

Law Office of Rachel S. Blumenfeld PLLC
Rachel S. Blumenfeld, Esq. (1458)
26 Court Street, Suite 2220
Brooklyn, New York 11242
Tel: (718) 858-9600
Fax: (718) 858-9601
Attorney for Debtor

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X

In re:

Chapter 11

MARANATHA EVANGEL CHURCH,

Case No: 1-17-45210-cec

Debtor.

-----X

**MARANATHA EVANGEL CHURCH'S
AMENDED DISCLOSURE STATEMENT DATED APRIL 16, 2018**

Table of Contents

I. Introduction.....	
A. Purpose of This Document	
B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing.....	
1. Time and Place of the Hearing to Finally Approve This Disclosure Statement and Confirm the Plan	
2. Deadline For Voting to Accept or Reject the Plan	
3. Deadline For Objecting to the Adequacy of Disclosure and Confirmation of the Plan	
4. Identity of Person to Contact for More Information.....	
C. Disclaimer	
II. Background	
A. Description and Events Leading to Bankruptcy	
B. Significant Events During the Bankruptcy Case.....	
C. 950 Van Duzer Street Property.....	
D. Projected Recovery of Avoidable Transfers.....	
H. Claims Objections.....	
I. Current and Historical Financial Conditions.....	
III. Summary of the Plan of Reorganization and Treatment of Claims.....	
A. What is the Purpose of the Plan of Reorganization?	
B. Unclassified Claims	
1. Administrative Expenses	
2. Priority Tax Claims.....	
C. Class of Claims	
1. Classes of Secured Claims.....	
2. Classes of Priority Unsecured Claims.....	
3. Classes of General Unsecured Claims	
D. Means of Implementing the Plan	
1. Source of Payment	
E. Risk Factors.....	
F. Executory Contracts and Unexpired Leases.....	
G. Tax Consequences of the Plan	
1. Tax Consequences to the Debtor.....	
2. Tax Consequences to Unsecured Creditors	
IV. Confirmation Requirements and Procedures.....	
A. Who May Vote or Object.....	
1. What Is an Allowed Claim?.....	
2. What Is an Impaired Claim?	
3. Who is Not Entitled to Vote.....	
4. Who Can Vote in More Than One Class	
B. Votes Necessary to Confirm the Plan	
1. Votes Necessary for a Class to Accept the Plan	

2. Treatment of Nonaccepting Classes.....	
C. Liquidation Analysis	
D. Feasibility.....	
1. Ability to Fund Plan.....	
V. Effect of Confirmation of Plan.....	
A. Discharge of Debtor.....	
B. B. Modification of Plan	
C. Final Decree	
D. Post-Confirmation Reports	
.....	

I. INTRODUCTION

This is the Amended Disclosure Statement (the “Disclosure Statement”) in the chapter 11 case of Maranatha Evangel Church (the “Debtor”). This Disclosure Statement contains information about the Debtor and describes the Plan of Reorganization (the “Plan”) filed by the Debtor on April 16, 2018. A full copy of the Amended 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 in this Disclosure Statement. General unsecured creditors are classified in Class 4, and will receive a 100% distribution on their allowed claims, in cash within fifteen (15) years of the effective date.

B. Purpose of This Document

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case,
- How the Plan proposes to treat claims of the type you hold (i.e., what you will receive on your claim 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 the Debtor believes the Plan is feasible, and how the treatment of your claim under the Plan compares to what you would receive on your claim 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

The hearing at which the Court will determine whether to approve this Disclosure Statement will take place on May 16, 2018, at 2:00 p.m., in Courtroom 3529, at the United States Bankruptcy Court, Eastern District of New York (Brooklyn Division), 271-C Cadman Plaza East,

Brooklyn, New York, 11201. The hearing at which the Court will determine whether to confirm the Plan will take place on June ____ 2018, at 2:00 p.m., in Courtroom 3529, at the United States Bankruptcy Court, Eastern District of New York (Brooklyn Division), 271-C Cadman Plaza East, Brooklyn, New York, 11201.

2. Deadline For Voting to Accept or Reject the Plan

As this is a plan that pays all creditors in full, there will be no voting on this plan.

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

Objections to this Disclosure Statement must be filed with the Court and served upon the Law Office of Rachel S. Blumenfeld PLLC, counsel for the Debtor, 26 Court Street Suite 2220, Brooklyn, New York 11242, (718) 858-9600, by May 9, 2018.

Objections to the confirmation of the Plan must be filed with the Court and served upon the Law Office of Rachel S. Blumenfeld PLLC, counsel for the Debtor, 26 Court Street Suite 2220, Brooklyn, New York 11242, (718) 858-9600, by June ____, 2018.

4. Identity of Person to Contact for More Information

If you want additional information about the Plan, you should contact the Law Office of Rachel S. Blumenfeld PLLC, counsel for the Debtor, 26 Court Street Suite 2220, Brooklyn, New York 11242, (718) 858-9600.

C. Disclaimer

The Court has 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.

II. BACKGROUND

A. Description of the Debtor and Events Leading to Bankruptcy

The Debtor is a Church with its place of worship located at 950 Van Duzer Street, Staten Island, New York. As a Church, the Debtor is very active in its community, and in particular the owner/Pastor of the Church, Pastor Jean Joseph Etienne, the only employee of the church, volunteers all of his time to the Church. The Debtor has worked at the Debtor, a not-for-profit organization, for years servicing the community worshippers.

The Debtor owns one (1) parcel of real property located in Staten Island, i.e., a multi-family building located at 950 Van Duzer Street, Staten Island, New York (the “Van Duzer Property”) where the Debtor services its community, as well as currently rents the upstairs to a tenant, and also shares the sanctuary with two (2) other ministries. Prior to the Debtor’s bankruptcy filing. The Debtor was current with all of its pre-petition obligations until its adjustable rate mortgage with Carver Federal Savings Bank which holds the first mortgage (“Carver”) changed and the Debtor was being charged an additional \$1,000 a month, which required the Debtor to expend monies above and beyond the money it was collecting from its congregants. The Debtor tried to negotiate with Carver, but Carver was not willing to enter into an agreement with the Debtor. Aside from this one incident, the Debtor was historically always current with its payment obligations to creditors. Since the Debtor did not have cash reserves, the Debtor stopped making mortgage payments on the property. The Debtor filed for bankruptcy relief to stop the foreclosure proceeding so the Debtor could restructure the mortgage with Carver in order to save the Van Duzer Property.

B. Significant Events During the Bankruptcy Case

A Motion to Set Last Day to File Proofs of Claims was filed on October 28, 2017 [ECF Docket 12]. The retention of the Law Office of Rachel S. Blumenfeld was approved by an Order of the Bankruptcy Court, nunc pro tunc as of the filing date, on November 20, 2017 [ECF Docket 15].

On October 8, 2017, the Debtor filed his Schedules of Assets and Liabilities and Statements of Financial Affairs.

The Debtor attended his Section 341(a) Meeting of Creditors in his Chapter 11 case on November 13, 2017. The Debtor attended an Initial Debtor Interview of the Office of the U.S. Trustee on November 13, 2017. The Debtor also appeared at case conferences in this Bankruptcy proceeding before the Hon. Carla E. Craig at the United States Bankruptcy Courthouse.

On October 28, 2017, the Debtor filed a Motion to Set Last Day to File Claims.

C. Avenue Van Duzer Street Property

The Debtor acquired the Van Duzer Street Property by deed. The Van Duzer Street Property is a commercial detached house with a fair market value of \$600,000 pursuant to an appraisal dated March 13, 2017, a copy of which is annexed hereto as **Exhibit “B”**. The Debtor uses the main floor as its sanctuary, which it now shares with two (2) other ministries, and rents for \$500.00 and \$1,200.00 respectively, and rents the second unit upstairs for a monthly rent of \$1,400.00, which is sufficient to cover all carrying costs associated with the property.

The Debtor has a first mortgage with Carver, which Proof of Claim Number 2-1 in the

total amount of \$409,713.13, with the arrears listed in the claim as \$144,270.94 at the variable interest rate of 10.44 percent.

The Debtor has a second mortgage with Carver, which Proof of Claim Number 3-1 in the total amount of \$57,670.18, with the arrears listed in the claim as \$15,284.88 at the variable interest rate of 10.44 percent.

Considering the balance owed to Carver and the appraisal obtained by the Debtor, there is value in the property above the total amount of mortgage balances.

D. Projected Recovery of Avoidable Transfers

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions, as he does not believe any causes of action exist.

E. 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.

F. Current and Historical Financial Conditions

The identity and fair market value of the estate's assets are listed in the Debtor's Bankruptcy Petition and Schedules "A" and "B". Additionally, the Debtor's Operating Reports listed on the docket of the Debtor's case, indicates the Debtor's cash flow budget since the commencement of the Bankruptcy Case, and are available upon request from the Debtor's attorney.

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

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

As required by the Code, the Plan places claims in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims 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 types 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 that 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
Expenses Arising in the Ordinary Course of Business After the Petition Date	\$0.00	Paid in full on the effective date of the Plan, or according to terms of obligation if later.
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	\$0.00	Paid in full on the effective date of the Plan, or according to terms of obligation if later.
Professional Fees, as approved by the Court.	To be Determined by Court Application	Paid in full from the Debtor's disposable income, or such other agreement between the Debtor and the Professionals.
Clerk's Office Fees	\$0.00	Paid in full on the effective date of the Plan.
Other administrative expenses	\$0.00	Paid in full on the effective date of the Plan, or according to separate written agreement.
Office of the U.S. Trustee Fees	\$325.00	Paid in full on the effective date of the Plan.
TOTAL	\$325.00	

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 will be paid in full, in cash, within thirty (30) days after the effective date. The Debtor does not have any priority tax claims under §§ 507(a)(8) of the Code.

C. Classes of Claims

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.

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

Class #	Description	Insider?	Impairment	Treatment
1	Carver Federal Savings Bank Collateral Description: 950 Van Duzer Street, Staten Island, New York. Allowed Secured Claim Amount: \$409,713.13 Priority of Lien: First Mortgage. Pre-pet arrearage: \$144,270.94.	No	Unimpaired	Pmts Begin: 7/01/2018 Pmts End: 07/01/2033 Interest rate: 6.44% Treatment of Secured creditor shall retain its security interest in the property until paid in full. Pre-Petition arrearage shall be paid in full on or before July 1, 2033 in regular quarterly payments.

2	Carver Federal Savings Bank Collateral Description: 950 Van Duzer Street, Staten Island, New York. Allowed Secured Claim Amount: \$57,670.18 Priority of Lien: Second Mortgage. Pre-pet arrearage: \$15,284.88.	No	Unimpaired	Pmts Begin: 7/01/2018 Pmts End: 07/01/2033 Interest rate: 6.44% Treatment of Secured creditor shall retain its security interest in the property until paid in full. Pre-Petition arrearage shall be paid in full on or before July 1, 2033, in regular quarterly payments.
---	--	----	------------	--

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 different treatment.

The Debtor has a claim under §§ 507(a)(1), (4), (5), (6), and (7) of the Code owed to the New York City Water Board as Claim Number 4 in the amount of \$1,076.26. This claim shall be paid in full in cash on the effective date of the Plan.

3. Class 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 4 which contains general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
---------	-------------	------------	-----------

4	All unsecured claims allowed under § 502 of the Code.	Unimpaired	Class 4 is unimpaired under this Plan, and each holder of a Class 4 General Unsecured Claims shall receive a distribution up to 100% of their Allowed Claim, in cash, from the Debtor's disposable income for fifteen years from the Filing Date, made in quarterly payments per quarter, for total aggregate plan payments totaling \$109,000. General unsecured creditors can expect to receive about 100% of their claims. Class 4 is not entitled to vote on the Plan.
---	---	------------	--

D. Means of Implementing the Plan

1. Source of Payments

The Plan shall be funded from 15 years of the Debtor's disposable income. The Debtor shall first make the contribution necessary to make the payments of the amounts required on confirmation, namely outstanding United States Trustee fees pursuant to 28 U.S.C. 1930, if any, that are unpaid as of the Effective Date. Pursuant to Section 1115(a) of the Code, the Debtor is committing all of his disposable income and property to the Plan. Plan payments shall be made by the Debtor as disbursing agent.

E. Risk Factors

The proposed Plan poses minimal risks of default in that monies required to consummate the Plan will come from the Debtor's disposable income.

The Debtor has been a sanctuary for many congregants for many years, and is an establishment on Staten Island. The Debtor is not at risk of losing its congregation.

Additionally, the Debtor's tenants have negotiated the terms of their tenancy in good faith and they have no history of non-payment. The tenants have each entered their respective leases upon terms agreeable to both the Debtor and the respective tenant, without issue. For the foregoing reasons, the Debtor does not believe there is any risk in losing its rental income.

The creditors will receive more under the Debtor's Chapter 11 Plan than they would otherwise receive in a chapter 7 liquidation or dismissal of this case. If the Debtor's case was converted to a chapter 7 proceeding, and a chapter 7 trustee would be assigned to the case, there is minimum equity, which between a trustee's fees, brokers fees, attorneys fees, etc., the creditors would receive no distribution above the amount they are receiving in this chapter 11 case. Further, if the Debtor's case was dismissed, the creditors would have to rely solely upon its state court remedies for collection of their claims. Once again, since there is not much equity in any of the Debtor's assets, there is little possibility of any recovery to any creditors.

F. Executory Contracts and Unexpired Leases

The Plan, in Section 6.01, 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.

The executory contracts and unexpired leases that the Debtor will assume under the Plan are as follows:

The Debtor is in the process of finalizing three leases: two with ministries sharing the sanctuary and an apartment lease, all of which will be assumed by the Debtor.

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 6.01 will be rejected under the Plan. Consult your adviser 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.

The Deadline for Filing a Proof of Claim Based on a Claim Arising from the Rejection of a Lease or Contract is thirty (30) days from the Effective Date. Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

G. Tax Consequences of 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 cap-

ital asset in its hands.

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 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 Plan Proponent believes that all of the classes are unimpaired, therefore, none of the classes 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 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, 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.

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 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 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 Code;
- holders of claims in classes that do not receive or retain any value under the Plan;
- 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 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 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 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 who do not accept the Plan will receive at least as much under the Plan as such claim would receive in a chapter 7 liquidation.

D. Feasibility

The Debtor will have enough cash on hand on the effective date of the Plan to make the first distribution to the administrative claims. The Debtor will make quarterly payments thereafter, in a minimum amount of \$5,182.35. Prior to the hearing to confirm the Plan, the Debtor will reserve \$1,401.26 in escrow to ensure the first payment under the Plan to Allowed Claims and expenses of the Estates prior to the Effective Date, including U.S. Trustee’s Fees in the estimated amount of \$325.00, and Class 3 priority claims in the amount of \$1,076.26.

1. Ability to 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.

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

In accordance with §1141(d)(5) of the Bankruptcy Code, upon the completion of all payments required under the 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 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). In accordance with §1141(d)(5) of the Bankruptcy Code, the Court shall upon notice, re-open the Debtor’s case to effectuate a discharge of all debts provided for in the Plan.

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

Pursuant to E.D.N.Y Local Rule 3022-1, within 14 days following the full administration of the estate, the plan proponent shall file, on notice to the United States Trustee, an application and a proposed order for a final decree pursuant to Bankruptcy Rule 3022.

D. Post-Confirmation Reports

Pursuant to §1106(a)(7) of the Bankruptcy Code, the Debtor shall be responsible for filing post-confirmation reports detailing the actions taken and the progress made toward the consummation of the Plan, which reports shall be filed on the 15th day of each October, January, April and July thereafter until the Debtor's case is closed, converted, or dismissed, whichever happens earlier.

Dated: Brooklyn, New York
April 16, 2018

Respectfully submitted,

Law Office of Rachel S. Blumenfeld PLLC
Attorney for the Debtor

By: /s/ Rachel Blumenfeld
Rachel Blumenfeld
26 Court Street, Suite 2220
Brooklyn, New York 11242
Tel: (718) 858-9600
Fax: (718) 858-9601

