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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re

UBB PROJECT LLC *dba* ROOMR

Chapter 11
Case No.: 16-40590-ess

Debtor.

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DISCLOSURE STATEMENT

UBB Project LLC (the “Debtor”) submits this Disclosure Statement pursuant to Section 1125(b) of Title 11, United States Code, 11 U.S.C. §§ et seq. (the “Bankruptcy Code”) and Rule 3017 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), in connection with its Chapter 11 Plan of Reorganization dated December 9, 2016 (the “Plan”) to all known holders of Claims against or Interests in the Debtor in order to adequately disclose information deemed to be material, important and necessary for the Debtor’s creditors to make a reasonably informed judgment about the Plan. A copy of the Plan is attached hereto as Exhibit “A.”

Under Section 1126(b) of the Bankruptcy Code, only Classes of Allowed Claims that are “impaired” under the Plan, as defined by Section 1124 of the Bankruptcy Code, are entitled to vote on the Plan. Generally, a Class is impaired if its legal, contractual or equitable rights are altered or reduced under the Plan. Under the Plan, Class 1 is impaired and thus entitled to vote. The Class 2 Interest holders are unimpaired under the Plan and deemed to have accepted the Plan.

I. INTRODUCTION

A. Background

UBB Project LLC (the “Debtor”) is a corporation organized under the laws of the State of New York that operates a café located at 17 Old Fulton Street, Brooklyn, New York.

The Debtor filed the Petition in order obtain the benefit of section 362 of the Bankruptcy Code and stay a lawsuit filed against it in New York Supreme Court, Kings County entitled *Fintech Management Group, Inc. et al. v. UBB Project LLC et al.*, (500324/2106) (the “State Action”). The State Action seeks, among other things, the repayment of loans totaling approximately \$640,000 and a determination concerning disputed ownership interests in the Debtor.

On April 4, 2016, the Plaintiffs filed (i) an adversary proceeding in this court (*Fintech Management Group, Inc. et al. v. UBB Project LLC et al.*, AP 16-01075)) seeking substantially the same relief sought in the State Court Action; (ii) a motion to modify the automatic stay in order to continue the prosecution of the Action (ECF 47); and (iii) a motion to impose a constructive interest in favor of one of the Plaintiffs (ECF 52), Feliks Pitsel, with respect to the disputed ownership interests in the Debtor, each of which is pending. Based on the Debtor’s Schedules of Assets and Liabilities and claims filed to date , the Plaintiffs’ aggregate claims against the Debtor, albeit disputed, represent not less than approximately 75% of the total unsecured claims against the Debtor.

B. Commencement of the Chapter 11 Case

On February 12, 2016 (the “Petition Date”), the Debtor filed a voluntary petition for reorganization pursuant to Chapter 11 of the Bankruptcy Code. The Debtor remains in possession of its property. No committee, trustee or examiner has been appointed.

C. Employment of the Debtor’s Professionals

On April 8, 2016, the Debtor filed an application to retain Rich Michaelson Magaliff Moser, LLP as its bankruptcy counsel. On May 5, 2016, an Order was entered authorizing the retention of RMMM. On August 24, 2016, the Law Office of Julio E. Portilla, P.C. filed a retention application in substitution for the previously retained RMMM. As of the date hereof, an Order has not been entered.

D. Filing of Schedules of Assets and Liabilities and Statement of Financial Affairs

On April 18, 2016 the Debtor filed Schedules of Assets and Liabilities, together with a Statement of Financial Affairs (collectively, the “Schedules”). The Schedules are available on the Bankruptcy Court’s website: www.nyeb.uscourts.gov (log-in and password required) or from counsel for the Debtor upon written request.

E. Establishment of a Claims Bar Date and Claims Process.

The Debtor filed a motion and obtained an order on June 2, 2016 establishing July 15, 2016 as the last date by which creditors may file proofs of claim in the Chapter 11 case (the “Bar Date”). Notice of the Bar Date was duly served on all creditors.

F. The Restructuring of the Debtor

The Allowed Unsecured Claims shall be paid either (i) at a reduced amount and over time from the operating profits of the Café, after the payment of all unclassified, Administrative, Priority, post-Effective Date legal fees and Class 1 in full, within ten (10) business days of the Sale Closing Date. Class 1 Allowed Unsecured Claims are impaired under this Plan and are entitled to vote.

G. Post-Petition Operations

The Debtor has continued to operate the Café during the chapter 11 case with the following profit/loss results as reflected in the Debtor's Monthly Operating Reports:

February	2016	\$ (1,673.94)
March	2016	\$ 5,359.09
April	2016	\$ 1,566.14
May	2016	\$ 1,747.00
June	2016	\$ 2,959.59
July	2016	\$ 5,588.64
August	2016	\$ (969.37)
September	2016	\$ 1,432.33
October	2016	\$ 2,805.84
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Net Profit/Loss		\$ 18,815.32

II. THE PLAN OF REORGANIZATION

THE FOLLOWING IS A BRIEF SUMMARY OF THE PLAN. THE PLAN REPRESENTS A PROPOSED LEGALLY BINDING AGREEMENT AND CREDITORS ARE URGED TO CONSULT WITH THEIR COUNSEL IN ORDER TO FULLY UNDERSTAND THE PLAN AND TO MAKE AN INTELLIGENT JUDGMENT CONCERNING IT. THE PLAN GOVERNS OVER ANY DISCREPANCY IN THIS SUMMARY.

The Debtor will reorganize by paying unsecured claims a reduced amount pro rata share after payment of all unclassified administrative, priority, post effective date legal fees in full.

A. Treatment of Unclassified Claims under the Plan

1. Allowed Administrative Claims other than Claims of Professionals: To the extent that any such Claims should exist, they shall be paid in the ordinary course and according to the terms and conditions of the respective contracts underlying such Claims.

2. Allowed Administrative Claims of Debtor's counsel and Broker: The Administrative Professional Claims are those of Debtor's counsel, Rich Michaelson Magaliff Moser, LLP (hereinafter "RMMM") and the Law Office of Julio E. Portilla, P.C. The Allowed Administrative Claim of RMMM \$41,4738.00 while the Allowed Administrative Claim of Law Office of Julio E. Portilla, P.C. is expected to be in an excess of \$85,000.00 (subject to approval by the Court). The Allowed administrative Claims of RMMM and Law Office of Julio E. Portilla shall be paid in full, in cash, upon the later of (i) allowance by the Court pursuant to Section 330 of the Code or (ii) the Effective Date, unless otherwise agreed by such professional, from the proceeds of from the Debtor.

3. United States Trustee's Fees: The Debtor shall pay all United States Trustee quarterly fees under 28 U.S.C. §1930(a)(6), plus interest due and payable under 31 U.S.C. §3717 on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtor's business, until the entry of a Final Decree, dismissal of the Chapter 11 Case or conversion of the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.

4. Allowed Priority Tax Claims: The Debtor, shall pay, in full and in cash, Allowed Priority Claims (entitled to Priority pursuant to Section 507(a)(8) of the Bankruptcy Code) in equal monthly installments over five years commencing on the Effective Date . Priority tax claims consist of NYSDTF in the amount of \$26,645.88; the Internal Revenue Service in the amount of \$32,731.61, NYS Department of Labor, Unemployment Division in the amount of \$1,292.26

B. Treatment of Classes

Class 1: The Allowed Unsecured Claims shall be paid either (i) at a reduced amount and over time from the operating profits of the Café, after the payment of all unclassified, Administrative, Priority, post-Effective Date legal fees and Class 1 in full, within ten (10) business days of the Sale Closing Date. Class 1 Allowed Unsecured Claims are impaired under this Plan and are entitled to vote.

Class 2: In the event the Debtor reorganizes the Allowed Interests shall retain their membership interests in the Debtor. Class 2 Interest holders are unimpaired and are deemed to have accepted the Plan under Section 1124 and 1126 of the Bankruptcy Code.

C. Means For Execution And Implementation Of The Plan

In the event the Debtor is successful in negotiating a substantial reduction of the NYSTF claim, the Plan shall be funded with the cash on hand on the Effective Date, and thereafter with quarterly payments from the Debtor's operating profits. All distributions shall be made by the Debtor in accordance with Article III herein, except that to the extent a Claim becomes an Allowed Claim after the Effective Date, in which case it shall be paid within ten (10) days after the order allowing such Claim becomes a Final Order.

D. Resolution Of Disputed Claims & Reserves

(a) Objections. An objection to the allowance of a Claim shall be in writing and may be filed with the Bankruptcy Court by the Debtor or any other party in interest no later than sixty (60) days after the Effective Date.

(b) Amendment of Claims. A Claim may be amended after the Effective Date only as agreed upon by the Debtor and the holder of such Claim and as approved by the Bankruptcy Court or as otherwise permitted by the Bankruptcy Code and Bankruptcy Rules.

(c) Reserve for Disputed Claims. The Debtor shall reserve, on account of each holder of a Disputed Claim, that property which would otherwise be distributable to the holder on such date were the Disputed Claim at issue an Allowed Claim at the time of distribution, or such other property as the holder of the Disputed Claim at issue and the Debtor may agree upon. The property so reserved for the holder, to the extent that the Disputed Claim is Allowed, and only after the Disputed Claim becomes a subsequently Allowed Claim, shall thereafter be distributed to such holder as provided below.

(d) Claims Procedures Not Exclusive. All of the aforementioned Claims procedures are cumulative and not necessarily exclusive of one another. On and after the Confirmation Date, Claims which were previously disputed may subsequently be compromised, settled, withdrawn, or otherwise resolved without further order of the Bankruptcy Court.

E. Executory Contracts and Leases

The unexpired lease of the premises located 17 Old Fulton Street, Brooklyn, NY is hereby assumed. Any other written lease or contract that is executory in whole or in part to which the Debtor is a party shall be deemed that has not been previously assumed shall be deemed rejected. Any person whose Claim arises from rejection of an executory contract shall, to the extent such Claim becomes an Allowed Claim, have the rights of a holder of an Unsecured Claim in Class 1 with respect thereto. Any person or entity that has a Claim against the Debtor by virtue of rejection of an executory contract may file a Claim with the Clerk of the Court, and serve such claim upon counsel for the Debtor no later than twenty-five (25) days after notice of the occurrence of the Confirmation Date. If such claim is not filed within such time, it shall forever be barred from assertion against the Debtor and its estate.

F. Tax Consequence of the Plan

Creditors Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, and/or Advisors.

Confirmation may have federal income tax consequences for the Debtor and Creditors. The Debtor has not obtained, and does not intend to request, a ruling from the Internal Revenue Service (the "IRS"), nor has the Debtor obtained an opinion of counsel with respect to any tax matters. Any federal income tax matters raised by confirmation of the Plan are governed by the Internal Revenue Code and the regulations promulgated thereunder. Creditors are urged to consult their own counsel and tax advisors as to the consequences to them, under federal and applicable state, local and foreign tax laws, of the Plan. The following is intended to be a summary only and not a substitute for careful tax planning with a tax professional. The federal, state and local tax consequences of the Plan may be complex in some circumstances and, in some cases, uncertain. Accordingly, each holder of a Claim is strongly urged to consult with his or her own tax advisor regarding the federal, state and local tax consequences of the Plan, including but not limited to the receipt of cash and/or stock under this Plan.

1. Tax Consequences to the Debtor

The Debtor may not recognize income as a result of the discharge of debt pursuant to the Plan because Section 108 of the Internal Revenue Code provides that taxpayers in bankruptcy proceedings do not recognize income from discharge of indebtedness. However, a taxpayer is required to reduce its "tax attributes" by the amount of the debt discharged. Tax attributes are reduced in the following order: (i) net operating losses; (ii) general business credits;

(iii) capital loss carryovers; (iv) basis in assets; (v) passive activity loss and credit carryovers; and (vi) foreign tax credit carryovers.

2. Tax Consequences to Unsecured Creditors

An unsecured creditor that receives cash in satisfaction of its Claim may recognize gain or loss, with respect to the principal amount of its Claim, equal to the difference between (i) the creditor's basis in the Claim (other than the portion of the Claim, if any, attributable to accrued interest), and (ii) the balance of the cash received after any allocation to accrued interest. The character of the gain or loss as capital gain or loss, or ordinary income or loss, will generally be determined by whether the Claim is a capital asset in the creditor's hands. A creditor may also recognize income or loss in respect of consideration received for accrued interest on the Claim. The income or loss will generally be ordinary, regardless of whether the creditor's Claim is a capital asset in its hands.

G. Avoidance and Recovery Actions

The Debtor's estate will pursue all causes of action under Sections 544, 547, 548, 550 and 553 of the Bankruptcy Code that should be pursued. The Debtor shall file such actions no later than 120 days after the Effective Date. The proceeds from any recoveries from Avoidance Actions shall be used to first pay any outstanding professional fees and expenses incurred in connection with the prosecution of Avoidance Actions, with the balance to be paid to Class holders in accordance with this Plan. The Debtor believes there are no causes of action.

III. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Bankruptcy 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 at least as much as the creditor would receive in a chapter 7 liquidation case, unless the creditor 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 has a right to vote for or against the Plan only if that creditor has a claim that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Debtor believes that there are classes impaired under the Plan and that the holder of the claims in these classes is entitled to vote to accept or reject the Plan. The Debtor believes that classes 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?

Only a creditor with an allowed claim has the right to vote on the Plan. Generally, a claim 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 proof of claim, unless an objection has been filed to such proof of claim. When a claim is not allowed, the creditor holding the claim cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim 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 was July 15, 2016.

2. What Is an Impaired Claim?

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

Class Claims are impaired under the Plan and entitled to vote.

Each Holder of a Claim in Class has been sent a ballot together with this Disclosure Statement. The ballot is to be used for voting to accept or reject the Plan.

The Bankruptcy Court has directed that, to be counted for voting purposes, ballots for the acceptance or rejection of the Plan must be mailed or delivered by hand or courier so that they are ACTUALLY RECEIVED no later than 5:00 p.m. (Eastern Standard Time) on _____, 201__ at the following address:

Julio E. Portilla, Esq
LAW OFFICE OF JULIO E. PORTILLA, P.C.
555 Fifth Avenue, 17th Floor
New York, NY 10017

Each Holder of an Allowed Claims in Class 1 shall be entitled to vote to accept or reject the Plan as provided for in the order approving the Disclosure Statement. A vote may be disregarded if the Bankruptcy Court determines that such vote was not solicited or procured in good faith and in accordance with the Bankruptcy Code.

3. *Who is Not Entitled to Vote*

The holders of the following five types of claims are not entitled to vote:

- holders of claims that have been disallowed by an order of the Court;
- holders of other claims that are not “allowed claims” (as discussed above), unless they have been “allowed” for voting purposes;
- holders of claims in unimpaired classes;

- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Bankruptcy Code; and
- 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 and to the Adequacy of the Disclosure Statement.

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.

2. Treatment of Non-accepting Classes

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the non-accepting classes are treated in the manner prescribed by § 1129(b) of the Bankruptcy Code. A plan that binds non-accepting classes is commonly referred to as a

“cram down” plan. The Bankruptcy Code allows the Plan to bind non-accepting classes of claims if it meets all the requirements for consensual confirmation except the voting requirements of §1129(a)(8) of the Bankruptcy 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 as the variations on this general rule are numerous and complex.

C. Feasibility and Best Interests Test

The Bankruptcy Code requires that in order to confirm the Plan, the Bankruptcy Court must find that confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization of the Debtor (the “Feasibility Test”).

For a plan to meet the Feasibility Test, the Bankruptcy Court must find that the Debtor will possess the resources to meet its obligations under the Plan. Since the Plan contemplates a liquidation of the Debtor’s assets, Confirmation of the Plan is not likely to be followed by the need for further financial reorganization of the Debtor or any successor to the Debtor under the Plan. Moreover, on the Effective Date, the Debtor will have sufficient funds on hand to fund the Plan. The Plan Distribution Schedule outlining all payments to be made under the Plan from, inter alia, the sale proceeds is attached to this Disclosure Statement as Exhibit “B.”

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

In addition, the Bankruptcy Court must determine that the values of the distributions to be made under the Plan to each Class will equal or exceed the values which would be allocated to such Class in a liquidation under Chapter 7 of the Bankruptcy Code (the “Best Interest Test”).

The Best Interest Test with respect to each impaired Class requires that each holder of a Claim or Interest in such Class either (i) accept the Plan or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive or retain if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code. Because the Debtor has proposed a liquidating Plan which distributes all proceeds thereof to holders of Allowed Claims in order of priority, no scenario exists, including but not limited to Chapter 7 liquidation, under which the creditors would be entitled to receive a distribution greater than that which the Debtor has proposed in its Plan. In fact, were the Debtor's assets liquidated in a Chapter 7 case, the creditors of the estate would stand to receive far less as the Administrative costs associated with such a case would be significantly higher.

The Debtor believes that the Plan satisfies all of the statutory requirements of Chapter 11 of the Bankruptcy Code, including the "best interest" and feasibility requirements. The Plan is "fair and equitable" and "does not discriminate unfairly". The Plan complies with all other requirements of Chapter 11 of the Bankruptcy Code and the Plan has been proposed in good faith.

D. Notices

All notices and correspondence should be forwarded in writing to:

UBB Project LLC
c/o Julio E. Portilla, Esq
Law Office of Julio E. Portilla, P.C.
555 Fifth Avenue, 17th Floor
New York, NY 10017

IV. EFFECT OF CONFIRMATION OF PLAN

A. Discharge of Debtor

Since the Plan provides for a liquidation of the Debtor's assets, the Confirmation Order shall not operate as a discharge pursuant to Section 1141(d)(1) of the Bankruptcy Code.

1. Exculpation.

Neither the Debtor nor any of its respective members, shareholders, officers, directors, employees, attorneys, advisors, agents, representatives and assigns (the “Released Parties”) shall have or incur any liability to any entity for any action taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, Confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into, or any other action taken or omitted to be taken in connection with the chapter 11 case or the Plan and any related agreement except for bad faith, willful misconduct, gross negligence, breach of fiduciary duty, malpractice, fraud, criminal conduct, unauthorized use of confidential information that causes damages, and/or ultra vires acts. Notwithstanding any other provision hereof, nothing in Sections 11.2 or 11.3 of the Plan shall (a) effect a release of any claim by the United States Government or any of its agencies or any state and local authority whatsoever, including, without limitation, any claim arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States or any state and local authority against the Released Parties, nor shall anything in Sections 11.2 or 11.3 of the Plan enjoin the United States or any state or local authority from bringing any claim, suit, action or other proceedings against any of the Released Parties referred to herein for any liability whatever, including, without limitation, any claim, suit or action arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States or any state and local authority, nor shall anything in this Plan exculpate any party from any liability to the United States Government or any of its agencies or any state and local authority whatsoever, including liabilities arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States or any state and local authority

against the Parties referred to herein, or (b) limit the liability of the Debtor's professionals to the Debtor pursuant to Rule 1.8(h)(1) of the New York Rules of Professional Conduct.

2. Plan Injunction

Upon the Confirmation Date, but subject to the occurrence of the Effective Date, all persons who have held, hold or may hold Claims or Interests are enjoined from taking any of the following actions against or affecting the Debtor or assets of the Debtor with respect to such Claims, Interests or Administrative Claims, except as otherwise set forth in the Plan, and other than actions brought to enforce any rights or obligations under the Plan or appeals, if any, from the Confirmation Order:

i. Commencing, conducting or continuing in any manner, directly or indirectly, any suit, action, arbitration, or other proceeding of any kind against the Debtor or the assets of the Debtor regarding the Claims or Interests;

ii. Enforcing, levying, attaching, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the Debtor, the assets of the Debtor;

iii. Creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Debtor, the assets of the Debtor;

iv. Asserting any setoff, right of subrogation, or recoupment of any kind, directly or indirectly, against the Debtor, the assets of the Debtor; and

v. Proceeding in any manner and any place whatsoever that does not conform to or comply with the provisions of the Plan.

3. Full and Final Satisfaction

To the fullest extent permitted by Section 1141(a)-(c) of the Bankruptcy Code, all payments and all distributions pursuant to the Plan, shall be in full and final satisfaction, settlement and release of all Claims and Interests, except as otherwise provided in the Plan. Nevertheless, under Section 1141(d) of the Bankruptcy Code, the Debtor will not receive a discharge because the Plan is a liquidating plan.

B. Amendment, Modification, Withdrawal or Revocation of the Plan.

The Debtor reserves the right, in accordance with the Section 1127 of the Bankruptcy Code, to amend or modify the Plan by Order of the Bankruptcy Court, as may be required.

The Debtor may withdraw or revoke the Plan prior to the Confirmation Date. If such a withdrawal or revocation occurs, or if Confirmation does not occur, the Plan will be null and void. In such event, nothing contained in the Plan will constitute a waiver or release of any Claim by or against the Debtor or any other person or to prejudice in any manner the rights of the Debtor or any other person in any further proceedings involving the Debtor.

C. Unclaimed Property

Except as otherwise provided herein, in the event any claimant fails to claim any distribution within four (4) months from the date of such distribution, such claimant shall forfeit all rights thereto and to any and all future payments, and thereafter the Claim for which such cash was distributed shall be treated as a disallowed Claim. Distributions to claimants entitled thereto shall be sent to their last known address set forth on the most recent proof of claim filed with the Bankruptcy Court or, if no proof of claim is filed, on the Schedules filed by the Debtor or to such other address as may be later designated by a creditor in writing to the Disbursing Agent. The Debtor shall use its best efforts to obtain current addresses for all

claimants. All unclaimed cash shall be redistributed by the Debtor pro rata in accordance with Article III of the Plan.

D. Retention of Jurisdiction

The Bankruptcy Court shall retain jurisdiction of the chapter 11 case:

(a) To determine all controversies relating to or concerning the allowance of and/ or distribution on account of such Claims or Interests upon objection thereto which may be filed by any party in interest;

(b) To determine requests for payment of Claims entitled to priority under Section 507(a)(2) of the Bankruptcy Code, including any and all applications for compensation for professional and similar fees;

(c) To determine any and all applications, adversary proceedings, and contested or litigated matters over which the Bankruptcy Court has subject matter jurisdiction pursuant to 28 U.S.C Sections 157 and 1334;

(d) To determine all disputed, contingent or unliquidated Claims and all disputed Interests;

(e) To determine requests to modify the Plan pursuant to Section 1127 of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistencies in this Plan or Confirmation Order to the extent authorized by the Bankruptcy Code;

(f) To make such orders as are necessary or appropriate to carry out the provisions of the Plan;

(g) To resolve controversies and disputes regarding the interpretation or enforcement of the terms of the Plan; and

(h) To enter a final decree closing this chapter 11 case.

E. Post-Confirmation Fees, Reserves and Final Decree

The reasonable compensation and out-of-pocket expenses incurred post-Confirmation Date by the Debtor's professionals retained in the Chapter 11 case shall be paid by the Debtor within ten (10) days upon presentation of invoices for such professional services. All disputes concerning post-confirmation fees and expenses shall be subject to Bankruptcy Court jurisdiction.

In the event that the Debtor is unable to reorganize through a consensual reduction and pay-out of the NYSTF claim, and instead auctions the Café, the Debtor shall reserve \$5,000 from the sale proceeds for the payment of post-Confirmation professional fees incurred by Debtor's counsel for any prosecution of estate causes of action, adjudication of Claims, and in connection with the carrying out of duties and responsibilities as the Disbursing Agent as well as payment of United States Trustee fees. The balance of such reserve, if any, shall be distributed in accordance with Article III of the Plan.

A final decree shall be entered as soon as practicable after initial distributions have commenced under the Plan or at the Sale Closing.

F. Continuation of Bankruptcy Stays

All stays provided for in the chapter 11 case under Section 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

V. RECOMMENDATION

The Debtor believes that Confirmation of the Plan is preferable to any of the alternatives described above. The Plan will provide greater recoveries than those available in liquidation to all holders of Claims. Any other alternative would cause significant delay and uncertainty, as well as substantial additional administrative costs.

Dated: New York, New York
December 9, 2016

UBB Project LLC

By: /s/Yelena Skylut
Yelena Skylut, President

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By: /s/Julio E. Portilla
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