UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
www.flsb.uscourts.gov

In re:

ROMEO'S PIZZA EXPRESS, INC.
EIN#26-1533863,
d/b/a ROMEO'S
d/b/a ROMEO'S ITALIAN CUISINE
Debtor. /

Case No. 16-24817-PGH
Chapter 11
(Small Business)

FIRST AMENDED DISCLOSURE STATEMENT OF ROMEO'S PIZZA EXPRESS, INC. DATED SEPTEMBER 28, 2017

I. INTRODUCTION

A. Purpose of this Document.

This is the first amended disclosure statement (the "Disclosure Statement") in the Chapter 11 case of Romeo's Pizza Express, Inc. (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the Debtor's First Amended Plan of Reorganization (the "Plan") filed by the Debtor on September 28, 2017. A full copy of the Plan was filed with this Court (ECF#131) concurrently with this Disclosure Statement and is referenced as **Exhibit A**.

This Disclosure Statement is submitted pursuant to the requirement imposed on the proponent of a plan by 11 U.S.C. § 1125. The purpose is to disclose information deemed to be material, important, and necessary for the creditors to arrive at a reasonably informed decision in exercising their right to vote for acceptance or rejection of the Plan. This Disclosure Statement should be read in conjunction with the accompanying Plan. The Plan is a legally binding document once it is approved by the Court, and should be read in its entirety. Accordingly, holders of Claims and Interests may wish to consult with their own attorney to more fully understand the Plan.

No representations concerning the Debtor, its future business operations, the value of its property or the value of any benefits offered to holders of Claims or Interests in connection with the Plan are authorized other than as set forth in this Disclosure Statement. Any representations or inducements made to secure acceptance of the Plan other than those contained in this Disclosure Statement should not be relied upon by a holder of a Claim or Interest. Any such additional representations and inducements should be reported to counsel for the Debtor at the address below and to the United States

Trustee.

The information contained in this Disclosure Statement has not been subject to certified audit and is based in large extent on information maintained and collected by the Debtor. While every effort has been made to provide the most accurate information available, the books and records of the Debtor are not warranted or represented to be completely and historically accurate. Further, much of the information contained herein consists of projections of future performance. While every effort has been made to ensure that the assumptions are valid and that the projections are as accurate as can be made under the circumstances, neither the Proponent, the Debtor, nor its accountant undertake to certify or warrant the absolute accuracy of the projections.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

1. Time and Place of the Hearing to Confirm the Plan

The hearing at which the Court will determine whether to confirm the Plan will take place on _____ , in Courtroom A, Room 801, at 1515 North Flagler Drive. West Palm Beach, FL 33401.

2. Deadline for Voting to Accept or Reject the Plan

If you are entitled to accept or reject the Plan, vote on the enclosed ballot and return the ballot to the United States Bankruptcy Court, 1515 N. Flagler Drive, Room 801, West Palm Beach, FL 33401.

See Section X for a discussion of voting eligibility requirements.

The ballot must be received by _____ or it will not be counted.

3. Deadline for Objecting to the Confirmation of the Plan

Objections to the confirmation of the Plan must be filed with the Court and served upon the attorney for the Debtor, Malinda Hayes, Esq., Markarian & Hayes, 2925 PGA Blvd., Suite 204, Palm Beach Gardens, FL 33410; Heidi Feinman, Office of the U.S. Trustee, 51 S.W. First Ave, Suite 1204, Miami, Fl. 33130: and all interested parties by _____.

4. Identity of Person to Contact for More Information

If you want additional information about the Plan, you should contact Malinda Hayes, Esq., Markarian & Hayes, 2925 PGA Blvd., Suite 204, Palm Beach Gardens, FL 33410.

5. Effective Date.

As the term is used in this Disclosure Statement and the Plan, the Effective Date shall mean fourteen days after the date the order of the Bankruptcy Court confirming the Plan shall have become final and nonappealable, or, if such date is not a Business Day, the next succeeding Business Day, notwithstanding any pending appeal in respect of the Plan, unless in conjunction with any appeal the effect of the order confirming the Plan is stayed by a Court order.

II. BACKGROUND

Romeo's Pizza Express, Inc. was incorporated in Florida and began operations in 2007. It operated very successfully as a small pizzeria, primarily catering to take out and delivery. The original space was only 1400 square feet and could seat 30 people. By 2011, the restaurant was very popular and could not accommodate the demand for orders. The kitchen was filled to maximum capacity and could not fit the additional equipment needed

to fill the demand for orders.

In order to expand to meet the growing demand owner Antonio Manglaviti negotiated with the landlord to get additional space. In 2011, a new lease was signed to increase the existing space by three times, for an additional $3,000 per month rent. Late in 2011, Davis construction was contracted to do the expansion. The project was estimated to be complete in six months with a cost of approximately $200,000 for construction and to purchase new equipment to fill the expanded kitchen. Construction was problematic. The initial phases took longer than expected and were not approved by the City. Davis Construction was fired and a new contractor hired to engineer the expansion. The build-out engineered by the new firm had a cost of triple the estimate from Davis Construction. The Debtor persevered and completed the expansion project, but was forced to finance 100% of the equipment and furniture for the build-out, as all available funds were used for construction. Debtor was involved in a lawsuit with Davis Construction with which delayed the expansion an additional year. Although the delivery and carry-out portion of the pizzeria continued to operate during construction, with some limited seating available, in early 2015 the restaurant was closed entirely for nearly a month, due to construction. Additional road blocks related to construction were faced in 2015, increasing costs and further delaying the opening of the expansion. At this point, the Debtor was obligated to pay the increased rent for the space and to pay for the majority of the equipment finance leases, but was operating with only scaled back revenue from the smaller, pre-existing space, as construction had hampered revenues earned by the existing location.

The expanded restaurant opened up late in 2015. Although revenues were on the rise, the Debtor was too far behind to catch up. After trying to resolve the financial problems that had accumulated during construction or nearly a year, Debtor opted to seek advice regarding a chapter 11 reorganization in 2016.

This case (the "Bankruptcy Case") was filed on November 1 2016, for the purpose of attempting to preserve the on-going business operation and to maximize its value for the benefit of all creditors and equity interest holders.

III. POST-PETITION EVENTS

Debtor employed its attorney, Malinda Hayes of Markarian & Hayes to represent it in the bankruptcy proceeding (ECF#40).

Debtor sought and obtained a judicial determination that no creditor held an interest in cash collateral and was permitted to use cash derived from operations without restriction. (ECF#39).

Debtor filed an Emergency Motion for Authority for the Payment of Pre-Petition Claims (ECF#21) on November 7, 2016. This Court authorized payment on July 17, 2016 (ECF#34) to the following claimants:

Premier Beverage Company d/b/a Breakthru Beverage	$1,045.36
LNR South and Lighting in the amount of	$450
First Insurance Funding in the amount	$2,293.56
ADT	$49

Debtor filed a Motion to Approve Lease Agreement with Accelerated Business Solutions (ECF#48). This Court approved the lease with Accelerated Business Solution for a copier on January 13, 2017 (ECF#55).

Creditor Direct Capital filed a Motion (ECF#57) to require the Debtor to assume or

reject a pre-petition "lease," which the Debtor contended was a disguised finance transaction and not a true lease. The parties agreed that the Debtor would pay adequate protection payments of $200, per month beginning on April 15, 2017 (ECF#92).

Debtor filed a Motion to Approve Employment of Accounting professional Siegel & Siegel, LLC (ECF#44). This Court approved the employment on January 20, 2017 (ECF#67).

Debtor filed a Motion to Deem Lease with First Data Terminated (ECF#63). This Court granted Debtor's Motion and deemed the lease terminated pre-petition on February 13, 2017 (ECF#80).

Debtor sought and obtained approval to retain an auctioneer to determine the resale value of its assets (ECF#84). This approval was obtained in order to value personal property in anticipation of filing a motion to value the Debtor's assets. Debtor filed Motion to Value Personal Property (ECF#102) and obtained a judicial determination that the total value of the Debtor's personal property was $59,634.93. The Order (ECF#110) valuing the property provided that the property was encumbered by the following liens:

PNC Bank, NA ("PNC") holds a blanket first and second priority lien interest on all of the Debtor's personal property of the Debtor, including but not limited to inventory, equipment, and accounts. PNC's security interests cover all of the Debtor's rights, title and interest in Debtor's cash and accounts securing cash collateral as defined by 11 U.S.C. § 363(a).

Direct Capital holds a third priority lien on all of the Debtor's personal property, including but not limited to inventory, equipment, machinery, accounts and accounts receivable.

Ascentium Capital LLC ("Ascentium") holds a first priority purchase money security interest in the equipment financed by Ascentium. The remainder of Ascentium's lien interest is a blanket fourth position lien interest on all Debtor's personal property, including but not limited to inventory, equipment, and accounts.

Premier Beverage Company a/k/a Breakthru Beverage ("Breakthru") holds a first position money security interest on the Debtor's liquor inventory.

CAN Capital Asset Servicing, Inc. ("CAN Capital") holds a fifth position lien by way of a business loan agreement and UCC-1 filing.

An Order on the Motion to Value was entered (ECF#110), which established that PNC's interest in the Debtor's personal property was fully secured at $10,7411.90 and $4,493.62, Direct Capital's lien interest is secured only to the extent of the value of the Debtor's personal property at $33,904.05, and Ascentium's lien interest is secured only to the extent of the value of the financed equipment in the amount of $9,450. Breakthru's lien interest was satisfied pursuant to Court Order (ECF#34). CAN Capital's lien interest is unsecured, void, extinguished automatically, and satisfied in full.

Debtor filed a Motion to Assume Unexpired Non-Residential Real Property Lease of Property Located at 13889 Wellington Trace, #A-14, Wellington, FL 33414 on February 7, 2017 (ECF#73). This Court granted Debtor's motion and the lease was assumed on February 28, 2017 (ECF#83). At the time of lease assumption, Debtor owed $40,244.48 in rent arrears. Since lease assumption, the Debtor has been making payments towards the lease arrears and the current balance is $36,973.15. Debtor and landlord have a flexible agreement that the Debtor will make smaller payments during the off-season while revenues are low, and then will start making higher payments in the winter when the

restaurant revenues are back up. Debtor's financial projections (see **Exhibit B**) will reflect the anticipated repayment schedule. The lease assumed by the Debtor contains a five year extension option. Debtor has elected to extend the lease to the five year term, commencing 9/1/2017. Rent under the extended lease will $4,717.51 per month, plus estimated expense, to be reflected in the Debtor's projections.

Debtor filed an Amended Disclosure of Compensation (ECF#97) and a First Interim Fee Application (ECF#98) on April 13, 2017. This Court awarded Markarian Frank & Hayes (n/k/a Markarian & Hayes) interim fees in the amount of $19,526.40 which represents 80% of the requested fees plus 100% of the costs in the amount of $2,645.91 for a total interim payment of $22,172.31 (ECF#109). Of the total awarded, $17,018 was satisfied by the Debtor. Additional fees have been incurred since the interim award.

IV. FINANCIAL INFORMATION

The Debtor has filed schedules of assets, liabilities, income and expenses, a Statement of Financial Affairs, and Monthly Operating Reports which contain the most accurate and current information available to the Debtor. A summary of the Debtor's most recent operating report is attached hereto as **Exhibit C**. Full copies of all reports are available upon request of Debtor's counsel.

A. Real Property

The Debtor does not own any real property. The Debtor leases space located at 13889 Wellington Trace, #A-14, Wellington, FL 33414 where it conducts the day to day operations as a restaurant.

B. Personal Property

The Debtor's personal property consists of cash in bank accounts, a website, customer list, inventory, office fixtures and restaurant equipment located at the restaurant as listed in the Debtor's Amended Schedule A/B (ECF#101) and as set forth below in Section VI.

C. Ability to Fund and Complete Plan

The Debtor proposes to fund the Plan from cash on hand, income from on-going business operations, and from a cash infusion of $30,000 by Sebastian Romeo. Mr. Romeo is a cousin of Mr. Manglaviti, the current President of the Debtor and a 10% equity holder.

D. Compensation of Officers

Prior to and during the chapter 11 case, Antonio Manglaviti, has been the President and has been responsible for managing the Debtor. Mr. Manglaviti receives a salary of $1350 per week, plus reimbursement for call, cell phone, and car insurance as compensation for his time. Subsequent to confirmation of the plan, Mr. Manglaviti will no longer be an officer of the company, but he will continue to work full time as the manager and it is anticipated that he will continue receiving the same compensation for his services after confirmation. The new officer of the company will be Mr. Manglaviti's cousin, Sebastian Romeo.

V. EXECUTORY CONTRACTS

The Debtor is a party to a lease on business premises located at 13889 Wellington Trace, #A-14, Wellington, FL 33414. The Debtor has assumed the unexpired non-residential real property lease pursuant to 11 U.S.C. § 365 [ECF#83].

VI. LIQUIDATION ANALYSIS

As with any Plan, an alternative would be a conversion of the Chapter 11 case to a

Chapter 7 case and subsequent liquidation of the Debtor's assets by a duly appointed or elected trustee.

In the event of a Chapter 7 liquidation, an additional tier of administrative expenses entitled to priority over general unsecured claims under § 507(a)(1) of the Bankruptcy Code would be incurred. Such administrative expenses would include Trustee's commissions and fees to the Trustee's accountants, attorneys and other professionals likely to be retained by the Trustee for the purposes of liquidating the Debtor's assets.

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a Chapter 7 liquidation. The following scenario would occur in a Chapter 7 liquidation:

Estimated value of assets: $48,746.54

Real Property - $0.00

Liquidation Value of Personal Property - $40,000

Liquidation Value of Intangible and Intellectual Property - $0.00

Deposits and Prepayments $13,640.18

Cash - $5,106.63 (bank account balance as of 8/28/2017)

Less liens on property: $44,399.41

Amounts required to cure pre-petition lease arrears: $36,973.15

Chapter 11 Administrative Claims: estimated $20,000

Chapter 7 Administrative claims: estimated $20,000

Amount available for general unsecured creditors: $0.00

Amount available for equity interest holders: $0.00

Estimated Chapter 7 administrative claims include one month rent, trustee's fees and fees for trustee's attorney.

All of Debtor's personal property is fully encumbered by several secured obligations. The only unencumbered asset – cash – would be used to fund administrative expense. It is the Debtor's belief that in a chapter 7 scenario, the estate would be administratively insolvent and no funds would be available for distribution to unsecured creditors. The Plan proposes to pay a 5% distribution to unsecured creditors. Therefore, the Plan meets the test required by 11 U.S.C. § 1129(a)(7).

VII. SPECIAL RISK FACTORS

Certain substantial risk factors are inherent in most plans in Chapter 11 cases. If such plans are accepted, it is usually because they represent a greater return in dividends than in a liquidating Chapter 7 case. This Plan bears the risk that the Debtor's revenues may be less than projected revenues or that expenses may be higher than projected, and thus that the Debtor may not be able to make all plan payments. However, based on historical performance during this chapter 11 case, the Debtor believes all payments are feasible.

ALL RISK FACTORS INHERENT IN A PLAN UNDER CHAPTER 11 ARE PRESENT IN THIS CASE. CREDITORS ARE URGED TO CAREFULLY READ THIS DISCLOSURE STATEMENT AND THE ACCOMPANYING PLAN SO THAT AN INFORMED JUDGMENT CAN BE MADE WITH RESPECT TO VOTING ON THE PLAN.

VIII. SUMMARY OF NON-BANKRUPTCY LITIGATION

At the time of the filing of the case, the Debtor was a party in four (4) pending non-bankruptcy litigation matters, described in greater details in section three of the Debtor's Statement of Financial Affairs (ECF#38). These matters were stayed by the filing of this case.

One of the lawsuits was based on breach of contract or non-payment of a lease agreement. The other lawsuits entailed a small claims action, public accommodation discrimination action, a worker's compensation claim and a breach of lease agreement for the Debtor's premises.

CIT Finance LLC sued the Debtor as a result of pre-petition breach of a lease agreement for security and surveillance equipment. The Debtor disputes liability for the lease as the equipment never functioned properly. The litigation was pending when this case was filed.

FWI, 16, LLC, the Debtor's landlord, sued the Debtor for breach of the Debtor's lease agreement. The Debtor has assumed the lease, is current with the landlord post-petition, and is curing the lease arrears under terms agreeable to the landlord.

Richard Herbst filed a complaint with the Florida Commission on Human Relations for a public accommodation discrimination claim, alleging that the restaurant did not make appropriate accommodations for his service dog. The Debtor disputed the allegations. On September 15, 2017, the Florida Commission on Human Relations concluded their investigation and found that no reasonable cause exists to believe that an unlawful practice occurred. Accordingly, no fine will be issued. The Debtor will file an objection to the proof of claim filed in this case by Mr. Herbst.

Joshua Plyer's worker's compensation claim was settled and paid by worker's compensation insurance.

Debtor's Statement of Financial Affairs indicates a pendency lawsuit for a civil claim held by Roger Madow. The claim was settled pre-petition, but the case not yet closed.

IX. SUMMARY OF PLAN OF REORGANIZATION

A. Purpose of the Plan of Reorganization

As required by the Code, the Plan places Claims and Interests in various Classes and describes the treatment each Class will receive. The Plan also states whether each class of Claims or Interests is Impaired or Unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims

Certain types of Claims and Interests are automatically entitled to specific treatment under the Code. They are not considered Impaired, and holders of such Claims and Interests do not vote on the Plan. They may, however, object if in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Proponent has not placed the following Claims in any Class:

1. Administrative Claims

Administrative Expenses are costs or expenses for administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. The Code requires that all Administrative Expenses be paid on the Effective Date of the Plan, unless a particular claimant agrees to a different treatment. The Plan proposes that Administrative Expenses will be paid in full or according to the terms of separate written agreement between the parties. Administrative Expenses include the following:

Professional fees and expenses:	estimated at $20,000.00
Office of the US Trustee:	no outstanding payments due (all fees due will be promptly paid in full, on or before the effective date)

2. Allowed Priority Tax Claims

Each holder of an Allowed Priority Tax Claim shall receive deferred cash payments over a

period not to exceed five years following the Order for Relief, of a value, as of the Effective Date of the Plan, equal to the amount of the Allowed Priority Tax Claim, except to the extent that a holder of an Allowed Priority Tax Claim under § 507(a)(8) of the Code has been paid by the Debtor prior to the Effective Date or agrees to a different treatment. Prior to the Effective Date, the Debtor shall have the right, in its sole discretion, to prepay at any time, in whole or in part, the Allowed Priority Tax Claim without premium or penalty of any sort or nature.

The Debtor listed 2016 tangible personal property taxes due to the Palm Beach County Tax Collector as outstanding. Palm Beach County Tax Collector filed Proof of Claim #6 in the amount of $1,138.80, plus interest at the statutory rate (18%). The Debtor intends to pay the tangible personal property taxes in full on or before the Effective Date, but reserves the right to make deferred cash payments in accordance with the statutory requirements.

The Debtor listed unpaid June and July 2017 sales and use tax due to the Florida Department of Revenue as outstanding. Florida Department of Revenue filed Proof of Claim #2 in the amount of $12,205.36. The Debtor intends to make deferred cash payments in accordance with the statutory requirements.

Florida Department of Revenue filed Proof of Claim #13 in the amount of $433.40 for unpaid reemployment tax due. The Debtor intends to pay the reemployment tax in full on or before the Effective date, but reserves the right to make deferred cash payments.

The Debtor listed unpaid payroll taxes due to the Internal Revenue Service as outstanding. The Internal Revenue Service filed Proof of Claim #7 in the amount of $629.10. The Debtor intends to pay the payroll taxes in full on or before the Effective date, but reserves the right to make deferred cash payments.

The Debtor listed 2017 local business tax due to the Village of Wellington as outstanding.

The Village of Wellington did not file a Proof of Claim. The taxes were paid by the Debtor in the ordinary course and will not be paid through the Plan.

3. Classes of Claims and Equity Interests

The Plan shall provide for the payment of all expenses of this proceeding, including fees due the Office of the U.S. Trustee, accompanying Plan divides holders of Claims and Interests into the following Classes, and identifies them as Impaired or Unimpaired:

Class 1 — Allowed Secured Claim of PNC Bank, NA ("PNC-1") (Impaired) This Class includes the Secured Claim of PNC based on its pre-petition lien in the amount of $10,741.90. PNC has a first position lien on personal property located at 13389 Wellington Trace #A-14, Wellington, FL 33414. The Debtor shall retain the property. PNC-1's claim (Claim#5) shall be treated as fully secured.

PNC-1's claim will be amortized over 72 months, at 4% interest, and paid in equal monthly installments. Payments are estimated to be $146.82 per month. There is no penalty for pre-payment. PNC shall retain its liens until the secured claim is paid in full. Upon payment in full, PNC must file the necessary documents to release its liens. If no such release is recorded, a copy of the Plan, the Confirmation Order and proof of payment in full may be used as evidence that the liens have been satisfied.

The Class 1 claimholder is entitled to vote.

Class 2 – Allowed Secured Claim of PNC Bank, NA ("PNC-2") (Impaired) This Class includes the Secured Claim of PNC-2, based on its pre-petition lien amount of $4,493.62. PNC-2 has a second lien position on personal property located at 13389 Wellington Trace #A-14, Wellington, FL 33414. The Debtor shall retain the property. PNC-2's claim (Claim#4) shall be treated as fully secured.

PNC-2's claim will be amortized over 60 months, at 4% interest, and paid in equal monthly installments. Payments are estimated to be $82.75 per month. There is no penalty for pre-payment. PNC shall retain its liens until the secured claim is paid in full. Upon payment in full, PNC must file the necessary documents to release its liens. If no such release is recorded, a copy of the Plan, the Confirmation Order and proof of payment in full may be used as evidence that the liens have been satisfied.

PNC-2 shall retain its liens until the secured claim is paid in full. There is no penalty for pre-payment. Upon payment in full, PNC must file the necessary documents to release its liens. If no such release is recorded, a copy of the Plan, the Confirmation Order and proof of payment in full may be used as evidence that the liens have been satisfied.

The Class 2 claimholder is entitled to vote.

Class 3 – Allowed Secured Claim of Direct Capital (Impaired) This Class includes the Secured Claim of Direct Capital, based on its pre-petition lien amount of $40,740.53. Direct Capital has a third lien position on personal property located at 13389 Wellington Trace #A-14, Wellington, FL 33414. The Debtor shall retain the property. Direct Capital's claim (Claim#12) shall be treated as a secured claim in the amount of $33,904.05, with the remainder of $6,836.48 as an unsecured claim.

After application of all adequate protection payments made during the case, the balance of Direct Capital's allowed secured claim will be amortized over seven years and paid at 5% interest. Payments are estimated to be $459.41 per month. There is no penalty for pre-payment. Direct Capital shall retain its liens until the secured claim is paid in full. Upon payment in full, Direct Capital must file the necessary documents to release its liens. If no such release is recorded, a copy of the Plan, the Confirmation Order and proof of payment in full may

be used as evidence that the liens have been satisfied.

The Class 3 claimholder is entitled to vote.

Class 4 – Allowed Secured Claim of Ascentium Capital LLC ("Ascentium") (Impaired) This Class includes the Secured Claim of Ascentium, based on its pre-petition lien of $59,188.62. Ascentium has a first priority purchase money security interest in the equipment financed, and a fourth lien position interest in personal property located at 13389 Wellington Trace #A-14, Wellington, FL 33414. The Debtor shall retain the property. Ascentium's claim (Claim#9) shall be treated as a secured claim in the amount of $9,450, with the remainder of $49,738.62 as an unsecured claim.

Ascentium's claim will be amortized over 60 months, at 5% interest, and paid in equal monthly installments. Payments are estimated to be $178.33. There is no penalty for pre-payment. Ascentium shall retain its liens until the secured claim is paid in full. Upon payment in full, Ascentium must file the necessary documents to release its liens. If no such release is recorded, a copy of the Plan, the Confirmation Order and proof of payment in full may be used as evidence that the liens have been satisfied.

The Class 4 claimholder is entitled to vote.

Class 5 — Allowed Unsecured Claims (Impaired). This Class includes all Unsecured Claims allowed against the Debtor's estate, of approximately $645,717.55. The Plan proposes to pay a distribution equal to approximately 5% of allowed general unsecured claims, in equal monthly installments over 60 months, commencing within 30 days of the effective date. The estimated monthly payments to unsecured creditors would be $538.10.

Attached hereto as **Exhibit D** is a description of all Scheduled General Unsecured

Claims and all other General Unsecured Claim filed against the Debtor.

The Class 5 claimholders are entitled to vote.

Class 6 — Allowed Interests (Impaired): This Class includes the Equity Interests in the Debtor. Equity interests consist of any share of common or preferred stock, or any other instrument evidencing an ownership interest in the Debtor, whether or not transferable, and any option, warrant or right, contractual or otherwise, to acquire any such interest.

Equity interest holders Harry Athan and Antonio Manglaviti will not retain their pre-petition equity interest in the Debtor. Upon confirmation of the Debtor's Plan, Sebastian Romeo will assume 100% of the equity interest in the reorganized Debtor. Mr. Manglaviti will continue to be employed as a co-manager of the Debtor with Mr. Romeo.

The Debtor does not believe the absolute priority rule applies. If, however, a successful objection regarding the absolute priority rule is timely raised, Sebastian Romeo reserves the right to have the amount of money he is contributing to fund the plan ($30,000) to be deemed "new value," and the absolute priority rule will not bar confirmation of the Debtor's Plan. Any new value received by the Debtor shall be used to fund the Plan.

The Class 6 Interest Holders are Impaired; however, Class 6 Interest Holders are not entitled to vote to accept or reject the Plan, as Class 6 Interest Holders shall be deemed to have rejected the Plan.

3. Claims Not Receiving Treatment Under Debtor's Plan

The following claims were listed on the Debtor's Schedule F as disputed, as well as claims that were filed for which no claim was scheduled. If no proof of claim was filed, then claims will not receive treatment under the Debtor's Plan. ***Entry of an order confirming the Debtor's Plan***

of Reorganization shall act as a permanent injunction forever barring any and all enforcement or collection efforts against the Debtor arising from these disputed pre-petition debts:

Eskimo, arising from a/c services in the amount of $1,721.50 listed on Schedule F as disputed. Eskimo did not file a proof of claim. This scheduled claim will not receive treatment under the Debtor's Plan.

PNC Bank c/o National Enterprise System, arising from bank fees on a closed account in the amount of $310.04 listed on Schedule F as disputed. PNC Bank c/o National Enterprise System did not file a proof of claim. This scheduled claim will not receive treatment under the Debtor's Plan.

Central Restaurant Product, arising from supplies in the amount of $2,781.06 listed on Schedule F as disputed. Central Restaurant Product did not file a proof of claim. This scheduled claim will not receive treatment under the Debtor's Plan.

This list reflects only those Unsecured Claims not receiving treatment under the Plan that were listed on the Debtor's Schedules, but for which no proof of claim was timely filed. Objections to Claims will be filed prior to the Objection deadline. This list is in no way meant to limit the Debtor's ability to object to additional Claims.

C. Feasibility

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

1. Ability to Initially Fund Plan

The Debtor will have enough cash on hand on the effective date of the Plan

to pay all the expenses that are entitled to be paid on that date. Sebastian Romeo's $30,000 contribution will fund the initial distribution with the remaining funds being used by the Debtor for the on-going operation.

2. Ability to Make Future Plan Payments And Operate Without Further Reorganization

The Plan Proponent will provide projected financial information prior to the hearing on conditional approval of this Disclosure Statement. Those projections will be served on all creditors with the Plan and Disclosure Statement and will show that the Plan Proponent will have enough cash to continue operating such that additional reorganization is not necessary.

The Plan Proponent's financial projections show that the Debtor will be fully capable of meeting its obligations under this Plan.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

X. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (h) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one Impaired Class of claims must accept the Plan, without counting votes of insiders; the Plan must distribute to each holder of a Claim or Interest at least as much as the holder would receive in a Chapter 7 liquidation case unless the holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in 11 U.S.C. § 1129, and they are not the only requirements for

confirmation.

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to accept or reject the Plan. A holder of a Claim or Interest has a right to vote for or against the Plan only if that holder has a Claim or Interest that is both (I) Allowed or allowed for voting purposes; and (2) Impaired.

In this case, the Proponent believes that Classes 1, 2 and 3 are Impaired and that holders of Claims and Interests in each of these Classes are therefore entitled to vote to accept or reject the Plan. The Proponent believes that Class 4 is unimpaired and that holders of claims in this class, therefore, do not have the right to vote to accept or reject the Plan.

1. What is an Allowed Claim?

Only a holder of a Claim or an Interest that is Allowed has the right to vote on the Plan. Generally, a Claim or Interest is allowed if either (1) the Debtor has scheduled the Claim or Interest on the Debtor's schedules, unless the Claim or Interest has been scheduled as disputed, contingent, or unliquidated, or (2) the holder has filed a proof of claim or interest, unless an objection has been filed to such proof of claim or interest. When a Claim or Interest is not allowed, the holder cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the Claim or Interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim in this case was February 27, 2017 for all non-governmental units and May 1, 2017 for all governmental units.

2. What is an Impaired Claim?

As noted above, the holder of an Allowed Claim or Interest has the right to vote only if it is in a class that is Impaired under the Plan. As provided in § 1124 of the Code. a Claim or Interest in considered Impaired if the Plan alters the legal, equitable, or contractual rights of the members of that Class.

3. Who is Not Entitled to Vote?

The holders of the following types of Claims and Interests are not entitled to vote:

- holders of Claims and Interests that have been disallowed by an order of the Court;
- holders of Claims and Interests that are not Allowed Claims or Allowed Interests, unless they have been Allowed for voting purposes.
- holders of Claims or Interests in Unimpaired Classes;
- holders of Claims entitled to priority pursuant to §§ 507(a)(2), (a)(3) and (a)(8) of the Code;
- holders of Claims or Interests in Classes that do not receive or retain any value under the Plan; and
- Administrative Expenses.

Even if you are not entitled to vote on the Plan, you have a right to object to confirmation of the Plan.

4. Who Can Vote in More than One Class?

A creditor whose Claim has been Allowed in part as a Secured Claim and in part as an Unsecured Claim, or who otherwise holds claims in multiple Classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. Votes Necessary to Confirm the Plan

If Impaired Classes exist, the Court cannot confirm the Plan unless (1) at least one Impaired Class has accepted the Plan without counting the votes of any insiders within that Class, and (2) all Impaired Classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by "cram down" on non-accepting classes as discussed below in Section B.2.

1. Votes Necessary for a Class to Accept the Plan

A Class of Claims accepts the Plan if both of the following occur: **(1)** the holders of more than one-half (1/2) of the Allowed Claims in the Class cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the Allowed Claims in the Class cast their votes to accept the Plan. A Class of Interests accepts the Plan if the holders of more than two thirds (2/3) in amount of the Allowed Interests of the Class cast their votes to accept the Plan.

2. Treatment of Nonaccepting Classes

Even if one or more Impaired Classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting Classes are treated in the manner prescribed by 11 U.S.C. § 1129(b). A plan that binds nonaccepting Classes is commonly referred to as a "cram down" plan. The Code allows the Plan to bind nonaccepting classes or of Claims or Interests if it meets all the requirements for consensual confirmation except the voting requirements of 11 U.S.C. § 1129(a)(8), does not "discriminate unfairly" and is "fair and equitable" toward each Impaired class that has not voted to accept the Plan.

You should consult your own attorney if a "cram down" confirmation will affect your Claim or Interest, as the variations on this general rule are numerous and complex.

XI. Effect of Confirmation of the Plan

A. Discharge of Debtor

Discharge. On the effective date of the Plan, the Debtor shall be discharged from any debt that arose before confirmation of the Plan, subject to the occurrence of the effective date, to the extent specified in §1141(d)(1)(A) of the Code, except that the Debtor shall not be discharged of any debt (i) imposed by the Plan, (ii) of a kind specified in §1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure, or (iii) of a kind specified in §1141(d)(6)(B). After the effective date of the Plan your claims against the Debtor will be limited to the debts described in clauses (i) through (iii) of the preceding sentence.

B. INJUNCTIONS RELATED TO DISCHARGE

Except as otherwise expressly provided in the Plan, the Confirmation Order or a separate order of the Court, all Persons who have held, hold or may hold Claims against or Equity Interests in the Debtor, are permanently enjoined, on and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Equity Interest against the Debtor, (ii) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Debtor on account of any such Claim or Equity Interest, (iii) creating, perfecting or enforcing any Lien or asserting control of any kind against the Debtor or against the property or interests in property of the Debtor on account of any such Claim or Equity Interest and (iv) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtor or against the property or interests in property of the Debtor on account of any such Claim or Equity Interest. Such injunctions shall extend to successors of the Debtor

(including, without limitation, the Reorganized Debtor) and their respective properties and interests in property.

C. INJUNCTION AGAINST INTERFERENCE WITH THE PLAN

Upon the entry of a Confirmation Order with respect to the Plan, all holders of Claims and Equity Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, or principals, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan, except with respect to actions any such entity may take in connection with the pursuit of appellate rights.

D. Modification of Plan

The Plan Proponent may modify or supplement the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or re-voting on the Plan. "Upon request of the Debtor, the United States trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan."

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E. Filing of Monthly Reports and Payment of Quarterly US Trustee Fees

Once the Plan is substantially consummated and a Final Decree is entered, the Debtor in Possession will no longer be required to file with the Court and U.S. Trustee a monthly and/or quarterly operating report or pay U.S. Trustee's fees.

ROMEO'S PIZZA EXPRESS, INC., Debtor

By: _____
Antonio Manglaviti, President

Markarian & Hayes
Attorneys for Debtor
2925 PGA Blvd., Suite 204
Palm Beach Gardens, FL 33410
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By: _____
Malinda L. Hayes, Esq.
Florida Bar No.: 0073503

EXHIBIT A

First Amended Plan of Reorganization

[*See* ECF#131]

EXHIBIT B

Financial Projections

Romeo's of Wellington
Profit and Loss
Projected Proforma

	Avg Monthly	Year 1	Year 2	Year 3
Income				
Sales				
Beer	1,170.00	14,040.00	14,742.00	15,479.10
Food	75,000.00	900,000.00	945,000.00	992,250.00
Liquor	16,035.00	192,420.00	202,041.00	212,143.05
Non-Alcoholic Beverage	1,297.50	15,570.00	16,348.50	17,165.93
Wine	17,250.00	207,000.00	217,350.00	228,217.50
Total Sales	**$ 110,752.50**	**$ 1,329,030.00**	**$ 1,395,481.50**	**$ 1,465,255.58**
Cost of Goods Sold				
Beverage Cost				
Beer Purchases	292.50	3,510.00	3,685.50	3,869.78
Liquor Purchases	3,527.70	42,332.40	44,449.02	46,671.47
N/A Beverage Purchases	324.38	3,892.50	4,087.13	4,291.48
Wine Purchases	5,175.00	62,100.00	65,205.00	68,465.25
Total Beverage Cost	**$ 9,319.58**	**$ 111,834.90**	**$ 117,426.65**	**$ 123,297.98**
Food Purchases	26,250.00	315,000.00	330,750.00	347,287.50
Total Cost of Goods Sold	**$ 35,569.58**	**$ 426,834.90**	**$ 448,176.65**	**$ 470,585.48**
Gross Profit	**$ 75,182.93**	**$ 902,195.10**	**$ 947,304.86**	**$ 994,670.10**
Expenses				
Advertising	1,500.00	18,000.00	18,900.00	19,845.00
Auto, Gas, Parking, & Tolls	200.00	2,400.00	2,520.00	2,646.00
Bank Charges	50.00	600.00	630.00	661.50
Credit Card Processing	2,215.05	26,580.60	27,909.63	29,305.11
Total Bank Charges	**$ 2,265.05**	**$ 27,180.60**	**$ 28,539.63**	**$ 29,966.61**
Dues & Subscriptions	50.00	600.00	600.00	600.00
Insurance				
Workmen's Comp	1,120.00	13,440.00	14,112.00	14,817.60
Liability	1,546.87	18,562.44	19,490.56	20,465.09
Total Insurance	**$ 2,666.87**	**$ 32,002.44**	**$ 33,602.56**	**$ 35,282.69**
Janitorial Services	1,200.00	14,400.00	15,120.00	15,876.00
Licenses & Permits	190.00	2,280.00	2,394.00	2,513.70
Linen Expense	1,263.93	15,167.16	15,925.52	16,721.79
Office Expenses	75.00	900.00	945.00	992.25
Payroll				
Processing Fee	312.00	3,744.00	3,931.20	4,127.76
Salary & Wages	27,688.13	332,257.50	348,870.38	366,313.89
Taxes	8,472.57	101,670.80	106,754.33	112,092.05
Total Payroll	**$ 36,472.69**	**$ 437,672.30**	**$ 459,555.91**	**$ 482,533.71**
Postage & Delivery	200.00	2,400.00	2,520.00	2,646.00
Rent	8,000.00	96,000.00	100,800.00	105,840.00
Smallwares	500.00	6,000.00	6,300.00	6,615.00
Supplies				
Cleaning	3,322.58	39,870.90	41,864.45	43,957.67
Dining Room	2,215.05	26,580.60	27,909.63	29,305.11
Kitchen	2,768.81	33,225.75	34,887.04	36,631.39
Paper Goods	3,322.58	39,870.90	41,864.45	43,957.67
Total Supplies	**$ 11,629.01**	**$ 139,548.15**	**$ 146,525.56**	**$ 153,851.84**
Uniforms	150.00	1,800.00	1,890.00	1,984.50
Utilities				
Cable, TV, & Internet	420.82	5,049.84	5,302.33	5,567.45
Electricity	2,700.00	32,400.00	34,020.00	35,721.00
Gas	1,400.00	16,800.00	17,640.00	18,522.00
Telephone	385.73	4,628.76	4,860.20	5,103.21
Water	428.73	5,144.76	5,402.00	5,672.10
Total Utilities	**$ 5,335.28**	**$ 64,023.36**	**$ 67,224.53**	**$ 70,585.75**
Total Expenses	**$ 71,697.83**	**$ 860,374.01**	**$ 903,362.71**	**$ 948,500.84**
Net Operating Income	**$ 3,485.09**	**$ 41,821.09**	**$ 43,942.15**	**$ 46,169.26**
Net Income Before Plan Payments	**$ 3,485.09**	**$ 41,821.09**	**$ 43,942.15**	**$ 46,169.26**
Estimated Monthly Plan Payments:				
Class I	146.82	1,761.84	1,761.84	1,761.84
Class II	82.75	993.00	993.00	993.00
Class III	459.41	5,512.92	5,512.92	5,512.92
Class IV	178.33	2,139.96	2,139.96	2,139.96
Class V	538.10	6,457.20	6,457.20	6,457.20
Total Estimated Monthly Plan Payments	**$ 1,405.41**	**$ 16,864.92**	**$ 16,864.92**	**$ 16,864.92**

EXHIBIT C

Summary of Monthly Operating Report for August 2017 (ECF#130)

EXHIBIT D

Claims Analysis

EXHIBIT D

List of Scheduled, Undisputed Unsecured Claims in which the Claimant did not also file a Proof of Claim

Claimant Name	Type of Claim	Description Pursuant to Schedules Filed	Amount Claimed
AG Airconditioning & Heating, Inc.	Unsecured Nonpriority	Service	$1,955.50
Ascap	Unsecured Nonpriority	Annual license fee	$594.75 *Satisfied
AT&T	Unsecured Nonpriority	Monthly phone and internet services	$974.35
Bank of America (Account 2632)	Unsecured Nonpriority	Revolving credit card charges	$17,487.11
Bank of America (Account 6961)	Unsecured Nonpriority	Revolving credit card charges	$6,815.51
Brilliant Industrial & Janitoral Supply	Unsecured Nonpriority	Supplies	$1,706.45
Cintas Uniform Services	Unsecured Nonpriority	Service	Unknown *$0 bal owed
Directv	Unsecured Nonpriority	Service	$415.60
FCBI	Unsecured Nonpriority	Insurance audit	$1,500.00
First Data Global Leasing	Unsecured Nonpriority	Terminated lease for credit card machine	$86.00
Florida Public Utilities	Unsecured Nonpriority	Utilities	$1,732.33 *Satisfied
FPL (Account 0350)	Unsecured Nonpriority	Utilities	$1,156.43 *Satisfied
FPL (Account 6484)	Unsecured Nonpriority	Utilities	$722.79 *Satisfied
FPL (Account 3585)	Unsecured Nonpriority	Utilities	$1,269.42 *Satisfied
FWI, 16, LLC.	Unsecured Nonpriority	Unpaid rent of business premises	$43,461.90 *To be paid in full as assumed lease
G&K	Unsecured Nonpriority	Linen service	$1,493.89
Harry E. Athan	Unsecured Nonpriority	Shareholder not payable	$341,249.00
Independent Seafood	Unsecured Nonpriority	Vendor	$5,670.32

Joshua Plyer	Unsecured Nonpriority	Worker's compensation claim	Unknown *Satisfied
Margaret Bidgood	Unsecured Nonpriority	Unsecured loan	$86,079.00
Paychex, Inc.	Unsecured Nonpriority	Payroll taxes advances	$7,667.14
Restaurant Beverage Service	Unsecured Nonpriority	Vendor – supplies	$313.84
Restaurant Warehouse	Unsecured Nonpriority	Supplies	$2,551.24
We Do Windows	Unsecured Nonpriority	Service	$190.00
TOTAL			**$525.092.57**
TOTAL PROPOSED TO BE TREATED AS GENERAL UNSECURED CLAIMS UNDER THE PLAN			**$474,887.28**

List of Unsecured Claims Filed Against Debtor

Claim No.	Claimant Name	Type of Claim	Description Pursuant to Proof of Claim Filed	Amount Claimed/ (Amount Scheduled)
1	Sysco Southeast Florida, LLC	Unsecured Nonpriority	Goods sold	$17,608.78
3	Central Restaurant Products	Unsecured Nonpriority	Good sold – scheduled as "dishwasher" purchase	$ 3,700.79
8	CIT Financial LLC	Unsecured Nonpriority	Lease of security and surveillance equipment	$35,453.74 *Disputed
10	CAN Capital Asset Servicing, Inc.	Unsecured Nonpriority	Money loaned	$92,945.60
11	Richard R. Herbst	Unsecured Nonpriority	Discrimination under the Public Accommodation Section under ADA	$25,000.00 *Disputed
TOTAL				**$174,708.91**
TOTAL PROPOSED TO BE TREATED AS GENERAL UNSECURED CLAIMS UNDER THE PLAN				**$114,255.17**

List of Unsecured Debt Stripped From Secured Claims

Claim No.	Claimant Name	Type of Claim	Description Pursuant to Proof of Claim Filed	Amount Claimed
9	Ascentium Capital LLC	Unsecured	Money judgment arising on breach of lease	$49,738.62

12	Direct Capital	Unsecured	Equipment leases	$ 6,836.48
TOTAL				**$56,575.10**

List of Secured Claims Filed Against Debtor

Claim No.	Claimant Name	Type of Claim	Description Pursuant to Proof of Claim Filed	Amount Claimed
4	PNC Bank, NA	Secured	Promissory Note	$4,493.62
5	PNC Bank, NA	Secured	Business Banking Line of Credit Agreement	$10,741.90
9	Ascentium Capital LLC	Secured	Money judgment arising on breach of lease	$ 9,450.00
12	Direct Capital	Secured	Equipment leases	$33,904.05
TOTAL				**$58,589.57**

List of Priority Tax Claims Filed Against Debtor

Claim No.	Claimant Name	Type of Claim	Description Pursuant to Proof of Claim Filed	Amount Claimed
2	Florida Dept. of Revenue	Priority	Sales and use tax	$12,205.36
6	Palm Beach Tax Collector	Priority	2016 Tangible Personal Property Taxes	$ 1,130.80
7	Internal Revenue Service	Priority	2016 Payroll taxes	$ 629.10
13	Florida Dept. of Revenue	Priority	Reemployment tax	$ 0.00
TOTAL				**$13,965.26**

List of scheduled Disputed Claims in which the Claimant did not also file a Proof of Claim

Claimant Name	Description Pursuant to Schedules Filed	Priority	Secured	Unsecured	Amount Claimed
Eskimo	Services			$1,721.50	$1,721.50
PNC Bank c/o National Enterprise System	Bank fees on closed account			$ 310.04	$ 310.04
Central Restaurant Product	Supplies			$2,781.06	$2,781.06
Total					**$4,812.60**