

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re: Precious Cargo Child Care and ) Bankruptcy No. 14-22315-GLT  
Learning Center, Inc., )  
Coco's Place, LLC, )  
Debtors. ) Chapter 11  
Honorable Gregory L. Taddonio

**JOINT DISCLOSURE STATEMENT  
TO ACCOMPANY JOINT AMENDED PLAN DATED JULY 29, 2016**

Debtors furnish this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code §1125 to assist them in evaluating Debtors' proposed Joint Chapter 11 plan, a copy of which is attached hereto. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing time. The Court will schedule a hearing on the plan pursuant to 11 U.S.C. §1129.

Address for return of ballots:

Brian C. Thompson, Esquire  
Thompson Law Group, P.C.  
125 Warrendale-Bayne Road, Suite 200  
Warrendale, Pennsylvania 15086

**I. Background**

**1. Name of Debtors**

Precious Cargo Child Care and Learning Center, Inc. and Coco's Place, LLC

**2. Type of Debtor**

Debtors are businesses incorporated in the Commonwealth of Pennsylvania.

**3. Debtors' Business or Employment**

The Debtors operate a day/child care business in Pennsylvania.

**4. Date of Chapter 11 Filing:**

Chapter 11 Bankruptcies filed on June 4, 2014 (Precious Cargo Child Care and Learning Center, Inc.) and October 14, 2015 (Coco's Place, LLC).

**5. Events that Caused the Filing:**

The Debtor Precious Cargo Child Care and Learning Center, Inc. initiated this Chapter 11 case to reorganize its debts after becoming financially distressed as a result of misrepresentations by Mother's Touch that resulted in less revenue than expected; unpaid payroll taxes; and a judgment lien filed by the Department of Labor and Industry for unemployment taxes.

**6. Anticipated Future of the Debtors & Source of this Information and Opinion:**

The Plan is to be implemented by the reorganized Debtors through future income of the Debtors derived by ongoing operation of their child/day care business.

**7. Summarize all Significant Features of the Plan Including When and How Each Class of Creditor Will Be Paid and What, If Any, Liens Will Be Retained By Secured Creditors or Granted to Any Creditor Under the Plan**

A. Class 1, Administrative Claims (Unimpaired).

a. Class 1 – United States Trustee (Unimpaired). The quarterly fees of the United States Trustee will be paid as they become due.

b. Class 1 – Attorney Fees - Counsel fees approved by the Court will be in full over 60 equal monthly payments.

c. Class 1 – All Other Administrative Claims – All other Administrative Claims shall be paid in full as of the Plan effective date, if possible, or as soon thereafter as practicable.

B. Class 2, Secured Claims of WesBanco Bank (Impaired).

a. Class 2 – WesBanco Bank (Claim No. 10, Impaired)

TheAs per agreement, the secured claim of WesBanco Bank in the amount of \$208,037.32 is secured as a first position lien against 615 McClure Street, Homestead, PA 15120 and the business assets of the debtors, and shall be paid at 5% over 20 years, with a balloon and payment of all costs, interest, and charges in 10 years, which calculates to a monthly payment of \$1,696.78, with lien retained until paid in full.

Payments shall commence on the effective date and be paid before the 10<sup>th</sup> day of every month until the pre-petition unsecured priority claim is paid in full as outlined above.

b. Class 2 – WesBanco Bank (Claim No. 11, Impaired)

TheAs per agreement, the secured claim of WesBanco Bank in the amount of \$92,503.65 is secured as a second position lien against 615 McClure Street, Homestead, PA 15120 and the business assets of the debtors, and shall be paid at 6% per year, for a period of five years, and a monthly payment of \$754.58, with lien retained until paid in full.

Payments shall commence on the effective date and be paid before the 10<sup>th</sup> day of every month until the pre-petition unsecured priority claim is paid in full as outlined above.

C. Class 3 – Class 3, Secured Claims of Bridgeway Capital (Impaired)

a. Class 3 – Bridgeway Capital (Claim No. 12, Impaired)

TheAs per agreement, the secured claim of Bridgeway Capital in the amount of \$142,579.50 is secured as a third position lien against 615 McClure Street, Homestead, PA 15120 and the business assets of the debtors and shall be paid monthly interest payments of \$343.38 for ten years, with a balloon payment in year ten.

b. Class 3 – Bridgeway Capital (Claim No. 13, Impaired).

TheAs per agreement, the secured claim of Bridgeway Capital in the amount of \$29,239.34 is secured as a fourth position lien against 615 McClure Street, Homestead, PA 15120 and the business assets of the debtors and shall be paid monthly interest payments of \$219.29 for ten years, with a balloon payment in year ten.

D. Class 4, Secured Claim of American Honda (Claim No. 2, Impaired)

a. TheAs per the stipulation between American Honda and the Debtors, the secured claim of American Honda Finance ~~is secured~~ in the amount of ~~\$31,917.56~~ \$ 19,832.74, is secured against ~~a Debtor's~~ 2012 Honda Pilot. ~~The claim in the amount of \$31,917.56, and~~ shall be paid at 3.5% over ~~7 years~~ forty-eight (48) months, commencing August 2016, with ~~84 equal~~ monthly payments of ~~\$428.97, with liens~~ \$443.38 due on or before the 10th day of every month. The lien shall be retained until paid in full.

E. Class 5, Secured Claim of Mother's Touch Daycare (Claim No. 9, Unimpaired)

a. TheAs per agreement, the secured claim of Mother's Touch Daycare in the amount of \$278,523.25 is secured as a fifth position lien against 615 McClure Street, Homestead PA 15120 and shall be reduced to \$50,000.00 and paid over a 10 year term with monthly payments in the amount of \$417.00. Monthly

payments will be sent to the creditor's counsel and received by the 15<sup>th</sup> of each month. No interest will be charged so long as the payments are timely. In the event of a default, interest will be charged at a default rate of 6%. Notice of such default will be sent to counsel for the debtor via email, and to the debtor via the debtor's address. The debtor will have 5 days to cure a default, with a limit of 5 total defaults and corresponding cures during the 10 year term.

F. Class 6, Secured Tax Claims (Impaired)

a. Secured Claim of Pennsylvania Department of Labor and Industry (No claim filed, Impaired)

The secured claim on Pennsylvania Department of Labor and Industry in the total amount of \$11,090.26 shall be paid at 3% interest over 5 years with 60 equal monthly payments of \$199.28.

b. Secured Claim of Steel Valley School District (Claim No. 1, and No Claim Filed, Impaired)

The secured claim of Steel Valley School District for 2014 taxes, originally filed as Proof of Claim Number 1 in Case No. 15-23766 (Coco's Place, LLC), in the amount of \$8,581.05 is secured against 615 McClure Street, Homestead, PA 15120, and shall be paid at 10% interest over 5 years with 60 equal monthly payments of \$182.33, with lien retained until paid in full.

The secured claim of Steel Valley School District for 2015 taxes, for which no claim is currently filed, in the amount of \$8,361.56 is secured against 615 McClure Street, Homestead, PA 15120, and shall be paid at 10% interest over 5 years with 60 equal monthly payments of \$177.67, with lien retained until paid in full.

G. Class 7, Priority Unsecured Claims (Impaired).

a. Class 7 – Internal Revenue Service (Claim No. 3 and No. 5 Impaired).

**As per stipulation**, the unsecured priority claim of the Internal Revenue Service for FUTA and WT-FICA taxes in the total amount of ~~\$24,671.93~~ **\$17,557.85** shall be paid at ~~0%~~ **4%** interest over 5 years, with 60 equal monthly payments of ~~\$468.50~~ **\$323.35**.

Payments shall commence on the effective date and be paid before the 10<sup>th</sup> day of every month until the pre-petition unsecured priority claim is paid in full as outlined above.

b. Class 7 – PA Dept. of Revenue (Claim No. 1).

The unsecured priority claim of the PA Dept. of Revenue for quarterly taxes in the total amount of \$1,198.09 shall be paid at 0% interest over 5 years, with 60 equal monthly payments of \$19.97.

Payments shall commence on the effective date and be paid before the 10<sup>th</sup> day of every month until the pre-petition unsecured priority claim is paid in full as outlined above.

H. Class 8– Unsecured Claims (Impaired).

The Class 8 claims will be paid, in total, an estimated amount of \$875.00, plus 6% interest, of allowed unsecured claims, divided on a pro-rata basis. This is an estimated 1% of unsecured claims. If funds are available, Debtors may pay this amount to Class 8 in full. Otherwise, at a minimum, Debtors shall pay \$175.00 plus 6% interest on an annual basis for 5 years, with the first annual payment commencing within one year of the effective date of this Plan, and the 4 subsequent payments being made on the anniversary of the first payment. Any amount not paid under class 8 shall be discharged upon confirmation of this plan. This class shall not be entitled to interest on their claims.

**8. Are All Monthly Operating Statements Current and on File with the Clerk of Court?**

Yes  No

**If Not, Explain:**

**9. Does the plan provide for releases of non-debtor parties? Specify which parties and terms of release.**

No.

**10. Identify all executory contracts that are to be assumed, assumed and assigned, or rejected.**

None

**11. Has a bar date been set?**

Yes, December 1, 2015 for governmental units and October 14, 2014 for all other creditors or parties in interest.

**12. Has an election under 11 U.S.C. §1121(e) been filed with the Court to be treated as a small business?**

Yes \_\_\_\_\_ No  \_\_\_\_\_

**13. Specify property that will be transferred subject to 11 U.S.C. §1146.**

While no property is currently contemplated to be sold in connection with 11 U.S.C. §1146, Debtors reserve their right to amend this Plan at any time to do so.

**II. Creditors**

**A. Secured Claims**

Creditor	Total Amount Owed (Estimated or claimed)	Arrearages	Type of Collateral Priority of Lien	Disputed Liquidated Unliquidated	Will Liens be Retained Under the Plan (Y) or (N)
Steel Valley School District	<del>\$16,932.61</del> <del>\$16,942.61</del>	\$0.00	615 McClure Street		Y
American Honda Finance	<del>\$31,917.56</del> <del>\$19,832.74</del>	\$0.00	2012 Honda Pilot		Y
Bridgeway Capital	\$142,579.50	\$0.00	615 McClure Street and business assets		N. Lien is subject to compete bifurcation.
Bridgeway Capital	\$29,239.34	\$0.00	615 McClure Street and business assets		N. Lien is subject to compete bifurcation.
Mother's Touch Daycare	\$278,523.25	\$0.00	615 McClure Street		N. Lien is subject to compete bifurcation.
WesBanco	\$208,037.32	\$0.00	615 McClure Street		Y
WesBanco	\$92,503.65	\$0.00	615 McClure Street		Y
Total	<del>\$799,733.23</del> <del>\$787,658.41</del>				

**B. Unsecured Claims**

1. Amount Debtor Scheduled (Disputed and Undisputed)	\$ 80,105.75
2. Amount of Unscheduled Unsecured Claims <sup>1</sup>	\$ 7,346.52
3. Total Claims Scheduled or Filed	\$ 87,452.27
4. Amount Debtor Disputes (Investigation not complete)	\$ 0.00
5. Estimated Allowable Unsecured Claims	\$ 87,452.27

**C. Other Classes of Creditors - Priority**

1. Amount Debtor Scheduled (Disputed and Undisputed)	\$ 30,000.00
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<sup>1</sup> Includes a.) unsecured claims filed by unscheduled creditors; b.) that portion of any unsecured claim filed by a scheduled creditor that exceeds the amount debtor scheduled; and c.) any unsecured portion of any secured debt not previously scheduled.

2.	Amount of Unscheduled Unsecured Claims	\$ 10,348.61
3.	Total Claims Scheduled or Filed	\$ 40,348.61
4.	Amount Debtor Disputes	\$ 0.00
5.	Estimated Allowable Unsecured Claims	\$ 40,348.61

D. Other Classes of Interest Holders

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$0.00
2.	Amount of Unscheduled Unsecured Claims	\$0.00
3.	Total Claims Scheduled of Filed	\$0.00
4.	Amount Debtor Disputes	\$0.00
5.	Estimated Allowable Unsecured Claims	\$0.00

III. Assets

Assets	Value	Basis for Value Priority of Lien	Name of Lienholder (if any) (Fair Market Value/Book Value)	Amount of Debtor's Equity (Value Minus Liens, but not considering exemptions)
Real Property 615 McClure Street Homestead, PA	\$175,000.00	Debtor's opinion/Estimation	WesBanco Bank, Bridgeway Capital and Mother's Touch Daycare	\$0.00
Classroom table and chairs; sleeping mats, video monitors, toys	\$500.00	Debtor's opinion/estimation	WesBanco Bank, Bridgeway Capital and Mother's Touch Daycare	\$0.00
Children's books, videos, CDs and DVDs	\$2,000.00	Debtor's opinion/estimation	WesBanco Bank, Bridgeway Capital and Mother's Touch Daycare	\$0.00
Children's clothing and play clothing	\$500.00	Debtor's opinion/estimation	WesBanco Bank, Bridgeway Capital and Mother's Touch Daycare	\$0.00
Accounts Receivable	<del>\$101,000.00</del> \$19,000.00	Debtor's opinion/estimation	None	\$0.00
Claims against Garths and affiliates for breach of contract, fraud, etc.	Unknown	Debtor's opinion/estimation	None	Unknown

Claim for overpayment of real estate taxes	Unknown	Debtor's opinion/estimation	None	Unknown
Customer List	Unknown	Debtor's opinion/estimation	None	Unknown
2012 Honda Pilot	\$20,000.00	Debtor's opinion/estimation	American Honda	\$0.00
Four desks, chairs, computers, printer, file cabinet, telephones, and other items listed as facility "equipment" as an itemized expense when the Debtor's originally purchased the property	<del>\$70,000.00</del> \$3,000.00	Debtor's opinion/estimation	WesBanco Bank, Bridgeway Capital and Mother's Touch Daycare	\$0.00
Playground equipment	\$4,000.00	Debtor's opinion/estimation	WesBanco Bank, Bridgeway Capital and Mother's Touch Daycare	\$0.00
Total	<del>\$373,000.00</del> \$224,000.00			\$0.00

1. Are any assets which appear on Schedule A or B of the bankruptcy petition or subsequent amendments not listed above?  
No.
2. Are any assets listed above claimed as exempt?  
No.

#### IV. Summary of Plan

1. Effective Date of Plan: Within thirty (30) days of the date of the confirmation order.
2. Will cramdown be sought? Yes, only if necessary due to a failure to obtain enough votes accepting the Plan.
3. Treatment of Secured Non-Tax Claims

#### SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
<u>American Honda Finance</u>	<u>4</u>	<del>\$31,917.56</del> \$19,832.74	To be paid according to terms in the Plan
<u>Bridgeway Capital</u>	<u>3</u>	<u>\$142,579.50</u>	To be paid according to terms in the Plan
<u>Bridgeway Capital</u>	<u>3</u>	<u>\$29,239.34</u>	To be paid according to terms in the Plan



<u>Mother's Touch Daycare</u>	<u>5</u>	<u>\$278,523.25</u>	To be paid according to terms in the Plan
<u>WesBanco</u>	<u>2</u>	<u>\$208,037.32</u>	To be paid according to terms in the Plan
<u>WesBanco</u>	<u>2</u>	<u>\$92,503.65</u>	To be paid according to terms in the Plan
Total:		<del>\$782,800.62</del> <u>\$770,715.80</u>	

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Steel Valley School District	6	<del>\$16,932.61</del> <u>\$16,942.61</u>	To be paid according to modified terms in the Plan
Pennsylvania Department of Labor and Industry	6	\$11,090.26	To be paid according to modified terms in the Plan

5. Treatment of Administrative Non-Tax Claims<sup>2</sup>

ADMINISTRATIVE NON-TAX CLAIMS

Name of Creditor	Amount Owed	Type of Debt	Summary of Proposed Treatment and Date of First Payment
Thompson Law Group, P.C.	\$20,000.00 Approximately	Attorney for the Debtors – legal fees	To be paid in full in equal monthly payments over 60 months commencing on the effective date.
Mazur Kraemer Business Law	\$18,875.95	Former Attorney for the Debtors – Court Approved Legal Fees	To be paid in full in equal monthly payments over 60 months commencing on the effective date.
U.S. Trustee	\$0.00	U.S. Trustee Fees	Will be paid in full on a quarterly or in accordance with applicable guidelines.

\*Identify and Use Separate Line for Each Professional and Estimated Amount of Payment

\*\*Type of Debt (P=Professional, TD=Trade, TX=Tax)

6. Treatment of Administrative Tax Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor*	Amount Owed	Type of Debt**	Summary of Proposed Treatment and Date of First Payment
None			

<sup>2</sup> Include all § 503(b) administrative claims

7. Treatment of Priority Non-Tax

PRIORITY NON-TAX CLAIMS

None.

8. Treatment of Priority Tax Claims<sup>3</sup>

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
Internal Revenue Service	7	<del>\$24,671.93</del> \$17,557.85	2011, 2013, 2014	To be paid according to statutory requirements.
PA Department of Revenue	7	\$1,198.09	2014	To be paid according to statutory requirements.
Total		<del>\$29,308.35</del> \$18,755.44		

9. Treatment of General Unsecured Non-Tax Claims

GENERAL UNSECURED NON-TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
American Express (Claim No. 6)	8	\$962.73	1.0% estimated
Carmen Lucas	8	\$17,000.00	1.0% estimated
Comcast	8	\$10.00	1.0% estimated
County Haling Trash Collection	8	\$474.00	1.0% estimated
Duquesne Light	8	\$930.19	1.0% estimated
Elan VISA	8	\$7,120.82	1.0% estimated
Equitable Gas	8	\$10.00	1.0% estimated
Karen Frank	8	\$13,000.00	1.0% estimated
Mark Eleam	8	\$38,000.00	1.0% estimated
Pennsylvania American Water	8	\$226.58	1.0% estimated
GE Capital/Ricoh (Claim No. 8)	8	\$2,011.70	1.0% estimated
Thomas Walsh & Assoc.	8	\$2,054.00	1.0% estimated
Turtle Creek Valley Cog.	8	\$246.66	1.0% estimated
Universal Wiring and Maintenance	8	\$66.00	1.0% estimated
People's Gas (Claim No. 7)	8	\$155.56	1.0% estimated
<b>Mother's Touch Daycare</b>	<b>8</b>	<b>\$228,523.25</b>	<b>1.0% estimated</b>
Total		<del>\$82,268.24</del> \$310,791.49	

10. Treatment of General Unsecured Tax Claims

GENERAL UNSECURED TAX CLAIMS

<sup>3</sup> Include dates when any § 507(a)(7) taxes were assessed.

Creditor	Class	Total Amount Owed	Percent of Dividend
IRS (Claim No. 3)	<del>87</del>	<del>\$23,378.50</del> <u>\$5,820.65</u>	1.0% estimated
PA Dept. of Revenue (Claim No. 1)	8	\$119.52	1.0% estimated
Total		<del>\$23,498.02</del> <u>\$5,940.17</u>	

11. Will Periodic payments be made to unsecured creditors?

Yes X No \_\_\_\_\_ First payment to begin on the effective date and on the anniversary of the effective date thereafter for 4 years.

If so:

Amount of each payment (aggregate to all unsecured claimants): \$175.00, plus 6% interest.

Estimated date of first payment: effective date.

Time period between payments: 1 year.

Estimate date of last payment: within 5 years of the effective date.

Contingencies, if any: None known at this time.

State source of funds for planned payments, including funds necessary for capital replacement, repairs, or improvements: Source of funds for plan payments will be derived from Debtors' ongoing operations.

Other significant features of the plan:

Include any other information necessary to explain this plan:

## V. Comparison with Chapter 7 Liquidation

If Debtors' proposed plan is not confirmed, the potential alternatives would include proposal of a different plan, dismissal of the case or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtors' non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants.

Total value of Chapter 7 estate (See Section III)	<del>\$373,000</del>	<u>\$ 224,000.00</u>
1. Less secured claims (See IV)	<del>\$782,800.62</del>	<u>\$787,658.41</u>
2. Less exemptions from Schedule C	\$ 0.00	
3. Less administrative expenses (See IV)	\$ 30,000.00	
4. (estimated and not including costs of sale/liquidation).		
5. Less other priority claims (See IV)	<del>\$ 29,308.35</del>	<u>\$19,995.37</u>
Total Amount Available for Distribution to Unsecured Creditors:	\$ 0.00	
Divided by total allowable unsecured claims of (See Section II B)	<del>\$ 87,452.27</del>	<u>\$310,791.49</u>

Percentage of Dividend to Unsecured Creditors: 0%

Will the creditors fare better under the plan than they would in a Chapter 7 liquidation?

Yes  X  No \_\_\_\_\_

Explain: Liquidation under chapter 7 would result in smaller distributions and possibly no distributions to some creditors, as the case may be, compared to those distributions provided for in this Plan because of the costs and fees of administering a liquidation of Debtors' assets. The Plan not only preserves the best value of the Estate, it also provides for the most effective and efficient disposition and administration of the Debtors' assets. The likelihood of no other claims being paid, except for some secured claims, is very likely under this scenario.

**VI. Feasibility**

- A. If prepared, Income Statements for Prior 12 Months are available on the Court Docket.
- B. If Prepared, Cash Flow Statements for Prior 12 months are available on the Court Docket.
- C. Attach Cash Flow Projections for Next 12 months.

Estimated amount to be paid on effective date of plan, including administrative expenses.

**~~\$5,277.01~~ ~~-\$23,989.40, pro-rated over 24 months as per plan~~**

Show how this amount was calculated.

<p><del>\$30,000</del> <u>500.00</u></p> <p>\$ 1,696.78</p> <p>\$ 754.58</p> <p>\$ 343.38</p> <p>\$ 219.29</p> <p>\$ 417.00</p> <p>\$ <del>428.97</del> <u>\$443.38</u></p> <p>\$ 199.28</p> <p>\$ <del>143.02</del> <u>\$182.33</u></p> <p>\$ <del>139.36</del> <u>\$177.67</u></p> <p>\$ <del>468.50</del> <u>\$323.35</u></p> <p>\$ 19.97</p> <p><del>\$ 175.00</del> <u>Unsecured</u></p> <p>\$ 0.00</p> <p>\$ <del>5,005.13</del> <u>\$5,277.01</u></p>	<p>Administrative Class (estimated) – Debtors' counsel may agree to receive regular payments over time to facilitate the plan confirmation process should funds not be available to pay this claim in full.</p> <p>WesBanco</p> <p>WesBanco</p> <p>Bridgeway</p> <p>Bridgeway</p> <p>Mother's Touch Daycare</p> <p>American Honda</p> <p>PA Labor &amp; Industry</p> <p>Steel Valley</p> <p>Steel Valley</p> <p>IRS</p> <p>PA Dept. of Rev.</p> <p>UST Fees</p> <p>TOTAL</p>
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What assumptions are made to justify the increase in cash available for the funding of the plan? A reduction and modification of outstanding secured debts.

Cash on hand \$9,731.32 Current MOR  
 Cash on hand \$9,500.00 (Estimated amount available on date of confirmation)

Will funds be available in the full amount for administrative expense on the effective date of the plan?  
 Unknown at this time. From what source? See above. If not available, why not and when will payments be made? N/A.

**VII. Management Salaries**

MANAGEMENT SALARIES

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post-Confirmation)
Camille Jones	\$2,400/month	\$2,400/month
Linda Eleam	\$2,400/month	\$2,400/month

**VIII. Identify the Effect on Plan Payments and Specify Each of the Following:**

1. What, if any, Litigation is pending?

Caption of Suit and Case Number	Nature of Proceedings	Court of Agency Location	Status or Disposition
Precious Cargo Child Care v. WesBanco Bank Inc., Bridgeway Capital, and Mother's Touch Daycare LLC	506 Adversary Proceedings	Bankruptcy	<del>Ongoing</del> <u>Ongoing, but will be withdrawn upon confirmation of this plan per agreement with the Defendants</u>

2. What, if any, Litigation is Proposed or Contemplated? None at this time

**IX. Additional Information and Comments**

**X. Certification**

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry.

Date: August 11, 2016  
 Inc.

Precious Cargo Child Care and Learning Center,

By,

/s/Camille Jones  
 Camille Jones, Treasurer

Date: August 11, 2016

/s/Brian C. Thompson  
 Brian C. Thompson, Esquire  
 PA-91197

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HISTORIC SUMMARY – 2015-2016

Post Petition Periods	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Total Cash Flow from Operation	22,751. 04	24,349.05	27,906.75	32,049.30	34,074.84	43,032.99	32,279.91	32,656.76	32,595.62	36,064.11	34,806.73
Less Total Disbursements Excluding PMTS to Creditors In a Plan**	22,461. 37	35,021.19	27,213.21	17,696.79	18,059.22	31,647.64	19,899.23	30,647.72	28,570.89	32,930.19	34,768.24
Total Net** Cash Flow	289.67	(10,672.14)	693.54	14,352.51	16,015.62	11,385.35	12,380.68	2,009.04	4,024.73	3,133.92	38.49

\*\* Amount differ from Monthly Operating Reports in that Monthly Operating Reports include adequate protection payments to Creditors as expenses, thereby increasing the total disbursements, and decreasing the net cash flow. Historic Summary requires the exclusion of payments to creditors

Definitions:

Total Projected Cash Flow from Operations: Total amount of projected funds collected in a specific period from cash sales, collection of accts receivable, and other income, excluding loan proceeds, cash contributions from insiders, and sales taxes collected.

Total disbursements excluding payments to creditors in a plan: Total projected disbursements in a specific period for production costs, general and administrative costs, excluding payments to creditors to be paid under the terms of the proposed plan.

PROJECTED SUMMARY

Post Petition Periods	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Total Projected Cash Flow from Operations:	32,981	32,981	32,981	32,981	32,981	32,981	32,981	32,981	32,981	32,981	32,981	32,981
Less Total Projected Disbursement s Excluding PMTS to Creditors In a Plan	27,645	27,645	27,645	27,645	27,645	27,645	27,645	27,645	27,645	27,645	27,645	27,645
Anticipated Cash Flow Available for Plan	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336

Definitions:

Total Projected Cash Flow from Operations: Total amount of projected funds collected in a specific period from cash sales, collection of accts receivable, and other income, excluding loan proceeds, cash contributions from insiders, and sales taxes collected.

Total disbursements excluding payments to creditors in a plan: Total projected disbursements in a specific period for production costs, general and administrative costs, excluding payments to creditors to be paid under the terms of the proposed plan.



PLAN FEASABILITY

Post Petition Periods	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Anticipated Receipts Available for Plan:	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336	5,336
Less Proposed Plan Payments:	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277	<del>5,006</del> 5,277
Overage/(Shor tage) of Cash Flow Available to Fund Plan	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59	<del>330</del> 59