

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:

Case No.: 17-20457-LMI

P.D.L., Inc.

Chapter 11

Debtor. _____ /

SECOND AMENDED PLAN OF REORGANIZATION OF
P.D.L., INC.

Submitted on March 16, 2018 by:

SAGRE LAW FIRM, P.A.
5201 Blue Lagoon Drive, Suite 892
Miami, Florida 33126
T. 305.266.5999 F. 305.265.6223
Ariel Sagre, Esq.
Fla. Bar No. 557447
law@sagrelawfirm.com
Attorney for the Debtor in Possession

SAGRE LAW FIRM, P.A.

5201 Blue Lagoon Drive, Suite 892, Miami, FL 33126 · T. 305.266.5999 · F. 305.265.6223 · www.sagrelawfirm.com

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PLAN OF REORGANIZATION

P.D.L., INC., by and through undersigned counsel, submits and proposes the following Plan of Reorganization under 11 U.S.C. § 1121(b):

ARTICLE I **DEFINITIONS**

Except as otherwise provided in this Plan, all terms used herein shall have the meanings ascribed to such terms under the Bankruptcy Code, as amended, the Bankruptcy Rules, and the Local Rules of the Bankruptcy Court for the Southern District of Florida. For purposes of this Plan, except as expressly otherwise provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings assigned to them in this Section of the Plan. The capitalized terms set forth below when used in this Plan and the Disclosure Statement shall have the following meanings:

1.1. “Administrative Claim” means a Claim for payment of costs or expenses of administration specified in Sections 503(b) of the Bankruptcy Code, incurred after the Petition Date through the Confirmation Date, including without limitation: (i) the actual, necessary costs and expenses of preserving the Debtor’s estate incurred after the Petition Date; (ii) compensation for legal, accounting and other services and reimbursement of expenses awarded pursuant to Sections 330(a) or 331 of the Bankruptcy Code; and, (iii) all fees and charges assessed against the Debtor’s estate pursuant to Section 1930 of Title 28 of the United States Code.

1.2. “Administrative Claims Bar Date” means the date established by a Final Order of the Bankruptcy Court as the last date to request payment of Administrative Claims other than with respect to a Professional Claim.

1.3. “Allow,” “Allowed,” “Allowance” or words of similar meaning mean with respect to a Claim against the Debtor’s respective estates: (i) that no objection has been

interposed within the applicable period of limitation fixed by this Plan or by the Bankruptcy Court and that such period of limitation has expired; or (ii) that the Claim has been allowed for purposes of payment by an order of the Bankruptcy Court that is no longer subject to appeal or certiorari and as to which no appeal or certiorari is pending.

1.4. “Allowed Claim” means a Claim against the Debtor (i) allowed by a Final Order, (ii) Scheduled as liquidated, undisputed and non-contingent by the Debtor in its Schedules of Assets and Liabilities filed with the Bankruptcy Court, as they may be amended or supplemented), or (iii) timely filed with the Clerk of the Bankruptcy Court and to which no objection has been made to the allowance thereof within a time fixed by the Bankruptcy Court and the Claim is not otherwise a Disputed Claim.

1.5. “Allowed Priority Claim” means a Priority Claim pursuant to Section 507 of the Bankruptcy Code which has been allowed by a Final Order of the Bankruptcy Court.

1.6. “Allowed Secured Claim” means a Claim pursuant to Section 506(a) of the Bankruptcy Code, which is secured by a lien on property in which the Debtor has an interest or that is subject to set-off under Section 553 of the Bankruptcy Code, to the extent of the value of such property or to the extent of the amount subject to such set off, as the case may be.

1.7. “Allowed Unsecured Claim” means an Allowed Claim that arose or that is deemed to have arisen prior to the filing of the Petition commencing this Chapter 11 Case and as to which the Claimant has not asserted, or as to whom it is determined by Final Order does not hold, a valid, perfected and enforceable lien, security interest or other interest in or encumbrance against property of the Debtor or a right of setoff to secure the payment of such Claim, but excluding any unsecured Claim previously paid in this Chapter 11 Case pursuant to agreements approved by the Bankruptcy Court.

1.8. “Assets” means the aggregate assets, of any kind, of the Debtor and its estate as more specifically defined in section 541 of the Bankruptcy Code, including, without limitation, all legal or equitable interests of the Debtor in any and all real or personal property of any nature, including any real estate, buildings, structures, improvements, privileges, rights, easements, leases, subleases, licenses, goods, materials, supplies, furniture, fixtures equipment, work in process, accounts, chattel paper, Cash, deposit accounts, reserves, deposits, contractual rights, intellectual property rights, Claims, Causes of Actions, stock, and any other general intangibles, and the proceeds, product, offspring, rents or profits thereof, but shall not include the Real Property or any proceeds, product, offspring, rents or profits thereof.

1.9. “Avoidance Action” means any action under Sections 544, 547, 548, or 549 of the Bankruptcy Code to avoid or recover property.

1.10. “Ballot” means the ballot accompanying this Plan or Order Approving the Disclosure Statement, upon which holders of impaired Claims entitled to vote on this Plan shall indicate their acceptance or rejection of his Plan in accordance with the instructions regarding voting.

1.11. “Bankruptcy Code” or the **“Code”** means the Bankruptcy Reform Act of 1978, as amended, Title 11, United States Code, 11 U.S.C. § 101, *et. seq.*, in effect as of the Petition Date, together with all amendments and modifications thereto to the extent applicable to the Chapter 11 of the Debtor.

1.12. “Bankruptcy Court” or the **“Court”** means the United States Bankruptcy Court for the Southern District of Florida, Miami Division, or any other court exercising jurisdiction over the Chapter 11 Case or any proceeding arising in or related to the Chapter 11 Case.

1.13. “Bankruptcy Rules” means (a) the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended and promulgated under Section 2075 of title 28 of the United States Code, (b) the Federal Rules of Civil Procedure, as amended and promulgated under Section 2072 of title 28 of the United States Code, (c) the Local Rules of the United States Bankruptcy Court for the Southern District of Florida (including any applicable local rules of the United States District Court for the Southern District of Florida), and (d) any standing orders governing practice and procedure issued by the Bankruptcy Court, each as in effect on the Petition Date, together with all amendments and modifications thereto to the extent applicable to the Chapter 11 Case of the Debtor or proceedings herein, as the case may be, as now in effect or hereafter amended.

1.14. “Business Day” means a day other than a Saturday, Sunday or legal holiday as such term is defined in Bankruptcy Rule 9006(a).

1.15. “Cash” means cash or cash equivalents, including, but not limited to, checks, bank deposits, proceeds and other lawful currency of the United States of America and its equivalents or other similar items.

1.16. “Cause(s) of Action” means any and all causes of action to recover funds for the benefit of the estate including but not limited to any and all Claims, choses in action, causes of action, suits, accounts, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payments and claims, whether known or unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured and whether assertable directly or derivatively, in law, equity or otherwise, which are owned or held by, or have accrued to, the Debtor or the Estate, whether arising before or after the Petition Date, including without

limitation, those that are: (i) property of the Estate of the Debtor under and pursuant to Section 541 of the Bankruptcy Code; (ii) for subrogation and contribution; (iii) for turnover; (iv) for avoidable transfers and preferences under chapter 5 of the Bankruptcy Code and applicable state law; (v) to determine the extent, validity and priority of liens and encumbrances; (vi) for surcharge under Section 506(c) of the Bankruptcy Code; (vii) for subordination under Section 510 of the Bankruptcy Code; (viii) related to federal or state securities laws; (ix) direct or derivative claims or causes of action of any type or kind; (x) for professional malpractice against professionals employed by the Debtor; (xi) against any and all current and/or former officers and directors of the Debtor, including for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, or improper dividends; (xii) under and pursuant to any policies of insurance maintained by the Debtor, including without limitation, any directors' and officers' liability insurance policy; (xiii) for theft of corporate opportunity; (xiv) for collection on accounts, accounts receivables, loans, notes receivables or other rights to payment; (xv) for the right to seek a determination by the Bankruptcy Court of any tax, fine or penalty relating to a tax, or any addition to a tax, under Section 505 of the Bankruptcy Code; (xvi) under or as a result of any section of the Bankruptcy Code, including Section 362; (xvii) for lender liability against any lender of the Debtor, including but not limited to claims against any such lender for exerting excessive or unreasonable control over the Debtor, for, charging, taking, reserving, collecting or receiving interest in excess of the highest lawful rate, for any breach of fiduciary duty, breach of any duty of fair dealing, breach of confidence, or any cause of action or defense based on the negligence of such lender, for any "lender liability" theories, breach of funding commitment, undue influence, duress, economic coercion, conflict of interest, negligence, bad faith, malpractice, violations of the Racketeer Influenced and Corrupt Organizations Act, intentional or

negligent infliction of mental distress, tortious interference with contractual relations, tortious interference with corporate governance or prospective business advantage, breach of contract, fraud, mistake, deceptive trade practices, libel, slander, conspiracy, fraudulent conveyance, or any claim for wrongfully taking any action in connection with the foregoing; and (xviii) to the extent not otherwise set forth above, as described in the Disclosure Statement.

1.17. “Chapter 11 Case” or this **“Case”** means the proceeding under Chapter 11 of the Bankruptcy Code under case number 17-20457-LMI.

1.18. “Claim” has the meaning provided for such term in Section 101(5) of the Bankruptcy Code, including, without limitation, any claim of right to payment, liquidated, unliquidated, contingent, matured, unmatured, disputed or undisputed, legal, equitable, secured or unsecured.

1.19. “Claimant,” “Claimholder” or **“Creditor”** means the holder of an Allowed Claim or a Disputed Claim.

1.20. “Claimholder” means a creditor of the estate whose claim is not a Disputed Claim and who is entitled to vote on the Plan.

1.21. “Claims Bar Date” means December 28, 2017, which was the date set by the Bankruptcy Court as the last day for filing a proof of claim for all creditors except (a) a governmental unit against the Debtor was February 14, 2018, and (b) certain former employees who may hold claims against the Debtor under the Fair Labor Standards Act of 1938 or the Florida Minimum Wage Act.

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1.22. “Claim Objection Deadline” means the date set by order of the Bankruptcy Court (without notice or hearing) for objecting to Claims against the Estate.

1.23. “Class” means a group of Claims or Equity Interests consisting of Claims or Equity Interests that are substantially similar to each other as classified pursuant to the Plan in accordance with Section 1122 of the Bankruptcy Code.

1.24. “Collateral” means with respect to any particular Secured Creditor, any and all of the Debtor’s assets which are security for the Claims asserted as Secured Claims by the particular Creditor.

1.25. “Committee” means the Unsecured Creditors’ Committee. Despite invitation by the US Trustee, none has been constitute in this case.

1.26. “Confirmation” or **“Confirmation Date”** means the date on which the Bankruptcy Court enters an order confirming this Plan in accordance with Section 1129 of the Bankruptcy Code.

1.27. “Confirmation Hearing” means the hearing conducted by the Bankruptcy Court under Section 1128 of the Bankruptcy Code to consider confirmation of this Plan under Section 1129 of the Bankruptcy Code, as the same may be continued from time to time.

1.28. “Confirmation Order” means the Final Order of the Bankruptcy Court confirming this Plan pursuant to Section 1129 of the Bankruptcy Code.

1.29. “Creditor” means any person or entity that is a holder of a Claim against the Debtor.

1.30. “Debtor” means P.D.L., Inc.

1.31. “Deficiency Claim” means with respect to an Allowed Secured Claim, the amount by which an Allowed Claim exceeds the amount of the collateral securing such Claim.

1.32. “DIP Accounts” means the bank accounts set up and maintained by the Debtor in Possession in approved depositories and which accounts are property of the bankruptcy estate.

1.33. “Disclosure Statement” means the Disclosure Statement filed in connection with this Plan under Section 1125 of the Bankruptcy Code, as such Disclosure Statement may be amended, modified or supplemented from time to time, and all exhibits and schedules attached thereto or referred to therein.

1.34. “Disclosure Statement Hearing” means the hearing to be held by the Bankruptcy Court to consider final approval of the Disclosure Statement as containing adequate information under Section 1125 of the Bankruptcy Code.

1.35. “Disputed Claim” means (i) a liability scheduled on the Schedules or the Amended Schedules as disputed, contingent or unliquidated; or (ii) a timely filed proof of Claim against which an objection is pending, or is filed within the deadline provided in this Plan and which Claim has not been Allowed by order of the Bankruptcy Court.

1.36. “Disputed Claims Reserve” means the reserve of cash to be disbursed pursuant to this Plan and established pursuant to this Plan for Disputed Claims in each Class of Claims that will receive cash under this Plan. Any unused amounts accounted for in the Disputed Claims Fund shall become Cash under the Plan, including for purposes of making Distributions to Holders of Allowed Unsecured Claims and Allowed Interests in accordance with the terms of this Plan.

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1.37. “**Effective Date**” shall be May 1, 2018 or soon thereafter as practicable.

1.38. “**Equity Interest**” means a share of stock, warrant or right, other than a right to convert, to purchase, sell, or subscribe to a share, security, or interest in the Debtor, as more specifically defined in Section 101(16) of the Bankruptcy Code.

1.39. “**Estate**” means the estate created by Section 541 of the Bankruptcy Code upon the Debtor’s filing of the Voluntary Petition under Chapter 11 of the Bankruptcy Code.

1.40. “**Estate Claims**” means claims asserted by the Debtor on behalf of the Estate against any third party whether under the Bankruptcy Code or other applicable law, including, but not limited to, Avoidance Actions.

1.41. “**Executory Contracts**” means all contracts, oral or written, to which the Debtor is a party and that are executory within the meaning of Section 365 of the Bankruptcy Code.

1.42. “**Final Order**” means an order or judgment of the Bankruptcy Court which has not been reversed, stayed, modified or amended and (i) as to which the time to appeal or seek reconsideration or rehearing thereof has expired; (ii) in the event a motion for reconsideration or rehearing is filed, such motion shall have been denied by an order or judgment of the Bankruptcy Court; or (iii) in the event an appeal is filed and pending, a stay pending appeal has not been entered; provided, however that with respect to an order or judgment of the Bankruptcy Court allowing or disallowing a Claim, such order or judgment shall have become final and non-appealable; provided further that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or analogous rule under the Bankruptcy Rules, may be filed with respect to such order or judgment shall not cause such order or judgment to not be a Final Order

1.43. “General Unsecured Claim” means any Claim against the Estate other than an Administrative Claim, an Administrative Tax Claim, a Secured Claim, a Priority Claim, or a Priority Tax Claim, and includes Deficiency Claims.

1.44 “Governmental Unit” has the meaning set forth in Section 101(27) of the Bankruptcy Code.

1.45. “Governmental Unit Bar Date” means February 14, 2018, the date established by Section 502(a)(9) of the Bankruptcy Code as the last day for a Governmental Unit to file a Proof of Claim against the Debtor in this Chapter 11 Case.

1.46. “Holder” means a creditor of the estate whose claim is not a Disputed Claim.

1.47. “Impaired” has the meaning set forth in Section 1124 of the Bankruptcy Code. Only impaired claimants are entitled to vote.

1.48. “Initial Distribution” means the initial payment, if any, to each Class.

1.49. “Insiders” has the meaning given such term in Section 101(31) of the Bankruptcy Code.

1.50. “Late-Filed Claim” means a Claim that is filed after the Claims Bar Date, Governmental Unit Bar Date, or FLSA Claims Bar Date, as applicable, which, in the absence of Order to contrary by the Court, deemed to be a disallowed claim.

1.51. “Petition Date” means August 18, 2017, the date on which the Debtor filed its Voluntary Petition under chapter 11 of the Bankruptcy Code.

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1.52. “Plan” means this Plan of Reorganization in its entirety, together with all addenda, exhibits, schedules and other attachments thereto, in its present form or as it may be modified, amended or supplemented from time to time.

1.53. “Plan Documents” means the Disclosure Statement and the Plan and includes any referenced exhibits to the Disclosure Statement or Plan.

1.54. “Plan Proponent” means the Debtor.

1.55. “Priority Claim” means a Claim entitled to priority under Section 507(a) of the Bankruptcy Code.

1.56. “Priority Tax Claim” means a Claim entitled to priority under Section 507(a)(8) of the Bankruptcy Code.

1.57. “Professional” means a person or entity (a) employed in the Chapter 11 Case pursuant to a Final Order in accordance with Section 327, 328, or 1103 or other applicable provision of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date pursuant to Sections 327, 328, 329, 330, 331, and 363 of the Bankruptcy Code or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to Section 503(b)(4) of the Bankruptcy Code.

1.58. “Professional Claim” means the Claim of any legal counsel, accountant, consultant, financial advisor, or other Professional entitled to such Claim pursuant to Sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code for services rendered before the Effective Date.

1.59. “Rejection Claim” means a Claim arising under Section 502(g) of the Bankruptcy Code from the rejection under Section 365 of the Bankruptcy Code, or under this Plan, of an Executory Contract or unexpired lease which the Debtor has not assumed.

1.60. “Reorganized Debtor” means the Debtor in its restructured and reorganized form as of the entry of the Confirmation Order.

1.61. “Scheduled” means as set forth in the Debtor’s Schedules of Assets and Liabilities.

1.62. “Schedules” means the Schedules of Assets and Liabilities and any amendments thereto filed by the Debtor in this Chapter 11 Case.

1.63. “Secured Creditor” means a Creditor that is a holder of a Secured Claim whether allowed or disputed, as the case may be, against the Debtor, and, if necessary, pursuant to a valuation by the Bankruptcy Court pursuant to Section 506(a) of the Bankruptcy Code, is secured by a valid, enforceable and perfected mortgage, lien, security interest or other encumbrance of any kind against Assets of the Estate, and which is not subject to avoidance under the Bankruptcy Code or applicable non-bankruptcy law.

1.64. “Unclaimed Property” means any distribution of Cash or any other property made to the Holder of an Allowed Claim pursuant to this Plan that (a) is returned to the Reorganized Debtor as undeliverable and no appropriate forwarding address is received within the later of (i) 90 days after the Effective Date and (ii) 90 days after the attempted distribution by the Reorganized Debtor is made to such Holder or (b) in the case of a distribution made in the form of a check, is not negotiated within 90 days and no request for re-issuance is made.

1.65. “United States Trustee” means the United States Trustee for the Southern District of Florida.

1.66. “Unliquidated Claims” means Claims scheduled as “unliquidated” by the Debtor and any Claim filed by a Claimant without a specific dollar amount identified or otherwise specified as “unliquidated”.

ARTICLE II
CLASSIFICATION OF CLAIMS AND
INTERESTS

All Claims against the Debtor of whatever nature, whether or not scheduled, liquidated or unliquidated, absolute or contingent, including all Claims arising from transactions of the Debtor or rejection of executory contracts or unexpired leases, whether resulting in an Allowed Claim or not, shall be bound by the provisions of the Plan. With the exception of Administrative Claims, which are unclassified pursuant to 11 U.S.C. § 1123(a)(1), Claims against the Debtor Are classified as follows:

Classification		Impaired
Class 1	Allowed Secured Claim of RTS Financial Service, Inc.	Yes
Class 2	Allowed Undersecured Claim of Wells Fargo Equipment Finance, Inc.	Yes
Class 3	Allowed Undersecured Claim of BMO Harris Bank, N.A.	Yes
Class 4	Allowed Undersecured Claim of Siemens Financial Services	Yes
Class 5	Allowed Secured Claim of ENGS Commercial Finance Co.	Yes
Class 6	Undersecured Claim of Hitachi Capital	Yes
Class 7	Allowed Undersecured Claim of Signature Financial, LLC	Yes
Class 8	Allowed Unsecured Priority Claim of the Internal Revenue Service	Yes
Class 9	Allowed Undersecured Claim of Mercedes-Benz Financial Services USA, LLC	Yes
Class 10	Allowed Undersecured Claim of Nissan Motor Acceptance Corporation	Yes

Class 11	Allowed Undersecured Claim of Volvo Financial Services, a Division of VFS US LLC	Yes
Class 12	Allowed Undersecured Claim of Can Capital Asset Servicing, Inc.	Yes
Class 13	Allowed Undersecured Claim of On Deck Capital	Yes
Class 14	Allowed Claim of Second City Leasing	Yes
Class 15	Allowed Undersecured Claim of the Landlord	Yes
Class 16	Disallowed Claim of Knight Capital Funding II, LLC	Yes
Class 17	Allowed General Unsecured Claims	Yes
Class 18	Equity	Yes

ARTICLE III
TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

	Classification		Allowed Claim as per any filed Proof of Claims but the Debtor reserves right to object to same amounts if merited at a later date	Treatment
	Class 1	Allowed Secured Claim of RTS Financial Service, Inc.	\$30,000.00 based upon ordinary course payments	RTS Financial Service, Inc. ("RTS") has an Allowed Secured Claim on the Debtor's receivables. Debtor is not in default to Class 1. On the Effective Date, RTS shall retain its lien rights pursuant to ECF No. 182 and the Reorganized Debtor shall continue operating with RTS in the ordinary course of business operations. If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.
	Class 2	Allowed Undersecured Claim of Wells Fargo Equipment	\$836,099.16	Wells Fargo Equipment Finance, Inc. filed its claim #9 on 10/17/2017 ("POC #9"), claim #10 on 10/17/2017 ("POC #10"), claim #11 on 10/17/2017 ("POC #11"), claim #12 on 10/17/2017 ("POC #12"), claim #13 on 10/17/2017 ("POC #13"), claim #14 on

				<p>10/17/2017 (“POC #14”), and claim #15 on 10/17/2017 (“POC #15”).</p> <p>Regarding POC #9, ONE (1) 2013 Volvo VNL64T780-S/N 4V4NC9EJ7DN565703 balance owed \$16,192.32</p> <p>Regarding POC #10, ONE (1) 2013 Wabash 53” Refrigerated Trailer VIN 1JJV532B4DL749094 with Refrigeration Unit ending 0306 balance owed \$13,992.80</p> <p>Regarding POC #11, ONE (1) 2014 Wabash 53X102 Reefer Trailer VIN 1JJV532B3EL749119 balance owed \$22,000.93</p> <p>Regarding POC #12, ONE (1) 2014 Volvo Truck-Tractor Model VNL64T VIN 4v4NC9EH1EN163500 valued at \$44,850.00</p> <p>Regarding POC #13, TWO (2) Wabash Reefer Trailers VIN 1JJV532B4EL832252 with Refrigeration Unit ending 5728 valued at \$28,625.00</p> <p>AND VIN 1JJV532B8EL832254 with Refrigeration Unit ending 5730 valued at \$28,625.00</p> <p>Regarding POC #14, TWO (2) Wabash Reefer Trailers VIN 1JJV532B6HL975076 with Refrigeration Unit ending 0313 valued at \$49,280.00 AND VIN 1JJV532B6HL975077 with Refrigeration Unit ending 0328 valued at \$49,280.00 AND ONE (1) 2016 Freightliner Cascadia 1FUJGLBG3GLHM3624 valued at \$72,650.00 AND ONE (1) 2016 Freightliner Cascadia 1FUJGLBGXGLHM3622 valued at \$72,225.00</p> <p>Regarding POC #15,</p>
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				<p>TWO (2) Wabash Reefer Trailers VIN 1JJV532BXHL975081 with Refrigeration Unit ending 0330 valued at \$49,280.00 AND VIN 1JJV532B1HL975082 with Refrigeration Unit ending 0329 valued at \$49,280.00</p> <p>\$533,295.00 at a 6.5% fixed interest amortized over 72 months = \$8,964.65</p> <p>Payment address: James Ferrini, Vice President, Credit Resolution Group Wells Fargo Equipment Finance, 13 Winding Brook Dr., Kennebunk, ME 04043</p> <p>Wells Fargo Equipment Finance, Inc. has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 2 is undersecured by \$302,804.16. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Wells Fargo Equipment Finance, Inc. claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
	Class 3	Allowed Undersecured Claim of BMO Harris Bank, N.A.	\$871,617.13	<p>BMO Harris Bank, N.A. filed its POC #27 on 12/28/2017 (“POC #27”).</p> <p>Regarding POC #27, ONE (1) 2014 Wabash Reefer VIN 1JJVS532B6EL832253 refrigeration unit 2628 valued \$28,625.00</p> <p>ONE (1) 2015 Volvo VNL VIN 4V4NC9EH4FN918091 valued at \$60,750.00</p>

				<p>ONE (1) 2016 Freightliner VIN 3AKJGLBGOGSHG2986 valued at \$69,100.00</p> <p>ONE (1) Wabash Reefer VIN 1JJV532B9HL975086 with refrigeration unit ending 6033 valued at \$49,280.00</p> <p>ONE (1) Wabash Reefer VIN 1JJV532B8HL975080 with refrigeration unit ending 6033 valued at \$49,280.00</p> <p>ONE (1) 2017 Kenworth T680-Series VIN 1XKYD49X0HJ136248 valued at \$115,000.00</p> <p>ONE (1) 2017 Kenworth T680-Series VIN 1XKYD49X8HJ136284 valued at \$115,000.00</p> <p>ONE (1) Wabash Reefer VIN 1JJV532BXHL975078 with refrigeration unit ending 6022 valued at \$49,280.00</p> <p>ONE (1) 2017 Wabash Reefer VIN 1JJV532B1HL975079 with refrigeration unit ending 1854 valued at \$49,280.00</p> <p>\$585,595.00 at a 6.5% fixed interest amortized over 72 months = \$9,843.81</p> <p>Payment address: BMO Harris Bank, N.A. P.O. Box 71951 Chicago, IL 60694</p> <p>BMO Harris Bank, N.A. has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 3 is undersecured by \$236,742.13. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the BMO Harris Bank, N.A. claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p>
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				<p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
	Class 4	Allowed Undersecured Claim of Siemens Financial Services	\$116,862.09	<p>Siemens Financial Services, Inc. filed its POC #19 on 12/21/2017 (“POC #19”),</p> <p>One 2016 Wabash Reefer VIN 1JJV532B8GL924693 with unit 1287 valued at \$48,300 AND One 2016 Wabash Reefer VIN 1JJV532B6GL924692 with unit 1286 valued at \$48,300</p> <p>\$77,280.00 at a 5.25% fixed interest amortized over 84 months = \$1,101.37</p> <p>Siemens Financial Services, Inc. has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 4 is undersecured by \$39,582.09. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Siemens Financial Services, Inc. claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>

Class 5	Allowed Undersecured Claim of Engs Commercial Finance Co.	\$66,957.92	<p>Engs Commercial Finance Co. filed its POC #4 on 09/18/2017 ("POC #4") and #5 on 09/18/2017 ("POC #5").</p> <p>Regarding claims #4 and #5, \$66,957.92 at a 6.5% fixed interest rate amortized over 72 months = \$1,125.56</p> <p>Payment address: Engs Commercial Finance Co., Attn: Senior Manager Legal Accounts, One Pierce Place, Suite 1100 West Itasca, IL 60143</p> <p>Engs Commercial Finance Co. has an allowed Secured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 5 is undersecured by \$0.00. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Engs Commercial Finance Co. claim, if any, will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
Class 6	Allowed Undersecured Claim of Hitachi Capital	Approximately \$106,199.00	<p>Hitachi Capital did not file any proof of claim. No valid claim exists except to the extent of their secured claim solely as to the equipment. Despite efforts, no settlement was reached. The Debtor will attempt to reach out to attempt to resolve or, in the alternative, will abandon the collateral in full satisfaction of any claims Hitachi would have had. No unsecured portion for this claim.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party bears its own fees and costs</p>

	Class 7	Allowed Undersecured Claim of Signature Financial, LLC	\$130,532.01	<p>Signature Financial LLC filed its POC #17 on 12/18/2017 (“POC #17”).</p> <p>Regarding POC #17, One 2015 Volvo Model VNL64T VIN 4V4NC9EH4FN191678 valued at \$60,000.00 AND One 2015 Wabash National Refrigerated Van Trailer VIN 1JJV532B9FL875244 unit 5154 valued at \$40,000.00</p> <p>\$100,000.00 at a 6.5% fixed interest amortized over 72 months = \$1,680.99</p> <p>Payment address: David McGowan 225 Broadhollow Road, Suite 132W Melville, NY 11747</p> <p>Signature Financial LLC has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 7 is undersecured by \$30,532.01. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Signature Financial LLC claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
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	Class 8	Allowed Unsecured Priority Claim of the Internal Revenue Service	\$29,459.05	<p>The Internal Revenue Service filed its unsecured priority and unsecured general claim POC #3 on 11/29/2017 (“POC #3”).</p> <p>The Debtor shall pay the entire priority portion of the Claim in the amount of \$29,459.05 plus 3% post-petition interest per annum in equal monthly installments over a period ending not later than 72 months from the Petition Date with the first payment starting 30 days after the Effective Date of the plan (as defined in the Plan) and the last payment occurring in May of 2024.</p> <p>\$447.59 a month for months 1 to 72;</p> <p>The general unsecured portion of the IRS’ Claim shall share in the pro-rata distribution to all other general unsecured creditors per the Plan in class 17.</p> <p>The IRS agrees that the liability, interest, and penalties may be collected only once, whether from one or more of the business’s responsible persons, or from the business and one or more of its responsible persons. The Debtor may prepay this at any point without penalty.</p> <p>Payments address: Internal Revenue Service 7850 S.W. 6th Court M/S/ 5730 Planation, FL 33324-2032</p> <p>If the Debtor complies with the payments herein, the Debtor and the Debtor’s Principal Edmundo Ponce de Leon shall be released from all liability.</p> <p>All pre-confirmation payments to be credited towards principle reduction only</p>
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	Class 9	Allowed Undersecured Claim of Mercedes-Benz Financial Services USA, LLC	\$104,502.31	<p>Mercedes-Benz Financial Services USA LLC filed its POC #18 on 12/21/2017 (“POC #18”).</p> <p>Regarding POC #18, One 2016 Freightliner VIN 1FUJGLBG2GLGX2187 valued at \$70,200.00</p> <p>\$70,750.00 at a 6.5% fixed interest amortized over 72 months = \$1,189.30</p> <p>Payment address: David McGowan 225 Broadhollow Road, Suite 132W Melville, NY 11747</p> <p>Mercedes-Benz Financial Services USA LLC has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 9 is undersecured by \$33,752.31. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Mercedes-Benz Financial Services USA LLC claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
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Class 10	Allowed Undersecured Claim of Nissan Motor Acceptance Corporation	\$13,048.83	<p>Nissan Motor Acceptance Corporation filed its POC claim #1 on 08/25/2017 (“POC #1”). Nissan Motor Acceptance Corporation has an allowed Undersecured Claim POC #1 for one (1) 2015 Nissan Med Duty NV200, VIN 3N6CM0KNXFK700956; valued at</p> <p>\$10,575.00 at a 6.5% fixed interest rate amortized over 72 month = \$178.00</p> <p>Nissan Motor Acceptance Corporation has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 10 is undersecured by \$2,473.83. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Nissan Motor Acceptance Corporation claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p> <p>Payment address: Nissan P.O. Box 660366 Dallas, TX 75266-0366</p> <p>The last 6 numbers of the account number are 980001</p> <p>If the Debtor complies with the payments herein, all Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
Class 11	Allowed Undersecured Claim of Volvo Financial Services, a Division of VFS US LLC	\$334,281.19	<p>Volvo Financial Services, a Division of VFS US LLC filed its claim #21 on 12/28/2017 (“POC #21”), claim #22 on 12/28/2017 (“POC #22”), claim #23 on 12/28/2017 (“POC #23”), claim #24 on 12/28/2017 (“POC #24”), claim #25 on 12/28/2017 (“POC #25”), and claim #26 on 12/28/2017 (“POC #26”) and the Debtor seeks to retain all equipment.</p> <p>Regarding POC #21,</p>

			<p>ONE (1) 2013 Volvo VNL64T 670 VIN 4V4NC9EHXD143437 balance owed \$33,128.04</p> <p>Regarding POC #22, ONE (1) 2013 Volvo VNL64T 670 VIN 4V4NC9EH1D143438 balance owed \$35,371.30</p> <p>Regarding POC #23, ONE (1) 2014 Volvo VNL64T 670 VIN 4V4NC9EH3EN163501 valued at \$16,000.00 (Mechanical Issues)</p> <p>Regarding POC #24, ONE (1) 2015 Volvo VNL64T 780 VIN 4V4NC9EH4FN176453 valued at \$51,600.00</p> <p>Regarding POC #25, ONE (1) 2015 Volvo VNL64T 780 VIN 4V4NC9EHXFN176456 valued at \$43,000.00 (Mechanical Issues)</p> <p>Regarding POC #26, ONE (1) 2015 Volvo VNL64T 780 VIN 4V4NC9EH2FN918090 valued at \$59,250.00</p> <p>\$269,000 (locked in) at a 6.5%* fixed amortized over 72 months = \$4,521.87</p> <p>*Interest rate to be revisited if needed</p> <p>Payment address: Bettye Carr, Litigation and Bankruptcy Specialist 7025 Albert Pick Road, Suite 105 Greensboro, NC 27409</p> <p>Volvo Financial Services, a Division of VFS US LLC has an allowed Undersecured Claim on the listed equipment (if lien perfected). Under 11 U.S.C. § 506(a)(1) Class 11 is undersecured by \$65,281.19. Any claim regarding any tractor or trailer not having a perfected lien will be an entirely unsecured claim. The undersecured portion of the Volvo Financial Services, a Division of VFS US LLC claim will be treated as an unsecured claim <i>pari passu</i> with all members of Class 17.</p>
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				<p>If the Debtor complies with the payments herein, all other Guarantor(s) shall be released from all liability.</p> <p>All adequate protection payments to be credited towards principle reduction only</p> <p>Each party to bear its own fees and costs</p>
	Class 12	Allowed Undersecured Claim of Can Capital Asset Servicing, Inc.	\$68,181.67	<p>Cann Capital Asset Servicing, Inc. filed its POC #6 on 9/21/2017 ("POC #6"). Because of the first priority lien to RTS, this claim is entirely unsecured with no secured value. The filed UCC-1 is to be released upon Discharge.</p> <p>Each party to bear its own fees and costs</p>
	Class 13	Allowed Undersecured Claim of On Deck Capital JH Portfolio Debt Equities, LLC, 5757 Phantom Drive, Suite 225, Hazelwood, MO 63042	\$89,421.82	<p>On Deck Capital filed its POC #8 on 10/12/2017 ("POC #8"). Because of the first priority lien to RTS, this claim is entirely unsecured with no secured value. The filed UCC-1 is to be released upon Discharge.</p> <p>Each party to bear its own fees and costs</p>
	Class 14	Allowed Claim of Second City Leasing	\$5,000.00	<p>Second City Leasing, 2231 S. Wabash, Chicago IL 60616-0000 did not file a proof of claim. The lease-to-own contract expired and Debtor seeks to purchase the equipment, one (1) 2013 Wabash Reefer. No unsecured portion.</p> <p>\$5,000.00 at a 6.5% fixed amortized over 72 months = \$84.05</p> <p>If the Debtor complies with the payments herein, Guarantor(s) shall be released from all liability.</p>

	Class 15	Allowed Undersecured Claim of United Investment Construction Corp	Current	<p>United Investment Construction Corp., 7901 West 25 Avenue, #3, Hialeah FL 33016-0000 did not a proof of claim. No pre-petition or post petition rents are owed. Debtor is now on a month to month tenancy and current under its obligations. No unsecured portion.</p> <p>If the Debtor complies with the payments herein, all other Guarantor(s) shall be released from all liability.</p>
	Class 16	Disallowed Claim of Knight Capital Funding II, LLC	Unknown	<p>Knight Capital Funding II, LLC did not file any proof of claim. Because of the first priority lien to RTS, this claim (if filed) would otherwise have been an entirely unsecured with no secured value. This claim has no unsecured portion. All UCC-1s are to be released upon Discharge.</p> <p>Each party to bear its own fees and costs</p>
	Class 17	Allowed General Unsecured Claims	Approximately \$875,140.73 as per any filed Proof of Claims but the Debtor reserves right to object to same amounts if merited at a later date	<p>Class 17 consists of all allowed unsecured general claims. The Class 17 creditors shall share pro rata in a total distribution in the approximate amount of \$28,004.50 (3.2%)(the "Plan Payments") which shall be paid in installments of \$5,000.00 bi-annual (every 6 months) for two (2) years and then subsequently eight (8) bi-annual payments totaling \$1,000.56. The first payment begins 30th day of the month following the Effective Date of this Plan.</p> <p>New Value: At confirmation, the Principal shall provide \$30,000.00 in new value.</p>
	Class 18	Equity		<p>Existing equity shall be cancelled. New equity in the Reorganized Debtor will be issued to the Plan Sponsors in exchange for the following new value: (i) cash sufficient to fund unpaid Administrative Claims, the Unsecured Claim Fund, the Internal Revenue Service Claim, and the General Unsecured Claim.</p>

Except to the extent the holder of an Allowed Claim or Allowed Equity Interest against the Debtor agrees to accept different but lesser treatment, the treatment of Allowed Claims and Allowed Equity Interests will be as follows:

Administrative Claims. Each Holder of an Allowed Administrative Claim allowed under Section 503 of the Bankruptcy Code will be paid in full on the Effective Date in cash, or upon such other terms as may be agreed upon by the Holder of the Administrative Claim and the Debtor. All Administrative Claims incurred in the ordinary course of the Debtor's business, including without limitation, employee wages, utilities, and sales taxes shall be paid by the Debtor or Reorganized Debtor in the ordinary course of business pursuant to customary terms and due dates.

Asserted Lien Interests of Gulf Coast Bank and Trust. Any purported lien or security interest asserted by Gulf Coast Bank and Trust ("Gulf") pursuant to its filed but unreleased U.C.C. filing will be extinguished as of the Effective Date. Gulf shall receive no distribution under the Plan and shall have no interests in any Assets of the Debtor or the Reorganized Debtor.

Classes 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, and 17*

- a. Class 1: RTS Financial Service, Inc.
- b. Class 2: Wells Fargo Equipment Finance, Inc.
- c. Class 3: BMO Harris Bank, N.A.
- d. Class 4: Siemens Financial Services
- e. Class 5: ENGS Commercial Finance Co.
- f. Class 6: Hitachi Capital
- g. Class 7: Signature Financial Services, LLC
- h. Class 8: Internal Revenue Service

- i. Class 9: Mercedes-Benz Financial Services
- j. Class 10: Nissan Motor Acceptance Corporation
- k. Class 11: Volvo Financial Services, a Division of VFS US LLC
- l. Class 12: Can Capital Asset Servicing, Inc.
- m. Class 13: On Deck Capital
- n. Class 14: Second City Leasing
- o. Class 15: United Investment Construction Corp.
- p. Class 16: Knight Capital Funding II, LLC
- q. Class 17: Allowed General Unsecured Claims
- r. Class 18: Equity

*Any deficiency for any of the above will be treated as a General Unsecured Claim under Class 17.

Class 9. Allowed General Unsecured Claims. On or before December 28, 2017, The Reorganized Debtor shall provide payments in the amount of 3.2% of its Allowed Claim.

Class 10. Equity Interests. On the Effective Date, all Holders of Equity Interests shall be divested of their Equity Interests, and all Equity Interests in the Debtor shall be cancelled and extinguished.

**ARTICLE
IV
ACCEPTANCE OR REJECTION OF
PLAN**

4.1 Voting Classes. Each holder of an Allowed Claim in Classes 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17 shall be entitled to vote to accept or reject this Plan.

4.2. Presumed Acceptance of Plan. No Class is conclusively presumed to have accepted this Plan.

ARTICLE
V
FUNDING AND IMPLEMENTATION OF THIS
PLAN

5.1. Vesting of Property of the Estate. On the Effective Date, property of the Debtor not otherwise disposed of under the Plan shall vest with the Reorganized Debtor.

5.2. Sources of Funding Plan Payments. The Plan shall be funded from the following sources: (a) the net proceeds from the operation of business sales of Assets (b) new value on confirmation date from the Debtor's Principal.

The Reorganized Debtor will retain and be vested in all property of the Estate except property that will be disposed of as provided herein, executory contracts that are rejected under this Plan, and property transferred to Creditors of the Debtor pursuant to the terms of this Plan. The Estate property retained by the Reorganized Debtor, if any, shall be used by the Reorganized Debtor in the ordinary course of the Reorganized Debtor's business.

5.3. Debtor's Operation Prior to Confirmation. On or prior to the Confirmation Date, the Debtor shall (i) continue to operate any remaining business and make purchases and collect payments in the ordinary course of its business, (ii) commence prosecution of all Estate Causes of Action, (iii) file and resolve by a final adjudication any objections to Claims expect with respect to any objection to Claims that is scheduled for a trial or evidentiary hearing after the Confirmation Hearing, and (iv) continue to comply with the various other Orders entered by the Bankruptcy Court during the course of its case.

5.4. Events Occurring on or after the Effective Date. The Effective Date of the Plan shall occur on or before May 1, 2018. Beginning on the Effective Date, the Debtor shall tender any initial payments due Creditors holding Allowed Administrative Claims and shall commence the monthly payments provided for in this Plan. All property of the Debtor and the

Debtor's Estate, to the extent that any such property remains, shall vest in the Reorganized Debtor. The Reorganized Debtor shall continue operations.

5.5. Documents. All necessary documents for the implementation of this Plan shall be executed and delivered by the Debtor, when possible, on or before the Effective Date. To the extent that the Debtor or any party in interest herein is unable to agree on the form or substance of such documents, such unresolved issues shall be submitted to the Court. Upon execution and delivery, all such documents shall be binding on the Debtor and Reorganized Debtor and all other parties subject to such documents.

5.6. Payments. On or as soon as practicable after the Effective Date, the Debtor shall commence payment of all amounts required to be paid on the Effective Date and according to the schedules provided in Article III of this Plan.

5.7. Causes of Action. Except to the extent any rights, Claims, Causes of Action, defenses, and counterclaims are expressly and specifically released in connection with this Plan or in any settlement agreement approved during the Bankruptcy Case, all Causes of Action or Claims accruing to the Debtor or the Estate shall remain Assets of and vest in the Reorganized Debtor whether or not litigation relating thereto is pending on the Effective Date, and whether or not any such Claims or Causes of Action have been listed or referred to in the Plan, the Disclosure Statement, or any other document filed with the Court, and the Debtor does not waive, release, relinquish, forfeit, or abandon (nor shall it be estopped or otherwise precluded or impaired from asserting) any Claims, Causes of Action, or defenses that constitute property of the Estate. Any recovery from any Avoidance Action or other Cause of Action shall increase the dividend to the unsecured creditor class.

5.8. Reservation of Rights Under Section 1129(b). The Debtor expressly reserves the right to request the Court to confirm this Plan under Section 1129(b) of the Bankruptcy Code if all of the applicable requirements of Section 1129(a) of the Bankruptcy Code have been met, other than those of Section 1129(a)(8). In connection with such a request the Debtor may seek permission to modify the Plan. Further, the Debtor reserves the right to request that the Court strike any rejection of the Plan under 1126(e) of the Bankruptcy Code by any holder of a Claim where such rejection is not in good faith.

5.9. No Waiver of Claims. Neither the failure to list a Claim in the Schedules filed by the Debtor, the failure of the Debtor or any other Person to object to any Claim for purposes of voting, the failure of the Debtor or any other person to object to a Claim or Administrative Expense before Confirmation or the Effective Date, the failure of any person to assert a Claim or Cause of Action before Confirmation or the Effective Date, the absence of a proof of Claim having been filed with respect to a Claim, nor any action or inaction of the Debtor or any other person with respect to a Claim or Administrative Expense, other than a legally effective express waiver or release, shall be deemed a waiver or release of the right of the Debtor before or after solicitation of votes on the Plan or before or after Confirmation or the Effective Date to (a) object to or examine such Claim or Administrative Expense, in whole or in part or (b) retain or assign or exclusively assert, pursue, prosecute, utilize, otherwise act or otherwise enforce any Claim or Cause of Action against the holder of any such Claim.

5.10. Disputed Claims. At the time the Debtor distributes payment to a Class in which a member holds a Disputed Claim, the Debtor shall deposit into an escrow account the amount to which the Holder of a Disputed Claim would be entitled if its Claim were allowed in full.

Within 30 days after a Disputed Claim becomes an Allowed Claim, the *pro rata* distribution which should have been disbursed to that Claimant had such Claim been an allowed Claim on the date of distribution, shall be paid to such Claimant. After all Disputed Claims have been adjudicated, to the extent that the amounts reserved for payment relating to those Disputed Claims exceed the amount of such Claims as ultimately Allowed, such excess shall be returned to the Reorganized Debtor.

5.11. Delay of Distribution on a Disputed Claim. No distribution will be made on account of a Disputed Claim unless such Claim is allowed by a Final Order.

5.12. Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with approval of the Court and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

5.13. Unclaimed Property. Except as provided in the Plan and unless otherwise set forth in this Plan, Unclaimed Property shall be deposited into the registry of the Bankruptcy Court in accordance with the procedures of the Bankruptcy Court for Chapter 7 cases pursuant to Local Bankruptcy Rule 3011-1(B).

5.14. Assumption of Tax Obligations and Administrative Tax Reserve.
The Debtor shall reserve an adequate amount of funds to satisfy the tax obligations.

5.15. Post-Effective Date Fees and Expenses. From and after the Effective Date, The Reorganized Debtor shall, in the ordinary course of its business be authorized to pay the reasonable fees and expenses of Professionals thereafter incurred, including, without limitation, those fees and expenses incurred in connection with the implementation and consummation of the Plan.

5.16. Determination of Tax Liability. The Debtor or Reorganized Debtor, as the case may be, may seek determination of any tax liabilities pursuant to 11 U.S.C. § 505.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A summary description of certain United States federal income tax consequences of the Plan is provided below. The description of tax consequences below 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 as discussed herein. 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 the 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 document. 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.

U.S. Federal Income Tax Consequences to the Debtor

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 (“COD”) incomes 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., 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 (vii) 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 addition, with regard to tax attribute reduction in the context of an affiliated group, recently adopted Income Tax Regulations (§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.

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, (v) whether the Claim was acquired at a discount, (vi) 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, (vii) whether the holder has previously included in its taxable income accrued but unpaid interest with respect to the Claim; (viii) 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.

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.

Holders of Disputed Claims

Although not free from doubt, holders of disputed claims should only be required to report their gain or loss on the cash or other property that is ultimately distributed out to the Claimant 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.

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. 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 the 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.

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 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.

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.

CRAMDOWN

In the event that any impaired Class of creditors with claims against the Debtor's Estate fails to accept the Plan in accordance with section 1129(a) of the Bankruptcy Code, the Debtor will request the Bankruptcy court to confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code (the "**Cramdown Provisions**") For purposes of seeking confirmation of the Plan under the Cramdown Provisions, the Debtor reserves the right to modify or vary the terms of the Plan or the treatment of the Claims of those Classes that rejected the Plan so as to comply with the requirements of the Cramdown Provisions.

ARTICLE VI **PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED** **LEASES**

6.1. Rejected Executory Contracts and Unexpired Leases. All executory

contracts and unexpired leases of the Debtor's estate not previously assumed or rejected under Section 365 of the Bankruptcy Code with approval of the Bankruptcy Court are deemed rejected as of the date of the Confirmation Hearing. Holders of Claims resulting from rejection pursuant to Section 365 of the Bankruptcy Code shall have 30 days after the earlier of (i) the Effective Date or (ii) the date of an Order granting rejection within which to file any Claim based on such rejection. **THE FAILURE TO FILE SUCH REJECTION CLAIMS SHALL FOREVER BAR SUCH CLAIMS AND THE HOLDERS THEREOF SHALL NOT BE ENTITLED TO ANY DISTRIBUTION UNDER THIS PLAN.**

6.2. **Assumed Executory Contracts and Unexpired Leases.** The Debtor reserves the right to file motions for the assumption or rejection of any executory contract or unexpired lease at any time prior to the Confirmation Date and to prosecute any such motion to entry of a Final Order anytime thereafter. The executory contract with Second City Leasing and United Investment Construction Corp. have Expired. The Debtor seeks to exercise its option to purchase the equipment with Second City Leasing and shall treat creditor in the plan. The Debtor is now on a month to month commercial tenancy with the United Investment Construction Corp. and is current.

ARTICLE VII
REQUEST FOR CONFIRMATION UNDER 11 U.S.C. §
1129(B)

In the event any impaired class of Claims or Interests does not accept the Plan, the Debtor requests that the Court nevertheless confirm its Plan under the provisions of Section 1129(b) of the Bankruptcy Code.

ARTICLE VIII
GENERAL PROVISIONS

8.1. Definitions and Rules of Construction. The definitions and rules of Construction set forth in §§ 101 and 102 of the Bankruptcy Code shall apply when terms defined or construed in the Bankruptcy Code are used in this Plan, and they are supplemented by the definitions in Article I.

8.2. Effective Date of Plan. The Effective Date of the Plan is May 1, 2018.

8.3. Severability. If any provision in this 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 this Plan.

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

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

8.6. 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 this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

ARTICLE IX **DISCHARGE AND INJUNCTIONS**

9.1. Discharge of Debt. Upon substantial consummation, the Debtor shall be fully and completely discharged to the fullest extent permitted by Sections 1141 and 524 of the Bankruptcy Code, from all Claims, debts and liabilities against the Debtor arising before the Effective Date, except as specifically provided by the Plan.

9.2. Injunction. Except as otherwise provided under the Plan, Any person who holds or who has held a Claim against or Interest in the Debtor shall be permanently enjoined from commencing or continuing any action, employment of process, or act to collect, offset, avoid or recover any Claim against the Debtor, the Reorganized Debtor, their respective present and former managing members, officers, directors, parents, subsidiaries, predecessors, successors, employees, partners, principals, and their respective heirs, executors, professionals, administrators, successors, and assigns.

ARTICLE X
RETENTION OF JURISDICTION BY THE BANKRUPTCY
COURT

The Bankruptcy Court shall retain jurisdiction of these proceedings after Confirmation for the following purposes:

- a. To enable the Debtor to consummate the Plan and any amended or modified Plan and to resolve any disputes arising with respect thereto;
- b. To enable the Debtor to consummate any and all proceedings that it may bring prior to the entry of the Confirmation Order;
- c. To determine all controversies relating to or concerning the classification, subordination, allowance, valuation or satisfaction of Claims;
- d. To liquidate or estimate for purposes of allowance all contested, contingent or unliquidated Claims;
- e. To determine the validity, extent and priority of all liens, if any, against property of the Estate;

- f. To determine any assertions or an ownership interest in, the value of, or title to, any property of the Estate;
- g. To determine any objections to Administrative Claims;
- h. To determine any (i) adversary proceedings, contested or litigation matters brought before the Bankruptcy Court and (ii) Estate Claims or Causes of Action asserted by the Debtor or the Reorganized Debtor;
- i. Without limiting the generality of the preceding paragraph, to determine any Avoidance Action brought by the Debtor;
- j. To determine all controversies arising out of any purchase, sale, or contract made or undertaken by the Debtor prior to the Confirmation Date;
- k. To enforce all agreements assumed, if any, and to recover all property of the estate, wherever located;
- l. To determine any tax liability of the estate in connection with the Plan, actions taken, distributions or transfers made thereunder;
- m. To enforce any and all injunctions created pursuant to the terms of the Plan;
- n. To modify the Plan or to remedy any defect or omission or reconcile any inconsistencies in the Plan either before or after the entry of the Confirmation Order;
- o. To hear and determine all controversies, suits, and disputes that may arise in connection with the interpretation or enforcement of the Plan;
- p. To make such orders as are necessary or appropriate to carry out the provisions of the Plan.

ARTICLE XI
MODIFICATIONS TO THE PLAN

The Debtor may propose amendments or modifications to the Plan at any time prior to the Confirmation Date without leave of the Bankruptcy Court. After the Confirmation Date parties-in-interest may, with Bankruptcy Court approval and so long as it does not materially or adversely affect the interests of Creditors, remedy any defect or omission or reconcile any inconsistencies in the Plan or in the Confirmation Order in such manner as may be necessary to carry out the purposes and intent of the Plan.

ARTICLE XII
AMENDMENT OF CLAIMS

Claimants shall not be permitted to amend or otherwise modify any Claim after the Confirmation Date without leave of the Bankruptcy Court.

Respectfully submitted on March 16, 2018

P.D.L., INC.

By: _____
Edmundo Ponce de Leon, President

By: /s/Ariel Sagre
Ariel Sagre, Esq.
Fla. Bar No. 557447
law@sagrelawfirm.com
Attorney for the Plan Proponent