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

IN RE:	§	Case No. 13-42397-rfn-11
	§	
JEH COMPANY	§	(Chapter 11)
JEH STALLION STATION, INC.	§	
JEH LEASING COMPANY, INC.	§	
Debtors in possession	§	(Administratively Consolidated)
	§	
DEBTORS.	§	

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I. INTRODUCTION

COME NOW JEH Company (JEHCO), JEH Stallion Station, Inc. (“Stallion”), JEH Leasing Company, Inc. (“Leasing”) (Collectively JEHCO, Stallion and Leasing may be referred to as the administratively consolidated “Debtors”), each of them as a Debtors-in-possession pursuant to §§1107 and 1108 in the above-referenced chapter 11 case, submit this Disclosure Statement (the “Disclosure Statement”) pursuant to § 1125 of the Bankruptcy Code (sometimes the “Code”) with respect to the Plan of Reorganization, (the “Plan”) as thereafter amended. Occasionally, within this document, the Debtors may be collectively referred to as the Debtors or may be referred to individually as a Debtor. This Disclosure Statement is to be used in connection with the solicitation of votes on the Plan, to be submitted by the Debtors. UNLESS OTHERWISE DEFINED HEREIN, TERMS USED HEREIN HAVE THE MEANING ASCRIBED THERETO IN THE PLAN (See Article I of the Plan entitled “Definitions.”) It is the position of the Debtors that this Plan provides an opportunity for a partial or full recovery of unsecured creditors. Without this Plan, it is unlikely that unsecured creditors will receive any payment. THE DEBTORS URGE ALL UNSECURED CREDITORS TO VOTE FOR THE PLAN.

FOR AN OVERVIEW OF THE TREATMENT OF YOUR CLAIM OR EQUITY INTEREST UNDER THE PLAN, PLEASE SEE SECTION IV OF THIS DISCLOSURE STATEMENT.

II. INFORMATION REGARDING THE DISCLOSURE STATEMENT

2.1 The purpose of this Disclosure Statement is to enable you, if you are a creditor holding an impaired claim and who will receive a distribution under the Plan, to make an informed decision in exercising your right to vote to accept or reject the Plan.

2.2 After notice and hearing, the Bankruptcy Court may rule from the bench pursuant to §1125 of the Bankruptcy Code (the “Disclosure Statement Order”) approving this Disclosure Statement as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor, typical of the solicited holders of Claims against the Debtors to make an informed judgment with respect to the acceptance or rejection of the Plan.

SIGNIFICANCE OF COURT APPROVAL. APPROVAL OF THE DISCLOSURE STATEMENT DOES NOT CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR THE MERITS OF THE PLAN.

THE DATE OF STATEMENTS CONTAINED HEREIN. THE STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED, AND NEITHER DELIVERY OF THE DISCLOSURE STATEMENT NOR ANY EXCHANGE OF RIGHTS MADE IN CONNECTION WITH THE PLAN SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE

INFORMATION SET FORTH HEREIN SINCE THE DATE THE DISCLOSURE STATEMENT AND THE MATERIALS RELIED ON IN PREPARATION OF THE DISCLOSURE STATEMENT WERE COMPILED.

READ THE DISCLOSURE STATEMENT AND PLAN. CREDITORS SHOULD READ CAREFULLY THE DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY PRIOR TO VOTING ON THE PLAN.

PLAN SUMMARIES CANNOT CHANGE THE PLAN. FOR THE CONVENIENCE OF CREDITORS AND EQUITY SECURITY HOLDERS, THE DISCLOSURE STATEMENT SUMMARIZES THE TERMS OF THE PLAN BUT THE PLAN ITSELF QUALIFIES ALL SUMMARIES. IF ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THE DISCLOSURE STATEMENT, THE TERMS OF THE PLAN ARE CONTROLLING.

THIS DISCLOSURE STATEMENT IS ONLY FOR USE IN RELATION TO THE PLAN OF REORGANIZATION. THE DISCLOSURE STATEMENT MAY NOT BE RELIED ON FOR ANY PURPOSE OTHER THAN TO DETERMINE WHETHER TO VOTE IN FAVOR OF OR AGAINST THE PLAN AND RELATED OPTIONS AND ELECTIONS, AND NOTHING CONTAINED HEREIN SHALL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING JEHCO, STALLION, LEASING OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE REORGANIZATION OF JEHCO, STALLION, LEASING ON HOLDERS OF CLAIMS OR EQUITY INTERESTS. CERTAIN OF THE INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT, BY ITS NATURE, IS FORWARD LOOKING, CONTAINS ESTIMATES AND ASSUMPTIONS WHICH MAY PROVE TO BE WRONG, AND CONTAINS FORECASTS WHICH MAY PROVE TO BE WRONG OR WHICH MAY BE MATERIALLY DIFFERENT FROM ACTUAL RESULTS.

CONSULT YOUR ADVISORS. EACH CLAIMANT OR EQUITY INTEREST HOLDER SHOULD CONSULT THE CLAIMANT'S OR EQUITY INTEREST HOLDER'S INDIVIDUAL ATTORNEY, ACCOUNTANT AND/OR FINANCIAL ADVISOR AS TO THE EFFECT OF THE PLAN ON SUCH CLAIMANT OR EQUITY INTEREST HOLDER.

2.3 No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and §1125 of the Bankruptcy Code. Except for the Debtors and their professionals, no person has been authorized to use or promulgate any information concerning the Debtors, their businesses, or the Plan, other than the information contained herein. No holder of a Claim entitled to vote on the Plan should rely upon any information relating to the Debtors, their businesses, or the Plan other than that contained in the Disclosure Statement and the exhibits hereto.

2.4 After carefully reviewing this Disclosure Statement, including the attached exhibits, please indicate your acceptance or rejection of the Plan by voting in favor of or against the Plan on an enclosed ballot and returning the same to the address set forth on the ballots in the enclosed, postage prepaid, return envelope so that it will be received by the Debtors, Ballot, no later than the time provided in the Disclosure Statement Order.

TO BE SURE YOUR BALLOT IS COUNTED, YOUR BALLOT MUST BE RECEIVED NO LATER THAN 5:00 P.M., PREVAILING CENTRAL TIME ON THE DATE SET FORTH IN THE DISCLOSURE STATEMENT ORDER. For detailed voting instructions and the name, address, and phone number of the person you may contact if you have questions regarding the voting procedures, see Disclosure Statement —“Voting Procedures and Requirements,” and—“Confirmation of the Plan.”

2.5 If you do not vote to accept the Plan or if you are the holder of an unimpaired Claim, you may be bound by the Plan if it is accepted by the requisite number/percentage of holders of Claims.

III. EXPLANATION OF CHAPTER 11

A. Overview of Chapter 11

3.1 Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Pursuant to chapter 11, a Debtor-in-possession attempts to reorganize its business for the benefit of itself, its creditors, and other parties in interest. Each Debtor commenced its chapter 11 case with the filing of a voluntary chapter 11 petition on May 22, 2013 (the “Petition Date”). The chapter 11 case of JEHCO is pending before the Honorable Russell F. Nelms in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, under Case No. 13-42397-RFN-11. The chapter 11 case of Leasing is pending before the Honorable Russell F. Nelms in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, under Case No. 13-42399-RFN-11. The chapter 11 case of Stallion is pending before the Honorable D. Michael Lynn, in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, under case No. 13-42398-DML-11. The three cases were administratively consolidated under the JEHCO case and bear the case number from that case.

3.2 The commencement of a chapter 11 case creates an estate comprising all the legal and equitable interests of the Debtors in property as of the date the petition is filed. §§1101, 1107, and 1108 of the Bankruptcy Code provide that a Debtor may continue to operate its business and remain in possession of its property as a “Debtor-in-possession” unless the bankruptcy court orders the appointment of a trustee.

3.3 The filing of a chapter 11 petition also triggers the automatic stay provisions of the Bankruptcy Code. §362 of the Bankruptcy Code provides, *inter alia*, for an automatic stay of all attempts to collect pre-petition claims from the Debtors or to otherwise interfere with its property or business. Except as otherwise ordered by the bankruptcy court, the automatic stay remains in full force and effect until the effective date of a confirmed plan of reorganization.

3.4 The formulation of a plan of reorganization is the principal purpose of a chapter 11 case. A plan sets forth the means for satisfying the claims against and interests in the Debtors. Generally, unless a trustee is appointed, only the Debtors may file a plan during the first 120 days of a chapter 11 case (the “Exclusive Period”). In this case, no trustee has been appointed. Similarly, no committee of unsecured creditors has been appointed.

B. Chapter 11 Plan

3.5 A chapter 11 plan may provide anything from a complex restructuring of a business of a Debtor and its related obligations to a liquidation of the assets. The primary purpose of this Plan is to maintain continuity between the Debtors that operated the business and the Debtors that will distribute the assets, together with maximizing the return to unsecured creditors and pursuing litigation and potential future business through the Debtors pursuant to court approval.

3.6 After a chapter 11 plan has been filed, certain holders of claims against or interests in a Debtor are permitted to vote to accept or reject the plan. Before soliciting acceptances of the proposed plan, §1125 of the Bankruptcy Code requires the Debtor to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment about the plan. This Disclosure Statement is presented to holders of impaired Claims against the Debtors entitled to receive distributions under the Plan to satisfy the requirements of §1125 of the Bankruptcy Code.

3.7 If all classes of claims and equity interests accept a chapter 11 plan, the bankruptcy court may nonetheless still not confirm the plan unless the court independently determines that the requirements of §1129 of the Bankruptcy Code have been satisfied. §1129 sets forth the requirements for confirmation of a plan and, among other things, requires that a plan meet the “best interests” test and be feasible. The “best interests” test generally requires that the value of the consideration to be distributed to the holders of claims and equity interests under a plan may not be less than those parties would receive if the Debtors were liquidated pursuant to a hypothetical liquidation occurring under chapter 7 of the Bankruptcy Code. Under the “feasibility” requirement, the bankruptcy court must find that there is a reasonable probability that the Debtors will be able to meet its obligations under its plan of reorganization without the need for further financial reorganization. The Debtors believe that the Plan satisfies all the applicable requirements of §1129(a) of the Bankruptcy Code, including, in particular, the “best interests of creditors” test and the “feasibility” requirement.

3.8 Chapter 11 does not require that each holder of a claim against or interest in a Debtor vote in favor of a chapter 11 plan in order for the bankruptcy court to confirm the plan. At a minimum, however, the plan must be accepted by a majority in number and two-thirds in amount of those claims actually voting in at least one class of impaired claims under the plan. Only the votes of the holders of Claims that actually cast a vote will be counted as either accepting or rejecting the Plan.

3.9 In addition, classes of claims or equity interests that are not “impaired” under a plan of reorganization are conclusively presumed to have accepted the plan and thus are not

entitled to vote. Accordingly, acceptances of a plan will generally be solicited only from those persons who hold claims or equity interests in an impaired class that will receive distributions under the Plan. A class is “impaired” if the legal, equitable, or contractual rights attaching to the claims or equity interests of that class are modified in any way under the plan. All Classes of Claims that are impaired under the Plan, and will receive a distribution under the Plan, are thus entitled to vote on the Plan.

3.10 The bankruptcy court may also confirm a chapter 11 plan 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 equity 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.

3.11 Under §1129(b) of the Bankruptcy Code, a plan is “fair and equitable” as to a class of rejecting claims if, among other things, the plan provides: (a) with respect to secured claims, that each such holder will receive or retain on account of its claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim; and (b) with respect to unsecured claims and equity interests, that the holder of any claim or equity interest that is junior to the claims or equity interests of such class will not receive or retain on account of such junior claim or equity interest any property at all unless the senior class is paid in full.

3.12 A plan does not “discriminate unfairly” against a rejecting class of Claims if (a) the relative value of the recovery of such class under the plan does not differ materially from that of any class (or classes) of similarly situated Claims, and (b) no senior class of Claims is to receive more than 100% of the amount of the Claims in such class.

IV. OVERVIEW OF THE PLAN; CLASSIFICATION AND TREATMENT SUMMARY

4.1. The Administrative Expenses and Priority Tax Claims shown below constitute the estimates of the Debtors of the amount of such Claims based upon the records of the Debtors and claims filed as of the time that such calculations were made, taking into account amounts paid or projected to be paid prior to that date. The total amount of General Unsecured Claims shown below reflect an estimate of the likely amount of such Claims, after the resolution by settlement or litigation of Claims that are subject to disallowance or reduction. However, because no assurances can be provided regarding the amount of Claims that will ultimately be disallowed or reduced, distributions under the Plan may differ substantially from the projected ultimate recoveries reflected below. Reference should be made to the entire Disclosure Statement and to the Plan for a complete description of the classification and treatment of Claims and Equity Interests.

A. Priority Claims against the Debtors

4.2. These Classes are to be satisfied by payment generated from the sale of assets including accounts receivable of the Debtors. The administrative expenses and fees charged by the United States trustee, if any, are not impaired. Other priority tax claims including Section 503(b) claims may be impaired as described below. The administrative claims of counsel for the Debtors will be deferred and paid over time by agreement with the term to be adjusted based on the final amount of the claim. If a timely assertion of an appropriate priority claim is made, it is the intention of the Plan to allow payment of those claims.

B. Nonpriority Claims and Interests

4.3 For a summary of the treatment of claims, please review the provisions in this section and in section X below. It is the intention of the Debtors that the treatment of creditors may vary based upon factors including the condition of collateral, the remaining useful life of collateral, the relative risk, the size of the claim and other conditions. Without regard to the treatment as described below, the terms of a plan and the order approving the plan will be the treatment received by the creditor. If the treatment contained in the plan or the order approving plan differs from the treatment summarized in this Disclosure Statement, the treatment in the order and plan shall control.

V. GENERAL INFORMATION

A. Historical Description

5.1 JEHCO was a roofing material supplier organized in approximately 1982 with Jim and Marilyn Helzer being the sole stockholders. That company attempted to create a market niche by buying roofing materials directly from the manufacturer and selling those materials directly to contractors, builders and homeowners. With a focus on quality service and products, the company attempted to dynamically grow and change to meet the needs of the market. The company grew dynamically and changed to meet the needs of the market. The company would establish short term locations in areas that needed a link in the distribution chain with up to thirty-two (32) locations in nine (9) states with revenues in excess of \$250,000,000.00 per year. The operating assets of JEHCO were sold on September 4, 2004 and operations of JEHCO resumed in approximately June 2008.

5.2 Mr. and Mrs. Helzer owned and controlled a number of entities including JEH Pipeline Co., Inc. ("Pipeline") as of the time of the bankruptcy filing. The ownership of entities by Mr. and Mr. Helzer is significant in part because those individuals have guaranteed some of the debts of these entities and is further significant because of the debt of these entities are guaranteed by JEHCO. A portion of the obligation to Frost Bank as discussed below falls within this category.

5.3 Leasing owned and leased equipment vehicles primarily for use in the business of JEHCO and to a lesser degree in related entities. The business model for Leasing was to charge

10% above the financed or leased cost of equipment to related entities in exchange for handling the leasing and financing of that equipment. Thereby, creating a profit to cover the cost of operation and financing charges. Stallion was in the quarter horse and thoroughbred horse business. Prior to the bankruptcy filing, Stallion divested itself of operations. Related entities including the similarly named company in Oklahoma and Equine Reproductive Services, LLC contemporaneously performed functions similar to that of Stallion. Due to the lack of profitability of Stallion and an arrangement where Equine was already paying and continued to satisfy obligations initiated by Stallion, the already limited operations of Stallion were phased out, and Equine is performing on some of the obligations previously incurred by Stallion. On a pre-petition basis, Stallion had been unable to operate profitably and it is believed that entity would continue to have had positive gross receipts, but operating losses. In 2010, the entity had operating losses of \$525,278.00 and in 2011, the operating losses were \$928,939.00. Stallion continued to operate at a loss in 2012 and ceased operations in December 2012. Pipeline was an entity that was separately formed for the purpose of clearing land and facilitating the construction of pipelines. Due to a number of negative market conditions, including the general condition of the economy, Pipeline was not successful and ceased operations.

5.4 On approximately May 8, 2013, Frost Bank filed a collection action against JEHCO, Leasing, Stallion, James E. Helzer, Marilyn Helzer and Pipeline. Under the contractual agreements signed by the Debtors in this bankruptcy proceeding, Frost Bank was entitled to a receiver to administer effectively all of the assets of the Debtors until Frost Bank was paid in full. In the opinion of the Debtors, allowing the appointment of a receiver and the potential termination of the business would have almost certainly resulted in a rapid liquidation of assets that would be unlikely to yield any recovery for the benefit of creditors that did not have a prior lien on the same assets.

B. Prepetition Debt Structure of the Debtors

5.5 At the time of its bankruptcy filing, the Debtors employed approximately 76 individuals as a significant employer in this area, and as a material contributor to the economy of the community. Due to changes in the market, and particularly with respect to the way in which insurance for damaged pre-existing roofs evolved, the market niche developed by JEHCO was forced into a position of reduced margins. A number of events resulted in the primary working capital lender of the Debtors, Frost Bank, changing the way that margins were allowed to be counted for the purpose of determining the validity of the working capital line.

5.6 Prior to the bankruptcy filing, JEHCO, Stallion and the related entity Pipeline entered into a business loan agreement for a \$5,000,000.00 promissory note and a second credit extension in the amount of \$3,498,263.88. Those obligations are guaranteed at different levels by Mr. and Mrs. Helzer, Pipeline, Stallion, Leasing and other entities. Those companies, and in particular Leasing, also entered into additional agreements primarily for the purchase and lease of vehicles resulting in significant and additional advances. The claims of Frost Bank in connection with these alleged obligations are listed on an attached exhibit.

5.7 The Debtors also owe personal property and real property ad valorem taxes. The taxes are believed to be owed primarily to the Tarrant County Tax Assessor Collector's Office in connection with Tarrant County, the local Independent School District and the City of Fort Worth.

C. Management of the Debtors

5.8 Prior to the bankruptcy filing, each of the Debtors was managed primarily by Jim Helzer and his wife, Marilyn Helzer. JEHCO was also operated by E. G. Helzer with assistance from Randy Rabeck, Allison Koester and other managers. Leasing received management assistance from Allison Koester. That individual is no longer with the company.

D. Anticipated Future Management of The Debtors.

5.9 In the future, it is anticipated that each of the Debtors will be managed primarily by James Helzer. While there may be other employees in each of the entities, the only officer of each entity will be Mr. Helzer. As compensation, other employees of the Debtors will be entitled to be paid, however, Mr. Helzer will no longer receive payment for his position as an executive or officer of these Debtors.

VI. DEBTORS' CHAPTER 11 CASE

A. Factors Precipitating the Chapter 11 Case

6.1 Each of the Debtors was forced to file for bankruptcy protection due to a number of factors. The difficult economic conditions, in which the nation has experienced over the past many years, have caused a financial stress on the Debtors. Additionally, a significant factor in the ability of the Debtors to promptly turn a profit, resulted from changes in the practice of insurance providers. Historically, insurance providers in storm damaged areas have been generally quick to act in the funding of repairs of roofing. JEHCO has noticed a dramatic increase in the time for approving repair work and for the time to fund the repair of that work. For the reasons set forth in the preceding sections, it became apparent to the Debtors that the Debtors would not be able to continue to maintain operations without a restructuring of its cash flow. As a result, the Debtors filed for bankruptcy protection.

B. Commencement of the Chapter 11 Case

6.2 On the Petition Date, the Debtors commenced the chapter 11 case by filing a voluntary petition for protection under the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, the Honorable Russell F. Nelms presiding. The chapter 11 case is being administered under Case No. 13-42397-RFN-11.

C. Continuation of Business

6.3 From the Petition Date, the Debtors continued to own and control the assets owned by each of the Debtors separately. JEHCO supervised all operations. As part of the process, control of all three businesses effectively ran through JEHCO. The accounting for assets and the control of assets was separately booked. As part of the process, Leasing no longer received any premium from JEHCO and effectively became a pass through entity.

6.4 The value of the property of each of the Debtors in the possession of that Debtors is established largely by what the Debtors believe the property to be worth as well as third party resources such as blue book values. At the time of the bankruptcy filing of the Debtors, JEHCO indicated that it had cash on hand and cash deposits totaling approximately \$12,855.00. The Debtors listed its miscellaneous personal property as well as numerous insurance policies to protect its property and casualty. The Debtors had accounts receivable of approximately \$6,190,000.00 at the time of the bankruptcy filing. The significant assets of the Debtors included auto, trucks and other vehicles valued at \$1,885,761.76, other contingent and unliquidated claims valued at \$7,848.71, machinery, fixtures and equipment valued at \$10,732.00 and inventory valued at approximately \$5,184.00 as set forth on schedule B of its schedules and statements of affairs located on the docket of the court as docket item No. 80. The secured claims asserted against JEHCO and the other Debtors are detailed more thoroughly below.

6.5 The value of the property of each of the Debtors in its possession of that Debtor is established largely by what the Debtors believe the property to be worth as well as third party resources such as blue book values. At the time of the bankruptcy filing of the Debtors, Stallion indicated that it had miscellaneous personal property as well as numerous insurance policies to protect its property and casualty. The significant assets of the Debtors included Real Property valued at approximately \$27,829.10, motor vehicles and other equipment valued at \$30,000.00, machinery, fixtures and equipment valued at \$331,000.00 as set forth on schedule B of its schedules and statements of affairs located on the docket of the court as docket item No. 72.

6.6 The value of the property of each of the Debtors in the possession of that Debtor is established largely by what the Debtors believe the property to be worth as well as third party resources such as blue book values. At the time of the bankruptcy filing of the Debtors, Leasing indicated that it had listed its miscellaneous personal property as well as numerous insurance policies to protect its property and casualty. The Debtors had accounts receivable of approximately \$71,490.07 at the time of the bankruptcy filing. The significant assets of the Debtors included motor vehicles and other equipment valued at approximately \$1,147,725.78 as set forth on schedule B of its schedules and statements of affairs located on the docket of the court as docket item No. 76.

D. Representation of the Debtors

6.7 The law firm of Griffith, Jay & Michel, LLP, through Mark J. Petrocchi, 2200 Forest Park Blvd., Fort Worth, TX 76110, represents each of the Debtors as bankruptcy counsel.

6.8 The Debtors anticipate the need to employ collection counsel. The Debtors will probably request, or will contemporaneously request the employment of Jean Arnold in connection with collections of Colorado accounts receivable, employment of an Oklahoma attorney for the purpose of collecting receivables and the employment of Tom Henry, or another attorney, in connection with Texas accounts receivable collection efforts.

6.9 The Debtors have sought and received permission to employ Waters, Vollmering & Associates, LLP by order dated August 29, 2013 (docket item No. 180) as accountants for the purpose of preparing tax returns and assisting with bookkeeping services.

E. Procedures in the Chapter 11 Case

6.10 Upon the filing of the bankruptcy case, the Debtors were not required to take extraordinary actions to preserve the estate. On a post-petition basis, the Debtors sought to employ the professionals described in the preceding sections. The Debtors have sought and received authority to use cash collateral in connection with financial obligations pledged to Frost Bank. The final stage of this case is to make payments to creditors as set forth in this Disclosure Statement established to administer the assets of the estate.

6.11 During the course of this case, the Debtors have addressed the concerns of many secured and unsecured creditors and responded to numerous motions and responsive pleadings of those creditors. By way of example, there have been a number of motions to lift stay and motions to appoint trustee as well as objections to requested relief by creditors in response to motions to provide other creditors relief that would ordinarily be part of the ordinary course of a non-Debtor. By way of example only, in the early stages of the case, Wells Fargo filed a motion for relief from the automatic stay, an adequate protection payment arrangement was entered, an order was entered and Frost Bank filed a motion to reconsider that order. The Debtors were drawn into a dispute between the creditors in connection with matters that routinely would have been paid without the scrutiny of other creditors.

6.12 At the time this case was filed, it was the belief of the Debtor JEHCO that the business was viable. In the opinion of the Debtors, due in large part to the receivership motions filed by Frost Bank and the consequences resulting therefrom, competitors in this aggressive industry seized the opportunity to attack the customer base. One of the motions to appoint receiver was brought by PABCO Building Products, LLC ("PABCO") resulting in pressure on the Debtors to sell its assets, ultimately leading to PABCO being in a position to purchase those assets. The loss of demand was further impacted by interruptions in supply lines from vendors that further restricted supply terms and cash flow restrictions imposed by Frost Bank preventing the Debtors from maintaining inventory at a level to which customers have become accustomed.

6.13 Due to pressures brought to bear upon the Debtors, on or about August 8, 2013, the Debtors filed a Motion for Order Authorizing the Sale of Assets Free and Clear of Liens. At the time of the filing of the motion, the Debtors had numerous locations in multiple states. The motion drew a number of objections from interested parties, many of which both helped and harmed the process. Ultimately, the sale procedure involved two bidders, PABCO and Allied Building Products Corp. (“Allied”).

6.14 During the course of bidding between PABCO and Allied, the terms of the bidding changed significantly. Ultimately resulting in PABCO bidding only upon the assets of the Debtors in the Houston location, the Mansfield location and the Oklahoma City location. PABCO agreed to collect accounts receivable in those locations, which, if done aggressively was perceived by JEHCO to be a material benefit to the collection process. Other locations such as the Denver, Granite Shoals, Aubrey, McAllen, Kansas City and St. Louis locations were closed, resulting in a requirement that the Debtors collect accounts receivable in those abandoned locations. In connection with the remaining locations, PABCO was to collect accounts receivable. Immediately following the sale, and during the closing process, PABCO negotiated independently with Allied to sell some assets in the Houston location. The terms of that sale have not been disclosed fully to JEHCO.

6.15 As part of the agreement between the parties as approved by the Court, PABCO purchased the accounts receivable and agreed to collect accounts receivable for a period of ninety (90) days, immediately tendering two-thirds of that purchase payment to the Debtors. However, based on the terms of the agreement, the ultimate benefit or harm from performing collections appropriately fell upon the Debtors. As part of the sale process, PABCO refused to agree to honor its own rebate program. While the Debtors agreed to this provision, on information and belief, PABCO during the collection process allowed parties with whom it continued to do business to setoff prepetition rebates against the accounts receivable of the Debtors that were being collected by PABCO. It is the position of JEHCO that these setoffs were not authorized by the Court and in most instances would not have been authorized by the Court. Further, during the ninety (90) day window, while apparently collecting for PABCO, Allied contacted representatives of JEHCO requesting information that they were unable to receive from PABCO. While PABCO has collected accounts receivable in the Mansfield and Oklahoma locations, the Debtors discovered that Allied was collecting the accounts receivable in the Houston location. Accounts receivable in all locations occurred at a level that was materially below the normal receivables collections rate, while that function was performed by any Debtors.

6.16 While JEHCO was provided some information during the time when PABCO was collecting receivables, that information was not in real time and was not in the system format of the Debtors. The Debtors received that information on or about December 16, 2013 and continues the efforts of JEHCO to reconcile the information provided.

6.17 At the current time, there is no committee or supervising trustee and the Debtors remain Debtors-in-possession pursuant to the provisions of 11 U.S.C. §1107 and §1108.

VII. ANALYSIS OF CLAIMS AGAINST DEBTORS

A. General

7.1. The Debtors prepared the schedules and statements of affairs in connection with this matter. That information was acquired from the books and records of the Debtors. The information contained in the schedules and statements of affairs is not audited and is only as valid as the books and records of the Debtors.

7.2. The Debtors have prepared its schedules and statements of financial affairs filed in this case. The schedules of JEHCO reflect secured debt in the amount of \$5,357,508.91. The schedules do not reflect any priority claims and show unsecured claims in the amount of \$12,993,781.63. These numbers are subject to revision based upon the proofs of claim filed and debits and credits that may have occurred. The numbers also potentially reflect the characterization of lease debt as secured and some intercompany obligation. The schedules of Leasing reflect secured claims of \$152,216.31. Those schedules do not show any priority or unsecured debt. The schedules of Stallion Station show secured claims of \$1,444,797.09, priority claims of \$25,246.52 and secured claims in the amount of \$2,511,968.54. These numbers are subject to revision based upon the proofs of claim filed and debits and credits that may have occurred. The numbers reflected may also be adjusted based upon the value of the collateral and the potential dual counting of claims as a result of guarantees or co-obligations.

7.3. Based upon the proofs of claim filed in this matter, the Debtors conclude that the schedules as filed may require some minor modification. The amount due to creditors cannot be calculated until all claims have been filed and all claims objections have been completed.

7.4. Certain creditors have asserted security interests in the assets including assets described as leased. While those creditors may or may not be entitled to a secured claim, whether or not the party is entitled to payment from specific assets will have minimum effect on the distribution to priority creditors or General Unsecured Creditors.

7.5. Prior to the bankruptcy filing, the Debtors attempted to address and pay all employee claims. The Debtors believe it has satisfied the claims of all employees.

7.6. Attached hereto as Exhibit "A-1" is a list of all proofs of claim filed contemporaneously with the submission of this disclosure statement. If the proofs of claim as filed are allowed, the distribution to creditors will be modified accordingly. However, any person is entitled to file a proof of claim that may or may not agree with the records of the Debtors. Pursuant to Bankruptcy Rule 3003(c)(4), the filing of a proof of claim supersedes the scheduling of such Claim on the Debtors' Schedules. The Debtors will evaluate each proof of claim filed and will object to any claims that it determines to be in excess of the amount owed the Claimant.

B. Executory Contracts and Unexpired Leases

7.7. Executory Contracts and Leases. The Debtors were parties to a number of leases and contracts. Leasing filed a schedule G. listing leases with Frost Bank in connection with approximately 39 leased pieces of equipment. Some of those pieces of equipment were on true leases while others were financing transactions. Subleases between Leasing and JEHCO were also disclosed. JEHCO was a party to a number of Real Property leases which have either been rejected or assigned to PABCO. A number of creditors have filed proofs of claim evidencing leases as are described in the treatment of claims section. Stallion indicated it had no such contracts.

VIII. TRANSACTIONS WITH AFFILIATES

8.1. Guarantees. Many entities were either co-makers of, guarantors of or guaranteed by or had a third party guaranty debt in connection with either JEHCO, Mr. Helzer for related entities. On a pre-petition basis, James Helzer guaranteed leases as are specifically described on schedule H of the schedules filed with the court. The obligations guaranteed by Mr. Helzer of JEHCO included trade debt and loans from Atlas Ahern Rentals, Bridgewell Resources, LLC, Dallas Wholesale Distribution, Frost Leasing, Frost National Bank, Guardian Building Products, IKO Manufacturing, Inc., Mack Financial Services, PABCO Building Products, LLC, PrimeSource Building Products, Inc., Toyota Lift of South Texas, US Ply, Inc., and Wells Fargo Equipment. Additionally, obligations owed to Frost Bank and potentially Frost Leasing was often guaranteed by or a related party or a related party was a co-maker. Most significantly in connection with the JEHCO obligation, and the Stallion and Pipeline obligations, each of those entities might have some responsibility for the debt and also James and Marilyn Helzer have responsibility for that debt.

8.2. Insider Transactions. On a pre-petition basis, a number of persons related to the owners of the respective companies were employed by Debtors. Persons employed by the Debtors that were related included Jim Helzer, Kay Helzer and E.G. Helzer. The other Debtor entities engaged in number of transactions with insiders. Effectively, all equipment owned or leased by Leasing from third parties was re-leased to JEHCO or related entities. A major transaction occurred with Frost Bank, Pipeline and Stallion which is evidenced by the Frost Bank claim No. 9 filed in the Stallion case and the supporting documents dated July 11, 2011. In that connection, Pipeline as part of its business, borrowed money from Frost Bank and that borrowing was guaranteed by JEHCO, Helzer individually and Stallion. On a pre-petition basis, Stallion ceased operations and the ongoing liabilities from operations were taken on by Equine. Transactions with Equine and other insiders may be discussed in other sections of this document. No new insider transactions will be initiated without being specifically set forth in this Disclosure Statement or approved by further order of the court.

IX. LITIGATION

A. Lawsuits against the Debtors

Lawsuits at time of filing. At the time of the bankruptcy filing, the Debtor was a party to a lawsuit as described in the Statements of Financial Affairs as Frost Bank v. JEH Company, et al, Cause No. 67-265786-13 in the 67th District Court of Tarrant County, Texas.

The Frost lawsuit has been discussed previously in this document.

9.1. Potential Causes of Action. The Debtor may also have causes of action arising under Chapter 5 of the bankruptcy code for preferential payments and potentially for other recoverable transfers. All such causes of action were disclosed in connection with the schedules of the respective Debtors. It is the intention of the Debtors that any and all chapter 5 causes of action arising under the provisions of the Bankruptcy Code shall be retained and be collectable for the benefit of creditors. It is not the intention of the Debtors to pursue diminimus causes of action that would result in attorney's fees or other expenses that would not likely provide a material return to creditors. Because of pressure brought to bear by a number of large creditors and the tightened credit positions with many vendors, most creditors were either being paid on a contemporaneous basis or were being paid within contractual terms, or some creditors were not being paid at all. The primary creditors identified as having received payments because of pressure brought to bear on the Debtors including Frost Bank, PrimeSource Building Products, Inc. BlueLinx Corporation and very small creditors. Some creditors such as Frost Bank had positions of security that would prevent those creditors from being subject to a recovery of transfer action due to obvious defense. It is the intention of the debtors, primarily JEHCO, that all rights concerning accounts receivable with former customers of JEHCO, and with respect to PABCO and Allied with respect to the efforts to collect accounts receivable in the transactions between those entities be preserved for the benefit of creditors. JEHCO understands that credits were either given or taken by former customers without the express consent of JEHCO or this court. Shortly prior to the filing of this disclosure statement, the Debtors received a final reconciliation of Accounts Receivable from PABCO. At the time of this writing, the Debtors have not accepted that reconciliation.

9.2. Objection Deadline. Unless a different date is set by order of the Bankruptcy Court, all objections to Claims shall be served and filed within sixty (60) days after the Effective Date or sixty days after a particular proof of claim is filed, whichever is later. All Contested Claims shall be litigated to Final Order; provided, however, that the Debtors may compromise and settle any Contested Claim without notice required by Bankruptcy Rule 1019 during the pendency of the proceeding. If no claims are asserted, then no objection will be necessary. For the purpose of payments under this Plan, the Debtors shall be entitled to treat those claims filed in the JEHCO matter as being claims asserted against the Debtor named on the face of the claim without the need for any Debtor to file an objection to that claim filed in the JEHCO case.

9.3. Responsibility for Objecting to Claims. The Reorganized Debtors shall have the responsibility for objecting to the allowance of Claims following the Effective Date.

9.4. Claims Deemed Allowed. Provisions relating to distributions on behalf of Contested Claims are contained in the Plan. Generally, however, subject to such provision, the uncontested portion of the Contested Claim will be deemed as Allowed while the Debtors proceeds with its objection to the contested portion of the Claim.

9.5. Contingent Claims Deemed Contested. Until such time as a contingent Claim becomes fixed and absolute by a Final Order allowing such Claim, such Claim shall be treated as a Contested Claim for purposes of estimates, allocations, and distributions under the Plan. Any contingent right to contribution or reimbursement of an entity that is liable with the Debtors or has secured the Claim of a Creditor shall be disallowed to the extent required by §502(e) of the Bankruptcy Code.

9.6. No Final Distribution Pending Contests. At such time as all Contested Claims and contingent Claims have become Allowed Claims and paid or been disallowed by Final Order, any property remaining undistributed shall be returned to the Reorganized Debtors.

X. SUMMARY OF THE PLAN

A. General

10.1. THE FOLLOWING IS A SUMMARY OF THE MATTERS CONTEMPLATED TO OCCUR EITHER PURSUANT TO OR IN CONNECTION WITH CONSUMMATION OF THE PLAN. THIS SUMMARY HIGHLIGHTS THE SUBSTANTIVE PROVISIONS OF THE PLAN AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE DESCRIPTION OR A SUBSTITUTE FOR A FULL AND COMPLETE REVIEW OF THE PLAN. THE BELOW SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN. STATEMENTS REGARDING PROJECTED AMOUNTS OF CLAIMS OR DISTRIBUTIONS (OR VALUE OF SUCH DISTRIBUTIONS) ARE ESTIMATES BY DEBTORS BASED ON CURRENT INFORMATION AND ARE NOT A REPRESENTATION AS TO THE ACCURACY OF THESE AMOUNTS.

B. General Description of Treatment of Administrative Expenses and Priority Claims

10.2. JEHCO Class 1 - Administrative Expense Claims. Creditors holding Administrative Expense Claims against JEHCO will receive the following treatment.

(a) Deadline for Applications for Administrative Claims. Any application for Administrative Expense pursuant to 11 U.S.C. §507(a) must be asserted within thirty (30) days of the Effective Date, except Claims to be asserted by counsel for the Debtors. Any governmental entity asserting a claim for taxes including ad valorem taxes shall not be required to file an administrative expense claim in order to preserve whatever that taxing authority may have.

(b) Reserved for Administrative Claims. The Debtors are entitled to reserve an amount sufficient to pay all Administrative Claims and Professional Fee Claims from those amounts to be paid to the classes of Creditors.

(c) Deadline for Applications for Professional Fees. Any Professional shall file an appropriate application with the Bankruptcy Court for the Allowance of its Administrative Expense Claim. Any application seeking an Administrative Expense Claim on behalf of a Professional must be filed within thirty (30) days of the Effective Date, or such Claim shall be disallowed. Except upon further order of the Bankruptcy Court, an Administrative Expense Claim by a Professional shall be determined and Allowed as appropriate by the Bankruptcy Court.

(d) Current Expenses and Trustee Fees. The administrative claims against the Debtors include payroll, United States Trustee's fees, current vendor obligations, current adequate protection payments and professional fees. In addition to those normal administrative expenses, other normal expenses including professional fees are estimated to be in the approximate range of \$250,000.00. For the purpose of this claim, the administrative obligations of JEHCO have not been segregated from those of Leasing or Stallion, as the claims against Stallion are relatively small and the majority of the claims against Leasing would have likely occurred in the JEHCO case as well. There are also priority claims for goods sold as set forth below. Administrative claims have been asserted against the Debtor to date.

(e) Priority Claims for Goods. To the extent any party asserts a Section 503(b) claim for administrative priority for goods provided to the Debtor, such an application must be asserted within thirty (30) days of the Effective Date, or the claim is waived. Each of the potential claimants below have the opportunity to file a timely proof of claim as the right to assert an administrative claim was calculable as of the time of the filing and was known to the creditor as of the time of the claims bar date. Persons who might have an administrative claim are listed below. The administrative claims asserted against the Debtors may include the following:

ABC Supply-\$810.82, Airvent-\$11,092.50, AJC Tools-\$881.30, Alside Supply Center-\$1,582.70, Attic Breeze-\$329.98, Award Metals-\$3,159.50, Berger Bldg. Products-\$10,925.30, Birdview Skylights-\$1,063.55, BlueLinx Corporation-\$236,742.72, Boise Cascade-\$22,721.38, Bradco-\$2,295.48, C&R Manufacturing-\$6,012.96, Cedar Creek-\$74.26, Central States Mfg-\$9,694.97, Commerce Bank-\$3,276.00, Crown Roof Tiles-\$455.93, DOT Metal Products-\$18,493.15, Franklin International-\$2,222.44, G.A.P. Roofing-\$86,969.58, Gardner Asphalt-\$1,606.52, Geocel-\$4,902.53, Guardian Building-\$52,908.31, Henry Company-\$6,273.58, Lenny Hudgins-\$1,869.66, IKO Manufacturing-\$23,128.52, InterWrap Corp-\$22,629.60, Lomanco-\$1,625.00, Metro Roof Products-\$458.30, Boral Roofing-\$3,643.35, PABCO Roofing-\$847,864.15, Pate's Hardware-\$1,983.31, Ross Mfg-\$1,173.00, RSG-\$40,892.74, Andrew Schultz-\$39.72, Southern Shingle-\$712.26, Spec Building-\$1,142.82, Tarco Specialty-\$19,370.00, Texas Metal-\$3,882.40, US Ply-\$4,754.00, Weyerhouser NR-\$28,464.64, Woody Butts-\$4,371.84, and White Sands-\$1,500.00. These claims total approximately \$1,494,000.77. JEHCO has satisfied the PABCO claim through the sale of assets to that entity and has reviewed other

claims, resulting in the conclusion that the exposure for Section 503(b)(9) claims is estimated to be no more than \$650,000.

(f) Deadline to Assert Section 503(b)(9) Claims. Many of the claims above have been reviewed by JEHCO with a resulting determination that for one reason or another that those claims may not qualify for Section 503(b)(9) administrative priority. Any party seeking administrative priority must either file an application with the Court or file an administrative priority claim within thirty (30) days of the Effective Date of the approval of the Plan, or such claim shall be considered waived. To the extent that a claim is filed, but no order has been entered approving the claim, the Debtor shall have ninety (90) days from the Effective Date to file an objection to that claim. If no objection is filed, then the claim shall be deemed allowed. To the extent that an objection is filed, or a notice is provided of dispute and the parties resolve the dispute by written agreement, court administration of the resolution of that dispute shall not be required. No special provisions have been adopted in the Northern District for 503(b)(9) claims which are pre-petition claims known to creditors at the time of the filing of the case and for which a space on the official form provides for the assertion of such claim. Due to the fact that few 503(b)(9) creditors have asserted claims or administrative priority, it is the position of the Debtor that the claims process, to the extent necessary, for section 503(b)(9) claims to be asserted, should be extended for thirty (30) days from the Bar Date. Any claims for 503(b)(9) treatment must be supported by specific information related to the claim including the type of goods provided and the delivery date of those goods.

(g) Quarterly Fees. The fees due to the United States Trustee on a quarterly basis are administrative fees and shall be paid by the Debtors timely and post-confirmation quarterly operating reports shall be filed until the case is closed, dismissed or converted. There is no obligation for the United States Trustee to file an administrative claim for this obligation to continue.

10.3 **JEHCO Class 2: Priority Tax Claims.** Each holder of an Allowed Priority Tax Claim of the kind specified in Section 507(a)(8) of the Bankruptcy Code will receive on account of such Claim regular monthly installments in Cash beginning within thirty (30) days of the Effective Date in an amount equal to the Allowed amount of such Claim amortized over a period of the number of months remaining as of the time of the thirtieth (30th) day following the Effective Date calculated as five (5) years from the date of the order for relief of this Debtor less the number of months that have already passed from the Petition Date to thirty (30) days following the Effective Date. That Class 2 Priority Tax Claims that are unsecured shall accrue interest at a rate of four percent (4%). To the extent that the Non-Priority Unsecured Claimants receive treatment that is more favorable than the Creditors with Claims in this Class, then the Creditors with Claims in this Class will be able to participate by making an election prior to the time of the approval of the plan to receive the same treatment. Holders of Claims in this Class may be paid the balance of the obligation due to the Creditor at any time during the term of payments set forth under this Plan without penalty or interest that have not accrued as of the date of the payment.

10.4 **JEHCO Class 3: All Other Priority Claims, if any.** No Other Priority Claims are expected at this time. Each holder of an Other Priority Claim will receive on account of such

claim regular monthly installments in cash beginning within thirty (30) days of the Effective Date in an amount equal to the Allowed amount of such Claim amortized over a period of the number of months remaining as of the time of the thirtieth (30th) day following the Effective Date calculated as five (5) years from the date of the entry of the order of relief of this Debtors less the number of months that have already passed from the Petition Date to thirty (30) days following the Effective Date.

C. General Description of Treatment of Claims and Equity Interests

10.5 JEHCO Class 4: Secured Tax Claims. Each holder of a Secured Tax Claim asserted against JEHCO shall receive the amount of such holder's Allowed Claim, in one Cash payment on the later of (1) the thirtieth (30th) day following the Effective Date, (2) the eleventh Business Day after such Claim becomes an Allowed Claim and (3) the last date upon which such Claim may be paid in the ordinary course of business without interest or penalty. In the event this Debtor does not make a specific election to the contrary, the payment will be due on the thirtieth (30th) day following the Effective Date. Holders of Secured, Ad Valorem Tax Claims shall receive payment of their post confirmation Claims prior to any delinquency pursuant to state law. In the event that any of the Claims held by these ad valorem taxing agencies is paid after the delinquency pursuant to state law, those taxing authorities shall receive interest at the state statutory rate of interest per month until the Claim is paid in full. The taxing authorities shall retain their Liens against property or proceeds of property until they receive payment in full of their Claims. The Plan shall not be construed as limiting the rights of the Creditors in this Class to post-petition ad valorem tax penalties, interest or attorney's fees in the event that those taxes are not timely paid. The Plan shall not be construed as a requirement of any Creditor in this Class to file an administrative expense claim for any debt due under the statute.

10.6 JEHCO Class 5A: Secured Claim of Bridgewell Resources, LLC. No collateral remained at the time of the bankruptcy filing and the Claim of Bridgewell Resources, LLC against JEHCO be treated as a General Unsecured Claim. To the extent Bridgewell Resources, LLC agrees in writing that it has no perfected first lien security interest against the assets of the Debtor, then no adversary will be filed against Bridgewell Resources, LLC. In the event Bridgewell Resources, LLC does not agree in writing that its claim shall be treated as an unsecured claim, then an adversary will be filed against Bridgewell Resources, LLC within ninety (90) days of the Effective Date seeking to establish the amount of the claim of Bridgewell Resources, LLC that should be treated as secured. The secured claims of this creditor will be satisfied in full by the repayment of the outstanding secured claim as determined by agreement or the Court, together with interest at a rate of five percent (5%) from the Effective Date through the date of payment. Payment will be made by the Debtor on the later of the date an agreement is reached with Bridgewell Resources, LLC as to the amount of its secured claim or a ruling by this Court as to the amount of the Bridgewell Resources, LLC secured claim. Nothing in this paragraph of the plan shall be construed as preventing Bridgewell Resources, LLC from asserting a Section 503 administrative claim to the extent that it is appropriate for that Creditor to do so.

10.7 JEHCO Class 5B: Secured Claims of Frost Bank. JEHCO Class 5B: Secured Claims of Frost Bank. The Secured Claims of Frost Bank evidenced by Claim Nos. 67 through 85 in the JEHCO case and in the other cases as described in sections below. The claims asserted

by Frost Bank are not disputed, unliquidated or contingent as of the time of the filing of this document. The secured claims continue to accrue interest and potentially fees. The claims are also subject to credits for assets sold and payments previously made. The Debtor will seek a reconciliation of the amount of the secured claim asserted by Frost Bank. To the extent that an agreement is reached with Frost Bank on the amount due to that Claimant, then the secured claim of Frost Bank will be paid no earlier than on the Effective Date, nor later than thirty (30) days following the Effective Date, provided that the Debtor retains sufficient assets to satisfy the claims of ad valorem tax creditors. In the event no agreement shall be reached, the Debtor shall file a specific objection to the amount of the Frost Bank claim on or before the Effective Date. If an agreement is reached at least three (3) days prior to the scheduled Plan Confirmation hearing, then the Debtor will file a stipulation with the Court evidencing the amount that it intends to pay, together with the per diem interest rate. Until Frost Bank is paid, it will retain all liens against Collateral pledged to it.

10.8 **JEHCO Class 5C: Secured Claims of G.A.P. Roofing, Inc.** The Secured Claims of G.A.P. Roofing, Inc. will be revalued and restated as General Unsecured Claims. To the extent G.A.P. Roofing, Inc. agrees in writing that it has no perfected first lien security interest against the assets of the Debtor, then no adversary will be filed against G.A.P. Roofing, Inc. In the event G.A.P. Roofing, Inc. does not agree in writing that its claim shall be treated as an unsecured claim, then an adversary will be filed against G.A.P. Roofing, Inc. within ninety (90) days of the Effective Date seeking to establish the amount of the claim of G.A.P. Roofing, Inc. that should be treated as secured. The secured claims of this creditor will be satisfied in full by the repayment of the outstanding secured claim as determined by agreement or the Court, together with interest at a rate of five percent (5%) from the Effective Date through the date of payment. Payment will be made by the Debtor on the later of the date an agreement is reached with G.A.P. Roofing, Inc. as to the amount of its secured claim or a ruling by this Court as to the amount of the G.A.P. Roofing, Inc. secured claim. Nothing in this paragraph of the plan shall be construed as preventing G.A.P. Roofing, Inc. from asserting a Section 503 administrative claim to the extent that it is appropriate for that Creditor to do so.

10.9 **JEHCO Class 5D: Secured Claim of Wells Fargo.** The Secured Claim of Wells Fargo and all claims of Wells Fargo shall be considered fully paid and satisfied by the prior sale and/or surrender to Wells Fargo by the thirtieth (30th) day following the Effective Date, the collateral as evidenced by Claim No 30 against JEHCO, except as otherwise agreed to by that party. Wells Fargo shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.10 **JEHCO Class 5E: Secured Claims of Worthington National Bank.** The Secured Claims of Worthington National Bank will be revalued and restated as unsecured claims. To the extent that the Debtor JEHCO is obligated in connection with the claim set forth in claim No. 42 filed in the JEHCO case as a Secured Claim for \$2,040,172.54. That claim will be treated as a general unsecured claim against JEHCO if, and only if documentation is provided reflecting a guarantee. If Worthington National Bank agrees in writing that it has no perfected first lien security interest against the assets of the Debtor, then no adversary will be filed against Worthington National Bank. If in the event Worthington National Bank does not agree in writing that its claim or file an amended claim providing documentation of the security interest within

thirty (30) days of the Effective Date, then an adversary will be filed against Worthington National Bank within ninety (90) days of the Effective Date seeking to establish the amount of the claim of Worthington National Bank that should be treated as a Secured Claim and of liberty and priority of the liens of Worthington National Bank. The Secured Claims of this Creditor will be satisfied in full by the surrender of any collateral against which Worthington National Bank is found to have a valid lien. Such surrender shall occur the later of the date an agreement is reached with Worthington National Bank as to the amount of its secured claim or a ruling by this Court as to the amount of the Worthington National Bank Secured Claim, and entered order in any adversary determining the validity of liens becoming final, or within thirty (30) days of the Effective Date.

10.11 JEHCO Class 5F: Secured Claims of any other creditor asserting a secured Claim. The Debtors are unaware of any other valid Secured Claims. Any other Secured Claims will be treated as Contested and will be revalued pursuant to a hearing before the United States Bankruptcy Court after notice and opportunity for hearing. Any other Secured Claim will be treated as Contested at the time of the Effective Date whether or not an Objection to that Claim has been filed. An Objection to the Claim, if any must be filed within sixty (60) days of the Effective Date. The Debtor will have the option at its sole discretion and election, to be made prior to the conclusion of the valuation hearing pursuant to a Valuation Motion, to satisfy any Secured Claim Allowed by the Court: by either (1) paying the Allowed Secured Claim in equal monthly payments over a ninety (90) month period together with interest at the rate of four percent (4%), or (2) surrendering the Collateral in full satisfaction of the Secured Claim. Any Creditor in this Class shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it, or the lien is avoided or found to be invalid by adversary proceeding.

10.12 JEHCO Class 6: General Unsecured Creditors. The General Unsecured Creditors will receive a Pro Rata share of payments proposed herein in an amount relative to the entire Allowed class of Claims. The Debtors shall liquidate all assets of the estates of JEHCO and Leasing with specific direction to emphasize a market return for collection or sale of Accounts receivable, equipment and Real Property assets The Debtor shall disburse funds directly to the holders of the Claims in satisfaction of the debt, but will not be obligated to make any disbursement in the amount of \$5.00 or less in any period until the final period due under the Plan. The first payment to each Creditor shall be due and owing beginning on the sixtieth (60th) day of the Effective Date and then due and owing when for any period of sixty (60) days cash proceeds of the liquidation of assets exceed by one hundred thousand dollars (\$100,000) the Secured Claims against the proceeds, and a reserve equal to the next three months budget for expenses. If at any time when the remaining assets of JEHCO are believed to have a value of one hundred thousand dollars (\$100,000) or less, then the debtor shall promptly liquidate all remaining assets and dispersed the remaining proceeds to unsecured creditors. The General Unsecured Creditors of Leasing and Stallion shall participate in this Class.

10.13 JEHCO Class 7 Equity Interests. For the purpose of convenience, the equity interest holders are labeled as a Class, but do not legally qualify as a Class. The Equity Interests holders shall receive no payments for any equity interests at any time.

10.14 **Leasing Class 8: Administrative Expense Claims.** Creditors holding Administrative Expense Claims against Leasing will receive the following treatment.

(a) Each holder of an Allowed Claim for an Administrative Expense asserted by an Administrative Expense Creditor shall receive from the reserve, for payment of Administrative Expense Claims the amount of such holder's Allowed Claim on the latter of (1) the Within 30 days of the Effective Date, (2) the eleventh day after the Claim is Allowed, or (3) in accordance with the ordinary business terms of such expense or cost.

(b) Any application for Administrative Expense pursuant to 11 U.S.C. §507(a) must be asserted within thirty (30) days of the Effective Date, except Claims to be asserted by counsel for the Debtors. Any governmental entity asserting a claim for taxes including ad valorem taxes shall not be required to file an administrative expense claim in order to preserve whatever that taxing authority may have.

(c) The Debtors are entitled to reserve an amount sufficient to pay all Administrative Claims and Professional Fee Claims from those amounts to be paid to the classes of Creditors.

(d) Any Professional shall file an appropriate application with the Bankruptcy Court for the Allowance of its Administrative Expense Claim. Any application seeking an Administrative Expense Claim on behalf of a Professional must be filed within thirty (30) days of the Effective Date, or such Claim shall be disallowed. Except upon further order of the Bankruptcy Court, an Administrative Expense Claim by a Professional shall be determined and Allowed as appropriate by the Bankruptcy Court.

(e) The administrative claims against Leasing include United States Trustee's fees, current vendor obligations, current adequate protection payments (if any) and professional fees. Those administrative claims are included for budgeting purposes within the claims against JEHCO. Leasing is not aware of any separate administrative claims for operations that have been threatened or are asserted.

(f) There are no filed administrative claims against Leasing.

(g) The fees due to the United States Trustee on a quarterly basis are administrative fees and shall be paid by the Debtors timely and post-confirmation quarterly operating reports shall be filed until the case is closed, dismissed or converted. There is no obligation for the United States Trustee to file an administrative claim for this obligation to continue.

10.15 **Leasing Class 9: Priority Tax Claims.** Each holder of an Allowed Priority Tax Claim asserted against Leasing of the kind specified in Section 507(a)(8) of the Bankruptcy Code will receive on account of such Claim regular monthly installments in Cash beginning on the thirtieth (30th) day following the Effective Date in an amount equal to the Allowed amount of such Claim amortized over a period of the number of months remaining as of thirty (30) days following the Effective Date calculated as five (5) years from the date of the order for relief of this Debtors less the number of months that have already passed from the Petition Date prior to of thirty (30) days following the Effective Date. That Class 7 Priority Tax Claims that are

Unsecured shall accrue interest at a rate of four percent (4%). To the extent that the Non-Priority Unsecured Claimants receive treatment that is more favorable than the Creditors with Claims in this Class, then the Creditors with Claims in this Class will be able to participate by making an election prior to the time of the approval of the plan to receive the same treatment. Holders of Claims in this Class may be paid the balance of the obligation due to the Creditor at any time during the term of payments set forth under this Plan without penalty or interest that have not accrued as of the date of the payment. There are no known Priority Tax Claims against Leasing.

10.16 **Leasing Class 10: All Other Priority Claims, if any.** No Other Priority Claims asserted against Leasing are expected at this time. Each holder of an Other Priority Claim will receive on account of such claim regular monthly installments in cash beginning upon the thirtieth (30th) day following the Effective Date in an amount equal to the Allowed amount of such Claim amortized over a period of the number of months remaining as of the time of the thirtieth (30th) day following the Effective Date calculated as five (5) years from the date of the entry of the order of relief of this Debtors less the number of months that have already passed from the Petition Date to thirty (30) days following the Effective Date.

10.17 **Leasing Class 11: Secured Tax Claims.** Each holder of a Leasing Secured Tax Claim asserted against Leasing shall receive the amount of such holder's Allowed Claim, in one Cash payment on the later of (1) the thirtieth (30th) day following the Effective Date, (2) the eleventh Business Day after such Claim becomes an Allowed Claim and (3) the last date upon which such Claim may be paid in the ordinary course of business without interest or penalty. In the event this Debtor does not make a specific election to the contrary, the payment will be due on the thirtieth (30th) day following the Effective Date. Holders of Secured, Ad Valorem Tax Claims shall receive payment of their post confirmation Claims prior to any delinquency pursuant to state law. In the event that any of the Claims held by these ad valorem taxing agencies is paid after the delinquency pursuant to state law, those taxing authorities shall receive interest at the state statutory rate of interest per month until the Claim is paid in full. The taxing authorities shall retain their Liens against property or proceeds of property until they receive payment in full of their Claims. The Plan shall not be construed as limiting the rights of the Creditors in this Class to post-petition ad valorem tax penalties, interest or attorney's fees in the event that those taxes are not timely paid. The Plan shall not be construed as a requirement of any Creditor in this Class to file an administrative expense claim for any debt due under the statute.

10.18 **Leasing Class 12A: Secured Claim of Ally Financial.** The Leasing Secured Claim of Ally Financial and all claims of Ally Financial shall be considered fully paid and satisfied by the prior sale and/or surrender of collateral to Ally Financial. The claims of Ally Financial are evidenced by claim numbers 5 through 10 in the Leasing case. All claims of Ally Financial shall be considered paid. Ally Financial shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.19 **Leasing Class 12B: Secured Claim of Ford Motor Credit Company, LLC.** The Leasing Secured Claims, and all Claims of Ford Motor Credit Company, LLC as evidenced by Claims 11 and 12 shall be considered fully satisfied by payments previously made in connection with the sale of those vehicles, or if the vehicles have not been sold at the time of the

Effective Date, then Claims 11 and 12 shall be fully satisfied by the surrender of the vehicle to Ford on the Effective Date. Ford Motor Credit Company, LLC shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.20 **Leasing Class 12C: Secured Claims of Frost Bank.** The Leasing Secured Claims of Frost Bank, are evidenced by Claim Nos. 67 through 85 filed in the JEHCO case and in the Leasing case by Claim Nos. 12 through 17. The treatment of the Leasing Secured Claims of Frost Bank is described above as part of the treatment of those claims against JEHCO. .

10.21 **Leasing Class 12D: Secured Claim of Mack Financial.** The claims of Mack Financial shall be evidenced by claim No. 11. Claims will be valued at \$18,000.00. The secured claim of Mack Financial shall be satisfied by the surrender of the collateral. The balance of \$1,022.24 shall be treated as a General Unsecured Claim in connection with the JEHCO distribution set forth above.

10.22 **Leasing Class 12E: Secured Claim of Mercedes-Benz Financial Services USA LLC.** The Leasing Secured Claim of Mercedes-Benz Financial Services USA LLC f/k/a DCFS USA LLC and all claims of Mercedes-Benz Financial Services USA LLC shall be considered fully paid and satisfied by the prior sale and/or surrender of collateral to Mercedes-Benz Financial Services USA LLC. Leasing shall have the right to sell the collateral pledged to Mercedes-Benz Financial Services USA LLC at an amount equal to not less than fifteen percent (15%) of the Kelly Blue Book value of that vehicle for a period of sixty (60) days from the Effective Date, and if the vehicle has not been sold within that period of time, the Debtor shall surrender the vehicle. The claims of Mercedes-Benz Financial Services USA LLC are evidenced by Claim No. 27 in the JEHCO case related to a 2008 Mercedes model CL63AMG ending in VIN number 4737. All claims of Mercedes-Benz Financial Services USA LLC shall be considered paid. Mercedes-Benz Financial Services USA LLC shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.23 **Leasing Class 12F: Secured Claim of Toyota Motor Credit Corporation.** The Leasing Secured Claim of Toyota Motor Credit Corporation and all claims of Toyota Motor Credit Corporation shall be considered fully paid and satisfied by the prior sale and/or surrender of collateral to Toyota Motor Credit Corporation. The claims of Toyota Motor Credit Corporation are evidenced by Claim Nos. 20 through 23 in the JEHCO case. All claims of Toyota Motor Credit Corporation shall be considered paid. Toyota Motor Credit Corporation shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.24 **Leasing Class 12G: Secured Claims of Worthington National Bank.** The Secured Claims of Worthington National Bank with respect to the 2000 Diesel freight vehicle ending in VIN No. 9831 evidence by Claim No. 41 in the Leasing case shall be treated as fully satisfied by the sale of that vehicle to PABCO. Worthington National Bank shall receive no further payment in connection with its Claim No. 41.

10.25 **Leasing Class 13 Equity Interests.** For the purpose of convenience, the equity interest holders are labeled as a Class, but do not legally qualify as a Class. The Equity Interests

holders of Leasing shall receive no payments for any equity interests for so long as payments are due and owing under the Plan of Reorganization. All stock of Leasing shall be cancelled. A new share representing the equity of Leasing will be issued and will be owned by JEHCO, in order to allow for decisions to be made in connection with Leasing.

10.26 **Stallion Class 14: Administrative Expense Claims.** Creditors holding Administrative Expense Claims against Stallion will receive the following treatment.

(a) Each holder of an Allowed Claim for an Administrative Expense asserted by an Administrative Expense Creditor shall receive from the reserve, for payment of Administrative Expense Claims the amount of such holder's Allowed Claim on the latter of (1) the thirtieth (30th) day following the Effective Date, (2) the eleventh day after the Claim is Allowed, or (3) in accordance with the ordinary business terms of such expense or cost.

(b) Any application for Administrative Expense pursuant to 11 U.S.C. §507(a) must be asserted within thirty (30) days of the Effective Date, except Claims to be asserted by counsel for the Debtors. Any governmental entity asserting a claim for taxes including ad valorem taxes shall not be required to file an administrative expense claim in order to preserve whatever that taxing authority may have.

(c) The Debtors are entitled to reserve an amount sufficient to pay all Administrative Claims and Professional Fee Claims from those amounts to be paid to the classes of Creditors.

(d) Any Professional shall file an appropriate application with the Bankruptcy Court for the Allowance of its Administrative Expense Claim. Any application seeking an Administrative Expense Claim on behalf of a Professional must be filed within thirty (30) days of the Effective Date, or such Claim shall be disallowed. Except upon further order of the Bankruptcy Court, an Administrative Expense Claim by a Professional shall be determined and Allowed as appropriate by the Bankruptcy Court.

(e) The administrative claims against Stallion include United States Trustee's fees, current vendor obligations, current adequate protection payments (if any) and professional fees. Those administrative claims are included for budgeting purposes within the claims against JEHCO. Stallion is not aware of any separate administrative claims for operations that have been threatened or are asserted.

(f) There are no filed administrative claims against Stallion.

(g) The fees due to the United States Trustee on a quarterly basis are administrative fees and shall be paid by the Debtors timely and post-confirmation quarterly operating reports shall be filed until the case is closed, dismissed or converted. There is no obligation for the United States Trustee to file an administrative claim for this obligation to continue.

10.27 **Stallion Class 15: Priority Tax Claims.** Each holder of an Allowed Priority Tax Claim of the kind specified in Section 507(a)(8) of the Bankruptcy Code will receive on account of such Claim regular monthly installments in Cash beginning within thirty (30) days of the

Effective Date in an amount equal to the Allowed amount of such Claim amortized over a period of the number of months remaining as of the time of the thirtieth (30th) day following the Effective Date calculated as five (5) years from the date of the order for relief of this Debtors less the number of months that have already passed from the Petition Date to thirty (30) days following the Effective Date. That Class 11 Priority Tax Claims that are Unsecured shall accrue interest at a rate of four percent (4%). To the extent that the Non-Priority Unsecured Claimants receive treatment that is more favorable than the Creditors with Claims in this Class, then the Creditors with Claims in this Class will be able to participate by making an election prior to the time of the approval of the plan to receive the same treatment. Holders of Claims in this Class may be paid the balance of the obligation due to the Creditor at any time during the term of payments set forth under this Plan without penalty or interest that have not accrued as of the date of the payment. A priority tax claim was filed by the Internal Revenue Service in the amount of \$64,137.15. It is currently the intention of Stallion to dispute the obligation.

10.28 **Stallion Class 16: All Other Priority Claims, if any.** No Other Priority Claims are expected to be asserted against Stallion at this time. Each holder of an Other Priority Claim will receive on account of such claim regular monthly installments in cash beginning within thirty (30) days of the Effective Date in an amount equal to the Allowed amount of such Claim amortized over a period of the number of months remaining as of the time of the thirtieth (30th) day following the Effective Date calculated as five (5) years from the date of the entry of the order of relief of this Debtors less the number of months that have already passed from the Petition Date to thirty (30) days following the Effective Date.

10.29 **Stallion Class 17: Secured Tax Claims.** Each holder of a Stallion Secured Tax Claim shall receive the amount of such holder's Allowed Claim, in one Cash payment on the later of (1) the thirtieth (30th) day following the Effective Date, (2) the eleventh Business Day after such Claim becomes an Allowed Claim and (3) the last date upon which such Claim may be paid in the ordinary course of business without interest or penalty. In the event this Debtor does not make a specific election to the contrary, the payment will be due on the thirtieth (30th) day following the Effective Date. Holders of Secured, Ad Valorem Tax Claims shall receive payment of their post confirmation Claims prior to any delinquency pursuant to state law. In the event that any of the Claims held by these ad valorem taxing agencies is paid after the delinquency pursuant to state law, those taxing authorities shall receive interest at the state statutory rate of interest per month until the Claim is paid in full. The taxing authorities shall retain their Liens against property or proceeds of property until they receive payment in full of their Claims. The Plan shall not be construed as limiting the rights of the Creditors in this Class to post-petition ad valorem tax penalties, interest or attorney's fees in the event that those taxes are not timely paid. The Plan shall not be construed as a requirement of any Creditor in this Class to file an administrative expense claim for any debt due under the statute.

10.30 **Stallion Class 18A: Secured Claim of Ally Financial.** The Stallion Secured Claim of Ally Financial evidenced by Claim No. 5 and all claims of Ally Financial shall be considered fully paid and satisfied by the prior sale and/or surrender of collateral to Ally Financial. Ally Financial shall receive no payment in connection with this Class. Ally Financial shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.31 **Stallion Class 18B: Secured Claim of Ford Motor Credit Company.** The Secured Claims, and all Claims of Ford Motor Credit Company, LLC as evidenced by Claim 2 shall be considered fully satisfied by payments made in connection with the sale of those vehicles, or if the vehicles have not been sold at the time of the Effective Date, then Claim 2 shall be fully satisfied by the surrender of the vehicle to Ford on the Effective Date. Ford Motor Credit Company, LLC shall receive no payment in connection with this Class. Ford Motor Credit Company, LLC shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.32 **Stallion Class 18C: Secured Claims of Frost Bank.** The Stallion Secured Claims of Frost Bank is represented by filed Claim Nos. 10 and 11 in the Stallion case. The treatment of the Stallion Secured Claims of Frost Bank is described above as part of the treatment of those claims of Frost Bank against JEHCO. Frost Bank shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.33 **Stallion Class 18D: Secured Claim of John Deere Financial.** The Stallion Secured Claim of John Deere Financial evidenced by Claim No. 11 and all claims of John Deere Financial shall be considered fully paid and satisfied by the prior sale and/or surrender of collateral to John Deere Financial. John Deere Financial shall receive no payment in connection with this Class. John Deere Financial shall retain its Liens against all property pledged as collateral to it until it receives payment in full of the Claim Allowed to it.

10.34 **Stallion Class 18E: Secured Claim of US Bank NA dba US Bank.** The Secured Claim asserted against Stallion by US Bank NA dba US Bank is alleged to have a secured value of \$23,000, an unsecured value of \$35,756.41 and a total claim of \$58,756.41. This Secured Claim will be satisfied by the payment of this claim pursuant to the contractual provisions between the creditor and Stallion as performed by Equine. The sale which occurred on a pre-petition basis, shall be considered recognized. The existing pre-petition loan documents will be replaced by similar loan documents which may constitute a note, security agreement, deed of trust, UCC filing terms consistent with this plan that are the same or similar to the pre-existing loan documents or are otherwise acceptable to the Debtors. In the event that the creditor entitled to the treatment in this Class rejects the proposed plan treatment, the Debtors shall at its election made prior to the plan confirmation hearing, shall have the option of surrendering the collateral in full satisfaction of any secured Claims

10.35 **Stallion Equity Interests.** For the purpose of convenience, the equity interest holders of Stallion are labeled as a Class, but do not legally qualify as a Class. The Equity Interests holders of Stallion shall receive no payments for any equity interests.

D. Means for Implementation of the Plan

10.36 **Assumption of Liabilities.** Except as otherwise provided herein, Reorganized Debtors shall assume liability for and the obligations to make the distributions to all of the Classes described in Articles II - V of the Plan.

10.37 Revesting of Assets. The revesting of Assets in the Reorganized Debtors shall be subject to the rights and duties of the Debtors and the Reorganized Debtors as provided in this Plan. As of the Effective Date, the Plan shall revest in JEHCO on behalf of the Debtors all of the Assets of JEHCO and Leasing and without further documentation, all of the Assets and assumed liabilities of the Debtors, together with all of the related rights, powers, obligations and duties of the Debtors as provided by the United States Bankruptcy Code, this Plan, all orders of the United States Bankruptcy Court, all equitable rights and all laws shall be transferred to the Reorganized Debtors as a successor of the Debtors in all things. Similarly, as of the Effective Date, the Plan shall revest in Stallion all of the assets of Stallion without further documentation, all of the assets and assumed liabilities of Stallion, together with the related rights, powers, obligations and duties of Stallion as provided by the United States Bankruptcy Code, this Plan, all orders of the United States Bankruptcy Court, all equitable rights and laws shall be transferred to the reorganized Stallion as the successor to Stallion in all things. All assets of JEHCO and Leasing will vest in JEHCO on behalf of the reorganized Debtors. JEHCO will liquidate all assets with an emphasis on attempting to achieve a market return for accounts receivable, equipment and Real Property. JEHCO will then disburse the assets pro-rata to the collective creditors of the two groups with the presumption that the expense of reconciliation of the various groups of creditors, separating the assets and resolving disputes between the two creditors, will be material. A material dispute exists between JEHCO and JEHL Leasing with respect to the ten percent (10%) upcharge for the use of all assets, particularly in light of the fact that such upcharge was not timely paid on a pre-petition or post-petition basis. Tracking the differences in resolving the disputes is presumed to outweigh the benefits to either estate.

10.38 Injunction. From and after the Confirmation Date, all holders of "Claims" (including, without limitation, Secured Claims, General Unsecured Claims, and all Priority Claims) against the Debtors, the Debtors in Possession, or Reorganized Debtors are permanently restrained and enjoined (a) from commencing or continuing in any manner, any action or other proceeding of any kind with respect to any such Claim against the Debtors, the Assets, or Reorganized Debtors, (b) from enforcing, attaching, collecting, or recovering by any manner or means, any judgment, award, decree, or order against the Debtors, Reorganized Debtors, or the Assets, (c) from creating, perfecting, or enforcing any encumbrance of any kind against the Debtors, Reorganized Debtors or the Assets, (d) from asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due the Debtors, and (e) from performing any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan; provided, however, that each holder of a Contested Claim may continue to prosecute its proof of Claim in accordance with the Plan and all holders of Claims shall be entitled to enforce their rights under the Plan.

10.39 Revocation of Plan. The Debtors have reserved the right to revoke and withdraw this Plan before the entry of the Confirmation Order. If the Debtors revokes or withdraws this Plan, or if confirmation of this Plan does not occur, then, with respect to the Debtors, this Plan shall be deemed null and void and nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtors, as the case may be, or any other Person or to prejudice in any manner the rights of such Debtors, as the case may be, or Person in any further proceedings involving such Debtors.

10.40 Reorganized Management of the Debtors. The initial management of the Reorganized Debtor shall be deemed to include James Helzer. The Debtors shall have the option of causing Marilyn Helzer to be an officer of the entity.

10.41 Authority of the Debtors. The Debtors shall have the authority to implement any term or provision over this Plan. To the extent that any right is granted to the Debtors under the Plan, then the Debtors shall have authority for so long as the corporation is in existence to carry out any and all acts necessary to fulfill the terms of the Plan. Any authority granted to the Debtors pursuant to this Plan, shall be construed as authority granted to the Debtors.

10.42 Responsibilities of the Debtors. The responsibilities of the Debtors shall include maintaining the Assets of Debtors; liquidating remaining Assets; prosecuting Objections to Claims and estimations of Claims; calculating and implementing all distributions from available Cash, in accordance with the Plan; filing all required tax returns and paying taxes and all other obligations on behalf of Debtors; holding the stock of the Debtors; and such other responsibilities as may be vested in the Debtors pursuant to the Plan, other Bankruptcy Court order, as required or authorized by State law, or as may be necessary and proper to carry out the provisions of the Plan.

10.43 Powers of the Debtors. The powers of the Debtors shall, without Bankruptcy Court approval in each of the following cases, include the power to invest funds in, and withdraw, make distributions and pay taxes and other obligations owed by the Debtors from the available Cash in accordance with the Plan; the power to engage employees and Professional Persons to assist the Debtors with respect to his responsibilities and to pay those professionals without further administration or order of the Court; the power to prosecute causes of action of Debtors; the power to dispose of, and deliver title to others of remaining Assets on behalf of Debtors; the power to compromise and settle Claims and causes of action on behalf of or against the Debtors without further administration or order of the Court; and such other powers as may be vested in or assumed by the Debtors pursuant to the Plan, any Articles of Incorporation, any By-Laws or Bankruptcy Court order or as may be necessary and proper to carry out the provisions of the Plan.

10.44 No Obligations to Report. The Debtors shall not be required to file reports with the Bankruptcy Court other than a closing report and quarterly reports required by the United States Trustee.

10.45 Reliance by the Debtors. The Debtors may rely, and shall be fully protected in acting or refraining from acting, upon any resolution, statement, certificate, instrument, opinion, report, notice, request consent, order or other instrument or document which is reasonably believed to be genuine and to have been signed or presented by the proper party or parties or, in the case of letters, documents, telecopies, emails and other communications, to have been sent by the proper party or parties, and the Debtors may conclusively rely as to the truth of the statements and correctness of the opinions expressed therein. The Debtors may consult with counsel, and any opinion of its counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in accordance therewith.

10.46 Organizational Documents. To the extent the Debtors believes that it is in the best interest of the Reorganized Debtor to do so, the Debtors is authorized to amend organizational operating documents of the Reorganized Debtor as necessary (i) to satisfy the provisions of this Plan, and (ii) to the extent necessary to prohibit the issuance of nonvoting equity securities as required by §1123(a)(6) of the Bankruptcy Code. To the extent any attempt is made to amend the Claim without court authority, after the Effective Date of the Plan, Reorganized Debtor shall not be held responsible for any actions taken including distributions to Creditors inconsistent with Claims filed or amended after the Effective Date.

10.47 Late Filed Claims; Amendment to Claims. The Plan and associated documents shall not impair the right of any Creditor to seek leave to file a proof of Claim after the Bar Date pursuant to Bankruptcy Rule 9006(b)(1), or the Reorganized Debtor the right to contest such relief. Any Creditor granted leave by the Bankruptcy Court to file a late proof of Claim under Bankruptcy Rule 9006(b)(1) shall thereafter be classified and treated under the appropriate Class in the Plan and shall in all respects be bound by the terms of the Plan. No amendment or supplementation shall be made or filed as to any proof of Claim after the applicable Bar Date without first obtaining leave from the Bankruptcy Court, or agreement with the Debtors. The provision of paragraph 9.2 of this Plan shall also apply to late filed and amended Claims.

E. Maintenance of Causes of Action

10.48 Maintenance of Causes of Action Unless expressly waived or released by the Debtors, the Reorganized Debtors shall retain any cause of action, including but not limited to the Avoidance Actions and any other avoidance or recovery actions under chapter 5 of the Bankruptcy Code, or may litigate rights to payments, or Claims that may belong or have belonged to the Debtors. Persons subject to a successful Avoidance Action may file a Claim, as appropriate, within such time as is established by the Bankruptcy Court.

F. Discharge of Debtors

10.49 Discharge of Debtors All consideration distributed under the Plan shall be in exchange for and in complete satisfaction, discharge, and release of all Claims of any nature whatsoever against the Debtors or any of its assets or properties (including, without limitation, Secured Claims, General Unsecured Claims, and except as otherwise provided herein, upon the Effective Date, the Debtors and its successor in interest shall be deemed discharged and released pursuant to §1141(d)(1)(A) of the Bankruptcy Code from any and all Claims treated in Article V of the Plan, as well as all other Claims, demands and liabilities that arose before the Effective Date, and all debts of the kind specified in §502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a proof of claim based upon such debt is filed or deemed filed under §501 of the Bankruptcy Code; (b) a Claim based upon such debt is Allowed under §502 of the Bankruptcy Code; (c) the holder of a Claim based upon such debt has accepted this Plan; or (d) the Claim has been Allowed, Disallowed, or estimated pursuant to §502(c) of the Bankruptcy Code. The Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtors and its successor in interest other than those obligations specifically set forth pursuant to this Plan.

G. Consummation of the Plan

10.50 Consummation of the Plan – shall occur on the Effective Date through the satisfaction of the requirements of Section 11.01(2).

10.51 Retention of Jurisdiction. Pursuant to §1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain exclusive jurisdiction of all matters arising in, arising under, and related to the chapter 11 case and the Plan, for the purposes of §105(a) and 1142 of the Bankruptcy Code, and for, among other things, the following purposes:

a. To hear and determine any and all objections to or applications concerning the allowance of Claims or the allowance, classification, priority, compromise, estimation, or payment of any Administrative Expense or Claim;

b. To hear and determine any and all applications for payment of fees and expenses from the Debtors or Trustee made by attorneys or any other Professional pursuant to §330 or 503 of the Bankruptcy Code, or for payment of any other fees or expenses authorized to be paid or reimbursed from the Debtors under the Bankruptcy Code, and any and all objections thereto;

c. To hear and determine pending applications for the rejection, the assumption, or the assumption and assignment of unexpired leases and executory contracts and the allowance of Claims resulting therefrom, and to determine the rights of any party in respect of the assumption or rejection of any executory contract or lease;

d. To hear and determine any and all adversary proceedings, applications, or contested matters, including any remands or appeals;

e. To hear and determine all controversies, disputes, and suits which may arise in connection with the execution, interpretation, implementation, consummation, or enforcement of the Plan or in connection with the enforcement of any remedies made available under the Plan;

f. To liquidate any disputed, contingent, or unliquidated Claims;

g. To ensure that distributions to holders of Allowed Claims are accomplished as provided herein;

h. To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

i. To enable the Reorganized Debtors to prosecute any and all proceedings which may be brought to set aside liens or encumbrances and to recover any transfers, assets, properties or damages to which the Debtors may be entitled under applicable provisions of the Bankruptcy Code or any other federal, state or local laws, including causes of action, controversies, disputes and conflicts between the Debtors and any other party, including but not limited to, any causes of action or objections to claims, preferences of fraudulent transfers and obligations or equitable subordination;

j. To consider any modification of the Plan pursuant to §1127 of the Bankruptcy Code, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation the Confirmation Order;

k. To enter and implement such orders as may be necessary or appropriate to execute, interpret, implement, consummate, or enforce the terms and conditions of the Plan and the transactions contemplated thereunder;

l. To hear and determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan; and,

m. To enter a final decree closing the chapter 11 case.

10.52 Abstention and Other Courts. If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of or relating to this chapter 11 case, this section of the Plan shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

10.53 Non-Material Modifications. The Debtors may, with the approval of the Bankruptcy Court and without notice to all holders of Claims and Equity Interests, correct any defect, omission, or inconsistency in the Plan in such manner and to such extent as may be necessary or desirable. Notice thereof shall be given to the United States Trustee and the parties who have filed a notice of appearance. The Debtors may undertake such nonmaterial modification pursuant to this section insofar as it does not adversely change the treatment of the Claim of any Creditor.

10.54 Material Modifications. Modifications of the Plan may be proposed in writing by the Debtors at any time before confirmation, provided that the Plan, as modified, meets the requirements of §§'s 1122 and 1123 of the Bankruptcy Code, and the plan proponent shall have complied with §1125 of the Bankruptcy Code. The Plan may be modified at any time after confirmation and before its Substantial Consummation, provided that the Plan, as modified, meets the requirements of §§'s 1122 and 1123 of the Bankruptcy Code and the Bankruptcy Court, after notice and a hearing, confirms the Plan, as modified, under §1129 of the Bankruptcy Code, and the circumstances warrant such modification. A holder of a Claim that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such holder changes its previous acceptance or rejection. With respect to the valuation of the obligations of the Debtors, such obligations may be valued by either the Debtors or the Creditor in connection with the obligation filing a Motion for Valuation. If a Motion for Valuation is filed, the Debtors requests that the Court value the obligation on a preliminary basis for voting and confirmation purposes and that the final valuation occur independently of confirmation either prior to or subsequent to the confirmation hearing.

H. Miscellaneous Provisions

10.55 Binding Effect. The Plan shall be binding upon, and shall inure to the benefit of the Debtors, the holders of the Claims, the holders of Equity Interests, and their respective successors and assigns.

10.56 Compliance with All Applicable Laws. If notified by any governmental authority that they are in violation of any applicable law, rule, regulation, or order of such governmental authority relating to its business, the Debtors and the Reorganized Debtors shall comply with such law, rule, regulation, or order; provided that nothing contained herein shall require such

compliance if the legality or applicability of any such requirement is being contested in good faith in appropriate proceedings and, if appropriate, an adequate reserve has been set aside on the books of the Debtors or the Reorganized Debtors.

10.57 Timing of Distributions. Any payment or distribution required to be made hereunder on a day other than a Business Day shall be due and payable on the next succeeding Business Day.

10.58 Filing of Additional Documents. On or before Substantial Consummation of the Plan, the Reorganized Debtors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

10.59 Exculpations. The Debtor, each and every agent, representative, accountant, financial advisor, attorney, shall not ever have any liability to any Person for any act, omission, or event in connection with, or arising out of, this Chapter 11 Case, the Plan or the proposal, confirmation, consummation or administration of the Plan, except for willful misconduct or gross negligence.

10.60 Limitation of Liability. None of the directors, officers, agents, representatives, financial advisors, attorneys, or employees of the Reorganized Debtors shall have any liability for actions taken or omitted in good faith under or in connection with the Plan. This provision should not be construed as a release of any officer or director of the Debtors for any action taken prior to the filing of this case.

10.61 Notice. Any notice or communication required or permitted by the Plan shall be given, made or sent as follows:

(a) If to a Creditor, notice may be given as follows: (i) if the Creditor has filed no proof of Claim, then to the address reflected in the Schedules, or (ii) if the Creditor has filed a proof of Claim, then at the address reflected in the proof of Claim.

(b) If to any Debtor, notice shall be sent to the following address:

JEH Company
James Helzer
2550 Highway 287 N
Mansfield, TX 76063-4830

Concurrently with service of such notice on the Debtor, a copy thereof shall be served in the same manner on the following legal counsel:

Mark J. Petrocchi
Griffith, Jay & Michel, LLP
2200 Forest Park Blvd
Fort Worth, TX 76110

(c) Any Creditor desiring to change its address for the purpose of notice may do so by giving notice to the Debtors of its new address in accordance with the terms of this section.

(d) Any notice given, made or sent as set forth above shall be effective upon (i) being deposited in the United States Mail, postage prepaid, addressed to the addressee

at the address as set forth above, (ii) upon being delivered by hand or messenger to the addressee at the address set forth above, or (iii) if telecopied or emailed to the addressee as set forth above, with a hard confirmation copy being immediately sent through the United States Mail.

10.62 Date of Distributions. Any payments or distributions to be made by the Debtors pursuant to the Plan shall begin within thirty (30) days of the Effective Date except as otherwise provided for in the Plan, or as may be ordered by the Bankruptcy Court.

10.63 Distributions to be made by the Debtors. Distributions to be made to any Creditor under the Plan shall be made in United States dollars in cash by the Reorganized Debtors.

10.64 Means of Cash Payment. Payments of Cash to be made by the Debtors pursuant to the Plan shall be made by check drawn on a domestic bank or by wire transfer from a domestic bank.

10.65 Delivery of Distributions. Distributions and deliveries to holders of Allowed Claims shall be made at the addresses set forth on the proofs of claim or proofs of interest filed by such holders (or at the last known addresses of such holders if no proof of claim or proof of interest is filed or if the Debtors have been notified of a change of address). If any holder's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until the Debtors are notified of such holder's then current address, at which time all missed distributions shall be made to such holder without interest. All claims for undeliverable distributions shall be made on or before the first anniversary of the thirtieth (30th) day following the Effective Date. After such date, all Unclaimed Property shall revert to the Reorganized Debtors, and the Claim of any holder with respect to such property shall be discharged and forever barred.

10.66 Time Bar to Cash Payments. Checks issued by the Debtors or the Reorganized Debtors in respect of Allowed Claims shall be null and void if not cashed within ninety (90) days of the date of issuance thereof. Requests for re-issuance of any check shall be made directly to the Debtors by the holder of the Allowed Claim with respect to which such check originally was issued. Any claim with respect to a voided check shall be made on or before the later of the first anniversary of the thirtieth (30th) day following the Effective Date or ninety days after the date of issuance of such check. After such date, all Claims with respect to a void check shall be discharged and forever barred.

10.67 De Minimis Distributions. The Debtors shall not be obligated to tender any interim distribution totaling Five Dollars (\$5.00) or less to any Creditor.

10.68 Checks Not Negotiated. In the event that a number of checks are not negotiated, and Reorganized Debtors hold a sum that the Debtors in the sole discretion of the Debtors determine is material, then the Debtors may recalculate the amount payable to creditors and disburse any funds that were not negotiated after having been tendered in a manner consistent with the section labeled Time Bar to Cash Payments, above. To the extent the Debtors recalculate the pro rata share to which Creditors are entitled, that calculation shall include all

Creditors that negotiated checks in connection with distributions previously tendered to Creditors.

10.69 Cure Period. The failure by Reorganized Debtors to timely perform any term, provision or covenant contained in this Plan shall not constitute an Event of Default unless and until Reorganized Debtors has been given fourteen (14) days written notice of the alleged default and provided an opportunity to cure. Until the expiration of the fourteen (14) day cure period, Reorganized Debtors shall not be deemed to be in default, and any performance or actions taken during such fourteen (14) day cure period shall be considered timely for all purposes. Such written notice pursuant to the Plan provisions and the passage of the fourteen (14) day cure period shall constitute conditions precedent to bringing or filing any Contested action by any Person to enforce any right granted under this Plan.

10.70 Governing Law. Unless a rule of law or procedure supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) is applicable, the internal laws of the State of Texas shall govern the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan, without regard to conflicts of law.

10.71 Oral Agreements; Modification of Plan. The terms of the Plan, Disclosure Statement and Confirmation Order may not be changed, contradicted or varied by any oral statement, agreement, warranty or representation. The Plan may only be modified, amended or supplemented in a writing signed by an authorized representative of the Debtor. Nothing in this provision or Plan shall prohibit the Debtors from satisfying or compromising any obligation established under this plan.

10.72 Payment of Statutory Fees. All fees payable pursuant to §1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the hearing pursuant to §1128 of the Bankruptcy Code, shall be paid on the later of the Effective Date or the date such fees become due and owing.

10.73 Reclamation Claims. No creditor timely asserted an enforceable reclamation claim in light of the Frost Bank liens on inventory. As a result of the sale of assets to PABCO, that inventory has been sold and the proceeds of inventory have been disbursed.

10.74 Setoffs. The Debtors or the Reorganized Debtors may, but shall not be required to, set off against any Claim and the payments or other distributions to be made pursuant to this Plan in respect of such Claim, Claims of any nature whatsoever the Reorganized Debtors may have against the holder of such Claim, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors of any such Claim that the Reorganized Debtors may have against such holder.

10.75 Severability. Should the Bankruptcy Court determine that any provision of the Plan is unenforceable either on its face or as applied to any Claim or Equity Interest or transaction, the Trustee may modify the Plan in accordance with Article XIV of the Plan so that such provision shall not be applicable to the holder of any Claim or Equity Interest. A

determination that any provision is unenforceable shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the re-solicitation of any acceptance or rejection of the Plan.

10.76 Waiver. The Debtors shall not be deemed to have waived any right, power or privilege pursuant to the Plan unless the waiver is in writing and signed by an authorized representative of the Debtor. There shall be no waiver by implication, course of conduct or dealing, or through any delay or inaction by the Debtor. The waiver of any right by the Debtors under the Plan shall not act as a waiver of any other or subsequent right, power or privilege.

XI. SELECTED FINANCIAL INFORMATION

11.1. Selected financial information concerning the Debtors is contained in exhibits attached to this Disclosure Statement.

A. Consolidated Forecasts of Post-Confirmation Periods

11.2. ALTHOUGH THE DEBTORS BELIEVE THAT THE FINANCIAL FORECASTS SET FORTH IN THE ANNEXES TO THIS DOCUMENT ARE REASONABLE IN LIGHT OF CURRENT FACTS AND CIRCUMSTANCES KNOWN TO DEBTORS, THE FORECASTS ARE BASED ON A NUMBER OF ASSUMPTIONS AND ARE SUBJECT TO SIGNIFICANT UNCERTAINTIES WHICH ARE BEYOND THE CONTROL OF THE DEBTORS; THEREFORE, THERE CAN BE NO ASSURANCE THAT THESE FORECASTS WILL BE REALIZED, AND ACTUAL OPERATING RESULTS MAY BE MATERIALLY HIGHER OR LOWER THAN FORECAST.

B. Financial Statements

11.3. A budget for the Debtors is attached hereto and incorporated herein as Exhibit "A-2". Prior to the bankruptcy filing the Debtors kept its books on an accrual basis. The budget of the Debtors that was originally submitted is also on an accrual basis. The majority of the reporting by the Debtors including reporting on the Monthly Operating Report has been on a cash basis.

C. Monthly Operating Report

11.4. Exhibit "A-3" is the most recent Monthly Operating Report of the Debtors as filed with the United States Trustee.

11.5. Variances in the forecasted financial information contained therein may result from unforeseen factors. However, the Debtors' Consolidated Forecasts of Post-Confirmation Periods represents the present judgment of the forecasted business operations of the Debtors.

XII. LIQUIDATION VALUE ANALYSIS

12.1 Any liquidation value analysis assumes that in the event of liquidation, the Debtors would have no going concern value and would not have any contracts to fulfill. As a result, in the event of liquidation administered by the court, it is probable that this would be a no asset chapter 7 liquidation. Effectively, it is the position of the Debtors that by allowing the liquidation through this Plan the return to creditors will be subject to less expense. The first page of Exhibit "A -2" sets forth the proposed budget through a court administered liquidation.

XIII. DIRECTORS AND OFFICERS; COMPENSATION

A. Executive Officers and Directors

13.1 At the time of the bankruptcy filing, the officers and directors of each of the Debtors were primarily James Helzer and Marilyn Helzer. It is contemplated that post-petition James Helzer will become the sole shareholder and officer of JEHCO for the benefit of creditors without the right to receive any distribution under the terms of the plan. James Helzer will also be the sole officer and director of Leasing and Station. Leasing will be owned by JEHCO.

B. Compensation

13.2. Cash Compensation. James Helzer will not receive compensation for functioning as an officer of JEHCO, Leasing or Stallion. He will be entitled to reimbursement for out-of-pocket expenses incurred for the benefit of any of those entities. Randy Rabeck, Kay Helzer and potentially office staff will be compensated at hourly rates consistent with pre-petition levels not to exceed \$100.00 an hour together with cost of living increases.

XIV. IMPLEMENTATION OF THE PLAN

14.1. Implementation of the Plan provides the opportunity for the Reorganized Debtors to fully or partially pay its creditors. While there is no guaranty of success, not confirming the plan insures the creditors that they are not likely to receive anything.

14.2. If the Plan is not confirmed and no subsequent plan is confirmed, then liquidation will likely occur in the form of chapter 7 liquidation.

14.3. The Debtors believe confirmation and implementation of the Plan is the best method of assuring creditors and interest holder the recoveries they will receive under the Plan.

XV. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

15.1. The following discussion is a summary of certain federal income tax aspects of the Plan for general information only. It should not be relied upon for purposes of determining the specific tax consequences of the Plan with respect to a particular holder of a Claim or

Interest. This discussion does not purport to be a complete analysis or listing of all potential tax factors.

15.2. The following discussion is based upon existing provisions of the Internal Revenue Code (“IRC”), existing regulations thereunder, and current administrative rulings and court decisions. No assurance can be given that legislative or administrative changes or court decisions may not be forthcoming which would require significant modification of the statements expressed in this section. Moreover, the tax consequences to holders of the Claims and Interests may vary based upon the individual tax circumstances of each such holder. Nothing herein purports to describe any state, local or foreign tax consequences.

NO RULING HAS BEEN SOUGHT OR OBTAINED FROM THE IRS WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN OBTAINED BY THE DEBTORS WITH RESPECT THERETO. NO REPRESENTATIONS OR ASSURANCES ARE BEING MADE WITH RESPECT TO THE FEDERAL INCOME TAX CONSEQUENCES AS DESCRIBED HEREIN. CERTAIN TYPES OF CLAIMANTS AND INTEREST HOLDERS MAY BE SUBJECT TO SPECIAL RULES NOT ADDRESSED IN THIS SUMMARY OF FEDERAL INCOME TAX CONSEQUENCES. THERE MAY ALSO BE STATE, LOCAL, OR FOREIGN TAX CONSIDERATIONS APPLICABLE TO A HOLDER OF A CLAIM OR INTEREST, WHICH ARE NOT ADDRESSED HEREIN. EACH HOLDER OF A CLAIM OR INTEREST AFFECTED BY THE PLAN MUST CONSULT, AND RELY UPON, HIS OR HER OWN TAX ADVISOR REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE PLAN WITH RESPECT TO THAT HOLDER’S CLAIM OR INTEREST. THIS INFORMATION MAY NOT BE USED OR QUOTED IN WHOLE OR IN PART IN CONNECTION WITH THE OFFERING FOR SALE OF SECURITIES.

A. Tax Consequences to the Debtors

15.4 Under the IRC, a taxpayer generally must include in gross income the amount of any discharge of indebtedness income realized during the taxable year. Section 108(a)(1)(A) of the IRC provides an exception to this general rule, however, in the case of a taxpayer that is under the jurisdiction of a bankruptcy court in a case brought under the Bankruptcy Code where the discharge of indebtedness is granted by the court or is pursuant to a plan approved by the court, provided that the amount of discharged indebtedness that would otherwise be required to be included in income is applied to reduce certain tax attributes of the taxpayer. Section 108(e)(2) of the IRC provides that a taxpayer will not realize income from the discharge of indebtedness to the extent that satisfaction of the liability would have given rise to a deduction. As a result of §§108(a)(1)(A) and 108(e)(2) of the IRC, the Reorganized Debtors may not recognize any income from the discharge of indebtedness through the chapter 11 case. It is not likely that the confirmation of the plan will have a material effect on the Reorganized Debtors. Because each of the Debtors have significant expenses that are not likely to be satisfied, subject to the preparation of final tax returns, the reorganized Debtors do not anticipate income as revenue is likely to be offset by losses. With respect to the sale of capital assets, the majority of

the proceeds from the sale of those assets will be contemporaneously or promptly submitted to lienholders or leaseholders and as a result, it is unlikely that there will be large capital gains.

15.5 The Reorganized Debtors will make various payments and distributions pursuant to the Plan. The Debtors anticipates that the Reorganized Debtors will claim federal income tax deductions on its tax returns for all such payments. In the event that a recovery occurs, it is anticipated that the Debtors may have personal income tax liability in the event that all creditors are paid, however, that personal income tax liability is likely to be paid from the proceeds.

B. Tax Consequences to Creditors

15.6. A Creditor who receives Cash or other consideration in satisfaction of any Claim may be required to recognize ordinary income to the Internal Revenue Service or other tax authorities. The impact of such ordinary income, as well as the tax year for which the income will be recognized, will depend upon the individual circumstances of each Claimant, including the nature and manner of organization of the Claimant, the applicable tax bracket for the Claimant, and the taxable year of the Claimant. Each creditor is urged to consult with its tax advisor regarding the tax implications of any payments or distributions under the Plan.

15.7. THE FOREGOING IS INTENDED TO BE A SUMMARY ONLY AND NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING OR CONSULTATION WITH A TAX ADVISOR. THE FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. SUCH CONSEQUENCES MAY ALSO VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR INTEREST. ACCORDINGLY, EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT WITH HIS OR HER OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES OF THE PLAN.

XVI. VOTING PROCEDURES AND REQUIREMENTS

A. Ballot

16.1 Ballots to be used for voting to accept or reject the Plan together with a return envelope are enclosed with all copies of the Disclosure Statement. **BEFORE COMPLETING YOUR BALLOT, PLEASE CAREFULLY READ THE VOTING INSTRUCTIONS THAT ACCOMPANY THE BALLOT.**

B. Voting Deadlines

16.2 The Bankruptcy Court has directed that, in order to be counted for voting purposes, Ballots for the acceptance or rejection of the Plan must be received by **5:00 p.m., prevailing Central Time, on [to be set by the court], 2014.** Please return your Ballots to:

Mark J. Petrocchi

Griffith, Jay & Michel, LLP
2200 Forest Park Blvd.
Fort Worth, TX 76110

16.3 If you have any questions about the procedure for voting, or if you did not receive a Ballot, received a damaged Ballot or lost your Ballot, please contact the Debtors' attorney at (817) 926-2500.

16.4 TO BE COUNTED, YOUR BALLOT MUST BE RECEIVED BY THE ABOVE DEADLINE. ANY EXECUTED BALLOT WHICH DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

16.5 It is important that all Creditors exercise their right to vote to accept or reject the Plan. Even if you reject the Plan, you may be bound by the Plan, if it is accepted by the requisite holders of Claims. In addition, you may be bound by the Plan, even if you do not vote in favor of it, if you are the holder of an unimpaired Claim.

16.6 The amount and number of votes required for confirmation of the Plan are computed on the basis of the total amount of Claims actually voting for or against the Plan. **Ballots returned without any vote indicated will not be counted. Ballots returned without the amount of your claim indicated will be counted in a manner consistent with the file claims on the schedules.**

C. Parties in Interest Entitled to Vote

16.7 A holder of a Claim against the Debtors whose Claim is impaired under the Plan is entitled to vote to accept or reject the Plan if either (i) its Claim has been scheduled and such Claim is not scheduled as disputed, contingent, or unliquidated or (ii) it has filed a proof of claim on or before the applicable Bar Date set by the Bankruptcy Court for such filings or any extension of such date approved by the Bankruptcy Court. **ANY CLAIM AS TO WHICH AN OBJECTION HAS BEEN FILED IS NOT ENTITLED TO VOTE UNLESS THE BANKRUPTCY COURT, UPON APPLICATION OF THE HOLDER TO WHOSE CLAIM OBJECTION HAS BEEN MADE, TEMPORARILY ALLOWS SUCH CLAIM IN AN AMOUNT THAT IT DEEMS PROPER FOR THE PURPOSE OF ACCEPTING OR REJECTING THE PLAN.** A Ballot may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that such Ballot was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

16.8 The allowance of any Claim for purpose of voting on the Plan shall not constitute an allowance of the Claim for purposes of receiving any distribution pursuant to the Plan. Similarly, any references in the Plan or Disclosure Statement to any Claims shall not constitute an admission of the existence, nature, extent or allowability thereof.

16.9 All proofs of claim by creditors other than governmental units must have been filed with the Clerk of the Bankruptcy Court by October 10, 2013.

D. Definition of Impairment

16.10 As set forth in §1124 of the Bankruptcy Code, a class of claims is impaired under a plan of reorganization unless, with respect to each claim of such class, the plan:

- a. leaves unaltered the legal, equitable, and contractual rights of the holder of such claim; or
- b. notwithstanding any contractual provision or applicable law that entitles the holder of a claim to demand or receive accelerated payment of such claim after the occurrence of a default:
 - i) 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 §365(b)(2) of the Bankruptcy Code;
 - ii) reinstates the maturity of such claim or interest, as it existed before such default;
 - iii) compensates the holder of such claim for any damages incurred as a result of any reasonable reliance on such contractual provision or such applicable law; and
 - iv) does not otherwise alter the legal, equitable or contractual rights to which such claim or the holder of such claim or interest.

E. Vote Required for Class Acceptance

16.11. To accept a plan by a class of creditors, the holders of at least two-thirds in amount and a majority in number of actually casting ballots must accept the Plan.

XVII. CONFIRMATION OF THE PLAN

A. Confirmation Hearing

17.1. Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a Plan. By order of the Bankruptcy Court, the Confirmation Hearing has been scheduled for {to be set by the court} 2014, prevailing Central Time, in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division. The Confirmation Hearing will be held in the bankruptcy courtroom located on the second floor, Room 204, United States Courthouse & Federal Building, 10th and Lamar Streets, Fort Worth, Texas 76102. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement made at the confirmation hearing or any adjournment thereof.

17.2. Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan. Any objection to confirmation of the Plan must be made in writing and filed with the Bankruptcy Court by the Date to be set by the court and concurrently served upon the following parties:

Counsel for the Debtors:

Mark J. Petrocchi
Griffith, Jay & Michel, LLP
2200 Forest Park Blvd.
Fort Worth, TX 76110

U.S. Trustee

Office of the U.S. Trustee
1100 Commerce Street
Room 9C60
Dallas, Texas 75242

The Objection must also be served upon the creditors and parties in interest entitled to notice under the Bankruptcy Code.

17.3. Objections to confirmation of the Plan are governed by Rule 9014. UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY SERVED AND FILED, THE BANKRUPTCY COURT MAY NOT CONSIDER IT. ANY OBJECTION TO THIS PLAN OF REORGANIZATION MUST BE FILED ON OR BEFORE 5:00 O’CLOCK P.M. PREVAILING CENTRAL TIME ON TO BE SET BY THE COURT.

B. Requirements for Confirmation of the Plan

17.4. 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 §1129 of the Bankruptcy Code. At the Confirmation Hearing, the Bankruptcy Court must determine whether the Debtors have complied with the applicable requirements of the Bankruptcy Code.

C. Cramdown

17.5. In the event that any impaired Class of Claims does not accept the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtors if (i) at least one Class of Claims that is impaired under the Plan votes to accept the Plan (determined without considering any accepting votes of insiders) and (ii) as to each impaired Class that has not accepted the Plan, the Bankruptcy Court determines that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to that Class. A plan of reorganization “does not discriminate unfairly” within the meaning of the Bankruptcy Code if no class receives more than it is legally entitled to receive for its claims or equity interests.

17.6. The Plan should be considered, and by this filing the Debtors do request Confirmation of the Plan.

17.7. The Plan should be considered, and by this filing the Debtors do request that to the extent necessary for the treatment proposed herein to become effective that the Court

consider the value of all assets that are pledged as collateral to any lender and that such assets be appropriately valued, and that the amount of debts be valued and restated as requested.

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

1. With respect to a class of secured claims, the plan provides:
 - a) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the Debtors or transferred to another entity, to the extent of the allowed amount of such claims; and
 - b) 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;
 - c) for the sale, subject to §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
 - d) the realization by such holders of the “indubitable equivalent” of such Claims.
2. 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.
3. With respect to a class of equity interests, the plan provides:
 - a) that each holder of an equity 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.

17.7 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. For the reasons set forth above, the Debtors believe the Plan does not discriminate unfairly against, and is fair and equitable with respect to, each impaired Class of Claims.

XVIII. CONCLUSION

18.1 The Debtors urge holders of impaired Claims to **vote to accept the Plan** and to evidence such acceptance by returning their ballots to the address provided so that they will be received by the time set forth in the Disclosure Statement Order.

Dated: January 21, 2014

Respectfully Submitted,
JEH COMPANY
JEH STALLION STATION, INC.
JEH LEASING COMPANY, INC.

By: /s/ James Helzer
James Helzer, for the companies

A-1

Claims Register Summary

Case Name: JEH Company

Case Number: 13-42397-rfn-11 **Chapter:** 11

List of Claims.

<u>Claim No.</u>	<u>Claimant</u>	<u>Class</u>	<u>Claim Amount</u>
1	Dallas County (tax)	Secured	\$263.57
2	Wood County (tax)	Secured	\$256.03
3	Tarrant County (tax)	Secured	\$19,223.82
4	Mansfield ISD (tax)	Secured	\$16,620.65
5	Wells Fargo Equipment Finance	Secured	\$20,782.00
6	High Desert Trading	Unsecured	\$12,185.60
7	Woody Butts, Inc.	Unsecured	\$4,371.84
8	Upshur County (tax)	Secured	\$511.47
9	Berger Building Products	Unsecured	\$10,925.30
10	Ford Motor Credit Company, LLC	Secured	\$11,315.29
11	Ford Motor Credit Company, LLC	Secured	\$9,753.82
12	Ford Motor Credit Company, LLC	Secured	\$9,753.82
13	Roofing Supply Group	Unsecured	\$207,626.19
14	ACF Tarp and Awning	Unsecured	\$438.41
15	Spec Building Materials	Unsecured	\$1,881.92
16	Weyerhaeuser NR Company	Unsecured	\$28,802.35
17	T & W Tire	Unsecured	\$4,159.36
18	AAAA+ Fire Protection	Unsecured	\$1,104.15
19	Birdview Skylights	Unsecured	\$3,683.70
20	Toyota Motor Credit Corporation	Secured	\$28,191.03
21	Toyota Motor Credit Corporation	Secured	\$4,583.63
22	Toyota Motor Credit Corporation	Secured	\$27,013.78
23	Toyota Motor Credit	Secured	\$793.25
24	Parkerson Tire & Casing Supply	Unsecured	\$3,151.19
25	Corporate Billing	Unsecured	\$5,543.18
26	The Sherwin-Williams Co	Unsecured	\$4,901.92
27	Mercedes-Benz Financial Services USA	Secured	\$15,366.12
28	Highline Metals	Unsecured	\$2,842.50
29	U.S. Ply. Inc.	Unsecured	\$17,103.00
30	Wells Fargo Equipment Finance, Inc.	Secured	\$848,138.29
31	Boral Roofing, LLC	Unsecured	\$28,772.97
32	Airvent	Unsecured	\$25,674.32
33	County of Denton, et al (tax)	Secured	\$12,168.68
34	Henry Company, LLC	Unsecured	\$6,273.58
35	Gardner Asphalt/Gardner-Gibson	Unsecured	\$1,055.88
36	Ross Manufacturing, LLC	Unsecured	\$1,123.00

37	BITEC	Unsecured	\$9,974.00
38	G.A.P. Roofing, Inc.	Unsecured	\$79,224.35
39	G.A.P. Roofing, Inc.	Unsecured	\$78,481.45
40	Bluelinx Corporation	Unsecured	\$871,711.86
41	Worthington National Bank	Secured	\$34,707.11
42	Worthington National Bank	Secured	\$2,040,172.54
43	TXU Energy Retail Company, LLC	Unsecured	\$1,089.89
44	Shoppas Material Handling, Ltd.	Unsecured	\$5,874.52
45	Lomanco, Inc.	Unsecured	\$1,665.00
46	Swan Transportation Services Ltd.	Unsecured	\$46,850.00
47	Tarco of Texas, Inc.	Unsecured	\$34,457.00
48	Tarco Specialty Products, Inc.	Unsecured	\$1,800.00
49	First Star Logistics, LLC	Unsecured	\$6,000.00
50	Harris County et al	Secured	\$10,181.72
51	Reeder Distributors, Inc.	Unsecured	\$22,247.30
52	Ahern Rentals, Inc.	Unsecured	\$3,699.15
53	Attic Breeze, LLC	Unsecured	\$479.69
54	Bear Transportation Services	Unsecured	\$1,110.00
55	Spring Branch Independent School	Secured	\$3,278.65
56	City of McAllen (tax)	Secured	\$1,222.79
57	South Texas College (tax)	Secured	\$427.25
58	South Texas ISD (tax)	Secured	\$139.49
59	Hidalgo County & Hidalgo Co. (tax)	Secured	\$1,885.35
60	McAllen ISD (tax)	Secured	\$3,302.91
61	US Bank NA dba US Bank	Secured	\$58,756.41
62	Mack Financial Services	Unsecured	\$29,022.24
63	Guardian Building Products Distribution	Unsecured	\$85,022.53
64	AJC Inc.	Unsecured	\$950.37
65	Bridgwell Resources	Unsecured	\$1,049,822.36
66	DW Distribution	Unsecured	\$29,684.40
67	Frost Bank	Secured	\$1,297,301.07
68	Frost Bank	Secured	\$3,529,588.87
69	Frost Bank	Secured	\$14,556.23
70	Frost Bank	Secured	\$24,089.24
71	Frost Bank	Secured	\$29,069.27
72	Frost Bank	Secured	\$15,695.51
73	Frost Bank	Secured	\$12,939.11
74	Frost Bank	Secured	\$6,785.09
75	Frost Bank	Secured	\$44,190.26
76	Frost Bank	Secured	\$63,486.27
77	Frost Bank	Secured	\$29,720.70
78	Frost Bank	Secured	\$124,086.17
79	Frost Bank	Secured	\$10,541.30
80	Frost Bank	Secured	\$82,502.83
81	Frost Bank	Secured	\$13,080.36
82	Frost Bank	Secured	\$97,689.91

83	Frost Bank	Secured	\$39,520.08
84	Frost Bank	Secured	\$83,795.92
85	Frost Bank	Secured	\$235,379.88
86	CLC Roofing	Unsecured	\$309,857.87
87	PrimeSource Building Products, Inc.	Unsecured	\$2,828,156.34
88	Deere & Company	Secured	\$25,230.23
89	Deere & Company	Secured	\$61,015.20
90	Deere & Company	Secured	\$39,515.44
91	Deere & Company	Secured	\$36,253.27
92	IKO Industries, Inc.	Unsecured	\$12,858.12
93	C & R Manufacturing, Inc.	Unsecured	\$6,021.97
94	Adams County Treasurer	Secured	\$834.74
95	Norwood Organization, L.P.	Unsecured	\$78,000.00

Stallion

1	Lone Star Race Park	Unsecured	\$10,000.00
2	Ford Motor Credit Company, LLC	Secured	\$11,315.29
3	Stallion eSearch	Unsecured	\$9,590.00
4	Internal Revenue Service (tax)	Priority	\$64,137.15
5	Ally Financial	Secured	\$5,223.90
6	Sea Gem, LLC	Unsecured	\$28,163.62
7	American Express Bank, FSB	Unsecured	\$8,147.11
8	American Express Bank, FSB	Unsecured	\$211.86
9	Frost Bank	Secured	\$1,297,301.07
10	Frost Bank	Secured	\$24,089.24
11	John Deere Financial	Secured	\$3,499.93
12	Comptroller of Public Accounts	Priority	\$6,915.32

Leasing

1	Tarrant County	Secured	\$23,218.67
2	Mansfield ISD	Secured	\$1,244.52
3	Ford Motor Credit Company, LLC	Secured	\$9,753.82
4	Ford Motor Credit Company, LLC	Secured	\$9,753.82
5	Ally Financial	Secured	\$18,896.74
6	Ally Financial	Secured	\$5,404.05
7	Ally Financial	Secured	\$18,895.90
8	Ally Financial	Secured	\$7,786.76
9	Ally Financial	Secured	\$5,405.34
10	Ally Financial	Secured	\$7,785.96
11	Mack Financial Services	Secured	\$29,022.24
12	Frost Bank	Secured	\$14,078.82
13	Frost Bank	Secured	\$15,695.51
14	Frost Bank	Secured	\$12,939.11
15	Frost Bank	Secured	\$6,786.09
16	Frost Bank	Secured	\$44,190.26
17	Frost Bank	Secured	\$63,486.27

18	Frost Bank	Secured	\$29,720.70
19	Frost Bank	Secured	\$124,086.17
20	Frost Bank	Secured	\$10,541.30
21	Frost Bank	Secured	\$82,502.83
22	Frost Bank	Secured	\$13,080.36
23	Frost Bank	Secured	\$97,689.91
24	Frost Bank	Secured	\$39,520.08
25	Frost Bank	Secured	\$83,795.92
26	Frost Bank	Secured	\$235,379.88

Scheduled Claims

Claimant	Liabilities	Amount
	From Schedule D creditors holding secured claims	\$5,357,508.91
	From Schedule E creditors holding unsecured priority claims	\$0.00
	From Schedule F creditors holding unsecured nonpriority claims	\$12,993.781.63

LIQUIDATION PLAN
MOST LIKELY CASE

ALLOCATION MODEL:

				Liquidation	BALANCE
				<u>Write Down</u>	<u>REMAINING</u>
ASSETS:	CASH	2/24/2014	\$ 3,081,861	\$ -	\$ 3,081,861
EST	EQUIPMENT (See Listing)		\$ -	\$ -	\$ 48,360
EST	ACCOUNTS RECEIVABLE		\$ 4,322,731	\$ (3,782,390)	\$ 540,341
	OTHER (Land/Properties)		\$ 58,180	\$ (29,090)	\$ 29,090
	AVAILABLE CASH				\$ 3,699,652
DISBURSEMENTS:					
OPERATING COSTS (MAR '14)				\$ (40,641)	\$ 3,659,011
CLAIMS:	US TRUSTEE			\$ (21,125)	
	SECURED EQUIPMENT (Frost)			\$ (1,297,301)	
	SECURED TAX			\$ (38,968)	
	SECURED AR ESCROW			\$ (816,305)	
EST THRU SEPT '14	SECURED LEGAL & PROFESIONAL			\$ (275,000)	
	SECURED FROST APP			\$ (34,380)	
	TOTAL SECURED			\$ (2,483,079)	\$ 1,175,932
	PRIORITY TAX			\$ (62,137)	
	PRIORITY 503 (B)			\$ (647,302)	
	PRIORITY TRUSTEE COMMISSION			\$ (135,855)	
	PRIORITY TRUSTEE FEE (One for Three)			\$ (50,000)	
	TOTAL PRIORITY			\$ (895,295)	\$ 280,638
AVAILABLE FOR ALLOCATION					\$ 280,638
UNSECURED ALLOCATION:					
	UNSECURED TAX		\$ (8,916)	\$ (321)	
	UNSECURED PRODUCT (PS & BW)		\$ (3,877,979)	\$ (139,640)	
	UNSECURED SERVICES & SUPPLIES		\$ (1,589,739)	\$ (57,244)	
EST	UNSECURED OTHER Claims		\$ (276,831)	\$ (9,968)	
	** UNSECURED Worthington Claim		\$ (2,040,173)	\$ (73,464)	
	TOTAL UNSECURED:		\$ (7,793,638)	\$ (280,638)	\$ -
	on the dollar:		\$ (0.036)		

** Worthington Claim is on J&M Helzer - if paid from Estate, then zero here

NOTES:

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- 2 The estimated trustee's fees of \$135,855.36 are based upon the statutory commissions defined in 11 U.S.C. §326.
That estimate is based upon the projected assets and is conservative. This item will be higher if three separate trustees are appointed.
- 3 Trustee professionals are conservatively estimated at \$50,000.00. This number will be higher if there are separate professionals hired in each of the three cases.
- 4 It is likely that a trustee would potentially pursue smaller preferences that the debtor believes would be of little benefit to the general creditor body.
The Debtor does not intend to pursue any preference that would likely net less than \$10,000 to this date.
- 5 The collectability of accounts receivable is difficult to determine due to the collection of that asset being controlled by another company for a significant period of time.
- 6 This liquidation budget may not fully account for potential reduction in collectability of accounts receivable without the continuity of former employees and may understate expenses that may be incurred without the use of the employees.
- 7 The values of assets not yet liquidated are estimated. With respect to the real property, a broker will be consulted prior to listing those assets for sale.

	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	<u>TOTALS</u>
PABCO Chase AR Escrow (Trust)	\$ 982,521								
FROST Sale Proceeds	\$ 1,099,340								
FROST JEHL DIP Operating	\$ 1,000,000								
Available Beginning Balance (02/24/14)	\$ 3,081,861								\$ 3,081,861
ASSET SALES						\$ 48,360		\$ 29,090	\$ 77,450
AR COLLECTIONS & Refunds:		\$ 20,341	\$ 45,605	\$ 96,495	\$ 123,600	\$ 113,600	\$ 86,000	\$ 54,700	\$ 540,341
TOTAL CASH RECEIPTS:		\$ 20,341	\$ 45,605	\$ 96,495	\$ 123,600	\$ 161,960	\$ 86,000	\$ 83,790	\$ 3,699,652
DISBURSEMENTS:									
OPERATING BUDGET MAR THRU SEPT.		\$ (40,641)	\$ (41,600)	\$ (42,600)	\$ (29,600)	\$ (22,200)	\$ (20,400)	\$ (14,500)	\$ (211,541)
DEBTOR LEGAL FEES:							\$ (275,000)		\$ (275,000)
JEHCO & PABCO/PCS -AR Settlement				\$ (816,305)					\$ (816,305)
TAX CLAIMS:				\$ (38,968)				\$ (62,136)	\$ (101,105)
Frost Secured Claims & APP		\$ (11,460)	\$ (11,460)	\$ (11,460)	\$ (1,297,301)				\$ (1,331,681)
PRIORITY503 (B)								\$ (647,302)	\$ (647,302)
US TRUSTEE FEES			\$ (6,500)				\$ (9,750)	\$ (4,875)	\$ (21,125)
									\$ -
UNSECURED Liquidation:								\$ (295,593)	\$ (295,593)
TOTAL DISBURSEMENTS		\$ (52,101)	\$ (59,560)	\$ (909,333)	\$ (1,326,901)	\$ (22,200)	\$ (305,150)	\$ (1,024,407)	\$ - \$ (3,699,652)
LIQUIDATION									
AVAILABLE BALANCE (Ending Balance)		\$ 3,050,101	\$ 3,036,146	\$ 2,223,308	\$ 1,020,007	\$ 1,159,767	\$ 940,617	\$ 0	\$ 0

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JEH Company, JEH Stallion Station, TX, & JEH Leasing
 US Bankruptcy Court Case No. 13-42397-rfn-11
 February 24, 2014 thru September 30, 2014

OPERATIONS BUDGET SUMMARY

CASH BASIS

		<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	<u>TOTALS</u>
RABECK & ASSOCIATES:	Total Hrs.	220	220	220	100	100	100	100	
Kay Helzer	Hrs.	44	84	100	50	50	50	50	
Allison Koester	Hrs.	16	8	0	0	0	0	0	
Randy L. Rabeck	Hrs.	160	128	120	50	50	50	50	
CONTRACT LABOR AMOUNTS	Hrly Rate: \$ 100	\$ 22,000	\$ 22,000	\$ 22,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 106,000
General Liability & Umbrella Ins.		\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 4,200
Rental Expense (Office)		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ 6,000
Copy, Mailings, and Postage		\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 600	\$ 600	\$ 600	\$ 6,600
Telephone, Fax, Internet		\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 300	\$ 3,900
Utilities (Gas, Water, Elect)		\$ 600	\$ 600	\$ 600	\$ 600	\$ 300	\$ 300	\$ 300	\$ 3,300
Supplies, Services, Maint.		\$ 1,141	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 400	\$ 4,541
Texas Collections	Professional Fees	\$ 5,000	\$ 7,000	\$ 6,000	\$ 5,000	\$ 3,000	\$ 3,000	\$ 1,000	\$ 30,000
Colorado & Other Collections	Professional Fees	\$ 4,000	\$ 4,000	\$ 6,000	\$ 6,000	\$ 3,000	\$ 1,800	\$ 200	\$ 25,000
CPA Firm Waters & Vollmering & Assoc.	Professional Fees	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 1,500	\$ 900	\$ 600	\$ 15,000
Computer & Systems Support		\$ 1,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 500	\$ 7,000
TOTAL EXPENSES: CASH		\$ 40,641	\$ 41,600	\$ 42,600	\$ 29,600	\$ 22,200	\$ 20,400	\$ 14,500	\$ 211,541
OPERATING BUDGET MAR THRU SEPT.		\$ (40,641)	\$ (41,600)	\$ (42,600)	\$ (29,600)	\$ (22,200)	\$ (20,400)	\$ (14,500)	\$ (211,541)

Notes & Assumptions:

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JEHCO CASE 13-42397-RFN-11
 ACCOUNTS RECEIVABLE RECON
 PCS/PABCO COLLECTIONS SUMMARY

RECON ANALYSIS:
 AS OF 01/13/2014

Customer Name	Location #	24 FEB Balance	DAYS AGED OVERDUE				COLLECTIONS							TOTALS
			30	60	90	120	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	
							1 Month	2 Months	3 Months	4 Months	5 Months	6 Months	7 Months	
MANSFIELD, TX.	01	\$ 2,159,880	\$ 265	\$ 514,483	\$ 398,066	\$ 1,247,115	\$ 10,000	\$ 25,000	\$ 50,000	\$ 85,000	\$ 75,000	\$ 55,000	\$ 39,600	\$ 339,600
OKLAHOMA CITY, OK.	04	\$ 139,047	\$ -	\$ 33,121	\$ 25,626	\$ 80,285	\$ 2,000	\$ 5,500	\$ 7,500	\$ 5,500	\$ 5,000	\$ 2,500	\$ 2,500	\$ 30,500
HOUSTON, TX.	03	\$ 347,033	\$ -	\$ 82,663	\$ 63,958	\$ 200,377	\$ 1,750	\$ 7,000	\$ 17,500	\$ 10,500	\$ 10,000	\$ 7,500	\$ 2,500	\$ 56,750
Sub-Total from PCS		\$ 2,645,960	\$ 265	\$ 630,268	\$ 487,650	\$ 1,527,777	\$ 13,750	\$ 37,500	\$ 75,000	\$ 101,000	\$ 90,000	\$ 65,000	\$ 44,600	\$ 426,850
AUBREY, TX	02	\$ 27,895	\$ -	\$ -	\$ 21,459	\$ 6,437	\$ -	\$ 500	\$ 1,545	\$ 750	\$ -	\$ -	\$ -	\$ 2,795
DENVER, CO	07	\$ 286,587	\$ -	\$ 1,641	\$ 16,371	\$ 268,575	\$ 5,000	\$ 5,000	\$ 15,500	\$ 15,750	\$ 15,500	\$ 15,000	\$ 6,500	\$ 78,250
PHONIX, AZ	14	\$ 14,030	\$ -	\$ -	\$ -	\$ 14,030	\$ -	\$ 250	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,750
KANSAS CITY, MO	15	\$ 106,019	\$ -	\$ 10,428	\$ -	\$ 95,591	\$ 1,141	\$ 1,155	\$ 2,050	\$ 3,100	\$ 4,500	\$ 3,500	\$ 2,050	\$ 17,496
MCALLEN	18	\$ 50,250	\$ -	\$ -	\$ -	\$ 50,250	\$ 200	\$ 200	\$ 400	\$ 500	\$ 600	\$ 500	\$ 300	\$ 2,700
DALLAS, TX	20	\$ 65,763	\$ -	\$ 701	\$ 44,353	\$ 20,709	\$ 250	\$ 500	\$ 500	\$ 1,000	\$ 1,000	\$ 500	\$ 250	\$ 4,000
GRANITE SHOALS, TX	21	\$ 81,607	\$ -	\$ 76	\$ 10,978	\$ 70,553	\$ -	\$ 500	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,000	\$ 500	\$ 5,500
Sub-Total (Not sold to PCS)		\$ 632,152	\$ -	\$ 12,846	\$ 93,161	\$ 526,145	\$ 6,591	\$ 8,105	\$ 21,495	\$ 22,600	\$ 23,600	\$ 21,000	\$ 10,100	\$ 113,491
TOTAL JEHCO AR		\$ 3,278,111.69					\$ 20,341	\$ 45,605	\$ 96,495	\$ 123,600	\$ 113,600	\$ 86,000	\$ 54,700	\$ 540,341
COLLECTIONS FORECAST:							\$ 20,341	\$ 45,605	\$ 96,495	\$ 123,600	\$ 113,600	\$ 86,000	\$ 54,700	\$ 540,341
Variance:							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes & Assumptions:

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JEHCO CASE 13-42397-RFN-11
 ACCOUNTS RECEIVABLE RECON
 PCS/PABCO COLLECTIONS SUMMARY
 RECON ANALYSIS:

Location	Discount Amount	Beginning Balance	Payment \$	Reported New Balance	Beg Bal Minus Pymts & Credits	Math Difference	PSC EXPLANATION
MANSFIELD, TX.	\$ 98.57	\$ 3,329,678.26	\$ 1,107,760.66	\$ 2,159,879.86	\$ 2,221,819.03	\$ (61,939.17)	
OKLAHOMA CITY, OK.	\$ 767.59	\$ 727,515.01	\$ 588,468.43	\$ 139,046.58	\$ 138,278.99	\$ 767.59	
HOUSTON, TX.	\$ 2,749.08	\$ 642,314.53	\$ 295,281.36	\$ 347,033.17	\$ 344,284.09	\$ 2,749.08	
TOTALS	\$ 3,615.24	\$ 4,699,507.80	\$ 1,991,510.45	\$ 2,645,959.61	\$ 2,704,382.11	\$ (58,422.50)	

	Mansfield	Oklahoma City	Houston	Totals
TOTAL AR PAYMENTS RECEIVED TO DATE	\$ 1,107,760.67	\$ 588,468.43	\$ 295,281.36	\$ 1,991,510.46
BALANCE PREPAID IN ESCROW	\$ 1,211,298.43	\$ 445,565.39	\$ 308,178.01	\$ 1,965,041.82
DUE JEHCO FROM PCS				\$ (26,468.64)

RECONCILING ITEMS

Pymt due from JEH for expense items paid by PCS for JEH services (cut over items)	\$ 786.79
Pmt due from JEH for AR balance refunded in error	\$ 2.44
BALANCE COLLECTED IN EXCESS OF 2/3 OF OPEN AR ITEMS	\$ (25,679.41)
OTHER RECONCILING ITEMS	
Funds collected for balances outside of purchase	
Payments due to JEH from PCS (Payment prior to 12/16/2013)	\$ (59,640.15)
Payments due to JEH from PCS (Payments received after 12/16/2013)	\$ (56,006.61)
SUBTOTAL RECONCILING ITEMS	\$ (140,536.94)

Total balance due to JEH including balance due out of escrow **\$ (166,216.35)**

Reconciling Items**

* See Payments to Date tab and detail worksheets attached

** See Reconciliation Items tab

ESCROW BALANCE WITH CHASE BK	\$ 982,520.91
TO BE RETURNED TO PCS (after reconciliation)	\$ 816,304.56

NOTES & ASSUMPTIONS:

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Case Name: JEH Company - JEH Leasing - Stallion Station TX

LIQUIDATION PLAN TAX PAYMENT SCHEDULE

01/21/14

Case Number: 13-42397-rfn-11 Chapter: 11

List of Claims.

No.	Filing Entity / Claimant	TAX	Account Number	Tax Yrs.	Class	Claim Amount	2012 Prorated Paid at 9/16/13	2013 Adjustment or proration .7041	01/17/2014 BALANCE
<u>JEH COMPANY</u>									
1	Dallas County	Propert	05/30/13 00000513523820000	2012-13	Secured	\$ 263.57			\$ 263.57
2	Wood County	Propert	05/30/13 R20891	2013	Secured	\$ 256.03			\$ 256.03
3	Tarrant County	BPP	05/30/13 00012242373	2013	Secured	\$ 2,208.24	\$ 2,340.37		\$ (132.13)
	Tarrant County	BPP	05/30/13 00013535250	2013	Secured	\$ 17,015.58	\$ 17,579.21		\$ (563.63)
4	Mansfield ISD	BPP	05/31/13 00012242373	2013	Secured	\$ 1,990.45		\$ 588.97	\$ 1,401.48
	Mansfield ISD	BPP	05/31/13 00013535250	2013	Secured	\$ 14,630.20		\$ 4,329.08	\$ 10,301.12
8	Upshur County	BPP	06/10/13 35758	2013	Secured	\$ 511.47			\$ 511.47
50	Harris County et al	BPP	08/19/13 2169098	2013	Secured	\$ 10,181.72	\$ 11,563.31		\$ (1,381.59)
55	Spring Branch Independent School	BPP	09/09/13 2169098	2013	Secured	\$ 3,278.65		\$ 970.15	\$ 2,308.50
56	City of McAllen	BPP	09/11/13 R2950990050004M1	2013	Secured	\$ 1,222.79			\$ 1,222.79
57	South Texas College	BPP	09/11/13 R2950990050004M1	2013	Secured	\$ 427.25			\$ 427.25
58	South Texas ISD	BPP	09/11/13 R2950990050004M1	2013	Secured	\$ 139.49			\$ 139.49
59	Hidalgo County & Hidalgo Co.	BPP	09/11/13 R2950990050004M1	2013	Secured	\$ 1,885.35			\$ 1,885.35
60	McAllen ISD	BPP	09/11/13 R2950990050004M1	2013	Secured	\$ 3,302.91			\$ 3,302.91
94	Adams County Treasurer	Tax	10/21/13 P0029426	2013	Secured	\$ 834.74			\$ 834.74
				Sub-Total	58,148.44				\$ 20,777.35
<u>JEH Stallion Station, TX.</u>									
4	Internal Revenue Service	FICA/FL	06/21/13	2012-13	Priority	\$ 55,221.54			\$ 55,221.54
	Internal Revenue Service	Penalty	06/21/13	2013	Unsecured	\$ 8,915.61			\$ 8,915.61
12	Comptroller of Public Accounts	Franchi	10/17/13 1-75-2511936-2	2013	Priority	\$ 6,915.32			\$ 6,915.32
33	County of Denton, et al under JEHCO	BPP	07/08/13 943064DEN	2012-13	Secured	\$ 12,168.68			\$ 12,168.68
									\$ 83,221.15
<u>JEH Leasing</u>									
1	Tarrant County	BPP	05/28/13 00012242381	2013	Secured	\$ 21,837.96	\$ 10,515.85	\$ 6,461.85	\$ 4,860.26
	Tarrant County	BPP	05/28/13 00013576763	2013	Secured	\$ 1,380.71	\$ 1,463.30		\$ (82.59)
2	Mansfield ISD	BPP	05/31/13 69056	2013	Secured	\$ 1,244.52			\$ 1,244.52
				Sub-Total	24,463.19				\$ 6,022.19
<u>TOTAL ALL ENTITIES</u>						\$ 165,832.78	\$ 43,462.04	\$ 12,350.06	\$ 110,020.68
See pdf for detail									
					Secured				\$ 38,968.21
					Priority				\$ 62,136.86
					Unsecured				\$ 8,915.61
					TOTALS				\$ 110,020.68

NOTES:

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Case Name: JEH Company - JEH Leasing - Stallion Station TX

LIQUIDATION PLAN 503(B) PRIORITY PAYMENT SCHEDULE

Case Number: 13-42397-rfn-11 Chapter: 11

CASH BASIS

01/21/14

Vendor	PO	Receipt Date	Amount	Inovice #	Rec #	503(B) AMOUNTS
Airvent	4806	5/8/2013	1,734.60	651096	8314	
	4885	5/8/2013	1,940.40	652419	8317	
	4955	5/20/2013	7,417.50	653337	8371	9,357.90
AJC Tools	4879	5/10/2013	881.30	147818	8330	881.30
	4849	5/2/2013	1,313.20	1130413	8272	
Alside Supply Center	4920	5/14/2013	269.50	580513	8334	1,582.70
	4944	5/21/2013	329.98	114032	8385	329.98
Award Metals	4862	5/2/2013	3,159.50	12111	8279	3,159.50
Berger Bldg Products	4845	5/2/2013	7,736.00	355910	8269	
	4900	5/14/2013	3,128.00	3601190	8339	
	4928	5/15/2013	61.30	363455	8344	10,925.30
Birdview Skylights	4297	5/17/2013	525.00	49278	8398	
	4908	5/17/2013	118.15	49374	8367	1,063.55
BlueLinx Corporation	4109	5/22/2013	2,689.63	740-30212	8391	
	4910	5/15/2013	5,113.56	740-31623	8354	\$ 235,996.85
Boise Cascade	4844	5/3/2013	19,447.78	1217834	8277	
	4875	5/6/2013	3,273.60	1220318	8293	22,721.38
C&R Manufacturing	4766	5/7/2013	10.56	63996	8298	
	4833	5/2/2013	6,002.40	64286	8274	6,012.96
Cedar Creek	4946	5/17/2013	74.26	1189741	8365	74.26
Central States Mfg	4837	5/3/2013	1,859.84	5526673	8287	
	4930a	5/22/2013	54.98	5544057	8393	9,764.91
Crown Roof Tiles	4771	5/7/2013	455.93	3863	8301	455.93
DOT Metal Products	4899	5/8/2013	9,935.50	5506936	8336	
	4924	5/13/2013	2,549.25	6037302	8361	18,493.15
Franklin International	4842	5/10/2013	2,222.44	2134569	8328	2,222.44
Gap Roofing of Texas, LLC	4867	5/8/2013	15,188.75	33399	8316	
	A2615	5/13/2013	15,330.48	89173	8332	86,969.58
Gardner Asphalt Corp	4869	5/7/2013	1,055.88	N11570	8295	
	4877	5/6/2013	550.64		8289	1,606.52
Geocel	4907	5/8/2013	4,902.53	9.18E+08	8366	4,902.53
Guardian Building Materials	4750	5/3/2013	19,277.32	6224107-0	8275	
	4913A	5/14/2013	5,433.00		8337	68,812.29
Henry Company	4929	5/17/2013	6,273.58	297550	8363	6,273.58
Lenny Hudgins	4943	5/17/2013	1,869.66	51713	8369	1,869.66
IKO Manufacturing	647093	5/2/2013	12,858.12	661680	647093	
	647094	5/16/2013	10,270.40		647094	23,128.52
InterWrap Corp	4888	5/15/2013	22,629.60	515568	8343	22,629.60
Lomanco	4906	5/17/2013	1,625.00	K1308073	8362	1,625.00
Metro Roof Products	4748	5/2/2013	220.00	27244	8267	
	4782	5/2/2013	238.30	27245	8268	458.30
Monier Boral Roofing	4756	5/6/2013	3,643.35	9.01E+08	8292	-
Pate's Hardware	4961	5/17/2013	1,983.31		8396	1,983.31
Ross Mfg	4909	5/14/2013	1,173.00	80423	8338	1,123.00
RSG	4860	5/2/2013	221.85	73173	8270	
	6500	5/6/2013	10.61	1173924	8291	40,892.74
Spec Building Materials	4865	5/2/2013	780.78	269871	8276	
	4938	5/16/2013	362.04	374315	8361	1,142.82
Tarco Specialty Products	4853	5/7/2013	17,570.00	T051821	8312	
	4878	5/9/2013	1,800.00	S027148	8318	19,370.00
Texas Metal Products	4559	5/21/2013	23.00	5571	8386	
	4861A	5/22/2013	134.00	4861	8397	3,882.40
US Ply	ret328	5/7/2013	(620.00)	4861A		
	4956	5/17/2013	374.00	26095	8368	4,754.00
Weyerhaeuser NR Company	4850	5/13/2013	4,093.44	9E+09	8331	
	4898	5/20/2013	12,185.60	9E+09	8380	28,464.64
Woody Butts	4872	5/7/2013	4,371.84	I0020659	4371.84	4,371.84

Case Name: JEH Company - JEH Leasing - Stallion Station TX

LIQUIDATION PLAN 503(B) PRIORITY PAYMENT SCHEDULE
CASH BASIS **01/21/14**

Case Number: 13-42397-rfn-11 **Chapter:** 11

Vendor	PO	Receipt Date	Amount	Inovice #	Rec #
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503(B) AMOUNTS

TOTAL THIS LISTING:

647,302.44

NOTES:

1 This projection is intended to be forward looking. Items contained herein are likely to change based on a number of variables that cannot be determined or controlled at this time.

Case Name: JEH Company - JEH Leasing - Stallion Station TX
Case Number: 13-42397-rfn-11 **Chapter:** 11
List of Claims.

LIQUIDATION PLAN
 EQUIPMENT & PROPERTY SALES
 CASH BASIS

		<u>Filing Entity</u>		Estimated Market Value
		<u>JEH COMPANY</u>		
REAL PROPERTY		Appraisal	Discount & Broker Fee	
	TOTAL THIS ENTITY:	\$ 58,180	\$ (29,090)	\$ 29,090
EQUIPMENT:		YEAR	Vin # EI Liens	
	TOTAL THIS ENTITY:			\$ -
				\$ 6,000
		<u>JEH Stallion Station, TX.</u>		
EQUIPMENT:				\$ -
	TOTAL THIS ENTITY:			\$ -
		<u>JEH Leasing</u>		
EQUIPMENT				
	TOTAL THIS ENTITY:			\$ 42,360
	TOTAL ALL ENTITIES:			\$ 77,450
REAL PROPERTY				\$ 29,090
EQUIPMENT				\$ 48,360

1 This projection is intended to be forward looking. Items contained herein are likely to change based on a number of variables that cannot be determined or controlled at this time.

Case Number: 13-42397-rfn-11 Chapter: 11

List of Claims.

No.	Filing Entity / Claimant	Class	Claim Amount	Duplicate # Filings	Order Doc 217 PABCO Sale 09/16/13	Cantwell Sale 10/10/13 Doc 261	Ruling Doc 285 Payoff Frost 11/06/13	Lift Doc 57 Wells 12/02/13	Lift Returned to Ally 12/02/13	motions to sale or lift stay.	BlueLinx Ruling Doc 318 01/02/14 503 (b) Priority	01/21/2014 BALANCE
JEH COMPANY												
1	Dallas County	Secured	\$ 263.57									\$ 263.57
2	Wood County (tax)	Secured	\$ 256.03									\$ 256.03
3	Tarrant County (tax)	Secured	\$ 19,223.82									\$ 19,223.82
4	Mansfield ISD (tax)	Secured	\$ 16,620.65									\$ 16,620.65
5	Wells Fargo Equipment Finance	Secured	\$ 20,782.00							\$ (20,782.00)		\$ -
6	High Desert Trading	Unsecured	\$ 12,185.60									\$ 12,185.60
7	Woody Butts, Inc.	Unsecured	\$ 4,371.84									\$ 4,371.84
8	Upshur County (tax)	Secured	\$ 511.47									\$ 511.47
9	Berger Building Products	Unsecured	\$ 10,925.30									\$ 10,925.30
10	Ford Motor Credit Company, LLC	Secured	\$ 11,315.29							\$ (11,315.29)		\$ -
11	Ford Motor Credit Company, LLC	Secured	\$ 9,753.82							\$ (9,753.82)		\$ -
12	Ford Motor Credit Company, LLC	Secured	\$ 9,753.82			\$ (9,753.82)						\$ -
13	Roofing Supply Group	Unsecured	\$ 207,626.19									\$ 207,626.19
14	ACF Tarp and Awning	Unsecured	\$ 438.41									\$ 438.41
15	Spec Building Materials	Unsecured	\$ 1,881.92									\$ 1,881.92
16	Weyerhaeuser NR Company	Unsecured	\$ 28,802.35									\$ 28,802.35
17	T & W Tire	Unsecured	\$ 4,159.36									\$ 4,159.36
18	AAAA+ Fire Protection	Unsecured	\$ 1,104.15									\$ 1,104.15
19	Birdview Skylights	Unsecured	\$ 3,683.70									\$ 3,683.70
20	Toyota Motor Credit Corporation	Secured	\$ 28,191.03									\$ 28,191.03
21	Toyota Motor Credit Corporation	Secured	\$ 4,583.63									\$ 4,583.63
22	Toyota Motor Credit Corporation	Secured	\$ 27,013.78									\$ 27,013.78
23	Toyota Motor Credit	Secured	\$ 793.25		\$ (793.25)							\$ -
24	Parkerson Tire & Casing Supply	Unsecured	\$ 3,151.19									\$ 3,151.19
25	Corporate Billing	Unsecured	\$ 5,543.18									\$ 5,543.18
26	The Sherwin-Williams Co	Unsecured	\$ 4,901.92									\$ 4,901.92
27	Mercedes-Benz Financial	Secured	\$ 15,366.12									\$ 15,366.12
28	Highline Metals	Unsecured	\$ 2,842.50									\$ 2,842.50
29	U.S. Ply. Inc.	Unsecured	\$ 17,103.00									\$ 17,103.00
30	Wells Fargo Equipment Finance	Secured	\$ 848,138.29		\$ (791,476.95)		\$ (33,100.00)					\$ 23,561.34
31	Monier Boral Roofing, LLC	Unsecured	\$ 28,772.97									\$ 28,772.97
32	Airvent	Unsecured	\$ 25,674.32									\$ 25,674.32
33	County of Denton, et al (tax)	Secured	\$ 12,168.68									\$ 12,168.68
34	Henry Company, LLC	Unsecured	\$ 6,273.58									\$ 6,273.58
35	Gardner Asphalt/Gardner-Gibson	Unsecured	\$ 1,055.88									\$ 1,055.88
36	Ross Manufacturing, LLC	Unsecured	\$ 1,123.00									\$ 1,123.00
37	BITEC	Unsecured	\$ 9,974.00									\$ 9,974.00
38	G.A.P. Roofing, Inc.	Unsecured	\$ 79,224.35									\$ 79,224.35
39	G.A.P. Roofing, Inc.	Unsecured	\$ 78,481.45									\$ 78,481.45
40	BlueLinx Corporation	Unsecured	\$ 871,711.86								\$ (34,728.96) \$ (235,996.85)	\$ 600,986.05
41	Worthington National Bank	Secured	\$ 34,707.11		\$ (34,707.11)							\$ -
42	Worthington National Bank	Secured	\$ 2,040,172.54									\$ 2,040,172.54
43	TXU Energy Retail Company, LLC	Unsecured	\$ 1,089.89									\$ 1,089.89
44	Shoppas Material Handling, Ltd.	Unsecured	\$ 5,874.52									\$ 5,874.52
45	Lomanco, Inc.	Unsecured	\$ 1,665.00									\$ 1,665.00
46	Swan Transportation Services Ltd.	Unsecured	\$ 46,850.00									\$ 46,850.00
47	Tarco of Texas, Inc.	Unsecured	\$ 34,457.00									\$ 34,457.00
48	Tarco Specialty Products, Inc.	Unsecured	\$ 1,800.00									\$ 1,800.00
49	First Star Logistics, LLC	Unsecured	\$ 6,000.00									\$ 6,000.00
50	Harris County et al	Secured	\$ 10,181.72									\$ 10,181.72

Case Number: 13-42397-rfn-11 Chapter: 11

List of Claims.

No.	Filing Entity / Claimant	Class	Claim Amount	Duplicate # Filings	Order Doc 217 PABCO Sale 09/16/13	Cantwell Sale 10/10/13 Doc 261	Ruling Doc 285 Payoff Frost 11/06/13	Lift Doc 57 Wells 12/02/13	Lift Returned to Ally 12/02/13	motions to sale or lift stay.	BlueLinx Ruling Doc 318 01/02/14 503 (b) Priority	01/21/2014 BALANCE
51	Reeder Distributors, Inc.	Unsecured	\$ 22,247.30									\$ 22,247.30
52	Ahern Rentals, Inc.	Unsecured	\$ 3,699.15									\$ 3,699.15
53	Attic Breeze, LLC	Unsecured	\$ 479.69									\$ 479.69
54	Bear Transportation Services	Unsecured	\$ 1,110.00									\$ 1,110.00
55	Spring Branch Independent School	Secured	\$ 3,278.65									\$ 3,278.65
56	City of McAllen (tax)	Secured	\$ 1,222.79									\$ 1,222.79
57	South Texas College (tax)	Secured	\$ 427.25									\$ 427.25
58	South Texas ISD (tax)	Secured	\$ 139.49									\$ 139.49
59	Hidalgo County & Hidalgo Co. (tax)	Secured	\$ 1,885.35									\$ 1,885.35
60	McAllen ISD (tax)	Secured	\$ 3,302.91									\$ 3,302.91
61	US Bank NA dba US Bank	Secured	\$ 58,756.41									\$ 58,756.41
62	Mack Financial Services	Unsecured	\$ 29,022.24							\$ (29,022.24)		\$ -
63	Guardian Building Products	Unsecured	\$ 85,022.53									\$ 85,022.53
64	AJC Inc.	Unsecured	\$ 950.37									\$ 950.37
65	Bridgewell Resources	Unsecured	\$ 1,049,822.36									\$ 1,049,822.36
66	DW Distribution	Unsecured	\$ 29,684.40									\$ 29,684.40
67	Frost Bank	Secured	\$ 1,297,301.07									\$ 1,297,301.07
68	Frost Bank	Secured	\$ 3,529,588.87				\$ (3,529,588.87)					\$ -
69	Frost Bank	Secured	\$ 14,556.23									\$ 14,556.23
70	Frost Bank	Secured	\$ 24,089.24									\$ 24,089.24
71	Frost Bank	Secured	\$ 29,069.27		\$ (29,069.27)							\$ -
72	Frost Bank	Secured	\$ 15,695.51		\$ (15,695.51)							\$ -
73	Frost Bank	Secured	\$ 12,939.11		\$ (12,939.11)							\$ -
74	Frost Bank	Secured	\$ 6,785.09		\$ (6,785.09)							\$ -
75	Frost Bank	Secured	\$ 44,190.26		\$ (44,190.26)							\$ -
76	Frost Bank	Secured	\$ 63,486.27		\$ (63,486.27)							\$ -
77	Frost Bank	Secured	\$ 29,720.70		\$ (29,720.70)							\$ -
78	Frost Bank	Secured	\$ 124,086.17		\$ (124,086.17)							\$ -
79	Frost Bank	Secured	\$ 10,541.30		\$ (10,541.30)							\$ -
80	Frost Bank	Secured	\$ 82,502.83		\$ (82,502.83)							\$ -
81	Frost Bank	Secured	\$ 13,080.36		\$ (13,080.36)							\$ -
82	Frost Bank	Secured	\$ 97,689.91		\$ (97,689.91)							\$ -
83	Frost Bank	Secured	\$ 39,520.08		\$ (39,520.08)							\$ -
84	Frost Bank	Secured	\$ 83,795.92		\$ (83,795.92)							\$ -
85	Frost Bank	Secured	\$ 235,379.88		\$ (226,182.46)							\$ 9,197.42
86	CLC Roofing	Unsecured	\$ 309,857.87									\$ 309,857.87
87	PrimeSource Building Products, Inc.	Unsecured	\$ 2,828,156.34									\$ 2,828,156.34
88	Deere & Company	Secured	\$ 25,230.23									\$ 25,230.23
89	Deere & Company	Secured	\$ 61,015.20									\$ 61,015.20
90	Deere & Company	Secured	\$ 39,515.44									\$ 39,515.44
91	Deere & Company	Secured	\$ 36,253.27									\$ 36,253.27
92	IKO Industries, Inc.	Unsecured	\$ 12,858.12									\$ 12,858.12
93	C & R Manufacturing, Inc.	Unsecured	\$ 6,021.97									\$ 6,021.97
94	Adams County Treasurer	Secured	\$ 834.74									\$ 834.74
95	Norwood Organization, L.P.	Unsecured	\$ 78,000.00									\$ 78,000.00
	<u>JEH Stallion Station, TX.</u>											\$ -
1	Lone Star Race Park	Unsecured	\$ 10,000.00									\$ 10,000.00
2	Ford Motor Credit Company, LLC	Secured	\$ 11,315.29	11	\$ (11,315.29)							\$ -
3	Stallion eSearch	Unsecured	\$ 9,590.00									\$ 9,590.00
4	Internal Revenue Service (tax)	Priority	\$ 64,137.15									\$ 64,137.15
5	Ally Financial	Secured	\$ 5,223.90							\$ (5,223.90)		\$ -

Case Number: 13-42397-rfn-11 Chapter: 11

List of Claims.

No.	Filing Entity / Claimant	Class	Claim Amount	Duplicate # Filings	Order Doc 217 PABCO Sale 09/16/13	Cantwell Sale 10/10/13 Doc 261	Ruling Doc 285 Payoff Frost 11/06/13	Lift Doc 57 Wells 12/02/13	Lift Returned to Ally 12/02/13	motions to sale or lift stay.	BlueLinx Ruling Doc 318 01/02/14 503 (b) Priority	01/21/2014 BALANCE
6	Sea Gem, LLC	Unsecured	\$ 28,163.62									\$ 28,163.62
7	American Express Bank, FSB	Unsecured	\$ 8,147.11									\$ 8,147.11
8	American Express Bank, FSB	Unsecured	\$ 211.86									\$ 211.86
9	Frost Bank	Secured	\$ 1,297,301.07	67								\$ -
10	Frost Bank	Secured	\$ 24,089.24	70								\$ -
11	John Deere Financial	Secured	\$ 3,499.93								\$ (1,815.15)	\$ 1,684.78
12	Comptroller of Public Accounts	Priority	\$ 6,915.32									\$ 6,915.32
JEH Leasing												
1	Tarrant County	Secured	\$ 23,218.67									\$ -
2	Mansfield ISD	Secured	\$ 1,244.52									\$ 23,218.67
3	Ford Motor Credit Company, LLC	Secured	\$ 9,753.82	11								\$ -
4	Ford Motor Credit Company, LLC	Secured	\$ 9,753.82	12								\$ -
5	Ally Financial	Secured	\$ 18,896.74				\$ (18,896.74)					\$ -
6	Ally Financial	Secured	\$ 5,404.05				\$ (5,404.05)					\$ -
7	Ally Financial	Secured	\$ 18,895.90				\$ (18,895.90)					\$ -
8	Ally Financial	Secured	\$ 7,786.76						\$ (7,786.76)			\$ -
9	Ally Financial	Secured	\$ 5,405.34				\$ (5,405.34)					\$ -
10	Ally Financial	Secured	\$ 7,785.96				\$ (7,785.96)					\$ -
11	Mack Financial Services	Secured	\$ 29,022.24	62								\$ -
12	Frost Bank	Secured	\$ 14,078.82							\$ (14,078.82)		\$ -
13	Frost Bank	Secured	\$ 15,695.51	72								\$ -
14	Frost Bank	Secured	\$ 12,939.11	73								\$ -
15	Frost Bank	Secured	\$ 6,786.09	74								\$ -
16	Frost Bank	Secured	\$ 44,190.26	75								\$ -
17	Frost Bank	Secured	\$ 63,486.27	76								\$ -
18	Frost Bank	Secured	\$ 29,720.70	77								\$ -
19	Frost Bank	Secured	\$ 124,086.17	78								\$ -
20	Frost Bank	Secured	\$ 10,541.30	79								\$ -
21	Frost Bank	Secured	\$ 82,502.83	80								\$ -
22	Frost Bank	Secured	\$ 13,080.36	81								\$ -
23	Frost Bank	Secured	\$ 97,689.91	82								\$ -
24	Frost Bank	Secured	\$ 39,520.08	83								\$ -
25	Frost Bank	Secured	\$ 83,795.92	84								\$ -
26	Frost Bank	Secured	\$ 235,379.88	85								\$ -

TOTALS \$ 17,540,612.71 \$ (2,240,649.87) \$ (1,706,262.55) \$ (66,141.81) \$ (3,529,588.87) \$ (33,100.00) \$ (13,010.66) \$ (84,952.17) \$ (34,728.96) \$ (237,812.00) \$ 9,594,365.82

Scheduled Claims

From Schedule D creditors holding secured claims	\$ 9,407,594.34	\$ 1,761,095.50
From Schedule E creditors holding unsecured priority claims	\$ 71,052.47	\$ 71,052.47
From Schedule F creditors holding unsecured nonpriority claims	\$ 8,061,965.90	\$ 7,762,217.85
TOTALS	\$ 17,540,612.71	\$ 9,594,365.82

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This page is intentionally left blank in connection with the original filing of the disclosure statement. Upon approval, it is the intention of the Debtors to supplement the Disclosure Statement with the three then most recent Monthly Operating Reports.

The version of the Monthly Operating Report that will be attached to the document sent to creditors has not yet been filed. This document will be supplemented with the current version of the Monthly Operating Reports at the time of approval.