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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
HARTFORD DIVISION**

IN RE:	:	CHAPTER 11
	:	
	:	CASE NO.: 17-21080 (JJT)
ANCHOR REEF CLUB AT	:	
BRANFORD, LLC,	:	
	:	
Debtor.	:	
_____	:	

(PROPOSED) DISCLOSURE STATEMENT OF ANCHOR REEF CLUB AT BRANFORD, LLC, DEBTOR AND DEBTOR IN POSSESSION

COUNSEL TO DEBTOR AND
DEBTOR-IN-POSSESSION
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DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES TO THE PLAN AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN.

ALL CREDITORS AND EQUITY SECURITY HOLDERS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THIS DISCLOSURE STATEMENT. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

THIS DISCLOSURE STATEMENT SHALL NOT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES, OR OTHER LEGAL EFFECTS OF THE REORGANIZATION AS TO HOLDERS OF CLAIMS AGAINST OR INTERESTS IN THE DEBTOR.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES AND ASSUMPTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL, FUTURE RESULTS. EXCEPT WHERE SPECIFICALLY NOTED, THE FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT AND HAS NOT BEEN PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

I. INTRODUCTION

Pursuant to Section 1125 of the Bankruptcy Code, Anchor Reef Club at Branford, LLC (the “Debtor”), the debtor and debtor-in-possession in the above captioned Chapter 11 Case, submits this disclosure statement (the “Disclosure Statement”) along with a proposed plan of reorganization (“Plan”) for the purpose of providing information to creditors and equity security holders to make an informed decision in exercising their rights with respect to the Plan submitted by the Debtor.

The Plan constitutes a liquidating chapter 11 plan for the Debtor and provides for distribution of the proceeds of the Debtor’s assets to creditors following a sale of the Debtor’s real property located at 60 Maple Street, Branford, Connecticut. Debtor recommends that you vote to accept the Plan. Each creditor and equity security holder must, however, review the Plan and Disclosure Statement carefully and in their entirety (including all Exhibits) and determine whether or not to accept or reject the Plan. The Plan should be reviewed carefully before making a decision to accept or reject the Plan.

Except as otherwise expressly indicated, the information contained in the Disclosure Statement and the Plan has not been subject to audit or independent review. Although great effort has been made to be accurate, the Debtor and its counsel do not warrant the accuracy of the information contained herein.

No representations concerning the Debtor other than as set forth in the Disclosure Statement are authorized. Any representations, warranties, or agreements made to secure acceptance or rejection of the Plan other than as contained in the Disclosure Statement, should not be relied upon in voting on the Plan.

THE DEBTOR URGES ALL CREDITORS AND EQUITY SECURITY HOLDERS TO VOTE IN FAVOR OF THE PLAN.

II. DEFINITIONS AND RULES OF CONSTRUCTION

For purposes of this Disclosure Statement, all capitalized terms shall have the meanings ascribed to them in this Article I of the Plan. Any term used in the Plan that is not defined in Article I, but is defined in the Bankruptcy Code, shall have the meaning ascribed to such term in the Bankruptcy Code. In addition, the rules of construction set forth in Section 102 of the Bankruptcy Code shall apply.

III. BACKGROUND AND DISCLOSURES

A. The Property's History.

On May 25, 2001, Iron Works Development of Branford, LLC ("Iron Works") and Anchor Reef Holdings, LLC ("Holdings") formed the Debtor, Anchor Reef Club at Branford, LLC. The Debtor was formed to acquire and develop real estate, including the Property, located at Maple Street and Indian Neck Avenue in Branford, Connecticut. In May 2001, Iron Works was owned and controlled by Nicolas Owen. In May 2001, Holdings was owned by the Daniel & Susan Kane Family Trust, the Albert T. Nassi Living Trust, and the Garrett A.M. Nassi Separate Property Trust.

On May 30, 2001, the Debtor acquired the Property by means of a purchase money mortgage in the original principal amount of \$3,200,000 from Nassi Funding, LLC. Nassi Funding was then owned by the Daniel & Susan Kane Family Trust, and the Albert T. Nassi Living Trust.

When the Debtor acquired the real estate that includes the Property, the site was approximately 18 acres, and bounded by Maple Street, Indian Neck Avenue, the Branford River, and the land of third parties. The real estate was a "brownfield" site and the former home of the Malleable Iron Factory. Shortly after the Debtor acquired the real estate, it transferred approximately 5 acres to the Department of Transportation for use a train station. The remaining acreage is still owned by the Debtor and constitutes the "Property," as defined in the Plan.

In 2002, Holdings commenced litigation against, *inter alia*, Iron Works. Holdings alleged that Iron Works (or Nicolas Owen) had failed to properly account for funds received in exchange for the acreage sold to the Department of Transportation. Moreover, Holdings alleged that Iron Works had failed to make required capital contributions, and, consequently, that Holdings owned 100% of the interests of the Debtor pursuant to certain equity shifting provisions in the Debtor's operating agreement. The dispute between Iron Works and Holdings was resolved, and, as a result, Holdings became the sole member of the Debtor. In 2008, Mr. Jason Ziegler became a member of Holdings.

The Debtor commenced the development of the Property shortly after its acquisition. In 2002 and 2003, the Debtor performed the bulk of the work necessary to remediate the environmental issues with the Property. In 2004 and 2005, the Debtor rehabilitated the existing building on the Property and converted it into a structure housing 14 condominium units.

Between 2005 and 2007, the Debtor constructed a new building that contains an additional 30 condominium units.

Between late 2005 and early 2012, the Debtor marketed and sold all of the 44 condominium units it constructed. The sale prices for the condominium units were decreased and the time necessary for the sale of the units was increased by a nationwide downturn in the real estate market that commenced in 2007 and 2008.

The Debtor has approval to construct an additional 60 condominium units at the Property in two different structures. The Debtor's approval to construct these units was recently extended to December of 2022. The Property also contains approximately 2.5 acres of open space.

B. Key Events Leading To the Commencement of the Chapter 11 Reorganization Case

In August of 2015, Anchor Reef Association commenced a civil action against the Debtor, Jason Ziegler, Daniel Kane, Albert Nassi and Anthony Ciriello. The complaint sought money damages for breach of warranties, misrepresentation, failures to comply with "transition requirements," breach of fiduciary duty, breach of the duty of good faith, and CUTPA. The civil action also sought an accounting.

After trial, the Superior Court of the State of Connecticut entered a judgment in favor of the Association and against the Debtor in the amount of \$3,538,916.54. Both the Association and the Debtor have appealed (the "Connecticut Appeal") the judgment of the trial court.

The Association filed an attachment against the Debtor and its principals to secure the amount of its judgment, and this bankruptcy case followed.

C. The Bankruptcy Case and Significant Post-Petition Events

The Debtor has participated in its first meeting of creditors, which is now closed. The Debtor retained its bankruptcy counsel and a broker to market its property.

On November 2, 2017, the Association filed a motion for relief from stay to permit the Connecticut Appeal to proceed before the Appellate Court of the State of Connecticut. On December 12, 2017, the Court granted the Association's motion for relief from stay. During the pre-argument conference of the Connecticut Appeal, the Debtor (and its principals) settled its dispute with the Association.

Approval of the settlement between the Debtor and the Association is currently pending before the Bankruptcy Court. Generally, the settlement provides for the payment to the Association of \$1.4 million from non-debtor sources, the voluntary dismissal of the Connecticut Appeal, and the dismissal of an adversary seeking to subordinate the mortgage of Nassi Funding and for other related relief.¹ Under the settlement, the Debtor (or its successor) will remain

¹ On February 28, 2018, the Association commenced an adversary proceeding seeking to, *inter alia*, subordinate the Secured Claim of Nassi Funding to the claims of unsecured creditors. Nassi Funding moved to

liable for its obligations under Anchor Reef's public offering statement to complete certain environmental remediation on the Property and obtain approval from the Connecticut Department of Environmental Protection for the completion of environmental remedial efforts pursuant to a remedial action plan and to record an environmental land use restriction. The Debtor (or its successor) remains liable on its obligations to convey title to common elements and the fee in the Property to the Association as described in Anchor Reef's public offering statement. *See Plan*, Paragraph 5.5.

The payment received by the Association (\$1.4 million) is 34.66% of the Association's proof of claim. The Debtor's proposed plan offers the same pro rata distribution to all of the estate's other creditors. The settlement provides that the Association's proof of claim will be deemed withdrawn upon the approval and consummation of the settlement.

On February 2, 2018, the Debtor commenced a contested matter seeking the turnover of records by HRP Associates, LLC, a pre-petition environmental professional used by the Debtor. The Debtor is currently seeking a resolution of its turnover motion by way of a compromise that permits the Debtor and its licensed environmental professionals, the Association, and prospective purchasers of the Property to review the material compiled by HRP in a confidential manner and under certain terms and conditions.

On November 13, 2017, the bar date to file proofs of claim passed and the Debtor now seeks to confirm its Plan to preserve as much value from prospective Sale Proceeds as possible and to minimize the administrative expense related its bankruptcy filing.

III. PLAN OVERVIEW

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under chapter 11 of the Bankruptcy Code, a debtor is authorized to reorganize its business for the benefit of itself and all economic parties in interest. In addition to permitting rehabilitation of a debtor, chapter 11 promotes equality of treatment of similarly situated claims and similarly situated equity interests with respect to the distribution of a debtor's assets.

The commencement of a chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of the debtor as of the filing date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

The consummation of a plan of reorganization is the principal objective of a chapter 11 reorganization case. A plan of reorganization sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan of reorganization by the bankruptcy court makes the plan binding upon a debtor, any issuer of securities under the plan, any person acquiring property under the plan and any creditor of, or holder of an equity interest in, a debtor. Subject to certain limited exceptions, the confirmation order discharges a debtor from any debt

dismiss the adversary. The motion to dismiss was pending at the time of settlement. *See Anchor Reef Association, Inc. v. Nassi Funding, LLC*, Adversary Proceeding No. 18-2007.

that arose prior to the date of confirmation of the plan and substitutes the obligations specified under the confirmed plan.

In order to solicit acceptances of a proposed plan, Section 1126 of the Bankruptcy Code requires a debtor and any other plan proponents to conduct such solicitation, pursuant to a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment about the plan. The Debtor is submitting the Disclosure Statement in accordance with the Disclosure Statement Order and the requirements of Sections 1125 and 1126 of the Bankruptcy Code.

A. Treatment of Claims and Interests Under the Plan

The following table summarizes the treatment of Claims and Interests under the Plan. In general, the Plan proposes to pay the Claims of general unsecured creditors from a Carve-Out made available by a secured creditor and for payment of all costs of administration from the sale of the Debtor’s Property in Branford, Connecticut. For a complete explanation, please refer to the discussion in Section V below, entitled “Plan of Reorganization.”

CLASS	TYPE OF CLAIM OR INTEREST	TREATMENT	ESTIMATED APPROXIMATE AMOUNT²	APPROXIMATE PERCENTAGE DOLLAR RECOVERY
N/A	ADMINISTRATIVE CLAIMS	UNLESS OTHERWISE AGREED TO BY THE HOLDER OF AN ALLOWED ADMINISTRATIVE CLAIM AND THE DEBTOR, EACH HOLDER OF AN ALLOWED ADMINISTRATIVE CLAIM SHALL RECEIVE IN FULL AND FINAL SATISFACTION OF ITS ALLOWED ADMINISTRATIVE CLAIM, CASH EQUAL TO THE FULL AMOUNT OF SUCH ALLOWED ADMINISTRATIVE CLAIM ON THE EFFECTIVE DATE.	\$50,000	100%
N/A	PRIORITY TAX CLAIMS	NONE	N/A	N/A
CLASS 1	NASSI FUNDING, LLC	CLASS 1 CONSISTS OF THE SECURED CLAIM OF NASSI FUNDING. NASSI FUNDING’S SECURED CLAIM WILL REMAIN ATTACHED TO	\$19,560,630	APPROX. 12% AND A RELEASE

² Amounts of pre-petition claims are based on the debtor’s schedules.

		PROPERTY AND THEN ATTACH TO THE NET SALE PROCEEDS WITH THE SAME VALIDITY, PRIORITY AND IN THE SAME AMOUNT AS THE LIEN OF NASSI FUNDING ATTACHED TO THE PROPERTY (OR A PORTION THEREOF).		
CLASS 2	UNSECURED CLAIMS (APPROXIMATELY 5)	CLASS 2 CONSISTS OF THE GENERAL UNSECURED CLAIMS. GENERAL UNSECURED CLAIMS WILL BE PAID FROM CLASS 2 CARVE-OUT.	APPROXIMATELY \$215,000	34.66% of ALLOWED CLAIM
CLASS 3	INSIDER INDEMNIFICATION CLAIMS	CLASS 3 CONSISTS OF THE INDEMNIFICATION CLAIMS OF INSIDERS	UNKNOWN	NO DISTRIBUTION - RELEASE
CLASS 4	INTERESTS	ALL INTERESTS WILL BE EXPUNGED ON THE EFFECTIVE DATE.	N/A	N/A

B. The Disclosure Statement

The Disclosure Statement includes background information about the Debtor and also identifies the classes (the “Classes”) into which creditors and equity security holders have been placed in the Plan. The Disclosure Statement describes the proposed treatment of each of these Classes if the Plan is confirmed.

Upon approval by the Bankruptcy Court, the Disclosure Statement and the Exhibits attached hereto will have been found to contain, in accordance with the provisions of the Bankruptcy Code, adequate information of a kind and in sufficient detail that would enable a reasonable, hypothetical investor typical of a Holder of an impaired Claim or Interest to make an informed judgment about the Plan. Approval of this Disclosure Statement by the Bankruptcy Court, however, does not constitute a recommendation by the Bankruptcy Court either for or against the Plan.

C. Voting Procedure

All creditors and equity security holders entitled to vote on the Plan may cast their votes for or against the Plan by completing, dating, signing, and causing the form of ballot (the “Ballot”) accompanying the Disclosure Statement to be returned to the following address:

Coan, Lewendon, Gulliver & Miltenberger, LLC
Attorneys for the Debtor-in-Possession
495 Orange Street
New Haven, CT 06511
Attention Timothy Miltenberger

Ballots must be received on or before 4:00 P.M. (Eastern Time) on _____, 2018 to be counted in the voting. Ballots received after this time will not be counted in the voting unless the Bankruptcy Court so orders. Any properly executed, timely received Ballot that indicates both an acceptance and a rejection of the Plan will be counted as a vote to accept the Plan.

If you are a Holder of a Claim or Interest entitled to vote on the Plan and did not receive a Ballot, received a damaged Ballot, or lost your Ballot, or if you have any questions concerning the procedures for voting on the Plan, please contact the Debtor's counsel:

Coan, Lewendon, Gulliver & Miltenberger, LLC
Attorneys for the Debtor-in-Possession
495 Orange Street
New Haven, CT 06511
Telephone: (203) 624-4756
Attention Timothy Miltenberger

The Debtor recommends a vote for “ACCEPTANCE” of the Plan.

D. Ballots

Accompanying the Disclosure Statement are appropriate Ballots for acceptance or rejection of the Plan. Each party in interest entitled to vote on the Plan will receive a Ballot for each Class of Claims or Interests to which it belongs. Because some parties in interest may be in more than one Class for voting purposes, in some instances more than one Ballot may be included with the Disclosure Statement.

All Classes of Claims and Interests are impaired under the Plan and are entitled to vote on the Plan. Each member of a voting Class will be asked to vote for acceptance or rejection of the Plan. A party who holds Claims or Interests in more than one Class should complete a Ballot for each Class with respect to the applicable portion of its Claim or Interest included in each Class.

Ballots may also permit Class 2 creditors to vote on whether to receive the Carve-Out and release the Holder of the Class 1 claim.

E. The Confirmation Hearing and the Date Set for Filing Objections to Confirmation

The Bankruptcy Court has scheduled a hearing on confirmation (the “Confirmation”

Hearing”) of the Plan to commence on _____, ____ or as soon thereafter as the parties can be heard. The Confirmation Hearing will be held before the Honorable James J. Tancredi, United States Bankruptcy Judge, United States Bankruptcy Court, Abraham Ribicoff Federal Building, 450 Main Street, 7th Floor, Hartford, Connecticut. At the Confirmation Hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including whether it is feasible and whether it is in the best interests of creditors. The Bankruptcy Court will also receive and consider a report prepared by the Debtor summarizing the votes for acceptance or rejection of the Plan by the persons entitled to vote.

Objections to confirmation of the Plan must be filed with the Bankruptcy Court by _____, ____ and served so as to be received on or before that date by (a) counsel to the Debtor, Coan, Lewendon, Gulliver & Miltenberger, LLC, 495 Orange Street, New Haven, CT 06511, Attention Timothy D. Miltenberger.

F. Acceptances Necessary to Confirm Plan

At the Confirmation Hearing, the Bankruptcy Court must determine, among other things, whether each impaired Class has accepted the Plan. Under Section 1126(c) of the Bankruptcy Code, an impaired Class is deemed to have accepted the Plan if at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims or Interests of Class members who have voted to accept or reject the Plan have voted for acceptance of the Plan. Further, unless there is acceptance of the Plan by all members of an impaired Class, the Bankruptcy Court must also determine that under the Plan, Class members will receive property of a value, as of the Effective Date of the Plan, that is not less than the amount that such Class members would receive or retain if the Debtor were liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date of the Plan.

G. Confirmation of the Plan without the Necessary Acceptances

The Plan may be confirmed even if it is not accepted by all of the impaired Classes if the Bankruptcy Court finds that the Plan does not discriminate unfairly against and is fair and equitable as to such Class or Classes. This provision is set forth in Section 1129(b) of the Bankruptcy Code and requires that, among other things, Holders of Claims must either receive the full value of their Claims or, if they receive less, no class with junior liquidation priority may receive anything.

Specifically, Section 1129(b) of the Bankruptcy Code provides that a plan can be confirmed as long as at least one impaired Class of Claims has accepted it without regard to the votes of Insiders. If a Class rejects the Plan, the Bankruptcy Court may nevertheless confirm the Plan at the request of the proponent upon finding that the Plan “does not discriminate unfairly” and is “fair and equitable” as to each dissenting impaired Class. A plan does not discriminate unfairly within the meaning of the Bankruptcy Code if a dissenting Class is treated equally with respect to other Classes of equal rank.

A plan is fair and equitable as to a class of unsecured claims that rejects a plan if the plan provides (a) that each holder of a claim included in the rejecting class will receive or retain on account of that claim property that has a value, as of the effective date of the plan, equal to the

allowed amount of such claim; or (b) that the holder of any claim that is junior to the claims of such class will not receive or retain on account of such junior claim or interest any property at all.

A plan is fair and equitable as to a class of equity interests that rejects a plan if the plan provides (a) that each holder of an interest included in the rejecting class receives or retains on account of that interest property that has a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest; or (b) that the holder of any interest that is junior to the interest of such class will not receive or retain under the plan on account of such junior interest any property at all.

The Debtor reserves the right to seek confirmation of the Plan pursuant to Section 1129(b) of the Bankruptcy Code.

V. THE PLAN OF REORGANIZATION

ARTICLE 1 DEFINITIONS AND RULES OF CONSTRUCTION

1.0 The definitions set forth in Article 1, Definitions and Rules of Construction, shall govern the Plan.

1. “Administrative Claim(s)” means a Claim that has been timely filed before the Administrative Claim Bar Date for costs and expenses of administration of a kind specified in Section 503(b) of the Bankruptcy Code and entitled to priority under Section 507(a)(2) of the Bankruptcy Code, including all fees and charges assessed against the Debtor’s estate under 28 U.S.C. Section 1930 and Professional Fee Claims.
2. “Administrative Claim Bar Date” means the date that is thirty-five (35) days after the Effective Date, by which date the Holders of Administrative Claims must file with the Bankruptcy Court proof of such claims or, in the case of Professional Fee Claims, final fee applications for such claims in accordance with the Bankruptcy Code and the Bankruptcy Rules.
3. “Allowed” means, when used in reference to a Claim or Interest, an Allowed Claim or an Allowed Interest.
4. “Allowed Claim” or “Allowed Interest” means
 - a. A Proof of Claim or Proof of Interest that was:
 - i. Timely filed;
 - ii. Deemed filed pursuant to Section 1111(a) of the Bankruptcy Code; or
 - iii. Filed late with leave of the Bankruptcy Court; and

- b.
- i. The Claim or Interest is not a Disputed Claim or a Disputed Interest, or
 - ii. The Claim or Interest is Allowed (and only to the extent Allowed) by a Final Order of the Bankruptcy Court.
5. “Association” means Anchor Reef Association, Inc.
 6. “Bankruptcy Code” means 11 U.S.C. §§ 101 et seq.
 7. “Bankruptcy Court” means the United States Bankruptcy Court for the District of Connecticut and includes the United States District Court for the District of Connecticut to the extent such District Court is exercising original jurisdiction over a case or civil proceeding pursuant to 28 U.S.C. §157(d).
 8. “Bankruptcy Rule” means a Federal Rule of Bankruptcy Procedure.
 9. “Business Day” means any day other than a Saturday, Sunday, or Legal Holiday as that term is defined in Bankruptcy Rule 9006(a).
 10. “Cash” means the legal tender of the United States of America.
 11. “Chapter 11 Case” means this Chapter 11 Case entitled *In re: Anchor Reef Club at Branford, LLC*, Bankruptcy Case No. 17-21080.
 12. “Claim” shall have the meaning set forth in Section 101(5) of the Bankruptcy Code.
 13. “Claims Objection Bar Date” means the deadline for objecting to Claims or Interests, which shall be the date that is five (5) days prior to deadline for casting a ballot to accept or reject the Plan, unless extended by an order of the Bankruptcy Court, or in the case of Claims filed pursuant to Section 7.4 or 8.2 of the Plan, thirty (30) days after the filing date of such Claims, unless extended by an order of the Bankruptcy Court.
 14. “Class 2 Carve-Out” means that amount of money required to pay Holders of Allowed Claims in Class 2 that sum of money equal to 34.66% of their Allowed Claim.
 15. “Confirmation Date” means the date on which the Bankruptcy Court enters the Confirmation Order.
 16. “Confirmation Hearing” means the hearing on confirmation of the Plan.
 17. “Confirmation Order” means the order entered by the Bankruptcy Court confirming the Plan pursuant to Section 1129 of the Bankruptcy Code.
 18. “Debtor” or “Debtor in Possession” means Anchor Reef Club at Branford, LLC.

19. “Disclosure Statement” means the Disclosure Statement that relates to the Plan and that was filed in combination with the Plan.
20. “Disputed” means, when used in reference to a Claim or Interest in the Plan, any Claim or Interest as to which the Debtor or any other party-in-interest has interposed an objection or commenced an adversary proceeding in accordance with the Bankruptcy Code, which objection or proceeding has not been determined by a Final Order.
21. “Disallowed” means (a) a Claim or Interest or any portion thereof, that has been disallowed by a Final Order or a settlement, or (b) a Claim or Interest or any portion thereof that is listed in the Schedules at zero or as contingent, disputed, or unliquidated and as to which no Proof of Claim has been timely filed.
22. “Distribution” means the distribution of Cash in accordance with the Plan.
23. “Distribution Date” means the date on which a Distribution is made.
24. “Effective Date” means the date that is the first Business Day after the Confirmation Date on which no stay of the Confirmation Order is in effect, and all conditions precedent to the Effective Date have been satisfied or waived.
25. “Final Order” means an order, ruling or judgment of the Bankruptcy Court or any other court of competent jurisdiction (a) as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no order, ruling or judgment no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending; or (b) as to which any right to appeal, petition for certiorari, reargue, or rehear shall have been waived in writing satisfactory to Debtors; or (c) as to which, in the event that an appeal, writ of certiorari, or reargument or rehearing thereof there shall have been a determination denying any relief by the highest court to which such order was appealed, or certiorari, reargument or rehearing granted, and the time to further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or applicable state court rules of civil procedure, may be filed with respect to such order shall not render such order a non-Final Order.
26. “Holder” means a Person holding a Claim or Interest, as applicable.
27. “Insider” shall have the meaning set forth in Section 101(31) of the Bankruptcy Code.
28. “Interest” means any ownership interest in the Debtor.

29. “Lien” means a charge against, or an interest in, property to secure payment of a debt or performance of an obligation.
30. “Members” means Anchor Reef Holdings, LLC.
31. “Nassi Funding” means Nassi Funding, LLC.
32. “Net Sales Proceeds” means the Sale Proceeds received by the Debtor from a Sale Closing after payment of allowed Administrative Claims, routine, customary, and reasonable closing fees, costs, adjustments, and expenses, including any commission due to any broker(s), and the Class 2 Carve-Out.
33. “Order of Distribution” means any order of the Bankruptcy Court providing for the distribution of the Net Sales Proceeds.
34. “Petition Date” means July 19, 2017, the date on which the Debtor filed this Chapter 11 Case.
35. “Plan” means this plan of reorganization, as it may be altered, amended, supplemented, or modified from time to time.
36. “Professional Fee Claims” means the Administrative Claims of Professional Persons.
37. “Professional Persons” means Persons retained by the Debtor in accordance with Section 327 of the Bankruptcy Code.
38. “Proof of Claim” or “Proof of Interest” means a proof of Claim or Interest filed against the Debtor in this Chapter 11 Case.
39. “Property” means the real property located on 60 Maple Street and Indian Neck Avenue, Branford, Connecticut and owned by the Debtor.
40. “Sale Closing” means the closing of the sale of all or a portion of the Property.
41. “Sale Closing Date” means the date of the Sale Closing.
42. “Sale Proceeds” means the Cash obtained from the sale of all or a portion of the Property at a Sale Closing.
43. “Schedules” means the schedules of assets and liabilities, the list of Holders of Interests, and the statement of financial affairs filed by the Debtor under Section 521 of the Bankruptcy Code as such schedules and statements have been or may be supplemented or amended through the Confirmation Date.

44. “Secured Claim” means a Claim secured by a Lien on property in which the Debtor’s estate has an interest, but only if and to that extent that such Claim is Allowed as a Secured Claim.

ARTICLE 2 **ADMINISTRATIVE CLAIMS**

2.1 Payment of Administrative Claims. Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtor, each Holder of an Allowed Administrative Claim shall receive in full and final satisfaction of its Allowed Administrative Claim, Cash equal to the full amount of such Allowed Administrative Claim on the Effective Date. If such Administrative Claim is not deemed Allowed as of the Effective Date, payment shall be made within twenty (20) days from the date upon which a Final Order is entered allowing the Administrative Claim. All fees due and owing to the United States Trustee shall be paid in full on or before the Effective Date, and after the Confirmation Date, the Debtor will continue to make requisite payments and file quarterly disbursement reports with the United States Trustee until the entry of a final decree pursuant to Bankruptcy Rule 3022.

2.2 Administrative Claim Bar Date. All Administrative Claims including Professional Fee Claims must be filed with the Bankruptcy Court no later than the Administrative Claim Bar Date.

2.3 Priority Tax Claims. Each Holder of an Allowed Priority Tax Claim shall receive, in full and final satisfaction of its Allowed Priority Tax Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the Sale Closing Date, or as soon as practical thereafter. If such Priority Tax Claim is not deemed Allowed as of the Sale Closing Date, payment shall be made within twenty (20) days from the date upon which the Bankruptcy Court enters a Final Order allowing the Priority Tax Claim.

2.4 Post Effective Date Professional Fees and Expenses. From and after the Effective Date, and after full payment of all Allowed Administrative Claims, the Debtor may, with order of the Bankruptcy Court, pay reasonable legal and professional fees and expenses accruing after the Effective Date. Upon and after the Effective Date, the requirement that Professional Persons comply with Sections 327 through 331 of the Bankruptcy Code with respect to fees and expenses that accrue after the Effective Date shall continue.

ARTICLE 3 **CLASSIFICATION OF CLAIMS AND INTERESTS**

Except for the Claims addressed in Article 2 above, all Claims against and Interests in the Debtor are placed in four classes and treated as set forth in this Article 3. In accordance with Section 1123(a)(1) of the Bankruptcy Code, the Debtor has not classified the Administrative Claims and the Priority Tax Claims described in Article 2.

- 3.1 Summary of Classification and Treatment of Classified Claims and Interests.

CLASS	CLAIM	STATUS	VOTING
1	Nassi Funding Secured Claim	Impaired	Yes
2	General Unsecured Claims	Impaired	Yes
3	Insider Indemnification Claims	Impaired	Yes
4	Interests	Impaired	Yes

All payments to classified creditors will be made on the Sale Closing Date as set forth below.

3.2 Classification and Treatment of Classified Claims and Interests.

Class 1- Nassi Funding Secured Claim. Class 1 consists of the Claims of Nassi Funding. Nassi Funding's Secured Claim will attach to the Property. The Secured Claim of Nassi Funding will not attach to the Class 2 Carve-Out, as defined below. The Nassi Funding Secured Claim will be paid the Net Sale Proceeds at the Sale Closing on the Sale Closing Date unless it is a Disputed Claim on the Sale Closing Date. In the event that Nassi Funding's Secured Claim is a Disputed Claim on the Sale Closing Date, it shall be paid as set forth in an Order of Distribution.

Class 1 is impaired and is entitled to vote on the Plan.

Class 2- General Unsecured Claims. Class 2 consists of the General Unsecured Claims. General Unsecured Claims will be paid 34.66% of their Allowed Claims (the "Class 2 Carve-Out"), in full and final satisfaction of Unsecured Claims from the Class 2 Carve-Out. Class 2 General Unsecured Creditors will receive the Class 2 Carve-Out if, and only if, they will elect to receive the Class 2 Carve-Out. The Class will elect to receive the Class 2 Carve-Out if at least two-thirds in amount and more than one-half in number of the Allowed Class 2 General Unsecured Creditors vote to receive the Carve-Out. If the Unsecured Creditors elect to receive the Class 2 Carve-Out, the Class 2 General Unsecured Creditors are deemed to release the principals of the Debtor set forth in paragraph 3.3, *infra*.

Class 2 is impaired and is entitled to vote on the Plan.

Class 3 – Insider Indemnification Claims. Class 3 consists of the Insider Indemnification Claims (Claim Numbers 4, 5 and 6 from the Claims Register on file with the Office of the Clerk). Holders of Class 3 Claims will receive no distribution under this Plan or from the estate. If the Class 2 Unsecured Creditors elect to receive the Class 2 Carve-Out, the Class 2 General Unsecured Creditors will be deemed to have released the holders of Class 3 claims as set forth in paragraph 3.3, *infra*.

Class 3 is impaired and is entitled to vote on the Plan.

Class 4- Interests. Class 4 consists of all Interests in the Debtor. All Interests shall be expunged upon the final Sale Closing Date. Class 4 is impaired and is entitled to vote on the Plan.

Class 4 is impaired and is entitled to vote on the Plan.

3.3 Release of Claims in Exchange for Carve-Out. Except as provided for in the Plan or the Confirmation Order, including provision for any Claims Allowed, if Class 2 elects to receive the Class 2 Carve-out (and only if it so elects, but not if it does not affirmatively elect), the Class 2 Unsecured Creditors are permanently enjoined from taking any of the following actions against the Debtor, Albert Nassi, Daniel Kane, Jason Ziegler, or Nassi Funding, LLC: (1) commencing or continuing, in any manner or any place, any action or proceeding; (2) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order, (3) creating, perfecting, or enforcing any Lien or encumbrance; (4) asserting a right of setoff or recoupment; and (5) commencing or continuing any action or appeal in any manner and in any place.

ARTICLE 4 **ACCEPTANCE OF THE PLAN**

4.1 Voting Classes. All Classes are impaired under the Plan, and Holders of Claims or Interests in all Classes are entitled to vote on the Plan.

4.2 Deemed Acceptance If No Votes Cast. If no Holders of Claims eligible to vote in a particular Class vote to accept or reject the Plan, the Plan shall be deemed accepted by the Holders of such Claims in such Class.

4.3 Elimination of Vacant Classes. A Class of Claims that does not have a Holder of an Allowed Claim or a Claim temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to Section 1129(a)(8) of the Bankruptcy Code.

4.4 Cramdown. The Debtor reserves the right to seek confirmation under Section 1129(b) of the Bankruptcy Code. The Debtor further reserves the right to modify and amend the Plan.

ARTICLE 5 **EXECUTION AND IMPLEMENTATION OF THE PLAN**

5.1 Marketing and Sale of the Property. Under the terms of the Plan and in accordance with the orders of the Bankruptcy Court, the Debtor will market and sell the property at one or more Sale Closings pursuant to (i) the terms of this Plan, and/or (ii) sale orders entered by the Bankruptcy Court pursuant to 11 U.S.C. § 363. Pursuant to an order of the Bankruptcy Court, the Debtor has retained a licensed real estate broker to list and market the Property for sale.

5.2 Proposed Private Sale. The Debtor has proposed a private sale of the Property to Sachem Building and Development, LLC (“Sachem”) for \$2,600,000. In the event that the sale to Sachem results in a Sale Closing, the distributions under this Plan will be made on the Sale Closing Date.

5.3 Auction Sale (If Necessary). In the event that the private sale to Sachem is not approved or does not close, the Debtor shall immediately proceed to an auction sale of the Property pursuant to future orders of the Bankruptcy Court. In the event of an auction the distributions under this Plan will be made on the Sale Closing Date.

5.4 Costs of Sale/Free and Clear. The Sale Closings will take place in accordance with customary closing practices for the real estate bar in New Haven County Connecticut and will be free and clear of all claims and liens, as more particularly described in a motion to be filed under 11 U.S.C. § 363(f).

5.5. Survival of Environmental and Title Obligations. Notwithstanding any sale of the Property (by private sale, auction, or otherwise), with regard to Phase 1A and Phase 2 as described in Anchor Reef’s public offering statement, the Debtor shall remain liable for and assume the obligations to complete certain environmental remediation on Phase 1A and Phase 2 at the Property and obtain approval from the Connecticut Department of Environmental Protection for the completion of environmental remedial efforts at Phase 1A and Phase 2 pursuant to a remedial action plan and to record an environmental land use restriction. With regard to Phase 1B as described in Anchor Reef’s public offering statement, the Purchaser shall be liable for and assume the obligations to complete certain environmental remediation on Phase 1B at the Property and obtain approval from the Connecticut Department of Environmental Protection for the completion of environmental remedial efforts at Phase 1B pursuant to a remedial action plan and to record an environmental land use restriction. The Purchaser shall be liable for the obligation(s) to convey title to all common elements and the fee in the Property to the Association as described in Anchor Reef’s public offering statement.

5.6 Continued Corporate Existence. The Debtor will continue to exist as a limited liability company following confirmation and consummation of the Plan. The Member of the Debtor, Anchor Reef Holdings, LLC, shall remain in control of the Debtor, which shall include the right to manage the Debtor’s litigation, if any.

5.7 Retention of Property. The Property and other assets of the estate shall not re-vest in the Debtor on the Effective Date of the Plan, but remain in the estate subject only to the secured claim of Nassi Funding (and subject the Class 2 Carve-Out). Nassi Funding shall release its Liens against the Property at any Sale Closing that complies with the terms of this Plan. The secured claims of Nassi Funding will attach to the Net Sale Proceeds with the same validity, priority and in the same amount as those Liens attached to the Property (or a portion thereof). The secured claims of Nassi Funding will be subject to the Class 2 Carve-Out regardless of whether the Property is sold by way of any private sale (*see Plan*, ¶ 5.2) or at auction (*see Plan*, ¶ 5.3) or by way of or utilizing a credit bid. The estate shall remain open until the closing of the Chapter 11 Case.

5.8. Class 2 Carve-Out. The Class 2 Carve-Out shall be paid to the Debtor at the first Sale Closing and, if necessary, any future Sale Closing, for distribution to Holders of Class 2 Claims pursuant to the terms of the Plan. In the event of a credit bid by the Holder of any Secured Claim, the Holder of said Secured Claim shall pay the amount of the Class 2 Carve-Out in Cash to the Debtor for distribution pursuant to the Plan.

5.9 Preservation of Causes of Action: All existing or potential claims or causes of action, including all rights pursuant to Sections 502, 544, 545 and 546 of the Bankruptcy Code, all preference claims pursuant to Section 547 of the Bankruptcy Code, all fraudulent transfer claim pursuant to Section 548 of the Bankruptcy Code, and all claims relating to post-petition transactions under Section 549 of the Bankruptcy Code shall be extinguished.

ARTICLE 6 **PROVISIONS GOVERNING DISTRIBUTIONS**

6.1 Distributions. Any Distributions to the Holders of Allowed Claims or Interests shall be in strict compliance with the Plan and the Confirmation Order or as may be subsequently ordered by the Bankruptcy Court in an Order of Distribution or otherwise.

6.2 Disputed Claims Reserve. Cash shall be reserved for Distribution on account of each Disputed Administrative Expense Claim and on account of each Disputed Claim in Classes 1 and 2, if any, in the full asserted amount with respect to each such Disputed Claim or such lesser amount as determined by the Bankruptcy Court.

6.3 Delivery of Distributions. Subject to Bankruptcy Rule 9010 and except as otherwise provided for in the Plan or any Order of Distribution, Distributions to the Holders of Allowed Claims shall be made to (a) the address of each Holder as set forth in the Schedules, unless superseded by the address set forth on the Proof of Claim filed by such Holder, or (b) the last known address of such Holder if no Proof of Claim is filed. If any Distribution is returned as undeliverable, the Debtor shall undertake reasonable efforts to determine the current address of the Holder of the Claim with respect to such Distribution.

6.4 Time Bar to Cash Payments by Check/Undeliverable Checks. Checks issued pursuant to the Plan on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Any Claim in respect of such voided check shall be made in writing on or before the first anniversary of the Distribution Date. After such date, all Claims in respect of void checks shall be released and forever barred and the distribution attempted to be made on account of such claim shall be returned to the Debtor.

6.5 Compliance with Tax Requirements. In connection with making Distributions under the Plan, to the extent applicable, the Debtor shall comply with all tax reporting requirements imposed on it by any governmental unit. All Distributions pursuant to the Plan shall be subject to such reporting requirements. If the Holder of an Allowed Claim fails to provide the information necessary to comply with any reporting requirements of any governmental unit within six (6) months from the date the Holder was first notified of the need

for such information, such Holder's Distribution shall be treated as an undeliverable Distribution in accordance with Section 6.4 herein.

ARTICLE 7
PROCEDURES FOR RESOLVING
CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

7.1 Allowance of Claims: After the Effective Date, the Debtor shall maintain any and all rights and defenses that the Debtor had with respect to any Disputed Claim or Disputed Interest. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Case (including the Confirmation Order and Final DIP Order), no Disputed Claim or Disputed Interest shall become an Allowed Claim or an Allowed Interest unless and until such Claim or Interest shall be Allowed pursuant to a Final Order of the Bankruptcy Court. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court under Bankruptcy Rule 9019, or otherwise, shall be binding on all parties in interest.

7.2 Objections to Claims. Any objections to Claims or Interests shall be filed no later than the Claims Objection Bar Date.

7.3 Amendments to Claims. Except as otherwise provided herein, on or after the Claims Objection Bar Date, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court. Any such new or amended Claim shall be deemed Disallowed and expunged without any further notice to or action, order or approval of the Bankruptcy Court.

7.4 Claims Resulting from Rejection of Contract or Lease. Any Person who has a Claim as a result of the rejection of any executory contract shall have thirty (30) days after the Confirmation Date to file a Proof of Claim; failing which any such Claim will be disallowed in full. Any objection to any such Proof of Claim shall be filed within thirty (30) days of the filing of such Proof of Claim.

7.5 No Distributions Pending Allowance. If a timely objection to a Claim or portion thereof is filed prior to the Distribution Date, no payment or Distribution provided under this Plan shall be made on account of such Claim, or portion thereof, unless and until such Disputed Claim becomes an Allowed Claim pursuant to a Final Order. Notwithstanding anything to the contrary in Article 7, the Bankruptcy Court may separate a Disputed Claim into component parts, treat such component parts as though they were separate Claims, and issue a Final Order allowing or disallowing any component part. If the Bankruptcy Court issues a Final Order allowing a component part of a Disputed Claim, then Distributions shall be made on such Allowed component part.

7.6 Distributions After Allowance: To the extent that a Disputed Claim becomes an Allowed Claim, Distributions, if any, shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Debtor shall provide the Distribution to which such Holder is entitled under the Plan.

ARTICLE 8
TREATMENT OF EXECUTORY
CONTRACTS AND UNEXPIRED LEASES

8.1 Insurance Policies. All of the Debtor's insurance policies and any related agreements are treated as executory contracts under the Plan and are hereby expressly assumed by the Debtor. Nothing herein shall constitute or be deemed a waiver of any right or cause of action that the Debtor may have against any insurer under any of such policies.

8.2 All Other Contracts and Unexpired Leases. Except as provided in Section 8.1, *supra*, all of the Debtor's executory contracts and unexpired leases are rejected by the Debtor.

ARTICLE IX
EFFECT OF CONFIRMATION

9.1 Discharge of Indebtedness. Except as provided in the Plan with respect to any Allowed Claims and Interests, the occurrence of the Effective Date shall provide the Debtor with the rights and protections set forth in Section 1141(d)(1)(A) of the Bankruptcy Code. On the Effective Date, the Debtor shall no longer have the status of Debtor-in-Possession and the affairs and business of the Debtor shall thereafter be conducted with Bankruptcy Court involvement to the extent provided for in this Plan.

9.2 Exculpation. The Debtor (and its respective affiliates, agents, managers, members, employees, advisors, and attorneys) have, and on the Effective Date shall be deemed to have, participated in compliance with the applicable provisions of the Bankruptcy Code with regard to the Chapter 11 Case and are hereby exculpated by all persons, Holders of Claims and Interests, entities, and parties-in-interest receiving distributions under the Plan, from any and all causes of action, liabilities or claims of any sort arising on or after the Petition Date out of or in connection with the case through the Effective Date, except solely for actions or omissions arising out of their respective malpractice, fraud, gross negligence or willful misconduct.

9.3 Protection against Discriminatory Treatment. Consistent with Section 525 of the Bankruptcy Code and the Supremacy Clause of the United States Constitution, all Persons, including governmental units, shall not discriminate against the Debtor or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Debtor, solely because the Debtor has been a Debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Case (or during the Chapter 11 Case but before the Debtor is granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Case.

ARTICLE 10
BINDING NATURE OF PLAN

THIS PLAN SHALL BIND ALL HOLDERS OF CLAIMS AGAINST AND INTERESTS IN THE DEBTOR TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER (A) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THIS PLAN, (B) HAS FILED A PROOF OF CLAIM OR INTEREST IN THIS CHAPTER 11 CASE, OR (C) FAILED TO VOTE TO ACCEPT OR REJECT THIS PLAN OR VOTED (OR IS DEEMED TO HAVE VOTED) TO REJECT THIS PLAN.

ARTICLE 11
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain the maximum legally permissible jurisdiction over this Chapter 11 Case and all Persons with respect to all matters related to this Chapter 11 Case, the Debtor and the Plan, including jurisdiction to:

11.1 Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any request for payment of any Administrative Claim, the resolution of any and all objections to the allowance or priority of any Claim, and the resolution of any and all issues related to the release of Liens upon payment of a Secured Claim;

11.2 Enter an Order(s) of Distribution and in so doing reclassify any claim, determine the nature, extent, validity and priority of a secured claim, and/or equitably subordinate any claim to the extent permitted in the Plan;

11.3 Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan;

11.4. Resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease to which the Debtor is a party or with respect to which the Debtor may be liable; and to adjudicate and, if necessary, liquidate, any Claims arising therefrom;

11.5. Ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

11.6. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other causes of action that are pending as of the date hereof or that may be commenced in the future, and grant or deny any applications involving the Debtor that may be pending on the Effective Date or after the Effective Date;

11.7. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all other contracts, instruments, releases, indentures

and other agreements or documents adopted in connection with the Plan or the Disclosure Statement;

11.8. Resolve any cases, controversies, suits or disputes that may arise in connection with the Effective Date, interpretation or enforcement of the Plan or any Person's obligations incurred in connection with the Plan;

11.9. Issue injunctions and enforce them, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with the Plan after the Effective Date or enforcement of the Plan, except as otherwise provided in the Plan;

11.10. Enter and implement such orders, or take such other actions as may be necessary or appropriate, if the Confirmation Order is modified, stayed, reversed or vacated;

11.11. Enter and implement any orders necessary for the implementation of the Plan, including, without limitation, orders providing for payment of Claims, and the liquidation of the Property or a portion of the Property, including, without limitation orders pursuant to 11 U.S.C. § 363;

11.12. Resolve any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, the sale of the Property, or any contract, instrument, release, indenture or other agreement or document adopted in connection with the Plan or the Disclosure Statement, or the sale of the Property; and

11.13. Enter an order concluding this Chapter 11 Case.

ARTICLE 12 **MISCELLANEOUS PROVISIONS**

12.1 Modification of Plan. Effective as of the date hereof and subject to the limitations and rights contained in the Plan: (1) the Debtor reserves the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify the Plan and the exhibits before the entry of the Confirmation Order; and (2) after the entry of the Confirmation Order, the Debtor 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.

12.2 Revocation or Withdrawal of the Plan. The Debtor reserves the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent Chapter 11 plans. If the Debtor revokes or withdraws the Plan, or if Confirmation or the Effective Date does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, if any, and any document or agreement executed pursuant hereto, shall be deemed null and void; and (3) nothing contained in the Plan shall (a) constitute a waiver or

release of any Claims by or against, or any Interests in, the Debtor or any other Person, (b) prejudice the Debtor or any other Person's rights in any manner, or (c) constitute an admission, acknowledgement, offer, or undertaking by the Debtor or any other Person.

12.3 Successors and Assigns. The rights, benefits, and obligations of any Person named or referred to herein shall be binding on, and shall inure to the benefit of, such Person's heir, executor, administrator, successor, or assign.

12.4 Reservation of Rights. Except as expressly set forth herein, the Plan shall be of no force and effect unless and until the Bankruptcy Court enters the Confirmation Order. Neither the filing of the Plan, any statement or provision contained herein, nor the taking of any action by the Debtor with respect to the Plan, shall be, or shall be deemed to be, an admission or waiver of any rights of: (1) the Debtor with respect to the Holders of Claims against, or Interests in, the Debtor, or (2) any Holder of a Claim or an Interest, or other Person, before the Effective Date.

12.5 Severability. If any term or provision hereof is held by the Bankruptcy Court to be invalid, void, or unenforceable before the Confirmation Date, the Bankruptcy Court, at the request of the Debtor, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision then will be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation by the Bankruptcy Court, the remainder of the terms and provisions of the Plan shall remain in full force and effect. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

12.6 Filing and Execution of Additional Documents. On or before the Effective Date, the Debtor may file with the Bankruptcy Court all agreements and other documents that may be necessary or appropriate to effectuate and further evidence the terms and conditions hereof. The Debtor may execute such documents, take such other actions, and perform all acts necessary or appropriate to implement the terms and conditions of the Plan without the need for further Bankruptcy Court approval. Upon application by the Debtor, the Bankruptcy Court may issue an order directing any necessary party to execute or deliver, or to join in the execution or delivery of, any instrument or document, and to perform any act, necessary for the consummation or implementation of the Plan.

12.7 Exempt from Transfer Taxes. Pursuant to Section 1146(a) of the Bankruptcy Code, the creation, transfer, filing, or recording of any mortgage, deed of trust, financing statement, or other security interest, or the making, delivery, filing, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including, without limitation, the transfer of property by way of private sale (to Sagem or any other entity) or by way of auction sale as contemplated by paragraph 5.3 of this Plan, shall not be subject to any stamp tax, real estate tax, conveyance filing, or transfer fees, mortgage, recording, or other similar tax or other government assessment. The Confirmation Order shall direct all appropriate

governmental officials or agents to forgo the collection of any such tax or assessment and to accept such documents delivered under the Plan without the imposition or payment of any charge, fee, governmental assessment, or tax.

12.8 Computation of Time. In computing any period of time prescribed or allowed by the Plan, unless otherwise set forth herein, the provisions of Bankruptcy Rule 9006(a) shall apply.

12.9 Due Authorization. Each and every Holder of an Allowed Claim or Interest that receives a Distribution under the Plan warrants that it is authorized to accept, in consideration of such Claim or Interest, the Distribution provided for in the Plan and that there are no outstanding commitments, agreements, or understandings, express or implied, that may or can in any way defeat or modify the rights conveyed or obligations undertaken by it under the Plan.

12.10 Ratification. The Confirmation Order shall ratify all transactions effected by the Debtor during the pendency of the Chapter 11 Case.

12.11 Integration. The Plan is the complete, whole, and integrated statement of the binding agreement among the Debtor, the Holders of Claims or Interests, and other parties in interest upon the matters herein. Parole evidence shall not be admissible in any action regarding the Plan or any of its provisions.

ANCHOR REEF CLUB AT BRANFORD, LLC

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THE DEBTOR,
ANCHOR REEF CLUB AT BRANFORD, LLC

By: _____

Manager

EXHIBIT A

[Plan to be attached]