

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re: :
 : Chapter 11
IMPERIAL CAPITAL LLC, :
 : Case No.: 14-10236 (SCC)
Debtor. :
-----X

DISCLOSURE STATEMENT FOR CHAPTER 11 TRUSTEE'S PLAN

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THE TRUSTEE RESERVES ALL RIGHTS UNDER RULE 3017 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND APPLICABLE CASE LAW AUTHORITY THAT COURT APPROVAL OF THIS DISCLOSURE STATEMENT AND/OR THE TRUSTEE'S UTILIZATION OF THIS DISCLOSURE STATEMENT MAY NOT BE REQUIRED BY VIRTUE OF THE FACT THAT NO CLAIMS ARE IMPAIRED BY THE TRUSTEE'S PLAN WITH THE EXCEPTION OF INTERESTS, WHO ARE DEEMED TO CONSENT TO THEIR TREATMENT UNDER THE PLAN.

THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT.

THIS DISCLOSURE STATEMENT IS THE ONLY DOCUMENT AUTHORIZED BY THE BANKRUPTCY COURT TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN OF REORGANIZATION PROPOSED BY SALVATORE LAMONICA, CHAPTER 11 TRUSTEE OF IMPERIAL CAPITAL LLC. NO OTHER REPRESENTATIONS CONCERNING THE DEBTOR, THE VALUE OF THE DEBTOR'S ASSETS OR BENEFITS OFFERED UNDER THE PLAN HAVE BEEN AUTHORIZED.

THE APPROVAL OF THE DISCLOSURE STATEMENT MEANS THAT THE BANKRUPTCY COURT HAS FOUND THAT THE DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION TO PERMIT CREDITORS OF THE DEBTOR TO MAKE A REASONABLY INFORMED DECISION TO THE EXTENT THAT THEY HAVE A RIGHT TO VOTE UPON THE PLAN. BANKRUPTCY COURT APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A RECOMMENDATION ON THE MERITS OF THE PLAN. A COPY OF THE PLAN IS ANNEXED AS **EXHIBIT 1** AND DESCRIBED HEREIN.

ANY REPRESENTATIONS OR INDUCEMENTS MADE TO OBTAIN YOUR ACCEPTANCE WHICH ARE OTHER THAN, OR INCONSISTENT WITH, THE INFORMATION CONTAINED HEREIN SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION WHETHER TO APPROVE THE PLAN.

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION; NOR HAS THAT COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT EXCEPT AS EXPRESSLY INDICATED HEREIN. THIS DOCUMENT WAS COMPILED FROM INFORMATION OBTAINED BY THE TRUSTEE AND FROM OTHER SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE TRUSTEE'S KNOWLEDGE, INFORMATION AND BELIEF.

THIS DISCLOSURE STATEMENT CONTAINS ONLY A SUMMARY OF THE PLAN. ALL CREDITORS AND OTHER INTERESTED PARTIES ARE ENCOURAGED TO REVIEW THE FULL TEXT OF THE PLAN AND TO READ CAREFULLY THE ENTIRE DISCLOSURE STATEMENT, INCLUDING ALL EXHIBITS, BEFORE DECIDING TO VOTE EITHER TO ACCEPT OR REJECT THE PLAN.

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I

INTRODUCTIONError! Bookmark not defined.

A. Background

Salvatore LaMonica, as Chapter 11 Trustee ("Trustee") of Imperial Capital LLC ("Debtor") submits this Disclosure Statement ("Disclosure Statement") pursuant to § 1125 of title 11 of the United States Code ("Bankruptcy Code"), to creditors of the Debtor ("Creditors") in connection with the: (i) approval of the Chapter 11 Trustee's Plan dated October 19, 2017 ("Plan"), proposed and filed by the Trustee in the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court"); and (ii) hearing on confirmation of the Plan by Order of the Bankruptcy Court. Unless otherwise defined herein, all capitalized terms contained herein shall have the meanings ascribed to them in the Plan.

Attached as an exhibit to and accompanying this Disclosure Statement is a copy of the Plan:

Exhibit 1 - The Plan

BALLOTS ARE NOT BEING PROVIDED TO HOLDERS OF ANY ALLOWED CLAIMS BECAUSE ALL CLASSES OF CLAIMS OR INTERESTS UNDER THE PLAN ARE UNIMPAIRED OR HAVE CONSENTED TO THE PLAN AND AS SUCH ARE NOT ENTITLED TO VOTE AND ARE PRESUMED TO HAVE ACCEPTED THE PLAN. THE TRUSTEE RESERVES ALL RIGHTS UNDER RULE 3017 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND APPLICABLE CASE LAW AUTHORITY THAT COURT APPROVAL OF THIS DISCLOSURE STATEMENT AND/OR THE TRUSTEE'S UTILIZATION OF THIS DISCLOSURE STATEMENT MAY NOT BE REQUIRED.

B. The Plan Confirmation Process

Pursuant to various provisions of the Bankruptcy Code, only classes of claims that are “impaired” under the terms and provisions of a plan are entitled to vote to accept or reject such plan. Pursuant to the Plan, no classes are impaired and classes are presumed to have voted to accept the Plan. There will be a combined hearing on the approval of this Disclosure Statement as containing adequate information to permit creditors of the Debtor to make a reasonably informed decision on the Plan and the confirmation of the Plan. Each Creditor should read this Disclosure Statement and the Plan in their entirety.

In accordance with Bankruptcy Code § 1128, the Bankruptcy Court shall hold a hearing on November 21, 2017, at 9:30 a.m. to consider confirmation of the Plan (“Confirmation Hearing”) in Courtroom 623 before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004. Objections, if any, to confirmation of the Plan must be served and electronically filed with the Bankruptcy Court no later than November 14, 2017 at 5:00 p.m. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjourned hearing date made at the Confirmation Hearing or at any subsequent adjourned date.

II

SUMMARY OF PLAN

The following summary is qualified in its entirety by the more detailed information contained in the Plan and elsewhere in this Disclosure Statement.¹

¹ Capitalized terms used but not otherwise defined herein have the meanings given to such terms in the Plan; provided, however, that any capitalized term used herein that is not defined herein or in the Plan, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

The Trustee has administered the Debtor’s assets and the Plan contemplates the distribution of funds maintained in the Estate Account to holders of Allowed Claims in accordance with the terms of the Plan. The Debtor will be dissolved upon payment of its creditors in accordance with the Plan. As of the date of this Disclosure Statement, the Trustee is holding for the benefit of the estate \$1,013,683.91 (“Available Cash”).

By Orders of the Bankruptcy Court: (i) January 19, 2016 was set as the last date for filing pre-petition proofs of claims with the Clerk of the Bankruptcy Court (“Pre-Petition Bar Date Order”); and (ii) January 26, 2016 was set as the last day to file Chapter 11 administrative expense claims with the Clerk of the Bankruptcy Court (“Administrative Expense Bar Date” and, together with the Pre-Petition Bar Date, “Bar Dates”). The Bar Dates have passed.

The table below provides a summary of the classification and treatment of Claims under the Plan. The figures set forth in the table below represent the Trustee’s best estimate of the total amount of Allowed Claims in the case. These estimates have been developed by the Trustee based on filed proof of claim and anticipated administrative expense claims.

There can be no assurance that the amount of Claims that may be filed and allowed by the Bankruptcy Court will not exceed the amounts set forth or described herein. Nothing set forth in these schedules shall be deemed an admission by the Trustee as to the existence, validity, priority or amount of any claim asserted against the Debtor.

Summary of Categories of Claims:

Class	Nature of Claims	Approximate Dollar Amount of Claims in Class
Unclassified – Administrative	Administrative claims of Trustee and Professionals Retained Pursuant to	\$530,000.00

	Court Order and allowed Administrative expense claims.	
Unclassified – United States Trustee	United States Trustee Fees	\$6,500.00
Class 1	Allowed Priority Claims	\$2,775.00
Class 2	Allowed Unsecured Claims	\$82,305.65
Class 3	Memberships and Interests fixed by Order of the Bankruptcy Court approving the global settlement	at least \$380,000.00

Summary of Plan Distributions:

A summary description of each class of Claims and the treatment of such Claims is set forth below:

Class Description	Treatment
<p>Unclassified: Administrative Claims This class consists of the Trustee and the professionals employed by the Trustee and creditors holding allowed Chapter 11 administrative expense claims (subject to approval of the Bankruptcy Court).</p> <p>LaMonica Herbst & Maniscalco, LLP (“<u>LH&M</u>”) was retained as counsel to the Trustee pursuant to an Order of the Bankruptcy Court dated July 30, 2015 [Dkt. No. 60].</p> <p>Joseph A. Broderick, PC (“<u>Broderick</u>”) was retained as accountant to the Trustee pursuant to an Order of the Bankruptcy Court dated July 30, 2014 [Dkt. No. 61].</p> <p>Alan Stein, Esq., Chapter 11 Debtor’s counsel.</p>	<p>On the Effective Date, Administrative claims of the Trustee’s professionals, namely the Trustee and Trustee’s counsel and accountant, subject to Bankruptcy Court approval will be paid 100% of their Allowed Administrative Expense Claims. All other allowed Administrative Expense Claims namely Debtor’s counsel shall be paid in full on or within fifteen (15) days after the Effective Date.</p>
<p>Unclassified: United States Trustee Fees This class consists of outstanding fees owed, if any, to the United States Trustee.</p>	<p>Any fees due to the United States Trustee shall be paid in full on or within fifteen (15) days after the Effective Date. Fees due to the United States Trustee through final decree shall be paid each calendar quarter by the Trustee.</p>
<p>Class 1: Priority Claims This class consists of Allowed Priority Claims.</p>	<p>Allowed Priority Claims will be paid on or within fifteen (15) days after the Effective Date.</p>

<p>Class 2: Unsecured Claims This class consists of Allowed Unsecured Claims.</p>	<p>Allowed Unsecured Claims, if any, shall be paid in full on or within fifteen (15) days after the Effective Date.</p>
<p>Class 3: Memberships and Interests This class consists of: (i) the Allowed D&E Parties' Interest in the Debtor's estate the amount of \$80,000.00; and (ii) the Allowed Cooper Interest in the Debtor's estate in the amount of not less than \$300,000.00.</p>	<p>Allowed D&E Parties' Interest and Allowed Cooper Interest shall be paid, in full, pursuant to the Settlement Order after the payment of Administrative Claims, U.S. Trustee fees and Class 1, 2 and 3 Claims in accordance with the D&E Settlement.</p>

A. Source of Information

The information contained in this Disclosure Statement was prepared by the Trustee based upon the Debtor's bankruptcy petition, the Orders entered by the Bankruptcy Court in the Debtor's case and information presently available to the Trustee. The estimates of Claims set forth herein may vary from the final amount of Claims allowed by the Bankruptcy Court or based upon additional proofs of claim that may be filed with the Bankruptcy Court, but the Trustee believes that the numbers and dollar amounts reflected herein are close to the final and allowable amounts according to scheduled debts of creditors. While every effort has been made to ensure the accuracy of all such information, the information presented herein is unaudited and has not been examined, reviewed, or compiled by an independent public accountant.

III

HISTORY OF THE CHAPTER 11 CASE

A. History of Case

The Debtor was formed in accordance with the laws of the state of Nevada in or around 2006. The Debtor was a real estate holding company and acquired properties in Florida and New York.

The Debtor's Operating Agreement provides that members of the Debtor and their respective financial interests in the Debtor are:

<u>Members</u>	<u>Financial Interests</u>
Mel Cooper	50.50%
David Cooper	28.84%
Eric Ramos	20.41%
Cara Cooper	00.25%

On January 31, 2014 (“Petition Date”), Cooper filed a voluntary petition under Chapter 11 on behalf of the Debtor in the Bankruptcy Court. Members of the Debtor challenged Cooper’s authority to file the Debtor’s petition and, on March 4, 2014, filed a motion for an Order dismissing the Debtor’s case [Dkt. No. 18].

By Order dated May 29, 2014, the Bankruptcy Court directed the appointment of a Chapter 11 Trustee of the Debtor’s estate [Dkt. No. 51]. By Order dated June 3, 2014, Salvatore LaMonica was appointed as the Chapter 11 Trustee of the Debtor’s estate [Dkt. No. 54].

B. Retention of Professionals

Prior to the Trustee’s appointment, Alan Stein, Esq. was counsel to the Debtor and Debtor-in-possession.

Upon his appointment, the Trustee employed various professionals to assist him with his administration of the Debtor’s estate. Specifically, the Trustee employed: (i) LH&M as his counsel effective as of June 4, 2017 [Dkt. No. 60]; (ii) Broderick as his accountant effective as of June 3, 2014 [Dkt. No. 61]; (iii) David R. Maltz & Co. Inc. (“Maltz”) as his broker to market and sell the Debtor’s interest in the condominium located at 15 Broad Street, Unit 800, New York, New York 10005 (“Broad Street Property”) [Dkt. No. 81]; and (iv) Maltz as his real estate broker to market and sell the Debtor’s interest in the condominium units located at 4401 Collins Avenue, Miami,

Florida 33140 and known as Units 714, 716 and 2002 (collectively, “Fontainebleau Properties”) [Dkt. No. 112].

C. Sale of the Broad Street Property

As of the Petition Date, the Debtor held a 100% ownership interest in the Broad Street Property. The Broad Street Property consisted of a one-bedroom condominium apartment in a luxury, high-rise building located in the Financial District and known as the “Downtown by Phillippe Starck.” By Order of the Bankruptcy Court, the Trustee employed Maltz as his real estate broker to market and sell the Broad Street Property.

By motion dated March 27, 2015 [Dkt. No. 93], the Trustee sought the entry of an Order approving, inter alia, the sale of the Broad Street Property and the procedures to govern said sale. By Order dated April 13, 2015 [Dkt. No. 105], the Bankruptcy Court authorized the Trustee to proceed with the sale of the Broad Street Property and approved the procedures to govern the sale.

The Trustee, through Maltz, marketed the Broad Street Property for sale. Following a duly noticed public sale conducted on May 6, 2015, the Trustee accepted an offer of \$1,610,000.00 from Terrence Oved for the Broad Street Property. By Order dated May 12, 2015 [Dkt. No. 117], the Bankruptcy Court confirmed the Trustee’s sale of the Broad Street Property.

On or about July 15, 2015, the Trustee closed on the sale of the Broad Street Property. In accordance with the Bankruptcy Court’s Order confirming the sale, the Trustee paid and satisfied the liens, claims and encumbrances against the Broad Street Property from the sale proceeds.

D. Sale of the Fontainebleau Properties

As of the Petition Date, the Debtor held a 100% ownership interest in the Fontainebleau Properties. The Fontainebleau Properties consisted of luxury condominiums in the Fontainebleau

hotel in Miami, Florida. By Order of the Bankruptcy Court, the Trustee employed Maltz as his real estate broker to market and sell the Fontainebleau Properties.

By motion dated April 24, 2015 [Dkt. No. 109], the Trustee sought the entry of an Order approving, inter alia, the sale of the Fontainebleau Properties and the procedures to govern said sale. By Order dated May 12, 2015 [Dkt. No. 118], the Bankruptcy Court authorized the Trustee to proceed with the sale of the Fontainebleau Properties and approved the procedures to govern the sale.

The Trustee, through Maltz, marketed the Fontainebleau Properties for sale. Following a duly noticed public sale conducted on June 11, 2015, the Trustee accepted: (i) an offer of \$1,600,000.00 from Lornglen Properties Inc. for Fontainebleau Properties' units 714 and 716; and (ii) an offer of \$730,000.00 from Matthew Adhoot for Fontainebleau Properties unit 2202. By Orders dated June 18, 2014 [Dkt. Nos. 124, 125], the Bankruptcy Court confirmed the Trustee's sale of the Fontainebleau Properties.

On or about September 21, 2015, the Trustee closed on the sale of Fontainebleau Properties' units 714 and 716. In accordance with the Bankruptcy Court's Order confirming the sale, the Trustee paid and satisfied the liens, claims and encumbrances against Fontainebleau Properties' units 714 and 716 from the sale proceeds.

On or about September 28, 2015, the Trustee closed on the sale of Fontainebleau Properties unit 2202. In accordance with the Bankruptcy Court's Order confirming the sale and an Order dated December 14, 2015 [Dkt. No. 162], the Trustee paid and satisfied the liens, claims and encumbrances against Fontainebleau Properties unit 2202 from the sale proceeds.

E. Schedules/Bar Dates

On February 14, 2014, the Debtor filed its schedules and certain amended schedules with the Bankruptcy Court. See Dkt. Nos. 4, 17.

By ex parte application dated November 6, 2015 [Dkt. No. 150], the Trustee sought the entry of an Order establishing a date by which creditors asserting claims that arose after the Petition Date through October 31, 2015 file proof of such claims with the Bankruptcy Court. By Amended Order dated December 1, 2015 [Dkt. No. 158], the Bankruptcy Court fixed January 26, 2016 as the Administrative Expense Bar Date.

By ex parte application dated November 20, 2015 [Dkt. No. 154], the Trustee sought the entry of an Order establishing a date by which creditors asserting claims that arose prior to the Petition Date file proof of such claims with the Bankruptcy Court. By Order dated November 30, 2015 [Dkt. No. 157], the Bankruptcy Court fixed January 19, 2016 as the Pre-Petition Bar Date.

The Bar Dates passed and a total of 14 proofs of claim were filed with the Bankruptcy Court. Entities that failed to file a Proof of Claim on or before the Bar Dates or who are not otherwise scheduled by the Debtor as being the holder of a pre-petition Claim that was not disputed, contingent or unliquidated, are forever barred from asserting any Claim against the Debtor that arose prior to the Petition Date. Those creditors whose Claims were listed on the Schedules and that were not designated as disputed, contingent or unliquidated will be allowed to the extent not objected to or modified as provided under the provisions of the Plan.

F. Objections to Claims

The Bar Dates passed in January 2016. By motions dated October 21, 2016 [Dkt. Nos. 222-227], the Trustee objected to various claims listed by the Debtor in its schedules and proofs of claim filed against the Debtor’s estate.²

By Orders dated December 2, 2016 [Dkt. Nos. 242-246], each of the Trustee’s motions were approved. Pursuant to the Bankruptcy Court’s Orders, certain scheduled claims were disallowed, certain filed claims were disallowed and one proof of claim was reclassified, in part, to a general unsecured claim. The chart below provides a summary of the allowed priority and general unsecured Claims against the Debtor:

Schedule/Claim No.	Claimant	Classification	Amount
Schedule F	David Sendel	General Unsecured Claim	\$1,751.00
Schedule F	Dr. Mike and Fern Malka	General Unsecured Claim	\$13,180.00
2-2	Internal Revenue Service	General Unsecured Claim	\$9,780.00
5-1	Wayne Cooper	General Unsecured Claim	\$15,000.00
6-1	Ero Rentals LLC	General Unsecured Claim	\$35,651.25
8-1	Rennert Vogel Mandel & Rodriguez, P.A.	General Unsecured Claim	\$5,118.40
9-1	Dr. Lance Manning	507(a)(7) Claim	\$2,775.00
		General Unsecured Claim	\$1,825.00
	Total Allowed Claims:		\$85,080.65

The Trustee reserves all rights to contest any and all Claims for any reason.

G. The Capital One Account Settlement

By Order dated March 12, 2015 (“2004 Order”) [Dkt. No. 90], the Bankruptcy Court approved the Trustee’s application for an order directing the production of documents by Capital One Bank, N.A. (“Capital One”). A subpoena was served on Capital One in accordance with the

² After the motions were filed with the Bankruptcy Court, certain proofs of claim were voluntarily withdrawn, including: (i) claim number 3-2 filed by U.S. Bank National Association, as Trustee for Adjustable Rate Mortgage Trust 2006-1, Adjustable Rate Mortgage-Backed Pass-Through Certificates, Series 2006-1 [Dkt. No. 236]; claim number 1-1 filed by U.S. Bank National Association, as Trustee for Adjustable Rate Mortgage Trust 2006-1, Adjustable Rate Mortgage-Backed Pass-Through Certificates, Series 2006-1 [Dkt. No. 240]. The motions as to claims number 3-1 and 1-1 were withdrawn.

2004 Order and documents produced by Capital One in response to the subpoena evidence that the Debtor maintained a Demand Deposit Account / Spark Business Unlimited Checking Account ending in * 7766 prior to the Petition Date on July 18, 2013 (“Debtor’s Capital One Account”).

Documents produced by Capital One evidenced that monies from, inter alia, the Fontainebleau totaling \$85,807.91 were deposited in the Debtor’s Capital One Account after the Petition Date on account of the Debtor’s Fontainebleau Properties (“Post-Petition Deposits”). David Cooper and Eric Ramos, insiders of the Debtor, withdrew \$72,030.00 (“Withdrawn Funds” also referred to herein as “Capital One Settlement Sum”) from the Post-Petition Deposits. The Trustee demanded the return of the Withdrawn Funds and from David Cooper and Eric Ramos and the turnover of the balance in the Capital One Account.

The Trustee, David Cooper, Eric Cooper and D&E Real Estate, LLC (“D&E”) thereafter reached the resolution memorialized in the stipulation executed on August 14, 2015 (“Capital One Stipulation”). By Order dated September 22, 2015 [Dkt. No. 144], the Bankruptcy Court approved the Capital One Stipulation. David Cooper, Eric Ramos and D&E defaulted under the Capital One Stipulation.

On October 15, 2015, counsel to the Trustee submitted a certification to the Bankruptcy Court detailing the default and failure to comply with the Capital One Stipulation [Dkt. No. 147]. By Order dated October 19, 2015 [Dkt. No. 148], the Bankruptcy Court entered judgment against David Cooper, Eric Ramos and D&E and in favor of the Trustee in accordance with the Capital One Stipulation. The Capital One Settlement Sum was thereafter paid to the Trustee.

H. Settlement with the D&E Parties and Cooper Trustee

The Trustee asserted that claims existed in favor of the Debtor’s estate and against members and insiders of the Debtor, including D&E, David Cooper, Eric Ramos and Cara Cooper

(collectively, “D&E Parties”). After protracted negotiations between the Trustee, the D&E Parties and the Cooper Trustee, a settlement was reached pursuant to which the D&E Parties agreed, inter alia, to waive and expunge all of their claims against the Debtor’s estate in exchange for a distribution in the amount of \$80,000.00 after the payment of allowed administrative expenses and allowed claims (“D&E Settlement”).

Pursuant to the D&E Settlement, the Cooper Trustee agreed to waive and expunge the Cooper estate’s claims against the Debtor’s estate in exchange for a distribution in an amount equal to the balance on hand in the Debtor’s estate after payment of: (i) allowed administrative expenses of the Debtor’s estate; (ii) payment of allowed Claims; and (iii) payment of \$80,000.00 to the D&E Parties, provided, however, that the minimum distribution to the Cooper Trustee under the D&E Settlement is \$300,000.00. The D&E Settlement is memorialized in the Settlement Stipulation.

By joint motion dated June 16, 2017 [Dkt. No. 274], the Trustee and the Cooper Trustee sought the entry of an Order approving the Settlement Stipulation. An objection to the Settlement Stipulation was filed in the Debtor’s case by Earl G. Thompson, and an objection to the Settlement Stipulation was filed in the Copper case by BB Holding Group LLC. At a contested hearing conducted on August 10, 2017, the Bankruptcy Court overruled the objections and approved the D&E Settlement. By the Settlement Order dated August 17, 2017 [Dkt. No. 288], the Bankruptcy Court approved the Settlement Stipulation. On August 31, 2017, BB Holding Group LLC filed a notice of appeal of the Settlement Order. See Dkt. No. 290. The appeal is pending.

IV

TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

A. Treatment of Administrative Expense Claims

Under the Plan, and in accordance with Bankruptcy Code § 1123(a)(1), Administrative Expense Claims are not separately classified. For purposes of the Plan, an Administrative Expense Claim includes any unsecured Claim that is incurred after the Petition Date and that is both necessary and beneficial to the Debtor's estate in accordance with Bankruptcy Code § 503(b). Administrative Expense Claims are entitled to a first priority in payment under Bankruptcy Code § 507(a)(2). Unless otherwise agreed, the Bankruptcy Code generally allows for the holder of an Administrative Expense Claim to receive full payment under a plan.

Allowed Administrative Expenses representing obligations incurred by the Trustee or the Debtor in the ordinary course of business consistent with past practice shall be paid in full; provided, however, that any expenses of operation and fees of Trustee's professionals incurred after the cutoff date after the submission of the final application for compensation shall not be subject to application and may be paid by the Trustee or the Disbursing Agent in the ordinary course of business and without further Court approval.

Professional Compensation and Reimbursement Claims. All entities or persons seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses pursuant to Bankruptcy Code §§ 326, 327, 328, 330, 331 and 503(b): (a) shall file their respective final applications for allowances of compensation for services rendered and reimbursement of expenses ("Final Applications") to be heard at the Confirmation Hearing or such other date as may be fixed by the Bankruptcy Court; and (b) if granted such an award by the Bankruptcy Court, shall be paid in full in such amounts as are Allowed by the Bankruptcy Court:

(i) on the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, or as soon thereafter as is practicable; or (ii) upon such other terms as may be mutually agreed upon between such holder of an Allowed Administrative Expense Claim and the Trustee. The Final Applications shall be served on the Bankruptcy Court, the United States Trustee, and any other party requesting a copy of such Final Applications. Notice of the Final Applications shall be provided to the United States Trustee and any party having filed a notice or appearance or request for documents in the Debtor's case.

The Debtor's estate has incurred Administrative Expense Claims on account of the Trustee and Professionals retained and employed by the Trustee and the Debtor since the Petition Date, including:

1. Trustee. By Notice of Appointment of Chapter 11 Trustee dated June 3, 2014 [Dkt. No. 52], Salvatore LaMonica as appointed as the Chapter 11 Trustee of the Debtor's estate. By Order dated June 3, 2014 [Dkt. No. 54], the Bankruptcy Court approved the appointment of Salvatore LaMonica as Chapter 11 Trustee of the Debtor's estate. As of the date of this Disclosure Statement, the Trustee has not applied for, or been awarded, commissions, fees, or expenses. As of the date of this Disclosure Statement, the Trustee's estimated commissions are \$155,632.54.
2. General Counsel to the Trustee. By Order dated July 30, 2014 [Dkt. No. 60], the Bankruptcy Court approved the Trustee's employment of LH&M as counsel to the Trustee as of June 4, 2014. As of the date of this Disclosure Statement, LH&M has not applied for, or been awarded, fees and expenses.

As of the date of this Disclosure Statement, the Trustee estimates that those fees and expenses are approximately \$300,000.00.

3. Accountant to the Trustee. By Order dated July 30, 2014 [Dkt. No. 61], the Bankruptcy Court approved the Trustee's employment of Broderick as accountant to the Trustee as of June 3, 2014. As of the date of this Disclosure Statement, Broderick has not applied for, or been awarded, fees and expenses. As of the date of this Disclosure Statement, the Trustee estimates that those fees and expenses are \$53,490.00.
4. Real Estate Broker to the Trustee. By Orders dated January 28, 2015 [Dkt. No. 81] and May 5, 2015 [Dkt. No. 112], the Bankruptcy Court approved the Trustee's employment of Maltz as real estate broker to the Trustee to market and sell the Broad Street Property and the Fontainebleau Properties. By Orders dated October 14, 2015 [Dkt. No. 145, 146], the Bankruptcy Court awarded commissions and reimbursement of expenses to Maltz in connection with the sales of the Broad Street Property and the Fontainebleau Properties. Maltz was paid in accordance with the Bankruptcy Court's Orders. As of the date of this Disclosure Statement, the Trustee estimates that no sums are due and owing to Maltz.
5. Debtor's Counsel. By application dated January 19, 2015 [Dkt. No. 166], the Law Office of Alan C. Stein, PC sought nunc pro tunc approval of its employment as counsel to the Debtor and compensation and reimbursement of expenses in the total amount of \$25,188.00. Subject to Bankruptcy Court approval, the Law Office of Alan C. Stein, PC has agreed to accept

\$20,000.00 as compensation for its services to the Debtor. As of the date of this Disclosure Statement, the Trustee estimates that \$20,000.00 will be required to make payment to the Law Office of Alan C. Stein, PC in full for fees and expenses incurred through the Confirmation Date.

B. United States Trustee Quarterly Fees

Pursuant to 28 U.S.C. § 1930(a)(6), the Trustee is required to pay quarterly fees to the United States Trustee until entry of a final decree, dismissal of the case or conversion of the case to a case under chapter 7. The Trustee shall pay all United States Trustee quarterly fees due and payable on all disbursements until the entry of a Final Decree, dismissal of the case or conversion of the case to a case under chapter 7.

C. Treatment of Class 1 Priority Claims

Holders of Class 1 Priority Claims are those Creditors holding Claims against the Debtor, other than Administrative Expense Claims, that are entitled to priority under Bankruptcy Code § 507(a). These Claims may include employee wages, salaries and commissions (subject in all such cases to certain limitations prescribed by the Bankruptcy Code). Priority Claims are generally entitled to be paid first after satisfaction of secured claims and administrative expense claims (if any), depending upon the particular type of priority in payment as provided under Bankruptcy Code § 507. Therefore, unless agreed otherwise, the Bankruptcy Code generally allows for the holder of a Priority Claim to receive full payment under a plan if any junior class of Claims is to receive a distribution under the plan.

The Trustee believes that there is one Priority Claim against the Debtor's estate, i.e., claim number 9-1 held by Dr. Lance D. Manning in the amount of \$2,775.00 and classified as a section 507(a)(7) claim per an Order of the Bankruptcy Court dated December 2, 2016 [Dkt. No. 245].

Under the Plan, each holder of an Allowed Priority Claim shall receive, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Allowed Priority Claim, funds in an amount equal to the amount of such Allowed Priority Claim on or within fifteen (15) days after the Effective Date.

D. Treatment of Class 2 General Unsecured Claims

For purposes of the Plan, an Unsecured Claim includes any Claim that is not an Administrative Expense Claim or a Priority Claim. As of the date of this Disclosure Statement, the Trustee believes that there are seven (7) creditors holding Unsecured Claims totaling \$82,305.65 as follows:

Schedule/Claim No.	Claimant	Classification	Amount
Schedule F	David Sendel	General Unsecured Claim	\$1,751.00
Schedule F	Dr. Mike and Fern Malka	General Unsecured Claim	\$13,180.00
2-2	Internal Revenue Service	General Unsecured Claim	\$9,780.00
5-1	Wayne Cooper	General Unsecured Claim	\$15,000.00
6-1	Ero Rentals LLC	General Unsecured Claim	\$35,651.25
8-1	Rennert Vogel Mandel & Rodriguez, P.A.	General Unsecured Claim	\$5,118.40
9-1	Dr. Lance Manning	General Unsecured Claim	\$1,825.00
Total Allowed General Unsecured Claims:			\$82,305.65

Under the Plan, each holder of an Allowed Unsecured Claim shall receive, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Allowed Unsecured Claim, funds in an amount equal to the amount of such Allowed General Unsecured Claim on or within fifteen (15) days after the Effective Date.

E. Treatment of Class 3 Memberships and Interests

Under the D&E Settlement: (i) the D&E Parties agreed, inter alia, to waive and expunge all of their claims against the Debtor's estate in exchange for a distribution in the amount of \$80,000.00 after the payment of allowed administrative expenses and allowed claims; and (ii) the

Cooper Trustee agreed to waive and expunge all of the Cooper estate's claims against the Debtor's estate in exchange for a distribution in an amount equal to the balance on hand in the Debtor's estate after payment of: (a) allowed administrative expenses of the Debtor's estate; (b) payment of allowed Claims; and (c) payment of \$80,000.00 to the D&E Parties, provided, however, that the minimum distribution to the Cooper Trustee under the D&E Settlement is \$300,000.00.

Under the Plan, the Allowed D&E Parties' Interest in the amount of \$80,000.00 and the distribution to the Cooper Trustee of \$300,000.00 shall be paid, in full, after the payment of Administrative Claims, United States Trustee fees, Class 1 and Class 2 Claims in accordance with the Settlement Order.

V

IMPLEMENTATION OF THE PLAN

A. Implementation

The Plan is to be implemented in a manner consistent with Bankruptcy Code § 1123 and the terms and conditions set forth in the Plan.

B. Funding for the Plan

The Plan shall be funded with Available Cash, i.e., the funds currently held in the Trustee's estate account for the benefit of the Debtor. Available Cash shall be used to satisfy holders of Allowed Administrative Expense Claims, Allowed United States Trustee Fees and Allowed Class 1, Class 2 and Class 3 Claims.

C. Distributions

Upon the Effective Date, the Trustee or the Disbursing Agent shall be authorized to, and shall, make all distributions required under the Plan. The Trustee or the Disbursing Agent shall not be required to give any additional bond or surety or other security for the performance of his duties.

The Trustee or the Disbursing Agent shall hold the Available Cash in segregated accounts. The Trustee or the Disbursing Agent shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform his duties hereunder, (ii) make all distributions contemplated hereby; and (iii) exercise such other powers as may be vested in the Trustee by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Trustee to be necessary and proper to implement the provisions of the Plan. At the option of the Trustee or the Disbursing Agent, any payment to be made hereunder may be made by a check or wire transfer or as otherwise required or provided in applicable agreements.

In connection with making distributions on behalf of the Debtor's estate, the Trustee or the Disbursing Agent and any professionals retained by the Trustee shall not be deemed to be the agent for any of the Creditors in connection with the funds held or distributed pursuant to the Plan. The Trustee or the Disbursing Agent and any professionals retained by the Trustee shall not be liable for any mistake of fact or law or error of judgment or any act or omission of any kind except for willful misconduct, self-dealing, fraud, or ultra vires acts and, in all respects, the Trustee or the Disbursing Agent and any professionals retained by the Trustee or the Disbursing Agent may conclusively rely, and shall be fully protected personally in acting upon any statement, instrument, opinion, report, notice, request, consent, order, or other instrument or document that they believe to be genuine and to have been signed or presented by the proper party or parties.

D. Date of Distributions

Except as otherwise provided in the Plan, the Trustee shall make initial distributions to holders of Allowed Claims on or within fifteen (15) days of the Effective Date. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed

on or as soon as reasonably practicable after the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

E. Delivery of Distributions

Subject to Bankruptcy Rule 9010, all distributions to any holder of an Allowed Claim shall be made by the Trustee. In the event that any distribution to any holder is returned as undeliverable, no further distributions shall be made to such holder unless and until the Trustee is notified in writing of such holder's then-current address, at which time all currently-due, missed distributions shall be made to such holder as soon as reasonably practicable thereafter. Undeliverable distributions or unclaimed distributions shall remain in the possession of the Debtor's estate until such time as a distribution becomes deliverable or holder accepts distribution, as applicable, and shall not be supplemented with any interest, dividends or other accruals of any kind. Such distributions shall be deemed unclaimed property under Bankruptcy Code § 347(b) at the expiration of 180 days from the date of distribution to the respective Creditor. After such date, all unclaimed property or interest in property shall revert to the Debtor's Estate and the Claim of any holder to such property or interest in property shall be discharged and forever barred. Distributions that are deemed unclaimed property pursuant to the preceding sentence shall be redistributed to pay any then outstanding administrative fees and expenses and if there are no such fees and expenses then owing the distribution shall be made to the Cooper Trustee as provided under the Plan.

F. Distribution Record Date

As of the close of business on the Effective Date, the transfer register for each of the Classes of Claims or Interests as maintained by the Clerk of Court shall be deemed closed and there shall be no further changes in the record holders of any of the Claims or Interests. The Trustee or the

Disbursing Agent shall have no obligation to recognize any transfer of Claims or Interests occurring on or after the Effective Date.

VI

FEASIBILITY

The Debtor's assets have been liquidated by the Trustee and are being held by the Trustee in an estate account. The funds are available for distribution to creditors in accordance with the Plan.

VII

CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND THE EFFECTIVE DATE

In order for the Plan to be confirmed, the Confirmation Order must be entered by the Bankruptcy Court.

VIII

VOTING

No class of creditors is impaired under the Plan and, accordingly, all classes are deemed to have accepted the Plan.

IX

REQUIREMENT FOR CONFIRMATION OF THE PLAN

Error! Bookmark not defined.

A. Confirmation Hearing

The Bankruptcy Code requires that the Bankruptcy Court hold, after notice, a hearing to consider confirmation of the Plan.

The Confirmation Hearing shall be held on **November 21, 2017 at 10:00 a.m.** before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, One Bowling Green, Courtroom 623, New York, New York 10004.

The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement made at the Confirmation Hearing.

B. Objections to Confirmation

The Bankruptcy Court has directed that objections, if any, to Confirmation of the Plan be in writing, filed with the Bankruptcy Court with a courtesy copy to chambers of the Honorable Shelley C. Chapman, with proof of service and such objections served on or before **November 14, 2017 by 5:00 p.m.**

Objections must be served upon: (i) counsel to the Trustee, LaMonica Herbst & Maniscalco, LLP, 3305 Jerusalem Avenue, Wantagh, New York, 11793, Attention: Gary F. Herbst Esq. & Holly R. Holecek, Esq.; and (ii) the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, New York 10004, Attention: Greg Zipes, Esq.

Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014.

C. Acceptance of the Plan

There are no impaired classes of Claims or Interests under the Plan and as such there will be no voting on the Plan.

D. Confirmation of Plan

In order to confirm the Plan, the Bankruptcy Code requires that the Bankruptcy Court make a series of determinations concerning the Plan, including: (i) that the Plan has classified Claims in a permissible manner; (ii) that the contents of the Plan comply with the technical requirements of the Bankruptcy Code; (iii) that the Plan has been proposed in good faith; and (iv) that disclosures

concerning the Plan have been made which are adequate and include information concerning all payments made or promised in connection with the Plan and the Chapter 11 case. The Trustee believes that all of these conditions have been or will be met.

X

EFFECT OF CONFIRMATION; INJUNCTION; RELEASE

A. Effect of Confirmation

On the Confirmation Date, the terms of this Plan bind all holders of all Claims against the Debtor.

B. Injunction

Except as otherwise provided in the Plan or the Confirmation Order, all entities who have held, hold or may hold claims, interests, or liabilities that: (1) are subject to compromise and settlement pursuant to the terms of the Plan or Order entered during the Chapter 11 case; (2) are subject to exculpation pursuant to the Plan; or (3) are otherwise stayed or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, from and after the effective date, from:

- i. commencing or continuing in any manner any action or other proceeding of any kind, including on account of any claims, interests, or liabilities that have been compromised or settled against the Debtor, the Trustee, or any entity exculpated on account of or in connection with or with respect to any settled, compromised, or exculpated claims, interests, or liabilities;
- ii. enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against the Debtor, the Trustee, or any entity

- exculpated on account of or in connection with or with respect to any such settled, compromised, or exculpated claims, interests, or liabilities;
- iii. creating, perfecting or enforcing any lien, claim, or encumbrance of any kind against the Debtor, the Trustee, or any entity so exculpated (or the property or estate of the Debtor or any entity so exculpated) on account of or in connection with or with respect to any such settled, compromised, or exculpated claims, equity interests, or liabilities;
 - iv. asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from the Debtor, the Trustee, or any exculpated entity (or the property or estate of the Debtor or any exculpated entity) on account of or in connection with or with respect to any such released, settled, compromised, or exculpated claims, interests, or liabilities unless such holder has filed a timely proof of claim preserving such right of setoff pursuant to Bankruptcy Code § 553 or otherwise; and
 - v. commencing or continuing in any manner any action or other proceeding of any kind against the Debtor, the Trustee, or exculpated entity (or the property or estate of the Debtor or any exculpated entity) on account of or in connection with or with respect to any such settled, compromised, or exculpated claims, interests, or liabilities settled or compromised pursuant to the Plan.

Provided that nothing contained herein shall preclude an entity from obtaining benefits directly and expressly provided to such entity pursuant to the terms of the plan or other order of the Bankruptcy Court; provided, further, that nothing contained herein shall be construed to

prevent any entity from defending against claims objections or collection actions whether by asserting a right of setoff or otherwise to the extent permitted by law

C. Release

As of the Effective Date, to the extent authorized by Bankruptcy Code § 1141, the Trustee and the Debtor are released from all Claims, demands, actions, claims for relief, causes of actions, suits, debts, covenants, agreements and demands of any nature whatsoever, in law and in equity, that any creditor, interest holder or any other party in interest had, or now has, or may hereafter have against the Trustee, the Debtor or the Debtor's Estate arising prior to the Effective Date. Except as otherwise provided herein and in Bankruptcy Code § 1141, all Persons shall be precluded and enjoined from asserting against the Trustee and the Debtor, its assets, or properties, or against any property that is distributed, or is to be distributed under this Plan, any other or further Claim upon any acts or omissions, transactions or other activity of any kind or nature that occurred prior to the Effective Date. Furthermore, the Trustee, shall be released and shall have no liability from or for all Claims, demands, actions, claims for relief, causes of actions, suits, debts, covenants, agreements and demands of any nature whatsoever, in law and in equity, that any creditor, interest holder or any other party in interest had, or now has, or may hereafter have against the Trustee for any and all distributions that the Trustee makes in accordance with the Plan and the D&E Settlement.

XI

ALTERNATIVES TO THE PLAN AND OTHER CONSIDERATIONS

A. Alternatives to the Plan

The Trustee believes that the Plan provides creditors with the earliest and greatest possible value that can be realized on their respective Claims. The principal alternatives to confirmation of

the Plan are: (i) confirmation of alternative plans submitted by another party in interest; or (ii) conversion of the case to Chapter 7 of the Bankruptcy Code.

(i) **Alternative Plans**

The Trustee is not aware of any party prepared or interested in filing an alternative plan which provides, on the whole, greater recoveries for creditors. Moreover, any alternative plan may not generally be acceptable to the Trustee and would likely result in costly and time-consuming litigation that will ultimately be detrimental to the creditors.

(ii) **Conversion to Chapter 7**

The Trustee believes that a conversion to Chapter 7 would not be in the best interest of creditors. The Trustee has liquidated the Debtor's assets and the Available Cash is sufficient to pay creditors holding Allowed Claims in full. As described below ("Best Interests of Unsecured Creditors"), liquidation of the Debtor's assets under Chapter 7 of the Bankruptcy Code would not generate a greater distribution to creditors than proposed under the Plan. Conversion under Chapter 7 of the Bankruptcy Code would only add a layer of administrative costs incurred by a Chapter 7 trustee and could also be substantial and will impact upon the ability of Creditors to receive payment on the Effective Date or shortly thereafter. Finally, any additional Administrative Costs will adversely affect the distribution to Claimants and will not inure to their benefit.

The Trustee believes that confirmation of the Plan is preferable to the alternatives described above because the Plan maximizes the property available for distribution to all Classes of Claims and appropriately distributes all of the Available Cash.

B. Best Interests of Unsecured Creditors

Notwithstanding acceptance of the Plan by Classes of Claims, in order to confirm the Plan, the Bankruptcy Court must independently determine that the Plan is in the best interests of all

Classes of Claims. The “best interests” test requires that the Bankruptcy Court find that the Plan provides to each member of each impaired Class of Claims a recovery which has a present value at least equal to the present value of the distribution which each such person would receive from the Debtor if its assets were instead distributed by a trustee under Chapter 7 of the Bankruptcy Code. The Trustee believes that the Plan satisfies the “Best Interests Test” with respect to all Classes of Claims as all Claimants are fully unimpaired.

The cost of converting the case to one under Chapter 7 would likely include the fees of a trustee, as well as those of the Chapter 7 trustee’s counsel and other professionals that may be retained by the Chapter 7 trustee and unpaid expenses incurred by the Debtor during the Chapter 11 case (such as fees for attorneys). These Claims, and such other Claims as might arise in the liquidation or result from the Debtor’s Chapter 11 case, would be paid from the Debtor’s assets before its assets would be available to pay Unsecured Claims resulting in substantially less of a recovery by the trustee for the creditors of this estate.

THE TRUSTEE BELIEVES THAT THE PLAN PROVIDES THE GREATEST AND EARLIEST POSSIBLE RECOVERY ON ACCOUNT OF CLAIMS AND THAT CONFIRMATION OF THE PLAN IS IN THE BEST INTERESTS OF CREDITORS.

C. Liquidation Analysis

Pursuant to the Plan, the Trustee estimates that Allowed Unsecured Claims will receive payment in full. The Trustee believes that if the case were converted to a Chapter 7 case, unsecured creditors would receive no greater distribution on account of a liquidation of the estate than they would under the Plan.

The Trustee believes that confirmation of the Plan is preferable to the alternatives described above because the Plan maximizes the value of all property available for distribution to all Classes

of Claims and provides for 100% payment to unsecured creditors while avoiding the additional layer of Chapter 7 administrative claims that must be paid if the case were converted to Chapter 7. Accordingly, the Trustee believes that confirmation of the Plan, rather than the alternatives described above, is in the best interests of creditors.

XII

RECOMMENDATION OF THE TRUSTEE

The Plan and this Disclosure Statement were drafted and submitted by the Trustee. As such, the Trustee strongly supports this Plan and believes that Confirmation of the Plan provides the creditors with the best possible recovery in the shortest possible time.

XIII

ADDITIONAL INFORMATION

Requests for information and additional copies of this Disclosure Statement, the Plan, and any other materials or questions relating to the Plan and this Disclosure Statement should be directed to Trustee's counsel, LaMonica Herbst & Maniscalco, LLP, 3305 Jerusalem Avenue, Wantagh, New York 11793, Attn.: Gary F. Herbst, Esq. or Holly R. Holecek, Esq., at (516) 826-6500 during regular business hours.

XIV

TAX CONSEQUENCES

The Trustee is not aware of any tax consequences which may result from the confirmation of the Plan. Creditors should consult with their own tax advisor concerning any such tax related implications. Pursuant to IRS Circular 230 Notice: To ensure compliance with IRS Circular 230, holders of Claims are hereby notified that (a) any discussion of U.S. federal tax issues contained or referred to in this Disclosure Statement is not intended or written to be used, and cannot be used,

by holders of Claims for the purpose of avoiding penalties that may be imposed on them under the Tax Code; (b) such discussion is written in connection with the promotion or marketing by the Trustee of the transactions or matters addressed herein; and (c) holders of Claims should seek advice based upon their particular circumstances from an independent tax advisor.

XV

CONCLUSION

The Trustee believes the Plan is in the best interests of all creditors of the Debtor's estate.

Dated: October 19, 2017
Wantagh, New York

LaMONICA HERBST & MANISCALCO, LLP
Counsel to Salvatore LaMonica, as Chapter 11 Trustee

By: s/ Gary F. Herbst
Gary F. Herbst, Esq.
Holly R. Holecek, Esq.
3305 Jerusalem Avenue
Wantagh, New York 11793
Telephone: (516) 826-6500

Dated: October 19, 2017
Wantagh, New York

ESTATE OF IMPERIAL CAPITAL LLC

By: s/ Salvatore LaMonica
Salvatore LaMonica, solely in his capacity
as Chapter 11 Trustee