

HINKLE LAW FIRM LLC
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**IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF KANSAS**

IN RE: A-OK ENTERPRISES, LLC <p style="text-align: center;">Debtor(s)</p>	Case No. 17-11096 Chapter 11 (Lead Case) Jointly Administered
IN RE: A-OK 1, LLC <p style="text-align: center;">Debtor(s)</p>	Case No. 17-11098 Chapter 11
IN RE: A-OK 2, LLC <p style="text-align: center;">Debtor(s)</p>	Case No. 17-11099 Chapter 11
IN RE: A-OK 3, LLC <p style="text-align: center;">Debtor(s)</p>	Case No. 17-11100 Chapter 11
IN RE: A-OK, INC. <p style="text-align: center;">Debtor(s)</p>	Case No. 17-11097 Chapter 11

DISCLOSURE STATEMENT DATED EFFECTIVE DECEMBER 22, 2017

I. INTRODUCTORY STATEMENT

On June 9, 2017, the debtors, A-OK Enterprises, LLC, A-OK1, LLC, A-OK 2, LLC, A-OK 3, LLC and A-OK, Inc. (hereinafter the “Debtors”) filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of

Kansas ("Court"). The cases were jointly administered under an order entered on July 12, 2017 [Dkt #76]. On or about December 22, 2017, the Debtor filed its Plan of Reorganization ("Plan").

Pursuant to the terms of the Bankruptcy Code, acceptance of the Plan by holders of Claims or interests may not be solicited unless, at the time of or before such solicitation, there is transmitted to the holder, a copy or summary of the Plan and a written Disclosure Statement approved by the Court as containing adequate information. The Debtors have prepared this Disclosure Statement to disclose that information which, in their opinion, is necessary to make an informed evaluation of the Plan. Defined terms not defined herein shall have meaning given to them in the Plan. This Disclosure Statement, including the summary of the Plan contained herein, has been presented to and approved by the Court. The Court's approval does not constitute a judgment by the Court as to the desirability of the Plan, but only that the Disclosure Statement contains information sufficient to enable a typical Creditor to make an informed judgment about the Plan.

Provided that at least one (1) Class of Impaired Claims vote in favor of the Plan, if any Class or Classes of Creditors whose Claims are Impaired fails to accept the Plan, it may still be confirmed under the "cramdown" provisions of §1129(b) of the United States Bankruptcy Code. These provisions require that the Plan be fair and equitable as to the objecting Class. As to a Class of Unsecured Creditors, this means that the Class must be paid in full before any junior Class of Claims or interests receive anything of value under the Plan. This principle is sometimes referred to as the "Absolute Priority Rule."¹ As to secured Creditors, the fair and equitable rule requires that they

¹ *Collier on Bankruptcy* (15th Ed.) at ¶1129.04[4][a][I] summarizes the "Absolute Priority Rule" as follows:

"a plan of reorganization may not allocate any property whatsoever to any junior Class on account of the member's interest or Claim in a debtor unless all senior Classes consent, or unless such senior Classes receive property equal in value to the full amount of their Allowed Claim, or the debtor's reorganization value, whichever is less."

receive the indubitable equivalent of their Claim or that they retain their lien on and receive deferred Cash payments equal to the value of their interest in property of the Estate. The Debtor believes that the Plan meets these requirements and hereby requests confirmation under §1129(b) if one or more Class fails to accept the Plan.

In order to vote on a Plan, a Creditor or holder must have filed a proof of claim or interest prior to the expiration of the “Claim Bar Date” established, unless the Claim is scheduled by the Debtor and it is not stated in the schedules as disputed, unliquidated or contingent. An order establishing a Claim Bar Date was entered by the Court on July 11, 2017 [Dkt #74], establishing a Claim Bar Date on September 15, 2017. No further filed proofs of claim are to be accepted after September 15, 2017, without order of the Court. Any Creditor scheduled as undisputed, liquidated, and not contingent, is to the extent scheduled, deemed to have filed a Claim. In order for the Plan to be accepted by Creditors, a majority in number and two-thirds (2/3) majority in amount of Claims filed, allowed (for voting purposes) and voting in each Impaired Class of Creditors must vote to accept the Plan. In order for the Plan to be accepted by interest holders, a two-thirds (2/3) majority in amount of interest allowed (for voting purposes) and voting in each Impaired Class of interests must vote to accept the Plan. If the Debtors are unable to obtain the requisite acceptances, they may be able to obtain confirmation of the Plan, despite the non-acceptance of one or more Classes pursuant to 11 U.S.C. §1129(b) as discussed more fully above.

The Debtors, with the exception of A-OK, Inc., all are Kansas limited liability companies. A-OK Enterprises, LLC (“A-OK Enterprises”) is the parent organization. A-OK 1, LLC (“A-OK

1"), A-OK2, LLC ("A-OK 2") and A-OK 3, LLC ("A-OK 3"), are subsidiaries, who currently do not conduct any activities. Claims have been filed in A-OK, Inc. and A-OK 2 that were better filed in the parent A-OK Enterprises. It is the desire of the debtor A-OK Enterprises to either consolidate and/or merge A-OK 2 and A-OK 3 into the existing entity, A-OK Enterprises, conditional upon the decision of the Debtors' tax accountants. A-OK 1, A-OK, Inc. and A-OK Enterprises shall, upon confirmation of their Plan, emerge from bankruptcy as reorganized entities.

A Claim Bar Date for the submission of Claims was September 15, 2017. Only a limited number of Claims have been filed in the bankruptcy case. The Claims filed are as follows:

Debtor Entity	Creditor	Claim Amt.
A-OK Enterprises, LLC	Lucke & Associates, LLC	\$ 9,414.00
A-OK, Inc.	Bank of the West	\$18,319.20
A-OK, Inc.	Euler Hermes, N.A.	\$24,302.83
A-OK 2, LLC	Protection One	\$ 9,480.43

Claims have been filed by the Internal Revenue Service, but the Debtors have objected to such estimated Claims and the Claims have been stricken. Thus, the total Claim pool in the jointly administered cases is \$61,516.46, not including the \$753,420.23 Unsecured Claim of Simmons Bank.

The Debtors have also scheduled a number of Creditors as contingent or disputed. Therefore, the actual Creditor amounts are as determined by the filed proofs of claim as set forth above.

To the extent that any Creditor has filed a proof of claim that may differ from the Creditor's business records, the Debtors reserve the right to object to the Claim accordingly. In addition, the Debtors reserve objection rights under state or federal law. Any Creditor shown with an unknown

or disputed amount in the bankruptcy schedules who has not filed a proof of claim by the Claim bar date shall not participate as an Unsecured Creditor, nor receive any distribution.

The Debtors reserve the right to challenge any of the proofs of claim filed by the Creditors for a period of sixty (60) days after confirmation of the Plan. The Debtors have not begun a thorough analysis of the allowance of such Claims. The Debtors propose to offer an initial sum of \$15,000 to be distributed to Allowed Claims on a pro rata basis to each Allowed Claim. Thereafter, the Debtors propose to make periodic payments through the life of the Plan (not greater than 3 years) so that each allowed Creditor will receive up to one hundred percent (100%) of its Allowed Claim.

The allowance of any Claims will be addressed in A-OK Enterprises, one of the surviving entities.

Additionally, the Debtors, together with a non-filing entity, Hevin, LLC, have a joint and several Claims from Simmons Bank , successor by conversion to Simmons First National Bank (“Simmons Bank”) in the amount of \$4,253,420.23. This Claim amount has been reduced by a sale of assets that occurred under orders of the Court of which \$2.5 million was applied to the indebtedness of Simmons Bank. Upon acceptance of Simmons Bank of the \$2.5 million sum, a remaining indebtedness to Simmons Bank exists in the sum of \$1,753,420.23. This Claim will remain in the Debtors' bankruptcy for voting estimation purposes. The sum of \$1 million has been allocated a Secured Claim to the recovery of the Lloyd's Insurance policy by the Debtors to the interest of Simmons Bank, allowing a remaining balance of the Claim in the sum of \$753,420.23.

A Creditor or interest holder may vote on the Plan by filling out and mailing the enclosed ballot which the Court has provided. The ballots must be returned by the date set by the Court; no vote received after such time will be counted nor included in the tally in any manner. Whether a Creditor or interest holder votes on the Plan or not, such Claim holder will be bound by the terms of the Plan if the Plan is confirmed. You are, therefore, urged to complete, date, sign, and promptly mail the ballot to Edward J. Nazar, Hinkle Law Firm LLC, 1617 North Waterfront Parkway, Suite 400, Wichita, Kansas 67206-6639.

NO REPRESENTATIONS OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT CONCERNING THE DEBTORS OR THE PLAN IS AUTHORIZED BY THE DEBTORS. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE WHICH ARE OTHER THAN AS CONTAINED IN THIS STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTORS WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE.

THE INFORMATION CONTAINED IN THIS STATEMENT AND THE ATTACHED SCHEDULES HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. DUE TO THE COMPLEXITY OF THE DEBTORS' FINANCIAL MATTERS, THE DEBTORS ARE UNABLE TO WARRANT THAT THE INFORMATION CONTAINED HEREIN IS WITHOUT INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE OF THIS DOCUMENT UNLESS ANOTHER DATE IS SPECIFIED HEREIN AND THE DELIVERY OF THIS DOCUMENT DOES NOT IMPLY THAT THERE HAVE BEEN NO CHANGES IN THE INFORMATION SET FORTH HEREIN SINCE SUCH DATE.

THIS DISCLOSURE STATEMENT IS NOT INTENDED TO REPLACE A CAREFUL AND DETAILED REVIEW OF THE PLAN BY EACH HOLDER OF A CLAIM. THIS DISCLOSURE STATEMENT IS INTENDED TO AID AND SUPPLEMENT SUCH REVIEW. THIS DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN. THE PLAN IS THE OPERATIVE CONTROLLING LEGAL DOCUMENT. AS SUCH, IF THERE IS ANY INCONSISTENCY BETWEEN THE TERMS AND PROVISIONS OF THIS DISCLOSURE STATEMENT AND THE PLAN, THE TERMS AND PROVISIONS OF THE PLAN SHALL CONTROL.

HINKLE LAW FIRM LLC (“HINKLE”) COMMENCED REPRESENTATION OF THE DEBTORS IMMEDIATELY PRIOR TO THE PETITION DATE AS THEIR BANKRUPTCY COUNSEL. ALL COUNSEL TO THE DEBTORS HAVE RELIED UPON INFORMATION PROVIDED BY THE DEBTORS IN CONNECTION WITH PREPARATION OF THIS DISCLOSURE STATEMENT. HINKLE HAD NO INVOLVEMENT WITH THE DEBTORS OR THEIR MEMBERS PRIOR TO ITS ENGAGEMENT FOR THE FILING OF THESE BANKRUPTCIES AND ANY PRE-PETITION CONSULTATION.

FORWARD-LOOKING STATEMENTS: THIS DISCLOSURE STATEMENT INCLUDES FORWARD-LOOKING STATEMENTS BASED LARGELY ON THE CURRENT EXPECTATION OF THE DEBTORS AND PROJECTIONS ABOUT FUTURE EVENTS AND FINANCIAL TRENDS AFFECTING THE FINANCIAL CONDITION OF THE DEBTORS' OR THE REORGANIZED DEBTOR'S BUSINESS. THE WORDS "BELIEVE," "MAY," "WILL," "ESTIMATE," "CONTINUE," "ANTICIPATE," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS IDENTIFY THESE FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A NUMBER OF RISKS, UNCERTAINTIES AND ASSUMPTIONS, INCLUDING THOSE DESCRIBED BELOW UNDER THE CAPTION "RISK FACTORS." IN LIGHT OF THESE RISKS AND UNCERTAINTIES, THE FORWARD-LOOKING EVENTS AND CIRCUMSTANCES DISCUSSED IN THIS DISCLOSURE STATEMENT MAY NOT OCCUR AND ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN THE FORWARD-LOOKING STATEMENTS. NEITHER THE DEBTORS NOR THE REORGANIZED DEBTOR NOR THEIR COUNSEL UNDERTAKE ANY OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

II. HISTORY AND OVERVIEW OF THE DEBTORS

Prior to the bankruptcy action, from 2014 through early 2017, an alleged embezzlement occurred by a key employee amounting to a loss of approximately \$1.4 million. This created a

significant Cash Flow problem for the Debtors. The business records of the Debtors were not correctly maintained, due in principal part by the actions taken by the alleged embezzler. The altercations or misstatements in the financial records gave a distorted picture of the Debtors' financial performance. It also contributed to a misstatement of borrowing base reports and other financial reports presented to the Debtors' lender, Simmons Bank. Simmons Bank deemed itself insecure, accelerated the indebtedness and commenced a foreclosure action. This necessitated the bankruptcy filing.

Attached hereto as **Exhibit A** is the A-OK Enterprises, LLC Business Summary of September, 2017, which sets forth the business description and business summary of the Debtors.

III. BANKRUPTCY OVERVIEW

During the process of the bankruptcy, the Debtors have been successful in obtaining orders of the use of Cash collateral, striking a settlement with the allocation of secured and Unsecured Claims with its principal lender, Simmons Bank, promulgating a sale of assets and assignment of lease agreements providing for the sale of two of the Debtors' locations to third party entities for the sum of \$2.5 million, thus reducing the Secured Claim of Simmons Bank to \$1,753,420.23. This Claim will remain in the Debtors' bankruptcy for voting estimation purposes. The sum of \$1 million has been allocated to the recovery of the Lloyd's Insurance policy by the Debtors to the interest of Simmons Bank, allowing a deficiency balance of the Claim in the sum of \$753,420.23.

The Debtors have also obtained a line of credit agreement with their principal, Bruce Harris, in the sum of \$1 million. This debt will be cancelled and treated as part of the "New Value" required

as part of the confirmation process under 11 U.S.C. §1129.

A Claim bar date was established on September 15, 2017. Only a limited number of Claims have been filed in the bankruptcy case. The Claims filed are as follows:

Debtor Entity	Creditor	Claim Amt.
A-OK Enterprises, LLC	Lucke & Associates, LLC	\$ 9,414.00
A-OK, Inc.	Bank of the West	\$18,319.20
A-OK, Inc.	Euler Hermes, N.A.	\$24,302.83
A-OK 2, LLC	Protection One	\$ 9,480.43

Claims have been filed by the Internal Revenue Service, but the Debtors have objected to such estimated Claims and the Claims have been stricken. Thus, the total Claim pool in the jointly administered cases is \$61,516.46, not including the \$1,753,420.23 Unsecured Claim of Simmons Bank.

IV. PLAN OF REORGANIZATION

The Debtors' Plan of Reorganization provides for a sale of assets. On November 2, 2017, the Debtors proposed to sell the business location at 1547 South Oliver, Wichita, Kansas ("Oliver") and 1525 South Broadway, Wichita, Kansas ("Broadway") to SSSB, LLC and SSHO, LLC ("Proposed Purchasers"). The sale generally provided for the sale of tangible and intangible assets located at the respective locations, with certain exclusions as more fully set forth in the Asset Purchase Agreement ("APA") [Dkt #140] filed with the Clerk of the United States Bankruptcy Court in Case No. 17-11096. The sale has occurred and closed. No objections to the sale were

forthcoming. The Reorganizing Debtor, therefore, will maintain locations at 410 North West Street, Wichita, Kansas and 2021 North Amidon, Wichita, Kansas.

The Debtors have also filed a motion to assume and assign the executory contracts at Oliver and Broadway to the Proposed Purchasers. Broadway was leased from Harris 4, LLC, a single member limited liability company owned by Bruce Harris, who is the majority shareholder of A-OK Enterprises. A-OK Enterprises is the successor to A-OK, Inc. of the lease Oliver.

At closing of the transaction, the Debtors will assign the Oliver lease to SSHO, LLC and the Broadway lease to SSSB, LLC.

The purchase price for Oliver and Broadway was \$2.5 million ("Purchase Price"). The Purchase Price was applied pursuant to orders of the United States Bankruptcy Court to the secured indebtedness of Simmons Bank.

The Debtors will thus reorganize the remaining two locations and continue in business at those locations.

Under a compromise and settlement with Simmons Bank, Simmons Bank has agreed to accept the sum of \$2.5 million in partial satisfaction of its Secured Claim [Dkt #143]. The settlement agreement proposed to allocate certain Claims and Causes of Action between Simmons Bank and the Debtors, specifically any Claim involving litigation under the Debtors' insurance policy number SS0001816/0678 with Lloyd's Insurance. Lloyd's Insurance, through its counsel, has issued a declination of coverage. Litigation will likely commence concerning the denial of coverage.

The Claim of Simmons Bank is in the sum of \$4,253,420.23. Upon acceptance of Simmons Bank of the \$2.5 million sum, a remaining indebtedness to Simmons Bank exists in the sum of \$1,753,420.23. This Claim will remain in the Debtors' bankruptcy for voting estimation purposes.

The sum of \$1 million (the "\$1 Million Allocation") has been allocated as part of the remaining Secured Claim of Simmons Bank, secured by any recovery of the Lloyd's Insurance policy by the Debtors. The remaining balance of the Claim in the sum of \$753,420.23 will be discharged upon confirmation of the Debtors' Plan. The \$1 Million Allocation shall be treated as a non-recourse secured obligation.

Upon confirmation, no liability will exist by the Debtor for payment of any portion of the \$1 Million Allocation from operating Cash flow. The sole recovery for Simmons Bank shall be from its allocated share of the recovery in the litigation concerning the denial of insurance coverage. Furthermore, the terms of the settlement agreement previously approved by the Bankruptcy Court shall control, providing for a 50% net recovery payment to Simmons Bank.

Thus, the \$1 Million Allocation is neither a guaranteed minimum payment, nor a maximum dollar limitation. The \$1 Million Allocation is, thus, an estimate only of the allowed secured portion of Simmons Bank's Claim and may vary by the results of the litigation. Any remaining indebtedness of Simmons Bank, after payment of the \$2.5 million sum, will be discharged under the provisions of 11 U.S.C. §1141 and 26 U.S.C. §108.

V. LIQUIDATION ANALYSIS

Pursuant to Section 1129(a)(7) of the Bankruptcy Code, if each Class of Impaired Claims does not vote unanimously to accept the Plan, then the “best interests of Creditors test” requires the Bankruptcy Court to find that the Plan provides to each holder of a Claim in each Impaired Class a recovery on account of such holder’s Claim that has a value at least equal to the value of the distribution that each such holder would receive if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code.

If the Debtors' Chapter 11 cases were converted to Chapter 7 liquidation proceedings, then the Debtors' business operations would immediately cease and the Debtors' assets liquidated by a Chapter 7 trustee. The Debtors have formulated a Plan based upon the repayment of one hundred percent (100%) of the allowed Unsecured Claims. As a result, the Debtors have not included a liquidation analysis to this Plan since these allowed Unsecured Claims will be paid in full and Simmons Bank separately treated pursuant to the agreement of the parties and approval of the Bankruptcy Court. The assets of the Debtors exceed the balance due the creditors who have filed proofs of claim.

The Debtors' Plan provides for an initial sum of \$15,000 to be distributed to Allowed Claims on a pro rata basis to each Allowed Claim upon the Effective Date of the Plan. Thereafter, the Debtors propose to make periodic payments through the life of the Plan (not greater than 3 years) so that each allowed Creditor will receive one hundred percent (100%) of its Allowed Claim.

The Debtors believe that the Plan provides for a significant higher return to holders of Unsecured Claims of the Debtors because no statutory Chapter 7 trustee fees will be assessed under 11 U.S.C. §326.

The Debtors have not undertaken an analysis of any preference actions or Causes of Action to be asserted under 11 U.S.C. §544, 11 U.S.C. §546, 11 U.S.C. §547 and 11 U.S.C. §548. Upon confirmation of the Debtors' Plan, all tangible assets will be revested in the Reorganized Debtor, free and clear of all liens and encumbrances.

VII. MANAGEMENT

The Debtors, with the exception of A-OK, Inc., are Kansas limited liability companies. Bruce Harris is the Debtors' principal. To the extent required under the provisions of the Bankruptcy Code, the following consists of the current salaries of the insiders:

Bruce Harris	\$200,000
Macaela Harris	\$100,000

VIII. FINANCIAL INFORMATION

Attached hereto as **Exhibit B** is a 3-year projected Cash flow report and post-petition projections for the years 2018 through the end of 2020.

IX. SUMMARY OF CLAIMS

Administrative Claims:

On the Effective Date, each Administrative Claim, that is an Allowed Claim, shall be paid in full. An estimated total of \$40,000 will be paid as allowed administrative expense(s) at the date

of confirmation for professional fees. The remaining Administrative Claims consist of unpaid professional fees due the following professionals, together with United States Trustee's fees calculated pursuant to the provisions of 28 U.S.C. §1930:

1. Hinkle Law Firm LLC;
2. Depew Gillen Rathbun & McInteer, LC;
3. Larson & Company, P.A.;
4. Roger Eastwood;

United States Trustee's fees are estimated in the amount of \$10,400 for the 4th quarter of 2017 and \$6,500 for the 1st quarter of 2018.

Class 1 - Priority Claims:

Initially the Internal Revenue Service filed proofs of claim, however, such Claims have been objected to and stricken from participation.

Class 2 - Secured Claims:

The Secured Claim consists of the Claim of Simmons Bank in the liquidated amount of \$2.5 million, plus an estimated Claim of \$1 million attributable on Simmons Bank's portion of the insurance recovery (as set forth above) and the remaining amount of \$753,420.23. The treatment of the Claim of Simmons Bank is as set forth above.

Class 3 - Allowed Unsecured Claims:

The allowed Unsecured Claims will be paid an initial payment pro rata from a \$15,000 distribution pool upon the Effective Date of the Plan. Thereafter, periodic payments will be paid

over a maximum of the next three (3) years so that the allowed Unsecured Claim will receive 100% of the allowed Unsecured Claim. No interest will be paid on the Unsecured Claims.

Class 4 - Contingent Disputed Claim of Raul Martinez and Chelle Martinez:

This Class of Creditors consists of the contingent, disputed Claim of Raul Martinez and Chelle Martinez as a result of a lawsuit brought post-petition in Sedgwick County District Court Case No. 2017 CV 2217. It is likely this Claim will be separately settled or litigated post-petition because the prosecution of it is stayed under the provisions of 11 U.S.C. §362 and it is disputed or contingent in nature. No provision for payment has been provided in this Plan. The payment of any sums will be determined by the course of litigation in Case No. 2017 CV 2217.

To the extent that any Creditor has filed a proof of claim that may differ from the liquidated amount shown in the Debtors' schedules, the Debtors reserve the right to object to the Claim accordingly. Any Creditor shown with an unknown amount who has not filed a proof of claim shall not participate as an Unsecured Creditor, nor receive any distribution.

The Debtors estimate that there will administrative expenses due to the following:

1. Hinkle Law Firm LLC, Debtors' counsel, in the estimated amount of \$25,000;
2. Depew & Gillen, special counsel, in the estimated amount of \$5,000;
3. Larson & Company, P.A., accountants, in the estimated amount of \$10,000;
4. Roger Eastwood, business consultant, in the estimated amount of \$0.00.

Interim fees have been paid.

The Debtors are unaware of any prior wage or employee expense to be adjusted through the Plan of Reorganization, nor are they aware of any priority tax obligations. Any such, however, will be separately paid. Any priority wage and tax obligations will be paid within six (6) months of the Effective Date. Any Unsecured Claims will be amortized over a period of three (3) years from the Effective Date of the Plan. No interest will be paid on any Unsecured Claim.

X. SUMMARY OF ASSETS

The following represents the Debtors' estimate of the value of the assets as of the date of the filing of this Disclosure Statement (utilizing December, 2017 financial information):

Cash in bank (secured Cash collateral)	\$ 150,000 (est)
Vehicles	\$ 19,878
Fixtures, equipment, supplies & inventory	\$1,125,954

All Claims shall be determined for allowance or objection by the Reorganized Debtor, including any Claims set forth in the bankruptcy schedules.

XI. SUMMARY OF THE PLAN

- A. The entire text of the Plan has been provided, with this Disclosure Statement, to all Creditors and all interest holders known to the Debtors. The following is a brief summary of the Plan and should not be relied on for voting purposes. The Plan should be read carefully and independently of this Disclosure Statement. Creditors are further urged to consult with counsel, or with each other, in order to fully resolve any questions concerning the Plan.
- B. The specific treatment of each Class of Creditor is as follows:

Administrative Claims:

On the Effective Date, each Administrative Claim, that is an Allowed Claim, shall be paid in full. An estimated total of \$40,000 will be paid as allowed administrative expense(s) at the date of confirmation of professional fees. The remaining Administrative Claims consist of unpaid professional fees due the following professionals, together with United States Trustee's fees calculated pursuant to the provisions of 28 U.S.C. §1930:

1. Hinkle Law Firm LLC;
2. Depew Gillen Rathbun & McInteer, LC;
3. Larson & Company, P.A.;
4. Roger Eastwood.

United States Trustee's fees are estimated in the amount of \$10,400 for the 4th quarter of 2017 and \$6,500 for the 1st quarter of 2018.

Class 1 - Priority Claims:

Initially the Internal Revenue Service filed proofs of claim, however, such Claims have been objected to and stricken from participation.

Class 2 - Secured Claims:

The Secured Claim consists of the Claim of Simmons Bank in the liquidated amount of \$2.5 million, plus an estimated Claim of \$1 million attributable on Simmons Bank's portion of the insurance recovery (as set forth above) and the remaining amount of \$753,420.23. The treatment of the Claim of Simmons Bank is as set forth above.

Class 3 - Allowed Unsecured Claims:

The allowed Unsecured Claims will be paid an initial payment pro rata from a \$15,000 distribution pool upon the Effective Date of the Plan. Thereafter, periodic payments will be paid over a maximum of the next three (3) years so that the allowed Unsecured Claim will receive 100% of the allowed Unsecured Claim. No interest will be paid on the Unsecured Claims.

Class 4 - Contingent Disputed Claim of Raul Martinez and Chelle Martinez:

This Class of Creditors consists of the contingent, disputed Claim of Raul Martinez and Chelle Martinez as a result of a lawsuit brought post-petition in Sedgwick County District Court Case No. 2017 CV 2217. It is likely this Claim will be separately settled or litigated post-petition because the prosecution of it is stayed under the provisions of 11 U.S.C. §362 and it is disputed or contingent in nature. No provision for payment has been provided in this Plan. The payment of any sums will be determined by the course of litigation in Case No. 2017 CV 2217.

To the extent that any Creditor has filed a proof of claim that may differ from the liquidated amount shown in the Debtors' schedules, the Debtors reserve the right to object to the Claim accordingly. Any Creditor shown with an unknown amount who has not filed a proof of claim shall not participate as an Unsecured Creditor, nor receive any distribution.

XII. COMPENSATION OF INSIDERS

To the extent required under the provisions of the Bankruptcy Code, the following consists of the current salaries of the insiders:

Bruce Harris	\$200,000
Macaela Harris	\$100,000

XIII. SALE OF NEW EQUITY INTERESTS

No new equity interests will be sold or offered. Bruce Harris made a post-petition loan under a line of credit to the Debtors. The amounts advanced, which total upwards of \$300,000, will be treated as “New Value” equity contributions for Plan confirmation purposes. The loan repayment will be cancelled at confirmation or deferred or subordinated to the payment of the allowed unsecured Creditors.

XIV. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

The Plan provides for the assumption of all executory contracts not previously assumed or rejected. These include leases for Oliver and Broadway with the landlords, A-OK Enterprises and Harris 4, LLC, respectively.

XV. PREFERENCES, FRAUDULENT CONVEYANCES AND OTHER CLAIMS BY DEBTORS

The Debtors have not undertaken an analysis of any preference actions or Causes of Action to be asserted under 11 U.S.C. §544, 11 U.S.C. §546, 11 U.S.C. §547 and 11 U.S.C. §548. Upon confirmation of the Debtors' Plan, all tangible assets will be revested in the Reorganized Debtor, free and clear of all liens and encumbrances.

XVI. TAX ATTRIBUTES AND TAX CONSEQUENCES

The Debtors are unaware of any priority tax obligations. Any such, however, will be separately paid.

THE DISCUSSION SET FORTH BELOW IS INCLUDED FOR GENERAL INFORMATION ONLY. THE DEBTORS AND THEIR COUNSEL AND FINANCIAL ADVISORS ARE NOT MAKING ANY REPRESENTATIONS REGARDING THE PARTICULAR TAX CONSEQUENCES OF CONFIRMATION AND CONSUMMATION OF THE PLAN, WITH RESPECT TO THE DEBTORS OR HOLDERS OF CLAIMS, NOR ARE THEY RENDERING ANY FORM OF LEGAL OPINION OR TAX ADVICE ON SUCH TAX CONSEQUENCES. THE TAX LAWS APPLICABLE TO CORPORATIONS IN BANKRUPTCY ARE EXTREMELY COMPLEX, AND THE FOLLOWING SUMMARY IS NOT EXHAUSTIVE. HOLDERS OF CLAIMS ARE STRONGLY URGED TO CONSULT THEIR TAX ADVISORS REGARDING TAX CONSEQUENCES OF THE PLAN, INCLUDING FEDERAL, FOREIGN, STATE AND LOCAL TAX CONSEQUENCES.

Federal Income Tax Consequences to Holders of Claims

The federal income tax consequences of the implementation of the Plan to a holder of a Claim will depend, among other things, upon the origin of the holder's Claim, when the holder's Claim becomes an Allowed Claim, when the holder receives payment in respect of such Claim, whether the holder reports income using the accrual or Cash method of accounting, and whether the holder has taken a bad debt deduction or worthless security deduction with respect to such Claim.

Claims for Accrued Interest

Notwithstanding the general rules described above, holders of Claims who receive any consideration under the Plan in respect of Allowed Claims for accrued but not previously taxed interest must treat the amount of such consideration as ordinary income. A holder of a Claim whose Allowed Claim for accrued and previously taxed interest is not fully satisfied generally may take an ordinary deduction for the unsatisfied portion of such Allowed Claim, even if the underlying Claim is held as a capital asset. The proper allocation, between principal and interest, of consideration to be distributed under the Plan is unclear. The Debtors intend to take the position that such consideration is allocated to principal, to the extent thereof, before any amount is allocated to accrued but unpaid interest. Creditors should be aware, however, that the Internal Revenue Service may take a different position with respect to the proper allocation.

HOLDERS OF CLAIMS SHOULD CONSULT THEIR OWN TAX ADVISORS ABOUT THE PROPER ALLOCATION OF CONSIDERATION BETWEEN PRINCIPAL AND INTEREST.

AS INDICATED ABOVE, THE FOREGOING IS INTENDED TO BE A SUMMARY ONLY AND NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. ACCORDINGLY, EACH HOLDER OF A CLAIM IS URGED TO CONSULT SUCH

**HOLDER'S TAX ADVISORS CONCERNING THE FEDERAL, STATE, LOCAL, AND
OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.**

XVII. LITIGATION

The Debtors intend to proceed with litigation post-confirmation to recover insurance benefits and to seek recovery of losses caused by defalcating third parties.

XVIII. RISK FACTORS

Introduction

This section summarizes some of the risks associated with the Plan and the Debtors' ability to comply with the terms of the Plan. However, this analysis is not exhaustive and must be supplemented by an evaluation of the Plan and this Disclosure Statement as a whole by each holder of a Claim with such holder's own advisors.

AS SUCH, HOLDERS OF CLAIMS AGAINST THE DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT, PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE RISK FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN, ITS IMPLEMENTATION OR ITS SUCCESS.

Bankruptcy Risks

- (a) Risks Relating to Confirmation

For the Plan to be confirmed, each Impaired Class of Creditors is given the opportunity to vote to accept or reject the Plan, except for those Classes which will not receive any distribution under the Plan and which are, therefore, presumed to have rejected the Plan. There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan.

If one or more of the Impaired Classes vote to reject the Plan, then the Debtor may request that the Bankruptcy Court confirm the Plan by application of the “cramdown” procedures available under Section 1129(b) of the Bankruptcy Code. There can be no assurance, however, that the Debtor will be able to use the cramdown provisions of the Bankruptcy Code to achieve Confirmation of the Plan.

If the Plan, or a Plan determined not to require resolicitation of any Classes of Claims by the Bankruptcy Court, were not to be confirmed, it is unclear what distribution holders of Claims ultimately would receive with respect to their Claims. If an alternative Plan could not be agreed to, it is likely that holders of Claims would receive less than they would have received pursuant to this Plan.

Any objection to the Plan by a member of a Class of Claims could also either prevent Confirmation of the Plan or delay such Confirmation for a significant period of time.

(b) Other Bankruptcy Risks

If Administrative Expense Claims or Priority Claims are determined to be Allowed in amounts greatly exceeding the Debtors' estimate, then there may be inadequate Cash or other

property available on the Effective Date to pay certain Claims under the Plan, and the Plan would not become effective. The Debtors believe, however, that it will have more than sufficient Cash to satisfy such Claims.

In addition, the effect, if any, that the Chapter 11 Cases may have upon any continued operations of the Reorganized Debtor cannot be accurately predicted or quantified. Although the Debtors' reorganization and emergence from bankruptcy will eliminate some uncertainty about the Reorganized Debtor's future operations, some entities, at least initially, may be uncomfortable doing business with a company that recently emerged from Chapter 11 process. The Chapter 11 Cases could have harmed the Reorganized Debtor's relationships with its customers, suppliers, and employees, resulting in a material adverse impact on the Reorganized Debtor's operations.

Business Risks

(a) Reliance on Key Personnel

The Debtors believe that their success depends on the services of the majority of its present senior management. If the Reorganized Debtor loses the services of its key executives, then its business could be materially adversely affected. The Reorganized Debtor also believes that its ability to retain members of its senior management team and key personnel is critical to its future success.

Risks with Financial Projections

The fundamental premise of the Plan is the successful implementation of the Debtors' business plan as reflected in the financial projections attached hereto. The projections are inherently

uncertain and are dependent upon the successful implementation of the business plan and the reliability of the other assumptions contained therein. The projections reflect numerous assumptions, including Confirmation and consummation of the Plan in accordance with its terms, the anticipated future performance of the Reorganized Debtor, industry performance, general business and economic conditions and other matters, most of which are beyond the control of the Reorganized Debtor and some of which may not materialize. In addition, unanticipated events and circumstances occurring subsequent to the date of this Disclosure Statement, including unanticipated changes in applicable regulations or accounting procedures, may affect the actual financial condition, results of operations and Cash flows of the Reorganized Debtor in the future.

XIX. ALTERNATIVES TO PLAN

If the Plan is not confirmed, then one alternative would be the conversion of these Chapter 11 Cases to cases under Chapter 7 of the Bankruptcy Code, which would require the immediate closure and cessation of the Debtors' business operations and the liquidation of all assets of the Debtors and the Debtors' Estates by a Chapter 7 bankruptcy trustee. Due to the nature of the Debtors' business, the Debtors' assets have limited value unless they are used in connection with a going concern business. In addition, there is growing speculation that the liquidation value of the property may be significantly less than the ongoing business value and the value attributed by the Debtors. The Debtors' Cash flow was sufficient to be able to service the debt as outlined pursuant to the Cash flow attached hereto.

The second alternative to the proposed Plan is the dismissal of the Chapter 11 case. In that event, however, the Debtors readily anticipate that litigation will commence by Unsecured Creditors, followed by a foreclosure by Simmons Bank. These consequences are exactly the types of activities that the bankruptcy process is designed to avoid. It is only through the bankruptcy process that the Debtors' Creditors can be treated in accordance with each Creditor's respective rights.

A third alternative in the event the Plan is not confirmed is that the Debtors, a Creditor or another party in interest could attempt to formulate and propose a different Plan of Reorganization or Liquidation. The Debtors do not believe that an alternate Plan under Chapter 11 of the Bankruptcy Code can be formulated that will provide for greater distributions to Creditors than provided for under the Plan. Further, the Debtors believe that emergence from these Chapter 11 Cases as soon as reasonably possible is necessary for the survival and viability of the Debtors' business. Any alternate Plan would likely take significant time to formulate and propose, would likely substantially increase the administrative expenses in the Estate as well as jeopardize the viability of the Debtor's business, and significantly delay any distributions to Creditors.

Collectively, these factors clearly evidence that the Debtors' proposed Plan is superior to a liquidation under Chapter 7 of the Bankruptcy Code, dismissal of the bankruptcy case or the filing of an alternate Plan of Reorganization or Liquidation. The Debtors firmly believe that the Plan results in a fair balancing of all parties' rights, and again urges Creditors to vote to accept the Plan.

XX. MISCELLANEOUS PROVISIONS

The Plan also provides that it may be modified by the Debtors or corrected prior to Confirmation Date without additional disclosure, pursuant to §1125 of the Bankruptcy Code, provided that the Court finds that such modification does not adversely affect any Creditor or Class of Creditors and is consistent with the Bankruptcy Code. After the Confirmation Date, the Debtors may, with approval of the Court, and so long as it does not adversely affect the interests of the Creditors, remedy any defect or omission, or reconsider any inconsistencies in the Plan, or in the order of confirmation, in such manner as may be necessary to carry out the purposes and effect of the Plan.

XXI. TERMINATION OF THE PLAN

Upon completion of all the payments provided for in the Plan, the Plan shall terminate.

XXII. DISCHARGE PROVISIONS

Upon confirmation of the Plan the Debtors will be discharged pursuant to 11 U.S.C. §1141.

XXIII. REVESTING OF ASSETS

On the Effective Date, certain portions of property of the Estate under Section 541 of the Bankruptcy Code, as set forth herein, shall be revested in the Reorganized Debtor, free and clear of any and all Claims, debts, liens, security interests and encumbrances of any kind or type, except those Claims, debts, liens, security interests and encumbrances specifically provided for under the Plan. From and after the Effective Date, the Reorganized Debtor may operate its business and may use, acquire and dispose of its property free and clear of any restrictions of the Bankruptcy Code,

except as otherwise provided in the Plan or Confirmation Order. The Reorganized Debtor shall also be able to pay any and all legal and professional fees and expenses that accrue post confirmation without the need to seek Court approval thereof. Certain other portions of property of the Estate, as set forth herein, shall vest in the Reorganized Debtor for liquidation for the benefit of Administrative Claims, priority Claims and Unsecured Creditors.

XXIV. RETENTION OF JURISDICTION

The Court, pursuant to the Plan will retain jurisdiction of the case in order to:

- A. To consider any modifications of the Plan pursuant to Section 1127 of the Bankruptcy Code;
- B. To hear and determine all controversies, suits and disputes, if any, which may arise in connection with the interpretation or enforcement of the Plan, or which may be required to insure compliance with the provisions of the Plan;
- C. To hear and determine any and all requests for compensation and/or reimbursement of expenses, made by application to the Court;
- D. To hear and determine all of the controversies, suits and disputes, if any, that may be pending at the time of the confirmation of the Plan, or that may arise between the Debtor and any Creditor of any Class, including objection to Claims and to determine the extent to which disputed Claims shall be allowed and approved, including, but not limited to the following:
 - (1) The determination of valid liens and Claims (and amounts) against the Debtor and its property;

- (2) This continuing jurisdiction, staying enforcement of any Claims or liens until consummation of this Plan;
 - (3) The entering of any necessary orders requiring lienholders, judgment holders, and mortgage holders to erase and cancel their liens and mortgages from the conveyance, mortgage or other appropriate records of any county where the real estate or other property of Debtor is located, so that there will be no encumbrances on the Debtor's properties after confirmation other than Claims and liens consistent with this Plan.
- E. To allow the Debtor to enforce, after confirmation, any Claims or Causes of Action which exist in the Debtor's favor as debtor-in-possession and which may not have previously been enforced by the Debtor;
- F. To enforce the provisions of Sections 362 and 524(a) of the Bankruptcy Code; and
- G. To ensure that the intents and purposes of the Plan are fulfilled.

XXV. CONCLUSION

This Disclosure Statement is intended to assist each Creditor in making an informed decision regarding the acceptance of Debtors' Reorganization Plan. If the Plan is accepted, all Creditors will be bound by its terms. You are, therefore, urged to carefully review this statement and the enclosed copy of the Plan. If questions remain after such review, you are urged to make further inquiries as you may deem appropriate to counsel or other Creditors.

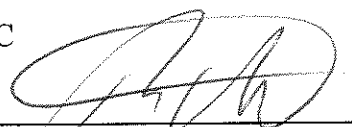
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A-OK ENTERPRISES, LLC



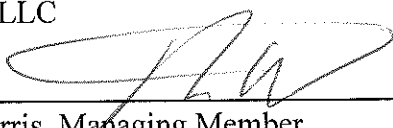
Bruce Harris, Managing Member

A-OK 1, LLC



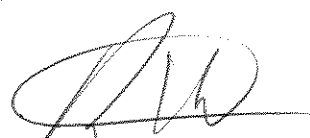
Bruce Harris, Managing Member

A-OK 2, LLC



Bruce Harris, Managing Member

A-OK 3, LLC



Bruce Harris, Managing Member

A-OK, INC.



Bruce Harris, President

RESPECTFULLY SUBMITTED:

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**A-OK ENTERPRISES, LLC
BUSINESS SUMMARY
SEPTEMBER 2017**

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I. EXECUTIVE SUMMARY / BUSINESS DESCRIPTION

Overview

A-OK Enterprises, LLC and its subsidiaries (collectively, the "Company") provide specialty financial services to individuals in the United States through its storefront lending locations and check cashing centers. The Company has one reportable operating segment. The Company was incorporated in Kansas in 1984 and has been providing specialty financial services to its customers for over 30 years. A general overview of the Company's products and services is included below. See "Services Offered by the Company" for additional details regarding these products and services.

Pawn Lending

The Company offers secured non-recourse loans, commonly referred to as pawn loans, as its primary line of business. Pawn loans are short-term loans made on the pledge of tangible personal property. Pawn loan fees and service charges are generated from the Company's pawn loan portfolio. In relation to its pawn lending operations, the Company also disposes of collateral from unredeemed pawn loans and liquidates a smaller volume of merchandise purchased directly from customers or from third parties.

Consumer Loan Activities

Another component of the Company's business is originating, arranging, guaranteeing or purchasing consumer loans in some of its locations. Consumer loans provide customers with cash, typically in exchange for an obligation to repay the amount advanced plus fees and any applicable interest. Consumer loans that the Company offers include short-term loans (commonly referred to as payday loans) and installment loans.

Check Cashing and Other Financial Services

The Company's business includes the offering of check cashing services through check cashing centers, for which the Company receives fees. In addition, in some of its Company-



operated lending locations, the Company offers check cashing services, as well as prepaid debit cards that are issued and serviced through a third party.

Locations

The following table sets forth, as of July 1, 2017, the number of Company-operated locations that offered pawn lending, consumer lending, and other services.

- 1547 S. Oliver, Wichita, KS – Established 1986
- 410 N. West Street, Wichita, KS – Established 2004
- 1525 S. Broadway, Wichita, KS – Established 2008
- 2021 N. Amidon, Wichita, KS – Established 2014

II. SERVICES OFFERED BY THE COMPANY

Pawn Lending Activities

Pawn Loans

The Company offers pawn loans only at all its stores. When receiving a pawn loan from the Company, a customer pledges personal property to the Company as security for the loan. Since the Company's pawn loans are non-recourse to the customer, the Company relies solely on the disposition of pawned property to recover the principal amount of an unpaid pawn loan plus a yield on the loan amount. As a result, the customer's creditworthiness is not a significant factor in the loan decision, and a decision to redeem pawned property does not affect the customer's personal credit status with other third-party creditors. Goods pledged to secure pawn loans are tangible personal property items such as jewelry, tools, televisions and other electronics, musical instruments and other miscellaneous items.

The Company receives pawn loan fees and service charges as compensation for the use of the funds loaned and to cover direct operating expenses related to pawn lending transactions. The pawn loan fees and service charges are calculated as a percentage of the pawn loan amount, as permitted by applicable laws. In Wichita, Kansas that rate is 10% per month or 120% annually. As required by applicable laws, the amounts of these charges are disclosed to the customer on the pawn transaction agreement, commonly referred to as a pawn ticket.

In the Company's pawn lending operations, the maximum pawn loan amount is generally assessed as a percentage of the pledged personal property's estimated disposition value. The Company relies on many sources to determine the estimated disposition value, including its pawn software, catalogs, "blue books," newspapers, internet research and its (or its employees') experience in disposing of similar items of merchandise. The Company does not use a standard or mandated percentage of estimated disposition value in determining the loan amount. Instead, its employees may set the percentage for a particular item and determine whether the item's disposition, in the event that the loan becomes delinquent and the item is forfeited, would yield a profit margin consistent with the Company's historical experience with similar items.

The Company holds the pledged property through the term of the loan and any extensions or renewals thereof, unless earlier repaid. The Company holds forfeited collateral until it is sold, as described in "Merchandise Disposition Activities" below. The typical loan term is 30 to 90 days

and, in many cases, an additional grace period (typically 10 to 60 days) may be available to the borrower. Pawn loans may be either paid in full with accrued pawn loan fees and service charges or, where permitted by law, may be renewed or extended by the customer's payment of accrued pawn loan fees and service charges. A pawn loan is considered delinquent if the customer does not repay or, where allowed by law, renew or extend the loan on or prior to its contractual maturity date plus any applicable grace period. Pawn loan fees and service charges do not accrue on delinquent pawn loans. When a pawn loan is considered delinquent, any accrued pawn loan fees and service charges are reversed, and no additional pawn loan fees and service charges are accrued. The Company does not record pawn loan losses or charge-offs because the amount advanced becomes the carrying cost of the forfeited collateral that is to be recovered through the disposition of merchandise, as described below. Pawn loan fees and service charges revenue and the related pawn loan fees and service charges receivable are accrued ratably over the term of the loan for the portion of those pawn loans estimated to be collectible. The Company typically experiences seasonal growth in its pawn loan balances, with increases during each of the second, third and fourth quarters of the year following lower balances in the first quarter of the year due to the heavy repayment of loans with tax refund proceeds received by customers.

Merchandise Disposition Activities

A closely related activity of the Company's pawn lending operations is the disposition of collateral from forfeited pawn loans and the liquidation of a smaller volume of merchandise purchased directly from customers or from third parties. If a customer does not repay, renew or extend a pawn loan at the time a loan is due, the Company becomes the owner of the forfeited collateral in accordance with state statutes.

Once the Company owns the forfeited collateral, the merchandise becomes available for disposition through either retail or commercial sales. Retail sales include the sale of jewelry and general merchandise primarily to consumers through the Company's locations. Commercial sales represent a secondary source of disposition and include the sale of refined gold, diamonds, platinum, and silver to brokers or manufacturers.

Upon the sale of merchandise, the Company realizes gross profit, which is the difference between the amount of proceeds from the sale and the cost of sales, which is either the Company's cost basis in the loan (the amount loaned) or the amount paid for purchased merchandise. The Company provides an allowance for returns and an allowance for losses based on management's evaluation of a variety of factors, including historical shrinkage and obsolescence rates for inventory.

Merchandise sales are typically highest during the first quarter tax refund and fourth quarter holiday seasons.

Customers may purchase merchandise on a layaway plan under which the customer agrees to pay the purchase price for the item plus a layaway fee, makes an initial cash deposit representing a small portion of the disposition price and pays the balance in regularly-scheduled, non-interest-bearing payments. The Company segregates the layaway item and holds it until the customer has paid the full disposition price. If the customer fails to make a required payment, the item is returned to merchandise held for disposition. The layaway fee is recognized as revenue, and any amounts previously paid toward the item, less the layaway fee and a restocking fee, are returned to the customer as store credit.

Customers can return merchandise and receive a full refund, a replacement item of comparable value or store credit if the merchandise is returned within the first seven days of purchase. Following the seven-day period and for up to 30 days, customers can receive a replacement item of comparable value or store credit.

Consumer Loan Activities

In addition to pawn loans, the Company also offers or arranges certain consumer loans. Consumer loan fees include revenue from the loan portfolio owned by the Company.

Short-term loans generally have a loan term of seven to 15 days and are usually payable on the customer's next payday, unless the loan is renewed or extended in accordance with applicable laws. The fees the Company charges on short-term loans are established by state law but typically range between \$10 to \$75 per loan transaction. Due to the credit risk and high transaction costs of serving the Company's customer segment, the fees the Company charges are generally higher than the fees charged to customers with top-tier credit histories by commercial banks and similar lenders.

The Company typically experiences seasonal growth in its consumer loan balances, with increases during each of the second, third and fourth quarters of the year following lower balances in the first quarter of the year due to the heavy repayment of loans with tax refund proceeds received by customers. In addition, due to the nature of the short-term loan product and the high velocity of loans written and renewed, seasonal trends are evidenced in the quarter-to-quarter performance of the consumer loan loss provision. In the typical business cycle, the consumer loan loss provision as a percent of combined consumer loans written and renewed for short-term consumer loans is usually lowest in the first quarter and increases throughout the year.

Collection activities are an important aspect of the consumer loan product offering. The Company operates a centralized collection center to facilitate regulatory compliance and coordinate a consistent approach to its collections activities.

Check Cashing and Other Financial Services

The Company offers check cashing services, as well as prepaid debt cards that are issued and serviced through a third party.

III. OPERATIONS / RESTRICTIONS ON AUTHORITY

Management

Executive Officers

The Company's executive officers, and information about each, are listed below. There is no family relationship between any of the Company's directors and executive officers.

Bruce R. Harris has been the Company's founder and Chief Executive Officer since 1984. Developed a business plan and raised debt and equity financing to build a multi-location lending and retail sales business encompassing five distinct business segments. Defined strategy for company expansion based on market trends. Recruited, hired, directed, and coached the sales, finance, and technical staff, including the CFO, Director of Operations, Director of Financial

Services and key senior staff. Managed the forecast of operating costs for scheduled projects by strategizing with heads of other departments. Identified and qualified customer needs, developed sales strategies, and negotiated and closed profitable projects.

Billy Haywood has been the Company's Director of Operations since 2016. Mr. Haywood is responsible for handling all day-to-days operations for all business segments.

Shiloh Buth has been the Company's Chief Financial Officer since 2017. Mr. Buth has over 16 years' experience in the areas of tax, accounting and corporate finance. Mr. Buth is responsible for all accounting functions for all business segments.

Geoffrey Amend has been the Company's General Counsel since June 2016. Mr. Amend has over 20 years' experience concentrated in the areas of corporate law, securities, M&A, telecommunications and renewable fuels. Served as General Counsel to both public and private companies in the telecommunication, IT and IP technology / systems integration and renewable energy fields. Mr. Amend received his Bachelor's degree in Political Science and Sociology from Regis University and a JD degree (with honors) from Washburn University.

Personnel

As of September 5, 2017, the Company employed 68 persons in its operations, of whom 6 were in corporate and administrative positions.

IV. COMPETITION

The Company has many competitors to its pawn lending and retail operations, such as retailers of new merchandise and retailers of pre-owned merchandise, thrift shops, rent-to-own businesses, internet retailers, internet auction and other similar sites, other pawn lenders and other consumer loan lenders. The pawnshop industry in the United States remains very fragmented and primarily owned by independent operators and, to a lesser extent, by publicly-traded companies. Management believes that the primary competitive factors in the pawnshop industry are location, quality of customer service, the ability to loan competitive amounts, adequate low-cost working capital and the ability to sell unredeemed merchandise quickly for an acceptable return. Impediments that prevent new entrants from easily establishing new locations, particularly in heavily populated areas, include limitations on available licenses, restrictive zoning ordinances and proximity restrictions in relation to existing pawn locations as dictated by local ordinances and regulations.

Consumer loan lenders that offer loans online or in storefronts are a source of competition where the Company offers consumer loans. The storefront growth of the consumer loan industry has been contracting over the past several years. This is due in part to changes in laws and regulations governing consumer loans in various states and the continued growth and development of the online lending industry. Impediments that prevent new entrants from easily entering the consumer loan market include: the implementation of underwriting and fraud prevention processes, high marketing and customer acquisition costs, overcoming consumer brand loyalty, the ability to sustain sufficient capital to withstand early losses associated with unseasoned loan portfolios and substantial regulatory and compliance costs.

In addition to consumer loan lenders, the Company also competes with financial institutions, such as banks, credit unions, and other consumer lenders, pawn lending businesses, rent-to-own businesses and retail businesses offering similar financial services.

V. REGULATION

The Company's operations are subject to extensive regulation, supervision and licensing under various federal, state, and local statutes, ordinances, regulations, rules and guidance.

State and Local Regulations

The Company's pawn and consumer loan businesses are subject to state and local regulations as described below.

Pawn Regulations

The Company's pawn lending locations are regulated by the State of Kansas and local jurisdictions where its pawn lending locations are located and must be licensed by the state. The statutes and regulations applicable to pawn lending locations vary from state to state and in each local jurisdiction. In general, these statutes and regulations establish licensing requirements for pawnbrokers and pawn lending locations and regulate various aspects of the pawn loan and the purchase and sale of used merchandise, such as the service charges and interest rates that a pawn lending location may charge, the maximum amount of a pawn loan, the minimum and/or maximum term of a pawn loan, the content and format of the pawn ticket, and the length of time a pawnbroker must hold a purchased item or forfeited pawn loan collateral before disposing of the merchandise. Failure to observe a state's legal requirements for pawn broking could result in, among other things, a loss of pawn licenses in that state, the imposition of fines or refunds, and other civil and/or criminal penalties. The Company's pawn lending locations are also subject to ordinances in their local jurisdictions that may require, for example, local licenses or permits and specified recordkeeping procedures, among other things.

Consumer Loan Regulations

The Company's consumer loan business is regulated under a variety of enabling state statutes and is also subject to various local rules and regulations. The scope of state regulation, including the fees and terms of the Company's consumer loan products and services as established by state law. Kansas regulates the Company's consumer loan products and services and limits the principal amount of a consumer loan and set maximum fees or interest rates that customers may be charged. Kansas also limits a customer's ability to renew a short-term consumer loan and require various disclosures to consumers. Kansas statutes specify minimum and maximum maturity dates for consumer loans and, in some cases, specify mandatory cooling-off periods between transactions. The Company's collection activities regarding past due amounts are subject to consumer protection laws and state regulations relating to debt collection practices.

U.S. Federal Regulation

In addition to the state and local regulations discussed above, the Company's business is subject to U.S. federal regulations as described below.

Lending Laws. The company's business is subject to the federal Truth in Lending Act and its underlying regulations, known as Regulation Z, the Fair Credit Reporting Act and the Equal Credit Opportunity Act. These laws require the Company to provide certain disclosures to prospective borrowers and protect against unfair credit practices. The principal disclosures required under the Truth in Lending Act are intended to promote the informed use of consumer credit. Under the Truth in Lending Act, when acting as a lender, the Company is required to disclose certain material terms related to a credit transaction, including, but not limited to, the annual percentage rate, finance charge, amount financed, total of payments, the number and amount of payments and payment due dates to repay the indebtedness. The Fair Credit Reporting Act regulates the collection, dissemination and use of consumer information, including consumer credit information. The federal Equal Credit Opportunity Act prohibits the Company from discriminating against any credit applicant on the basis of any protected category, such as race, color, religion, national origin, sex, marital status or age, and requires the Company to notify credit applicants of any action taken on the individual's credit application.

Protection of Military Members and Dependents. In July 2015, the Department of Defense published a finalized set of new rules under the Military Lending Act. The Military Lending Act (and rules previously adopted thereunder) has previously restricted the Company from offering its short-term unsecured credit products to members of the military or their dependents because none of the Company's short-term unsecured credit products carry a military annual percentage rate of 36% or less. The new rule expands the scope of the credit products covered by the Military Lending Act to include certain non-purchase money loans secured by personal property or vehicles and certain unsecured installment loan products to the extent any of such products have a military annual percentage rate greater than 36%. Because none of the Company's pawn loans or secured or unsecured installment loans have a military annual percentage rate of 36% or less, once the new rule takes effect, the Company may not be able to offer any of its current credit products (including pawn loans) to members of the military or their dependents. The rules under the Military Lending Act contain various disclosure requirements, limitations on renewals and refinancing and other restrictions, including restrictions on the use of prepayment penalties, arbitration provisions and certain waivers of rights. The rule provides that a lender is subject to fines and other penalties if it extends credit to a member of the military or a military dependent on terms prohibited by the rule. The new rule does provide a safe harbor for a lender if it verifies a potential borrower's military status before extending credit by checking the Department of Defense's database or a database of a national credit reporting agency that provides military status information. Compliance with the new rule and coordinating with a safe harbor database could be complex and increase compliance costs. The new military lending rules are not expected to have a material adverse effect on the Company's business, prospects, results of operations or cash flows, but the Company is still assessing their potential impact.

Funds Transfer and Signature Authentication Laws. The Company's business is also subject to the federal Electronic Funds Transfer Act and various other laws, rules and guidelines relating to the procedures and disclosures required for debiting or crediting a debtor's bank account relating to a consumer loan (*i.e.*, ACH funds transfer). Furthermore, the Company is also subject to various state and federal e-signature rules mandating that certain disclosures be made and certain steps be followed in order to obtain and authenticate e-signatures.

Debt Collection Practices. The Company also uses the Fair Debt Collection Practices Act as a guide in connection with operating its other collection activities. The Company is also required to comply with all applicable state collection practices laws.

Anti-Money Laundering and Economic Sanctions. The Company is also subject to certain provisions of the USA PATRIOT Act and the Bank Secrecy Act under which the Company must maintain an anti-money laundering compliance program covering certain of its business activities. In addition, the Office of Foreign Assets Control prohibits the Company from engaging in financial transactions with specially designated nationals. Certain of the Company's subsidiaries are also registered as money services businesses with the U.S. Treasury Department and must re-register with the Treasury Department's Financial Crimes Enforcement Network at least every two years.

Firearms. Each pawn lending location that handles firearms must comply with the Brady Handgun Violence Prevention Act, which requires that federally licensed firearms dealers conduct a background check in connection with any disposition of handguns. In addition, the Company must comply with the regulations of the U.S. Department of Justice-Bureau of Alcohol, Tobacco and Firearms that require each pawn lending location dealing in guns to maintain a permanent written record of all receipts and dispositions of firearms.

CFPB. In July 2010, the U.S. Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), and Title X of the Dodd-Frank Act created the Consumer Financial Protection Bureau (the "CFPB"), which regulates consumer financial products and services, including consumer loans offered by the Company. The CFPB has regulatory, supervisory and enforcement powers over providers of consumer financial products and services, including providers of consumer loans such as the Company, and has the authority to examine and require registration of such providers.

The CFPB has been conducting a review of the short-term small dollar loan industry, which includes a review of payday loans, and has indicated that its "findings raised substantial consumer protection concerns" related to the sustained use of payday loans. On March 26, 2015, the CFPB announced that it is considering proposing rules that would require lenders to take steps to make sure consumers can repay their loans and would also restrict lenders from attempting to "collect payment from a consumers' bank account in ways that tend to rack up excessive fees." The CFPB has indicated that such rules would apply to payday loans, vehicle title loans and high-cost installment loans, among other consumer loans, and may impose certain limitations on these types of loans, such as requiring additional underwriting requirements, requiring cooling-off periods between payday loans, limitations on loan amounts and terms and limitations to prevent the sustained use of certain loans, among other things. The CFPB has also indicated that the rules that are proposed may also place restrictions on collection practices with respect to these types of loans. All the Company's consumer loan products and certain pawn loans offered by the Company that are collateralized by a customer's vehicle or the title thereto could be affected by such rules if they are applicable to the types of loans that the CFPB has indicated when they are adopted. If the CFPB adopts any such rules or regulations, it could reduce revenue from these products or make the continuance of these products impractical or unprofitable. The Company does not currently know the nature and extent of the rules the CFPB will adopt, but those rules could be proposed during 2016 and, if adopted, would likely become effective in 2017.

Compliance with Laws

The Company's failure to comply with applicable laws, rules, regulations and guidance, or any finding that the Company's past forms, practices, processes, procedures, controls or infrastructure were insufficient could subject it to regulatory enforcement actions, result in the assessment against it of civil, monetary, criminal or other penalties (some of which could be significant in the case of knowing or reckless violations), result in the issuance of cease and desist

orders (which can include orders for restitution or rescission of contracts, as well as other kinds of affirmative relief), require the Company to refund interest or fees, result in a determination that certain loans are not collectible, result in a revocation of licenses, result in a finding that it has engaged in unfair and deceptive practices, limit the Company's access to services provided by third-party financial institutions or cause damage to the Company's reputation, brands and valued customer relationships. The Company could also be subject to changes to, or changes in the interpretation of, federal, state, and local statutes, ordinances, regulations, rules and guidance that could adversely affect its ability to offer certain of its products and services.

VI. PROPERTIES

The Company's principal locations are as follows:

- The Company's corporate headquarters building at 1223 N. Rock Road in Wichita, KS is leased from Sunflower Travel Corporation;
- The Company's Harry and Oliver location is leased from Harris 1, LLC which is wholly owned by Bruce Harris;
- The Company's West Street location is leased from Harris 3, LLC which is wholly owned by Bruce Harris;
- The Company's Broadway location is leased from Harris 4, LLC which is wholly owned by Bruce Harris; and
- The Company's Amidon location is leased from New Leaf Plaza, LLC which is 70% owned by Bruce Harris.

All properties leased by the Company are leased under non-cancelable operating leases with remaining lease periods of generally 2 to 5 years. The Company's leases typically require the Company to pay all maintenance costs, insurance costs and property taxes.

VII. MANAGEMENT'S DISCUSSION OF BUSINESS AND PROJECTIONS

The attached financial projections were internally prepared by A-OK Enterprises taking into account its last two years' actual results, current trends and its recent operational cost savings measures. As summary discussion of the major items that affect A-OK's projections and financial results are as follows.

Revenue / Cost of Goods Sold

Pawn Interest

Projections for the balance of 2017 and fiscal year 2018 are based on the actual pawn book balance of each A-OK location as of July 1, 2017 with a 5% monthly growth factor each month for the balance of 2017. In December of 2016 A-OK started using the Bravo software system, which is the premier Pawn Software system in the industry. With the internal controls of Bravo, we are more capable of controlling loan and buy amounts at the store level. Based upon the growth trend of the A-OK pawn book balance year to date, management believes that a 5% monthly growth rate is achievable.

Retail Sales

Projection for retail sales of hard goods for the remainder of 2017 and fiscal year 2018 are based on a 15% increase over the same month in the prior year. With the implementation of Bravo in December, the loans that are defaulting have a lower, and more controlled cost, which will allow us a better retail price, a larger margin, and a faster turn on each item. We are already seeing a much better retail pricing structure, and in turn, a much better turn ratio in electronics and tools, and see no reason why this trend should not carry over into the jewelry department. The associated cost of goods sold goal percentage applied to Retail Sales is 52% which allows for a very competitive retail price, and a great marriage of profit margin and product turn.

Ecommerce Sales

Historically, ecommerce sales have remained fairly consistent on a month-to-month basis. Accordingly, the projection for the balance of 2017 are based on the sales number in the same month for the preceding year. We are preparing this plan based on the information from past performance, even though there is evidence that both top line revenue and bottom line, have been manipulated by the previous embezzlement. With not much historical information, we felt it prudent to forecast trends based on the data available so as not to overstate our goals. The associated cost of goods sold goal percentage applied to Ecommerce Sales is 55% to 60% as these are not only the same hard goods noted under Retail Sales, but also include the sale of any goods that were taken in damaged, or that became damaged in storage. These items will naturally be sold at a larger discount because of their diminished value.

Scrap Gold Sales

Projection for the balance of 2017 are based on the same month average of the last two years' scrap gold sales in the same month. Because of the gold market staying fairly consistent over the previous two years, and the volume of jewelry related loans and purchases, we feel that is an accurate forecast for the remainder of the year. The difference being, the loans/buys of these items are being controlled, and overseen tighter, by the Bravo system, and our new jewelry Department manager. This has increased our profit margin on items sold out to the refiner from approximately 25% to 30% to a sold-out margin of approximately 45% to 50%. So, we are forecasting that we will remain consistent in the amount of top line revenue, but will increase bottom line profits by 20%.

Jewelry Sales

Projections for the remainder of 2017 and fiscal year 2018 are based on a 15% increase over the same month in the prior year. Once again, we feel this is a fair increase based on Bravo system, and the addition of our Jewelry Department manager. Bravo helps with the pricing, both on the loan/purchase side, and on the retail pricing side. Helping to ensure we stay competitive. Our Jewelry department manager oversees the disbursement of jewelry product to the individual locations based on what jewelry items are selling faster at each location and rotating inventory between locations as it ages. This will result in increased sales, a better turn, and a greater margin. The department manager also oversees the Central Jewelry Processing Department, which decides which items are resalable and which items will be sold off to refiners as scrap, allowing for much needed control of our most expensive and highest margin category. The associated cost of goods sold percentage applied to Retail Sales is 40%.

Better Living Sales

Projections for the remainder of 2017 and fiscal year 2018 in our Better Living Rent-to-Own Furniture Department are an average of the two locations sales for previous year. We have closed the Better Living Department at our West Street location because retail sales were below expectations. We felt that the consolidation of the two into our New Leaf location would lower the payroll, increase our inventory presence, and we would be able to focus more on growing the department. We have also changed the business model from strictly new furniture and appliances, to a healthy mixture of new and previously owned appliances and furniture. It is already proving to be the correct decision, as sales of Rent-to-Own contracts, and collections have increased over previous months.

Check Cashing Fees

Projections for the remainder of 2017 and fiscal year 2018 were figured off the cumulative revenue over the last 2 years. An added increase of about 5% was added to this cumulative number. The check cashing business is directly dependent on the issuance of paper checks and customer circumstance. With this taken into account an average number comparison is feasible.

Payday Loan Fees

As with check cashing fees, the projections for the remainder of 2017 and fiscal year 2018 were figured off the cumulative revenue over the last 2 years. An added increase of about 5% was added to this cumulative number. The approval process has changed over the last year to help decrease the amount of bad debt from the loans being written which has caused a decrease in the fees collected. This number is growing by a steady average of 2%-5% per month. We believe these numbers to be very conservative in light of the fact that we recently changed our payday loan acceptance requirements and began processing payday loan for those individuals who receive their pay and/or government benefits on exclusively on pre-paid debit cards. We anticipate this change alone will account for the projected growth. Prior to instituting this change A-OK added 68 new payday loan customers in August 2017.

The above stated projections are also based on changes we have made in field operations. We now have a structured training program that begins with the basics, and is ongoing. This includes training on the software system, as well as structured sales training, pawn process training, and customer follow up training. Each team member is trained to a minimum productivity standard that is based on national averages, and is held accountable for that production.

We have also greatly improved our marketing strategy. Increasing our presence in traditional media, while also improving our use of social and online media.

Bravo system also features a text messaging platform that we are using daily to remind customers of pawn interest due, and layaway payments due. We are also beginning to use this platform to send messaging for special events and sales promotions.

Value of Cash

To be successful in our industry we must maintain a healthy inventory of cash. Cash is our most important asset. We must maintain the ability to fund customer loans and buys, cash checks, provide title and payday loans. Our industry is built on the turning of cash and maintaining a solid and healthy loan base. Several things effect our cash inventory, and each must be addressed.

Inventory Turn

We have set an inventory turn goal of three and a half per year which is a lofty goal, we believe that over the course of 2018 we can reach this goal. For 2017 year to date, we have averaged a turn of approximately .73 which we expect will trend to a turn of approximately two by the end of 2017. We have identified several reasons for the low turn ratio. One of these is the amount of “overloaning” done by previous team members and location management. Overloaning causes the loan to default, and causes the item defaulted to be overpriced, which leads to that item sitting on the retail floor until it is eventually sold for a loss. This issue has been partially resolved by a turnover in senior management, and by the implementation of the Bravo software system, which controls the amount of the loan at the loan counter. Each loan that falls outside the parameters (which are set by senior management) must be approved by a member of senior management before the loan can be processed at the store level. Then, if the loan is defaulted, the cost is accurate, and the retail price is very competitive. The item will then sell faster and still allow us to maintain an average gross profit of 45% to 50%, which is industry standard. We are also attacking this issue by increasing our online presence. Beginning in August, we will begin listing our inventory on “Buya.com” and “Ebay” at the same time it is on the Retail sales floor. The addition of Bravo software allows us to simultaneously list inventory and will automatically end the Buya listing and the Ebay listing if the item sales on the retail floor. Also, if the item sells on line the software program will notify management at the location and it will be removed from the sales floor, packaged and shipped to the buyer. All payments are processed through our Pay Pal account. We have also established relationships with several wholesale companies who will purchase our aged (items in stock at 12 months) inventory. We have also implemented minimum sales standards for team members, sales training, sales contests, and a more targeted marketing plan.

Default Ratio

Default ratio has a direct impact on Cash inventory. A small default ratio suggests that the loan amounts given are correct. A correct loan amount gives the customer incentive to pay the interest and not default on the loan. It also suggests that Pawn Service Charges are being paid regularly, and that the loans are being redeemed, and cash is flowing in, allowing us to recycle that cash inventory into new loans. For the current year to date, our default ratio is trending at 35%. This number is slightly askew because of the transition to the new software program, which determines trends based on a 12-month average. Immediately following the transition in January, we noticed that each store was way behind on defaulting loans. We sent the inventory team out to default past due loans. This had a big impact on the trend ratio. A closer average would be 26% to 30% but that is still above industry standard. The implementation of the Bravo System will help reduce this number. We have also implemented daily text message reminders to our loan customers, and are doing daily courtesy reminder calls to loan customers who have reached the 31 day mark. We have also adding a new Bravo app feature called “Instapawn.” This app will allow our customers to view their loan and due dates, and make their interest payment over their mobile phone. Research shows that this increases pawn service charge revenue and reduces default ratios. With these new procedures and the Instapawn app, I expect to reach goal of 18% to 22% by close of 2017. Senior management has also adjusted the parameters of our loan amounts. We have the ability to raise or lower loan offers in individual categories. When we have a high inventory in a

category, we can adjust the loan offers down, and when we are low in a fast selling category, we can adjust the offers up. We are monitoring our category inventories quarterly and are adjusting parameters as needed. Senior management has also implemented mandatory team Member training not only in sales, but also in the "Pawn Process". We are training Team Members to maximize each customer experience and control the loan process. The correct loan amounts and the correct default amounts and the correct gross profit margins, all lead to a faster inventory turn, which leads to a healthy cash inventory, which enables us to continue building our loan base.

Expenses

A-OK has reduced the operating expenses. We have consolidated the Central Jewelry Processing Department and restructured it so that it will function efficiently with an existing full time team member obligating 24 hours per week to this department, and the remainder of her full-time schedule assisting customers on the jewelry sales floor. We have reduced the number of field team members and corporate staff. Moving forward, this will save an estimated \$10,000 per month. Each line item on the expense report has been analyzed and adjusted as needed to provide maximum savings while still allowing proper sales/loan coverage and staff productivity.

The Company's success depends, in part, on its executive officers, which is comprised of a relatively small group of individuals. Many members of the senior management team have significant industry experience. The Company believes that its senior management would be difficult to replace. Because the market for qualified individuals is highly competitive, the Company may not be able to attract and retain qualified executive officers or candidates who have the experience, skills and knowledge of the Company's industry that would be required for such a position. In addition, increasing regulations and negative publicity on the consumer financial services industry could affect the Company's ability to attract and retain qualified executive officers. Additionally, any significant leadership change or executive management transition involves inherent risk, and if the Company does not have an effective transfer of knowledge and a smooth transition for this position, it could hinder the Company's strategic planning, execution and future performance. If the Company is unable to attract or retain qualified executive officers, such inability could have Material Adverse Effect.

VIII. FINANCIAL PROJECTIONS

Attached hereto are internally prepared Financial Projections for the balance of 2017 and fiscal year 2018. These projections involve and are subject to known and unknown risks, uncertainties and other factors that could cause A-OK Enterprises' actual results, performance (financial and operating) or achievements to differ from the projected results.

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
<i>Weekly Cash Flow forecast Jan-Dec 2018</i>												
Beginning Cash Balance	80,000	73,623	117,974	114,295	102,028	56,742	30,158	26,130	18,738	15,575	2,459	1,149
Net Revenue	233,329	274,001	235,034	225,283	222,404	211,138	240,288	230,259	236,469	223,384	236,340	286,978
Net Expenses	239,706	229,650	238,712	237,650	267,689	237,722	244,316	237,651	239,632	236,499	237,650	267,166
Ending Projected Cash Balance	73,623	117,974	114,295	102,028	56,742	30,158	26,130	18,738	15,575	2,459	1,149	20,961
<i>Weekly Cash Flow forecast Jan-Dec 2019</i>												
Beginning Cash Balance	20,961	28,664	91,001	101,582	102,738	69,775	55,349	65,891	72,363	83,562	83,730	96,826
Net Revenue	254,121	298,417	255,977	245,357	242,222	229,952	261,700	250,777	257,540	243,289	257,401	315,675
Net Expenses	246,418	236,080	245,396	244,201	275,184	244,378	251,157	244,306	246,342	243,121	244,305	274,647
Ending Projected Cash Balance	28,664	91,001	101,582	102,738	69,775	55,349	65,891	72,363	83,562	83,730	96,826	137,855
<i>Weekly Cash Flow forecast Jan-Dec 2020</i>												
Beginning Cash Balance	137,855	151,364	222,011	238,520	245,106	216,550	206,778	223,373	235,544	252,722	258,247	277,373
Net Revenue	266,827	313,338	268,776	257,625	254,333	241,449	274,785	263,316	270,417	255,454	270,271	331,459
Net Expenses	253,318	242,690	252,268	251,039	282,889	251,221	258,190	251,146	253,239	249,928	251,145	282,337
Ending Projected Cash Balance	151,364	222,011	238,520	245,106	216,550	206,778	223,373	235,544	252,722	258,247	277,373	326,485

Annual Estimated Salary
 Bruce 200,000
 Macaela 10,000

Balance Sheet from Nov 2017 F.S
 Cash In Bank 150,000 est
 Vehicles-Book Value 19,878
 Furniture Fixtures & Supplies-Book Value 1,125,354

