

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

IN RE:

PORT AGGREGATES, INC.,

DEBTOR

CASE NO. 14-51580

CHAPTER 11

JUDGE ROBERT SUMMERHAYS

**PORT AGGREGATES, INC.'S DISCLOSURE STATEMENT IN SUPPORT OF
CHAPTER 11 PLAN OF REORGANIZATION OF PORT AGGREGATES, INC.
DATED MAY 4, 2015, AS IMMATERIALLY MODIFIED ON MAY 6, 2015**

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Dated: May 6, 2015

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INTRODUCTION – IMPORTANT

This Disclosure Statement (this “Disclosure Statement”) in Support of the CHAPTER 11 PLAN OF REORGANIZATION OF PORT AGGREGATES, INC. DATED MAY 4, 2015, AS IMMATERIALLY MODIFIED ON MAY 6, 2015 (the “Plan”) has been prepared by counsel for Port Aggregates, Inc. (referred to herein as “Port Aggregates” or the “Debtor”), and is proposed by Port Aggregates. This Disclosure Statement describes the terms and provisions of the Plan and provides additional information designed to give parties in interest who are solicited to vote on the Plan with sufficient information upon which such party in interest can make an informed decision as to whether to vote to accept or reject the Plan. The Chapter 11 bankruptcy case of Port Aggregates is pending in the United States Bankruptcy Court for the Western District of Louisiana (the “Bankruptcy Court”) under Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”).

Port Aggregates filed the Bankruptcy Case to avoid what management and the Board thought could be bad consequences arising from long running litigation brought by minority owners, which litigation (because of certain relief requested by the minority owners) triggered a covenant default under Port Aggregates’ loan agreement and loan documents with its lender, Whitney Bank (Port Aggregates had always complied with its obligations to Whitney Bank). Since the filing of the Bankruptcy Case Port Aggregates, its Board and management, along with the opposing parties in the litigation that prompted the commencement of this Bankruptcy Case have resolved their differences, and the Plan that is proposed is a consensual Plan that once Confirmed and made effective will put to rest the long running litigation and allow Port Aggregates to conduct its business without the cloud of expensive and distracting litigation, and place Port Aggregates on firm financial footing regarding the future. The Plan attaches several exhibits, one of which is the Plan Support Agreement (Exhibit B to the Plan). The Plan Support Agreement is the precursor to the Plan, and while it is an agreement among the Parties and Intervenor thereto and therein, Confirmation of the Plan after Bankruptcy Court supervised Solicitation of voting by the Impaired Classes of Claims and Equity Interests is the primary objective of the Plan Support Agreement. The Plan Support Agreement, the Plan solicitation and voting process, the terms of the Plan and the Confirmation process and effects will be addressed further in this Disclosure Statement.

This Disclosure Statement, among other things, details the business of Port Aggregates, the events leading up to the filing of the Bankruptcy Case, the Resolution of the litigation between the Holders of Equity Interests, the manner in which the Plan will deal with the Holders of Claims against and Interests in Port Aggregates, and the implementation of the Plan. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. A copy of the Plan is attached hereto as Exhibit A and made a part hereof and should be reviewed carefully.¹

¹ Capitalized Terms not otherwise defined in this Disclosure Statement shall have the same definition as in the Plan.

THIS DISCLOSURE STATEMENT, TOGETHER WITH THE PLAN, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE AS IF FULLY SET FORTH HEREIN, SHOULD BE READ IN THEIR ENTIRETY. FOR THE CONVENIENCE OF CREDITORS AND HOLDERS OF EQUITY INTERESTS, THE TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT THIS SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN ITSELF, WHICH IS CONTROLLING IN THE EVENT OF ANY INCONSISTENCY.

THIS DISCLOSURE STATEMENT, INCLUDING ITS EXHIBITS, IS THE ONLY DOCUMENT AUTHORIZED BY THE BANKRUPTCY COURT TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES UNDER THE PLAN. MANY OF THE REPRESENTATIONS AND FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT ABOUT THE DEBTOR HAVE BEEN OBTAINED FROM DOCUMENTS AND INFORMATION PREPARED BY OR ON BEHALF OF THE DEBTOR. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE OF THIS DISCLOSURE STATEMENT UNLESS ANOTHER TIME IS SPECIFIED. THE DELIVERY OR FILING OF THIS DISCLOSURE STATEMENT SHALL UNDER NO CIRCUMSTANCES CONSTITUTE A REPRESENTATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT SINCE THE DATE OF COMPILATION OF THIS DISCLOSURE STATEMENT AND THE MATERIALS RELIED UPON IN THE PREPARATION OF THIS DISCLOSURE STATEMENT.

I. SUMMARY INFORMATION ON CHAPTER 11

This Disclosure Statement is offered in connection with solicitation of acceptances of the Plan. This Disclosure Statement is being provided in order to disclose important and necessary information to allow a reasonably informed decision by Creditors and Interest Holders exercising their right to vote on, or otherwise participate in, confirming the Plan. The purpose of this summary is to answer questions which are often asked by a party receiving a Disclosure Statement. Unless otherwise stated, the information contained herein is as of May 6, 2015, or as of any date as indicated within the exhibits to this Disclosure Statement.

A. WHO IS THE DEBTOR?

Port Aggregates, Inc. is the Chapter 11 debtor and is currently acting as the debtor-in-possession.

B. WHAT IS THE DEBTOR ATTEMPTING TO DO IN CHAPTER 11?

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor is reorganizing its assets and liabilities to maximize the return to its creditors. Formulation and confirmation of a plan of reorganization, providing for such reorganization, is the principal purpose of the Chapter 11 process. The Plan is the legal document which sets forth the means by which holders of claims and equity interests against a debtor will be treated.

The Plan complies with the priority scheme of the Bankruptcy Code. The purpose and effect of the Plan is to, *inter alia*, (a) provide for satisfaction of the Whitney Bank Secured Claim through take-out financing to be provided under the Regions Term Sheet provided by Regions Bank; (b) provide for the assumption in accordance with the loan and payment terms of the Bank of the West Secured Claim; (c) provide for the payment of all Allowed Administrative Claims, including, and Priority Tax Claims as of the Effective Date; (d) provide for the payment in full of Class 3 Allowed General Unsecured Claims; (e) provide for payment in full of the Guarantor Claims and Termination Penalty Claim; (f) provide for the redemption and purchase of the Voting and Non-Voting Interest Sellers Equity Interests; (g) provide treatment regarding the remaining Equity Interest owners referred to in the Plan as the Residual Owners, who will maintain their ownership and Equity Interests in Port Aggregates after the Effective Date of the Plan; (h) provide for the withdrawal of the Voting and Non-Voting Interest Sellers and Related Released Parties' Claims; (i) provide that Andy Guinn shall remain as President, Adam Guinn as Vice President and Jim Maddox as Chief Financial Officer of Reorganized Port Aggregates; and (j) provide for the continuation of the current five (5) member board of directors with Andy Guinn serving as Chairman of Reorganized Port Aggregates Board. After Confirmation and at Closing to take place on the Effective Date, Reorganized Port Aggregates will obtain the take-out financing and make the Distributions contemplated by the Plan, using the financing and its cash on hand. The Plan and the Plan Support Agreement contain extensive release provisions to make certain that Port Aggregates and its management will be free from litigation after Closing, and after Closing the litigation (including the Lawsuit—which was the litigation that extended prior to the Bankruptcy Case for almost a year) will be dismissed with prejudice. Also, other litigation involving Whitney Bank and guarantors of the Port Aggregates Whitney Bank debt will be dismissed with prejudice.

C. HAS A TRUSTEE OR EXAMINER BEEN APPOINTED?

Yes. On December 22, 2014, Port Aggregates filed an *Application For the Appointment of an Examiner Pursuant to § 1104(c)* (the "Examiner Motion"). The Bankruptcy Court approved the appointment of an examiner by Order dated February 19, 2015. The Office of the United State Trustee nominated Douglas Draper (the "Examiner") as the independent examiner, and moved for an order approving the appointment of Douglas Draper as the Examiner on February 26, 2015. On March 9, 2015, the Bankruptcy Court entered an Order approving the appointment of Douglas Draper as chapter 11 examiner of the Estate. As a result of the consensual nature of the Plan and notification provided to the Examiner of the agreements discussed below, the Examiner report is unnecessary and will not be submitted to the Bankruptcy Court, and in fact the examiner suspended work as of the end of March. No Chapter 11 trustee has been appointed in the Bankruptcy Case.

D. HAS A COMMITTEE OF UNSECURED CREDITORS BEEN APPOINTED?

No.

E. HAS A PLAN OF REORGANIZATION BEEN PROPOSED?

Yes. The Plan is submitted herewith, and is an exhibit to this Disclosure Statement.

F. IF THE PLAN OF REORGANIZATION IS THE DOCUMENT WHICH GOVERNS HOW A CLAIM WILL BE TREATED, WHY AM I RECEIVING THIS DISCLOSURE STATEMENT?

In order to confirm a plan of reorganization, the Bankruptcy Code provides that proponents of a plan of reorganization solicit acceptances of a proposed plan of reorganization to Creditors or Interest Holders whose Claims or Interests are Impaired by the Plan. As described below, the Claims of the general range of third party arm's length Creditors are not Impaired by the Plan and therefore because their rights will not be affected by the Plan are presumed to accept the Plan and will not vote. The Persons and Entities who will be Solicited to vote are only those Parties and Intervenors in the Plan Support Agreement who hold Claims and Equity Interests within Classes 5-8. IF YOU ARE NOT A PARTY TO OR INTERVENOR IN THE PLAN SUPPORT AGREEMENT YOUR CLAIM IS UNIMPAIRED AND THEREFORE (i) YOUR CLAIM WILL BE UNAFFECTED BY CONFIRMATION OF THE PLAN AND (ii) YOUR CLAIM WILL EITHER BE PAID IN FULL IN CASH ON THE EFFECTIVE DATE OR YOUR CLAIM WILL BE ASSUMED UNDER ITS CONTRACTUAL TERMS AND CONDITIONS AS OF THE EFFECTIVE DATE. IF YOU ARE THE HOLDER OF A CONTINGENT AND/OR UNLIQUIDATED CLAIM, AS OF THE EFFECTIVE DATE YOU WILL BE FREE TO PURSUE YOUR CLAIM IN AN APPROPRIATE NON-BANKRUPTCY FORUM (OR CAN FILE YOUR CLAIM AND PURSUE IT IN THE BANKRUPTCY COURT (AS YOU SEE FIT), AND YOUR CLAIM WILL BE PAID IN FULL IN CASH UPON THE CLAIM BEING FINALLY LIQUIDATED (IF IT CAN BE AND IS).

Before Port Aggregates can solicit voting on the Plan and acceptances of the Plan, the Bankruptcy Court must approve the information to be sent to those Creditors and Holders of Equity Interests whose Claims and Interest are Impaired, disclosing information to allow them to make informed judgments about the Plan. The purpose of this Disclosure Statement is to provide that information required by the Bankruptcy Code.

G. HAS THIS DISCLOSURE STATEMENT BEEN APPROVED BY THE BANKRUPTCY COURT?

No. Port Aggregates is requesting the Bankruptcy Court approve this Disclosure Statement at expedited hearing on May 12, 2015, as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor typical of each class of Creditors, whose acceptance is being solicited, to make an informed judgment whether to vote to accept or reject the Plan. If this Disclosure Statement is approved by the Bankruptcy Court, then it will be transmitted to those Holders whose votes are Solicited (with this paragraph changed to reflect that it has been approved).

THIS DISCLOSURE STATEMENT, TOGETHER WITH THE PLAN WHICH IS ATTACHED HERETO, SHOULD BE READ IN THEIR ENTIRETY. FOR THE CONVENIENCE OF CREDITORS AND HOLDERS OF EQUITY INTERESTS, THE

TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT THIS SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN ITSELF, WHICH IS CONTROLLING IN THE EVENT OF ANY INCONSISTENCY.

H. HOW DO I DETERMINE WHICH CLASS I AM IN?

You will find in the Plan a reference to the discussion of the Classes of Creditors and Equity Interests and the treatment provided to such Classes. Article IX of the Disclosure Statement explains, among other things, what Creditors or types of Creditor Claims and Equity Interests are in each Class, the estimated size of each Class, and estimated distributions to members of the Classes if the Plan is Confirmed. If you are unsure as to the Class in which your Claim or Equity Interest falls, you may need to consult an attorney. Port Aggregates does advise that you discuss with tax advisers the extent to which, if any, recovery of interest and any attendant recovery from or on account of the distributions to you would constitute taxable income to you.

I. WHY IS CONFIRMATION OF A PLAN OF REORGANIZATION IMPORTANT?

Confirmation of a plan of reorganization is necessary for a debtor in Chapter 11 to provide bankruptcy court-approved treatment to its creditors and interest holders under its plan. Confirmation of a plan of reorganization will also bind creditors, interest holders, the debtors, and other parties-in-interest, regardless of whether they have voted, voted against, or voted for the plan of reorganization.

J. WHAT IS NECESSARY TO CONFIRM THE PLAN?

This Plan is somewhat unusual, in that numerous Classes are Unimpaired and therefore presumed to accept the Plan, and the Classes entitled to vote must vote unanimously to accept the Plan because with respect to those Classes, and the Holders in those Classes, the Plan is a settlement, compromise and consensual restructuring of the corporate structure of Port Aggregates. Confirmation can only be effected by a court order.

K. AM I ENTITLED TO VOTE ON THE PLAN?

Article II below (VOTING PROCEDURES AND REQUIREMENTS) contains an explanation of voting. Under the Plan, only Holders of Allowed Claims or Equity Interests in Classes 5, 6, 7 and 8 are **IMPAIRED**, and, subject to the terms of this Disclosure Statement, the Plan, and applicable bankruptcy law, are entitled to vote on the Plan. The Claims of all other Creditors are not Impaired and therefore the Holders of these Claims, deemed to accept the Plan, will not vote.

L. WHEN IS THE DEADLINE BY WHICH I NEED TO RETURN MY BALLOT?

The deadline for returning your Ballot is 5:00 p.m. Central Time on _____, 2015 (the "Voting Deadline"). Article III below contains further explanation.

II. PRELIMINARY INFORMATION

Port Aggregates submits this Disclosure Statement under section 1125 of the Bankruptcy Code in connection with the solicitation of acceptances of the Plan. This Disclosure Statement, which includes the Plan, will be transmitted to all Holders of Claims against and Equity Interests in Port Aggregates. However, Port Aggregates is seeking votes only from Holders of Allowed Claims and Equity Interests in Impaired Classes 5, 6, 7 and 8. All other classes of Creditors are Unimpaired and deemed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code.

All persons receiving this Disclosure Statement and the Plan are urged to review fully the provisions of the Plan and all attached exhibits, in addition to reviewing this Disclosure Statement.

This Disclosure Statement is not intended to replace careful review and analysis of the Plan. Rather, it is submitted as an aid and supplement in your review of the Plan and an effort to explain the terms and implications of the Plan on file with the Bankruptcy Court. Every effort has been made to explain fully the various aspects of the Plan as it may affect all Creditors and Interest Holders. If you have any questions, you may contact the Debtor's legal counsel and every effort will be made to assist you. However, please be advised that counsel for Port Aggregates cannot provide you with legal advice, including, but not limited to, a determination of whether you possess a Claim or Equity Interest, the amount of any such Claim or Equity Interest, your ability to vote on the Plan, *etc.*

On _____, 2015, after notice and a hearing, the Bankruptcy Court entered an order approving the Disclosure Statement as containing information of a kind and in sufficient detail, adequate to enable Creditors and Holders of Equity Interests whose votes on the Plan are being solicited to make an informed judgment whether to accept or reject the Plan. The order also fixed _____ at __:00 a.m., at the Bankruptcy Court as the date, time, and place for a hearing on Confirmation of the Plan (the "Confirmation Hearing"), and fixing _____, 2015 as the last date for the filing of any objections to Confirmation of the Plan. A copy of the Bankruptcy Court order approving this Disclosure Statement is attached hereto as **Exhibit B**. The Confirmation Hearing may be adjourned from time to time without further notice.

IT IS POSSIBLE THAT ANY ANNOUNCEMENT OF ADJOURNMENT OF THE DATE AND TIME MADE IN BANKRUPTCY COURT AT THE CONFIRMATION HEARING WILL BE THE ONLY NOTICE SO PROVIDED.

Creditors and Holders of Equity Interests should read this Disclosure Statement in its entirety prior to voting on the Plan. No solicitation of votes on the Plan may be made, except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. No other party has been authorized to utilize any information concerning Port Aggregates or its businesses, other than the information contained in this Disclosure Statement, to solicit votes on the Plan. Creditors and Holders of Equity Interests should not rely on any information relating to Port Aggregates other than that contained in this Disclosure Statement and the Exhibits attached hereto.

EXCEPT AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS, REPRESENTATIONS CONCERNING PORT AGGREGATES, THE ASSETS, THE LIABILITIES, OR THE PLAN ARE NOT AUTHORIZED, NOR ARE ANY SUCH REPRESENTATIONS TO BE RELIED UPON IN ARRIVING AT A DECISION WITH RESPECT TO THE PLAN. ANY REPRESENTATIONS MADE TO SECURE ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD BE REPORTED TO COUNSEL FOR PORT AGGREGATES.

THE FACTUAL INFORMATION REGARDING PORT AGGREGATES, INCLUDING THE ASSETS AND LIABILITIES OF PORT AGGREGATES, HAS BEEN DERIVED FROM NUMEROUS SOURCES, INCLUDING, BUT NOT LIMITED TO PORT AGGREGATES' BOOKS AND RECORDS, SCHEDULES, AND DOCUMENTS SPECIFICALLY IDENTIFIED HEREIN.

PORT AGGREGATES ALSO COMPILED THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT FROM RECORDS AVAILABLE TO IT, INCLUDING, BUT NOT LIMITED TO, PLEADINGS AND REPORTS ON FILE WITH THE BANKRUPTCY COURT, LOAN AGREEMENTS, BUSINESS RECORDS AND PLEADINGS AND REPORTS ON FILE IN LOUISIANA STATE COURT.

ANY APPROVAL BY THE BANKRUPTCY COURT OF THE DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE PLAN OR A GUARANTY OF THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

NEITHER THE DEBTOR NOR COUNSEL FOR THE DEBTOR CAN WARRANT NOR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS WITHOUT INACCURACY. NEITHER THE DEBTOR NOR ITS COUNSEL HAS VERIFIED TO CERTAINTY THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, ALTHOUGH THEY DO NOT HAVE ACTUAL KNOWLEDGE OF ANY INACCURACIES.

THIS DISCLOSURE STATEMENT MAY NOT BE RELIED UPON BY ANY PERSON OR ENTITY FOR ANY PURPOSE OTHER THAN BY HOLDERS OF CLAIMS AND EQUITY INTERESTS ENTITLED TO VOTE ON THE PLAN IN DETERMINING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. NOTHING CONTAINED HEREIN WILL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING PORT AGGREGATES OR ANY OTHER PARTY.

CERTAIN OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE FORWARD LOOKING PROJECTIONS AND FORECASTS BASED UPON CERTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES.

NOTHING CONTAINED IN THIS DISCLOSURE STATEMENT, EXPRESS OR IMPLIED, IS INTENDED TO GIVE RISE TO ANY COMMITMENT OR OBLIGATION OF PORT AGGREGATES OR WILL CONFER UPON ANY PERSON ANY RIGHTS, BENEFITS, OR REMEDIES OF ANY NATURE WHATSOEVER.

EXCEPT AS OTHERWISE NOTED HEREIN, THE INFORMATION CONTAINED HEREIN IS GENERALLY INTENDED TO DESCRIBE FACTS AND CIRCUMSTANCES ONLY AS OF THE DATE OF THIS DISCLOSURE STATEMENT, AND NEITHER THE DELIVERY OF THIS DISCLOSURE STATEMENT NOR THE CONFIRMATION OF THE PLAN WILL CREATE ANY IMPLICATION, UNDER ANY CIRCUMSTANCES, THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS CORRECT AT ANY TIME AFTER THE DATE OF THIS DISCLOSURE STATEMENT OR THAT PORT AGGREGATES WILL BE UNDER ANY OBLIGATION TO UPDATE SUCH INFORMATION IN THE FUTURE.

III. VOTING PROCEDURES AND REQUIREMENTS

A. Ballots and Voting Deadline

A Ballot to be used for voting to accept or reject the Plan is enclosed with this Disclosure Statement and transmitted to all Holders of Allowed Claims and Equity Interests entitled to vote on the Plan – here the Voting Classes. The Holders of Allowed Claims and Equity Interests entitled to vote on the Plan should carefully review the Ballot and the instructions thereon, and **must execute the Ballot, and return it to the address indicated thereon by the deadline to enable the Ballot to be considered for voting purposes.**

FOR YOUR VOTE TO BE COUNTED, YOU MUST COMPLETE THE BALLOT, INDICATE ACCEPTANCE OR REJECTION OF THE PLAN IN THE BOXES INDICATED ON THE BALLOT, AND SIGN AND RETURN THE BALLOT TO THE ADDRESS SET FORTH ON THE PRE-ADDRESSED ENVELOPE. IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED.

You must vote the entirety of your Claim or Equity Interest within a single Class under the Plan to either accept or reject the Plan. Accordingly, a Ballot, multiple Ballots with respect to multiple Claims within a single class, or multiple Ballots if any Holder is a member of more than one Class that partially rejects and partially accepts the Plan will not be counted.

The Ballot is for voting purposes only and does not constitute and shall not be deemed a proof of Claim or Equity Interest or an assertion of a Claim or Equity Interest.

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 no later than 5:00 p.m., Central Time, on _____, 2015, or as subsequently notified, at the following address:

GORDON, ARATA, McCOLLAM,
DUPLANTIS & EAGAN, LLC
Attention: **Port Aggregates, Inc. Claims Balloting**
301 Main Street, Suite 1600
Baton Rouge, Louisiana 70801-1916
Telephone: (225) 381-9643
Facsimile: (225) 336-9763

**ANY BALLOTS RECEIVED AFTER 5:00 P.M., CENTRAL TIME, ON _____,
2015 WILL NOT BE COUNTED.**

After careful review of this Disclosure Statement and the Plan and all exhibits attached to each, please indicate your vote on the enclosed Ballot and return the Ballot in the enclosed self-addressed return envelope to be received by the date and time set forth above.

B. Creditors Solicited to Vote

Only Creditors or Equity Interest Holders of Port Aggregates that are **IMPAIRED** under the Plan are being solicited to vote. Under the Plan, only Holders of Allowed Claims and Equity Interests in the Voting Classes are **IMPAIRED** and entitled to vote on the Plan.

C. Definition of Impairment

Under section 1124 of the Bankruptcy Code, a class of claims or equity interests is impaired under a plan of reorganization unless, with respect to each claim or equity interest of such class, the plan:

1. leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder of such claim or interest; or
2. notwithstanding any contractual provision or applicable law that entitles the holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default --
 - a. cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured;
 - b. reinstates the maturity of such claim or interest as such maturity existed before such default;
 - c. compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law;

- d. if such claim or such interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensates the holder of such claim or such interest (other than Offshore or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and
- e. does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

D. Classes Impaired Under the Plan

Allowed Claims and Equity Interests in Classes 5, 6, 7 and 8 are **IMPAIRED** under the Plan. Thus, Holders of Claims and Equity Interests in these Voting Classes are being solicited to accept or reject the Plan (the “Voting Classes”). The remaining Claimants are dealt with pursuant to section 1129(a)(9) of the Bankruptcy Code and compromise.

E. Vote Required for Class Acceptance

Acceptance of the Plan by a Class of Creditors or Holders of Equity Interests will be obtained usually by the acceptance of the Plan by Holders of two-thirds in dollar amount and a majority in number of the Claims in any such Class, which actually cast Ballots for acceptance or rejection of the Plan. In this case however, the Plan is structured so that affirmative votes of all members of each Impaired Class may vote to accept the Plan. The primary reason is that the Classes entitled to vote must vote unanimously to accept the Plan because with respect to those Classes, and the Holders in those Classes, the Plan is a settlement, compromise and consensual restructuring of the corporate structure of Port Aggregates.

F. Distributions Only to Holders of Allowed Claims

A Claim will receive a Distribution under the Plan only if it is an Allowed Claim. “Allowed” under the Plan shall mean, with respect to any Claim, a Claim (i) that has been listed by Port Aggregates in its Schedules, as the same may from time to time be amended in accordance with Bankruptcy Rule 1009, other than Claims scheduled as contingent, unliquidated or disputed, or proof of which has been timely filed with the Bankruptcy Court on or prior to the Claims Bar Date and that is not a Disputed Claim, (ii) as to which a Final Order has been entered allowing such Claim or any portion thereof or (iii) that is deemed Allowed under the Plan. Any Claim allowed solely for the purpose of voting to accept or reject the Plan pursuant to an Order of the Bankruptcy Court shall not be considered an Allowed Claim thereunder. Unless otherwise specified within the Plan or by Final Order of the Bankruptcy Court, an Allowed Claim shall not, for purposes of computation of distributions under the Plan, include interest on such Claim from and after the Petition Date, as provided by applicable law or agreement.

IV. CONFIRMATION OF THE PLAN

A. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on Confirmation of the Plan. Section 1128(b) provides that any party in interest may object to Confirmation of the Plan.

By order of the Bankruptcy Court dated [DATE], the Confirmation Hearing has been scheduled for _____, 2015, at __:00 a.m., before the Hon. Robert Summerhays, Bankruptcy Courtroom, 214 Jefferson St, 1st Fl. Courtroom, Ste. 110, Lafayette, LA. 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. Any objection to Confirmation must be made in writing and filed with the Bankruptcy Court with proof of service and actually received by the following parties on or before _____, 2015 at 5:00 p.m. Central Time:

The Debtor:

PORT AGGREGATES, INC.
Attn: Andrew Guinn, Sr.
314 N. Main Street
Jennings, LA 70546
Telephone: (337) 824-7625
Facsimile: (337) 824-7777

Counsel for the Debtor:

GORDON, ARATA, McCOLLAM,
DUPLANTIS & EAGAN, LLC
Attn: Louis M. Phillips
301 Main Street, Suite 1600
Baton Rouge, LA 70801-1906
Telephone: (225) 381-9643
Facsimile: (225) 336-9763

And

United States Trustee:

OFFICE OF THE UNITED STATES TRUSTEE
300 Fannin Street, Suite 3196
Shreveport, LA 71101
Telephone: (318)-676-3456
Facsimile: (318)-676-3212

UNLESS AN OBJECTION TO CONFIRMATION IS PROPERLY AND TIMELY SERVED AND FILED, IT WILL NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

B. Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for Confirmation are that the Plan (a) is feasible, (b) is in the “best interests” of Holders of Claims and Equity Interests Impaired under the Plan, and (c) is accepted by all Impaired Classes of Claims and Equity Interests or, if rejected by an Impaired Class, that the Plan “does not discriminate unfairly” and is “fair and equitable” as to such Class.

1. Feasibility

The Bankruptcy Code requires that Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor. For purposes of determining whether the Plan meets this requirement, the Debtor analyzed its ability to meet its obligations under the Plan. This information is discussed and the Exhibits containing the underlying information are described and referred to, *infra*. Port Aggregates believes that it will have sufficient assets to satisfy its obligations under the Plan and that Confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization. Accordingly, the Plan is feasible and satisfies the requirements of Section 1129 of the Bankruptcy Code.

2. “Best Interests” Test

At the Confirmation Hearing, the Bankruptcy Court must, among other things, determine whether the Voting Classes would receive at least as much under the Plan as they would receive in liquidation under Chapter 7. The Liquidation Analysis is discussed in Article XV, *infra*.

3. Fair and Equitable Test (“Cramdown”)

If a sufficient number of Creditors and amount of Claims, and the requisite amount in the Impaired Classes vote to accept the Plan, Port Aggregates believes that the Bankruptcy Court will approve Confirmation and that the Plan will satisfy all of the applicable statutory requirements of the section 1129(a) of the Bankruptcy Code. Because the Voting Classes have executed the Plan Support Agreement, Port Aggregates believes that the Voting Classes will accept the Plan once their votes are solicited. Because of the condition precedent to Confirmation (that the Voting Classes accept the Plan) the cram down provisions of Section 1129 are not applicable to the Plan. If the condition precedent of acceptance by the Voting Classes is not fulfilled, Port Aggregates will withdraw the Plan, seek a further extension of the exclusivity period within which to file a plan (under Section 1129(b)) and will submit a non-consensual plan to which the cram down provisions of Section 1129(b) will apply. The discussion below therefore is for the benefit of the Voting Classes in the event of their actions causing Port Aggregates to withdraw the Plan and submit a non-consensual plan.

To obtain confirmation over a dissenting class, the plan proponent must demonstrate to the Bankruptcy Court that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to each dissenting Impaired Class. A plan does not discriminate unfairly if the legal rights of a dissenting Impaired Class are treated in a manner consistent with the treatment of other Classes whose legal rights are substantially similar to those of the dissenting Impaired Class and if no class receives more than it is entitled to for its claims.

The Bankruptcy Code establishes different “fair and equitable” tests for secured claims, unsecured claims, and holders of equity interests.

- a. **Secured Claims.** With respect to treatment of a Secured Claim under the Plan, “fair and equitable” means either (i) the Impaired Secured Creditor retains its liens to the extent of its Allowed Claim and receives deferred cash payments at least equal to the Allowed amount of its Claims with a present value as of the Effective Date of the Plan at least equal to the value of such Creditor’s interest in the property securing its liens, (ii) property subject to the lien of the Impaired Secured Creditor is sold free and clear of that lien, with that lien attaching to the proceeds of sale, and such lien proceeds are treated in accordance with clauses (i) and (iii) hereof, or (iii) the Impaired Secured Creditor realizes the “indubitable equivalent” of its Claim under the Plan.
- b. **Unsecured Claims.** With respect to treatment of an Unsecured Claim under the Plan, “fair and equitable” means either, (i) each Impaired Unsecured Creditor receives or retains property of a value equal to the amount of its Allowed Claim, or (ii) the Holders of Claims and Interests that are junior to the Claims of the dissenting Class will not receive any property under the Plan.
- c. **Equity Interests.** With respect to the treatment of Equity Interests under the Plan, “fair and equitable” means either (i) each Equity Interest Holder will receive or retain under the Plan property of a value equal to the greatest of the Allowed amount of any fixed liquidation preference or redemption price, if any, of such Equity Interest or the value of the Equity Interest, or (ii) the Holders of Equity Interests that are junior to the dissenting Class of Equity Interests will not receive or retain any property under the Plan on account of such junior Equity Interest.

V. GENERAL INFORMATION

A. Background

Port Aggregates is a privately-owned Louisiana corporation (S corporation) with its headquarters located in Jennings, LA. Port Aggregates’ primary business presently includes: (i) the purchase and sale of construction aggregates (limestone primarily), both to its Subsidiaries but mostly to third party clients; (ii) providing certain administrative services to its Subsidiaries; and (iii) overseeing the growth possibilities of the business enterprise.

Brothers Andrew Lee Guinn, Sr. and Loyd George Guinn, Jr. began business together in 1971 when they formed the partnership named Guinn Dragline Works. In 1976, James P. Guinn and Timothy J. Guinn, Sr. joined the company and the four brothers² created Guinn Brothers Inc. In 1980, Port Aggregates was created as a subsidiary of Guinn Brothers Inc. In 1986, a spinoff occurred between Guinn Brothers Inc. and Port Aggregates. Loyd George Guinn, Jr. exited

² Andrew Lee Guinn, Sr., Loyd George Guinn, Jr., James P. Guinn, and Timothy J. Guinn, Sr.

ownership of Port Aggregates at the time of the spin off and thereafter took no part in Port Aggregates' operations.

Port Aggregates was initially formed as a privately-owned Louisiana C corporation and converted in 1996 to a privately held Louisiana Sub S corporation when the Company issued 10,000 shares of Class A voting stock and 40,000 shares of Class B non-voting stock. All shares of Class A and Class B stock have been issued and were authorized for issuance by the Company. Andrew Lee Guinn, Sr. is the President, Chairman of the Board, and majority voting shareholder of Port Aggregates owning 5,082 of the Class A voting shares (approximately 51% of the Class A voting shares). Andy, along with his four (4) children, Andrew Lee Guinn, Jr., Adam G. Guinn, Dawn Guinn Trahan, and Holly Guinn Durkes, own 20,328 of the Class B non-voting shares (approximately 51% of the Class B non-voting shares). James M. Maddox, Sr., board member and Chief Financial Officer, owns 535 of the Class A voting shares (approximately 5% of the Class A voting shares) and owns 2,140 of the Class B non-voting shares (approximately 5% of the Class B non-voting shares). Collectively, Andy and Jim own 5,617 of the Class A voting shares (approximately 56% of the Class A voting shares) and Andy, Jim and Andy's children, (collectively referred to as the "Residual Owners"), own 22,468 of the Class B non-voting shares (approximately 56% of the Class B non-voting shares).

James P. Guinn and Timothy Guinn Sr. own 4,383 of the Class A voting shares (approximately 44% of the Class A voting shares). James and his children, William R. Guinn, Ellen Guinn Martel, Philip L. Guinn, Nathaniel Stuart Guinn, individually and as trustee for the Caroline T. Guinn Trust, the James Paul Guinn, Jr. Trust, the Joel M. Guinn Trust, the Laura Katherine Guinn Trust, the Christian J. Guinn Trust, and the Anna C. Guinn Trust, and Tim, own 17,532 of the Class B non-voting shares (approximately 44% of the Class B non-voting shares) (collectively referred to as the "Voting and Non-Voting Interest Sellers").

Since December 16, 2008, Port Aggregates' Articles of Incorporation have provided for a board of directors of no less than 3 members and no more than 10 members. Port Aggregates' board of directors currently consists of 5 members—Andy Guinn, Adam Guinn, Jim Maddox, Shayna L. Sonnier and Jude C. Hilliard. Ms. Sonnier and Mr. Hilliard are independent board members.

B. Operations Structure

Port Aggregates' first business location was located in Mermentau, Louisiana at the Port of Mermentau. At that time, Port Aggregates' primary business was the sale of oyster reef and clam shell for construction aggregate purposes. Port Aggregates opened and operated multiple locations through the years including construction material yards in Lake Arthur, Abbeville, Westlake, and Maurice, LA. In 1987, Port Aggregates opened a temporary deepwater ship facility in Lake Charles on the Industrial Canal for purpose of accepting delivery of limestone and other construction materials by Panamax vessels. In 1993, Port Aggregates opened its permanent blue water facility in Westlake, LA. With the ability to receive shipments by both vessel and barge, Port Aggregates quickly expanded its business and customer-base.

In 2001, Port Aggregates further expanded its operations to include PAI Trucking, L.L.C.³ By 2007, through certain acquisitions and capital projects, Port Aggregates and its affiliates expanded its ready-mix operations to a total of eight (8) plants in Southwest Louisiana. In 2012, Port Aggregates formed PAI Precast, LLC and also acquired the western Louisiana assets of Angelle Concrete (“Angelle”), including ready-mix plants and facilities located in Abbeville, Alexandria, Crowley, DeRidder, Lake Charles, Jennings, Kinder, Lafayette, Leesville, New Iberia, Nuba, Many, Marksville, Oakdale, and Ville Platte. In connection with the purchase of the Angelle assets, PAI Trucking, L.L.C. was renamed to PAI Ready Mix, LLC and PAI Ready Mix, LLC currently operates the Angelle assets.

Port Aggregates’ primary business now is the distribution and sale of crushed aggregates and is the primary distributor of grey and white aggregate in southwestern Louisiana. Port Aggregates purchases the white and grey aggregate from Vulcan Construction Materials, LP (“Vulcan”) pursuant to a Sales Agreement (the “Vulcan Contract”). Port Aggregates will assume the Vulcan Contract. The current term of the Vulcan Contract runs through 2019, and includes three five-year renewals following the initial term.

Because of its significant presence in southwest Louisiana, Port Aggregates and its Subsidiaries are able to provide superior customer service. Port Aggregates employs a sales staff that has more than 150 years of combined experience, and maintains an in-house quality control team to ensure that every product meets the highest standards of quality. Port Aggregates also creates its products with high-tech equipment and procedures to further ensure the production of quality products. Port Aggregates presently operates seven (7) retail limestone facilities, one (1) bulk offloading and distribution facility, a recycled concrete operation, and a 168-acre select fill dirt pit. The Subsidiaries currently operate nineteen (19) ready-mix facilities supported by 120 ready-mix trucks, one (1) pre-cast concrete facility, and a material handling business supported by thirty (30) trucks capable of hauling construction materials and cement. The Subsidiaries’ ready-mix concrete business is the largest in the state of Louisiana.

C. Events Leading to Chapter 11 Filing

1. Lawsuit

On February 24, 2014, the Voting and Non-Voting Interest Sellers instituted a *Petition For Derivative Action* against Port Aggregates, Inc., Trico Construction, Inc., Southwest Materials, Inc., Jo Ann Colligan, and the Residual Owners, which lawsuit is docketed as suit no. C-108-14, 31st Judicial District Court, Parish of Jefferson Davis, State of Louisiana (the “State Court Action”). A *First Amended, Supplemental and Restated Petition For Derivative Action* was filed in March of 2014 which, among other things, added Southern Bar-B-Que Sauce, Inc. as a co-defendant. The State Court Action raises allegations of mismanagement, self-dealing, and breaches of fiduciary duty.

The Voting and Non-Voting Interest Sellers also sought the appointment of a receiver for Port Aggregates by filing an *Application for Appointment of a Receiver and For Interim Temporary Receiver* (the “First Receiver Application”) in April of 2014. The First Receiver

³ PAI Trucking, LLC was renamed to PAI Ready Mix LLC in 2012.

Application caused Whitney Bank to issue a notice of default, which was subsequently withdrawn upon dismissal of the First Receiver Application in July 2014.⁴ Seemingly confident with the condition of Port Aggregates' businesses at the time, Whitney Bank renewed Port Aggregates' loan facility in August 2014 decreasing the line of credit availability from \$12 million to \$7 million given the increasing profits and reduced need for the operating line in 2014. During this same time period, the parties to the Lawsuit engaged in much discovery that proved unhelpful in resolving the disputes.

In December 2014, the Voting and Non-Voting Interest Sellers once again urged the state court for the appointment of a receiver of Port Aggregates by filing a *Restated, Amended and Renewed Application for Appointment of Receiver and Interim Temporary Receiver* (the "Second Receiver Application"). The hearing on the Second Receiver Application was scheduled for January 6, 2015. On December 18, 2014, Whitney Bank issued another notice of default, citing the Second Receiver Application as the event of default, and reserving all rights to compel acceleration of all amounts due by Port Aggregates and its Subsidiaries as a result of the event of default. Except for the event of default created by the filing of the Second Receiver Application, neither Port Aggregates nor any of the Subsidiaries were in default of any of its obligations under the Whitney Bank loan agreement. In addition, the Voting and Non-Voting Interest Sellers filed additional pleadings in the State Court Action on December 19, 2014 making claims directly against Port Aggregates and other individual defendants for wrongful termination, whistleblower status, etc.

Whitney's notice of default, the potential detrimental effect of the appointment of a receiver left Port Aggregates, the possible triggering of default and termination clauses under the Vulcan Contract and other contracts left Port Aggregates with no other viable alternative but to institute the Bankruptcy Case. The Bankruptcy Court provided Port Aggregates with a forum that (i) specializes in presiding over the restructuring of corporate ownership and debt structure and the valuation of assets and ongoing corporate enterprises; (ii) provides all parties in interest with the federal statutory process by which the Bankruptcy Court can direct; and (iii) oversees the investigation and analysis of corporate affairs both pre and post-petition by means of the appointment and direction of an independent examiner.

D. Resolution and Plan Support Agreement

Following the Petition Date, Port Aggregates immediately moved for the appointment of an examiner by filing the Examiner Motion on December 22, 2014. Port Aggregates' intended to demonstrate to the Bankruptcy Court (and its Creditors) its willingness to submit to investigation of allegations of pre-petition misconduct in a setting that was impartial and could be viewed by all parties in interest. At a hearing on the first day motions held on December 29, 2014, the Voting Interest Sellers and Non-Voting Interest Sellers stated their opposition to the Examiner Motion and advised the Bankruptcy Court that they intended to file a motion to dismiss the Bankruptcy Case. On January 6, 2015, the Voting Interest Sellers and Non-Voting

⁴ The First Receiver Application was dismissed on July 3, 2014, by *Order on Joint Motion for Mediation to Dismiss Without Prejudice the Application for Receivership to Cancel Notice of Lis Pendens and to Fix Trial Date on the Derivative Action*.

Interest Sellers filed a motion to dismiss the Bankruptcy Case alleging that Port Aggregates had filed its bankruptcy petition in bad faith.

On February 10, 2015, hearings were held on the Examiner Motion and motion to dismiss. At the hearing, the parties agreed to submit a joint order approving the appointment of an examiner and continue the Bankruptcy Court's consideration of the dismissal motion until May 15, 2015. The Bankruptcy Court approved the appointment of an examiner by entering the Joint Order dated February 19, 2015. The parties further agreed to continue discussions to resolve the dispute over their Equity Interests in Port Aggregates. The Office of the United States Trustee nominated Douglas Draper (the "Examiner") as the independent examiner. On March 9, 2015, the Bankruptcy Court entered an Order approving the appointment of Douglas Draper as chapter 11 examiner of the Estate. Since his appointment, the Examiner has communicated with all parties and Port Aggregates has submitted documents and communications to the Examiner in connection with his investigation of any alleged pre-petition misconduct.

On or about April 1, 2015, the Voting Interest Sellers and Non-Voting Interest Sellers reached an agreement (the "Resolution") with Port Aggregates that was initially reduced to writing in an executed term sheet and later formally memorialized in the Plan Support Agreement that provides for, among other things to occur on the Effective Date and at or as a result of the Closing, (i) redemption and purchase by Port Aggregates of the Voting and Non-Voting Interest Sellers Equity Interests, (ii) redemption and purchase by Western Real Estate of the Western Real Estate Interests, (iii) the Boulder Interest Reallocation, (iv) the issuance of an *in rem* note made payable to the Voting Interest Sellers and Non-Voting Interest Sellers ("BP Claim Note") payable solely with and only by the proceeds of the Net BP Claim, (iv) withdrawal of all Proofs of Claim filed by as may be Filed or Held by the Holders of Voting and Non-Voting Interest Sellers and Related Released Parties, (v) mutual releases, waivers and extinguishments of all Claims, claims, causes of action, rights, interests whatsoever all as described and set forth within the Plan Support Agreement, (vi) the issuance by Port Aggregates and Western Real Estate of tax distributions to Holders of the Equity Interests and the Western Real Estate Interests, and (vi) dismissal with prejudice of the Lawsuit, the Motion to Dismiss and other litigation. A copy of the Plan Support Agreement is attached as **Exhibit B to the Plan**. The Plan Support Agreement provides the basis for consensual Confirmation of the Plan and the effective reorganization of Port Aggregates that is to be accomplished by Confirmation of the Plan and the occurrence of the Effective Date.⁵ The Resolution is in the best interest of the Estate because it will, among other things, end court battles (including the Lawsuit) between Port Aggregates and the Voting Interest Sellers and Non-Voting Interest Sellers, reduce the administrative expenses to the Estate in connection with dealing with the Examiner, and reduce the cost of confirmation with a consensual plan of reorganization.

Pursuant to the Plan Support Agreement, the Voting Interest Sellers and Non-Voting Interest Sellers shall (i) timely vote their Equity Interests (and any Claims) to accept the Plan

⁵ The Plan provides that "Confirmation shall constitute a specific finding and conclusion by the Bankruptcy Court that in all respects the Plan shall supersede the Plan Support Agreement, but notwithstanding the superseding effect of the Plan, that the Plan Support Agreement shall remain in full force and effect with respect to all terms and conditions not otherwise incorporated into or dealt with by the Plan and which are not in conflict with the terms of the Plan."

after the approval of the Disclosure Statement and Solicitation of voting upon the approved Disclosure Statement; (ii) vote against and not support any reorganization proposal that fails to achieve the Resolution; (iii) not object to the Disclosure Statement or support any objection by a third party with respect to same; and (iv) take any other action with the intent to hinder confirmation of the Plan. The Plan Support Agreement further provides that confirmation of the Plan shall constitute a finding and conclusion by the Bankruptcy Court that (i) the consideration given and to be exchanged as provided in the Plan Support Agreement and as provided for in the Plan shall at Closing constitute a contemporaneous or substantially contemporaneous exchange of equivalent value for the rights, claims and interests held by each of the parties, (ii) all Parties and Intervenor entered into the Plan Support Agreement in good faith, (iii) neither any Party nor Intervenor nor the Bankruptcy Court needs any further information, facts, research, evidence, or third party analysis or opinion in connection with the decision to execute the Plan Support Agreement, or in connection with Confirmation, and (iv) no Party or Intervenor shall have the right to benefit in any manner, either directly or indirectly, from the assertion by any person or entity that the Plan Support Agreement, the effectiveness of the Plan Support Agreement and/or the receipt by any party of consideration to be exchanged pursuant to the Plan Support Agreement and under the Plan, shall constitute or shall have constituted less than reasonably equivalent value for the consideration given, or a preferential payment with respect to any debts or obligations resolved. The Plan Support Agreement also provides, as does the Plan, that the Bankruptcy Court will retain jurisdiction to the fullest extent allowed by law as of and following Confirmation, the Effective Date and Closing. The Parties and Intervenor agreed that the Plan Support Agreement was not a solicitation of votes, as a Solicitation cannot occur until after and in connection with an approved disclosure statement.

VI. PORT AGGREGATES' ASSETS, LIABILITIES AND DEBT STRUCTURE

A. Assets

The assets and liabilities of Port Aggregates are more fully shown in the Original and Amended Schedule of Assets and Liabilities filed in this Bankruptcy Case. At the time the Schedules, as amended, were filed, they contained, to the best of the knowledge, information, and belief of Port Aggregates, an accurate itemization of the assets and liabilities of Port Aggregates prior to the filing. The Schedules and Statements filed in this Bankruptcy Case reflect only Port Aggregates' Assets and Liabilities, unless otherwise noted. However, Port Aggregates uses a consolidated financial statement method of reporting, which is different from the single entity method of reporting assets and liabilities required by the Office of the United States Trustee. In the discussion of feasibility of the Plan below, reference is made to a set of consolidated financial information reflecting first quarter of 2015 performance of Port Aggregates and its subsidiaries on a consolidated basis (see **Exhibit C** to this Disclosure Statement), to show that Port Aggregates has, on a consolidated basis, the wherewithal to close the loans contemplated by the Regions Term Sheet, to make the tax distributions required under the Plan and to continue operations forward in conformity with the Plan and the Take-Out Financing. Parties in interest are referred to **Exhibit C** also for the purpose of reviewing the current state of the value of Port Aggregates' business operations (on an operating, go-forward basis) based upon consolidated first quarter of 2015 results (**Exhibit C** is an unaudited set of statements).

Actual monthly financial and operations results of Port Aggregates, only, are contained in the U.S. Trustee Monthly Operating Reports filed with the Bankruptcy Court. The most recent monthly financial report of Port Aggregates was filed for the month ended March 31, 2015, and contains, among other things unaudited balance sheets and profit and loss statements, a cash disbursements schedule, etc.⁶ Finally, to provide recent historical information, Port Aggregates has attached to this Disclosure Statement as **Exhibit D**, the year-end 2014 audited financial statements of Port Aggregates and its subsidiaries (on a consolidated basis).

B. Current Debt Structure and Claims Analysis

1. Whitney Bank Secured Claim

In 2012, Port Aggregates executed that certain Commercial Business Loan Agreement for Lines of Credit and Term Loans dated August 20, 2012, by and among Whitney, as lender, and Port Aggregates, Inc., PAI Ready Mix LLC, and PAI Material Handling LLC, as borrowers under the loan agreement (the “Secured Credit Facility”) in connection with the purchase of the Angelle Concrete assets. The Secured Credit Facility consists of certain term loans evidenced by Whitney’s promissory notes (the “Term Loans”) and a \$7 million (maximum limit) revolving line of credit (“Line of Credit”). The Line of Credit matured on August 4, 2014 and was subsequently renewed by Port Aggregates pursuant to a promissory note that is effective through August 15, 2015. Port Aggregates is either maker or guarantor of the Term Loans. Where Port Aggregates and the Subsidiaries are not direct makers of the Term Loans, each acts as a guarantor. The Term Loans represent borrowings on real property, equipment, plants and facilitates, and vehicles.⁷ In addition, Port Aggregates currently maintains two letters of credit with Whitney (the “Letters of Credit”). The Term Loans, Line of Credit and Letters of Credit are collectively referred to herein as the “Whitney Indebtedness.” Whitney Bank is the Holder of the Whitney Bank Secured Claim in the aggregate amount of the Whitney Indebtedness and is treated as a Class 1 claimant. Pursuant to the Plan, Whitney Bank shall be paid in full as of the Effective Date. Because Whitney Bank will be paid in full at Closing, Whitney is Unimpaired and shall not vote on the Plan.

Regions Bank has agreed to provide the Take-Out Financing necessary for funding of the Plan and Port Aggregates and Regions Bank have negotiated and executed the Regions Term Sheet, a copy of which is attached as **Exhibit C to the Plan**. Generally, the Take-Out Financing will refinance Port Aggregates’ indebtedness to Whitney Bank, an expanded line of credit for future operations and as well the funding of the Purchase Price as defined in Article III (B)(7)(b)(iv) of the Plan.

⁶ The March 2015 Report will be amended to reflect the accrual of restructuring professional fees and costs for the first quarter.

⁷ As of the Petition Date, the principal amount outstanding under the Line of Credit was approximately \$2.239 million and the principal amount outstanding under the Term Loans was approximately \$8.122 million.

2. Other Secured Claims

Port Aggregates has an additional financing agreement with Trinity Vendor Finance, a Division of Bank of the West evidenced by an equipment term note dated January 2013. This additional Secured Claim is reflected on Port Aggregates' Bankruptcy Schedules. The collateral for the Bank of the West term note is a 2012 Linkbelt excavator that Port Aggregates uses in its operations. As of the Petition Date, the balance on the term note was \$135,486.69. Pursuant to the Plan, Bank of the West is Holder of the Class 2 Bank of the West Claim, which Claim is Unimpaired under the Plan, as Port Aggregates will assume the obligations under the Bank of the West financing and security agreements (excepting only those provisions as may be *ipso facto* or bankruptcy default clauses), will cure any past due amounts at Closing (if any), and will pay the loan payments as provided in the financing agreements until the Bank of the West Claim is paid in full. Because Bank of the West is Unimpaired under the Plan it is presumed to accept the Plan and therefore shall not vote on the Plan.

3. Treatment of Unsecured/Undisputed Unsecured Claims

The Holders of Allowed Unsecured Claims are the Holders of Class 3 Allowed Unsecured Claims under the Plan and shall be paid in full on the Effective Date. The Holders of contingent, unliquidated Unsecured Claims shall retain all rights under applicable non-bankruptcy law and shall, upon the Effective Date, be free to institute, prosecute, maintain, any and all judicial or administrative proceedings within tribunals of competent jurisdiction so as to liquidate such contingent, unliquidated Unsecured Claims. Because the Class 3 Unsecured Claims are either to be paid in full on the Effective Date or shall retain all rights under applicable non-bankruptcy law to pursue their unliquidated, contingent Claims, Class 3 Creditors are Unimpaired, are presumed to accept the Plan and therefore shall not vote on the Plan.

4. Discussion of Filed Claims and other Claims Dealt with Under the Plan

A schedule of the filed Proofs of Claims, the claimant and corresponding claim amount is provided on **Exhibit E** to the Disclosure Statement. Based upon this preliminary review of the Proofs of Claim, these claimants allege two (2) Secured Claims totaling \$31,586.63; two (2) Priority Tax Claims totaling \$88,031.23; and nine (9) Unsecured Claims.

JP Morgan Chase Bank, N.A. and TD Auto Finance, LLC both filed a Secured Claim for separate 2013 Chevrolet Silverado pick-up trucks that are owned and financed by PAI Ready Mix LLC, a subsidiary of Port Aggregates (see Proofs of Claim No. 2 and 5). These Claims are not Claims against Port Aggregates but are Claims against PAI Ready-Mix LLC. PAI Ready-Mix LLC has and will continue to pay JP Morgan Chase Bank, N.A and TD Auto Finance, LLC in accordance with their finance agreements. Port Aggregates will work with these Claimants to obtain agreement to withdrawal of these Claims.

Louisiana Department of Revenue ("LDR") filed Proof of Claim No. 1 in the amount of \$87,692.00 and the Internal Revenue Service ("IRS") filed Proof of Claim No. 4 in the amount

of \$339.23 for purported Priority Tax Claims. LDR's claim for unpaid sales taxes was largely due to the timing of the filing in December 2014 and the delay in obtaining Bankruptcy Court approval to pay pre-petition taxes. The Bankruptcy Court approved such payment as part of the first day motions and Port Aggregates has since satisfied LDR's Priority Tax Claim. The IRS Priority Tax Claim shall be paid in full on the Effective Date.

The remaining nine (9) Proofs of Claims are Filed as Unsecured Claims: (1) filed by (i) CLM Equipment Co. for \$1,557.08, (ii) Louisiana Equipment Services, LLC for \$1,615.00, (iii) Watson Electric for \$744.80 and (iv) Airgas USA LLC for \$1,060.50; and (2) filed by James Guinn, Tim Guinn, William Guinn and Stuart Guinn ("Guinn Claims"). Port Aggregates shall include the CLM Equipment Co., Louisiana Equipment Services, LLC, Watson Electric and Airgas USA LLC Claims as Class 3 Unsecured Claims and pay such Claims as Class 3 Claims in full on the Effective Date.

The Plan also establishes Classes 4 and 5, within which the Guarantor Claims and the Termination Penalty Claim are classified, respectively. Class 4 contains the Claims Held by James Guinn and/or Timothy Guinn, Sr. for reimbursement of amounts actually paid by either of them to Whitney Bank on account of any act(s) of guaranty of indebtedness of the Port Aggregates, as such have been verified by Whitney Bank. As of the date of the Plan there is one Guarantor Claim, held by James Guinn in the amount of \$203,477.95. The Class 4 Claim amount of \$203,477.95 will be paid to James Guinn at Closing. Because the Class 4 Claim is to be paid in full on the Effective Date and is owed as a result of payment by James Guinn of part of the Whitney Bank Secured Claim it is Unimpaired (as Whitney Bank is Unimpaired) and the Holder shall not vote on the Plan as the Holder of a Class 4 Claim.

Class 5 contains the Termination Penalty Payment Claim of James Guinn. James Guinn has provided the necessary verification that he in fact paid an early termination penalty relating to the termination of annuity collateral for indebtedness of the Debtor to Whitney Bank in an amount sufficient to trigger the maximum payment Port Aggregates is obligated to pay under the Plan (\$13,300). Therefore, James Guinn will receive payment from Port Aggregates of \$13,300 at Closing, to satisfy his Class 5 Claim. Because the Class 5 Claim was created by the Plan support agreement and is now incorporated into the Plan, it is an Impaired Claim. James Guinn shall vote on account of the Class 5 Claim.

The Guinn Claims (defined in the Plan as the Voting and Non-Voting Interest Sellers and Related Released Parties' Claims) are treated as Class 6 Claims and in accordance with the Plan shall be withdrawn after Closing and the Effective Date. Because the Claims are to be withdrawn, though by agreement, these Claims are Impaired and the Holders of Class 6 Claims shall vote on the Plan.

As set forth below in the discussion of the Plan, the Class 7 and Class 8 Holders of Equity Interests will receive treatment under the Plan that involves the a large component of the Resolution. Parties in interest are referred to Article VIII below and the Plan itself for (i) an extensive summary and (ii) the full treatment of the Equity Interests held by the Class 7 Holders (Voting and Non-Voting Sellers and Class 8 Holders (Residual Owners). Because the Equity Interests in Classes 7 and 8 are resolved as part of the Resolution, by agreement, these Equity Interests are deemed Impaired and the Holders of Classes 7 and 8 shall vote on the Plan.

VII. SIGNIFICANT EVENTS DURING PORT AGGREGATES' BANKRUPTCY CASE

A. Voluntary Petition

Port Aggregates began its bankruptcy case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on December 19, 2014. Since the commencement of its Chapter 11 case, Port Aggregates has remained in possession of its property as a debtor-in-possession pursuant to §§ 1107 and 1108 of the Code and the regulations promulgated by the United States Trustee's Office. The United States Trustee has not constituted a committee of unsecured creditors.

B. Retention of Professionals

The Bankruptcy Court authorized Port Aggregates to retain certain Professionals to represent and assist it in connection with the Bankruptcy Case. Port Aggregates first retained the services of Gordon Arata as their general bankruptcy counsel. The employment of Gordon Arata was approved by orders of the Bankruptcy Court dated January 8, 2015 and January 21, 2015.

Pursuant to the provision of the Bankruptcy Code, the Allowed fees and expenses incurred by Professionals employed by the Estate constitute Administrative Expense Claims with priorities established by the Bankruptcy Code, subject to review and approval by the Bankruptcy Court.

C. First Day Motions and Orders

On December 23, 24 and 26, 2014, Port Aggregates filed several motions seeking approval of certain so-called "first day orders." The first day orders facilitated the transition between Port Aggregates' Pre-Petition and Post-Petition business operations by authorizing Port Aggregates to continue with certain regular business practices that may not be specifically authorized under the Bankruptcy Code, or for which the Bankruptcy Code requires prior court approval. The first day orders in the Bankruptcy Cases included, among other things, the following:

1. Motion to Continue Using Existing Cash Management Systems

The Bankruptcy Court authorized Port Aggregates and its Subsidiaries to continue to use its existing centralized cash management systems, bank accounts, and business forms in the ordinary course of Port Aggregates and the Subsidiaries' business. On January 8, 2015, an order was entered authorizing Port Aggregates to continue using its existing centralized cash management systems, bank accounts and business forms in the ordinary course of their businesses.

2. Motion for Authority to Pay Pre-Petition Employee Wages, Salaries and Benefits and Directing All Banks to Honor Pre-Petition Checks for Payment of Prepetition Employee Obligations

On January 8, 2015, the Bankruptcy Court entered an order authorizing Port Aggregates to pay or otherwise honor the Pre-Petition wages, salaries, and employee benefits earned or arising before the Petition Date of all currently active non-Insider employees, and the Bankruptcy Court directed all banks to honor Pre-Petition checks for payment of all such Pre-Petition employee obligations.

3. Motion Prohibiting Utilities From Altering, Refusing or Discontinuing Services and Establishing Procedures for Determining Requests for Additional Adequate Assurance

Pursuant to section 366 of the Bankruptcy Code, the Bankruptcy Court granted Port Aggregates' request and prohibited the Bass Companies' utility service providers from altering, refusing, or discontinuing services on account of Pre-Petition invoices by Final Order dated February 19, 2015.

4. Motion for Authority to Pay Pre-Petition Taxes, and Directing Debtors' Banks to Receive, Process, Honor and Pay Checks Drawn on Debtors' Accounts

On January 8, 2015, the Bankruptcy Court entered an order authorizing Port Aggregates to pay Pre-Petition sales and use taxes collected by Port Aggregates from its customers or incurred in the ordinary course of their businesses to the appropriate taxing authorities, and directed Port Aggregates' banks to receive, process, honor, and pay such checks drawn on Port Aggregates' accounts for such purposes.

5. Motion for Interim and Final Order Authorizing Use of Cash Collateral and Granting of Adequate Protection

On December 26, 2014, Port Aggregates filed a motion for the entry of an order (1) authorizing Port Aggregates to use Cash Collateral; (2) granting adequate protection; (3) scheduling and approving the form and method of notice of the final hearing on the motion; and (4) for other related relief as necessary. Pursuant to an agreement with Whitney Bank, the Bankruptcy Court authorized Port Aggregates to use Cash Collateral on an interim basis to pay its ordinary and necessary business expenses, in order to continue to operate its businesses, pending hearing. After interim and continued hearings, the Bankruptcy Court entered the final Cash Collateral Order on January 29, 2015 authorizing Port Aggregates to use Cash Collateral on a monthly basis.

D. Appointment of the Examiner

On December 22, 2014, Port Aggregates filed an Application for an Order Approving the Appointment of a Chapter 11 Examiner. Pursuant to the agreement between Port Aggregates

and the Voting and Non-Voting Interest Sellers, the Bankruptcy Court granted the Application by Joint Order dated February 19, 2015. The Office of the United States Trustee nominated Douglas Draper as the independent Examiner, and moved for an order approving the appointment of Douglas Draper as the Examiner on February 26, 2015. On March 9, 2015, the Bankruptcy Court entered an Order approving the appointment of Douglas Draper as chapter 11 examiner of the Estate. Mr. Draper met with all interested parties and was in the process of preparing his report when the Buy-Out Agreement was reached by the parties. Because of the agreement between the disputing parties that included withdrawal of all Claims and dismissal of all related litigation, the Examiner's duties were no longer necessary and the parties requested that the order directing the submittal of a report by the Examiner be withdrawn in the best interest of the Estate.

E. Motion to Dismiss

On January 6, 2015, the Voting and Non-Voting Interest Sellers filed a Motion to Dismiss the Bankruptcy Case asserting that Port Aggregates filed the Bankruptcy Case in bad faith. Port Aggregates opposed the dismissal. On February 10, 2015, hearings were held on the Examiner Motion and motion to dismiss. At the hearing, the parties agreed to submit a joint order approving the appointment of an examiner and continue the Bankruptcy Court's consideration of the dismissal motion until May 15, 2015. Pursuant to the Plan Support Agreement, the parties have agreed to the submittal of the Plan for Bankruptcy Court approval. Accordingly, the dismissal motion is now moot.

F. Schedules, Statement of Financial Affairs and 341 Creditors Meeting

During the month of January and February 2015, Port Aggregates filed its Schedules and Statement of Financial Affairs and amendments thereto. No creditors' committee has been appointed by the U.S. Trustee's Office. On February 10, 2015 the U.S. Trustee's Office conducted the §341(a) meeting of creditors. Andy Guinn appeared on behalf of Port Aggregates and addressed questions about Port Aggregates' financial affairs and its prospects of reorganization. Port Aggregates also submitted Form B26 Periodic Report of entities in which the estate holds a controlling interest on February 18, 2015.

G. Insider Compensation Application

In connection with the First Day Motions, Port Aggregates filed an Application for Entry of an Order Authorizing Payment of Compensation Commensurate with Pre-Petition Payments to Specified Insiders of Port Aggregates, Inc. seeking entry of an order authorizing the payment of compensation, commensurate with pre-petition payments, to certain insiders. A hearing was held on January 13, 2015 and the Bankruptcy Court approved the Application on an interim basis subject to the Voting and Non-Voting Interest Sellers' limited objection and opportunity to object at a final hearing. No objection was received prior to the final hearing on the Application, and by order dated January 21, 2015, the Bankruptcy Court authorized Port Aggregates to make post-petition payments to certain insiders, commensurate with pre-petition payments, as follows: (i) their monthly salaries, *nunc pro tunc*, as of the Petition Date, (ii) the insider bonuses; and (iii) the fringe benefits.

H. Whitney Bank Adversary Proceeding

On March 6, 2015, Whitney filed an enforcement action against Andy Guinn and Jim Maddox styled as *Whitney Bank v. Andrew L. Guinn, Sr. and James M. Maddox*, Case No. 15-00517, United States District Court, Western District of Louisiana (the "Whitney Suit"), seeking to collect from Messrs. Guinn and Maddox their respective share of guaranteed indebtedness owed by Port Aggregates to Whitney. In response, Port Aggregates initiated adversary proceeding no. 15-5004 against Whitney Bank on March 10, 2015 by filing a Complaint for Extension of the Automatic Stay and Injunctive Relief, Seeking to Stay Collection Action Against Company officers. Contemporaneous with the Complaint, Port Aggregates also filed a Motion for Interim Extension of the Automatic Stay or, alternatively, Issuance of a Preliminary Injunction pursuant to 11 U.S.C. § 105 and FED. R. CIV. PROC. 65. By agreed order, the Bankruptcy Court granted the Motion and extended the automatic stay to Messrs. Guinn and Maddox until May 15, 2015.

I. Lawsuit Removal

On March 19, 2015, Port Aggregates initiated adversary proceeding no. 15-5005 by filing a Notice of Removal pursuant to Bankruptcy Removal Statute 28 USC 1452 and Fed. Rule of Bankruptcy Procedure 9027 and removed the State Court Action to the Bankruptcy Court for further proceedings.

J. Claims Bar Date

On April 10, 2015, Port Aggregates filed an Ex Parte Motion to Set Claims Bar Date seeking an order from the Bankruptcy Court setting May 20, 2015 as the final day for Creditors to file Proofs of Claim.

K. Monthly Operating Reports

Port Aggregates has filed Monthly Operating Reports for the months of December 2014 through February 2015. As with the Bankruptcy Schedules, copies of the Monthly Operating Reports may also be obtained from the Office of the Clerk of Court for the United States Bankruptcy Court for the Western District of Louisiana, Lafayette Division, 214 Jefferson Street, Lafayette, LA 70501. Copies of these monthly operating reports may be obtained by written request to Port Aggregates' attorney, Louis M. Philips, Gordon, Arata, McCollam, Duplantis & Eagan, LLC, One American, Place, 301 Main Street, Suite 1600, Baton Rouge, LA 70801-1916.

THE SUMMARY OF THE PLAN SET FORTH BELOW IN ARTICLE VIII AND THE FOLLOWING ARTICLES IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FULL TEXT OF THE PLAN. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE PROVISIONS OF THE PLAN AND THE SUMMARY CONTAINED HEREIN, THE TERMS OF THE PLAN WILL GOVERN. CREDITORS ARE ENCOURAGED TO THOROUGHLY REVIEW THE TERMS OF THE PLAN AND TO

SEEK INDEPENDENT LEGAL OR FINANCIAL ADVICE REGARDING THE TERMS OR TREATMENT CONTAINED THEREIN.

VIII. SUMMARY OF THE PLAN TERMS CONCERNING CLASSIFICATION AND TREATMENT OF CLAIMS, ACCEPTANCE OR REJECTION OF PLAN, DISTRIBUTIONS, AND DISPUTED CLAIMS

A. General

The Plan provides for the payment of unclassified Allowed Administrative Expense Claims and Allowed Priority Claims, and eight (8) separate classifications of Claims and Equity Interests.

B. Unclassified Claims

As provided in section 1123(a)(a) of the Bankruptcy Code, Administrative Expense Claims, Priority Tax Claims, and Professional Fee Claims are not classified for purposes of voting on, or receiving distributions under, the Plan. Holders of Administrative Expense Claims, Priority Tax Claims, and Professional Fee Claims are not entitled to vote on the Plan but, rather, are treated separately under section 1129(a)(9)(A) of the Bankruptcy Code.

1. Unclassified Administrative Expense Claims

Administrative Expense Claims shall be comprised of all Claims entitled to administrative priority under and pursuant to sections 507(a)(1) and 503 of the Bankruptcy Code.

Administrative Expense Claims are costs or expenses of administration of Port Aggregates' Chapter 11 Case incurred prior to the Effective Date and allowed under sections 503(b) and 507(a)(1) of the Bankruptcy Code, including, without limitation (i) actual and necessary costs and expenses of preserving the Estate or; (ii) indebtedness or obligations incurred or assumed by Port Aggregates during the Chapter 11 Case, including, without limitation, all compensation and reimbursement of expenses to the extent allowed by Final Orders under section 330 or 503(b) of the Bankruptcy Code, and (iii) fees or charges assessed against the Estate under 28 U.S.C. § 1930.

All Professionals seeking payment of an Administrative Claim pursuant to an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Effective Date under Sections 503(b)(2), 503(b)(3) or 503(b)(4) of the Bankruptcy Code shall file their respective final applications for allowances of compensation for services rendered and reimbursement of expenses incurred through the Effective Date within thirty (30) days of the occurrence of the Effective Date. If granted, such Professional Compensation Claim shall be paid in full in such amounts as are Allowed by the Bankruptcy Court (i) on the date such Administrative Claim becomes an Allowed Administrative Claim, or as soon thereafter as is practicable or (ii) upon such other terms as may be mutually agreed upon between the Holder of an Administrative Claim and the Trustee or, on and after the Effective Date, the Offshore Equity Trustee.

The Holder of an Administrative Expense Claim, **other than and only except for** (i) a claim for fees by Professionals employed by the bankruptcy estate under section 327 of the Bankruptcy Code (covered by the paragraph immediately below), (ii) the fees payable to the U.S. Trustee under 28 U.S.C. section 1930 (not subject to any requirement of making a demand), (iii) an Administrative Expense Claim which is Allowed by Final Order prior to the Confirmation Date (demand already been made), and (iv) Administrative Expense Claims representing liabilities incurred in the ordinary course of business by Port Aggregates through the Effective Date (ordinary course of business parties need not make demand as Port Aggregates and Reorganized Port Aggregates will pay all such Claims in the ordinary course of business), must file with the Bankruptcy Court within thirty (30) days after the Effective Date and serve on the Debtor against whom the Claim is asserted, and its counsel, and all parties on such mailing matrix as approved by order of the Bankruptcy Court, a request for payment of such Administrative Expense Claim. Such request must (1) be set and noticed for hearing in accordance with the Bankruptcy Rules and the Local Rules of the Bankruptcy Court, and (2) set forth at a minimum (i) the name of the Holder of the Claim, (ii) the amount of the Claim, (iii) the basis of the Claim, and (iv) the basis for its allowance as an Administrative Expense Claim. This requirement shall not supersede any applicable Local Rule of the Bankruptcy Court regarding the required content of applications seeking approval of Administrative Expense Claims. Failure to file this request timely and properly shall result in the Administrative Expense Claim being forever barred and discharged.

All Professionals seeking payment of an Administrative Claim pursuant to an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Effective Date under Sections 503(b)(2), 503(b)(3) or 503(b)(4) of the Bankruptcy Code shall file their respective final applications for allowances of compensation for services rendered and reimbursement of expenses incurred through the Effective Date within thirty (30) days of the occurrence of the Effective Date. If granted, such Professional Compensation Claim shall be paid in full in such amounts as are Allowed by the Bankruptcy Court (i) on the date such Administrative Claim becomes an Allowed Administrative Claim, or as soon thereafter as is practicable or (ii) upon such other terms as may be mutually agreed upon between the Holder of an Administrative Claim and Port Aggregates.

Further and in accordance with the Plan Support Agreement, each Party and each Intervenor (as those terms are defined in the Plan Support Agreement) shall bear fully his/her/its attorneys' fees, costs, expenses, expert witness or consultant fees and costs, as any of them may have incurred or will incur in connection with any and all claims, Claims, causes of action, suits, actions, civil action, adversary proceedings, contested matters, motions objections, responses, answers, and/or exceptions, including, without limitation, any such in any way related to the Bankruptcy Case, the Lawsuit, claims within the Lawsuit that Port Aggregates should be responsible for any parties' attorneys' fees and costs as a consequence of the lawsuit claiming to be a derivative action, the Port Aggregates Whitney Lawsuit, the Whitney Guarantor Lawsuits, and any and all proceedings within the Bankruptcy Case ("Each Parties' Professionals Fees Claims"). No Person shall Hold an Allowed Administrative Expense Claim on account of any of the Each Parties' Professional Fees Claims unless such Person shall have been directly retained and engaged (voluntarily) by Port Aggregates.

Except to the extent any entity entitled to payment of any Allowed Administrative Expense Claim agrees to a different treatment, the Plan provides that each Holder of an Allowed Administrative Expense Claim will receive cash in an amount equal to such Allowed Administrative Expense Claim on the later of the Effective Date or within ten (10) days after the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim. Unclassified Administrative Expense Claims shall not be entitled to vote on the Plan.

Total Professional Administrative Expense Claims through the Effective Date have not been finalized, but can only be estimated at this time. However, as of the date of the Plan, Gordon Arata estimates that fees and expenses due to it from the Estate are approximately \$650,000. Gordon Arata is holding \$81,677.50 in trust for the satisfaction of its Administrative Expense Claim for fees and expenses. Gordon Arata estimates that its total Administrative Expense Claim through the Effective Date could reach \$850,000, or more. Monthly accruals have been made for professional restructuring fees to accommodate for such non-recurring expenses. Projected fees and costs due the Examiner, through March 31, 2015 when the Examiner suspended work given that a consensual was in prospect, should total approximately \$51,000. As of the date of this Plan, Waterview Advisors, retained strictly to provide expert witness services (and whose work was suspended upon Port Aggregates reaching a non-binding term sheet amongst itself, the Voting and Non-Voting Interest Sellers, the Residual Owners, and the other Parties and Intervenors) has submitted an invoice in the amount of \$8,500, which Port Aggregates will pay according to the terms of the invoice.⁸

Unclassified Administrative Expense Claims shall not be entitled to vote on the Plan.

2. Unclassified Priority Tax Claims

Except to the extent the Holder of an Allowed Priority Tax Claim has been paid by the Debtor in respect thereof prior to the Effective Date or agrees to a different treatment, Allowed Claims, if any, against the Debtor entitled to priority in accordance with §§ 507(a)(2), (3), (4), (5), (6), (7), and (8) of the Code will be treated as set forth herein. With the exception of (i) the proof of Claim (Claim No. 4) filed by the Internal Revenue Service (“IRS”) in the amount of \$339.23 (“IRS Claim”) and (ii) the proof of Claim (Claim No. 1) filed by the Louisiana Department of Revenue for \$87,692.00 (“LDR Claim”) which the Debtor has satisfied in accordance with authorization from the Bankruptcy Court, the Debtor is not aware of any other holders of Priority Tax Claims. In the event any Priority Tax Claim is Allowed prior to the date of the Confirmation Hearing, the Holders of such Allowed Priority Tax Claim shall be paid in full, in cash on the Effective Date unless the Holder of any such Priority Tax Claim agrees to a less favorable treatment. If a Priority Tax Claim becomes an Allowed Priority Tax Claim after the Effective Date and after Allowance by Final Order of the Bankruptcy Court after trial of an objection to such Claim, then such Allowed Priority Tax Claim shall be paid, in cash in full, with statutory interest under applicable non-bankruptcy law through payment of the Claim. To the extent that any such Claim exceeds the maximum amount allowed as a Priority Unsecured Claim

⁸ Port Aggregates may, but is not bound to, pay and/or reimburse its subsidiaries for services rendered after the Petition Date by certain professionals (accountants, special purpose lawyers, that have not been made subject of employment motions before the Bankruptcy Court. Any such payments will not be made until after the Closing and Effective Date and all payments required under this Plan have been made.

pursuant to § 507(a), amount of the Claim allowed as an Unsecured Claim shall be treated as a Class 3 Claim.

3. Other Unclassified Claims

Port Aggregates has been paying its ongoing expenses in the ordinary course of business. It is current on its payment obligations to the Office of the United States Trustee.

C. Classified Claims and Treatment – Summary

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including voting, confirmation, and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

<i>Class Number</i>	<i>Claim</i>	<i>Status</i>	<i>Voting Rights</i>
Class 1	Whitney Bank Secured Claim	Unimpaired	Deemed to Accept
Class 2	Bank of the West Claim	Unimpaired	Deemed to Accept
Class 3	Unsecured Claims	Unimpaired	Deemed to Accept
Class 4	Guarantor Claims	Unimpaired	Deemed to Accept
Class 5	Termination Penalty Claim	Impaired	Entitled to Vote
Class 6	Voting and Non-Voting Interest Sellers and Related Released Parties' Claims	Impaired	Entitled to Vote
Class 7	Voting and Non-Voting Sellers' Equity Interests	Impaired	Entitled to Vote
Class 8	Residual Owners' Equity Interests	Impaired	Entitled to Vote

1. CLASS 1 – WHITNEY BANK SECURED CLAIM

(1) Classification.

Class 1 consists of the Whitney Bank Secured Claim.

(2) Treatment.

The Whitney Bank Secured Claim shall be Allowed in an amount equal to the amount of the Whitney Bank Secured Claim as of the Effective Date in accordance with the terms and conditions of the Whitney Credit Facility, subject to the rights of Reorganized Port Aggregates, specifically reserved hereby, to seek Bankruptcy Court review of attorneys' fees and costs, and accruing interest (in the event Whitney Bank should attempt to charge default interest upon the Whitney Bank Secured Claim). The Allowed Whitney Bank Secured Claim shall be paid in full, in cash, at Closing, and in connection with Closing, Whitney Bank take all necessary actions regarding return of all promissory notes, releases of all Liens, releases and satisfactions of all guaranty agreements, as may be required to effectuate Closing.

(3) Voting.

Class 1 is UNIMPAIRED. Class 1 is presumed to accept the Plan and therefore will not be entitled to vote to accept or reject the Plan.

2. CLASS 2 – BANK OF THE WEST CLAIM

(1) Classification.

Class 2 consists of the Bank of the West Claim.

(2) Treatment.

The Class 2 Claim of Bank of the West shall be assumed under the Plan and by Reorganized Port Aggregates, in accordance with terms and conditions of that Equipment Financing Agreement No. 0075079-001 dated January 30, 2013 by and between Port Aggregates and Bank of the West ("BW Loan documents"), excepting any *ipso facto* or bankruptcy default clause. Bank of the West shall retain its Lien against that 2012 Linkbelt 210X2 Excavator (S/N: EHCK26496) in accordance with its security documents without being affected by the Plan. As of the Effective Date any past due amounts shall be cured by payment in full, in cash, and after the Effective Date, the BW Loan documents shall be deemed reinstated and Reorganized Port Aggregates shall maintain all payments and obligations under the BW Loan Documents until the Class 2 Claim of bank of the West is paid in full.

(3) Voting.

Class 2 is UNIMPAIRED. Class 2 is presumed to accept the Plan and therefore will not be entitled to vote to accept or reject the Plan.

3. CLASS 3 – UNSECURED CLAIMS

(1) Classification.

Class 3 consists of Allowed Unsecured Claims and any Unsecured Claims that are contingent and unliquidated, and that are not included in other Classes.

(2) Treatment.

Except to the extent that any entity entitled to payment of any Allowed Unsecured Claim agrees to less favorable treatment, in full satisfaction, discharge, and release of each Allowed Unsecured Claim, Reorganized Port Aggregates will pay each Holder of an Allowed Unsecured Claim in full and in cash the amount of their Allowed Class 3 Unsecured Claim, on the Effective Date. The Holders of contingent, unliquidated Unsecured Claims shall retain all rights under applicable non-bankruptcy law and shall, upon Confirmation, be free to institute, prosecute, maintain, any and all judicial or administrative proceedings within tribunals of competent jurisdiction so as to liquidate such contingent, unliquidated Unsecured Claims. Reorganized Port Aggregates shall reserve all rights, claims, counterclaims, reconventional demands and rights under applicable insurance policies in connection with such unliquidated and contingent Unsecured Claims. If such unliquidated, contingent Unsecured Claims are liquidated to final judgment (Reorganized Port Aggregates reserving all rights of appeal), such Claims will be paid in full, in cash, as required by any such judgments, under applicable non-bankruptcy law.

(3) Voting.

Class 3 is UNIMPAIRED. Class 3 is presumed to accept the Plan and therefore shall not be entitled to vote to accept or reject the Plan.

4. CLASS 4 – GUARANTOR CLAIMS

(1) Classification.

Class 4 consists of the Guarantor Claims.

(2) Treatment.

On the Effective Date, Holders of the Guarantor Claims shall receive payment in full and in cash of the Guarantor Claims.

(3) Voting.

Class 4 is UNIMPAIRED on the basis that this Claim was part of the Whitney Bank Secured Claim, paid by James Guinn as a guarantor of the Port Aggregates debt to Whitney Bank. Class 4 is presumed to accept the Plan and therefore shall not be entitled to vote to accept or reject the Plan.

5. CLASS 5 – TERMINATION PENALTY CLAIM

(1) Classification

Class 5 consists of the Holders of the Termination Penalty Claim.

(2) Treatment.

On the Effective Date, the Holders of the Termination Penalty Claim will be paid in full in cash in the amount of the Termination Penalty Claim.

(3) Voting.

Class 5 is IMPAIRED, as a result of the settlement and compromise contained in the Plan Support Agreement and the Holders of the Class 5 Claim shall be entitled to vote on the Plan.

6. CLASS 6 – VOTING AND NON-VOTING INTEREST SELLERS AND RELATED RELEASED PARTIES' CLAIMS

(1) Classification

Class 6 consists of the Holders of Voting and Non-Voting Interest Sellers and Related Released Parties' Claims.

(2) Treatment.

On and as of the Effective Date, Holders of Voting and Non-Voting Interest Sellers and Related Released Parties' Claims shall be deemed withdrawn, with prejudice, (without any further writing), and Reorganized Port Aggregates shall be authorized to take any necessary action to have such proofs of claim expunged from the claims register of the Bankruptcy Case, after the filing of the Closing and Plan Effective Date Notice.

(3) Voting.

Class 6 shall be IMPAIRED as a result of the settlement and compromise contained in the Plan Support Agreement and the Holders of Class 6 Claims shall be entitled to vote on the Plan.

7. CLASS 7 – VOTING AND NON-VOTING SELLERS’ EQUITY INTERESTS

(1) Classification

Class 7 consists of the Holders of Voting and Non-Voting Sellers’ Equity Interests.

(2) Treatment.

- i. The Reorganized Debtor will redeem and purchase the following Equity Interests:
 - aa. the Class A Shares of Port Aggregates held by the Voting Interest Sellers; and
 - bb. the Class B Shares of Port Aggregates held by the Non-Voting Interest Sellers;
- ii. Western Real Estate will redeem and purchase the total aggregate membership of James Guinn and Timothy Guinn interests (42.5% of 100%) (“Western Real Estate Interests”) in Western Real Estate;
- iii. All of the right title and interest of James Guinn and Timothy Guinn in and to that one (1) certain share of preferred stock evidenced by Certificate 26A (“Boulder Interests”) in Boulder Insurance Ltd. (“Boulder”) shall be reallocated by James Guinn and Timothy Guinn to Andrew L. Guinn, Sr. and James Maddox in accordance with a share transfer request form and/or any other document(s) necessary to effect such reallocation (“Boulder Interest Reallocation”).
- iv. The aggregate redemption/purchase price/consideration (“Purchase Price”) for the Equity Interests, the Western Real Estate Interests, and the Boulder Interest Reallocation shall be \$11.5 million, cash, to be paid at Closing. Port Aggregates and Western Real Estate shall make the payment of the Purchase Price by means of one lump sum payment of the Purchase Price by wire transfer to a single designated account, with such payment to be for the benefit of all of the Voting and the Non-Voting Interest Sellers. Port Aggregates, Western Real Estate and the Residual Owners shall have no responsibility for allocation of the paid Purchase Price among the holders of the Equity Interests and/or Western Real Estate Interests and/or the Boulder Interests. Port Aggregates hereby guarantees the payment of the full Purchase Price.
- v. The Voting and Non-Voting Interest Sellers shall also receive from the Debtor an *in rem* note (“BP Claim Note”) made payable to them as their interests appear, secured by a first lien security interest (to be perfected under applicable Louisiana law as the Voting and Non-Voting Interest Sellers see fit, at their cost) in, to, and upon (i) the claims asserted by the Debtor within the Deepwater Horizon Court Supervised Settlement Program as Claims for Business Economic Loss, bearing Claim ID numbers 168426, 307267, 307268, 307269, 307270, 307271, 307272, 307273, 307274, 307275 (“BP Claim”) and (ii) the proceeds of the BP Claim (a)

net of all fees and costs of any and all third party professionals retained by the Debtor and Reorganized Debtor in connection with the researching, processing, submission, enforcement and/or collection of the BP Claim and (b) net of any tax burden upon tax payers other than the Voting and Non-Voting Interest Sellers who would bear and be responsible for the tax burden associated with the collection and receipt of the BP Claim by the Debtor (“Net BP Claim”). The Voting and Non-Voting Interest Sellers hereby agree that the BP Claim Note shall be satisfied only with proceeds received on account of the BP Claim and in an amount no greater than the amount of the Net BP Claim. The Voting and Non-Voting Interest Sellers hereby agree that the BP Claim Note shall not bear interest and shall be due and payable on or before ten (10) Business Days after receipt by the Reorganized Debtor of the final total proceeds of the BP Claim. The Reorganized Debtor will hold in trust for the Voting and Non-Voting Interest Sellers (as holders of the BP Claim Note) the amounts it receives on account of the BP Claim until such time as the amount of the Net BP Claim is paid to satisfy the BP Claim Note. Contemporaneous with the payment by Reorganized Debtor of the amount of the Net BP Claim, the Voting Interest Sellers and the Non-Voting Interest Sellers shall return, or cause to be returned to the Reorganized Debtor the BP Claim Note marked “PAID IN FULL.” The Reorganized Debtor agrees to provide, with the payment of the Net BP Claim, its calculation of the Net BP Claim. The Reorganized Debtor shall make the payment of the BP Claim Note by means of one payment to be made by wire to a designated account, with the payment to be for the benefit of all of the Voting and Non-Voting Interest Sellers. The Reorganized Debtor shall have no responsibility for allocation of the Net BP Claim among the Voting and Non-Voting Interest Sellers. The Reorganized Debtor hereby agrees to continue the retention of the firm Langley, Williams, & Company, L.L.C. (“LWC”) and particularly Daphne B. Berkin (“Berkin”) under that certain letter agreement dated January 2, 2013 (the “Retention Agreement”), a copy of which has been reviewed by all parties, which will be assumed pursuant to Bankruptcy Code § 365 under the Plan. If at any time the Voting and Non-Voting Interest Sellers determine unanimously that the Reorganized Debtor should terminate the Retention Agreement, they shall give the Reorganized Debtor sufficient written notice of their unanimous decision⁹ and the Reorganized Debtor will terminate LWC and the Retention Agreement. The Reorganized Debtor can only replace LWC and/or retain any other third party professional in addition to LWC regarding the BP Claim after receiving the unanimous written approval of the Voting and Non-Voting Interest Sellers of such replacement and/or retention. During the term of LWC’s engagement pursuant to the Retention Agreement, LWC, through Berkin, shall have reasonable access to such necessary accounting information of the Debtor for applicable time periods¹⁰ so as to be able to and be responsible for obtaining and producing such

⁹ The Voting and Non-Voting Interest Sellers may provide Port Aggregates with a unanimously chosen agent (by means of a written agency agreement executed by all Voting and Non-Voting Interest Sellers in form and substance satisfactory to Port Aggregates) in lieu of direct unanimous consent under this provision.

¹⁰ Any and all requests by LWC for information from the Reorganized Debtor shall be in writing and shall provide detail of the information sought.

information and documents as required by the Deepwater Horizon Court Supervised Settlement Program, BP Claims adjusters, Claims reviewers, deficiency notices, or any “BP Claims processing functionaries” as necessary to properly process, pursue, and support the BP Claim. If the BP Claim is rejected and disallowed on a final basis, the Voting and Non-Voting Interest Sellers shall immediately return, or cause to be returned to the Reorganized Debtor the BP Claim Note marked “PAID IN FULL.”

- vi. At Closing, the Debtor will issue tax distributions to the Voting and Non-Voting Interest Sellers in the amount of an aggregate 43.83% of (i) \$1,138,642 for the 2014 tax year, and (ii) 50% of the net income (on a consolidated basis) of the Debtor as of the end of the first quarter of 2015. By the last day of the first full month following Closing the Debtor will issue tax distributions to the Voting and Non-Voting Interest Sellers in an amount equal to 43.83% of 50% of the net income (on a consolidated basis) of the Debtor for the period between March 31, 2015 and the Closing date, with net income to be calculated as regards any partial month in the event Closing occurs during a month, by dividing the net income for the month during which the Closing occurs by the total number of days of that month and multiplying such quotient by the number of days of that month up to and including the Closing date (“Partial Month Calculation”). To the extent not already issued, at Closing Western Real Estate will issue tax distributions to the Voting Interest Sellers in the amount of an aggregated of 42.50% of (i) 50% of the net income for the 2014 tax year and (ii) 50% of the net income as of the end of the first quarter of 2015. Within 30 days after Closing Western Real Estate will issue tax distributions to the Voting Interest Sellers in an amount equal to 42.5% of 50% of the net income for the period between March 31, 2015 and the Closing date, calculated by means of the Partial Month Calculation. The Voting and Non-Voting Interest Sellers agree that pending Closing, neither Port Aggregates nor Western Real Estate will issue any tax distributions.
- vii. The Debtor and the Residual Owners agree that if, within three years after the Closing, either (i) Port Aggregates, in a Third Party Sale, sells, assigns or transfers all or substantially all of the assets of Port Aggregates (including membership interests of subsidiaries), or (ii) the Residual Owners, in a Third Party Sale, sell an aggregate 75% or greater of the voting and non-voting equity interests of Port Aggregates (held by the Residual Owners), the Voting Interest Sellers and the Non-Voting Interest Sellers shall be paid a sum equal to 20% of the Net Proceeds (the “Tail Rights”); *provided, however*, that Port Aggregates and/or the Residual Owners, as applicable, shall have sole discretion as to whether or not to sell and shall have no duty or obligation whatsoever to pursue or consummate any sale or transaction that could trigger payment on account of the Tail Rights. As used herein, the term “Third Party Sale” shall mean an arms-length voluntary sale to a non-affiliated third party. As used herein, the term “Net Proceeds” shall mean: (a) with respect to a Third Party Sale of all or substantially all of the assets of Port Aggregates, the gross sales proceeds less the amounts necessary to pay and satisfy fully all closing costs, commissions and other fees and costs associated with such sale, all current liabilities, long term liabilities,

lease expense, and/or other indebtedness of whatever nature or kind of Port Aggregates; and (b) with respect a Third Party Sale of an aggregate of 75% or greater of the voting and non-voting equity interests of Port Aggregates, the gross sale proceeds less the amounts necessary to pay and satisfy fully all closing costs, commissions and other fees and costs associated with such sale.

- viii. The Equity Interests and the Western Real Estate Interests shall be transferred to the Debtor and Western Real Estate, and the Boulder Interests shall be reallocated through the Boulder Interest Reallocation without warranty except (i) as to full ownership and authority to transfer and/or reallocate, as applicable, and (ii) that the Equity Interests and the Western Real Estate Interests, and the Boulder Interests to be reallocated, are free and clear of any lien, claim, interest, or encumbrance.
- ix. James Guinn and Timothy Guinn, shall execute and/or approve any written consents of members or shareholder(s), resolutions, or other documentation required to effectuate the redemption and sale of the Equity Interests, the Western Real Estate Interests and the Boulder Interest Reallocation.
- x. All guaranty obligations of James Guinn and/or Timothy Guinn of the debt of Port Aggregates and/or Western Real Estate to Whitney Bank or any third party shall be terminated and satisfied at Closing by Port Aggregates and/or Western Real Estate. Port Aggregates hereby guarantees the performance provided for in this Subsection Art. III(B)(7)(x) of the Plan.
- xi. The following lawsuits will be dismissed, with prejudice, by means of consent motions to dismiss which shall be filed by the second full Business Day after the Closing and Plan Effective Date Notice: (aa) Whitney Bank versus Andrew L. Guinn, Sr. and James M. Maddox, Suit No. 15-00517, USDC, Western District of Louisiana, Lake Charles Division, and (bb) Whitney Bank versus James P. Guinn and Timothy J. Guinn, Suit No. 15-00520, USDC, Western District of Louisiana, Lake Charles Division (“Whitney Guarantor Lawsuits”). At Closing all Parties which or who are or could be third party plaintiffs, counterclaimants, or cross claimants within the Guarantor Lawsuits shall provide each other, as the case may be, with executed Motions to Dismiss with Prejudice relative to each third party demand, counterclaim, or cross claim within the Guarantor Lawsuits. The Parties who are or could be third party plaintiffs, counterclaimants, or cross claimants within the Guarantor Lawsuits hereby agree not to take any action with respect to such rights or claims pending Closing.
- xii. None of the Debtor, Reorganized Debtor, Residual Owners, Debtor Affiliates, Debtor-Related Entities or Residual Owners Intervenors shall require, or be entitled to enforce, any non-compete agreement against one or more of Voting Interest Sellers, Non-Voting Interest Sellers, Voting and Non-Voting Seller-Related Entities or Voting and Non-Voting Interest Sellers Intervenors relating to the businesses affected by the redemption/sales of the Equity Interests, Western

Real Estate Interests or the reallocation of the Boulder Interests, or the matters covered by and/or subject to this Plan.

(3) Voting.

Class 7 shall be IMPAIRED as a result of the settlement and compromise contained in the Plan Support Agreement and the Holders of Class 7 Equity Interests shall be entitled to vote on the Plan.

8. CLASS 8 – RESIDUAL OWNERS’ EQUITY INTERESTS

(1) Classification

Class 8 consists of the Holders of Residual Owners’ Equity Interests.

(2) Treatment.

- i. Holders of Residual Owners’ Equity Interests shall retain the same number of Voting and Non-Voting Shares in Reorganized Port Aggregates subsequent to the sale/redemption of the Equity Interests, but such Equity Interests shall be subject to this Plan.
- ii. James Maddox, and Andrew Guinn, Sr. shall execute and/or approve any written consents of members or shareholder(s), resolutions, or other documentation required to effectuate the redemption and sale of the Equity Interests, the Western Real Estate Interests and the Boulder Interest Reallocation.
- iii. None of the Voting Interest Sellers, Non-Voting Interest Sellers, Voting and Non-Voting Seller-Related Entities or Voting and Non-Voting Interest Sellers Intervenors shall require, or be entitled to enforce, any non-compete agreement against one or more of Debtor, Reorganized Debtor, Residual Owners, Debtor Affiliates, Debtor-Related Entities or Residual Owners Intervenors relating to the businesses affected by the redemption/sales of the Equity Interests, Western Real Estate Interests or the reallocation of the Boulder Interests, or the matters covered by and/or subject to this Plan.
- iv. At Closing, the Reorganized Port Aggregates will issue tax distributions to the Residual Owners in the amount of an aggregate 56.17% of (i) \$1,138,642 for the 2014 tax year, and (ii) 50% of the net income (on a consolidated basis) of the Debtor as of the end of the first quarter of 2015. By the last day of the first full month following Closing the Debtor will issue tax distributions to the Residual Owners in an amount equal to 56.17% of 50% of the net income (on a consolidated basis) of the Debtor for the period between March 31, 2015 and the Closing date, with net income to be calculated as regards any partial month in the event Closing occurs during a month by dividing the net income for the month during which the Closing occurs by the total number of days of that month and multiplying such quotient by the number of days of that month up to and including the Closing date (“Partial Month Calculation”). To the extent not

already issued, at Closing Western Real Estate will issue tax distributions to the Residual Owners and any other remaining owners of Western Real Estate in the amount of an aggregated of 57.5% of (i) 50% of the net income for the 2014 tax year and (ii) 50% of the net income as of the end of the first quarter of 2015. Within 30 days after Closing Western Real Estate will issue tax distributions to the Residual Owners and any other remaining owners of Western Real Estate in an amount equal to 57.5% of 50% of the net income for the period between March 31, 2015 and the Closing date, calculated by means of the Partial Month Calculation. The Residual Owners agree that pending Closing, neither Port Aggregates nor Western Real Estate will issue any tax distributions.

- v. All guaranty obligations of Andrew Guinn, Sr. and/or James Maddox of the debt of Port Aggregates and/or Western Real Estate to Whitney Bank or any third party shall be terminated and satisfied at Closing by Port Aggregates and/or Western Real Estate. Port Aggregates hereby guarantees the performance provided for in this Subsection Art. III(B)(8)(v) of the Plan.
- vi. The following lawsuits will be dismissed, with prejudice, by means of consent motions to dismiss which shall be filed by the second full Business Day after the Closing and Plan Effective Date Notice: (aa) Whitney Bank versus Andrew L. Guinn, Sr. and James M. Maddox, Suit No. 15-00517, USDC, Western District of Louisiana, Lake Charles Division, and (bb) Whitney Bank versus James P. Guinn and Timothy J. Guinn, Suit No. 15-00520, USDC, Western District of Louisiana, Lake Charles Division (“Whitney Guarantor Lawsuits”). At Closing all Parties which or who are or could be third party plaintiffs, counterclaimants, or cross claimants within the Guarantor Lawsuits shall provide each other, as the case may be, with executed Motions to Dismiss with Prejudice relative to each third party demand, counterclaim, or cross claim within the Guarantor Lawsuits. The Parties who are or could be third party plaintiffs, counterclaimants, or cross claimants within the Guarantor Lawsuits hereby agree not to take any action with respect to such rights or claims pending Closing.

(3) Voting.

Class 8 shall be IMPAIRED as a result of the settlement and compromise contained in the Plan Support Agreement and the Holders of Class 8 Equity Interests shall be entitled to vote on the Plan.

IX. PROCEDURES FOR RESOLVING AND TREATING CONTESTED AND DISPUTED CLAIMS

A. Prosecution of Objections to Claims

As of the Effective Date, Reorganized Port Aggregates shall have the exclusive authority on or before the Claims Objection Bar Date to file objections, settle, compromise, withdraw or litigate to judgment objections to Claims. Hearings on any such objections shall be fixed for hearing at least twenty-eight (28) days after the filing of the objections or at such other time as

may be fixed by the Bankruptcy Court or agreed to by the parties (subject to the authority of the Bankruptcy Court). Reorganized Port Aggregates shall litigate to judgment, settle or withdraw objections to Disputed Claims, and with regard to objections, if any, pending as of Confirmation. From and after the Effective Date, Reorganized Port Aggregates may settle or compromise any Disputed Claim without approval of the Bankruptcy Court. Port Aggregates and/or Reorganized Port Aggregates, as applicable, also reserves the right to resolve any Disputed Claims outside the Bankruptcy Court under applicable governing law.

B. Allowance of Claims

Except as to Claims allowed by the Plan or as otherwise expressly provided herein or in any order by the Bankruptcy Court prior to the Effective Date (including the Confirmation Order), no Claim shall be deemed Allowed, unless and until such Claim is deemed Allowed under the Bankruptcy Code or the Bankruptcy Rules or the Bankruptcy Court enters a Final Order in the Chapter 11 Case allowing such Claim. Except as to Claims Allowed by the or any order entered by the Bankruptcy Court prior to the Effective Date (including the Confirmation Order), the Reorganized Debtor, after confirmation, will have and retain any and all rights and defenses the Debtor had with respect to any Claim as of the Petition Date.

C. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or any Class of Claims are Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine such controversy before the Confirmation Date.

X. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

All executory contracts and unexpired leases of the Debtor, including those listed upon **Exhibit D** attached to the Plan will be assumed by and as of Confirmation and the Effective Date, except those executory contracts and unexpired leases that have been rejected by order of the Bankruptcy Court, or are subject of a motion to reject pending as of Confirmation. Entry of the Confirmation Order by the Bankruptcy Court shall constitute assumption of the executory contracts and unexpired leases of Port Aggregates pursuant to Sections 365(a) and 1123 of the Bankruptcy Code.

A. Assumed Contracts and Agreements

Within **Exhibit D** to the Plan, also, Port Aggregates has identified and set forth its schedule of amounts that may be owed by Port Aggregates and Reorganized Port Aggregates upon assumption of the executory contracts and unexpired leases as amounts necessary to cure any default in such contracts (“**Cure Amounts**”). Except to the extent **Exhibit D** to the Plan is amended prior to the entry of a Confirmation Order, the Confirmation Order shall constitute a finding and order that Reorganized Port Aggregates shall owe only those Cure Amounts set forth within **Exhibit D** to the Plan. With respect to the assumed executory contracts and/or unexpired leases, Reorganized Port Aggregates will pay the Cure Amounts in a single Cash payment on the Effective Date.

Any party to an Executory Contract assumed pursuant to this Plan who disputes any of the Cure Amounts set forth in **Exhibit D** to the Plan shall be required to file and serve an objection on counsel for Port Aggregates prior to the Confirmation Hearing and stating in its objection with specificity what Cure Amount such party believes is required (with appropriate documentation in support thereof). Any party to an executory contract or unexpired lease who does not File with the Bankruptcy Court and serve on counsel for Port Aggregates prior to the Confirmation Hearing an appropriate objection shall be deemed to have waived its right to dispute Port Aggregates' determination regarding Cure Amounts as set forth on **Exhibit D** to the Plan. If a timely and properly filed objection is made, the Cure Amount, if any, shall be determined, if necessary, at the Confirmation Hearing or at such other date noticed for hearing or as may be determined by the Bankruptcy Court.

B. Rejection of Executory Contracts and Unexpired Leases

1. Rejected Contracts and Leases

Only those executory contracts and/or unexpired leases specifically made subject of motions to reject pending as of Confirmation shall be subject to rejection, and shall be rejected only by order of the Bankruptcy Court.

2. Filing of Claims Under Rejected Executory Contracts and Unexpired Leases

All Claims arising from the rejection of Executory Contracts or Unexpired Leases must be evidenced by properly filed proofs of claim. Such proofs of claim must be filed within twenty-one (21) days after the date of an order of the Bankruptcy Court approving the rejection of such executory contract or unexpired lease. Any Claims not filed within such time shall be forever barred from assertion against Port Aggregates, the Estate, Property of the Estate, or Reorganized Port Aggregates. Unless otherwise ordered by the Bankruptcy Court, all Claims arising from rejection of executory contracts and unexpired leases shall be Unsecured Claims and treated as Class 3 Claims.

XI. MEANS OF IMPLEMENTATION OF THE PLAN

A. Funding for Disbursements

1. Effective Date Payments

Closing will occur on the Effective Date. Funds needed to make the required cash payments on the Effective Date as required under the Plan shall come from the financing provided under and by the Regions Term Sheet and from the cash on hand of Reorganized Port Aggregates. Cash payments to be made after the Effective Date shall be made from cash on hand of Port Aggregates.

2. Distribution Date Payments

Distributions on account of Claims that first become Allowed Claims after the Effective Date, if any, shall be made within fourteen (14) days after such Claims becomes an Allowed

Claims.

3. Disbursing Agent

Reorganized Port Aggregates shall serve as Disbursing Agent and shall make all Distributions required under the Plan.

4. Timing of Payments

All payments made in accordance with the Plan shall be considered timely if postmarked on or before the Effective Date or applicable Distribution Date, or if made by wire, such wire is initiated on or before the Effective Date or applicable Distribution Date.

5. Surrender of Instruments

On or before the Effective Date or applicable Distribution Date, in consideration of the payments to be made under the Plan each Holder of a promissory note evidencing a Claim shall surrender such note and any releases of Liens as may be required at and to facilitate Closing to the Disbursing Agent. Such notes shall be canceled and Liens securing such notes shall be released upon payment as provided for in the Plan. No distribution of property hereunder shall be made to or on behalf of any such holder unless and until such note is received by the Disbursing Agent or the unavailability of such note is reasonably established to the satisfaction of the Disbursing Agent.

B. Prepayment

Except as otherwise provided in the Plan or the Confirmation Order, Port Aggregates shall have the right to prepay, without penalty, all or any portion of an Allowed Claim at any time.

C. Management of Reorganized Port Aggregates

1. Reorganized Port Aggregates' Officers and Directors

On the Effective Date, and without any further required action by Reorganized Port Aggregates or the Bankruptcy Court, Andrew L. Guinn, Sr. shall be retained as President and Chairman of the Board, Adam Guinn shall be retained as vice president and James Maddox, Sr. shall be retained as chief financial officer. The constitution of the Board of Reorganized Port Aggregates shall remain the same five (5) members as were members before the Petition Date: Andrew L. Guinn, Sr., Adam Guinn, James Maddox, Sr., Jude Hilliard and Shayna Sonnier. The independent members of the Board (Jude Hilliard and Shayna Sonnier) shall receive Board member fees in the amount of \$1,500 per month as of and after the Effective Date.

2. Insiders to be Employed by Reorganized Port Aggregates after the Effective Date; Compensation of Insiders

Insiders to be employed by Port Aggregates after the Effective Date are: (i) Andrew L. Guinn Sr. (President, Board member, Chairman of the Board) - compensation \$28,081.73 per

month; (ii) James Maddox, Sr. (chief financial officer, member of Board) – compensation \$21,223.56 per month; (iii) Adam G. Guinn (Vice President of Port Aggregates and Concrete Division Manager, member of the Board) – compensation \$5,000 per month; (iv) Kirk W. Trahan (Stone Division Manager) – compensation \$10,200 per month; (v) Holly G. Durkes (Office Manager) – compensation \$6,000 per month; (vi) Bradley C. Durkes (trucking manager) – compensation \$4,583.33 per month; and (vii) James M. Maddox, Jr. (electrician) – compensation \$5,000 per month. Additionally these Insiders as applicable shall receive those certain pre-petition fringe benefits previously approved by the Bankruptcy Court, including, but not limited to, (a) motor vehicle allowances of \$1500 per month for Andy Guinn and James Maddox, Sr.; (b) use of a company vehicle for Holly Durkes (2007 Chevrolet Tahoe), Brad Durkes (2014 Dodge Ram pickup), and Kirk Trahan (2009 GMC Sierra 2500 pickup); (c) vehicle mileage reimbursement at the current federal reimbursement rate of \$0.56 per mile for Adam Guinn and James Maddox, Jr. (in 2014, the average monthly vehicle mileage for Adam Guinn was 1,720 miles and James Maddox, Jr. was 2,226 miles); and (d) use of a Company fuel card or reimbursement of fuel expenses for Andy Guinn, James Maddox, Sr., Holly Durkes, Brad Durkes and Kirk Trahan. Also, as applicable, certain of these Insiders shall be entitled to participate in the bonus policy employed by Port Aggregates prior to the Petition date, which will be continued by Port Aggregates as of and after the Effective Date. After the Effective Date the Board shall have the authority to approve such changes in compensation as it determines to be appropriate.

3. Continued Ownership

As of and on the Effective Date and Closing, the Residual Owners shall own the same number of Voting and Non-Voting Shares as they did prior to Closing, with their percentages of ownership adjusted by means of the redemption/sale by the Voting and Non-Voting Interest Sellers of their Equity Interests to Reorganized Port Aggregates. The redemption/sale of the Equity Interests shall not result in the issuance by reorganized Port Aggregates of non-voting equity securities.

D. Continued Existence

1. Reorganized Port Aggregates

Reorganized Port Aggregates will exist on and after the Effective Date as a juridical entity, with all the powers of a Louisiana business corporation, under applicable law. As of the Effective Date, Reorganized Port Aggregates may operate its businesses free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and Confirmation Order.

2. Corporate Governance

In conformity with applicable bankruptcy and non-bankruptcy law, Reorganized Port Aggregates shall cause to be filed with all appropriate governmental agencies appropriate restated articles of incorporation, restated by-laws, as the case may be, to the extent necessary under the Bankruptcy Code and as permitted by applicable non-bankruptcy law. Such restated articles of incorporation, restated by-laws, restated articles of organization, and/or restated

operating agreements, as the case may be, will include a provision prohibiting the issuance of non-voting equity securities.

3. Approvals

On the Effective Date, all matters provided for under the Plan that would otherwise require approval of Port Aggregates, or its respective managers, officers, or directors, including, without limitation, the adoption and effectiveness of the restated articles of incorporation, restated by-laws, restated articles of organization, and/or restated operating agreements, as the case may be, and the election or appointment of officers, directors, and/or managers, as the case may be, of Reorganized Port Aggregates as provided for under the Plan, shall be deemed to have occurred and shall be in effect from and after the Effective Date without any requirement of further action by Reorganized Port Aggregates or its respective managers, officers, or directors.

E. Revesting of Assets

1. Property of the Estate

Property of the Estate, together with any property of Port Aggregates that is not Property of the Estate and that is not specifically disposed or pursuant to the Plan, shall revert in Port Aggregates on the Confirmation Date.

2. Revested Property Free of Liens as of Effective Date

Except as otherwise specifically provided in the Plan, all property Revested in Reorganized Port Aggregates shall as of the Effective Date and Closing be free and clear of all Liens, Claims and interests of any type or nature. Specifically, all Liens, Claims, interests, rights, covenants, agreements, terms and conditions shall be retained by all persons and shall be binding upon Reorganized Port Aggregates as follows: (i) as required under the Regions Term Sheet, (ii) as provided for in the Plan, and (iii) as may exist under and in connection with any assumed executory contract or unexpired lease.

F. Causes of Action and Avoidance Actions

Port Aggregates specifically reserves and shall prosecute the BP Claim and the Collection Activities prior to and up to the Effective Date. Confirmation of the Plan and the occurrence of the Effective Date shall constitute an order of the Bankruptcy Court that the BP Claim and the Collection Activities are retained and reserved, and that Reorganized Port Aggregates shall have standing to prosecute all claims and causes of action relating to the BP Claim and the Collection Activities.

As of the Effective Date, pursuant to section 1123(b)(3) of the Bankruptcy Code, except as otherwise provided in the Plan, any and all Causes of Action, including the BP Claim and the Collection Activities, shall be property of the Reorganized Debtor, and Reorganized Port Aggregates shall be deemed, without further action of the Bankruptcy Court, to be the judicial substitute as the party in interest with Bankruptcy Court approved standing under the Plan, or in any judicial proceeding or appeal to which Port Aggregates is a party, or in which Port

Aggregates shall become a party, and shall have the standing as provided in the Plan, to pursue the BP Claim, the Collection Activities and any and all Causes of Action and to commence, prosecute, collect upon, settle, compromise any and all Causes of Action retained under the Plan.

Neither Port Aggregates nor Reorganized Port Aggregates shall pursue any Avoidance Actions either prior to or after Confirmation in the event this Plan is Confirmed.

XII. SUMMARY OF PLAN TERMS CONCERNING CONDITIONS PRECEDENT TO EFFECTIVENESS OF PLAN, EFFECT OF CONFIRMATION OF PLAN, AND EFFECTIVE DATE

A. Conditions Precedent to Effective Date

The Effective Date shall not occur until the following conditions have been satisfied or waived, with the only condition subject to waiver, being the giving of the Closing Schedule Notice, which waiver shall only be accomplished by written waiver executed by all Parties and Intervenors:

1. Confirmation Order

The Confirmation Order, in form and substance reasonably acceptable to Port Aggregates, must have become a Final Order and must, among other things, provide that, except as expressly provided in the Plan and subject to the occurrence of the Effective Date, Port Aggregates is discharged effective upon the Effective Date from any “debt” (as that term is defined in section 101(12) of the Bankruptcy Code), and Port Aggregates’ liability in respect thereof is extinguished completely, whether reduced to judgment or not, liquidated or unliquidated, contingent or non-contingent, asserted or unasserted, fixed or unfixd, matured or unmatured, disputed or undisputed, legal or equitable, or known or unknown, or that arose from any agreement of Port Aggregates that has been rejected in the Bankruptcy Case or pursuant to the Plan, or obligation of Port Aggregates incurred before the Effective Date, or from any conduct of Port Aggregates prior to the Effective Date, or that otherwise arose before the Effective Date, including, without limitation, all interest, if any, on any such debts, whether such interest accrued before or after the Petition Date.

2. Documents

All documents, actions, and agreements necessary to implement the Plan shall have been effected or executed including the Closing Documents.

3. Authorizations

Port Aggregates shall have received all authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions or documents that are determined by Port Aggregates to be necessary to implement the Plan and as required by the Regions Term Sheet.

4. Closing Schedule Notice

Reorganized Port Aggregates shall have given the Closing Schedule Notice.

5. No Termination Events Under Plan Support Agreement

No Party or Intervenor (as those terms are defined in the Plan Support Agreement) shall have given a Sellers Parties Revocation Notice and/or a Debtor and Residual Owners Parties Revocation Notice, and no other Termination Event as defined in the Plan support Agreement shall have occurred.

6. Closing

Closing shall have occurred, the payments to be made at Closing shall have been made, and the transactions to be completed at Closing shall have been completed.

B. Releases By, Under and Pursuant To the Plan Support Agreement Confirmed as of and Through Closing

Debtor and Debtor Related Parties Release and the Voting and Non-Voting Interest Sellers and Related Released Parties Release as defined in the Plan Support Agreement (collectively the “Releases”) shall be fully binding and effective and shall relate to and cover the time up to and as of and through Closing, without the need for any further act by any Person or Entity, with the act of Closing to constitute full and final confirmation of the Releases by the Parties and Intervenors.

C. Closing and Effective Date Notice

Reorganized Port Aggregates shall give notice of the occurrence of Closing and the Effective Date (“Closing and Plan Effective Date Notice”), through the Filing of a notice with the Bankruptcy Court to be Filed by Reorganized Port Aggregates within two (2) Business Days after Closing and the occurrence of the Effective Date.

D. Dismissal of Adversary Proceedings and Contested Matters

Upon and after the Filing of the Closing and Plan Effective Date Notice and the submission by counsel for Reorganized Debtor of orders/judgments of dismissal with prejudice, the Lawsuit, Adversary Proceeding #15-5004 and the Motion to Dismiss will be dismissed with prejudice by the Bankruptcy Court.

E. Dismissal of Adversary Proceedings and Contested Matters

Upon and after the Filing of the Closing and Plan Effective Date Notice and the submission by counsel for Reorganized Debtor of orders/judgments of dismissal with prejudice, the Lawsuit, Adversary Proceeding #15-5004 and the Motion to Dismiss will be dismissed with prejudice by the Bankruptcy Court.

F. Termination of Examiner Appointment and Discharge of Examiner

Upon and after the Filing of the Closing and Plan Effective Date Notice and without any further action by the Bankruptcy Court the appointment of the examiner shall be terminated and the examiner shall be discharged and relieved of any further responsibilities or obligations. Notwithstanding preceding sentence the examiner shall be entitled to file his application for Administrative Expense Claim Compensation and Expense Reimbursement in accordance with the terms of this Plan.

G. Specific Findings and Conclusions by the Bankruptcy Court as of Confirmation

- (a) Confirmation shall constitute a finding and conclusion by the Bankruptcy Court that Reorganized Port Aggregates is authorized to entitled consummate all transactions contemplated by the Plan, including without limitation all transactions to be completed at Closing;
- (b) Confirmation shall constitute specific findings and conclusions by the Bankruptcy Court that (i) that the consideration given and to be exchanged as provided in the Plan and the Plan Support Agreement (including without limitation the Purchase Price, redemptions/sales of the Equity Interests and Western Real Estate Interests, the Boulder Interest Reallocation, BP Claim Note, tax distributions, Tail Rights, guaranty satisfactions, lawsuit, Lawsuit and contested matters dismissals, Guaranty Claim Payment(s), Termination Penalty Payment, treatment of Claim Withdrawals, treatment of Classes 7 and 8, and Releases granted, all as described in the Plan) and the overall terms and conditions of the Plan, at Closing, constitute a contemporaneous or substantially contemporaneous exchange of equivalent value for the rights, Claims, and interests held by each of the Holders of Claims and Equity Interests dealt with in Classes 4 through 8 and by any and all Parties and Intervenors, (ii) that all Parties and Intervenors entered into the Plan Support Agreement and voted for the Plan in good faith, (iii) that no Party or Intervenor, nor the Bankruptcy Court requires any further information, facts, research, evidence, or third party analysis or opinion in connection with the Parties' and Intervenors' decision to execute the Plan Support Agreement or in connection with Confirmation, and (iv) no Party or Intervenor shall have the right to benefit in any manner, either directly or indirectly, from the assertion by any person or entity that the Plan Support Agreement, the effectiveness of the Plan Support Agreement and/or the Plan, and/or the receipt by any Party or Intervenor of consideration to be exchanged pursuant to the Plan or Plan Support Agreement, shall constitute or shall have constituted less than reasonably equivalent value for the consideration given pursuant to the Plan Support Agreement and/or the Plan, or a preferential payment with respect to any debts or obligations resolved pursuant to the Plan Support Agreement and the Plan;
- (c) Confirmation shall constitute specific findings and conclusions by the Bankruptcy Court that the representations and warranties of the Parties and Intervenors under

Section 4(a) of the Plan Support Agreement are fully binding and are incorporated into and made a part of the Plan as if copied and added to the Plan;

- (d) Confirmation shall constitute specific findings and conclusions by the Bankruptcy Court that the restrictions on transfer set forth within Section 3(b) of the Plan Support Agreement are fully binding upon the Parties and Intervenors made subject thereto in the Plan Support Agreement;
- (e) Confirmation shall constitute a specific finding and conclusion that the notice provisions of Section 11 of the Plan Support Agreement are incorporated into and made a part of the Plan as if copied and added to the Plan and shall be binding upon the Parties and Intervenors;
- (f) Confirmation shall constitute specific findings and conclusions that each of the Parties and Intervenors hereby (i) made his/her/its own decision to execute the Plan Support Agreement based upon his/her/its own independent assessment of documents and information available to him/her/it, as deemed appropriate, (ii) that each of the Parties and Intervenors read all of the terms of the Plan Support Agreement, had an opportunity to consult with counsel of his/her/its own choosing or voluntarily waived such right, and (iii) entered into the Plan Support Agreement voluntarily and without duress.
- (g) Confirmation shall constitute specific findings and conclusions by the Bankruptcy Court that the Plan Support Agreement is a valid plan support agreement consistent with and valid under the provisions of the Bankruptcy Code and applicable Bankruptcy Rules, that the execution of the Plan Support Agreement by Port Aggregates (and all other Parties and Intervenors) is approved, that the Plan Support Agreement did not and does not constitute a Solicitation, and that Confirmation is premised upon valid Solicitation by Port Aggregates of voting as provided for in the Plan and under the Bankruptcy Code and Bankruptcy Rules;
- (h) Confirmation shall constitute a specific finding and conclusion by the Bankruptcy Court that in all respects the Plan shall supersede the Plan Support Agreement, but notwithstanding the superseding effect of the Plan, that the Plan Support Agreement shall remain in full force and effect with respect to all terms and conditions not otherwise incorporated into or dealt with by the Plan and which are not in conflict with the terms of the Plan; and
- (i) Confirmation shall constitute a finding and conclusion that cause exists to abrogate the stay of the effect of the Confirmation Order in accordance with Bankruptcy Rule 3020(e), and to have the Confirmation Order so state.

XIII. DISCHARGE, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Discharge of Debtor

The rights afforded under the Plan and the treatment of all Claims and Equity Interests under the Plan shall be in exchange for and in complete satisfaction, discharge, and release of

Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtor and the Reorganized Debtor, or any of their assets or properties. Except as otherwise provided herein, on the Effective Date, all such Claims against and Equity Interests in the Debtor and the Reorganized Debtor shall be satisfied, discharged, and released in full, and all persons shall be precluded from asserting against the Debtor or the Reorganized Debtor, and/or any party released under the Plan, their successors and/or assigns, their assets, or their properties any other or further Claims or Equity Interests based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Confirmation Date.

B. Injunction

THERE SHALL BE AN INJUNCTION TO THE FULL EXTENT ALLOWED UNDER SECTIONS 1141 AND 524 OF THE BANKRUPTCY CODE, AND ALL HOLDERS OF CLAIMS SHALL BE ENJOINED FROM PURSUING ANY ACTION ON ACCOUNT OF OR RELATED TO ANY CLAIM THROUGH ANY CONDUCT OR PROCEEDING WHATSOEVER, WITH RESPECT TO DISCHARGED, RELEASED, ENJOINED OR EXCULPATED CLAIMS, AND AS AGAINST ANY PERSON SUBJECT TO OR DERIVING RIGHTS FROM THE DISCHARGE AND/OR ANY RELEASE OR EXCULPATION ARISING UNDER THE PLAN.

C. Exculpations

The Debtor and the Reorganized Debtor and each of its respective representatives (including any attorneys), shall have no liability to any Holder of any Claim, for any act or omission occurring during the course of this Bankruptcy Case occurring up to the Effective Date, including acts or omissions in connection with, or arising out of, the filing of the petition, the preparation of motions, memoranda, or other documents, preparation and/or negotiation of the Disclosure Statement and the Plan, the solicitation of votes for and the pursuit of Confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for gross negligence or willful misconduct as determined by a Final Order of the Bankruptcy Court, which shall possess exclusive jurisdiction over all such determinations, and, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

D. Indemnification Obligations

Subject to the occurrence of the Effective Date, the obligations of the Debtor and the Reorganized Debtor to indemnify, defend, reimburse or limit the liability of directors, officers or employees who were directors, officers or employees of the Debtor as of the Petition Date or became so thereafter against any liabilities, claims or causes of action as provided in any of the articles of incorporation or By-laws of Port Aggregates, or under applicable state or federal law, shall not be discharged, irrespective of whether such indemnification, defense, reimbursement or limitation is owed in connection with an event occurring before or after the Petition Date. The indemnification obligations of the Debtor and the Reorganized Debtor, set forth herein are limited to those authorized or permitted

under state or federal law as the same is now or may become applicable at the time any claim for indemnification is made.

E. Limited Release

On the Effective Date, the Debtor and the Reorganized Debtor shall release (i) those officers of the Debtor employed by Port Aggregates as of the Confirmation Date, (ii) persons who are employed by Port Aggregates as of the Confirmation Date, (iii) members of the Board, (iv) the Examiner, and (v) each of Port Aggregates' respective officers, employees, advisors, agents, affiliates, and representatives (including any attorneys, accountants, financial advisors, investment bankers and other professionals retained by such persons or entities), for any act or omission occurring up to the Confirmation Date, including acts or omissions in connection with, or arising out of, the Disclosure Statement, the Plan, the solicitation of votes for and the pursuit of Confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for acts or omissions constituting gross negligence or willful misconduct as determined by a Final Order of the Bankruptcy Court, which shall possess exclusive jurisdiction over all such determinations, and, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

F. Releases by Consenting Parties

On and after the Effective Date, each Consenting Party shall be deemed to have unconditionally released (i) the Debtor and the Reorganized Debtor (ii) each of their respective officers, employees, advisors, agents, affiliates, and representatives (including any attorneys, accountants, financial advisors, investment bankers and other professionals retained by such persons or entities), (iii) members of the Board, and (iv) the Examiner, from any and all Claims (as defined in section 101(5) of the Bankruptcy Code), obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Person or Entity would have been legally entitled to assert (whether individually or collectively), based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date in any way relating or pertaining to (a) the Bankruptcy Case or (ii) the negotiation, formulation and preparation of the Plan, or any related agreements, instruments or other documents.

G. Retention of Jurisdiction

Under 28 U.S.C. §§ 157(b) and 1334, and sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Bankruptcy Case and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

- (a) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority

or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the allowance or priority of Claims or Equity Interests;

(b) Hear and determine all Professional Fee Claims; provided, however, that from and after the Effective Date, the payment of the fees and expenses of the retained Professionals of the Debtor and the Offshore Equity Trust shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

(c) Effectuate performance of and payments under the provisions of the Plan;

(d) Hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters arising out of, under, or related to, the Bankruptcy Case, including all controversies, suits and disputes that may arise in connection with the interpretation or enforcement of the Plan, and matters concerning state, local and federal taxes according to Sections 346, 505 and 1146 of the Bankruptcy Code;

(e) Enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan or Confirmation Order and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan or the Confirmation Order;

(f) Hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan or the Confirmation Order;

(g) Consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

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

(i) Enter and implement such orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;

(j) Hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan, the Disclosure Statement, or the Confirmation Order;

(k) Enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Bankruptcy Cases;

- (l) Recover all assets of the Debtor, wherever located;
- (m) Hear and determine all disputes involving the existence, nature, or scope of Port Aggregates' discharge;
- (n) Hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under, or not inconsistent with, provisions of the Bankruptcy Code;
- (o) Enter a final decree closing the Bankruptcy Case; and
- (p) Interpret and enforce the terms of any settlement and compromise set forth within the Plan or approved by Final Order of the Bankruptcy Court to ensure compliance with the Confirmation Order which shall be a Final Order of the Bankruptcy Court directing through the approval of compromises contained within the Plan and previously approved by the Bankruptcy Court that the parties to such compromises have resolved that all disputes arising thereunder are reserved for decision in the Bankruptcy Court.

H. Modification of the Plan

Port Aggregates reserves the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules to (1) amend or modify the Plan prior to the entry of the Confirmation Order and (2) after the entry of the Confirmation Order, Reorganized Port Aggregates may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

I. Successors and Assigns

The rights, benefits and obligations of any Person or Entity named or referred to herein shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign of such Person or Entity, including any future trustee for the Debtor.

J. Reservation of Rights

Except as expressly set forth herein, this Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the filing of this Plan, any statement or provision contained herein, or the taking of any action by the Debtor and/or Reorganized Debtor with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of the Debtor and/or Reorganized Debtor with respect to the Holders of Claims or Equity Interests prior to the Effective Date.

K. Governing Law

Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, and subject to the provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection herewith, the rights and obligations arising hereunder shall

be governed by, and construed and enforced in accordance with, the laws of the State of Louisiana, without giving effect to the principles of conflict of laws thereof.

XIV. FEASIBILITY OF THE PLAN AND LIQUIDATION ANALYSIS

Section 1129(a)(11) of the Bankruptcy Code requires that Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor. This requirement is called feasibility. For purposes of determining whether the Plan meets this requirement, the Debtor analyzed its ability to meet its obligations under the Plan. Based upon financial projections (the “Financial Projections”), which are attached hereto as **Exhibit F** to the Disclosure Statement. As well, Port Aggregates has attached hereto the (unaudited) consolidated statements of operations for the first quarter of 2015 (“First Quarter Statements”) as **Exhibit C** to the Disclosure Statement. The Financial Projections are grounded in part in historical performance set forth in the First Quarter Statements. Port Aggregates avers that the First Quarter Statements in combination with the Financial Projections show (i) that the consideration for the Resolution is equivalent as regards all Parties and Intervenors, (ii) that Port Aggregates can meet its obligations under the Plan and in connection with the Take-Out Financing, and (iii) Port Aggregates can sustain future operations so that no liquidation or further relief from the Bankruptcy Court is expected.

The Bankruptcy Court must also find that the Holders of Claims and Equity Interests who do not accept the Plan and/or who object to the Plan will receive at least as much under the Plan as such Holders of Claims and Equity Interests would receive in a Chapter 7 liquidation. This requirement, called the best interests of creditors test, applies in connection with the Plan to those Creditors and Equity Interest Holders in Classes 5-8, which are the only Classes Impaired by the Plan. The best interests of creditors test discussion in disclosure statements is accompanied by a ‘liquidation analysis’ or discussion of what Creditors and Equity Interest Holders would receive upon liquidation of the bankruptcy estate through chapter 7 of the Bankruptcy Code. In effect, the Bankruptcy Code recognizes that the chapter 7 liquidation process is the bankruptcy process that most likely provides the greatest chance of the least amount of recovery; hence the right of the dissenting creditor, regardless of the Vote of the Class, retains this basic right.

While Confirmation is dependent upon all Classes Voting to accept the Plan, Port Aggregates offers this liquidation analysis for review by those Holders whose Claims and/or Equity Interests are Impaired by the Plan. Port Aggregates believes that liquidation under Chapter 7 would result in substantial diminution of the value of the Estate because, among other reasons: (i) of the loss of current management and a Chapter 7 Trustee likely being unable to run Debtor’s business; (ii) of the additional administrative expenses involved in the appointment of a trustee and additional attorneys, accountants, and other professionals to assist such trustee (Section 726(b) of the Bankruptcy Code elevates the priority of the trustee and his professionals above the administrative expenses of the chapter 11 cases); (iii) of the fact that the change of control provisions in Debtor’s primary contracts would be implicated and possibly result in termination of such contracts (*e.g.*, Vulcan and NISCO); (iv) of the fact that upon the appointment of a trustee the Estate’s right to use cash collateral and obtain post-petition financing would terminate and Whitney would have no obligation to continue to allow trustee or Estate (a) to use Whitney’s cash collateral or (b) have access to post-petition financing, and

conceivably Whitney could commence immediately the charging of default interest under the Whitney Credit Facility; (v) the Estate would likely be unable to perform necessary contracts given the absence of line of credit financing and could likely be unable to obtain value if its contracts (to supply limestone aggregate, concrete materials, handling and hauling services, etc. and suffer default of those contracts; management of the Debtor would be free to compete with the trustee of the chapter 7 estate; (vi) the assets of the Debtor and of its subsidiaries could, by losing ongoing operational value, be valued only as standalone assets to be sold at auction, which would drastically diminish their value given the far flung nature and location of the Estate's and its subsidiaries' assets and the probability of reduced maintenance subsequent to the appointment of a chapter 7 trustee and pending auction; and (vii) of the overall diminution in value of Debtor's assets resulting from the disruption and delay caused by the conversion to Chapter 7, institution of a trustee and resignation of current management.

The Purchase Price is based on going concern value of Port Aggregates and it an almost certainty that the Holders of Equity Interests would not receive as much under a Chapter 7 liquidation as they are receiving under this Plan (which is based on Debtor's going concern value). The Holders of Equity Interests are thus in a much better position in Chapter 11 than in Chapter 7. While Confirmation does not insure success, the Plan is designed to provide Holders of Equity Interests with a going concern value which will be funded with Debtor's assets and closing of the Regions Term Sheet

Further the Class 6 claims, all held by Voting and/or Non-Voting Sellers will be deemed withdrawn as of Closing, the Effective Date and the Filing of the Closing and Effective Date Notice. These Claims are unliquidated and highly disputed, and the Claimants in Class 6, also being Holders of Equity Interests treated as Class 7 Equity Interests are receiving far greater consideration through their treatment as Class 7 Holders that if (i) they maintained their Class 6 claims but (ii) the Plan Support Agreement had not been executed and the Plan provided cram down/non-consensual treatment of the Class 7 Equity Interests.

Port Aggregates therefore believes that the interests of the Holders of Equity Interests are best served through confirmation of the proposed Plan.

XV. MATERIAL UNCERTAINTIES

HOLDERS OF CLAIMS AGAINST PORT AGGREGATES SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH AND/OR INCORPORATED BY REFERENCE HEREIN, PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN.

A. Uncertainty Regarding Acceptance of the Plan

Acceptance of the Plan by a Class of Creditors or Holders of Equity Interests will be obtained usually by the acceptance of the Plan by Holders of two-thirds in dollar amount and a majority in number of the Claims in any such Class, which actually cast Ballots for acceptance or rejection of the Plan. In this case however, the Plan is structured so that affirmative votes of

ALL members of each Impaired Class may vote to accept the Plan. The primary reason is that the Classes entitled to vote must vote unanimously to accept the Plan because with respect to those Classes, and the Holders in those Classes, the Plan is a settlement, compromise and consensual restructuring of the corporate structure of Port Aggregates. As a result, Port Aggregates shall solicit unanimous acceptance of the Plan by the Voting Classes. Nevertheless, Port Aggregates reserves the right to request confirmation pursuant to the cramdown provisions in section 1129(b) of the Bankruptcy Code, which will allow confirmation of the Plan regardless of the fact that a particular Class of Claims or Equity Interests has not accepted the Plan.

B. Supply Costs

Profitability is dependent to an extent upon costs of goods sold. Port Aggregates cannot predict with full accuracy whether supply costs of fuel, parts, and other items will substantially vary from historical rates, but have projected increases in costs and expenses in line with (i) current inflationary trends and (ii) historical experience.

C. Competitive Industry

The construction material supply industry is highly competitive, and seasonal and cyclical. Port Aggregates compete for business with many competitors, some of which may have financial and other resources that substantially exceed those of Port Aggregates.

D. Other Uncertainties

Port Aggregates has tried to project the most common uncertainties which could affect implementation and realization of the Plan. However, events outside the control of Port Aggregates and not heretofore seen, may affect the viability of the Plan.

XVI. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN OF THE SIGNIFICANT FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO PORT AGGREGATES, AND TO HOLDERS OF CLAIMS AND EQUITY INTERESTS AND IS BASED ON THE INTERNAL REVENUE CODE, TREASURY REGULATIONS PROMULGATED AND PROPOSED THEREUNDER, JUDICIAL DECISIONS AND PUBLISHED ADMINISTRATIVE RULES AND PRONOUNCEMENTS OF THE IRS AS IN EFFECT ON THE DATE HEREOF. CHANGES IN SUCH RULES OR NEW INTERPRETATIONS THEREOF COULD SIGNIFICANTLY AFFECT THE TAX CONSEQUENCES DESCRIBED BELOW. NO RULINGS HAVE BEEN REQUESTED FROM THE IRS. MOREOVER, NO LEGAL OPINIONS HAVE BEEN REQUESTED FROM COUNSEL WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN.

THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES OF THE PLAN TO THE HOLDERS OF CLAIMS AND EQUITY INTERESTS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER. IN ADDITION, THIS

DISCUSSION DOES NOT COVER ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO PORT AGGREGATES OR THE HOLDERS OF ALLOWED CLAIMS OR EQUITY INTERESTS (SUCH AS HOLDERS WHO DO NOT ACQUIRE THEIR CLAIM ON ORIGINAL ISSUE), NOR DOES THE DISCUSSION DEAL WITH TAX ISSUES PECULIAR TO CERTAIN TYPES OF TAXPAYERS (SUCH AS DEALERS IN SECURITIES, S CORPORATIONS, LIFE INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, TAX-EXEMPT ORGANIZATIONS AND FOREIGN TAXPAYERS). NO ASPECT OF FOREIGN, STATE, LOCAL OR ESTATE AND GIFT TAXATION IS ADDRESSED.

THE FOLLOWING SUMMARY IS, THEREFORE, NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR EQUITY INTEREST. HOLDERS OF CLAIMS OR EQUITY INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES PECULIAR TO THEM UNDER THE PLAN. PORT AGGREGATES ASSUMES NO RESPONSIBILITY FOR THE TAX EFFECT THAT CONFIRMATION AND RECEIPT OF ANY DISTRIBUTION UNDER THE PLAN MAY HAVE ON ANY GIVEN CREDITOR OR OTHER PARTY IN INTEREST.

B. IRS Circular 230 Disclosure

THIS DISCLOSURE STATEMENT IS WRITTEN TO SUPPORT THE PROMOTION OR THE MARKETING OF TRANSACTIONS DISCUSSED HEREIN. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, PORT AGGREGATES IS INFORMING YOU THAT THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING TAX-RELATED PENALTIES THAT MAY BE IMPOSED ON SUCH TAXPAYER UNDER THE TAX CODE. TAXPAYERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

C. Consequences to Holders of Claims

1. Realization and Recognition of Gain or Loss in General

The federal income tax consequences of the implementation of the Plan to a Holder of a Claim will depend, among other things, upon the origin of the Holder's Claim, when the Holder's Claim becomes an Allowed Claim, when the Holder receives payment in respect of such Claim, whether the Holder reports income using the accrual or cash method of accounting, whether the Holder has taken a bad debt deduction or worthless security deduction with respect to such Claim, and whether the Holder's Claim constitutes a "security" for federal income tax purposes.

Generally, a Holder of an Allowed Claim will realize gain or loss on the exchange under the Plan of its Allowed Claim for stock and other property (such as Cash and new debt instruments), in an amount equal to the difference between (i) the sum of the amount of any Cash

and the issue price of any debt instrument, (other than any consideration attributable to a Claim for accrued but unpaid interest), and (ii) the adjusted basis of the Allowed Claim exchanged therefor (other than basis attributable to accrued but unpaid interest previously included in the Holder's taxable income). The treatment of accrued but unpaid interest and amounts allocable thereto varies depending on the nature of the Holder's Claim and is discussed below.

Whether or not such realized gain or loss will be recognized (*i.e.*, taken into account) for federal income tax purposes will depend in part upon whether such exchange qualifies as a recapitalization or other "reorganization" as defined in the Tax Code, which may in turn depend upon whether the Claim exchanged is classified as a "security" for federal income tax purposes. The term "security" is not defined in the Tax Code or in the Treasury Regulations. One of the most significant factors considered in determining whether a particular debt instrument is a security is the original term thereof. In general, the longer the term of an instrument, the greater the likelihood that it will be considered a security. As a general rule, a debt instrument having an original term of 10 years or more will be classified as a security, and a debt instrument having an original term of fewer than five years will not. Debt instruments having a term of at least five years but less than 10 years are likely to be treated as securities, but may not be, depending upon their resemblance to ordinary promissory notes, whether they are publicly traded, whether the instruments are secured, the financial condition of Port Aggregates at the time the debt instruments are issued, and other factors. Each Holder of an Allowed Claim should consult his or her own tax advisor to determine whether his or her Allowed Claim constitutes a security for federal income tax purposes.

2. Accrued Interest

Each Holder of an Allowed Claim is urged to consult its tax advisor regarding the allocation of consideration and deductibility of unpaid interest for tax purposes. The Plan does not provide that interest on any Claim will accrue from the Petition Date until the Effective Date.

3. Withholding

All distributions to Holders of Claims under the Plan are subject to any applicable withholding. Under federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" at a 28% rate. Backup withholding generally applies if the Holder (a) fails to furnish its social security number or other taxpayer identification number ("TIN"), (b) furnishes an incorrect TIN, (c) fails properly to report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

D. Consequences to Holders of Equity Interests

The treatment afforded the Voting and Non-Voting Seller's in Class 7 of the Plan does not account for any tax consequences to these individuals that may result from the redemption of

the Voting and Non-Voting Sellers' Equity Interests by Port Aggregates nor does this Disclosure Statement offer any advice or recommendations on the tax consequences that may or may not result from such treatment. Voting and Non-Voting Interest Sellers may incur tax consequences resulting their treatment under the Plan and are strongly urged to consult their tax advisors to determine any tax consequences that may result to the Voting and Non-Voting Interest Sellers on account of, or resulting from, this Plan.

Similarly, the treatment afforded the Residual Owners in Class 8 of the Plan does not account for any tax consequences to these individuals that may result from the redemption of the Voting and Non-Voting Interest Sellers' Equity Interests by Port Aggregates nor does this Disclosure Statement offer any advice or recommendations on the tax consequences that may or may not result from such redemption and the related treatment of the Residual Owners' Equity Interests. Residual Owners may incur tax consequences resulting from their treatment under the Plan and are strongly urged to consult their tax advisors to determine any tax consequences that may result to the Residual Owners on account of, or resulting from, this Plan.

XVII. CONCLUSION

Port Aggregates urges Creditors and Holders of Equity Interest solicited by this Disclosure Statement to vote to accept the Plan and to evidence such acceptance by returning the Ballots so that they are received by [DATE].

Respectfully submitted,

PORT AGGREGATES, INC.,
Debtor-in-possession and Plan Proponent

By: /s/ Andrew Guinn, Sr.

Andrew Guinn, Sr.

Its: President

– AND –

**GORDON, ARATA, MCCOLLAM,
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By: /s/ Louis M. Phillips

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