

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FT. LAUDERDALE DIVISION**

MLFTL, INC.	}	CASE NUMBER: 17-10917-JKO
	}	
	}	CHAPTER 11
DEBTOR	}	
	}	Small Business Case

DISCLOSURE STATEMENT

MLFTL, Inc., a Florida Corporation, operating as “Mattress Land”, (hereinafter referred to as the "Debtor"), pursuant to 11 U.S.C. 1125 (f) and Bankruptcy Rule 3016 (c) hereby provides its Disclosure Statement (the “Disclosure”) to all known creditors in order to disclose that information deemed by the Debtor to be material, adequate, and necessary for its creditors to arrive at a reasonably informed decision so that each creditor can exercise their right to vote for acceptance, rejection, or abstention from voting on the Debtor’s Plan of Reorganization, (hereinafter referred to as the "Plan").

I. INTRODUCTION

NO REPRESENTATIONS CONCERNING THE DEBTOR ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS STATEMENT. FUTURE VALUES OF ASSETS, IF ANY, ARE SUBJECT TO CHANGING MARKET CONDITIONS AND MAY NOT BE PREDICTED WITH COMPLETE ACCURACY, EVEN WHERE QUALIFIED APPRAISALS MAY BE AVAILABLE.

ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE OR REJECTION OF THE PLAN WHICH ARE OTHER THAN AS CONTAINED HEREIN SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION TO ACCEPT OR REJECT THE PLAN.

EXCEPT WHERE OTHERWISE INDICATED, THE FINANCIAL INFORMATION CONTAINED IN THE DISCLOSURE AND ITS ATTACHED PLAN OF REORGANIZATION HAS BEEN COMPILED BY THE DEBTOR AND HAS NOT BEEN SUBJECT TO CERTIFIED AUDIT.

THE PLAN IS A LEGALLY BINDING DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY. YOU MAY WISH TO CONSULT WITH A LAWYER IN ORDER TO FULLY UNDERSTAND THE PLAN AND DISCLOSURES CONTAINED HEREIN.

THE DEBTOR BELIEVES THIS STATEMENT COMPLIES WITH THE REQUIREMENTS OF THE BANKRUPTCY CODE, AND REQUESTS THAT YOU CAREFULLY REVIEW THE DISCLOSURES CONTAINED HEREIN AND URGES THAT YOU ACCEPT THE PLAN BY PROMPTLY RETURNING YOUR COMPLETED BALLOT.

II. VOTING

A. Who May Vote. As a creditor of the Debtor, your vote on the Plan is most important. In order for the Plan to be accepted and thereafter confirmed by the Bankruptcy Court without resort to the "Cramdown" provisions of the Code, votes representing (1) at least two-thirds in amount and (2) more than one-half in number of Claims allowed for voting purposes of each impaired class that are voted must be cast for the acceptance of the Plan. Creditors are entitled to vote on confirmation of the Plan unless (i) the class is unimpaired (presumed to accept) or is to receive no distribution (presumed to reject); (ii) an objection has been filed to that creditor's claim; or (iii) the claim is unclassified (required by law to be paid in full). A creditor whose claim has been objected to and who wishes to vote must move to have its claim allowed for voting purposes by filing a motion for such relief in time for that motion to be heard at or before the confirmation meeting.

B. How to Vote. After carefully reviewing the Plan and Disclosure, including all attachments thereto, please indicate your vote on the enclosed ballot and return them in the envelopes provided to the Clerk of the Bankruptcy Court. PLEASE VOTE EVERY BALLOT YOU RECEIVE. Completed ballots for holders of all Classes should be returned in the envelope provided herewith and MUST BE RECEIVED BY THE END OF BUSINESS on the ____ day of _____, 2017.

If you have claims or interests in more than one class under the Plan, you will receive multiple ballots. IF A BALLOT IS DAMAGED OR LOST, OR IF YOU HAVE ANY QUESTIONS CONCERNING VOTING PROCEDURES, CALL 1-561-368-7474.

C. Effect of Vote. The Plan will be confirmed only if it is accepted by each impaired class, or if it is accepted by at least one impaired class (exclusive of insiders) and the Court determines it is fair and equitable to all dissenting classes. A class of creditors accepts the Plan if it is accepted by a majority in number and two-thirds in dollar amount of creditors who cast ballots. A class of interests accepts the Plan if it is accepted by two-thirds in dollar amount of interest holders who cast ballots.

D. Cramdown.

1. In the event any impaired Class of creditors with claims against any of the Debtor's Estate fails to accept the Plan in accordance with §1129(a) of the Bankruptcy Code, the Debtor may request the Court to "Cramdown" the creditors. Such a request could occur if the Plan is not accepted by at least two-thirds (2/3) in amount, and by more than one-half (1/2) in number, of the Allowed Claims of each Class that have voted to accept or reject the Plan. If the aggregate vote does not carry to accept the Plan, an alternative exists where the Debtor may request the Bankruptcy Court to cramdown the creditors, or dismiss or convert a case to a case under Chap.7, Title 11.

2. There are several other factors joining the request for a Cramdown. The Debtor would be required to add new value to the Estate. The amount and source of this value is unconfirmed; however, the Debtor has made inquiries on a "best efforts" basis to raise sufficient capital to fund the Plan in the event of a Cramdown.

3. While no commitments for funding are confirmed, the Debtor continues its efforts to add value to the Estate should a Cramdown occur. In this regard, analysis of the Disclosure Statement and the Plan indicates a more favorable outcome for all the creditors when the Plan is accepted rather than rejected. **See Article IX of the Plan.**

III. FINANCIAL INFORMATION.

A. In 2016, the Debtor has generated cumulative gross operating revenue and credit card receivables of approximately \$1,147,850. This has developed a working inventory surplus of approximately \$90,000 and revolving cash surplus of \$25,000 to \$35,000 on a cash basis; excluding professional expenses and filing fees incurred in the bankruptcy case. It is anticipated that certain tax liabilities for the current year will erode this amount correspondingly.

B. As this case progresses, a broad overview of the Debtor's financial undertakings, will follow the references in Debtor's Plan of Reorganization (the "Plan"). The Plan contains basic financial information offering performance data to assess the feasibility of the Plan. The Court will tentatively determine that this Disclosure Statement provides adequate information to creditors. You may be entitled to vote on the Plan, or object to confirmation of the Plan or final approval of the Disclosure Statement (see above Part II).

C. The Debtor's Monthly Operating Reports (DIP Reports) will be available for inspection and review at the Clerk of the Bankruptcy Court's office at 299 E. Broward Blvd. #108, Ft. Lauderdale, Florida 33301 (954) 769-5400. These reports will set forth all of the Debtor's receipts and disbursements as of the January 27, 2017 Petition Date forward.

D. The Debtor intends to make the payments required under the Plan from post-petition operating income and cash available on the "effective date". The effective date shall be when the order of confirmation becomes final and non-appealable which is ten (10) days after the confirmation order is entered by the Court.

IV. HISTORY OF THE DEBTOR

A. Family and Career.

MLFTL, Inc. (Debtor), operating as Mattress Land, is managed by Steven Iona, Vice President, Merchandising and Sales, and Joseph Iona, President, whose primary accountability is the company's logistics and product distribution.

The Iona brothers were born in Long Island, New York. Steve is 51, and Joseph is 54 years old. Steve Iona's skills in the retail and wholesale mattress category began in 1981. The

family had moved to Florida, and as a Sophomore in high school, at 15 years old, Steve began working at a nationally recognized mattress store as a part time utility, janitorial, and maintenance man. Each day as Steve completed these daily tasks throughout the store, he would read the labels on the mattresses and watch the salesman as they closed sales with customers. While still in his Sophomore year, when a salesman was late for work, Steve stepped in to speak to a few customers, and the natural salesman, who by observing and paying attention, sold several beds. This early success led to Steve to go to school full time and working as a full-time mattress man, and 35 years later, he still is working as a success in this category today. Joseph joined the business along the way, and because the mattress business is strongly supported by logistics, Joseph operates those aspects of the business.

Over the past 35 years, Steve has owed more than 50 stores, trained over 1,000 salesman and managers, and has participated directly in generating approximately \$270 million in mattress and accessories sales; while working with suppliers and resellers having billions of dollars in annual sales. The Iona's current operations are expanding upon the platform of long-term agility and performance in the bedding and accessories category. The feasibility of the Debtor's Plan, and management's ability to remain competitive and operational for 35 years under diverse market and economic cycles, indicates the likelihood of long-term success in this merchandising category without another incident of protection under Chapter 11 Bankruptcy.

In summary, the Debtor's arrival for protection under Chapter 11 has as its foundation the past reviewed above, and it because of this past, that MLFTL's future has the knowledge, skills, and abilities to cause its Oakland Square store to reach; through post-petition recapitalization and modernization, to \$5 million in annual sales in the relative new-term.

B. Case Overview.

The Debtor's decision to file for protection under Chapter 11 has at its core, a tenant confronted with eviction due to a landlord notice of overdue rent (approximately 2 months that is a portion of the Landlord's claim of \$68,719.53). Debtor leased the premises on December 10, 2010 and has faithfully and consistently paid rent during the term of the lease (equaling more than \$1.3 million). Debtor initially leased a small portion of the building to open its mattress store. While the Debtor originally leased the store on an "as is, where is" basis, certain and specific

assurances and promises were made by the Landlord to appropriately maintain and upgrade the premises (including various compliance matters relating to the American Disabilities Act (ADA) and maximum commercial signage).

As the lease progressed, Debtor (Tenant) proceeded to lease the entire 1st and 2nd floor of the building to increase its commercial presence and product lines in an effort to expand sales and value as a Tenant in a premium retail location. Much of the additional space was in various degrees of need of repair, and periodically, as Tenant requested repairs or upgrades as set forth the Lease and its Amendment(s), Landlord would “put off” the request by explaining that doing the entire job at once was a better plan than doing the job piecemeal. Inevitably, the requested work was deferred and even to the current date, has not started. Recently, as a result of water intrusion into the building (and other “beyond the life of materials and in-place workmanship), Tenant has experienced operations interruptions and related expenses and costs as consequences of the deterioration and disrepair of the exterior of Leased Premises.

Even against the background presented above, the Debtor’s operations continue to expand and prosper within the Leased premises. For example, the Debtor has paid, on time, its rent in 2016 of approximately of \$244,285, and the Landlord has continued to restrict Debtor’s operations by (1) refusing to deliver on its promises and commitments under the Debtor’s Lease; and, by (2) resisting the Tenant’s continuing requests for repairs and compliance with the Lease terms and conditions – while at the same time. (3) advocating the departure of the Debtor in favor of having interested buyers to purchase the building.

The Debtor intends to file an adversary proceeding referencing material breach of the Lease by Landlord Oakland Square, LLC. To an assertive degree, such willful breach is considered a leading cause Debtor’s choice to file for Chapter 11 first on April 15, 2016, under case number 16-15475-JKO, and again on January 27, 2017, under case number 17-10917-JKO.

In such event the requests for remedies are declined, and current negotiations with the Landlord breakdown regarding solutions to the violations within the Landlord’s performances under the Lease occur, such adversary would be appropriately prepared. The Debtor believes the Court, when considering the facts and the limitations the Debtor is experiencing because of the overall condition of the building, the Landlord may then choose to act upon the Debtor’s requests

and complaints regarding the repair and upgrading of the Leased premises consistent with the Lease mandates and business prudence.

This Chapter 11 case intends to preserve the Debtor's opportunities in this industry, and lead to successful expansion financing post-confirmation. This combination of opportunity and financing assures a successful outcome of the Debtor's Plan and commitment to fund 100% of the indebtedness underpinning this Chapter 11 case.

V. PURPOSE OF PETITION AND DEBTOR'S OBJECTIVES

Chapter 11 offers the operating arena to first organize the issues causing financial breakdowns and shortfalls leading to the need to seek protection under Chapter 11; and to "freeze" or stay the issues for a closer look at financial solutions. Chapter 11, in its shortest summary offers the gaining of the time to organize, manage, and control an outcome that is economically and beneficially superior for the Debtor and the creditors with compared with Chapter 7 liquidation. This best summarizes the term "reorganization" rather than "liquidation".

Denial of a Debtor's Motion to Approve a Disclosure Statement is reasonable until such time as it complies with the mandate of §1125(a) of the Bankruptcy Code. This mandate requires the Debtor to describe information essential to the ability for creditors to make informed decisions regarding their treatment under the Plan, and whether it is in their best interests to vote in favor of the plan. A disclosure statement lacking information sufficient to enable creditors to make an informed decision regarding the merits of a plan cannot be approved.

A. Motive to File Petition. As introduced above, the Debtor's primary motive for seeking protection under an individual Chapter 11 case focused on resolving the disputes and inconsistencies experienced with the Debtor's Leased Premises and the Landlord's (Oakland Square, LLC) compliance and deliveries associated with the Debtor's Leased Premises.

B. Feasibility of Plan of Reorganization. The Debtor's Plan accomplishes the above objectives with reason and feasibility having demonstrated, post-petition, to remain current with its lease payments and tax obligations. Further, the Debtor is stabilizing and increasing its revenue on a monthly basis, and after installing a new accounting system, is enabled to control and manage its costs of operations more efficiently. Analysis of the Debtor's current and future

income stream confirms there is sufficient cash flow to successfully fund operating costs and the proposed Plan payments; including new obligations consistent with its projected operating budget. The Debtor's Plan of Reorganization confirms feasibility by summarizing the manner and disposition of these conclusions – supported by the success of Debtor's 9 months of post-petition operations.

C. Forgiveness of Debt. Although it is anticipated that the Debtor will not realize any canceled debt because of this Chapter 11, under the tax law, canceled debt is considered income to the debtor and is included as part of the debtor's income. This law says that "income from discharge of indebtedness" is included in a person's gross income for the current tax year. The tax laws also spell out specific circumstances when a person will not have to pay tax on canceled debts by providing three exclusions, (1) debt canceled in a bankruptcy proceeding, (2) debt canceled when the person is insolvent, and (3) debt that qualifies under the Mortgage Forgiveness Debt Relief Act. Each of these exclusions have specific criteria and reporting procedures and none of these apply in this case as the Debtor, with the exception of the liabilities disclosed that are to be fully paid and retired in this case, is solvent.

D. Impaired Classes. All Classes are impaired in the Plan. A class of claims is impaired under the Plan when the Plan alters the legal, equitable, and contractual rights to which this claim is entitled.

E. Acceptance by Class of Creditors. A class of claims will have accepted the Plan, (1) if the Plan is accepted by at least two-thirds (2/3) in amount, and (2) by more than one-half (1/2) in number of the Allowed Claims of each Class that has voted to accept or to reject the Plan.

F. Material Default. Impaired Classes may not take any collection action against Debtor so long as Debtor is not in Material Default in performing its obligations under the Plan. Material Default is defined in Article XIII of the Plan.

G. Claims Payment Amounts and Terms of Unsecured Claims. This Disclosure provides for the treatment of the unsecured claims at 100% of the approved claims to be paid monthly as scheduled at VI. Summary of Claims and Settlement (Plan) Treatment below.

H. Funds Available at Confirmation. Feasibility is discussed throughout the Disclosure from several perspectives. In summary, the Debtor projects to have sufficient cash at confirmation, or to have made satisfactory, and agreed upon payments to its creditors over time to complete the requirements of the Plan. Commencement payments; including payments applied to Landlord arrearages, secured priority tax, unsecured priority tax, and funding of administrative expenses are payable at the Effective Date of the Plan. Debtor is working with an array of funds availability options at confirmation to equal approximately \$60,000 to \$100,000 to be paid to unsecured claimants as of the effective date, and thereafter, all remaining amounts [to equal 100% of the approved amounts in a term not to exceed 12 months [one year] after the effective date of the Plan. As shown, the Debtor, with its growth in sales and increased margins, Debtor will be enabled to make all Plan payments as agreed.

I. Management Post Confirmation. Post-confirmation, the emerging Debtor will continue its operations with a more focused management team with Mr. Steven Iona, Vice President, Merchandising and Sales as the chief operating principal. Debtor's brother, Mr. Joseph Iona, President, will move to a more passive position managing the Debtor's logistics from his new home in Georgia. The Debtor intends to outsource its accounting and bookkeeping requirements, as well as, managing its post-petition financing opportunities.

J. Debtor's Steps to Avoid Bankruptcy Relief in the Future. The Debtor has taken specific steps to avoid needing to seek bankruptcy relief again in the future; including, remerchandising, adding new products, improving service, and the installation of an accounting system that underpins internal controls and offers frequent financial reporting. In addition, Debtor is in negotiations for near-term, post-petition, and scalable, vendor credit lines, supported with conventional financing obtainable in the mid-term.

VI. DISPUTED CLAIMS AND OBJECTIONS TO CLAIMS

A. Provisions for Treatment of Disputed Claims. The Debtor has completed the administration of claims that have been filed with the Bankruptcy Court. There are no disputed claims or claims resulting from any post-petition activities.

B. Provision for Rejection Claims. There are no rejections of contracts or other rejections relating to any claims.

C. Anticipation of Objection to Claims. Debtor does not anticipate objecting to the amounts due and owing to any creditor other than Oakland Square, LLC. (the Landlord) as discussed throughout this Disclosure. When an objection is filed to a particular claim, the creditor is required to prove the existence of the claim's validity. The Oakland Square, LLC's Proof of Claim #3, is considered Contingent, Unliquidated, and Disputed, and therefore objected. The basis for this objection is the dispute between the Oakland Square, LLC (Landlord) and the Debtor (Tenant) as to (1) what is maintenance of the premises, (2) what are structural repairs, and (3) what repairs are required beyond the [length of life] of certain installations; including the roof of the premises. Further, certain non-specific performances [with emphasis on signage and ADA bathroom agreed to be installed by Landlord] that are impeding Debtor's business operations.

D. After an Objection is Filed. When an objection be filed, the creditor is required to submit a written response, and after receiving a response, the Court will conduct an evidentiary hearing to establish the validity of the claim.

VII. SUMMARY OF FACTORS UNDERPINNING THE PLAN

A. Debtor Offerings. Debtor has in this Disclosure offered, (a) a clear estimation of the distribution to the various classes of creditors and an estimate of all administrative expenses and (b) a liquidation analysis enabling each creditor to determine whether the distribution under the plan is in its best interest or whether it should object to the plan.

B. Pre-Petition Revenue History. As introduced and reviewed in Section IV. History of the Debtor, there are certain additions and clarifications in this Disclosure that were not present the prior Disclosure. The Debtors past revenue and expense history includes, during the past five (5) years, prior to the commencement of this Chapter 11 case, gross revenues of approximately \$7,000,000 [average \$1.4 million annually] with expenses of approximately \$5,800,000, with gross income before taxes of approximately \$1,200,000. The Debtor's operations are generating consistent with the trend currently. Debtor's margins are slightly less than prior years and are improving as the Debtor's market presence strengthens and its merchandising mix improves. The Debtor's operations are projected to increase at an increasing rate in the near-term rising from approximately \$1,400,000 annually to \$2,400,000 in calendar year 2017.

In conclusion, the above trends, supported by increasing revenues, margin improvements, and re-merchandising, strongly indicate the mid-term and long-term growth and profitability available to the Debtor. These indicators provide reliable information about the steps Debtor has taken, and will continue to take, to avoid seeking bankruptcy relief again in the future.

C. Cure of Non-Monetary Lease Defaults and Attorney's Fees. The Landlord, Oakland Square asserts that the Debtor failed to disclose the amount necessary to cure the non-monetary lease defaults under its non-residential lease. Certain elements of this assertion are subject to dispute and are intended to be resolved in through an adversary proceeding in this Court. Debtor is in-progress with obtaining specific building permits to resolve certain fire-code violations, and these are to be resolved in the extreme near-term once permits are obtained. In addition, Landlord asserts payment of the post-petition attorney's fees incurred in this dispute is a necessary component of its cure of its non-residential lease with Oakland Square. Again, this is a parcel to be resolved at the planned adversary proceeding, and Debtor has the ability and resources to comply with the conclusions gained at such hearing; including payment of opposing counsel's legal fees if awarded after Debtor's audit of such fees to confirm the fees are fair and reasonable.

D. Liquidation Analysis. The Debtor puts forth its summary liquidation analysis as having the following [3] components; [1] Debtor's Plan payments to its creditors are equal to 100% of the approved claimed amounts, [2] Debtor's Plan payments are scheduled in a feasible and prudent manner to insure 100% of its Plan payments to be paid as scheduled, and [3] Debtor's gross margin increases and merchandising improvements offer sufficient yields above costs to assure substantial consummation of its Plan (100%) along with anticipated and unanticipated contingencies. In the alternative, if the Debtor's business and inventory were liquidated, approximately \$20,000 to \$30,000 would be realized compared with \$70,000 to \$90,000 if the inventory were sold in the normal course of business; therefore, the liquidation proceeds would be insufficient [fall short] to pay the administrative expenses, U.S. Trustee fees, 100% of the creditor's approved claims, and other costs and expenses related to this case. In summary, the Debtor's Plan offers substantially more economic proceeds for resolution of this case [through continued operations], and is more equitable for all parties involved than liquidation.

E. Executory Contracts and Leases. The Debtor hereby affirms its Lease from Oakland Square, LLC. and intends to continue its operations within the Leased premises under the terms of the Lease. Debtor plans to cure its pre-petition arrearages over 12 months (post-confirmation) as its “prompt cure” of the Landlord’s approved, due and owing, pre-petition claim amount.

F. Lawsuits Reserved. There is an adversary action contemplated by the Debtor against the Landlord, Oakland Square, LLC; however, a negotiated resolution is preferred.

G. Voidable transfers. The Debtor are not aware of any voidable transfers.

H. Non-Bankruptcy Litigation. There is an eviction proceeding in the Florida Courts referencing the Leased premises with Oakland Square, LLC. No others are known or threatened.

J. Impairment Controversies. If a controversy arises as to whether any Claim, or any class of Claims, is Impaired under the Plan, the Bankruptcy Court shall determine such controversy.

VII. SUMMARY OF CLAIMS AND SETTLEMENT (PLAN) TREATMENT

A. There are only five (5) creditors in this case, and regardless of the Creditor Class, amounts claimed or disputed are subject to final verification of amounts due and owing as at the filing date of the Chapter 11 petition on January 27, 2017. Further, payments due under the proposed settlement installments must be Approved Claims, and such claims are to be adjusted, where applicable, to reflect receipt of adequate protection payments paid by Debtor to a creditor. The creditors having Approved Claims, whether priority tax, secured or unsecured, unimpaired, or impaired, may not take any collection action against Debtor, so long as Debtor is not in Material Default in performing its obligations under the Plan. Material Default is defined in Article XIII of Debtor’s Plan of Reorganization.

B. The creditors having Approved Claims, whether priority tax, secured or unsecured, unimpaired, or impaired, may not take any collection action against Debtor, so long as Debtor is not in Material Default in performing its obligations under the Plan. Material Default is defined in

Article XIII of Debtor's Plan of Reorganization.

C. Unimpaired Claims. There are no unimpaired claims because the specific legal rights of all the creditors are changed by the Plan.

D. Creditor Classes. The following schedule lists the creditor classes in this case:

Class 1 – Tax Obligations

Although the characteristics of the Debtor's tax obligation are different, all are to be paid in full (100%) consistent with applicable laws regarding time (Plan) payments of Tax Liabilities.

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
Priority Tax	Internal Revenue Service	Priority	Plan Payments	Anticipated	52,000.00	Payments for 5 years from Filing Date (approximately 48 payments of \$1,183.78 per month)
Unsecured Tax	Internal Revenue Service	1	Plan Payments	Anticipated	2,172.68	Payments for 5 years from Filing Date (approximately 48 payments of \$45.26 per month)
Secured Tax	Florida Department of Revenue	1	Plan Payments	Anticipated	14,467.55	Payments for 5 years from Filing Date (approximately 48 payments of \$301.41 per month)
Priority Tax	Florida Department of Revenue	2	Plan Payments	Anticipated	6,914.58	Payments for 5 years from Filing Date (approximately 48 payments of \$144.05 per month)

Class 2 – Secured

There is Secured Claimant and this Claim is Contingent, Unliquidated, and Disputed.

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
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2 Secured	Oakland Square, LLC.	5	Plan Payments	Anticipated	1.00	Contingent, Unliquidated, Disputed
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Pre-petition amount is recognized to paid as proposed over one (1) year from the effective date of the Plan.

A. Class 3 - Unsecured General Claims

There are Five (5) unsecured Claimants. The treatment of each unsecured creditor is to be paid in full over 1 year beginning 30 days after Debtor's Plan and Disclosure statement is approved by the Creditors and the Court:

<i>Taxpayer ID Number</i>	<i>Kind of Tax</i>	<i>Tax Period</i>	<i>Date Tax Assessed</i>	<i>Tax Due</i>	<i>Interest to Petition Date</i>
xx-xxx3505	Prior Tax	Consolidated	Estimated	52,000.00	.00
xx-xxx3505	WT-FICA	09/30/2011	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	12/31/2011	I NOT FILED	5,000.00	.00
xx-xxx3505	CORP-INC	12/31/2011	I NOT FILED	100.00	.00
xx-xxx3505	FUTA	12/31/2011	I NOT FILED	100.00	.00
xx-xxx3505	WT-FICA	03/31/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	06/30/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	09/30/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	12/31//2012	I NOT FILED	5,000.00	.00
xx-xxx3505	CORP-INC	12/31/2012	I NOT FILED	100.00	.00
xx-xxx3505	FUTA	12/31/2012	I NOT FILED	100.00	.00
				45,500.00	.00
Penalty to date of petition on unsecured priority claims (including interest thereon)				772.68	
Total Amount of Unsecured General Claims				\$98,272.68	

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
2	Multimedia Holdings Corporation d/b/a The News Press Media Grp	3	Unsecured	Yes	Amount in process of being verified	Payments for 5 years from Filing Date (approximately 48 payments of \$___ once verified)
2 Unsecured	BellSouth Tele. c/o AT&T Services, Inc.	2		Plan Payments	4	1,363.21

B. Administrative Expenses

The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a claimant agrees to a different treatment. In this regard, the below summary offers the following fee estimates from prior Chapter 11 filed on April 15th 2016 [case number 16-15475-JKO] and again on January 27, 2017, under case number 17-10917-JKO. Lewis & Thomas, L.L.P., \$45,000 in total; less a retainer of \$1,283,00 paid prior to filing the petition and \$9,000.00 paid post-petition (with \$34,717.00 remaining to be approved) and Frederick Morgenstern, Financial Analyst, \$25,500.00 that did not receive a pre-petition retainer but filed \$3,000.00 (with \$22,500.00 remaining to be approved) paid in the prior case:

Type	Estimated Amount to be Incurred	Proposed Treatment
Expenses Arising in the Ordinary Course of Business After the Petition Date	\$11,000.00	Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	\$9,000.00	Paid in full on the effective date of the Plan, or according to terms of obligation if later
Professional Fees, as approved by the Court (not Landlord related)	\$60,000.00	Paid in full on the effective date of the Plan, or according to separate written agreement, or according to court order if such fees have not been approved by the Court on the effective date of Plan
Court Clerk's fees	\$2,000.00	Paid in full on the effective date of the Plan
Other administrative expenses	\$5,000.00	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$35,000.00	Paid in full on the effective date of the Plan
Total	\$122,000.00	

United States Trustee Fees. The Debtor shall pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) on the Effective Date, and simultaneously provide to the U.S. Trustee, and file with the Court, monthly operating reports indicating Cash disbursements for all relevant periods; notwithstanding anything contained in the Plan to the contrary, the Debtor shall further pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) for post-confirmation periods within the time periods set forth in 28 U.S.C. §1930(a)(6) until the earlier of the closing of this case by the issuance of a Final Decree by the Bankruptcy Court, or upon entry of an order of this Bankruptcy Court

dismissing the case, or converting this case to another chapter under the United States Bankruptcy Code, and the Debtor shall provide to the U.S. Trustee, and concurrently file with the Court, upon the payment of each post-confirmation payment, quarterly post-confirmation reports indicating income and disbursements for the relevant periods.

VIII. GENERAL TAX CONSEQUENCES

There are various anticipated tax consequences that may arise from the Debtor's Reorganization.

A summary description of certain United States ("U.S.") federal income tax consequences of the Plan is provided and discussed below. This description is for informational purposes only and, due to lack of definitive judicial or administrative authority or interpretation, substantial uncertainties exist with respect to various U.S. federal income tax consequences of the Plan. Only the potential material U.S. federal income tax consequences of the Plan to the Debtor, and to a typical holder of Claims and Interests, who are entitled to vote or to accept or reject the Plan are described below.

No opinion of counsel has been sought or obtained with respect to any tax consequences of the Plan, and no tax opinion is being given in this Disclosure Statement. No rulings or determination of the Internal Revenue Service (the "IRS") or any other tax authorities have been sought or obtained with respect to any tax consequences of the Plan, and the discussion below is not binding upon the IRS or such other authorities. No representations are being made regarding the particular tax consequences of the confirmation and consummation of the Plan to the Debtor or to any holder of Claims or Interests. No assurance can be given that the IRS would not assert, or that a Court would not sustain, a different position from any discussed herein.

The discussion of the U.S. federal income tax consequences below is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), Treasury Regulations promulgated and proposed thereunder, judicial authorities, and administrative rulings and pronouncements of the IRS and other applicable authorities, all as in effect on the date of this Disclosure Statement.

Legislative, judicial, or administrative changes or interpretations enacted or promulgated in the future could alter or modify the analyses and conclusions set forth below. It cannot be predicted at this time whether any tax legislation will be enacted or, if enacted, whether any tax law changes contained therein would affect the tax consequences to the holders of Claims and

Interests (the "Claimants"). Any such changes or interpretations may be retroactive and could significantly affect the U.S. federal income tax consequences discussed below.

THIS DISCUSSION DOES NOT ADDRESS FOREIGN, STATE OR LOCAL TAX CONSEQUENCES OF THE PLAN, NOR DOES IT PURPORT TO ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO SPECIAL CLASSES OF TAXPAYERS (SUCH AS FOREIGN ENTITIES, NONRESIDENT ALIEN INDIVIDUALS, PASS-THROUGH ENTITIES SUCH AS PARTNERSHIPS AND HOLDERS THROUGH SUCH PASS-THROUGH ENTITIES, "S" CORPORATIONS, MUTUAL FUNDS, INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, SMALL BUSINESS INVESTMENT COMPANIES, REGULATED INVESTMENT COMPANIES, CERTAIN SECURITIES TRADERS, BROKER-DEALERS AND TAX-EXEMPT ORGANIZATIONS).

FURTHERMORE, ESTATE AND GIFT TAX ISSUES ARE NOT ADDRESSED AND TAX CONSEQUENCES RELATING TO THE ALTERNATIVE MINIMUM TAX ARE GENERALLY NOT DISCUSSED.

NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE PLAN TO ANY HOLDER OF A CLAIM OR INTEREST. EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT A TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS DESCRIBED HEREIN AND IN THE PLAN.

A. U.S. Federal Income Tax Consequences to the Debtor.

(1) Cancellation of Indebtedness Income.

Generally, the discharge of a debt obligation owed by a debtor for an amount less than the "adjusted issue price" (in most cases, the amount the debtor received on incurring the obligation, with certain adjustments) gives rise to cancellation of indebtedness (cancellation of debt "COD") income to the debtor, subject to certain rules and exceptions. However, when the discharge of indebtedness occurs pursuant to a plan approved by the Bankruptcy Court in a case under Title 11 of the Bankruptcy Code (e.g., a Chapter 11 case), there is a special rule under the Tax Code that specifically excludes from a Debtor's income the amount of such discharged indebtedness (the so-called "bankruptcy exception"). Instead, certain of the Debtor's tax

attributes otherwise available generally must be reduced by the amount of the COD income that is excluded from the Debtor's income. Such reduction of tax attributes generally occurs in the following order: (i) net operating losses and net operating loss carryovers (collectively, "NOLs"), (ii) general business credits, (iii) minimum tax credits, (iv) capital loss carryovers, (v) the tax basis of Debtor's property (both depreciable and non-depreciable), (vi) passive activity loss and credit carryovers, and (v) foreign tax credit carryovers (although there is a special rule in the Tax Code which allows the debtor to elect to first reduce the tax basis of depreciable property before having to reduce NOLs and other attributes).

Under current Income Tax Regulations, the availability of the "bankruptcy exception" in the context of an affiliated group is made on a "separate entity" basis and not on an "affiliated group" basis. In this case, because it is an individual Chapter 11 case, the affiliated group discussion does not apply.

However, for reference purposes, with regard to tax attribute reduction in the context of an affiliated group, recently adopted Income Tax Regulations (section 1.1502-28) suggest a "hybrid" method of attribute reduction. Under the current Tax Regulations only member, corporations can file on a consolidated tax basis. Under these regulations, the tax attributes of the separate corporate member having excluded COD income is first reduced, followed by a reduction of the tax attributes of the subsidiary members (to the extent of any stock basis reduction). Then, to the extent a corporate member's excluded COD income exceeds that corporate member's separate entity tax attributes, the consolidated tax attributes allocated to the other corporate members are proportionately reduced. Some of the debtors are single-member limited liability companies ("SMLLC") which are treated as disregarded entities for federal income tax purposes member. It is unclear whether the bankruptcy exception would apply to the debtors that are SMLLC's or in the alternative whether the COD income be treated as having been realized to the single member.

(2) Gain or Loss on Sale of Debtor's Assets.

In general, a sale of a property results in a gain or a loss of the portion of the presumed equity in an amount equal to the difference between the amount realized (the amount of cash and the fair market value of any other property received; plus liabilities of the debtor's assumed by the Buyer, if any) and the debtor's tax basis in the assets sold. Such gain or loss, if any, may be a benefit (or eliminated) to the extent that a debtor has sufficient NOL's or other tax

reduction solutions; including possible qualification under the “insolvency exclusion”. The IRS explains the insolvency exclusion in Publication 908: "You are insolvent when, and to the extent, your liabilities exceed the fair market value of your assets. Determine your liabilities and the fair market value of your assets immediately before the cancellation of your debt to determine whether or not you are insolvent and the amount by which you are insolvent."

B. U. S. Federal Income Tax Consequences to an Investor Typical of the Holders of Claims and Interests.

The U.S. federal income tax consequences of the implementation of the Plan to the Claimants, typical of the holders of Claims and Interests who are entitled to vote to confirm or reject the Plan, will depend on a number of factors, including (i) whether the Claim constitutes a “security” for U.S. federal income tax purposes, (ii) the nature and origin of the Claim, (iii) the manner in which the holder acquired the Claim, (iv) the length of time the Claim has been held, whether the Claim was acquired at a discount, (v) whether the holder has taken a bad debt deduction or loss with respect to the Claim (or any portion thereof) in the current year or in any prior year, (vi) whether the holder has previously included in its taxable income accrued but unpaid interest with respect to the Claim; (vii) the holder’s method of tax accounting, (ix) whether the Claim is an installment obligation for U.S. federal income tax purposes, and (x) the timing of any distributions under the Plan.

(1) Gain or Loss Recognition on the Satisfaction of Claims and Character of Gain or Loss.

Claimants will generally not recognize gain, but may recognize loss, with respect to the amount in which the Claimants receive on their Claims (generally, the amount of cash and the fair market value of any other property received in satisfaction of the Debtor's obligations) that either exceeds, on one hand, or is less than, on the other hand, the Claimant's basis in the Claim. Thus, it is possible that certain Claimants may recognize a gain or loss as a result of distributions under the Plan.

In general, gain or loss is recognized by any such Claimant is either capital or ordinary in character. The character is dependent upon the underlying nature of the Claim and whether such Claim, in the hands of the Claimant, constitutes a capital asset. To the extent that a debt instrument is acquired after its original issuance for less than the issue price of such

instrument, it will have market discount. A holder of a Claim with market discount must treat any gain recognized on the satisfaction of such Claim as ordinary income to the extent that it does not exceed the market discount that has already been accrued with respect to such Claim. There may also be state, local, or foreign tax considerations applicable to particular holders of Claims, none of which are discussed herein. Claimants should consult their own tax advisors for information that may be relevant to their particular situations and circumstances and the particular tax consequences to them of the transactions contemplated by the Plan.

(2) Holders of Disputed Claims.

Although not free from doubt, holders of Disputed Claims should not recognize any gain or loss on the date that the assets are transferred to the Disputed Claims Reserve; if such occurs or is applicable, but should only be required to report their gain or loss on the cash or other property that is distributed out to the Claimant from the Claims Reserves free from any further restrictions. Holders of Disputed Claims are urged to consult their own tax advisors regarding the taxation of their Disputed Claims and the timing and amount of income or loss recognized relating to the Disputed Claims Reserve.

(3) Information Reporting and Backup Withholding.

Certain payments, including payments in respect of accrued interest or market discount, are generally subject to information reporting by the payor to the IRS. Moreover, such reportable payments may be subject to backup withholding. Under the Tax Code's backup withholding rules, a U.S. Claimant may be subject to backup withholding at the applicable rate with respect to certain distributions or payments pursuant to the Plan, unless the Claimant: (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (ii) provides a correct U.S. taxpayer identification number and certifies under penalty of perjury that the holder is a U.S. person, the taxpayer identification number is correct and that the holder is not subject to backup withholding because of a failure to report all dividend and interest income. Payments made to Foreign Claimants may also be subject to withholding, which may be reduced under an applicable Treaty. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be credited against a holder's U. S. federal income tax liability, and a Claimant may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS.

(4) Importance of Obtaining Professional Tax Assistance

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U. S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A CLAIMHOLDER'S PARTICULAR CIRCUMSTANCES.

ACCORDINGLY, CLAIMHOLDERS ARE STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS ABOUT THE U. S. FEDERAL, STATE, LOCAL, AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN, INCLUDING WITH RESPECT TO TAX REPORTING AND RECORD KEEPING REQUIREMENTS.

(5) Circular 230 Disclaimer

THE IRS REQUIRES WRITTEN ADVICE REGARDING ONE OR MORE U.S. FEDERAL TAX ISSUES TO MEET CERTAIN STANDARDS. THOSE STANDARDS INVOLVE A DETAILED AND CAREFUL ANALYSIS OF THE FACTS AND APPLICABLE LAW WHICH WE EXPECT WOULD BE TIME CONSUMING AND COSTLY. WE HAVE NOT MADE AND HAVE NOT BEEN ASKED TO MAKE THAT TYPE OF ANALYSIS IN CONNECTION WITH ANY ADVICE GIVEN IN THE FOREGOING DISCUSSION.

AS A RESULT, WE ARE REQUIRED TO ADVISE YOU THAT ANY U.S. FEDERAL TAX ADVICE RENDERED IN THE FOREGOING DISCUSSION IS NOT INTENDED OR WRITTEN TO BE USED AND CANNOT BE USED FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED BY THE IRS.

IX. EFFECT OF CONFIRMATION

Pursuant to 1141(d) the Debtor will be discharged of all claims and liabilities arising prior to the filing of the Petition, whether or not a proof of claim is filed, the claim is allowed or the holder of a claim has accepted the Plan if the Debtor does not liquidate.

Confirmation of the Plan satisfies all claims or causes of action arising out of any claim settled and satisfied under the terms of the Plan. Confirmation of the Plan vests title to all assets in the reorganized Debtor. Section 1141(d) (5) provides that unless the Court orders otherwise for cause; after notice to all creditors and interested parties, confirmation does not discharge any debt provided for under the Plan unless the Debtor completes all payments under the Plan.

1. Reservation of Rights Under Sections 1141(d)(5) and 350(a). The Debtor reserves the right, after confirmation, to seek the closing of this bankruptcy proceeding prior to the entry of an Order of Discharge, upon the payment of (1) the initial payment under the Plan, (2) payment of all outstanding quarterly United States Trustees Fees, and (3) the filing of any outstanding federal income tax returns. Such a request may be granted only upon notice and hearing, with notice to all creditors and interested parties. If such request is granted, then upon the satisfaction of all payments required to be paid inside the Plan to the approved creditors, the Debtor may file a motion to reopen this bankruptcy proceeding, pursuant to 11 U.S.C. § 350(b), and the Court may then grant the Debtor a discharge, pursuant to 11 U.S.C. § 1141(d)(5).

2. The above paragraph 1. only preserves the Debtor's right to seek the relief described above and does not conclusively grant such relief. Creditors' and interested parties' rights to object to such relief shall similarly be preserved until such time as it is requested by the Debtor after confirmation.

X. BEST INTEREST OF CREDITORS AND FEASIBILITY STANDARD

The Bankruptcy Code requires that the Plan (1) be accepted by requisite votes of impaired classes of creditors, (2) that the Plan be proposed in good faith, be feasible, and (3) that confirmation of the Plan be in the best interest of all holders of claims and interests. To confirm the Plan, the Bankruptcy Court must find that all these requirements are met; including, that "adequate information" as defined in the Code, was provided in the Plan of Reorganization and Disclosure Statement to otherwise approved the Plan in its entirety. Accordingly, even if the creditors of the Debtor accept the Plan by the requisite votes, the Bankruptcy Court must make independent findings respecting (1) the Plan feasibility, (2) that adequate information was provided, and (3) whether the Plan is in the best interest of creditors, before the Court may confirm the Plan. The "best interests" test requires that the Bankruptcy Court find that the Plan provides to each member of each impaired class of claims and interests a recovery which has a present value at least equal

to the present value of the distribution which each such person would receive from the Debtor if the Debtor liquidated its assets under Chapter 7 of the Bankruptcy Code. The Debtor believes the Plan as proposed is in the best interests of the Creditors as it provides an efficient, effective, and orderly settlement and satisfaction of the approved claims and offers strong support for Debtor's objections to claims.

XI. CONFIRMATION WITHOUT ACCEPTANCE BY ALL IMPAIRED CLASSES

As a condition to confirmation, the Bankruptcy Code requires that each impaired class of claims or interests accepts the Plan. The Bankruptcy Code, however, contains provisions for confirmation of a Plan even if all impaired classes do not accept the Plan, as long as at least one impaired class of claims has accepted it. These "Cramdown" provisions for confirmation of the Plan, despite the non-acceptance of one or more impaired classes of claims or interests, are set forth in 11 U.S.C. 1129(b) which requires the Bankruptcy Court to find that the Plan treatment of a non-accepting impaired class is fair and equitable.

XII. LIQUIDATION ANALYSIS AND ALTERNATIVES TO CONFIRMATION; INCLUDING RISK SENSITIVITIES AND ANALYSIS.

In the event the accompanying Plan, as such may be further modified or amended, is not accepted by the holders of Approved Claims and Allowed Interests in the impaired classes or otherwise confirmed by the Court under the Cramdown provisions of Section 1129(b) of the Bankruptcy Code, the Debtor believes that the Debtor's case would be dismissed or converted to a case under Chapter 7. In such event, a Trustee would be appointed, and the Debtor's assets would be liquidated for distribution to creditors. Since the Debtor has limited assets beyond its stock in trade, which are subject to creditor levy, creditors would realize less than the proposed 100% proposed by the Debtor's Plan of Reorganization in a liquidation.

In a liquidation, the unsecured creditor would not be entitled to any of the equity from the sale of the real property or personal property as a forced sale may erode the projected equity value of the Estate assets and personal property. Accordingly, in a Chapter 7 Bankruptcy, the unsecured creditor would likely receive far less, if any, distribution. While this case hinges on only a few elements, there remains a degree of risk that the Debtor will not generate sufficient revenue and income or other economic solutions to fund an alternative Plan; namely one that would be amended or modified with provisions for 100% payment at confirmation. Various risk factors

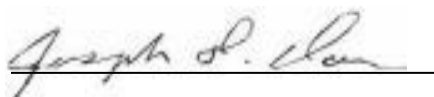
support this statement.

The Debtor's current operation is mildly profitable and could not sustain full payment at confirmation. However, the plan payments offered over the timeframe proposed in Debtor's Plan, is consistent with current and future market conditions, competition, and certain other economic factors in the retail and wholesale mattress and accessories category. When weighing the above risk factors, among others, against the alternative; where the Debtor would be forced to fund 100% of its Plan at confirmation, would likely subject the Debtor to liquidation. Should this occur, the Claimants would receive substantially less than the 100% over time as proposed, and with this in view, the creditors are recommended to affirm the Plan.

XIII. CONCLUSION AND RECOMMENDATIONS

The Debtor puts forth its First Amended Disclosure Statement and proposes its Plan of Reorganization and recommends the Plan's confirmation. All creditors will receive payment of their claims to the greatest extent allowable under the Bankruptcy Code, and the expense of administering an Estate under Chapter 7 will be avoided. The Debtor affirm their belief that administration of this Estate as provided herein will ultimately guarantee each creditor the maximum payment available on its claims.

DEBTOR MLFTL, Inc.

A handwritten signature in cursive script, appearing to read "Joseph Iona", is written over a horizontal line.

Joseph Iona, President

Date: January 30, 2017

I HEREBY CERTIFY that I am admitted to the Bar of the United States District Court for the Southern District of Florida and I am in compliance with the additional qualifications to practice in this Court set forth in Local Rule 2090-1(A).

LEWIS AND THOMAS, L.L.P.

Attorneys for Debtor

165 E. Palmetto Park Road Boca Raton, Florida 33432 (561) 368-7474 main (561) 368-0293 fax

By: /s/

RONALD LEWIS ESQ.

Florida Bar No. 807958 Date: January 30, 2017

Exhibit A
Plan of Reorganization and Disclosure Statement

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FT. LAUDERDALE DIVISION

MLFTL, INC.	}	CASE NUMBER: 17-10917-JKO
	}	
	}	CHAPTER 11
DEBTOR	}	Small Business Case
	}	

PLAN OF REORGANIZATION

MLFTL, Inc., a Florida Corporation, operating as “Mattress Land”, (hereinafter referred to as the "Debtor"), hereby submits to its creditors its Plan of Reorganization (the "Plan"),

ARTICLE 1
DEFINITIONS

Except as otherwise indicated, terms used in the Code and applicable Bankruptcy Rule will have the meanings provided for therein. In addition, the following terms will have the following meanings, and are intended to clarify and facilitate the proceedings presented within this case:

"Administrative Claimant" will mean any person entitled to payment of an administrative expense.

"Administrative Expense" will mean any cost or expense of administration of the Chapter 11 cases entitled to priority under §507(a)(1) and allowed under §503(b) of the Code, including without limitation, any actual and necessary expenses of preserving the Debtor’s Estate, and actual and necessary expenses of operating the Estate of the Debtor to the extent allowed by the Bankruptcy Court under the Bankruptcy Code and any fees or charges assessed against any of the Debtor’s Estates under Chapter 123, Title 28, United States Code.

"Allowed Claim" will mean a claim as defined in Section 101(4) of the Code with respect to which a Proof of Claim has been filed with the Court within the applicable period of limitation fixed by Bankruptcy Rule 3003, or scheduled in the list of creditors prepared and filed with the Court, pursuant to Bankruptcy Rule 1007(b), and not listed as disputed, contingent or unliquidated as to amount, and in either case, as to which no objection to the allowance thereof has been filed within any applicable period of limitation.

"Allowed Priority Claim" will mean an Allowed Claim entitled to priority under §507(a) of the Code.

"Allowed Priority Tax Claim" will mean an Allowed Priority Claim entitled to priority under §507(a)(8).

"Allowed Secured Claim" will mean an Allowed Claim which is secured by a lien on property of the Estate of the Debtor or on the proceeds thereof, and which is valid, perfected and enforceable under applicable law and is not subject to avoidance under the Code or applicable non-Bankruptcy Law.

"Allowed Unsecured Claim" will mean a claim against the Debtor which is not an Administrative Expense, Allowed Priority Claim, Allowed Secured Claim or the claim of an equity security interest holder.

"Bankruptcy Rules" will mean the rules of Bankruptcy procedure governing cases under Title 11 of the United States Code as from time to time amended.

"Case" will mean these Chapter 11 Proceedings commenced by the Debtor on the Petition Date.

"Code" will mean the Bankruptcy Reform Act of 1978, 11 U.S.C. §101, et. seq., as amended. "Confirmation or Confirmation Date" The date of the entry of an Order by the Bankruptcy Court confirming this Plan; provided such Order becomes final.

"Contingent" means a claim that depends on some event that has not yet occurred and may never occur.

"Court" will mean the United States Bankruptcy Court for the Southern District of Florida, having jurisdiction over the Case.

"Debtor's Estate" will mean all property of Estate as defined by 11 U.S.C. §541.

"Disputed" means a claim that a debtor and creditor do not agree about the existence or amount of the debt.

"Effective Date" shall be when the order of confirmation becomes final and non-appealable which is ten (10) days after the confirmation order is entered by the Court. The definition of the "effective date" is tied to a hearing on confirmation rather than upon entry of the order of confirmation. The U.S. Trustee submits that if a delay in the entry of a confirmation order occurs, the Plan may become effective before the confirmation order is final and non-appealable.

"Final Order" will mean an Order of the Bankruptcy Court as to which: a) any appeal has been taken has been finally determined or dismissed; b) the time for appeal has expired and no Notice of Appeal has been filed; or c) if an appeal, reargument, certiorari, or rehearing thereof has been sought, such Order has not been stayed.

"Petition Date" will mean January 27, 2017. .

"Reaffirmation Agreement" will mean an agreement not required by bankruptcy law or by any other law that is prepared under special rules and is voluntary.

"Rejection Claim" will mean a claim arising under §502(g) of the Code from the rejection of an executory contract or unexpired lease of the Debtor.

"Reorganized Debtor" will mean MLFTL, Inc. after the Confirmation of the Plan proposed herein.

"Unliquidated" means that a debt may exist, but the exact amount has not been determined.

COMES NOW, MLFTL, Inc. (hereinafter referred to as the "Debtor") by and through their undersigned attorneys and files this Plan of Reorganization (hereinafter referred to as the "Plan").

ARTICLE II INTRODUCTION

This Plan provides for the Restructuring of the debts of MLFTL, Inc. If confirmed, the Plan will bind all creditors provided for in the Plan, whether or not they file a Proof of Claim or accept the Plan, and whether or not their claims are allowed. All creditors should refer to Article III through Article VI of the Plan for information regarding the precise treatment of their claims.

A Disclosure Statement that provides additional information is being circulated with the Plan. The Disclosure Statement is descriptive and explanatory only; the language used in the Plan is binding.

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THESE PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU HAVE ONE.

**ARTICLE III
TREATMENT OF CLAIM(S)**

1. **Unimpaired:** Certain claims are unimpaired and the legal rights of the unimpaired creditors are not changed by the Plan; therefore, unimpaired creditors do not vote for or against the Plan. There are no unimpaired claims.

2. **Impaired:** The treatment prescribed for claims in the Plan and the Disclosure Statement shall in all events refer exclusively to the allowed amount of each respective claim. Impaired creditors are those whose legal rights against the Debtor are being changed by the Plan. In the event the allowed amount of any claim is not determined by agreement or otherwise, prior to the effective date; then, the treatment prescribed shall be deemed effective as of the date of the determination of the allowed amount of each claim by agreement or through the entry of a final order. Notwithstanding confirmation of the Plan, the Debtor shall have the right to object to any claim, for any reason, authorized by applicable Bankruptcy or non- Bankruptcy law, as well as, a right to assert that any claim includes amounts subject to equitable subordination or other equitable relief.

3. **Impaired Classes:** The claims in the following creditor classes are impaired under the Plan: Class 1 and Class 1a, Secured, and Class 2a and 2b, General Unsecured Creditors. Specific treatment as to settlement and payment of the claimants in each class follows.

ARTICLE IV
EXPENSES OF ADMINISTRATION
UNCLASSIFIED CLAIMS

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims 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 Plan Proponent has not placed the following claims in any class:

A. Administrative Expenses. Administrative expenses are costs or expenses of administering the Debtor's Chapter 11 case, which are allowed under 8507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course and received within 20 days before the date of the Bankruptcy petition. There are no “goods” of any value having this description qualifying as Administrative Expenses in this case. 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.

1. Professional Fees. An essential element of every Chapter 11 case includes pre-petition retainers paid to professionals engaged to represent the debtor as legal counsel or to provide specific qualified services; such as accounting or business advisory services. Lewis & Thomas received a retainer of \$1,283.00, and Frederick Morgenstern of F. Morgenstern, P..A. did not receive a retainer in this case. Additional administrative expenses, including the estimated \$60,500.00 in attorney and accounting fees, shall be paid on or before confirmation or upon entry of an Order, pending Court approval as required. Professional fees may be paid only upon application and approval by the Bankruptcy Court. Holders of administrative claims for unpaid professional fees are not entitled to vote on confirmation of the Plan. Debtor shall pay the requested and approved professional fees in full on the Effective Date, or upon approval by the Court, whichever is later, using the following estimates as a guide:

Name	Role of Professional	Retainers Paid	Estimated to Complete
Lewis & Thomas, LLP	Legal Counsel	\$1,283.00 + \$9,000.00 post-petition	\$34,717.00
Frederick Morgenstern	Financial Analyst	\$.00 \$3,000.00 post-petition	\$22,500.00

2. **Other Administrative Claims.** Debtor will pay any other claims entitled to priority under Section 503(b) in full on the Effective Date. Ordinary course of business payments will be made when due. Holders of administrative claims are not entitled to vote on confirmation of the Plan. After analysis, there are no other administrative claims in this case. Administrative priority creditors, regardless of type, may not take any collection action against Debtor so long as Debtor are not in Material Default in performing their obligations under the Plan. Material Default is defined in Article XVI.

3. **United States Trustee Fees.** Notwithstanding any other provisions of the Plan to the contrary, the Debtor shall pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6), within 15 days of the entry of the Order confirming the Plan. During the course of the case, Debtor's shall paid appropriate fees for pre-confirmation periods and file monthly operating reports indicating the cash disbursements for the relevant period.

The Debtor shall further pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) for post-confirmation periods within the time period set forth in 28 U.S.C. §1930(a)(6), based upon all post-confirmation disbursements made by the Debtor, until the earlier of the closing of this case by the issuance of a Final Decree by the Court, or upon entry of an Order by the Court dismissing this case or converting this case to another chapter under the Bankruptcy Code, and the Debtor shall file quarterly post-confirmation operating reports indicating all the cash disbursements for the relevant period.

ARTICLE V
PRIORITY TAX CLAIMS

Priority tax claims are unsecured income, employment, and other taxes described by §507(a)(8) of the Code. Unless the holder of such a §507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding six (6) years from the order of relief. There are no Priority Tax Claims.

ARTICLE VI
CLASSIFICATION OF CLAIMS AND PROVISIONS FOR PAYMENT OF CLAIMS

In the Plan of Reorganization, the Claimant Creditors are divided into individual “Classes” of Claimants based on their interests and unique characteristics. While different classes of claimants may be treated differently, no member of a class can be treated in a manner that is different from any other member of that respective class. The Plan defines (1) the way the reorganization addresses the concerns of each Claimant, and (2) offers the means of payment for each class; if approved, including how the Plan payments are executed and to be received by each prospective approved Creditor; regardless of which class the creditor may be placed.

ARTICLE VII
SUMMARY OF CLAIMANT TYPES AND CLASSES

There are only four (4) creditors in this case, and regardless of the Creditor Class, amount claimed or disputed are subject to final verification of amount due and owing as at the filing date of the Chapter 11 petition on January 27, 2017. Further, payments due under the proposed settlement installments must be Approved Claims, and such claims are to be adjusted, where applicable, to reflect receipt of adequate protection payments paid by Debtor to a creditor. The creditors having Approved Claims, whether priority tax, secured or

unsecured, unimpaired or impaired, may not take any collection action against Debtor, so long as Debtor is not in Material Default in performing its obligations under the Plan. Material Default is defined in Article XIII of Debtor's Plan of Reorganization.

A. Unimpaired Claims. There are no unimpaired claims because the specific legal rights of all the creditors are changed by the Plan.

B. Creditor Classes. The following schedule lists the creditor classes in the Chapter 11 case:

Class 1 – Tax Obligations

Although the characteristics of the Debtor's tax obligation are different, all are to be paid in full (100%) consistent with applicable laws regarding time (Plan) payments of Tax Liabilities.

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
Priority Tax	Internal Revenue Service	Priority	Plan Payments	Anticipated	52,000.00	Payments for 5 years from Filing Date (approximately 48 payments of \$1,183.78 per month)
Unsecured Tax	Internal Revenue Service	1	Plan Payments	Anticipated	2,172.68	Payments for 5 years from Filing Date (approximately 48 payments of \$45.26 per month)
Secured Tax	Florida Department of Revenue	1	Plan Payments	Anticipated	14,467.55	Payments for 5 years from Filing Date (approximately 48 payments of \$301.41 per month)

Priority Tax	Florida Department of Revenue	2	Plan Payments	Anticipated	6,914.58	Payments for 5 years from Filing Date (approximately 48 payments of \$144.05 per month)
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Class 2 – Secured

There is Secured Claimant and this Claim is Contingent, Unliquidated, and Disputed.

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
2 Secured	Oakland Square, LLC.	5	Plan Payments	Anticipated	1.00	Contingent, Unliquidated, Disputed
Pre-petition amount is recognized to paid as proposed over one (1) year from the effective date of the Plan.						

A. Class 3 - Unsecured General Claims

There are Five (5) unsecured Claimants. The treatment of each unsecured creditor is to be paid in full over 1 year beginning 30 days after Debtor's Plan and Disclosure statement is approved by the Creditors and the Court:

<i>Taxpayer ID Number</i>	<i>Kind of Tax</i>	<i>Tax Period</i>	<i>Date Tax Assessed</i>	<i>Tax Due</i>	<i>Interest to Petition Date</i>
xx-xxx3505	Prior Tax	Consolidated	Estimated	52,000.00	.00
xx-xxx3505	WT-FICA	09/30/2011	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	12/31/2011	I NOT FILED	5,000.00	.00
xx-xxx3505	CORP-INC	12/31/2011	I NOT FILED	100.00	.00
xx-xxx3505	FUTA	12/31/2011	I NOT FILED	100.00	.00
xx-xxx3505	WT-FICA	03/31/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	06/30/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	09/30/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	WT-FICA	12/31/2012	I NOT FILED	5,000.00	.00
xx-xxx3505	CORP-INC	12/31/2012	I NOT FILED	100.00	.00
xx-xxx3505	FUTA	12/31/2012	I NOT FILED	100.00	.00
				45,500.00	.00
Penalty to date of petition on unsecured priority claims (including interest thereon)				772.68	
Total Amount of Unsecured General Claims				\$98,272.68	

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
2	Multimedia Holdings Corporation d/b/a The News Press Media Grp	3	Unsecured	Yes	Amount in process of being verified	Payments for 5 years from Filing Date (approximately 48 payments of \$_____ once verified)
2 Unsecured	BellSouth Tele. c/o AT&T Services, Inc.	2		Plan Payments	4	1,363.21

B. Administrative Expenses

Impaired Classes. All Classes are impaired in the Plan. A class of claims is impaired under the Plan when the Plan alters the legal, equitable, and contractual rights to which this claim is entitled.

C. Acceptance by Class of Creditors. A class of claims will have accepted the Plan, (1) if the Plan is accepted by at least two-thirds (2/3) in amount, and (2) by more than one-half (1/2) in number of the Allowed Claims of such Class that have voted to accept or reject the Plan.

D. Material Default. Impaired Classes may not take any collection action against Debtor so long as Debtor are not in Material Default in performing its obligations under the Plan. Material Default is defined in Article XIII of the Plan.

E. Administrative and other Priority Claims. These claims, as applicable, will be paid in full at confirmation (Effective Date) of the Plan. Debtor will pay the following professional fees in full on the Effective Date, or upon approval by the Court, whichever is later. In this regard the following fee estimates are provided; Lewis & Thomas, L.L.P., \$35,000 in total, less a \$1,283.00 retainer paid, and Frederick Morgenstern, Financial Analyst \$15,500 that did not receive a retainer paid in this case. As Administrative Expenses are incurred, amounts requested must to be submitted with a fee application, and all fees for professional compensation payable from Debtor's funds are subject to Court approval. See Article IV of the Plan.

F. United States Trustee Fees. The Debtor shall pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) on the Effective Date, and simultaneously provide to the U.S. Trustee, and file with the Court, monthly operating reports indicating Cash disbursements for all relevant periods; notwithstanding anything contained in the Plan to the contrary, the Debtor shall further pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) for post-confirmation periods within the time periods set forth in 28 U.S.C. §1930(a)(6) until the earlier of the closing of this case by the issuance of a Final Decree by the Bankruptcy Court, or upon entry of an order of this Bankruptcy Court dismissing the case, or converting this case to another chapter under the United States Bankruptcy Code, and the Debtor shall provide to the U.S. Trustee, and concurrently file with the Court, upon the payment of each post-confirmation payment, quarterly post-confirmation reports indicating income and disbursements for the relevant periods.

G. Executory Contracts and Leases. The Debtor hereby affirms the Lease from Oakland Square, LLC. and continue operations within the Leased premises accordingly under the terms of the Lease. Also, the Debtor plans to cure the pre-petition arrearages over 12 months (post- confirmation) as its “prompt cure” of the Landlord’s claimed and approved amounts due and owing, pre-petition.

I. Lawsuits Reserved. There is an adversary action contemplated by the Debtor against the Landlord, Oakland Square, LLC.

J. Voidable transfers. The Debtor is not aware of any voidable transfers.

K. Non-Bankruptcy Litigation. There is an eviction proceeding in the Florida Courts referencing the Leased premises from Oakland Square, LLC. There are no other actions active, underway, or threatened.

ARTICLE X
EXECUTORY CONTRACTS AND UNEXPIRED
LEASES

On the Effective Date, certain executory contracts and unexpired leases that exist between Debtor and third parties are able to be assumed, and certain executory contract and unexpired leases are able to be rejected as of the confirmation date.

The Debtor affirms its Lease with Oakland Square, LLC and will make monthly payments in the amount determined and approved as the amount of the pre-petition arrearages over one (1) year.

ARTICLE XI
DISPUTED CLAIMS

There is one (1) disputed claim as follows:

Class 2 – Secured

There is Secured Claimant and this Claim is Contingent, Unliquidated, and Disputed.

Class	Creditor	No. in Class	Category	Proof of Claim #	Amount	Disposition
1 Secured	Oakland Square, LLC.	1	Plan Payments	3	1.00	Contingent, Unliquidated, Disputed

ARTICLE XII
REQUEST "CRAMDOWN" OF NON-ACCEPTING CLASSES

Pursuant to Section 1129(b) of the Bankruptcy Code, Debtor reserves the right to seek confirmation of the Plan notwithstanding the rejection of the Plan by one or more classes of creditors. The Plan requests the Court to approve the Plan of non- accepting classes. Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the non-

accepting classes are treated in a manner prescribed by §1129 (b) of the Code. A Plan that binds non-accepting classes is commonly referred to as a "Cramdown" Plan. The Code allows the Plan to bind non-accepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of §1129(a)(8) of the Code, does not "discriminate unfairly," and is "fair and equitable" toward each impaired class that has not voted to accept the Plan.

CREDITORS AND EQUITY INTEREST HOLDERS CONCERNED WITH HOW THE CRAM DOWN PROVISIONS WILL AFFECT YOUR CLAIM OR EQUITY INTEREST SHOULD SEEK INDEPENDENT COUNSEL, AS THE VARIATIONS ON THIS GENERAL RULE ARE NUMEROUS AND COMPLEX.

The Debtor is not required to file a motion or other pleading to seek and obtain Cramdown of a Plan. As a result, the Debtor will seek the Court's confirmation of this Plan in accordance with the Cramdown provisions of the Bankruptcy Code by *ore tenus* motion at the date and time of the Confirmation Hearing without further notice to creditors or other parties in interest. See Disclosure Statement for further information.

**ARTICLE XIII
LAWSUITS RESERVED**

The Debtor is reserving a possible lawsuit (adversary action) in this case as Debtor anticipates bringing a cause of action against the Landlord as a creditor of the Bankruptcy Estate, and perhaps its officers, agents, and other parties related to this creditor of the Estate.

**ARTICLE XIV
MEANS OF EXECUTION**

The Debtor intends to accomplish the various confirmation requirements of Bankruptcy Code §1129(b), and put forth their Plan of Reorganization such that it satisfies each requirement of §1122.

The Debtor has the means to sustain the argument that losses less than 100% can occur, and given the protection under Chapter 11, a successful and approvable Plan of Reorganization is not only possible, but probable. Moreover, under revised §1112(b), the Court is required to convert a Chapter 11 case to one under Chapter 7 upon motion of a party in interest unless the debtor shows a “reasonable likelihood that a Plan will be confirmed” within the timeframes of a small business case. In avoidance of this alternative, the Debtor offer a Means of Execution of the Plan of Reorganization that offers “adequate information” in support of feasibility and sustainability (see Debtor’s Disclosure Statement).

There are Sections of the Code that offer strict guidelines as to composition of an approvable Plan of Reorganization and the economic assurances underpinning the Plan. Further, under the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (“BAPCPA”), additional scrutiny is placed on Debtor as to applying “fair and equitable” provisions for creditors.

When requesting creditors to vote affirmatively for the Debtor’s Plan of Reorganization, consideration must focus on what is known as the “absolute priority rule” §1129(b)(1) of the Code provides that for a plan of organization to be confirmed, it must be "fair and equitable". With respect to a class of unsecured creditors that choose to vote against a plan, §1129(b)(2)(b) applies where the definition of fair and equitable; with respect to a class of unsecured claims, is the plan provides that each holder of a claim of such class receive, or retain on account of such claim property, of a value as of the effective date of the plan, equal to the allowed amount of such claim; or (ii) the holder of any claim or interest that is junior to the claims of such class, will not receive, or retain under the plan on account of such junior claim, or interest in any property; except that in an individual Chapter 11 case, the debtor may retain property included in the Estate under §1115. §1115 of the Code provides, (a) in a case in which the debtor is an individual, property of the Estate includes; in addition to the property specified in §541, (1) all property of the kind specified in §541 that the debtor acquires after the commencement of the case, but before the case is closed, dismissed, or converted to a case under Chapter 7, 12, or 13; whichever occurs first; and (2) earnings from services performed by the debtor after the commencement of the case, but before the case is

closed, dismissed, or converted to a case under Chapter 7, 12, or 13; whichever occurs first; (b) except as provided in §1104, or a confirmed plan, or order confirming a plan, the debtor shall remain in possession of all property of the Estate.

To summarize, the fair and equitable test requires that in order for subordinate classes of claims or interests to receive anything from the plan on account of their claims or interests, all senior classes of creditors must be paid in full or consent to the proposed treatment in the plan. This gives rise to the “absolute priority rule”. Cases in various circuits are divided as to a “broad view” and a “narrow view” when interpreting or applying the language of the absolute priority rule. The proponents of the broad view conclude that §1115; and many of the other Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (“BAPCPA”) amendments, are modeled after concepts contained in Chapter 13, which addresses adjustments of debts of wage earners. Chapter 13 does not include an absolute priority rule requirement for confirmation of a Chapter 13 plan. The broad view proponents suggest, this is evidence that Congress intended to write the absolute priority rule out of individual Chapter 11 cases.

The opposite position is taken by the proponents of the narrow view, which conclude that the absolute priority rule, as reviewed above, is applicable in individual Chapter 11 cases.

The Means of Execution of the Plan complies with the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. Pub. L. No. 109-8, 119 Stat. 237 (“BAPCPA”) as 100% of the Claimants claim are to be paid in full under the terms reached in this Plan.

ARTICLE XV

DISCHARGE AND OTHER EFFECTS OF CONFIRMATION

A. On the Effective Date, all property of the Estate will vest in the reorganized Debtor pursuant to §1141(b) of the Code free and clear of all claims and interests except as provided in this Plan, [subject to revesting upon conversion to Chapter 7 as provided in Article XVI F. below], provided that the vesting of said property will be without prejudice and will not act as a bar to a post-confirmation motion to convert this case to one under

Chapter 7 by any party-in-interest on any appropriate grounds. The granting of such motion will revert all of the Debtor's property not already administered into the Chapter 7 Estate.

B. Except as provided in Article XVI E., the obligations to creditors that Debtor undertakes in the confirmed Plan replace those obligations to creditors that existed prior to the Effective Date of the Plan. Debtor's obligations under the confirmed Plan constitute binding contractual promises that, if not satisfied through performance of the Plan, create a basis for an action for breach of contract under Florida law. To the extent a creditor retains a lien under the Plan, that creditor retains all rights provided by such lien under applicable non-Bankruptcy law.

C. The Plan intends to fund 100% of the aggregate claims within each creditor Class (1, 2, and 3), and as such, shall constitute a new contractual obligation that replaces the to be discharged pre-confirmation debts, if any; including any deficiency or "overhang" from the any pre-petition commercial or financial activities or transactions if applicable.

D. Pursuant to 11 U.S.C. § 1141(d)(5)(A), the Debtor shall be discharged from all pre-Confirmation debts, except as is provided in the Plan, pursuant to the procedures set forth herein, upon completion all payments required under the Plan to the approved creditors. Upon the satisfaction of all payments required under the Plan to the approved creditors have been completed, the Reorganized Debtor shall file a Final Report of Estate and Motion for Final Decree Closing Case on the Court approved local form.

E. Notwithstanding the above, the Debtor may request that the Court close this bankruptcy proceeding prior to the entry of an Order of Discharge, pursuant to the following procedures:

a. The Debtor may file a Motion to Temporarily Close Bankruptcy Case Prior to Entry of Order of Discharge (the "Motion to Close") after the following events have occurred: (i) payment of the Initial or only Payment (defined in the Plan) to the approved creditors; (ii) payment of all outstanding quarterly United States Trustee Fees as of the date of

the Order approving the Motion to Temporarily Close; and (iii) the filing of all outstanding Federal Income Tax returns. The Motion to Close shall certify that each of the above conditions has been met.

b. The Motion to Close (and Notice of Hearing thereto) shall be served to all creditors and interested parties. The Court may grant the Motion to Close, pursuant to 11 U.S.C.

§ 350(a), if each of the above conditions have been met.

c. During the time that this bankruptcy case is temporarily closed, the provisions of the Order of Confirmation shall remain in effect with respect to the treatment of creditor claims that existed as of the bankruptcy petition date, that being January 27, 2015, as long as, the Debtor continues to be in compliance with the Plan and the Court's Order Confirming Debtor's Plan of Reorganization (the "Confirmation Order"), and as long as, the Debtor timely makes the single, \$54,527.83 lump sum payment to the Class 1 and Class 1a, and Class 2a and 2b, creditors as contemplated under the Plan.

d. Upon the satisfaction of all payments required under the Plan to the approved creditors, the Debtor may file a motion to reopen this bankruptcy proceeding, pursuant to 11 U.S.C. § 350(b). Any Clerk of Court fees associated with filing of the Motion to Reopen shall be waived. The Motion to Reopen shall be verified and served upon all creditors and parties in interest and shall demonstrate that the Debtor has made all of the payments contemplated under the Plan to the approved creditors.

e. Upon the re-opening of this bankruptcy proceeding, the Debtor shall promptly file a Final Report of Estate and Motion for Final Decree Closing Case on the Court- approved local form, which shall certify that all payments required under the Plan to the approved creditors have been made. The Court may then grant the Debtor a discharge, pursuant to 11 U.S.C. § 1141(d)(5).

ARTICLE XVI

REMEDIES IF DEBTOR DEFAULT IN PERFORMING THE PLAN

- A. Automatic Stay Vacated. The automatic stay of Section 362(a) of the Bankruptcy Code terminates as of the Effective Date of the Plan.
- B. Creditor Action Restrained. The confirmed Plan is binding on every creditor whose claims are provided for in the Plan. Therefore, notwithstanding paragraph A. above, a creditor may not take any action to enforce either the preconfirmation obligation or the obligations due under the Plan, as long as, Debtor are not in Material Default under the Plan as defined in paragraph C. below.
- C. Material Default Defined. If Debtor fails to make any payment required under the Plan, or to perform any other obligation required under the Plan, for more than ten (10) calendar days after the time specified in the Plan for such payment or other performance, the affected creditor may serve upon Debtor and Debtor's attorney, if any, a written notice of Debtor's default. If Debtor fail within twenty (20) calendar days after the date of service of the Notice of Default either: (i) to cure the default; or (ii) to obtain from the Court an enlargement of time to cure the default, or obtain a determination that no default occurred, then Debtor is in Material Default under the Plan.
- D. Remedies Upon Material Default. Upon Material Default, an affected creditor may:
- (1) Take any actions permitted under applicable non-Bankruptcy law to enforce the obligation due the affected creditor under the Plan, and may accelerate the time for performance of all payments and other performance due to the creditor over the course of the Plan and not yet performed at the time of the Material Default; or
 - (2) File and serve a motion to convert the case to a case under Chapter 7.

E. Claims not Affected by Plan. Upon confirmation of the Plan, any creditor whose claims are left unimpaired under the Plan may, notwithstanding paragraphs A, C, and D. above, immediately exercise all of its contractual, legal, and equitable rights, except a right or rights based on default of the type that need not be cured under Section 1124(2)(A) and (D).

F. Effect of Conversion to Chapter 7. If, at any time, this case is converted to a case under Chapter 7:

(1) All non-exempt property of the Debtor as of the date of conversion to Chapter 7; whether acquired pre-confirmation or post-confirmation, shall vest in the Chapter 7 Bankruptcy Estate; and

(2) All creditors, whether their claims occurred pre-confirmation or post-confirmation, are prohibited from taking any action against the Chapter 7 Bankruptcy Estate or the property of the Estate by Section 362 of the Bankruptcy Code.

ARTICLE XVII

RETENTION OF JURISDICTION

Until the case is closed, the Court shall retain jurisdiction to insure that the purposes and intent of the Plan are carried out. The Court shall retain jurisdiction to hear and determine the following:

A. The classification of the claim of any creditor, and the re-examination of claims which have been allowed for purposes of voting, and the determination of such objections as may be filed against creditor's claims;

B. The determination of all questions and disputes regarding title to the assets of the Estate, and the determination of all causes of action, controversies, disputes or conflicts; whether or not subject to action pending as of the date of confirmation between the Debtor and any other party; included but not limited to, any rights of parties in interest to recover assets

pursuant to the provisions of Title 11 of the United States Code;

C. The correction of any defect, the curing of any omission, or the reconciliation of any inconsistency in the Plan, or the Order of Confirmation, as may be necessary to carry out the purposes and intent of the Plan;

D. The modification of this Plan after confirmation pursuant to the Bankruptcy Rules and Title 11 of the United States Code;

E. The enforcement and interpretation of the terms and conditions of this Plan;

F. The entry of an Order; including injunctions necessary to enforce the title, rights, and powers of parties in interest, and to impose such limitations, restrictions, terms and conditions of such title, rights, and powers as this Court may deem necessary;

G. The entry of an Order concluding and terminating this case.

ARTICLE XVIII GENERAL PROVISIONS

A. Effective Date of Plan. The Effective Date of the Plan is the eleventh business day following the date of the entry of the Order of Confirmation, if no notice of appeal from that order has been filed. If a notice of appeal has been filed, the Plan proponent may waive the finality requirement and put the Plan into effect, unless the order confirming the Plan has been stayed. If a stay of the Order of Confirmation has been issued, the Effective Date will be the first business day after that date on which no stay of the Order of Confirmation is in effect, provided that the Order of Confirmation has not been vacated.

B. Severability. If any provision in the Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of the Plan.

C. Binding Effect. The rights and obligations of any entity named or referred to in the Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

D. Captions. The headings contained in the Plan are for convenience of reference only and do not affect the meaning or interpretation of the Plan.

E. Controlling Effect. Unless a rule of law or procedure is supplied by Federal Law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Florida govern the Plan and any agreements, documents, and instruments executed in connection with the Plan, except as otherwise provided in the Plan.

F. Notices. Any notice to the Debtor shall be in writing and mailed, and will be deemed to have been given three (3) days after the date sent by first class mail, postage prepaid and addressed as follows:

MLFTL, Inc.
Case Number: 16-15475-JKO
C/o Lewis & Thomas, L.L.P.
445 E. Palmetto Park Road
Boca Raton, Florida 33432

G. Conclusion. The Debtor proposes its Plan of Reorganization and recommends its confirmation. All creditors will receive payment of their claims to the greatest extent allowable under the Bankruptcy Code, and the expense of administering an Estate under Chapter 7 will be avoided. The Debtor affirms its belief that administration of this Estate as provided herein will ultimately guarantee each creditor the maximum payment available on its claims (See Disclosure Statement to which this Plan is attached).

DEBTOR:

MLFTL, Inc.



Joseph Iona, President

Date: November 30, 2016

I HEREBY CERTIFY that I am admitted to the Bar of the United States District Court for the Southern District of Florida and I am in compliance with the additional qualifications to practice in this Court set forth in Local Rule 2090-1(A).

/s/

Ronald B. Lewis

LEWIS & THOMAS, L.L.P.

Attorneys for Debtor

445 E. Palmetto Park Road

Boca Raton, Florida 33432

(561) 368-7474 main (561) 368-0293 fax

Date: January 30, 2017 016

Florida Bar No. 807958