

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
ALEXANDRIA DIVISION**

In re

Case No. 16-80392

Mid-State Plumbing, Inc.

Small Business Case under Chapter 11

Debtor

**AMENDED DISCLOSURE STATEMENT
FILED BY DEBTOR IN POSSESSION DATED APRIL 30, 2017**

I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the small business chapter 11 case of Mid-State Plumbing, Inc. (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the **Second Amended Plan of Reorganization (the "Plan") filed by the Debtor on March 20, 2017**. A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. ***Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.***

The proposed distributions under the Plan are discussed at pages **6-7** of this Disclosure Statement. General unsecured creditors are classified in Class 4, and will receive a distribution of approximately **6.5%** of their allowed claims, to be distributed as follows: a total of **\$45,000.00** to be paid pro rata to allowed unsecured claims in **twenty-five (25)** regular monthly payments beginning month **24** after the effective date of the plan in the amount of **\$1,500.00** for the first 20 monthly payments and **\$3,000.00** for the last 5 monthly payments.

A. Purpose of This Document

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case,
- How the Plan proposes to treat claims or equity interests of the type you hold (i.e., what you will receive on your claim or equity interest if the plan is confirmed),
- Who can vote on or object to the Plan,
- What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,
- Why DEBTOR IN POSSESSION believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
- The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

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

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

1. *Time and Place of the Hearing to Finally Approve This Disclosure Statement and Confirm the Plan*

Unless the Court has previously approved this disclosure statement after notice and a hearing, the hearing at which the Court will determine whether to *finally approve this Disclosure Statement and confirm the Plan* will take place on the date and time shown on the accompanying order conditionally approving this disclosure statement.

2. *Deadline For Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot to L. Laramie Henry, P.O. Box 8536, Alexandria, LA 71306. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by the date shown on the accompanying **notice and order** or it will not be counted.

3. *Deadline For Objecting to the Adequacy of Disclosure and Confirmation of the Plan*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon debtor's counsel by the date shown on the **notice**.

4. *Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact:

L. Laramie Henry
Attorney at Law
P.O. Box 8536
Alexandria, LA 71306.

C. **Disclaimer**

The Court has conditionally approved this Disclosure Statement as containing adequate information to enable 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 this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted. The Court's approval of this Disclosure Statement is subject to final approval at the hearing on confirmation of the Plan. Objections to the adequacy of this Disclosure Statement may be filed until the date and time shown on the accompanying order conditionally approving this disclosure statement.

II. **BACKGROUND**

A. **Description and History of the Debtor's Business**

The Debtor is a non-public corporation. Since 1978, the Debtor has been in the business of plumbing repair and contractor. Debtor provides plumbing contracting and repair to residential and commercial **properties** throughout the Central Louisiana Area.

B. Insiders of the Debtor

Insider Name: Michael S. Miller	Relationship to the Debtor: President, CEO, and Shareholder
Compensation paid by the Debtor or its affiliates to this insider during the two years prior to the commencement of the Debtor's bankruptcy case: \$1,520.00 per week (\$79,040.00 annually)	
Compensation paid during the pendency of this chapter 11 case: \$1,520.00 per week (\$79,040.00 annually)	

Insider Name: Cynthia Miller	Relationship to the Debtor: 50% shareholder
Compensation paid by the Debtor or its affiliates to this insider during the two years prior to the commencement of the Debtor's bankruptcy case: none	
Compensation paid during the pendency of this chapter 11 case: none	

Insider Name: Melissa Miller	Relationship to the Debtor: daughter of the Michael and Cynthia Miller
Compensation paid by the Debtor or its affiliates to this insider during the two years prior to the commencement of the Debtor's bankruptcy case: \$10.90 per hour	
Compensation paid during the pendency of this chapter 11 case: \$10.90 per hour	

Insider Name: Matthew Miller	Relationship to the Debtor: nephew of Michael and Cynthia Miller
Compensation paid by the Debtor or its affiliates to this insider during the two years prior to the commencement of the Debtor's bankruptcy case: \$35.00 per hour	
Compensation paid during the pendency of this chapter 11 case: \$35.00 per hour	

C. Management of the Debtor Before and During the Bankruptcy

During the two years prior to the date on which the bankruptcy petition was filed, the officers, directors, managers or other persons in control of the Debtor (collectively the "Managers") were:

Michael S. Miller

The Managers of the Debtor during the Debtor's chapter 11 case have been:

Michael S. Miller

After the effective date of the order confirming the Plan, the directors, officers, and voting trustees of the Debtor, any affiliate of the Debtor participating in a joint Plan with the Debtor, or successor of the Debtor under the Plan (collectively the "Post Confirmation Managers"), will be:

Michael S. Miller

The responsibilities and compensation of these Post Confirmation Managers are described in section III.D.2 of this Disclosure Statement.

D. Events Leading to Chapter 11 Filing

Due to a downturn in work, debtor turned to a number of high interest commercial lenders to sustain operations. Payment of the high interest debts cause a further cash deficiency which exacerbated the problem. Although the debtor continued to have a positive income, it was unable to meet its day to day expenses.

E. Significant Events During the Bankruptcy Case

Since filing the bankruptcy case, debtor has maintained positive cash flow and earnings. Due to a lack of available credit, debtor has used cash to pay for certain ongoing expenses and operations by providing employees with cash to pay for fuel and supplies as well as travel while working out of town. Debtor collects and maintains receipts for those expenditures.

F. Projected Recovery of Avoidable Transfers

The Debtor is not aware of and does not intend to pursue any avoidance actions with regard to prepetition transactions.

G. Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan.

H. Current and Historical Financial Conditions

The identity and fair market value of the estate's assets are listed in Exhibit B.

The Debtor's most recent financial statements issued before bankruptcy, each of which was filed with the Court, are set forth in Exhibit C.

A summary of the Debtor's periodic operating reports filed since the commencement of the Debtor's bankruptcy case is set forth in Exhibit D.

III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization?

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims

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

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

Type	Estimated Amount Owed	Proposed Treatment
Professional fees, as approved by the Court	\$15,000.00	Paid in regular installments as described in the plan.
TOTAL	\$15,000.00	

2. Priority Tax Claims

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

The following chart lists the Debtor's estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

Description (name and type of tax)	Estimated Amount Owed	Treatment
IRS - Insolvency Unit (BKR) Taxes	\$31,063.93	to be paid with interest at the rate of 3.68%. The claim shall be paid \$1006.70 per month beginning in month 11 (after the effective date of the plan) and continuing until month 43 (or until paid in full)
Louisiana Workforce Commission Taxes	\$5,531.99	to be paid without interest in the amount of \$172.87 per month beginning in month 11 (after the effective date of the plan) and continuing until month 43
State of Louisiana Department of Revenue	\$9,579.18	to be paid with interest at the rate of 5.0%. The claim shall be paid \$310.43 per month beginning in month 11 (after the effective date of the plan) and continuing until month 43 (or until paid in full)

C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

1. Classes of Secured Claims

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan:

Class #	Description	Insider? (Yes or No)	Impairment	Treatment
1	<p><i>Secured claim of:</i> Name = Ford Motor Credit</p> <p>Collateral Description = 2012 Ford F250</p> <p>Allowed Secured Amount = \$5,718.17</p> <p>Total claim = \$5,718.17</p>	No	Impaired	<p>to be paid with interest at the rate of 5.25% in monthly installments of \$500.00 each beginning month 1 after the effective date and continuing until the claim has been paid in full. Creditor is over-secured and shall be entitled to recover all fees and costs (including attorney's fees and costs) incurred in the Chapter 11 Proceedings. Debtor will continue to pay creditor in the amount of \$500.00 per month until all fees and costs (including attorney's fees and costs) incurred in the Chapter 11 Proceedings have been paid in full.</p> <p>Adequate Protection Payments in the amount of \$500.00 per month began on this claim retroactive to July 15, 2016. After deduction of the adequate protection payments, Debtor estimates that the claim (including all fees and costs) will be paid in full by month 5 after the effective date.</p> <p>Creditor shall retain its lien until payment of the secured claim in full as set forth in this plan.</p>
2	<p><i>Secured claim of:</i> Name = IRS - Insolvency Unit (BKR)</p> <p>Collateral Description = Tax Lien</p> <p>Allowed Secured Amount = \$23,773.58</p> <p>Total claim = \$23,773.58</p>	No	Impaired	<p>to be paid with interest at the rate of 3% in monthly installments of \$1500.00 each beginning in month 6 after the effective date and continuing until the claim has been paid in full. Debtor estimates that the payments will end in month 23 after the effective date.</p> <p>Creditor shall retain its lien until payment of the secured claim in full as set forth in this plan.</p>
3	<p><i>Secured claim of:</i> Name = WBL</p> <p>Collateral Description = Trucks and Excavators</p> <p>Allowed Secured Amount = \$4,138.89</p> <p>Total claim = \$4,138.89</p>	No	Impaired	<p>Creditor shall have a secured claim in the amount of \$4,138.89 to be paid with interest at the rate of 5.25% in monthly installments of \$1000.00 each beginning month 1 after the effective date and continuing until the claim has been paid in full. Debtor estimates that the payments will end in month 5 after the effective date.</p> <p>Creditor shall retain its lien until payment of the secured claim in full as set forth in this plan.</p>

2. Classes of Priority Unsecured Claims

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept a different treatment.

The following chart lists all classes containing claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code and their proposed treatment under the Plan:

Class #	Description	Impairment	Treatment
NONE.			

3. *Class[es] of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

The following chart identifies the Plan's proposed treatment of Class[es] which contain general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
4	General Unsecured Class	Impaired	Beginning in month 24 after the effective date of the plan, debtor shall pay 20 monthly installments of \$1,500.00 followed by 5 monthly installments of \$3,000.00, both pro rata, to the unsecured creditors holding allowed, undisputed claims. The total to be paid to unsecured creditors is \$45,000.00. Debtor estimates that unsecured creditors will be paid approximately 6.5%, but this amount may increase depending on the amount of allowed claims which remain undisputed.

4. *Class[es] of Equity Interest Holders*

Equity interest holders are parties who hold an ownership interest (i.e., equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company ("LLC"), the equity interest holders are the members. Finally, with respect to an individual who is a debtor, the Debtor is the equity interest holder.

The following chart sets forth the Plan's proposed treatment of the class[es] of equity interest holders: [There may be more than one class of equity interests in, for example, a partnership case, or a case where the prepetition debtor had issued multiple classes of stock.]

Class #	Description	Impairment	Treatment
5	Equity Interest Holders	Unimpaired	Equity Security Holders will retain their ownership interests in the debtor.

D. Means of Implementing the Plan

1. *Source of Payments*

Payments and distributions under the Plan will be funded by the following:

Future earnings of the debtor. **The proposed distribution schedule (by month) is attached hereto as Exhibit H.**

2. *Post-confirmation Management*

The Post-Confirmation Managers of the Debtor, and their compensation, shall be as follows:

Name	Affiliations	Insider (yes or no)?	Position	Compensation
Michael S. Miller	NONE	Yes	CEO	same as pre-petition

E. Risk Factors

The proposed Plan has the following risks:

1) unforeseen downturn in the general economy which may affect commercial development in Central Louisiana, 2) unforeseen reduction in income due to an increase in competition and/or loss of skilled employees due to competition in the market.

F. Executory Contracts and Unexpired Leases

The Plan, in Section **6.1**, lists all executory contracts and unexpired leases that the Debtor will assume under the Plan. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. **Section 6.1** also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in **Section 6.1** will be rejected under the Plan. Consult your advisor or attorney for more specific information about particular contracts or leases.

If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, And/Or Advisors.

The following are the anticipated tax consequences of the Plan: The following discussion is not intended as a substitute for professional tax advice, including the evaluation of recently enacted and pending legislation, since recent changes in the federal income taxation of reorganizations under the Bankruptcy Code are complex and lack authoritative interpretation. The Debtors assume no responsibility for the effect confirmation of the Plan and distribution thereunder will have on any given creditor or

interest holder. The brevity of the following discussion requires omission of matters which might affect one or more holders of claims against or interests in the Debtors depending upon their individual circumstances.

Accordingly, creditors and interest holders are strongly urged to consult with their own tax advisors concerning the federal, state and local tax consequences of the Plan.

To the extent a creditor or interest holder receives, or expects to receive, less from the Debtors pursuant to the Plan than the creditor's or interest holder's basis in the claim to which such amount relates, such creditor or interest holder may be permitted to claim a bad debt deduction.

The amount and timing of such deduction will depend, among other things, upon the creditor's or interest holder's tax accounting method for bad debts. It should be noted that if the debt is not business related, a deduction is only available if the debt is worthless. To the extent that a creditor or interest holder receives payment from the Debtors pursuant to the Plan in an amount in excess of the creditor's or interest holder's adjusted tax basis in the claim to which payment relates, such excess will be income to the creditor or interest holder.

While the ultimate tax implications of the Plan on the Debtors cannot be precisely determined at this time, the Debtors do not anticipate any adverse tax consequences which would influence creditors in determining whether to accept the Plan.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object

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

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that classes 1-4 are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that classes NONE are unimpaired and that holders of claims in each of these classes, therefore, do not have the right to vote to accept or reject the Plan.

1. What Is an Allowed Claim or an Allowed Equity Interest?

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the

Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim in this case is the date set for hearing on confirmation of the plan.

2. *What Is an Impaired Claim or Impaired Equity Interest?*

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. *Who is **Not** Entitled to Vote*

The holders of the following five types of claims and equity interests are *not* entitled to vote:

- holders of claims and equity interests that have been disallowed by an order of the Court;
- holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes.
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and
- holders of claims or equity interest in classes that do not receive or retain any value under the Plan;
- administrative expenses.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan.

4. *Who Can Vote in More Than One Class*

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. Votes Necessary to Confirm the Plan

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

1. *Votes Necessary for a Class to Accept the Plan*

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. *Treatment of Nonaccepting Classes*

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

You should consult your own attorney if a "cramdown" confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

C. **Liquidation Analysis**

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit E.

D. **Feasibility**

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

1. *Ability to Initially Fund Plan*

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan, and the sources of that cash are attached to this disclosure statement as Exhibit F.

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

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.

The Plan Proponent has provided projected financial information. Those projections are listed in Exhibit G.

The Plan Proponent's financial projections show that the Debtor will have an aggregate annual cash flow, after paying operating expenses and post-confirmation taxes, of **no less than \$36,000.00**. The final Plan payment is expected to be paid on **November 15, 2021**.

There are no numerical projections that are not in accord with past experience.

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

V. EFFECT OF CONFIRMATION OF PLAN

A. DISCHARGE OF DEBTOR

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

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

The Plan Proponent may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated *and* (2) the Court authorizes the proposed modifications after notice and a hearing.

C. Final Decree

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

VI. OTHER PLAN PROVISIONS

NONE.

Respectfully Submitted,

/s/ L. Laramie Henry

L. Laramie Henry

Attorney at Law

P.O. Box 8536

Alexandria, LA 71306

(318) 445-6000