENDING LITIGATION**

**12.01** As of the date of the filing of this Disclosure the significant matters pending are as follows: None. There is the State Court Lawsuit which has been removed to the U.S. District Court for the Northern District of Texas which has been removed to the Bankruptcy Court for the Northern District of Texas, Fort Worth Division.

**ARTICLE XIII**  
**SUMMARY OF SIGNIFICANT ORDERS ENTERED DURING THE CASE**

**13.01** As of the date of the filing of this Disclosure the following significant orders have been entered in this case: Employment of Professionals and those relating to administration of the case.

Respectfully Submitted,

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**ATTORNEYS FOR DEBTOR**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

**IN RE:**

**JAMUS CORP.,**

**Debtor.**

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§

**CASE NO. 16-40505-mxm  
Chapter 11**

**FIRST SMALL BUSINESS PLAN OF REORGANIZATION DATED  
MAY 31, 2016**

**Jamus Corporation** (“Jamus” or “Debtor”) proposes the following plan of reorganization (the “Plan”) for the resolution of the Debtor’s outstanding creditor claims and interests. Reference is made to the Disclosure Statement, distributed contemporaneously herewith, for a discussion of the Debtor’s history, business, property, results of operations, projection for future operations, risk factors, a summary and analysis of the Plan, and certain related matters.

**ARTICLE I  
DEFINITIONS, RULES OF INTERPRETATION AND COMPUTATION**

**A. Scope of Definitions**

For the purpose of this Plan, except as expressly provided or unless the context otherwise requires, all capitalized terms used herein unless otherwise defined herein, shall have the meanings ascribed to them in this Article I of the Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules. Whenever the context requires, such terms shall include the plural as well as the singular number, the masculine gender shall include the feminine, and the feminine gender shall include the masculine.

## **B. Definitions**

**1.01. “Ad Valorem Tax”** shall mean the tax assessed by a state or local governmental unit secured by the Debtor’s personal or real property pursuant to state and/or local law.

**1.02. “Ad Valorem Tax Claim”** shall mean a Claim for an Ad Valorem Tax.

**1.03. “Administrative Claim”** shall mean a claim for payment of an administrative expense of a kind specified in section 503(b) or 507(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(1) of the Bankruptcy Code, including, but not limited to, (i) the actual and necessary costs and expenses, incurred after the Petition Date to, and including, the Confirmation Date, of preserving the bankruptcy estate and operating of the Debtor’s business, Professional Fee Administrative Claims, any borrowing by the Debtor pursuant to section 364 of the Bankruptcy Code, regardless of priority, all fees and charges assessed against the estate under Chapter 11 of title 28, United States Code, and all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court.

**1.04. “Allowed Administrative Claim”** shall mean an Administrative Claim as to which a timely request for payment has been made in accordance with Section 2.01 of the Plan (if such written request is required) or other Administrative Claim as to which the Debtor has not interposed a timely objection, or to which the Debtor has interposed a timely objection and such objection has been settled, waived through payment, withdrawn, otherwise satisfied in full, or denied by a Final Order of the Bankruptcy Court or another court of competent jurisdiction.

**1.05. “Allowed Claim”** shall mean a Claim or any portion thereof in the amount and priority classification set forth in any proof of such Claim that has been timely filed, or in the absence of such proof, as set forth in the Debtor’s Schedule of Liabilities, unless listed in the Debtor’s Schedule of Liabilities as disputed, contingent, or unliquidated, in which case such Claim shall be allowed only if a proof of such Claim has been timely filed; (i) as to which no objection to allowance or request for estimation has been interposed on or before the date provided for herein or the expiration of such other applicable period of limitation as may be fixed by the Bankruptcy Code, Bankruptcy Rules or the Bankruptcy Court, (ii) as to which any objection to its allowance has been settled, waived through payment, withdrawn, otherwise satisfied in full, or denied by a Final Order of the Bankruptcy Court or another court of competent jurisdiction, or (iii) that is expressly allowed in a liquidated amount in the Plan. An Allowed Claim shall not include any unmatured interest accruing after the Petition Date unless otherwise stated in the Plan.

**1.06. “Allowed General Unsecured Claim”** shall mean an Allowed Claim (i) which is not entitled to priority under section 507(a) of the Bankruptcy Code, (ii) which is not secured by a validly perfected enforceable lien or interest as defined in sections 101(37), (50) and (51) of the Bankruptcy Code, or (iii) an Allowed Claim arising from the rejection of an unexpired lease or executory contract. An Allowed General Unsecured Claim shall not include any Allowed Interest.



**1.07. “Allowed Interests”** shall mean any interest in the Debtor to the extent that such interest is listed in the Schedule of Liabilities or Statement of Financial Affairs of the Debtor on the Confirmation Date; provided however, that a timely filed Proof of Interest shall supersede any such listing and, in either case, an interest as to which no written objection to the allowance thereof has been interposed within the time period fixed by the Bankruptcy Code or by Final Order of the Court; or, if an objection has been interposed, to the extent allowed, in whole or in part, by Final Order of the Bankruptcy Court.

**1.08. “Avoidance Actions”** shall mean the claims, rights of action, suits, or proceedings that the Debtor or its bankruptcy estate may hold against any Person, whether known or unknown, under Chapter 5 of the Bankruptcy Code.

**1.09. “Bankruptcy Code”** shall mean the Bankruptcy Reform Act of 1978, as codified in title 11 of the United States Code, as now in effect or hereafter amended.

**1.10. “Bankruptcy Court”** shall mean the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, which has jurisdiction over the Bankruptcy Case.

**1.11. “Bankruptcy Rules”** shall mean, collectively, the Federal Rules of Bankruptcy Procedure and Official Bankruptcy Forms, adopted by the Supreme Court of the United States, as now in effect or hereafter amended.

**1.12. “Bar Date”** shall mean June 16, 2016, with respect to claims held by non-governmental units, as set by the Order Combined with Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines, or any other date, if any, designated by the Bankruptcy Court as the last date for filing proofs of Claims or Interests against the Debtor. The Bar Date for governmental units is July 30, 2016.

**1.13. “Bankruptcy Case”** shall mean the case under Chapter 11 of the Bankruptcy Code, commenced by the Debtor, styled In re JAMUS Corp. Case Number **16-40505-mxm**, currently pending before the Bankruptcy Court, including any related adversary or other ancillary proceeding.

**1.14. “Cash”** shall mean legal tender of the United States of America or any equivalents thereof.

**1.15. “Claim”** shall mean a claim against the Debtor, whether or not asserted, as defined in section 101(5) of the Bankruptcy Code.

**1.16. “Claim Objection Bar Date”** shall mean the date on or before which the Debtor shall have filed any and all objections to the allowance of Claims for distribution purposes. The Claim Objection Bar Date is thirty (30) days after the Effective Date of the Plan.

**1.17. “Collateral”** shall mean any property or interest in property of the Debtor’s bankruptcy estate subject to a Lien to secure the payment or performance of a Claim, which Lien

is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law.

**1.18. “Confirmation Date”** shall mean the date of entry of the Confirmation Order by the Clerk of the Bankruptcy Court.

**1.19. “Confirmation Hearing”** shall mean the hearing held before the Bankruptcy Court to consider confirmation of the Plan under section 1129 of the Bankruptcy Code.

**1.20. “Confirmation Order”** shall mean the Final Order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

**1.21. “Creditor”** shall mean any Person who holds a Claim against the Debtor.

**1.22. “Debtor”** shall mean JAMUS Corporation, in its capacity as a debtor-in-possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code.

**1.23. “Disclosure Statement”** shall mean the disclosure statement (including all exhibits and schedules thereto or referenced therein) relating to the Plan, as amended, supplemented, or modified from time to time, and that is prepared and distributed in accordance with sections 1125 and 1126 of the Bankruptcy Code and Bankruptcy Rule 3018.

**1.24. “Disputed Claim”** shall mean any Claim or portion of a Claim not otherwise Allowed or paid pursuant to the Plan or Final Order of the Bankruptcy Court (i) which has been or hereafter is listed on the Schedule of Liabilities as unliquidated, contingent, or disputed, and which has not been resolved by written agreement of the parties or Final Order of the Bankruptcy Court, (ii) proof of which was required to be filed by Final Order of the Bankruptcy Court but as to which a proof of Claim was not timely or properly filed, (iii) that is disputed in accordance with the provisions of the Plan, (iv) which Claim is identified by the Debtor as being subject to section 502(d) of the Bankruptcy Code, or (v) as to which the Debtor or the Reorganized Debtor, as the case may be, have interposed a timely objection.

**1.25. “Effective Date”** shall mean the first business day which is at least thirty (30) days following entry of the Confirmation Order, unless a stay of the Confirmation Order is obtained, in which event the Effective Date shall be the first business day which is at least thirty (30) days following entry of a Final Order dissolving the stay.

**1.26. “Executory Contract”** shall mean a contract to which the Debtor is a party which is subject to assumption or rejection under section 365 of the Bankruptcy Code.

**1.27. “Final Order”** shall mean an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, the operation or effect of which has not been stayed or reversed, and as to which the time to appeal or seek review or rehearing has expired and to which no appeal or petition for review or rehearing was filed, or if filed, remains pending.

**1.28. “General Unsecured Claim”** shall mean a Claim which: (i) is not entitled to priority under section 507(a) of the Bankruptcy Code; (ii) is not secured by a validly perfected enforceable lien or interest under sections 101(37), (50) and (51) of the Bankruptcy Code; (iii) arises from the rejection of an unexpired lease or executory contract; or (iv) represents the unsecured portion of an Allowed Claim of a Creditor.

**1.29. “Impaired”** shall mean, when used with reference to a Claim or Interest, a Claim or Interest which is impaired within the meaning of section 1124 of the Bankruptcy Code and will not be receiving payment in full of its Claim or Interest pursuant to the Plan.

**1.30. “Lien”** shall mean a lien, security interest, mortgage, deed of trust, or other charge or encumbrance on or in any real or personal property owned by the Debtor and that may secure payment of a debt or performance of an obligation of the Debtor or a third party.

**1.31. “Person”** shall mean any individual, corporation, partnership, association, limited liability company, indenture trustee, organization, joint stock company, joint venture, estate, trust, governmental unit or any subdivision thereof, committee, and any other entity.

**1.32. “Petition Date”** shall mean February 1, 2016, the date upon which the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

**1.33. “Plan”** shall mean this Chapter 11 plan of reorganization, and all exhibits annexed hereto or referenced herein, as the same may be amended, modified, or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the provisions contained herein, and shall include the Plan Supplement, if any.

**1.34. “Priority Unsecured Tax Claim”** shall mean a Claim that is entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code, but which is not an Ad Valorem Tax Claim of a governmental unit.

**1.35. “Pro Rata”** shall mean the proportion that an Allowed Claim or Allowed Interest in a particular class bears to the aggregate amount of all Allowed Claims or Allowed Interests in such class, including Disputed Claims, unless the Plan provides otherwise.

**1.36. “Professional”** shall mean any professional employed in the Bankruptcy Case pursuant to sections 327, 328, or 1103 of the Bankruptcy Code.

**1.37. “Professional Fee Claim”** shall mean a Claim of a Professional for compensation or reimbursement of costs and expenses relating to services incurred after the Petition Date and prior to and including the Confirmation Date.

**1.38. “Rejection Claim”** shall mean a Claim arising from the rejection of an Executory Contract or Unexpired Lease by the Debtor or Reorganized Debtor.

**1.39. “Reorganized Debtor”** shall mean JAMUS Corporation on and after the Effective Date.

**1.40. “Schedule of Liabilities”** shall mean the schedule of assets and liabilities and the statement of financial affairs filed with the Bankruptcy Court by the Debtor, as such schedules or statements may be amended or supplements from time to time in accordance with Bankruptcy Rule 1009 or other order of the Bankruptcy Court.

**1.41. “Secured Claim”** shall mean a Claim that is secured by a Lien upon property, as provided for in a writing or by statute, of the bankruptcy estate, to the extent of the value, as of the Confirmation Date, of such Lien as determined by a Final Order of the Bankruptcy Court (i) pursuant to section 506 of the Bankruptcy Code, (ii) if applicable by section 1129(b) of the Bankruptcy Code, or (iii) as otherwise agreed upon in writing by the Debtor or Reorganized Debtor and the holder of such Claim.

**1.42. “Unexpired Lease”** shall mean, collectively, any unexpired lease or agreement relating to the Debtor’s interest in real or personal property.

**1.43. “Unsecured Claim”** shall mean any Claim against the Debtor which is not a Secured Claim, Ad Valorem Tax Claim, Administrative Claim, Professional Fee Claim, or Interest.

**ARTICLE II**  
**CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

**A. Classification and Treatment Claims and Interests**

All Claims and Interests, except Administrative Claims, Professional Fee Administrative Claims, and Priority Unsecured Tax Claims are placed in the Classes set forth below, in accordance with section 1123(a)(1) of the Bankruptcy Code.

**2.01. Administrative Claims.** Each holder of an Administrative Claim other than Professional Fee Administrative Claims shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Administrative Claim, (i) Cash equal to the unpaid portion of such Allowed Administrative Claim or (ii) such other treatment as to which the Debtor and such holder shall have agreed upon in writing; *provided, however,* that Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Bankruptcy Case shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto. On or before the Effective Date, the Debtor shall pay or have paid in full all Allowed Administrative Claims for fees payable pursuant to 28 U.S.C. § 1930. All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be paid by the Reorganized Debtor when they are due until the Bankruptcy Case is closed pursuant to a final decree, order of dismissal, or order of conversion. Until entry of such an order, the Reorganized Debtor shall file with the Bankruptcy Court and serve upon the United States Trustee a quarterly financial report. Any administrative ad valorem tax claims shall be paid pursuant to otherwise applicable state law.

**2.02. Professional Fee Administrative Claims.** All persons that are awarded compensation or reimbursement of expenses by the Bankruptcy Court in accordance with

sections 330 or 331 of the Bankruptcy Code or entitled to the priorities established pursuant to sections 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code, shall be paid in full, in Cash, the amounts allowed by the Bankruptcy Court on or as soon as reasonably practicable following the later of the Effective Date or the date on which the order allowing such Claim becomes a Final Order, or upon such other terms as may be mutually agreed upon between such holder of an Allowed Professional Fee Claim and the Reorganized Debtor.

**2.03. Priority Unsecured Tax Claims.** Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the holder of a Priority Unsecured Tax Claim and the Debtor or the Reorganized Debtor, each holder of an Allowed Priority Unsecured Tax Claim will receive, in full satisfaction of its Priority Unsecured Tax Claim, deferred cash payments over a period not exceeding five (5) years from the date of assessment of such Priority Unsecured Tax Claim. Payments will be made in equal annual installments of principal, plus interest payable at the rate provided under otherwise applicable state law from the Effective Date on the unpaid portion of each Allowed Priority Unsecured Tax Claim (or upon such other terms determined by the Bankruptcy Court to provide the holder of a Priority Unsecured Tax Claim with deferred cash payments having a value, as of the Effective Date, equal to the Allowed amount of such Priority Unsecured Tax Claim). Unless otherwise agreed by the holder of a Priority Unsecured Tax Claim and the Debtor, the first payment on account of such Priority Unsecured Tax Claim will be payable on the Effective Date or (i) after the date on which an order allowing such Priority Unsecured Tax Claim becomes a Final Order or (ii) an agreement relating to the amount and nature of the Priority Unsecured Tax Claim is executed by the Reorganized Debtor and the holder of the Priority Unsecured Tax Claim; *provided, however*, that the Reorganized Debtor shall have the right to pay any Allowed Priority Unsecured Tax Claim, or any remaining balance of such Allowed Priority Unsecured Tax Claim, in full at any time on or after the Effective Date without premium or penalty.

**2.04 Class 1 / Ad Valorem Secured Tax Claims.** Class 1 shall consist of the Allowed Secured Claims of Ad Valorem Taxing Authorities on the Debtor's real and personal property which accrued on or prior to January 1, 2016 (the "**Class 1 Claims**") in the estimated amount of \$2,466.23.

- a. Impairment and Voting. Class 1 Claims are impaired by the Plan. The holders of Class 1 Claims are entitled to vote to accept or reject the Plan.
- b. Treatment. The holders of Allowed Class 1 Claims shall be paid over 60 months from the Confirmation Date. These creditors shall retain their liens to secure their claims until paid in full under this Plan. The Class 1 Claims shall be paid interest from the Petition Date at the rate of 1% per month from the Petition Date through the Effective Date of the Plan and 12% per annum following the Effective Date until paid in full. In the event that the Debtor disputes such claim, the payments will be applied to the undisputed amount of the claim as ultimately allowed. While resolution of any such objection is pending, payments pursuant to the Plan shall be applied to the undisputed portion of the claim as ultimately allowed. Such default must

be cured by the Debtor within 10 business days of the date of transmission of such notice of default. In the event the default is not cured, the Class 1 Claimants shall be entitled to pursue all amounts owed pursuant to state law outside of the Bankruptcy Court. The Class 1 Claimants shall only be required to provide two notices of default. Upon a third event of default, (i) the Class 1 Claimants shall be entitled to collect all amounts owed pursuant to state law outside of the Bankruptcy Court without further notice. Failure to cure the first or second default within 10 business days or a third notice of default shall constitute an event of default.

**2.05 Class 2 / Allowed Claim of the Internal Revenue Service.** Class 2 shall consist of the Allowed Priority Claim of Internal Revenue Service (the “**Class 2 Claim**”) in the estimated amount of \$0. The Allowed Class 2 Claim will be paid once Allowed over five (5) years from the Confirmation Date with interest on such amounts at the rate of 2.5% per annum until paid in full. The claims will be paid in equal monthly installments of principal and interest beginning on the 15th day of the first month after the Confirmation Date and continuing for each month thereafter.

The Class 2 Claim is Impaired and the holder of the Class 2 Claim is entitled to vote to accept or reject the Plan.

**2.06 Class 3 / Allowed General Unsecured Claims.** The Class 3 Allowed Claims of General Unsecured Claims (the “**Class 3 Claims**”) are estimated at \$103,295.00. The Debtor has not filed claim objections and does intend to object to the claim of Felipe Fernandes, who is an equity holder and not a creditor as to the Debtor.

- a. Impairment and Voting. Class 3 Claims are impaired by the Plan. The holders of Class 3 Claims are entitled to vote to accept or reject the Plan.
- b. Treatment. Debtor will pay the Allowed Class 3 Claims in full over 60 months following the Effective Date. Payments to Allowed Class 3 Claims shall be due and payable quarterly in equal quarterly payments on the fifteenth (15<sup>th</sup>) day of the next calendar quarter following the Effective Date and shall continue on the fifteenth (15<sup>th</sup>) day of each calendar quarter thereafter until the claim is paid in full as called for by this Plan.

**2.07 Class 4 / Allowed Secured Claim of First National Bank of Granbury.** Class 4 shall consist of Allowed Secured Claim of First National Bank and is estimated to be approximately \$139,189.49.

Impairment and Voting. Class 4 is impaired by the Plan. The holder of the Class 4 Claim is entitled to vote to accept or reject the Plan.

- a. Treatment. The holder of Allowed Class 4 Claim shall be paid over 60 months from the Confirmation Date through a quarterly payment per calendar quarter. The creditor shall retain its liens to secure its claim until

paid in full under this Plan. The Class 4 Claim shall be paid its principal amount amortized over 5 years with interest thereon from the Petition Date at the rate of 5% per annum from the Confirmation Date until paid in full.

- b. The Class 4 Claimant shall retain its liens to secure its Allowed Claim. All other terms of the existing loan documents shall remain in place save and except to the extent inconsistent with the terms of this Plan.

**2.08 Class 5/ Allowed Equity Interests.** Class 5 shall consist of all Allowed Interests in the Debtor.

- a. Impairment and Voting. Class 5 Allowed Equity Interests are impaired by the Plan. The equity interests are being cancelled under the Plan. The new equity in the Debtor shall be issued to Melrose Construction, Inc. in exchange for the amounts that are owed to Melrose for loans made to the Debtor pre-petition, administrative claims incurred in favor of Melrose for payment of administrative expenses of the Chapter 11 case and payments to the Bank plus ongoing expenses of the maintenance and operation of the property owned by the Debtor. The holders of Class 5 Interests are entitled to vote to accept or reject the Plan.

### **Voting and Impairment of Classes**

**Voting Classes.** Classes of Claims 1, 2, 3, 4 and 5 are impaired by the Plan and shall be entitled to vote to accept or reject the Plan.

**Confirmability of the Plan.** The confirmation requirements of section 1129 of the Bankruptcy Code must be satisfied with respect to the Debtor and the Plan. If the Bankruptcy Court determines that any provision of the Plan is prohibited by the Bankruptcy Code, or renders the Plan not confirmable under section 1129 of the Bankruptcy Code, the Debtor reserves the right to sever such provision from the Plan and to request that the Plan be confirmed as so modified.

## **ARTICLE III** **MEANS OF EXECUTION AND IMPLEMENTATION**

**3.01. Corporate Existence and Management.** On and after the Effective Date, the Debtor shall continue in existence as JAMUS Corp., a corporation formed under the laws of the State of Texas. On and after the Effective Date, the operation of the Reorganized Debtor shall be the responsibility of Melrose Construction, Inc.

**3.02. Vesting of Assets.** On and after the Effective Date, all property of the estate shall revert in the Reorganized Debtor. The Reorganized Debtor shall operate its business and may use, acquire and dispose of all such property free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules, and the Bankruptcy Court, and shall be free and clear of all claims liens,

debts, liabilities, charges, interests, and other encumbrances except as specifically provided in the Plan or the Confirmation Order.

**3.03. Effectuating Documents.** The Reorganized Debtor shall be authorized, without any further action of the Bankruptcy Court, without the consent or approval of any other party, and without any further act or action under applicable law, regulation, order or rule, to execute, deliver, file or record such contracts, instruments, release, and other agreements or documents and take such actions, as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

**3.04. Retention of Avoidance Actions and Causes of Action.** The Reorganized Debtor shall retain, pursuant to section 1123(b)(3)(B) of the Bankruptcy Code, and shall prosecute as appropriate all causes of action belonging to the bankruptcy estate pursuant to section 541 of the Bankruptcy Code. All creditors and parties in interest are hereby placed on notice that despite any provision which may be contained in this Plan providing for satisfaction of claims, if a Claim is Allowed, any and all rights are reserved to commence, prosecute to judgment, and to collect upon any cause of action listed in the Schedule of Liabilities or Statement of Affairs as an asset of the bankruptcy estate of the Debtor or which are referenced herein or in the Disclosure Statement.

**3.05. Deadline for Filing Administrative Claims and Professional Fee Administrative Claims.** Subject to further order of the Bankruptcy Court, all applications for payment of Professional Fee Administrative Claims shall be filed with the Bankruptcy Court within sixty (60) days of the Effective Date.

**3.06. Deadline for Objections to Claims.** Any and all objection to claims filed prior to the Effective Date shall be filed with the Bankruptcy Court and served upon the holder of such Claim on or before sixty (60) days after the Effective Date, (the “**Claim Objection Bar Date**”), or be forever barred from filing such an objection. The Debtor shall be authorized to settle any objection to a Claim without any additional order of the Bankruptcy Court, requirement to utilize Rule 9019 of the Federal Rules of Bankruptcy Procedure, or to notice any other party in interest. The Debtor shall be the only party entitled to object to the allowance of a Claim.

**3.07. Disputed Claim Allowance and Payment.** Notwithstanding any other term or condition of the Plan, disputed, unliquidated, and/or contingent Claim to which an objection has been filed prior to the Claim Objection Bar Date, shall be paid only upon allowance in accordance with the provisions of section 502 of the Bankruptcy Code or upon Final Order of the Bankruptcy Court. For purposes of calculating distributions to be made under the Plan the amount of the total Allowed Claims in any Class shall be computed as if any Disputed Claim still outstanding on the date of such distribution had been “allowed” in the full amount thereof. The funds held on account of any Disputed Claim shall be disbursed in accordance with the Final Order which allows or disallows such Claim.

**3.08 Preservation of Claims and Causes of Action.** Debtor expressly reserves all of its rights to pursue causes of action and all such causes of action are preserved. Except as otherwise released pursuant to the Plan, all Claims recoverable under Chapter 5 of the



Bankruptcy Code, all Claims against third parties on account of an indebtedness, and all other Claims of any kind or character whatsoever owed to or in favor of JAMUS Corp. or the Estate to the extent not specifically compromised and released pursuant to this Plan or any agreement referred to and incorporated herein, are hereby preserved and retained for enforcement by the Reorganized Debtor. Nothing in the Plan shall act as a bar as it relates to any claims of JAMUS Corp. against third parties, except as expressly released pursuant to the Plan. Nothing in this Plan or the confirmation of the Plan shall estop the Debtor from asserting claims against third parties.

The Debtor does reserve the right to object to claims of creditors that are overstated. Such issues may be raised in the context of objections to claims in this case.

All claims and causes of action are preserved as follows: Except as otherwise released pursuant to the Plan, any and all claims, causes of action, cross claims or counterclaims held or assertable by the Debtor, including but not limited to: (i) any claim or cause of action under a policy of liability insurance or otherwise; (ii) a Cause of Action; and (iii) to the extent not included in the term Cause of Action, any and all claims, causes of action, counterclaims, demands, controversies, against third parties on account of costs, debts, sums of money, accounts, reckonings, bonds, bills, damages, obligations, liabilities, objections, and executions of any nature, type, or description which the Debtor has or may come to have, including, but not limited to, negligence, gross negligence, usury, fraud, deceit, misrepresentation, conspiracy, unconscionability, duress, economic duress, defamation, control, interference with contractual and business relationships, conflicts of interest, misuse of insider information, concealment, disclosure, misuse of collateral, negligent loan origination, processing, banking, and administration, violations of statutes and regulations of governmental entities, securities and antitrust violations, deceptive trade practices, breach or abuse of fiduciary duty, breach of any alleged special relationship, course of conduct or dealing, obligation of fair dealing, obligation of good faith, whether or not in connection with or related to this Plan, at law or in equity, in contract or in tort, or otherwise, known or unknown, suspected or unsuspected, are hereby preserved and retained for enforcement by the Debtor as of the Confirmation Date. It is the intent of the Debtor that this reservation of claims shall be as broad as permitted by applicable law and shall include all claims, whether or not disclosed in the Debtor's schedules, and shall include any claims whether or not referenced in any disclosure statement filed in this case. Such claims may be identified in more detail in the Disclosure Statement and on the Schedules filed in this case. Nothing shall estop the Debtor or Reorganized Debtor from asserting claims or causes of action just because they were not scheduled or described in detail in the Debtor's Schedules or Disclosure Statement. The Debtor is not releasing any claims under the Plan.

No distributions under the Plan shall be made to the holder of a Claim that is in dispute, unless and until such Claim becomes an Allowed Claim. If a Claim is disputed in whole or in part because JAMUS Corp. asserts a right of offset against such Claim or recoupment against the holder of such Claim, then, if and to the extent the Claim giving rise to the offset or recoupment is sustained by Final Order, the Claim in dispute shall be reduced or eliminated and, if applicable, the holder of such Claim shall be required to pay the amount of such offset or recoupment, less the amount of its Allowed Claim. In addition, any party authorized by the Bankruptcy Code, at any time, may request that the Court estimate any contingent, disputed or

unliquidated Claim pursuant to Section 502(c) of the Bankruptcy Code, regardless of any prior objections.

**ARTICLE IV**  
**EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**4.01. Assumption of Executory Contracts and Unexpired Leases.** Unless specifically rejected by court order or pursuant to the Plan, on the Effective Date, all executory contracts and unexpired leases are **ASSUMED** by the Debtor pursuant to section 365 of the Bankruptcy Code, to the extent that they are in fact executory contracts.

**4.02. Payments Related to Assumption of Executory Contracts and Unexpired Leases.** Any monetary amounts by which the executory contract and unexpired leases to be assumed pursuant to the Plan are in default (“**Cure Cost**”) shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment on the Effective Date or as soon as practical thereafter, or by such other treatment to which the Debtor and the non-Debtor Party to the executory contract or unexpired lease shall have agreed in writing. Any dispute regarding (i) the nature or amount of the Cure Cost, (ii) the ability of the Debtor to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the executory contract or unexpired lease to be assumed, or (iii) any other matter pertaining to assumption, such matters shall be determined prior to or at the Confirmation Hearing. Otherwise, the Confirmation Order of the Plan shall be deemed equivalent to a finding by the Bankruptcy Court that the foregoing provisions for curing arrearages and monetary defaults are reasonable and that no additional adequate assurance of future performance need be furnished by the Debtor.

**4.03. Rejection of Certain Executory Contracts and Unexpired Leases.** Unless specifically rejected by court order or pursuant to the Plan, all executory contracts and unexpired leases which have not been assumed by the Debtor prior to the Effective Date, or specifically assumed above, shall be deemed **REJECTED** on the Effective Date. The Confirmation Order shall operate as an order of rejection under section 365 of the Bankruptcy Code with respect to all such executory contracts and unexpired leases, including the contracts and leases listed below, to the extent that they are in fact executory contracts. If they are not in fact executory, then the listing herein shall not cause them to have such status. Any executory contract or unexpired lease which is subject to a separate motion to assume or reject shall be governed by the results of that motion.

**4.04. Rejection Claims.** Unless otherwise indicated herein, agreed upon in writing by the Debtor, or required by Final Order of the Bankruptcy Court, any monetary default or other arrearage due on any rejected contract or lease shall be treated as Class 10 Claim. The Debtor does not anticipate that there will be any claims resulting from the rejection of executory contracts and/or unexpired leases. However, to the extent a creditor asserts a claim arising from the rejection of an executory contract or unexpired lease unless a prior order specifically directs otherwise, such creditor must file a proof of such claim with the Bankruptcy Court within twenty-one (21) days of the Effective Date (the “**Rejection Claim Bar Date**”). Any Claim

arising from rejection of an executory contract or unexpired leases which is not filed on or prior to the Rejection Claim Bar Date shall be forever barred from participating as a Class 10 Claim. The Debtor shall object to any timely filed proof of claim for rejection damages on or before sixty (60) days after the Rejection Claim Bar Date.

## **ARTICLE V**

### **GENERAL PROVISIONS**

**5.01. Modification of Plan.** The Debtor may, pursuant to section 1127(a) of the Bankruptcy Code, modify the Plan at any time prior to the entry of the Confirmation Order. After entry of the Confirmation Order, the Debtor may, pursuant to section 1127(b) and (c) of the Bankruptcy Code and with approval of the Bankruptcy Court, and so long as it does not materially or adversely affect the interest of creditors, remedy any defect or omission, or reconcile any inconsistencies in the Plan or in the Confirmation Order, in such manner as may be necessary to carry out the purposes and effect of the Plan, without having to solicit acceptance of such modification.

**5.02. Discharge.** On and after the Effective Date, the Reorganized Debtor and its officers, directors, board members and their agents shall be discharged from all claims or other debts that arose prior to the Confirmation Date as set forth in section 1141 of the Bankruptcy Code. Additionally, all persons who have held, currently hold, or may hold a claim, debt, or other liability against the Debtor and its officers, directors, board members and their agents which arise prior to the Confirmation Date shall be prohibited from asserting such claim against the Debtor and its officers, directors, board members and their agents, except as provided in the Plan or the Confirmation Order, and shall be permanently enjoined from taking any of the following actions on account of any such claim, debt, liability or interest: (i) commencing or continuing in any manner any action or other proceeding against the Debtor or the Debtor's property or its officers, directors, board members and their agents, (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Debtor or the Debtor's property or its officers, directors, board members and their agents, (iii) creating, perfecting, or enforcing any lien or encumbrance against the Debtor or the Debtor's property, (iv) asserting against the Debtor or the Debtor's property a setoff, right, or claim of subordination or recoupment of any kind against any debt, liability, or obligation due to the Debtor or its officers, directors, board members and their agents, and (v) commencing or continuing any action, in any manner, in any place, that does not comply with or is inconsistent with the provisions of the Plan.

**5.03. Distributions.** Except as otherwise provided herein or as ordered by the Bankruptcy Court, distributions to be made on account of Allowed Claims as of the Effective Date shall begin on the Effective Date, or as soon as practicable thereafter, but in any event on or by the fifth day of the first full month subsequent to the Effective Date. Distributions on account of Claims that first become Allowed Claims after the Effective Date shall be made beginning on the fifth day of the first full month subsequent to entry of a Final Order allowing such claim. Cash payments made pursuant to the Plan shall be by the means agreed to by the Debtor and payee, including by check or wire transfer, or, in the absence of an agreement, such

commercially reasonable manner as the Debtor shall determine in its sole discretion. Distributions to holder of Allowed Claims shall be made at the addresses set forth in any Proof of Claim filed by such holder, or if no such Proof of Claim has been filed, to the last known address of such holder or such other address as the holder shall designate in writing.

- a. Payment Dates. Whenever a payment to be made or action to be taken under the Plan is due to be made or taken on a day other than a business day, such payment or action shall instead be made, without accruing interest for such delay, on the next business day.
- b. Minimum Distributions. No payment or distribution of less than ten dollars (\$10.00) shall be made to any holder of a Claim unless a request therefore is made in writing to the Debtor, unless such payment or distribution is the final payment or distribution to be made to such holder under the Plan. All such payments or distributions not meeting the minimum distribution amount shall be held by the Debtor for the benefit of the appropriate claimant and accumulate until such time as the distribution amount payable exceeds the minimum distribution amount.
- c. Unclaimed Distributions. Any distribution under the Plan which remains unclaimed for a period of one year after the initial distribution thereof shall be revested in the Debtor and any entitlement of the holder of such Claim to such distribution shall be extinguished and forever barred.

**5.04. Prepayment.** Except as otherwise provided in the Plan or the Confirmation Order, the Debtor shall have the right to prepay, without penalty, all or any portion of any Allowed Claim at any time; *provided, however*, that any such prepayment shall not violate or otherwise prejudice the relative priorities and parities among the Classes of Claims.

**5.05. Interest, Penalties, and Fees.** Except as expressly stated in the Plan, or allowed by Final Order of the Bankruptcy Court, no interest, penalty, or late charge is to be ‘allowed’ on any Claim subsequent to the Petition Date. No attorneys’ fees will be paid with respect to any Claim except as specified in the Plan or as allowed by Final Order of the Bankruptcy Court.

**5.06. Binding Effect.** Except as otherwise expressly provided in the Plan, on and after the Effective Date, the terms of the Plan shall bind all holders of Claims and Interests, whether or not such holders of Claims and Interests accept the Plan. The rights, duties, and obligations of any Person named or referred to in the Plan shall be binding upon and shall inure to the benefit of such Person and its respective successors and assigns.

**5.07. Governing Law.** Unless otherwise agreed in writing, or mandated by federal law, the laws of the State of Texas shall govern the construction and implementation of the Plan and any agreements, documents, or instruments executed in connection with the Plan.

**5.08. Additional Documents.** Except as otherwise provided in the Plan, on or before the Effective Date, the Debtor shall file with the Bankruptcy Court, or execute, as appropriate,

such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

**5.09. Notices.** Any notice required or permitted under the Plan shall be in writing and served either by (i) certified mail, return receipt requested, postage prepaid, (ii) hand delivery, or (iii) reputable overnight delivery service, freight prepaid, addressed to the following parties:

Joyce Lindauer Attorney, PLLC  
Attorneys at Law  
12720 Hillcrest Road, Suite 625  
Dallas, Texas 75230

JAMUS Corp.  
James Burkhardt  
102 Valley Lane  
Glen Rose, Texas 76043

**5.10. Retention of Jurisdiction of the Bankruptcy Court.** After entry of the Confirmation Order, the Court shall retain jurisdiction for the following purposes:

- a. To determine the classification and priority of all claims against or interests in the Debtor and to reexamine any Allowed Claim or Interest. The failure by the Debtor or any party-in-interest initially to object to or to examine any claim or interest shall not be deemed to be a waiver of their right to object to any such claim or interest or cause any such claim or interest to be reexamined, in whole or in part, so long as such request is done prior to the Claim Objection Bar Date;
- b. To determine allowance of claims for damages with respect to rejection of any executory contracts or unexpired leases which is filed on or before the Rejection Claim Bar Date;
- c. To hear and determine all applications for compensation and any other Administrative Expense;
- d. To conduct hearings on valuation, as necessary, and to determine whether any party-in-interest is entitled to recover against any person, any claim, whether arising under section 506(c) of the Bankruptcy Code, or arising out of a voidable preference, fraudulent transfer, or otherwise, whether such avoidable transfer occurred prior to or after the Petition Date;
- e. To hear and determine any and all pending adversary proceedings or contested matters as well as any matter brought after entry of the Confirmation Order by the Debtor in accordance with section 1123 (b)(3)(A) or (B);

- f. To determine any modification of the Plan after entry of the Confirmation Order pursuant to section 1127 of the Bankruptcy Code;
- g. To determine all matters, controversies, and disputes arising under or in connection with the Plan or the application or disposition of property of the bankruptcy estate;
- h. To enter any order, including injunctions, necessary to establish and enforce the rights and powers of the Debtor under the confirmed Plan or to aid in execution of the Plan to the extent authorized by section 1142 of the Bankruptcy Code;
- i. To enter and implement such orders as may be necessary and appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, or vacated;
- j. To hear and determine, by entry of orders or judgments, matters concerning local, state, and federal taxes and all tax claims pursuant to sections 346, 505, 525, and 1146 of the Bankruptcy Code and any other claims or actions by governmental units;
- k. To determine all controversies, suits, and disputes that may arise in connection with interpretation, enforcement, or substantial consummation of the Plan, or any person's obligations thereunder;
- l. To grant extensions of any deadlines set in the Plan;
- m. To hear and determine any dispute over the extent, validity, or priority of a lien or whether a lien prohibits or restricts any use of the property subject to such lien;
- n. To hear and determine any other matter as to which jurisdiction is not inconsistent with the Bankruptcy Code; and
- o. To enter a final decree pursuant to Rule 3022 of the Federal Rules of Bankruptcy Procedure concluding and terminating the Bankruptcy Case.

**5.11. Final Decree.** Upon the resolution of all Disputed Claims, either by agreement or pursuant to the procedures established in the Plan, and distribution of the first monthly installment to holders of 5 Claims, the Debtor shall promptly file a motion for entry of final decree pursuant to Rule 3022 of the Federal Rules of Bankruptcy Procedure.

Dated: May 31, 2016

Submitted by:

**JAMUS Corp.**

/s/James Burkhardt  
James Burkhardt, President and Director

Joyce Lindauer  
State Bar No. 21555700  
Joyce W. Lindauer Attorney, PLLC  
**ATTORNEYS AT LAW**  
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Dallas, TX 75230  
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Facsimile: (972) 503-4034  
Email: [joyce@joycelindauer.com](mailto:joyce@joycelindauer.com)

**ATTORNEYS FOR DEBTOR**

**CHAPTER 11 DEBTOR Plan Payments****Jamus Corporation****5/30/2016**

		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8
<b>Class</b>	n/a Allowed Administrative Claims	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
	1 Allowed Tax Creditor Claims	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86
	2 Allowed Claims of IRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	3 Allowed General Unsecured Claims	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00
	4 Allowed Secured Claim of First State Bank of Granbury	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00
	5 Equity Interests of the Debtor	fn							
<b>TOTAL PLAN PAYMENTS</b>		15,099.65	2,054.86	2,054.86	15,099.65	2,054.86	2,054.86	15,099.65	2,054.86

fn Contribution estimated at \$25,000 adminis, plus Melrose claims \$50,000, plus Melrose plan c plus amounts for maintena and repiars

**EXHIBIT "B"**



Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19
2,000.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75
0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04
2,054.86	15,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65

Contributions \$77,471.25 + \$118,200.60 = \$270,671.85

Month 20	Month 21	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00
0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00
54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86

Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00
0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00
54.86	13,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86	54.86

Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48	Month 49
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75
7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04
13,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65

Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86	54.86
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00	0.00	5,164.75	0.00
0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00	0.00	7,880.04	0.00
54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86	54.86	13,099.65	54.86

Month 60
0.00
54.86
0.00
0.00
0.00
0.00
54.86