

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF KENTUCKY**

In re	)	Case No. 17-21520-tnw
Kangaroo Foods, LLC	)	Chapter 11 Small Business Case
	)	Hon. Tracey N. Wise
	)	U.S. Bankruptcy Judge

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**DEBTOR KANGAROO FOODS, LLC’S AMENDED PLAN AND DISCLOSURES**  
**Dated April 11, 2018**

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**PLEASE TAKE NOTICE that on May 7, 2018 at 10:30 a.m.** (eastern time), or as soon thereafter as counsel may be heard: a hearing will be held before the Honorable Tracey N. Wise of the United States Bankruptcy Court for the Eastern District Of Kentucky at the U.S. Bankruptcy Court, Third Floor Courtroom, 100 East Vine Street, Lexington, Kentucky 40507 to consider the final approval and confirmation of Debtor’s Amended Plan and Disclosures dated, April 11, 2018, (the “combined hearing”).

The combined hearing may be adjourned from time to time, without further notice. Debtor’s Amended Plan & Disclosures may be modified in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure without further notice, prior to or as a result of the combined hearing.

**PLEASE TAKE FURTHER NOTICE: Your rights may be affected by the terms and conditions set forth in Debtor’s Amended Plan and Disclosures. You should read the Amended Plan and Disclosures carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.**

Electronic copies of Debtor’s Amended Plan and Disclosures are available upon request, or can be accessed from the pacer.gov website.

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## **PART I. DISCLOSURES**

### **Article 1. Introduction.**

#### Section 1.01 Combined Disclosure Statement and Plan.

In a small business case such as this one, a court may conditionally approve disclosures made to solicit votes on a plan and authorize the solicitation of such votes prior to holding a combined hearing on the approval of the disclosure statement and on the confirmation of the plan. On April 9, 2018, the Court entered an order conditionally approving Debtor's Amended Plan and Disclosures, (hereinafter the "Plan"), and Debtor has since disseminated the Plan to all creditors and holders of equity interests, including you.

Among other things, this Plan: (1) describes the Debtor, the events leading to bankruptcy, and the steps that Debtor believes will allow it to successfully reorganize; (2) discusses how the Debtor proposes to treat the various claims and the creditors' eligibility to vote on the Plan; (3) outlines the major factors that the Court must consider to determine whether or not the Plan should be confirmed; (4) assesses the feasibility of the Plan; and (5) compares what you are to receive under the Plan with what you would receive if the business were to be liquidated.

#### Section 1.02 Disclaimer.

The Court has conditionally approved this Plan as containing adequate information sufficient to enable the parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and the fact that the Court has approved the disclosures contained herein does not constitute the Court's recommendation that the Plan be accepted or an endorsement of the Plan by the Court. The Court's approval and confirmation of this Plan is subject to final approval at hearing, which is scheduled to be held on **May 7, 2018 at 10:30 a.m., at the U.S. Bankruptcy Court, Third Floor Courtroom, 100 East Vine Street, Lexington, Kentucky 40507.**

Written objections to the adequacy of the disclosures or the confirmation of the Plan may be filed until **April 30, 2018.**

**PLEASE TAKE NOTE:** While every effort has been made to provide the most accurate information available, Kangaroo Foods, LLC is unable to warrant or represent that all information is without inaccuracy. Kangaroo Foods, LLC does not undertake to certify or warrant the absolute accuracy of any assumption regarding the prospective performance of the business or any financial projections that are provided in these materials.

**PLEASE TAKE FURTHER NOTE:** No formal appraisals have been undertaken of Kangaroo Foods, LLC's assets. The values placed thereon and used as assumptions hereunder are Kangaroo Foods, LLC's best estimate of the liquidation value its assets as of the date of this Plan.

**Article 2. Debtor's Business.**

Section 2.01      Management and insiders.

Kangaroo Foods, LLC (“Debtor” or “Kangaroo”) is a privately held Kentucky limited liability company, which had, until February 2018, been licensed as a franchisee of FSC Franchise Co., LLC, to do business as “Beef ‘O’ Brady’s.” Kangaroo was initially financed through a combination of secured and unsecured loans, including one unsecured loan for \$60,000.00 from Michael Yohey, an insider with a 25% membership stake in Kangaroo Foods, LLC.

Since June 2008, Kangaroo has been operating the franchise out of leased premises located at 1723 Monmouth Street, Newport KY 41071 (the “Newport Location”). Debtor continues to operate the Newport Location as a debtor in possession, pursuant to §§1107 and 1108 of the Bankruptcy Code.

Section 2.02      Business history.

Since its opening, the Newport Location has generated annual revenues ranging from \$650,000.00 to a peak of approximately \$960,000.00 in 2013. Monthly revenues are at their highest in the spring and have always been depressed in the summer months. In the ordinary course of its business, Debtor supplements the revenue shortfalls in the summer and early winter by the use of unsecured revolving credit, which is thereafter repaid when revenues increase in the more profitable fall and spring seasons.

In 2012, Kangaroo purchased the real property known as 370 Glensprings Drive, Springdale, Hamilton County, Ohio 45246 (the “Property”), with a view of opening a second Beef ‘O’ Brady’s location (the “Springdale Location”).

Debtor financed the purchase of the Property and the build out of the Springdale Location by and through a Small Business Administration guaranteed loan of \$890,500 that was underwritten by Spring Valley Bank (“Spring Valley”), and which was secured by a mortgage on the Property (the “SBA Loan”). The SBA Loan was guaranteed by Debtor’s equity holders Thomas Drennen, Amanda Drennen, Michael Yohey, and Katherine Yohey.

Section 2.03      Events leading to bankruptcy.

The Springdale location opened on December 12, 2012. Starting sometime in 2014, a variety of casual eating establishments opened within a quarter-mile of the Newport Location, including without limitation: Buffalo Wild Wings; Flip Daddy’s; Chipotle; and Chick-fil-A. These establishments continue to be in direct competition for the Beef ‘O’ Brady’s clientele and have penetrated the casual dining market segment more effectively than Beef ‘O’ Brady’s franchisor – sales at the Newport Location have steadily declined since their peak in 2013. Indeed as of November 2017, the year-to-date revenues at the Newport Location were down by more than 19% as compared to 2016.

For its part, the Springdale Location never generated the amount of revenues experienced in Newport and became insolvent a few years after it opened. Debtor was forced to close the Springdale Location in October 2015. Despite the strain that the failure of the Springdale Location

placed on the operations of the Newport Location, Kangaroo has continued to operate without interruption thereby engendering considerable goodwill with its patrons, vendors, employees and creditors.

Spring Valley foreclosed on the mortgage and purchased the Property for \$334,000 at a sheriff's auction held on August 31, 2016, which left a deficiency judgment in the amount of \$872,829.21 bearing interest at the rate of 6% per annum beginning on December 1, 2015, plus all charges, advances and costs related to the enforcement of Spring Valley's rights under the SBA Loan. Since the foreclosure, Spring Valley has domesticated the deficiency judgment with the Circuit Court for Campbell County, Kentucky – Case No. 17-CI-0323. (The "State Court Action").

On November 27, 2017, Kangaroo filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

### **Article 3. Summary of Plan.**

#### Section 3.01 Current status of business.

Based on the current revenues, the Newport Location cannot generate sufficient sales to repay the deficiency judgment owed to Spring Valley in addition to its debts to other creditors as such become due. However, Kangaroo is firmly committed to repaying its creditors and projects that, once reorganized in a case filed under chapter 11, the Newport Location will enjoy an increase in revenues that would permit a level of repayment which far exceeds the estimated distributions that would result from a liquidation of Debtor's assets.

#### Section 3.02 Summary of regular and periodic distributions to holders of claims.

Debtor proposes a five-year plan over which time it estimates paying, by and through a combination of regular and periodic payments: (a) the holders of allowed secured, administrative, and priority claims in full; and (b) at least 25% of the total allowed general unsecured claims.

#### Section 3.03 Plan implementation; the Rebranding Project.

To implement its Plan, Debtor intends to: (a) assume the unexpired commercial lease on the Newport Location and exercise its option to renew the first of the two additional five-year terms; (b) rebrand the business as the "Ole Hickory BBQ," Debtor's new culinary concept; and (c) modify its revenue/cost model to make the operation more profitable (the "Project"). As more fully discussed in Section 10.04 below, Debtor intends to finance the cost of rebranding the Newport Location through a combination of postpetition financing, and where possible, a combination of rent concessions and/or deferments.

#### Section 3.04 Sale as ongoing concern and exit strategy.

Debtor expects that by the fourth year of the Plan the business could be sold as an ongoing concern for \$200,000 to \$300,000, the majority of which would be distributed to holders of allowed general unsecured claims, who stand to recover a total of 40% of their claims (after accounting for an estimated 4-5 years of regular and periodic payments. Recipients of this Plan are encouraged to

review Schedules 2 and 2b, Exhibit A, and Section 7.04(b) below for more information about the repayment terms to general unsecured creditors.

Section 3.05      Contingencies.

Debtor remains mindful that the implementation of the Plan could be undermined by: (a) an inability to obtain postpetition financing in an amount sufficient to cover the startup costs and related costs overruns; and/or (b) revenues that are less than those projected in this Plan. Debtor addresses those possibilities in Article 11 below.

**Article 4. Requirements for Confirmation.**

To be confirmed by the Court, a plan in a case under chapter 11 must, among other things: (a) comply with the provisions of the Code; (b) have been proposed in good faith and not by any means forbidden by law; (c) propose to pay each holder of a claim, who has not accepted the Plan, property that is at least equal in value to what such holder would receive if Debtor's assets were liquidated in a case under chapter 7; (d) propose to pay all administrative claims in full; and (e) propose to pay all priority claims in full with deferred payments or cash.

In addition, the proponent of a plan of reorganization must solicit and obtain votes accepting the plan before it can be confirmed. Voting procedures are discussed in Article 5 below.

**Article 5. Voting Procedures and Deadlines.**

As stated above, the Court has only conditionally approved the disclosures contained herein and has not yet confirmed the Plan. This section describes the procedures pursuant to which the proponent of a plan satisfies the acceptance requirements set forth in Section 1126 of the Bankruptcy Code.

Section 5.01      Voting.

Holders of claims or interests that are included in a class that is "impaired" by the Plan are entitled to vote to accept or to reject the Plan.

- (a) *Impairment under §1124.* A class of claims or interests is said to be impaired under a plan unless the plan: (1) leaves unaltered the legal, equitable, and contractual right of the holders in such class; or (2) reinstates the claims pursuant to their original terms and cures any default.
- (b) *Classes impaired under the plan.* All classes designated in this Plan are impaired, thus each holder of a claim included in a designated class is entitled to vote to accept or reject the Plan.

- (c) *Consensual acceptance.* Under the Code, a class of claims has accepted a plan of reorganization if: (i) the majority of the holders of claims included in the class who have cast a ballot have voted to accept the plan; and (ii) such holders have claims worth at least two thirds of the total dollar value of all claims held by creditors who have cast a ballot to accept or reject the plan. If all impaired classes vote to accept a plan, the plan satisfies one of the requirements of the §1129(a) and, assuming that all other requirements are met, can be confirmed consensually.
- (d) *Cram down.* A debtor may seek confirmation under the procedure commonly known as a “cramdown,” pursuant to §1129(b). Under this approach, the Court can confirm a plan notwithstanding the absence of a consensus if: (i) at least one impaired class votes to accept the plan; (ii) the plan does not discriminate unfairly; and (iii) the plan is “fair and equitable” to non-accepting classes.

Section 5.02      Not voting.

If you do not vote, the Plan will be confirmed or not confirmed without considering your vote. Debtor will not be able to confirm the Plan without sufficient creditor participation, and the lack of creditor interest could force Debtor to cease operations and liquidate the business.

Section 5.03      Ballot; Deadline for voting to accept or reject the Plan.

Enclosed is a ballot that you can use to vote to accept or to reject the Plan. If your claim is included as belonging to a class of claims designated in Section 7.04 below, please fill out and return the ballot in the enclosed envelope so that it arrives at the following address on or before **Monday, April 30, 2018**:

J. Christian A. Denney, Esq.  
Denney, PLLC  
PO Box 121241  
Covington, KY 41012

Section 5.04      Combined hearing.

As stated above, the hearing at which the Court will determine whether to approve the disclosures set forth herein and confirm the Plan will take place on **May 7, 2018 at 10:30 a.m., at the U.S. Bankruptcy Court, Third Floor Courtroom, 100 East Vine Street, Lexington, Kentucky 40507.**

**PART II.      CHAPTER 11 PLAN OF REORGANIZATION**

**Article 6.    Debtor Assets and Liquidation Analysis.**

Section 6.01      Liquidation.

Debtor’s most valuable asset is its good will, which can only be monetized through its continued operation or through a going-concern sale. Debtor estimates its tangible assets as having a liquidation value of approximately \$27,000.00. After accounting for the administrative expenses



related to a liquidation, Debtor expects that not more than \$24,300.00 would be available for distributions to all creditors. Given that the Huntington Bank has a security interest in the tangible assets of the business in the amount of \$18,376.81, and that the priority and administrative claims thus far scheduled exceed the value of Debtor's assets, Debtor expects that general unsecured creditors would receive no distributions from a liquidation of the business.

Section 6.02      Repayment under the Plan.

This Plan projects that allowed administrative and priority claims shall be paid in full. (See Schedule 1 through 1c, Exhibit A, and Section 7.03 below for details). This Plan accounts for the payment in full of the Huntington Bank, the sole holder of a secured claim. (See Schedule 2a, and Section 7.04(a) below for details.). For their part, general unsecured creditors are expected to receive not less than 23% of the value of their allowed claims by and through regular and periodic payments, and an additional 17% of their claims from the proceeds from a sale of the business as an ongoing concern. (See Schedules 2 and 2b, Exhibit A, and Section 7.04(b) below for details).

**Article 7. Claims, Classification, and Treatment.**

Section 7.01      Allowance and disallowance of claims.

- (a) *Disputed claims.* A disputed claim is a claim that has not been allowed or disallowed under §502 of the Code, and as to which either: (i) a proof of claim has been filed or deemed filed, and Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed by the holder thereof, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.
- (b) *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 non-appealable order.
- (c) *Unliquidated and/or contingent claims.* For the purposes of this Plan an “unliquidated and/or contingent claim” shall mean a claim that: (i) is not capable of ascertainment by reference to an agreement or by simple computation; and/or (ii) is based on liability that remains uncertain and contingent on the occurrence of some future event; which (iii) has not been allowed or disallowed under §502 of the Code; and (iv) as to which either: (A) a proof of claim has been filed or deemed filed, and Debtor or another party in interest has filed an objection; or (B) no proof of claim has been filed by the holder thereof, and the Debtor has scheduled such claim as contingent, or unliquidated.
- (d) *Delay of distribution of unliquidated and/or contingent claims.* No distribution will be made on account of any unliquidated and/or contingent claim that is not fixed by a court order.
- (e) *Estimation of unliquidated and/or contingent claims.* Debtor shall have the power and authority to fix the amount of an unliquidated and/or contingent claim on an interim or final basis through a compromise with any holders thereof in accordance with Rule 9019 of the Federal Rules of Bankruptcy Procedure and subject to the Court's approval.

Section 7.02            Objections to claims.

Any objections to claims must be filed within thirty (30) days following the Effective Date (as that term is defined in Section 10.02 below). Notwithstanding the foregoing, Debtor makes no representations as to the validity of any claim scheduled or proof of claim filed, and holders of claims should not assume that Debtor will not object to any claim even though such claims have not been scheduled in Debtor's petition as being "disputed," "unliquidated," or "contingent."

Section 7.03            Treatment of allowed administrative expense claims, and Priority Taxes.

Pursuant to §1123(a)(1), administrative expense claims and priority tax claims are not to be classified. Such claims are treated as discussed in this Section and as more particularly shown in Schedule 1.

- (a) *Administrative Expense Claims.* Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under §507 of the Code. Each holder of an administrative expense claim allowed under §503 of the Code will be paid in full upon the Effective Date of the Plan, or as agreed to by the holders of such claims. The following administrative claims shall be treated as set forth below. Recipients of the Plan are encouraged to refer to Schedules 1, 1a through 1c, and Exhibit A for detailed information about the treatment of the administrative claims.
- (i) Postpetition Member Loan. Claims on account of credit obtained post-petition are treated as administrative expense under §503(b). If obtained and authorized, the postpetition loan from Thomas Drennen and Amanda Drennen in the principal amount of \$24,000.00 shall be treated as an administrative expense and shall be repaid in 48 equal monthly payments beginning in January, 2019, with the principal bearing interest at the rate of 3% per annum starting on the first day of that month.
  - (ii) Other postpetition credit. As more fully discussed in Section 10.04(d) below, Debtor will seek to secure rent concessions, deferments, and/or other tenant incentives to make up at least part of any difference between the Member Loan and the total costs of the Project. However, this Plan assumes that Debtor shall be required to obtain an additional \$26,000.00 in postpetition credit from one or more lenders to defray the cost of rebranding the Newport Location, and that such claims will be repaid in 51 equal monthly installments beginning in September 2018, with the principal bearing an interest rate of 8% per annum starting on the first day of that month. (See Schedules 1 and 1b, and Exhibit A).
  - (iii) Claims for Goods Received. Pursuant to §503(b)(9), administrative expenses also include the value of any goods received by a debtor in the ordinary course of business within 20 days before the date of the filing of the petition. ("20-day claims"). Debtor has accounted for \$11,175.91 in 20-day claims owed to creditor Sysco Indianapolis, LLC, which Debtor propose to pay in nine (9) equal monthly installments beginning in December 2018, with the principal bearing an interest rate of 3% per annum starting on the first day of that month. (See Schedule 1c, and Exhibit A)

- (b) *United States Trustee Fees.* All fees required to be paid by 28 U.S.C. §1930(a)(6) (“U.S. Trustee Fees”) will accrue and be timely paid until the case is administratively closed, dismissed, or converted to another chapter of the Code. Any U.S. Trustee Fees owed on or before the Effective Date of this Plan will be paid within 30 days from the Effective Date. Debtor shall move to administratively close the case as soon as is allowable under the Code in order to minimize the cost of implementing the Plan.
- (c) *Professional Fees.* Subject to court approval, the reasonable compensation for professional services rendered by an attorney or an accountant are allowable as administrative expenses under §503(b)(4). Debtor anticipates incurring approximately \$11,620 in professional fees in the first six to seven months after the Petition Date. After confirmation, Debtor anticipates professional expenses to consist primarily of accounting fees related to yearly tax filings. (See Exhibit A).
- (d) *Priority Tax Claims.* The Plan proposes to pay holders of priority tax claims 100% of the allowed portion of their claims in 36 equal monthly payments beginning in December 2019, with the allowed amount of such claims bearing interest at the annual rate of 3% per annum starting on the first day of that month. Debtor reserves the right to agree to a different treatment with the individual holders of priority tax claims, and in accordance with Rule 9019 of the Federal Rules of Bankruptcy Procedure, to request the Court’s approval of any compromise reached with such holders. (See Schedule 1d).

Section 7.04            Designation and treatment of classified claims.

This Plan provides for one (1) class of secured claims, and one (1) class of unsecured claims, both of which are defined below. To gain a complete understanding of the treatment of the classes designated in this Plan, recipients of this Plan are encouraged to review this Section together with the classification scheme shown in Schedule 2, and the Projections provided in Exhibit A.

- (a) *Class 1* – is comprised of the claim of The Huntington Bank to the extent that it is allowed as a secured claim under §506 of the Code. Class 1 is impaired and shall be entitled to vote to accept or to reject the Plan.
  - (i) Adequate protection payments. The Huntington Bank shall receive monthly adequate protection payments in an amount equal to 0.5% of the allowed claim during the period beginning 30 days after the date of the filing of the petition and ending on December 31, 2018.
  - (ii) Regular distributions. Beginning in January, 2019, The Huntington Bank shall receive 48 equal monthly payments totaling the allowed amount of its secured claim bearing interest at the annual rate of 6%. (See Schedule 2a)
- (b) *Class 2* – is comprised of all nonpriority unsecured claims allowed under §502 of the Code. Class 2 is impaired and shall be entitled to vote to accept or to reject the Plan. Debtor has scheduled a total of \$843,096.92 in Class 2 claims, (as shown in Schedule 1), and estimates a distribution in the total amount of \$358,599.00 to holders thereof, (40% of the total claims included in Class 2), by and through the following revenue streams:

- (i) Regular distributions. Holders of Class 2 claims shall receive distributions on account of 15% of the allowed portion of their claim (the “Reduced Principal”), over 48 equal monthly payments beginning in January, 2019; the Reduced Principal bearing an interest rate of 3% per annum starting on the first day of that month..
  - (A) This Plan assumes that the total allowed Class 2 claims shall be in an amount of \$843,096.92, and that the Reduced Principal on account of which regular distributions shall be made shall equal \$126,464.54. Based on the repayment terms proposed herein, holders of Class 2 claims should expect to receive regular monthly distributions in the total amount of \$134,526.65 over the course the Plan, which represents 16% of their claims. (See Schedule 2b)
- (ii) Periodic Payments. In addition to the regular monthly payments set forth above, holders of Class 2 claims shall receive, each on a pro rata basis, the difference between Kangaroo’s cash flow and \$25,000.00, beginning 20 days after the last day of the first calendar quarter during which Debtor’s cash flow exceeds \$25,000, and every 6 months thereafter for the duration of the Plan, (“periodic payments”).
  - (A) This Plan assumes that Debtor shall be able to disburse approximately \$59,593.00 in periodic payments beginning in the last calendar quarter of 2019 through the termination of the Plan. Based on these projections, holders of Class 2 claims should expect to receive an additional 7% of their claims over the course the Plan. (See Exhibit A)
- (iii) Distributions from ongoing concern sale. In addition to the payments set forth above and subject to any distributions to holders of secured, administrative, and priority claims, if any remain at the time when the business is sold as an ongoing concern, holders of Class 2 claims shall be entitled to the proceeds of the sale of the business, each on a pro rata basis, which is projected to occur after the second calendar quarter of 2021.
  - (A) This Plan assumes that Debtor will be able to sell the business as an ongoing concern sometime in the fourth year of the Plan for an amount of not less than \$200,000.00. Debtor anticipates that 75% of the proceeds of the sale proceeds will be available to holders of Class 2 claims, which would result in an additional distribution of \$150,000.00, or 18% of the total Class 2 claims.

## **Article 8. Management and Co-Debtors.**

### Section 8.01 Management.

Pursuant to the Court’s order of December 4, 2017, Thomas Drennen has been authorized to act as the Debtor’s Corporate Representative. Mr. Drennen is the only member that oversees the operations of the business. Mr. Drennen intends on immersing himself in the implementation of the Plan soon after the Plan is confirmed, subject to this Court’s approval of his employment by Debtor as a consultant or otherwise.

- (a) Debtor shall employ accounting and other professionals subject to the Court’s approval and as the need arises. Expenses incurred on account of professionals are factored into the Plan.

Section 8.02      Member contributions to the Plan.

Subject to the Court's approval and only after the entry of the final order confirming the Plan, members Thomas Drennen and Amanda Drennen shall jointly lend \$24,000 to Debtor, the proceeds of which are to be used for the implementation of the Plan (the "Member Loan"). Section 7.03(a)(i) above sets forth the terms and conditions related to the Member Loan.

Section 8.03      Co-debtors; Injunctive relief.

Thomas Drennen is a guarantor on all corporate debts. Members Amanda Drennen, Katheryn Yohey, and Michael Yohey are co-debtors on the debt to Spring Valley Bank. Notwithstanding the absence of a statutory co-debtor stay in a case under chapter 11 of the Bankruptcy Code, Debtor reserves the right to initiate a contested matter or bring an adversary proceeding to obtain injunctive relief against any and all creditors whose collection activities against a co-debtor would significantly impact the Debtor's ability to successfully reorganize.

**Article 9. Executory Contracts and Unexpired Leases.**

Section 9.01      Assumed executory contracts.

Upon the confirmation of the Plan, Debtor shall assume the unexpired commercial lease for the premises located at 1723 Monmouth St., Newport, KY, that was entered into with Newport Company, LLC and thereafter assigned to ACS II Newport Shopping Center KY, LLC.

Section 9.02      Rejection of executory contracts.

Debtor shall be deemed to have elected to reject any and all executory contracts and/or unexpired leases not expressly assumed under this Article, upon the date of the entry of the order confirming this Plan. A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed on the later of thirty (30) days after the date of the order confirming this Plan, or the deadline for filing proofs of claims.

**Article 10. Implementation of the Plan.**

Section 10.01      Vesting of property of the estate.

The property of the estate as defined in §541 of the Code shall vest in the Debtor on the earlier of the November 26, 2022, or the date upon which all payments due under the Plan have been made.

Section 10.02      The Effective Date.

The Plan shall become effective as of the first day of the calendar month falling not less than 30 days after the entry of the order confirming the Plan, unless a stay of the confirmation order is in effect on that date, in which case the effective date shall be the first business day after the date on which the stay of the confirmation order expires or is otherwise terminated. (Referred throughout as the "Effective Date").

Section 10.03      Plan duration.

The Plan shall last for the shorter of: five years from the Petition Date or until 30 days after all distributions of the proceeds of the sale of the business are made.

Section 10.04      Plan implementation.

- (a) *The Rebranding Project.* Debtor's executory contract with its franchisor expired as of February 15, 2018. Debtor has since de-identified the Newport Location of all indicia of the Beef 'O' Brady's brand. Debtor has not experienced any negative financial effects from the de-identification, and the stage is set to rebrand the Newport Location as the "Ole Hickory BBQ," Debtor's new culinary concept. Debtor estimates needing approximately \$30,000.00 to cover the hard costs for the Project. Conservative projections indicate that an additional \$20,000.00 will be needed to cover operating shortfalls through December 2018. Recipients are encouraged to read Debtor's business plan attached hereto as Exhibit B, and review Exhibit C, the Project Cost Summary.
- (b) *Member Loan.* As discussed in Section 7.03(a)(i) and Section 8.02 above, Thomas Drennen and Amanda Drennen have committed to lend \$24,000.00 to Debtor (the "Member Loan"), on the condition that: (i) Debtor obtains an order confirming the Plan; and (ii) that the proceeds of the loan are used for the implementation of the Plan. Subject to the Court's approval, the Member Loan shall be allowed as an administrative expense claim under §503(b), and repaid in accordance to the terms set forth in Schedule 1a.
- (c) *Post-petition Financing.* Debtor shall seek and move for the authority to obtain general unsecured post-petition credit under §364(b) in an amount equal to the difference between the total estimated costs of the Project and the Member Loan, or \$26,000.00. If Debtor is unable to obtain general unsecured credit allowable as an administrative expense under §503(b), Debtor shall seek to secured, and move for the authority to obtain, general unsecured credit with priority over all other administrative claims, ("super priority financing").
- (d) *Tenant Incentives.* Debtor has approached the owner of the Newport Location, ACS II Newport Shopping Center KY, LLC, about securing rent concessions, deferments, and other tenant incentives that could ensure the successful launch of Ole Hickory BBQ. ("Tenant Incentives"). Debtor anticipates arriving at an agreement in principal with its landlord, on or before the date of confirmation, which would dispense with the need to obtain super priority financing, would reduce operating expenses during the build out and transition phase of the Project, and which would enhance Debtor's operating margins.

Section 10.05      Cash Flow.

(a) *Six-month period ending December 31, 2018.* Assuming that: (i) the Plan is approved; (ii) Debtor secures post-petition financing in an amount sufficient to defray the total costs of the Project; (iii) and without accounting for any Tenant Incentives that Debtor may secure, the following performance metrics are projected for the six-month period ending on December 31, 2018. Please see Exhibit A for detailed revenue and cash flow projections. (Electronic versions of the Plan and exhibits, and large format hard copies of the exhibits attached hereto are available upon request).

- (i) Gross Revenues: \$397,636
- (ii) Net Operating Profit: \$15,907
- (iii) Administrative Expenses and Professional Fees: \$3,250
- (iv) Distributions to holders of unclassified Administrative Expense Claims: \$2,394
- (v) Distributions to holders of unclassified Priority Claims: \$0.00
- (vi) Distributions to holder of Class 1 claims: \$528.00
- (vii) Distributions to holders of Class 2 claims: \$0.00
- (viii) Average Cash Flow: \$9,735

(b) *Calendar Year ending December 31, 2019.* The following performance metrics are projected for the calendar year ending on December 31, 2019. Please Exhibit A for detailed revenue projections.

- (i) Gross Revenues: \$829,000
- (ii) Net Operating Profit: \$64,451
- (iii) Administrative Expenses and Professional Fees: \$3,275
- (iv) Distributions of unclassified Administrative Expense Claims: \$21,164
- (v) Distributions of unclassified Priority Claims: \$910
- (vi) Distributions of Class 1 claims: \$5,180
- (vii) Distributions to holders of Class 2 claims: \$33,632
- (viii) Average Cash Flow: \$14,716

**Article 11. Feasibility and Contingencies.**

Debtor remains aware that the occurrence of one of the following scenarios could prevent Debtor from implementing a reorganization of the business in the manner proposed herein and addresses those possibilities below. Recipients of this Plan should keep in mind that Debtor has been operating the business at the Newport Location since the end of 2008, and continues to realize revenues that are sufficient to allow the business to keep its doors open without interruption. In this regard, confirmation of the Plan is not likely to be followed by a liquidation, or the need for further financial reorganization because Debtor projects being able to maintain break even

revenues under its new moniker “Ole Hickory BBQ” without the need to incur the hard costs associated with completing the rebranding Project. Debtor’s Plan proposes to implement the Project as a means to maximize creditor recovery.

- (a) *Failure to obtain postpetition credit.* To safeguard against a lack of capitalization or cost overruns, Debtor shall not assume any costs related to the Project until it secures Tenant Incentives and postpetition credit in a combined value of not less than \$50,000.00. Doing so will ensure that the rebranding can be realized without an unduly extended closing of the location.
- (b) *Lower than projected sales.* Debtor anticipates a significant increase in revenues as result of the rebranding, as compared to the last year of operating as a “Beef ‘O’ Brady’s.” Holders of claims should keep in mind that the revenues projected in this Plan had been achieved at the Newport Location for several years prior to 2016. If over the course of the first 12 months after the rebranding of the Newport Location, revenues do not increase as expected, Debtor shall seek the permission of the Court to sell the business as an ongoing concern pursuant to §363(b). Distributions of the proceeds will be made in accordance with the priorities set forth in the Code. Debtor expects that the proceeds from the sale of the business as an ongoing concern 12 months in the future will be significantly greater than an immediate liquidation.

#### **Article 12. Discharge.**

Subject to the provisions of §1141(d)(2), Debtor shall be discharged from any debt that arose before confirmation of this Plan on the earlier of five years after the Effective Date, or the date upon which Debtor makes all payments required of the Plan.

#### **Article 13. Tax Consequences.**

Debtor is not qualified to advise creditors as to the specific tax ramifications of confirmation of the Plan, and therefore make no representation in this regard. However, Debtor is not aware of any potential material federal tax consequences to creditors that would result from confirmation of the Plan. Each creditor is urged to consult with a tax advisor as to such matters.

No material tax consequences to Debtor are anticipated as a result of confirmation of the Plan, or of the entry of an order discharging Debtors as such a discharge, reduction, or forgiveness of indebtedness would be exempt from gross income pursuant to IRC §108.

#### **Article 14. General and Special Plan Provisions.**

##### Section 14.01      Definitions and rules of construction.

The definitions and rules of construction set forth in §§101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan, and they are supplemented by the definition of terms provided throughout the Plan.



Section 14.02      Captions.

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

Section 14.03      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.

Section 14.04      Binding effect.

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

Section 14.05      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 Kentucky govern this Plan and any agreements, documents, and instruments executed in connection with this Plan.

/s/ Thomas Drennen  
Thomas Drennen, III  
Corporate Representative  
Kangaroo Foods, LLC

/s/ J. Christian A. Dennery  
J. Christian A. Dennery, Esq.  
Dennery, PLLC  
PO Box 121241  
Covington, KY 41012  
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*Attorney for Debtor*

**SCHEDULE 1**

UNCLASSIFIED CLAIMS	Sched., Ln.	POC	Priority	Claim Amount	Repayment Terms
<b>Unclassified Priority Claims</b>					Beginning in December 1, 2019, holders of allowed priority tax claim shall receive over 36 equal monthly payments, 100% of the allowed amount of such claim bearing interest at the annual rate of 3%.
KY Dept. of Revenue	Sched. F, Ln 3.7	6	§507(a)(8)(C)	\$ 15,944.47	
Ohio Bureau of Workers' Comp.	Sched. F, Ln 3.11	11	§507(a)(8)(E)	\$ 9,190.57	
State of Ohio, Dept. of Taxation	Sched. F, Ln 3.15	10	§507(a)(8)(E)	\$ 6,089.29	
<b>Total Unclassified Administrative and Priority Claims</b>				<b>\$ 31,224.33</b>	
<b>Unclassified Administrative Claims</b>					Principal of post petition loan, bearing interest of 3% per annum, to be repaid in 48 monthly installments beginning in December 2018.  Debtors to offer the following terms to post petition lenders: Principal of post petition loan, bearing interest of 8% per annum, to be repaid in 51 monthly installments beginning in September 2018.  Debtor to propose paying Sysco its administrative claim bearing an interest rate of 3% per annum, in nine equal monthly payments beginning in December 2018.
Member Loan	§364(b) motion		§503(b)(1)	\$ 24,000.00	
Post Petition Lender	§364(b) motion		§503(b)(1)	\$ 40,000.00	
Sysco Indianapolis, LLC	Sched. F, Ln 3.16		§503(b)(9)	\$ 11,175.91	
<b>Total Unclassified Administrative Claims</b>				<b>\$ 75,175.91</b>	

**AMORTIZATION SCHEDULE - 503(b)(1)- MEMBER LOAN**

Claim Amount	\$	24,000.00
Term (Qrts.)		18.00
Amortization Rate (Qrts.)		16.00
Interest Rate		3.0%
Quarterly Principal Payments	\$	1,333.33
Quarterly Interest Payment	\$	75.00
Total Interest Payments	\$	1,530.00
Total Payments	\$	25,530.00
Avg. Quaterly P&I Payments	\$	1,595.63
Avg. Monthly P&I Payments	\$	531.88

Quarter	Starting Balance	Principal	Simple Interest	Payment	Ending Balance
1.00	\$ 24,000.00	\$ -	\$ -	\$ -	\$ 24,000.00
2.00	\$ 24,000.00	\$ -	\$ -	\$ -	\$ 24,000.00
3.00	\$ 24,000.00	\$ 1,500.00	\$ 180.00	\$ 1,680.00	\$ 22,500.00
4.00	\$ 22,500.00	\$ 1,500.00	\$ 168.75	\$ 1,668.75	\$ 21,000.00
5.00	\$ 21,000.00	\$ 1,500.00	\$ 157.50	\$ 1,657.50	\$ 19,500.00
6.00	\$ 19,500.00	\$ 1,500.00	\$ 146.25	\$ 1,646.25	\$ 18,000.00
7.00	\$ 18,000.00	\$ 1,500.00	\$ 135.00	\$ 1,635.00	\$ 16,500.00
8.00	\$ 16,500.00	\$ 1,500.00	\$ 123.75	\$ 1,623.75	\$ 15,000.00
9.00	\$ 15,000.00	\$ 1,500.00	\$ 112.50	\$ 1,612.50	\$ 13,500.00
10.00	\$ 13,500.00	\$ 1,500.00	\$ 101.25	\$ 1,601.25	\$ 12,000.00
11.00	\$ 12,000.00	\$ 1,500.00	\$ 90.00	\$ 1,590.00	\$ 10,500.00
12.00	\$ 10,500.00	\$ 1,500.00	\$ 78.75	\$ 1,578.75	\$ 9,000.00
13.00	\$ 9,000.00	\$ 1,500.00	\$ 67.50	\$ 1,567.50	\$ 7,500.00
14.00	\$ 7,500.00	\$ 1,500.00	\$ 56.25	\$ 1,556.25	\$ 6,000.00
15.00	\$ 6,000.00	\$ 1,500.00	\$ 45.00	\$ 1,545.00	\$ 4,500.00
16.00	\$ 4,500.00	\$ 1,500.00	\$ 33.75	\$ 1,533.75	\$ 3,000.00
17.00	\$ 3,000.00	\$ 1,500.00	\$ 22.50	\$ 1,522.50	\$ 1,500.00
18.00	\$ 1,500.00	\$ 1,500.00	\$ 11.25	\$ 1,511.25	\$ -

**SCHEDULE 1b**

**AMORTIZATION SCHEDULE - 503(b)(1) Claim 2**

Claim Amount	\$	26,000.00
Term (Qrts.)		17
Amortization Rate (Qrts.)		17
Interest Rate		8%
Quarterly Principal Payments	\$	1,529.41
Quarterly Interest Payment	\$	217.72
Total Interest Payments	\$	4,680.00
Total Payments	\$	30,680.00
Avg. Quaterly P&I Payments	\$	1,804.71
Avg. Monthly P&I Payments	\$	601.57

Quarter	Starting Balance	Principal	Simple Interest	Payment	Ending Balance
1	\$ 26,000.00	\$ 1,529.41	\$ 520.00	\$ 2,049.41	\$ 24,470.59
2		\$ 1,529.41	\$ 489.41	\$ 2,018.82	\$ 22,941.18
3		\$ 1,529.41	\$ 458.82	\$ 1,988.24	\$ 21,411.76
4		\$ 1,529.41	\$ 428.24	\$ 1,957.65	\$ 19,882.35
5		\$ 1,529.41	\$ 397.65	\$ 1,927.06	\$ 18,352.94
6		\$ 1,529.41	\$ 367.06	\$ 1,896.47	\$ 16,823.53
7		\$ 1,529.41	\$ 336.47	\$ 1,865.88	\$ 15,294.12
8		\$ 1,529.41	\$ 305.88	\$ 1,835.29	\$ 13,764.71
9		\$ 1,529.41	\$ 275.29	\$ 1,804.71	\$ 12,235.29
10		\$ 1,529.41	\$ 244.71	\$ 1,774.12	\$ 10,705.88
11		\$ 1,529.41	\$ 214.12	\$ 1,743.53	\$ 9,176.47
12		\$ 1,529.41	\$ 183.53	\$ 1,712.94	\$ 7,647.06
13		\$ 1,529.41	\$ 152.94	\$ 1,682.35	\$ 6,117.65
14		\$ 1,529.41	\$ 122.35	\$ 1,651.76	\$ 4,588.24
15		\$ 1,529.41	\$ 91.76	\$ 1,621.18	\$ 3,058.82
16		\$ 1,529.41	\$ 61.18	\$ 1,590.59	\$ 1,529.41
17		\$ 1,529.41	\$ 30.59	\$ 1,560.00	\$ 0.00

**AMORTIZATION SCHEDULE - 20-DAY CLAIMS 503(b)(9)**

Claim Amount	\$	11,176
Term (Qrts.)		7
Amortization Rate (Qrts.)		3
Interest Rate		3.0%
Quarterly Principal Payments	\$	3,725
Quarterly Interest Payment	\$	28
Total Interest Payments	\$	84
<b>Total Payments</b>	<b>\$</b>	<b>11,344</b>
Avg. Quaterly P&I Payments	\$	3,781
Avg. Monthly P&I Payments	\$	1,260

Quarter	Starting Balance	Principal	Simple Interest	Payment	Ending Balance
1.00	\$ 11,175.91	\$ -	\$ -	\$ -	\$ 11,175.91
2.00	\$ 11,175.91	\$ -	\$ -	\$ -	\$ 11,175.91
3.00	\$ 11,175.91	\$ -	\$ -	\$ -	\$ 11,175.91
4.00	\$ 11,175.91	\$ -	\$ -	\$ -	\$ 11,175.91
5.00	\$ 11,175.91	\$ 3,725.30	\$ 83.82	\$ 3,809.12	\$ 7,450.61
6.00	\$ 7,450.61	\$ 3,725.30	\$ 55.88	\$ 3,781.18	\$ 3,725.30
7.00	\$ 3,725.30	\$ 3,725.30	\$ 27.94	\$ 3,753.24	\$ -

**AMORTIZATION SCHEDULE - PRIORITY 507(A)(8) TAX CLAIMS**

Claim Amount	\$	31,224.33
Amortization Rate (Qrts.)		12.00
Interest Rate		3.0%
Quarterly Principal Payments	\$	2,602.03
Total Interest Payments	\$	1,522.19
<b>Total Payments</b>	<b>\$</b>	<b>32,746.52</b>
Avg. Quaterly P&I Payments	\$	2,728.88
Avg. Monthly P&I Payments	\$	909.63

Payments	Starting Balance	Principal	Simple Interest	Payment	Ending Balance
1	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
2	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
3	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
4	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
5	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
6	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
7	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
8	\$ 31,224	\$ -	\$ -	\$ -	\$ 31,224
9	\$ 31,224	\$ 2,602	\$ 234	\$ 2,836	\$ 28,622
10	\$ 28,622	\$ 2,602	\$ 215	\$ 2,817	\$ 26,020
11	\$ 26,020	\$ 2,602	\$ 195	\$ 2,797	\$ 23,418
12	\$ 23,418	\$ 2,602	\$ 176	\$ 2,778	\$ 20,816
13	\$ 20,816	\$ 2,602	\$ 156	\$ 2,758	\$ 18,214
14	\$ 18,214	\$ 2,602	\$ 137	\$ 2,739	\$ 15,612
15	\$ 15,612	\$ 2,602	\$ 117	\$ 2,719	\$ 13,010
16	\$ 13,010	\$ 2,602	\$ 98	\$ 2,700	\$ 10,408
17	\$ 10,408	\$ 2,602	\$ 78	\$ 2,680	\$ 7,806
18	\$ 7,806	\$ 2,602	\$ 59	\$ 2,661	\$ 5,204
19	\$ 5,204	\$ 2,602	\$ 39	\$ 2,641	\$ 2,602
20	\$ 2,602	\$ 2,602	\$ 20	\$ 2,622	\$ -

**SCHEDULE 2**

<b>CLASSIFIED CLAIMS</b>	<b>Sched., Ln.</b>	<b>POC</b>	<b>Claim Amount</b>	<b>Impaired</b>	<b>Treatment</b>	
<b>Class 1 - Secured Claims</b>						
The Huntington Bank	Sched. D, Ln 2.1	9	\$18,376.81	YES	Huntington Bank Class 1 to receive: (i) monthly adequate protection payments through December 31, 2018; (ii) the principal amount of the secured claim bearing interest at the annual rate of 6% in 48 equal monthly payments beginning in January, 2019.	
			<b>Total Class 1 Claims</b>	<b>\$ 18,376.81</b>		
<b>Class 2 - General unsecured Claims</b>						
American Express	Sched. F, Ln 3.1	2	\$ 36,843.39	YES	Class 2 claims shall receive: (1) 48 equal monthly payments on account of 15% of the total allowed claims bearing interests at a rate of 3% per annum; (2) pro rata distributions of cash reserves exceeding \$25K; and (3) pro rata distributions of proceeds from the sale of business as on going concern, if any.	
Capital Bank (USA), N. A.	Sched. F, Ln. 3.2	7	\$3,553.36			
Chase	Sched. F, Ln 3.3		\$3,165.13			
Fifth Third Bank (ending 5885)	Sched. F, Ln. 3.4	4	\$ 9,226.95			
Fifth Third Bank (ending 3067)	Sched. F, Ln. 3.5	5	\$ 14,377.07			
Hamilton County Auditor	Sched. F, Ln. 3.6		\$ -			
KY Dept. of Revenue	Sched. F, Ln 3.7	6	\$ 7,623.96			
Michael Yohey	Sched. F, Ln. 3.8		\$ 60,000.00			
NKY Area Development District	Sched. F, Ln. 3.10		\$ 23,291.00			
PNC BANK (ending 2658)	Sched. F, Ln 3.12		\$ 14,000.00			
PNC BANK (ending 2340)	Sched. F, Ln 3.13		\$ 18,000.00			
Spring Valley Bank	Sched. F, Ln 3.14	8	\$ 646,126.23			
State of Ohio Dept. of Taxation	Sched. F, Ln 3.15	10	\$ 4,278.62			
Sysco Indianapolis, LLC	Sched. F, Ln 3.16		\$ 2,611.21			
			<b>Total Class 2 Claims</b>			<b>\$ 843,096.92</b>

**AMORTIZATION SCHEDULE - CLASS 1 SECURED CLAIM**

Claim Amount	\$	18,377
Term (Qrts.)		20
Amortization Rate (Qrts.)		16
Interest Rate		6.0%
Quarterly Principal Payments	\$	1,149
Avg. Quarterly Interest Payment	\$	146
Total Interest Payments	\$	2,343
<b>Total Payments</b>	<b>\$</b>	<b>20,720</b>
Avg. Quarterly P&I Payments	\$	1,295
Avg. Monthly P&I Payments	\$	431.66

Quarter	Starting Balance	Principal	Simple Interest	Payment	Ending Balance
1	\$ 18,377				\$ 18,377
2	\$ 18,377				\$ 18,377
3	\$ 18,377				\$ 18,377
4	\$ 18,377				\$ 18,377
5	\$ 18,377	\$ 1,149	\$ 276	\$ 1,424	\$ 17,228
6	\$ 17,228	\$ 1,149	\$ 258	\$ 1,407	\$ 16,080
7	\$ 16,080	\$ 1,149	\$ 241	\$ 1,390	\$ 14,931
8	\$ 14,931	\$ 1,149	\$ 224	\$ 1,373	\$ 13,783
9	\$ 13,783	\$ 1,149	\$ 207	\$ 1,355	\$ 12,634
10	\$ 12,634	\$ 1,149	\$ 190	\$ 1,338	\$ 11,486
11	\$ 11,486	\$ 1,149	\$ 172	\$ 1,321	\$ 10,337
12	\$ 10,337	\$ 1,149	\$ 155	\$ 1,304	\$ 9,188
13	\$ 9,188	\$ 1,149	\$ 138	\$ 1,286	\$ 8,040
14	\$ 8,040	\$ 1,149	\$ 121	\$ 1,269	\$ 6,891
15	\$ 6,891	\$ 1,149	\$ 103	\$ 1,252	\$ 5,743
16	\$ 5,743	\$ 1,149	\$ 86	\$ 1,235	\$ 4,594
17	\$ 4,594	\$ 1,149	\$ 69	\$ 1,217	\$ 3,446
18	\$ 3,446	\$ 1,149	\$ 52	\$ 1,200	\$ 2,297
19	\$ 2,297	\$ 1,149	\$ 34	\$ 1,183	\$ 1,149
20	\$ 1,149	\$ 1,149	\$ 17	\$ 1,166	\$ 0



**SCHEDULE 2b**

**AMORTIZATION SCHEDULE - CLASS 2 Claims**

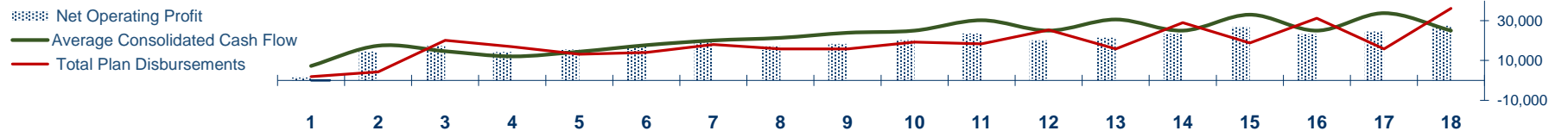
Claim Amount	\$	843,097
<b>Reduction %</b>		<b>15%</b>
<b>Reduced Principal</b>	\$	<b>126,465</b>
Term (Qrt.)		20
Amortization Rate (Qrt.)		16
Interest Rate		3.0%
Quarterly Principal Payments	\$	7,904
Quarterly Interest Payment	\$	433
Total Interest Payments	\$	6,936
<b>Total Payments</b>	\$	<b>134,527</b>
Avg. Quaterly P&I Payments	\$	8,408
Avg. Monthly P&I Payments	\$	2,803

Quarter	Starting Balance	Principal	Simple Interest	Payment	Ending Balance
1	\$ 126,465				\$ 126,465
2	\$ 126,465				\$ 126,465
3	\$ 126,465				\$ 126,465
4	\$ 126,465				\$ 126,465
5	\$ 126,465	\$ 7,904	\$ 948	\$ 8,853	\$ 118,561
6	\$ 118,561	\$ 7,904	\$ 889	\$ 8,793	\$ 110,656
7	\$ 110,656	\$ 7,904	\$ 830	\$ 8,734	\$ 102,752
8	\$ 102,752	\$ 7,904	\$ 771	\$ 8,675	\$ 94,848
9	\$ 94,848	\$ 7,904	\$ 711	\$ 8,615	\$ 86,944
10	\$ 86,944	\$ 7,904	\$ 652	\$ 8,556	\$ 79,040
11	\$ 79,040	\$ 7,904	\$ 593	\$ 8,497	\$ 71,136
12	\$ 71,136	\$ 7,904	\$ 534	\$ 8,438	\$ 63,232
13	\$ 63,232	\$ 7,904	\$ 474	\$ 8,378	\$ 55,328
14	\$ 55,328	\$ 7,904	\$ 415	\$ 8,319	\$ 47,424
15	\$ 47,424	\$ 7,904	\$ 356	\$ 8,260	\$ 39,520
16	\$ 39,520	\$ 7,904	\$ 296	\$ 8,200	\$ 31,616
17	\$ 31,616	\$ 7,904	\$ 237	\$ 8,141	\$ 23,712
18	\$ 23,712	\$ 7,904	\$ 178	\$ 8,082	\$ 15,808
19	\$ 15,808	\$ 7,904	\$ 119	\$ 8,023	\$ 7,904
20	\$ 7,904	\$ 7,904	\$ 59	\$ 7,963	\$ 0

KANGAROO FOODS, LLC - REVENUE AND CASH FLOW PROJECTIONS

EXHIBIT A

Expected Increase/decrease from Prior Quarter	Nov. '17 - June '18																		TOTALS	
	3%	5%	-5%	2%	3%	5%	-5%	2%	3%	5%	-5%	2%	3%	5%	-5%	2%	4%			
QUARTER ENDING	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	TOTALS	
CURRENT CASH ASSETS	\$ 8,733,130																			
GROSS REVENUES	\$ 337,787.62	\$ 195,880	\$ 201,756	\$ 211,844	\$ 201,252	\$ 205,277	\$ 211,435	\$ 222,007	\$ 210,907	\$ 215,125	\$ 221,579	\$ 232,657	\$ 221,025	\$ 225,445	\$ 232,208	\$ 243,819	\$ 231,628	\$ 236,260	\$ 245,711	\$ 4,303,602
(Less Gratuities Collected)		\$ (19,588)	\$ (20,176)	\$ (21,184)	\$ (20,125)	\$ (20,528)	\$ (21,144)	\$ (22,201)	\$ (21,091)	\$ (21,512)	\$ (22,158)	\$ (23,266)	\$ (22,102)	\$ (22,545)	\$ (23,221)	\$ (24,382)	\$ (23,163)	\$ (23,626)	\$ (24,571)	\$ (245,711)
(Less Sales Taxes Collected)		\$ (11,459)	\$ (11,803)	\$ (12,393)	\$ (11,773)	\$ (12,009)	\$ (12,369)	\$ (12,987)	\$ (12,338)	\$ (12,585)	\$ (12,962)	\$ (13,610)	\$ (12,930)	\$ (13,189)	\$ (13,584)	\$ (14,263)	\$ (13,550)	\$ (13,821)	\$ (14,374)	\$ (143,374)
Total Revenues	\$ 284,248.28	\$ 164,833	\$ 169,778	\$ 178,267	\$ 169,353	\$ 172,741	\$ 177,923	\$ 186,819	\$ 177,478	\$ 181,027	\$ 186,458	\$ 195,781	\$ 185,992	\$ 189,712	\$ 195,403	\$ 205,174	\$ 194,915	\$ 198,813	\$ 206,766	\$ 3,621,481
COGS		\$ (53,613)	\$ (50,933)	\$ (53,480)	\$ (50,806)	\$ (51,822)	\$ (53,377)	\$ (56,046)	\$ (53,243)	\$ (54,308)	\$ (55,937)	\$ (58,734)	\$ (55,798)	\$ (56,914)	\$ (58,621)	\$ (61,552)	\$ (58,474)	\$ (59,644)	\$ (62,030)	\$ (620,300)
Wage, Salaries and Payroll liabilities		\$ (64,761)	\$ (59,422)	\$ (62,393)	\$ (59,274)	\$ (60,459)	\$ (62,273)	\$ (65,387)	\$ (62,117)	\$ (63,360)	\$ (65,260)	\$ (68,523)	\$ (65,097)	\$ (66,399)	\$ (68,391)	\$ (71,811)	\$ (68,220)	\$ (69,585)	\$ (72,368)	\$ (723,668)
Gross Operating Profit	\$ 99,486.90	\$ 46,459	\$ 59,422	\$ 62,393	\$ 59,274	\$ 60,459	\$ 62,273	\$ 65,387	\$ 62,117	\$ 63,360	\$ 65,260	\$ 68,523	\$ 65,097	\$ 66,399	\$ 68,391	\$ 71,811	\$ 68,220	\$ 69,585	\$ 72,368	\$ 723,668
Total Operating Expenses	\$ (99,592.97)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)	\$ (44,987)
Net Operating Profit	\$ (106.07)	\$ 1,472	\$ 14,435	\$ 17,406	\$ 14,287	\$ 15,472	\$ 17,286	\$ 20,400	\$ 17,130	\$ 18,373	\$ 20,273	\$ 23,536	\$ 20,110	\$ 21,412	\$ 23,404	\$ 26,824	\$ 23,233	\$ 24,598	\$ 27,381	\$ 346,927
NEW VALUE	\$ 50,000.00																			
(Less Build Out and Rebranding)	\$ (29,815.35)																			
<b>PLAN PAYMENTS</b>																				
Court Costs and Expenses																				
28 U.S.C. §1930(a)(6) UST Trustee Fees	\$ 1,625	\$ 1,625	\$ 1,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,625	\$ 6,500
§ 503(b)(4) Admin Exp. - Attorney Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
§ 503(b)(4) Admin Exp. - Accountant Fees	\$ -	\$ -	\$ 1,650	\$ -	\$ -	\$ -	\$ 2,200	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 9,350
Professional Fees and Administrative Expenses	\$ 11,619.99	\$ 1,625	\$ 1,625	\$ 3,275	\$ -	\$ -	\$ 2,200	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ 1,625	\$ 27,470	
§503(b)(1) - Member Loan		\$ 531.88	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,596	\$ 1,064	\$ 25,530
§503(b)(1) Administrative Claim 2		\$ 602	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,805	\$ 1,203	\$ 12,030
§503(b)(9) 20-Day Claims		\$ 1,260	\$ 3,781	\$ 3,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,521	\$ -
507(a)(8) Priority Tax Claims	\$ -					\$ 910	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 2,729	\$ 1,819	\$ 32,747
Total Unclassified Priority and Admin. Expense Claims	\$ -	\$ 2,394	\$ 7,182	\$ 7,182	\$ 3,400	\$ 4,310	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,129	\$ 6,607	\$ 98,495
Class 1 - Secured Claims	\$ -	\$ 264	\$ 264	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295	\$ 1,295
Class 2 - General Unsecured Claims	\$ -		\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 8,408	\$ 134,527
Tot. Payments to Classes	\$ 528.30	\$ 264	\$ 264	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703	\$ 9,703
Additional Class payments (cash flow above Reserves)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,353.38	\$ -	\$ 9,482.55	\$ -	\$ 13,152.25	\$ -	\$ 15,392.80	\$ -	\$ 18,211.74	\$ 59,593
Total Plan Disbursements	\$ 12,148.29	\$ 1,889	\$ 4,283	\$ 20,159	\$ 16,884	\$ 13,103	\$ 14,013	\$ 18,032	\$ 15,832	\$ 15,832	\$ 19,185	\$ 18,332	\$ 25,315	\$ 15,832	\$ 28,984	\$ 18,832	\$ 31,225	\$ 15,832	\$ 36,147	\$ 341,861
Net Income	\$ (3,609)	\$ (417)	\$ 10,152	\$ (2,753)	\$ (2,598)	\$ 2,369	\$ 3,273	\$ 2,368	\$ 1,298	\$ 2,541	\$ 1,088	\$ 5,204	\$ (5,204)	\$ 5,580	\$ (5,580)	\$ 7,992	\$ (7,992)	\$ 8,766	\$ (8,766)	\$ 13,712
Average Consolidated Cash Flow	\$ 7,679	\$ 7,262	\$ 17,414	\$ 14,661	\$ 12,064	\$ 14,433	\$ 17,706	\$ 20,073	\$ 21,371	\$ 23,912	\$ 25,000	\$ 30,204	\$ 25,000	\$ 30,580	\$ 25,000	\$ 32,992	\$ 25,000	\$ 33,766	\$ 25,000	\$ 21,532



## EXHIBIT B

# OLE HICKORY BBQ

*BREW, BURGERS and QUE*

**Business Plan**

**Prepared by: Tom Drennen**

**Kangaroo Foods, LLC**

**March 2018**

**EXECUTIVE SUMMARY:**

Kangaroo Foods LLC is pursuing chapter 11 protection in order to reorganize and rebrand the restaurant it operates in Newport Kentucky. The ultimate goal for reorganizing is to pay its debts and to successfully operate a profitable business. Kangaroo Foods will use its experiences to successfully rebrand from a national franchise chain into a locally conceived restaurant concept. Rebranding will allow the company to gain a broader base of customers by differentiating its offerings from its competitors, reduce food costs, increase the speed of service, and allowing the company to market locally.

Ole Hickory BBQ: *Brew, Burgers and Que* will reopen in the summer of 2018. The concept will feature locally sourced and made from scratch menu items. The menu will be a traditional sports bar and grill menu but with a fusion of house smoked meats, such as pulled pork and hickory smoked brisket. Burgers, wings, and craft beers will still be featured, but house smoked meats will be the main attraction. The menu is not complicated to execute and menu items are cross-utilized to keep inventories low and cash flow available. There is not a barbecue themed restaurant within the general area. We will be able to separate ourselves from our current competition by rebranding as well as differentiating our offerings to attract a broader range of customers.

The main change will be going from a full service restaurant to a counter service style of restaurant. Instead of ordering from a server, the customer will order and pay from a counter. The main goal behind this change is speed and service. Service is the most important aspect of this business. Reliable and trainable service industry employees are the largest obstacle we are facing. By changing our operation to overcome these obstacles we will be able to serve our customers in the manner they are demanding. National-chain full-service style restaurants are closing all over the country. The casual dining segment we are currently operating under is not growing, it is declining. Restaurants experiencing

growth are fast-casual style concepts or locally inspired urban themed restaurants. Ole Hickory BBQ will fit in both categories.

Marketing will now be under full control by Kangaroo Foods LLC. We will be able to reach our customers through local marketing campaigns along with social media and online advertising. The franchisor previously had full control over the marketing. They were located out of Tampa, FL and it's reasonable to assume the marketing strategy was not in-line with the customers in the Newport, KY area. We will be able to reach Ole Hickory BBQ's customers better than we were able to in the past.

The location is currently located at 1723 Monmouth Street, Newport, KY. The space is approximately 5,000 square feet, it's leased, and it's located inside the Newport Shopping Center. The shopping center is mixed retail with no major anchor. However, the property was recently purchased by a nationwide real estate firm and they plan to aggressively seek national branded tenants to fill the voids. More foot traffic within the shopping center will also play a role in increased business.

Kangaroo Foods goal is to repay its debts and to build a successful and profitable business by rebranding its restaurant. Most businesses might close shop and liquidate, but not Kangaroo Foods. We are resilient and eager to move forward and apply what we've learned from previous failures and victories.

**COMPANY DISCRPTION:**

Kangaroo Foods was formed with the purpose of signing a 10 year franchise agreement with BeefOBradys Family Sports Pubs in February of 2008. The company's first restaurant was opened in Newport, KY in July of 2009. The restaurant was a successful operation and profitable business for the first 5 years in business. Major competition, major roadway expansions, increasing food costs, and an

out of touch franchisor made it increasingly difficult to operate the second half of the franchise term. The company and its members also invested in a second Beef'O'Bradys's location in Springdale, OH in 2013. Although the franchisor encourage its franchisees to purchase multiple locations, they never had the systems in place to successfully be a multi-unit operator. These restaurants are fully involve and require an owner-operator in each location. The Springdale location was closed in October of 2015. The franchise agreement for the Newport location expired in February of 2018, 10 years later, and is now operating as Newport Sports Grill.

In order to successfully transition into a locally grown restaurant concept, Kangaroo Foods made the decision not to renew its franchise agreement when the term was up in February of 2018. Kangaroo Foods is currently operating under the name Newport Sports Grill until the reorganization plan is approved. This name was developed to operate through the spring months and to prepare for a remodel closure. After the remodel, the restaurant will be reopened as Ole Hickory BBQ: *Brews, Burgers and Que*.

After operating a full service restaurant in Newport Kentucky for nine years, we have realized what our strengths and weaknesses are. Building a new brand will allow the company to develop its operation around its strengths and to remove the aspects of the operation we don't excel in. Hiring a great service staff has been our largest obstacle as a business. It's a combination of the area we are hiring from and the lack of available workers due to the increasing amount of restaurants opening within 5 miles.

The major difference in the operation will be changing from a full service restaurant into a counter service restaurant. Instead of customers ordering from a waiter/server, they will place their order from a centralized counter and pay for it upfront. Non-alcohol drinks will be self-serve from a condiment and drink station. The customer will be given a remote control buzzer which will light up and

vibrate when their order is ready. A food runner will deliver the prepared meal to the customer. The major goal behind this is speed and accuracy.

*Ole Hickory BBQ: Brews, Burgers and Que* is a concept born from Tom Drennen's experiences as a franchise restaurant operator and barbecue food truck owner. Tom Drennen will be the main operator and developer of the new restaurant.

### **PRODUCTS AND SERVICES:**

The new brand's theme is a fusion of smoked meats and traditional bar and grill food. The menu will be similar to the current menu but with smoked meats incorporated throughout. This will not be a traditional barbecue restaurant. This menu will have something for everyone with a large variety of options. The concept will have a local feel, will purchase local ingredients, items will be made fresh daily and the menu can be adjusted depending on customer feedback. Unlike being locked into a menu from a franchise based out of a different state, this menu can organically change due to customer's preferences and seasonality of fresh and local ingredients.

The goal is speed and service. How is this achieved? The idea is to decrease the amount of time the customer is waiting. In a traditional setting, the customer is forced to wait throughout their entire restaurant experience. Speeding up service will be achieved by offering "counter service," which is a fast-casual style way of operating. By doing this, we can eliminate the need for servers. A typical customer has to wait for:

- Waits to be seated.
- Waits for the server introduction.
- Waits for the server to take a drink order.

- Waits for the server to make everyone drink.
- Waits for the server to take their order.
- Waits for the food to be delivered, hoping there were no communication errors with the server.
- Waits for drink refills.
- Waits for the bill to be delivered.
- Waits for the bill to be separated when applicable.
- Waits for a credit card payment.
- Waits for change or the final receipt.

Ole Hickory BBQ's customers will walk into the restaurant and will be greeted by an employee located behind a cash register with digital menus hanging behind them. The customer will be able to review the digital menu, ask questions, order from the team member behind the register, pay, make their own beverage, find their own seat, and have their food delivered when it's ready. They will have the freedom to eat and leave whenever they are ready to leave. Customers ordering alcoholic beverages will be able to order drinks from the full service bar.

The menu will still include top selling items like burgers, chicken wings and local beers. These items current represent over 50% of our sales. Items such as brisket tacos, pulled pork nachos and collard dip with chips will be featured on the menu as well. House-made sides such as brisket mac and cheese, red beans and rice, and braised collard greens will be available to add on as sides. Most items will be available al a carte. This gives the appearance of lower pricing because sides aren't built into the price.

Flying Pig Wings will be a unique item on our menu. It's a play on Cincinnati's flying pig reputation. Flying pig wings are rib tips smoked low and low until they are fall off the bone tender. Because they are just the tips, the size is comparable to a chicken wing. After they are smoked, they will go into the walk-in cooler to chill (according to the health department cooling standards.) When a customer orders them,



they will be taken from the refrigerator and dropped unto the deep fryer and cooked to standard temperatures, then tossed in their favorite wings sauce or rub just like chicken wings are. They are served with ranch, blue cheese or celery and ate just like a chicken wing. We hope to become known this item. Please see the entire menu attached:

#### **MARKETING PLAN:**

Rebranding away from the franchise will give us the freedom to market in a more effective manner. As a franchisee we received very little marketing assistance. 2.3% of sales went to the franchisor and they had full control over the budget and directed the way the money was spent. The marketing basically consisted of receiving a page of coupons stuffed into a direct mailer and sent to 10,000 houses in the surrounding area. This was only 4 times a year, it was not effective, and it cost approximately \$12,000. Couponing had a negative impact. It trained our customers to wait for coupons in the mail and it devalued the brand and offerings. Couponing will not be in the new marketing strategy.

Social media and online marketing will play a major role in Ole Hickory BBQ's marketing strategy. Social media is a very efficient tool as it allows a company to target their customers by their habits and interests. Online marketing and ad-words will also play a major role in the marketing strategy. It is very important for a business to be at the top or near the top of a search engine when a customer is trying to find them. By spending a steady budget on social media and online search engines, the restaurant will start getting noticed.

The customers will come in the beginning because they love new restaurants. Every new restaurant goes through it and it has been termed the "honeymoon" phase. The most important marketing strategy we can have is to market within our own "four walls." This is how a new customer is

turned into a repeat customer. It will be crucial to offer fast service and to exceed customers' expectations.

Local TV media will also be used to promote the new opening. The local Fox, CBS, NBC, and ABC affiliates are always seeking out restaurants to perform live cooking segments on their news broadcast. It's typically free and a great way to promote a new brand. Tom Drennen has experience with these cooking segments and plans to do several before the re-opening. A press release regarding the new opening will be released to local media outlets with the goal of free publicity.

#### **MANAGEMENT AND OPERATION:**

Tom Drennen is a 30 percent member of Kangaroo Foods LLC and will be the developer and operator of the new brand. There will also be service managers, shift leaders, and a general manager running the day to day operation. The only salary wages will be paid to Tom Drennen and the General Manager. The rest of the management will be paid hourly.

Tom Drennen has the experience to make this a successful rebrand. Tom has nine years of restaurant ownership experience and has learned from the good and the bad times. Some might say owning a restaurant is difficult, and those people are correct. It takes someone who can get knocked down and get right back up to own a successful restaurant. Tom earned a bachelor's degree in marketing from Eastern Kentucky University as well as a culinary arts degree from the Illinois Institute of Art, where he graduated summa cum laude. Tom also owns a successful food truck named Wicked Hickory. Tom has been perfecting his barbecue skills for the past four years by catering special events, festivals, weddings, and graduation parties. The food truck has been contracted by companies such as P&G, McDonalds, Amazon, Tri Health, Beacon Orthopedic, and Wicked Films to name a few. Wicked Hickory has been featured in several newspaper articles and earned a Best of Taste of Cincinnati award

in 2017. Tom Drennen has been planning a barbecue themed restaurant for almost four years and is ready to hit the ground running.

Job duties for the owner operator include: coordinating staff, observing the preparation and serving of food, maintaining inventories, adhering to food safety regulations, allocating resources, administering payroll, and sales development, community relations, marketing, and always ensuring customer satisfaction. Has knowledge in food service safety, business acumen, leadership, problem-solving orientation, and team building capabilities.

**STARTUP COSTS:**

Startup costs will be kept at a minimum. The company is currently operating in a fully operational restaurant; which scored a 100% on its recent Health Department inspection. All of the infrastructure is there and will be utilized. Minor updates to equipment, paint theme, décor, and signage will be the bulk of the costs. The chairs, stools and booths will be re-used, but the upholstery will be refinished and updated to the new color scheme. All new table tops will be purchased along with new small wares (what the food is served on). All of the current neon beer signs will be removed and all of the sports memorabilia taken off the walls. Large logos and tag lines will be stenciled throughout the space. Tag lines such as EAT & DRINK LOCAL and FRESH, CRAFT, SEASONAL will be seen throughout.

For a full list of rebranding costs, please see the attached startup cost spreadsheet.

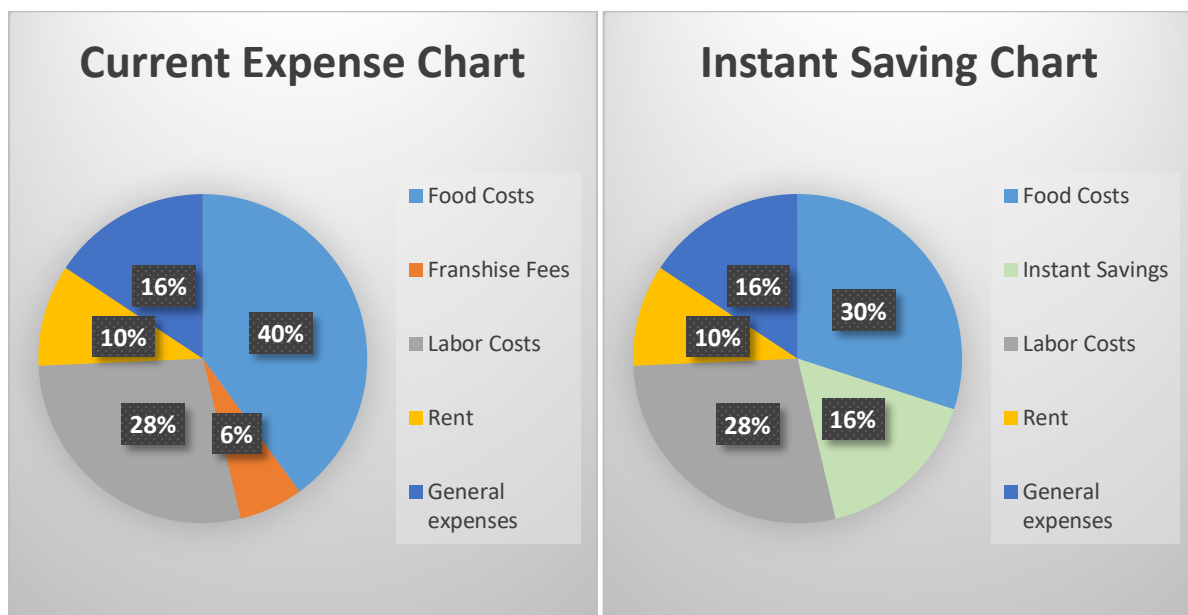
## REDUCING EXPENSES

The franchise concept operated with a 38-43% food cost margin. By purchasing local and seasonal ingredients, along with revamping the menu to cross-utilize ingredients, the food cost can be reduced to 24-28% which would save the company a considerable amount of in food cost.

The franchisor developed a menu with growing food costs. The menu was very large and expensive. It did not cross-utilize products, which meant cash flow was tied-up into inventory. The menu was also difficult to execute due to the size and amount of items on it. As a business model, it was obvious the franchisor was focused on increasing the sales number because they were paid a percentage of total sales. Food costs and operating costs came secondary.

Separating from the franchisor saves 6.3% directly off the amount of sales. The franchisor collected monthly royalties of 4%, plus an additional 2.3% for a general marketing fund. 6.3% in savings is a considerable amount given the amount of revenues we expect to gain.

With rebranding and not have franchising obligations, the company can instantly save approximately 16% of net revenues. This is a game changer in itself.



## BREW, BURGERS and QUE

### APPETIZERS

- POTATO SKINS \$5.99**  
5 potato skins filled with melted cheese, hickory smoked bacon, and green onions, served with sour cream.
- COLLARD GREEN DIP \$6.99**  
Savory braised greens made into a cheesy dip, served with house-made chips.
- JALAPENO POPPERS \$7.69**  
Fresh jalapenos stuffed with cream cheese and wrapped with hickory smoked bacon, served with sour cream.
- FRIED PICKLES \$4.99**  
Hand breaded and fried pickle slices, served with ranch.
- HOT LINKS \$5.69**  
House smoked sausage links, served with pickles and mustard.
- LOADED WAFFLE FRIES \$6.69**  
Battered style waffle fries topped with white queso, hickory smoked bacon, and green onions, served with a side of ranch.

### TEX-MEX SHARABLES

- SMOKED MEAT NACHOS \$8.99**  
Tortilla chips layered with white queso, smoked meat chili, lettuce, tomato, green onion, jalapenos, shredded cheddar jack, and sour cream
- GRILLED QUESADILLA \$5.99**  
Large flour tortilla grilled and filled with cheddar jack cheese, served with sour cream and salsa
- BRISKET QUESADILLA \$9.69**  
Same as above but also filled with hickory smoked brisket
- QUESO & CHIPS \$4.99**  
White queso dip topped with smoked meat chili, jalapenos, green onion, and diced tomato, served with seasoned tortilla chips
- DOS TACOS \$6.49**  
Two flour tortilla tacos filled with grilled smoked chicken or pork, lettuce, cheddar jack cheese and drizzled with house-made chimichurri ranch....sub brisket \$1.99

### SIDES & ADD ONs

- Salsa and Chips \$1.49**
- Coleslaw \$1.79**
- Straight Cut Fries \$1.89**
- Waffle Cut Fries \$2.69**
- Red beans and rice \$1.99**
- Braised Collards \$1.99**
- Green beans \$1.99**
- Mac and Cheese \$2.69**
- Brisket Mac & Cheese \$5.99**
- Onion Rings \$3.69**
- Side Garden Salad \$3.99**
- Side Caesar Salad \$3.99**
- Side Greek Salad \$4.29**
- Soup of the Day \$2.69**
- Smoked Meat Chili \$2.49**

### FIX'en FOR SOME WINGS

#### BONELESS or TRADITIONAL

5.....	\$6.49
10.....	\$11.49
15.....	\$15.99
20.....	\$20.99

#### Flying Pig Wings

½ Pound .....	\$6.99
Full Pound ...	\$9.99

#### SAUCES

- 1 Wicked
- 2 Hot
- 3 Hot Garlic
- 4 Jerk BBQ
- 5 Asian BBQ
- 6 Mild
- 7 Honey BBQ
- 8 Garlic Parm

#### DRY RUBs

- 1 Nashville Hot
- 2 Wasabi Soy
- 3 Bayou Cajun
- 4 BBQ Rub
- 5 Mild Curry
- 6 Taco Dust
- 7 Lemon Pepper
- 8 Island Herbs

### BURGERS

- CLASSIC CHEESEBURGER \$5.99**  
Chef inspired burger blend, seared and topped with your choice of American, Swiss, provolone, cheddar jack, or blue cheese crumbles. Served on a toasted bun with lettuce, tomato and pickle.
- BLACK & BLUE BURGER \$7.69**  
Seared with our Bayou Cajun dry-rub and topped with melted blue cheese crumbles and hickory smoked bacon. Served on a toasted bun with lettuce, tomato, and pickle.
- BACON CHEESEBURGER \$7.49**  
Hickory smoked bacon and American cheese. Served on a toasted bun, with lettuce, tomato and pickle.
- GRILLER BURGER \$6.99**  
Grilled mushrooms and onions, topped with Swiss cheese. Served on a toasted bun with lettuce tomato and pickle.
- TEXAS BURGER \$7.69**  
Drizzled with a rich BBQ sauce and stacked with hickory smoked brisket, onion rings, and cheddar jack cheese.
- QUESADILLA BURGER \$7.69**  
Grilled burger diced and dusted with our taco rub, then stuffed into a grilled tortilla layered with melted cheddar jack cheese, served with sour cream and salsa.

### COMBO PLATTERS

- Smoked Meat Combo: \$10.99**  
One smoked meat with your choice of any two sides.
- 2 Meat Combo \$12.99**  
Two smoked meats with your choice of any two sides.
- 3 Meat Combo \$15.99**  
3 smoked meats with your choice of any two sides.
- Family Platter \$19.99**  
1 pound of smoked meat plus two large sides.  
Feeds 4 - 6
- SMOKED MEATS:**
- |                |                |
|----------------|----------------|
| Pulled Pork    | Pulled Chicken |
| Smoked Brisket | Smoked Lamb    |
| Hot Links      | Carved Turkey  |

### HANDCRAFTED SANDWICHES & MORE

- SMOKED MEAT PHILLY \$6.49**  
Pulled pork, green peppers and onions, topped with melted provolone and served on a toasted hoagie roll....(sub smoked chicken for no charge)
- BRISKET REUBEN \$6.49**  
Toasted rye bread stuffed with shaved smoked beef brisket, sauerkraut, melted Swiss cheese and thousand island dressing.
- FISH SANDWICH \$6.49**  
Flakey whitefish grilled, blackened, or southern-fried and served on a toasted bun with lettuce, tomato, pickle and a side of tartar sauce.
- CLASSIC PULLED PORK \$6.49**  
Hickory smoked pork, hand pulled and piled onto a toasted bun. Served with your choice of slaw.
- SMOKED CHICKEN CLUB \$6.99**  
Smoked chicken topped with hickory smoked bacon and American cheese. Served on a toasted bun with lettuce, tomato and pickle.
- SMOKED LAMB PITA \$8.99**  
Award winning, tender hickory smoked lamb, stuffed into a toasted pita with lettuce, tomato, and onion.
- 3 CHEESE BLT \$5.99**  
American, Swiss, and provolone cheeses melted into toasted sourdough and topped with hickory smoked bacon, lettuce, and tomato.
- SHRIMP PO BOY \$7.49**  
Hand breaded shrimp tossed in Bayou Cajun dry rub and stuffed into a toasted garlic hoagie roll with lettuce, tomato, pickle, and a side of tartar sauce.
- FISH FRY \$7.99**  
4 southern-fried flakey whitefish filets served with a side of tartar sauce, and two slices of rye bread.
- KENTUCKY HOT BROWN \$8.99**  
A KY Classic. Carved turkey over a toasted hoagie and topped with a creamy cheese sauce, sliced tomatoes, hickory smoked bacon and parmesan cheese. Fork and knife type of stuff.

### KIDDO's (10 and under)

- Each kiddo meal comes with a small soft drink or milk, and choice of apple sauce, natural cut fries, steamed broccoli, or kid's garden salad.
- Kid's Mac and Cheese \$3.99**
- Mini Corn Dogs \$3.99**
- Grilled Cheese \$3.99**
- Pulled Pork or Chicken \$4.99**
- Cheeseburger \$5.99**

### DESSERTS

- Banana Pudding \$3.99**  
Creamy banana pudding served with vanilla ice cream.
- Vanilla Ice Cream \$1.99**  
Topped with your choice of strawberry, chocolate or caramel sauce.
- Root Beer Float \$2.99**  
Vanilla Ice Cream and Barq's Root Beer.

NOTE: Upon request, we will cook hamburger to your specifications. However, consuming raw or undercooked meat may increase your risk of foodborne illness. Please inform your server of any specific food allergies you have.

# EXHIBIT C

# OLE HICKORY BBQ

## BREW, BURGERS and QUE

### PROJECT COST SUMMARY

<b>Equipment</b>	<b>Amount</b>
Advantco Counter Top Full Size Oven	\$1,499.00
Servlet 4 pan steam table	\$749.00
Self-serve coke machine and install - Free	\$0.00
Harbor Breeze Point of sale system and install - Free	\$0.00
Aluminum 9x13" sheet pan, 120 count @ \$2.90	\$348.00
Smokin Tex smoker 1500 CXLD	\$2,995.00
<b>Refinished Furniture</b>	
Replacement cushions for chairs 105 @ \$9.13	\$958.65
New Table Tops 26 @ \$28.95	\$752.70
<b>Exterior Signage</b>	
36" Letter Raceway Sign, install by Carpenters Signs	\$3,995.00
<b>Interior Décor</b>	
Painting and interior logos (Joe Steffen Painting)	\$3,750.00
Interior carpet squares in install @ 2.45 per sq. foot	\$2,450.00
Miscellaneous Demo \$30 per hour at 40 hours	\$1,200.00
Refinishing of stained concrete flooring @ \$.65 per sq. ft.	\$1,430.00
Upgraded Lighting fixtures	\$350.00
<b>Inventory</b>	
Initial Food, Beverage & Liquor Order - 3 day par level	\$1,200.00
<b>Wages</b>	
Opening Staff Training, 3 days, 3 hour days @ \$10 per hour	\$1,250.00
<b>Marketing</b>	
Google website design and ad words	\$250.00
Social Media Marketing Campaign	\$750.00
<b>Holdover Costs</b>	
Rent for 3 week shut down	\$4,638.00
Estimated utilities	\$1,250.00
Operating Capital and Contingency	\$20,184.65
<b>Total</b>	<b>\$29,815.35</b>