

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

FRANK CARDELLO
A/k/a Frank M. Cardello MD

Chapter 11
Case # **1-11-42040-CEC**

Debtor.

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DEBTOR’S AMENDED PLAN OF REORGANIZATION, DATED OCTOBER 7, 2016

ARTICLE I
SUMMARY

This Plan of Reorganization (the “Plan”) under Chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay the creditors of Frank Cardello (the “Debtor”) from future income. The Debtor co-owns the former marital residence located at 50 Ryan Place, Staten Island, New York (the “Marital Property”) and said property shall be sold.

This Plan provides for one class of secured claims and two classes of unsecured claims.

Class 1 consists of the secured claims on the Debtor’s former marital residence CitiMortgage, Inc., and IRS and these two claims are unimpaired. The mortgage is not in default and the Debtor will continue to make payments per the terms of the note and mortgage and along with the only other secured claim, (of IRS), shall be paid in full upon the sale of the former marital residence at 50 Ryan Place, Staten Island, New York as well.

Class 2 consists of the Domestic Support claims held by Celine Cardello and Shoshana A. Myerson. This class is impaired and shall be paid in full in deferred payments within 7 years upon confirmation or the Effective Date of the Plan.

Class 3 consists of the priority tax claims. This class is impaired and will receive a distribution equal to 100% of their claims in equal payments for five years from confirmation.

Class 4 consists of all creditors holding allowed non-priority unsecured claims. This class is impaired and shall receive distributions, which the proponent of the Plan values at approximately 1% of their claims in deferred monthly payments within 72 months of the Effective Date of the

Plan. This Plan also provides for the payment of administrative claims in full upon the Effective Date or in monthly payments if agreed to.

All creditors should refer to Articles I through X of the Plan for information regarding the precise treatment of their claims. A disclosure statement that provides more detailed information regarding the Plan and the rights of creditors shall be circulated with the Plan. Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one).

ARTICLE II

CLASSIFICATION OF CLAIMS AND INTERESTS

Unclassified.	All allowed administrative claims entitled to priority under § 507 of the Code.
Class 1	The secured claims on the Debtor's former marital residence.
Class 2	The Domestic Support claims.
Class 3	Priority tax claims.
Class 4	General unsecured claims.

ARTICLE III

TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS, U.S. TRUSTEES FEES, AND LEGAL FEES

3.01 Unclassified Claims. Under Section §1123(a)(1), administrative expense claims, are not in voting classes.

3.02 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code will be paid in full on the Effective Date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

3.03. 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 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 on the Effective Date.

ARTICLE IV

TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

4.01 Claims and interests shall be treated as follows under this Plan:

Class	Impairment	Treatment
Unclassified- Certain Priority Claims/Administrative	Unimpaired	All allowed administrative claims shall be paid in full, in cash, on the Effective Date of the plan or as otherwise agreed.
Class 1 – Secured Claim of on the Debtor’s former marital residence located at 50 Ryan Place, Staten Island, New York	Unimpaired	This mortgage is not in default and will continue to be paid per the terms of the note and mortgage. The mortgage and secured tax claim of IRS shall be paid in full from sale of former marital residence.
Class 2 -Domestic Support Claims of Celine Cardello and Shoshana A. Myerson	Impaired	Paid in full over 7 years.
Class 3- Priority Tax Claims	Impaired, but treatment under Stipulation	These claims shall be paid in full from future income without interest within 5 years of the Effective Date of the Plan and confirmation pursuant to agreement. This includes IRS and NY State.

Class 4- General Unsecured Claims of	Impaired	Paid 1% over 7 years.
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ARTICLE V

ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.01 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed, and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

5.02 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.

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

ARTICLE VI

PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.01 Assumed Executory Contracts and Unexpired Leases.

(a) The Debtor assumes all executory contracts and/or unexpired leases effective upon the date of the entry of the order confirming this Plan.

(b) The Debtor will be conclusively deemed to have rejected all executory contracts and/or unexpired leases not assumed under section 6.01(a) above or 6.02 below upon confirmation of the Plan, or before the date of the order confirming this Plan, upon the “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 no later than thirty (30) days after the date of the order confirming this Plan.

6.02 Stipulation of Settlement with Celine Cardello and Internal Revenue Service

The Debtor has entered into an agreement with Celine Cardello and IRS with the assistance of Judge Elizabeth S. Stong as mediator, the terms of which are incorporated in the Stipulation of Settlement September 19, 2015 and incorporated into this Plan.

ARTICLE VII

MEANS FOR IMPLEMENTATION OF THE PLAN

The plan will be funded by future income of the Debtor.

ARTICLE VIII

GENERAL PROVISIONS

8.01 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 following definitions:

- Debtor means the Debtor in this case, Frank Cardello
- CitiMortgage, Inc., the mortgage on Debtor's former marital residence.

8.02 Effective Date of Plan. The effective date of this Plan is the day thirty days after the order of confirmation becomes final and non-appealable. But if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

8.03 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.

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

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

8.06 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 New

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

ARTICLE IX
DISCHARGE

Discharge. On the confirmation date of this Plan, the debtor will be discharged from any debt that arose before confirmation of this 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 will not be discharged of any debt: (i) imposed by this 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).

ARTICLE X
FUTURE INCOME

The Debtor's future earnings shall fund the plan and pay the claims above classified.

Upon the Effective Date of the plan, all allowed administrative claims as well as the secured claim shall be paid in full from amounts set aside by the Debtor.

Dated: Brooklyn, New York
October 7, 2016

Respectfully submitted,

By: S/ Frank Cardello
Frank Cardello

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