

Southern Diamond Company  
2220 Univesity Boulevard  
Suite 202  
Tuscaloosa, AL 35401

Harry P. Long  
Harry P. Long  
Post Office Box 1468  
10 West 11th Street, Sui  
Anniston, AL 36202

1001 Diamond Jewelry, In  
10 West 47th Street,  
Suite 804  
New York City, NY 10036

Antwerp Diamond Distribu  
Post Office Box 6928  
Providence, RI 02940

Blue Stone Trading Co.,  
Post Office Box 24126  
Cleveland, OH 44124

Cert House, Inc.

Ciemmee NY, LLC  
576 Fifth Avenue  
Suite 201  
New York, NY 10036

David Chip Schwartz, Esq  
Post Office Box 11366  
Birmingham, AL 35202

Diamond Deal Corporation  
22 West 48th Street  
Suite 1103 Winston Bldg.  
New York, NY 10036

Eurostar Belgium  
589 5th Avenue, #910  
New York, NY

F.D.C. International, In  
Post Office Box 488  
Brentwood, TN 37024

Fajerstein Diamond Impor  
c/o William P. Gray, Jr.  
3800 Colonnade Pkwy #545  
Birmingham, AL 35243

Five C's  
15 West 47th Street  
Suite 506  
New York, NY 10036

Gross Company Jewelers

H & A International  
1820-C Independence Squa  
Atlanta, GA 30338

H. K. Mallak  
98 Cutter Mill Road  
Suite 477  
Great Neck, NY 11021

H. Lipschitz & Son, Inc.  
580 Fifth Avenue, #812  
New York, NY 10036

Hard Rocks Jewelry  
c/o David Chip Schwartz  
Post Office Box 11366  
Birmingham, AL 35202

Hiller Diamond Corporati  
580 Fifth Avenue  
Suite 1917  
New York, NY 10036

I.D.J. Corporation  
29 East Madison Street  
Suite 1312  
Chicago, IL 60602

Ivan Solomon LTD  
3340 Peachtree Road NE  
Suite 1700  
Atlanta, GA 30326

Jaz Gem Corporation  
Post Office Box 231070  
Great Neck, NY 11023

JP Trades  
5 South Wabash Avenue  
Suite 511  
Chicago, IL 60603

Kanton Diamonds  
580 Fifth Avenue  
Suite 1102  
New York, NY 10036

Kashi Imports, Inc.  
98 Cutter Mill Road  
Suite 422  
S. Great Neck, NY 11021

Kazanjian Brothers, Inc.  
9489 Dayton Way, #300  
Beverly Hills, CA 90210

Limor Tapered Baguettes,  
580 Fifth Avenue, #307  
New York, NY 10036

Lipworth Diamond Corpora  
580 Fifth Avenue  
Suite 2804  
New York, NY 10036

M. D. Cooper & Company  
101 Blount Avenue  
Suite 600  
Knoxville, TN 37920

M. J. Gross Diamonds  
579 Fifth Avenue  
Suite 1500  
New York, NY 10017

M. S. Gems

Nice Diamonds  
22 West 48th Street  
Suite 803  
New York, NY 10036

Ninacci, Inc.

Olympian Diamonds, Inc.

Polo Gem Company  
580 5th Avenue  
Suite 2606  
New York, NY 10036

Prisma Express  
550 South Hill Street  
Suite 1393  
Los Angeles, CA 90013

Raissa Corporation  
1 West 47th Street  
New York, NY 10036

Reflections Diamond Corp  
Post Office Box 2962  
Ponte Vedra Beach, FL  
32004

S.P.R. Gems Corporation

Sagar Star Corporation  
15 West 47th Street  
Suite 800A  
New York, NY 10036

Sanghavi Diamonds, Inc.  
1212 Avenue of the Ameri  
New York, NY 10036

SDNY  
580 Fifth Avenue  
Suite 627  
New York, NY 10036

Snow White Diamonds  
550 South Hill Street  
Suite 1407

Star Gems, Inc.  
29 East Madison  
Suite 1109  
Chicago, IL 60602

Tucker, Inc.  
5 South Wabash Avenue  
Chicago, IL 60603

Tyberg & Bornstein Diamo  
580 Fifth Avenue  
Suite 1406  
New York, NY 10036

Unique Blue Crystal, LLC  
580 Fifth Avenue, #1806  
New York, NY 10036

Universal Diamond  
Atlanta Financial Center  
3343 Peachtree Road NE  
Suite 1100  
Atlanta, GA 30326

W. F. Diamonds  
580 Fifth Avenue  
Suite 2200  
New York, NY 10036

Yochai Sionov Diamond, I  
589 5th Avenue  
Suite 805  
New York, NY 10017

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ALABAMA  
EASTERN DIVISION**

In re: **Southern Diamond Company, LLC**  
Debtor

Case No. \_\_\_\_\_  
Chapter **11**

**VERIFICATION OF CREDITOR MATRIX**

The above named debtor(s), or debtor's attorney if applicable, do hereby certify under penalty of perjury that the attached Master Mailing List of creditors, consisting of **2** sheet(s) is complete, correct and consistent with the debtor's schedules pursuant to Local Bankruptcy Rules and I/we assume all responsibility for errors and omissions.

Dated: **6/7/2007**

Signed: **s/ Scott Thomas**  
**Scott Thomas**

Signed: **/s/ Harry P. Long**  
**Harry P. Long**  
Attorney for Debtor(s)  
Bar no.: **ASB-0546-N77H**  
**Harry P. Long**  
**Post Office Box 1468**  
**10 West 11th Street, Suite 2A**  
**Anniston, AL 36202**  
Telephone No.: **(256) 237-3266**  
Fax No.: **(256) 237-3268**  
E-mail address: **hlonglegal@aol.com**

<b>United States Bankruptcy Court</b> <b>Northern District of Alabama</b> <b>Eastern Division</b>						<b>Voluntary Petition</b>																					
Name of Debtor (if individual, enter Last, First, Middle): <b>Southern Diamond Company, LLC</b>				Name of Joint Debtor (Spouse) (Last, First, Middle):																							
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):				All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):																							
Last four digits of Soc. Sec./Complete EIN or other Tax I.D. No. (if more than one, state all): <b>20-1274326</b>				Last four digits of Soc. Sec./Complete EIN or other Tax I.D. No. (if more than one, state all):																							
Street Address of Debtor (No. & Street, City, and State): <b>2220 Univesity Boulevard</b> <b>Suite 202</b> <b>Tuscaloosa, AL</b>				Street Address of Joint Debtor (No. & Street, City, and State):																							
<div style="text-align: right;">ZIP CODE <b>35401</b></div>				<div style="text-align: right;">ZIP CODE</div>																							
County of Residence or of the Principal Place of Business: <b>Tuscaloosa</b>				County of Residence or of the Principal Place of Business:																							
Mailing Address of Debtor (if different from street address):				Mailing Address of Joint Debtor (if different from street address):																							
<div style="text-align: right;">ZIP CODE</div>				<div style="text-align: right;">ZIP CODE</div>																							
Location of Principal Assets of Business Debtor (if different from street address above): <b>2220 University Boulevard, Suite 202</b> <b>Tuscaloosa, AL</b>						<div style="text-align: right;">ZIP CODE <b>35401</b></div>																					
<b>Type of Debtor</b> (Form of Organization) (Check <b>one</b> box.)  <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input type="checkbox"/> Corporation (includes LLC and LLP) <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.) _____		<b>Nature of Business</b> (Check <b>one</b> box)  <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other  <hr/> <b>Tax-Exempt Entity</b> (Check box, if applicable)  <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code.)		<b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check <b>one</b> box)  <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Chapter 7  <input type="checkbox"/> Chapter 9  <input checked="" type="checkbox"/> Chapter 11  <input type="checkbox"/> Chapter 12  <input type="checkbox"/> Chapter 13         </div> <div> <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding  <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding         </div> </div> <hr/> <b>Nature of Debts</b> (Check one box)  <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."         </div> <div> <input checked="" type="checkbox"/> Debts are primarily business debts.         </div> </div>																							
<b>Filing Fee</b> (Check one box)  <input checked="" type="checkbox"/> Full Filing Fee attached  <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b) See Official Form 3A.  <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.				<b>Chapter 11 Debtors</b>  <b>Check one box:</b> <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).  <b>Check if:</b> <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. ----- <b>Check all applicable boxes</b> <input type="checkbox"/> A plan is being filed with this petition <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).																							
<b>Statistical/Administrative Information</b> <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.						<b>THIS SPACE IS FOR COURT USE ONLY</b>																					
Estimated Number of Creditors <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">1-49</td> <td style="text-align: center;">50-99</td> <td style="text-align: center;">100-199</td> <td style="text-align: center;">200-999</td> <td style="text-align: center;">1,000-5,000</td> <td style="text-align: center;">5,001-10,000</td> <td style="text-align: center;">10,001-25,000</td> <td style="text-align: center;">25,001-50,000</td> <td style="text-align: center;">50,001-100,000</td> <td style="text-align: center;">Over 100,000</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>								1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	Over 100,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000			10,001-25,000	25,001-50,000	50,001-100,000	Over 100,000																
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																
Estimated Assets <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><input type="checkbox"/> \$0 to \$10,000</td> <td style="text-align: center;"><input type="checkbox"/> \$10,000 to \$100,000</td> <td style="text-align: center;"><input type="checkbox"/> \$100,000 to \$1 million</td> <td style="text-align: center;"><input type="checkbox"/> \$1 million to \$100 million</td> <td style="text-align: center;"><input type="checkbox"/> More than \$100 million</td> </tr> </table>						<input type="checkbox"/> \$0 to \$10,000	<input type="checkbox"/> \$10,000 to \$100,000	<input type="checkbox"/> \$100,000 to \$1 million	<input type="checkbox"/> \$1 million to \$100 million	<input type="checkbox"/> More than \$100 million																	
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Estimated Liabilities <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><input type="checkbox"/> \$0 to \$50,000</td> <td style="text-align: center;"><input type="checkbox"/> \$50,000 to \$100,000</td> <td style="text-align: center;"><input checked="" type="checkbox"/> \$100,000 to \$1 million</td> <td style="text-align: center;"><input type="checkbox"/> \$1 million to \$100 million</td> <td style="text-align: center;"><input type="checkbox"/> More than \$100 million</td> </tr> </table>						<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,000 to \$100,000	<input checked="" type="checkbox"/> \$100,000 to \$1 million	<input type="checkbox"/> \$1 million to \$100 million	<input type="checkbox"/> More than \$100 million																	
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<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): <b>Southern Diamond Company, LLC</b>	
<b>All Prior Bankruptcy Cases Filed Within Last 8 Years</b> (If more than two, attach additional sheet.)			
Location Where Filed: <b>NONE</b>	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
<b>Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor</b> (If more than one, attach additional sheet)			
Name of Debtor: <b>NONE</b>	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
<p style="text-align: center;"><b>Exhibit A</b></p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>		<p style="text-align: center;"><b>Exhibit B</b></p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).</p> <p><b>X Not Applicable</b></p> <p>Signature of Attorney for Debtor(s) _____ Date _____</p>	
<b>Exhibit C</b>			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.			
<input checked="" type="checkbox"/> No			
<b>Exhibit D</b>			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input checked="" type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
<b>Information Regarding the Debtor - Venue</b> (Check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
<b>Statement by a Debtor Who Resides as a Tenant of Residential Property</b> (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following).			
<div style="text-align: right;">_____</div> (Name of landlord that obtained judgment)			
<div style="text-align: right;">_____</div> (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			

<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): <b>Southern Diamond Company, LLC</b>
<b>Signatures</b>	
<p style="text-align: center;"><b>Signature(s) of Debtor(s) (Individual/Joint)</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p>[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.</p> <p>[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><b>X Not Applicable</b>          _____          Signature of Debtor</p> <p><b>X Not Applicable</b>          _____          Signature of Joint Debtor</p> <p>_____          Telephone Number (If not represented by attorney)</p> <p>_____          Date</p>	<p style="text-align: center;"><b>Signature of a Foreign Representative</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only <b>one</b> box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of Title 11, United States Code. Certified Copies of the documents required by § 1515 of title 11 are attached.</p> <p><input checked="" type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the Chapter of title 11 specified in the petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p><b>X</b> _____          (Signature of Foreign Representative)</p> <p>_____          (Printed Name of Foreign Representative)</p> <p>_____          Date</p>
<p style="text-align: center;"><b>Signature of Attorney</b></p> <p><b>X /s/ Harry P. Long</b>          _____          Signature of Attorney for Debtor(s)</p> <p><b>Harry P. Long, ASB-0546-N77H</b>          _____          Printed Name of Attorney for Debtor(s) / Bar No.</p> <p><b>Harry P. Long</b>          _____          Firm Name</p> <p><b>Post Office Box 1468 10 West 11th Street, Suite 2A</b>          _____          Address</p> <p><b>Anniston, AL 36202</b>          _____</p> <p><b>(256) 237-3266</b> <span style="float: right;"><b>(256) 237-3268</b></span>          Telephone Number</p> <p><b>6/7/2007</b> <span style="float: right;"><b>hlonglegal@aol.com</b></span>          Date</p>	<p style="text-align: center;"><b>Signature of Non-Attorney Petition Preparer</b></p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19B is attached.</p> <p><b>Not Applicable</b>          _____          Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____          Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. 110.)</p> <p>_____          Address</p> <p><b>X Not Applicable</b>          _____</p> <p>_____          Date</p> <p>Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above.</p> <p>Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.</i></p>
<p style="text-align: center;"><b>Signature of Debtor (Corporation/Partnership)</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><b>X s/ Scott Thomas</b>          _____          Signature of Authorized Individual</p> <p><b>Scott Thomas</b>          _____          Printed Name of Authorized Individual</p> <p><b>Partner</b>          _____          Title of Authorized Individual</p> <p><b>6/7/2007</b>          Date</p>	

**United States Bankruptcy Court**

**Northern District of Alabama**

**Eastern Division**

In re:

Case No. \_\_\_\_\_

Chapter **11**

**Southern Diamond Company, LLC**

**STATEMENT REGARDING AUTHORITY TO SIGN AND FILE PETITION**

I, **Scott Thomas**, declare under penalty of perjury that I am the **Partner** of **Southern Diamond Company, LLC**, a Partnership and that on **12/01/2006** the following resolution was duly adopted by the of this Partnership:

"Whereas, it is in the best interest of this Partnership to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

Be It Therefore Resolved, that **Scott Thomas, Partner** of this Partnership, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a Chapter 11 voluntary bankruptcy case on behalf of the Partnership; and

Be It Further Resolved, that **Scott Thomas, Partner** of this Partnership, is authorized and directed to appear in all bankruptcy proceedings on behalf of the Partnership, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the Partnership in connection with such bankruptcy case; and

Be It Further Resolved, that **Scott Thomas, Partner** of this Partnership, is authorized and directed to employ **Harry P. Long**, attorney and the law firm of **Harry P. Long** to represent the Partnership in such bankruptcy case."

Executed on: **6/7/2007** \_\_\_\_\_

Signed: **s/ Scott Thomas** \_\_\_\_\_  
**Scott Thomas**

United States Bankruptcy Court  
Northern District of Alabama  
Eastern Division

In re Southern Diamond Company, LLC, Case No. \_\_\_\_\_  
Debtor Chapter 11

## List Of Creditors Holding 20 Largest Unsecured Claims

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim [if secured also state value of security]</i>
M. D. Cooper & Company 101 Blount Avenue Suite 600 Knoxville, TN 37920				\$31,280.50
Ivan Solomon LTD 3340 Peachtree Road NE Suite 1700 Atlanta, GA 30326				\$22,287.50
Fajerstein Diamond Importers c/o William P. Gray, Jr. 3800 Colonnade Pkwy #545 Birmingham, AL 35243			DISPUTED	\$20,966.00
Diamond Deal Corporation 22 West 48th Street Suite 1103 Winston Bldg. New York, NY 10036				\$20,661.50
Raissa Corporation 1 West 47th Street New York, NY 10036				\$20,000.00
Prisma Express 550 South Hill Street Suite 1393 Los Angeles, CA 90013				\$14,446.00



In re Southern Diamond Company, LLC, Case No. \_\_\_\_\_  
Debtor Chapter 11

## List Of Creditors Holding 20 Largest Unsecured Claims

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim [if secured also state value of security]</i>
Olympian Diamonds, Inc.				\$14,432.50
Hard Rocks Jewelry c/o David Chip Schwartz Post Office Box 11366 Birmingham, AL 35202				\$14,419.85
Cert House, Inc.				\$13,380.36
Antwerp Diamond Distributors, Inc. Post Office Box 6928 Providence, RI 02940				\$12,763.50
W. F. Diamonds 580 Fifth Avenue Suite 2200 New York, NY 10036				\$12,641.73
Hiller Diamond Corporation 580 Fifth Avenue Suite 1917 New York, NY 10036				\$12,044.04

In re **Southern Diamond Company, LLC**

Debtor

Case No. \_\_\_\_\_

Chapter **11**

List Of Creditors Holding 20 Largest Unsecured Claims

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim [if secured also state value of security]</i>
H. Lipschitz & Son, Inc. 580 Fifth Avenue, #812 New York, NY 10036				\$11,533.94
S.P.R. Gems Corporation				\$10,242.00
Snow White Diamonds 550 South Hill Street Suite 1407				\$9,400.00
Tucker, Inc. 5 South Wabash Avenue Chicago, IL 60603				\$9,210.00
SDNY 580 Fifth Avenue Suite 627 New York, NY 10036				\$9,143.75
Unique Blue Crystal, LLC 580 Fifth Avenue, #1806 New York, NY 10036				\$7,756.41

In re Southern Diamond Company, LLC, Case No. \_\_\_\_\_  
Debtor Chapter 11

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Tyberg & Bornstein Diamond 580 Fifth Avenue Suite 1406 New York, NY 10036				\$7,685.60
Limor Tapered Baguettes, 580 Fifth Avenue, #307 New York, NY 10036				\$7,500.00

### DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, Scott Thomas, Partner of the Partnership named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: 6/7/2007

Signature: s/ Scott Thomas

Scott Thomas ,Partner

(Print Name and Title)

Penalty for making a false statement or concealing property. Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C §§ 152 and 3571.

UNITED STATES BANKRUPTCY COURT  
Northern District of Alabama  
Eastern Division

In re: Southern Diamond Company, LLC  
Debtor

Case No. \_\_\_\_\_  
Chapter 11

**DISCLOSURE OF COMPENSATION OF ATTORNEY  
FOR DEBTOR**

1. Pursuant to 11 U.S.C. § 329(a) and Bankruptcy Rule 2016(b), I certify that I am the attorney for the above-named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept	\$	<u>10,000.00</u>
Prior to the filing of this statement I have received	\$	<u>10,000.00</u>
Balance Due	\$	<u>0.00</u>

2. The source of compensation paid to me was:

☒ Debtor ☐ Other (specify)

3. The source of compensation to be paid to me is:

☒ Debtor ☐ Other (specify)

4. ☒ I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

☐ I have agreed to share the above-disclosed compensation with a person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a) Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b) Preparation and filing of any petition, schedules, statement of affairs, and plan which may be required;
- c) Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d) [Other provisions as needed]

**to be billed at \$275.00 per hour, subject to change each January 1 and subject to court approval**

6. By agreement with the debtor(s) the above disclosed fee does not include the following services:

**None**

**CERTIFICATION**

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

Dated: 6/7/2007

/s/ Harry P. Long

Harry P. Long, Bar No. ASB-0546-N77H

**Harry P. Long**

Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ALABAMA  
EASTERN DIVISION**

**STATEMENT OF INFORMATION REQUIRED BY 11 U.S.C. § 341**

**INTRODUCTION**

Pursuant to the Bankruptcy Reform Act of 1994, the Office of the United States Bankruptcy Administrator has prepared this information sheet to help you understand some of the possible consequences of filing a bankruptcy petition under chapter 7 of the Bankruptcy Code. This information is intended to make you aware of -

- (1) the potential consequences of seeking a discharge in bankruptcy, including the effects on credit history;
- (2) the effect of receiving a discharge of debts in bankruptcy;
- (3) the effect of reaffirming a debt; and
- (4) your ability to file a petition under a different chapter of the Bankruptcy Code.

There are many other provisions of the Bankruptcy Code that may affect your situation. This statement contains only general principles of law and is not a substitute for legal advice. If you have any questions or need further information as to how the bankruptcy laws apply to your specific case, you should consult with your lawyer.

**WHAT IS A DISCHARGE?**

The filing of a chapter 7 petition is designed to result in a discharge of most of the debts you listed in your bankruptcy schedules. A discharge is a court order that says that you do not have to repay your debts, but there are a number of exceptions. Debts which usually may not be discharged in your chapter 7 case include, for example, most taxes, child support, alimony, and student loans; court-ordered fines and restitution; debts obtained through fraud or deception; debts which were not listed in your bankruptcy schedules; and personal injury debts caused by driving while intoxicated or taking drugs. Your discharge may be denied entirely if you, for example, destroy or conceal property; destroy, conceal or falsify records; or make a false oath. Creditors cannot ask you to repay debts which have been discharged. You can only receive a chapter 7 discharge once every eight (8) years.

**WHAT ARE THE POTENTIAL EFFECTS OF A DISCHARGE?**

The fact that you filed bankruptcy can appear on your credit report for as long as 10 years. Thus, filing a bankruptcy petition may affect your ability to obtain credit in the future. Also, you may not be excused from repaying debts that were not listed on your bankruptcy schedules or that you incurred after you filed bankruptcy. There are exceptions to this general statement. See your lawyer if you have questions.

**WHAT ARE THE EFFECTS OF REAFFIRMING A DEBT?**

After you file your bankruptcy petition, a creditor may ask you to reaffirm a certain debt or you may seek to do so on your own. Reaffirming a debt means that you sign and file with the court a legally enforceable document which states that you promise to repay all or a portion of the debt that may otherwise have been discharged in your bankruptcy case. Reaffirmation agreements must generally be filed with the court sixty (60) days after the first meeting of creditors.

Reaffirmation agreements are strictly voluntary. They are not required by the Bankruptcy Code or other state or federal law. You can voluntarily repay any debt instead of signing a reaffirmation agreement, but there may be valid reasons for wanting to reaffirm a particular debt. This is particularly true when property you wish to retain is collateral for a debt.

Reaffirmation agreements must not impose an undue burden on you or your dependents and must be in your best interest. If you decide to sign a reaffirmation agreement, you may cancel it at any time before the court issues an order of discharge or within sixty (60) days after you filed the reaffirmation agreement with the court, whichever is later.

If you reaffirm a debt and fail to make the payments as required in the reaffirmation agreement, the creditor can take action against you to recover any property that was given as security for the loan and you may remain personally liable for any deficiency. In addition, creditors may seek other remedies, such as garnishment of wages.

## OTHER BANKRUPTCY OPTIONS

You have a choice in deciding what chapter of the Bankruptcy Code will best suit your needs. Even if you have already filed for relief under chapter 7, you may be eligible to convert your case to a different chapter.

Chapter 7 is the liquidation chapter of the Bankruptcy Code. Under chapter 7, a trustee is appointed to collect and sell, if economically feasible, all property you own that is not exempt from these actions.

Chapter 11 is the reorganization chapter most commonly used by businesses, but it is also available to individuals. Creditors vote on whether to accept or reject a plan, which also must be approved by the court. While the debtor normally remains in control of the assets, the court can order the appointment of a trustee to take possession and control of the business.

Chapter 12 offers bankruptcy relief to those who qualify as family farmers. Family farmers must propose a plan to repay their creditors over a three-to-five year period and it must be approved by the court. Plan payments are made through a chapter 12 trustee, who also monitors the debtors' farming operations during the pendency of the plan.

Finally, chapter 13 generally permits individuals to keep their property by repaying creditors out of their future income. Each chapter 13 debtor writes a plan which must be approved by the bankruptcy court. The debtors must pay the chapter 13 trustee the amount set forth in their plan. Debtors receive a discharge after they complete their chapter 13 repayment plan. Chapter 13 is only available to individuals with regular income whose debts do not exceed \$1,000,000 (\$250,000 in unsecured debts and \$750,000 in secured debts).

AGAIN, PLEASE SPEAK TO YOUR LAWYER IF YOU NEED FURTHER INFORMATION OR EXPLANATION, INCLUDING HOW THE BANKRUPTCY LAWS RELATE TO YOUR SPECIFIC CASE.

By signing below, I/we acknowledge that I/we have received a copy of this document, and that I/we have had an opportunity to discuss the information in this document with an attorney of my/our choice.

Date 6/7/2007

s/ Scott Thomas  
Scott Thomas

/s/ Harry P. Long  
Harry P. Long