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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re

PIERRE LIONEL LESPINASSE

Debtor.

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Case No.:
16--10180-MEW
In Proceedings for
Reorganization under
Chapter 11

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**THIS IS NOT A SOLICITATION OF ACCEPTANCES OF THE PLAN.
ACCEPTANCES MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT
HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE ANNEXED
DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE COURT.**
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DEBTOR'S DISCLOSURE STATEMENT

Pierre Lionel Lespinasse, Debtor-and-debtor in possession (sometimes referred to as the "Debtor"), submits this disclosure statement ("Disclosure Statement") pursuant to § 1125 of 11 U.S.C. § 101 *et seq.* (the "Bankruptcy Code") with regard to his proposed Amended Liquidating Plan of Reorganization ("Plan"), dated November 22, 2016. Unless otherwise noted, all capitalized terms contained herein shall have the same meaning as capitalized terms contained in the Plan. A copy of the Plan is annexed hereto as Exhibit "A."

**THE PURPOSE OF THIS DISCLOSURE STATEMENT IS TO PROVIDE CREDITORS
WITH ADEQUATE INFORMATION ABOUT THE DEBTOR AND THE PLAN OF**

**REORGANIZATION SO AS TO ENABLE THEM TO MAKE AN INFORMED
JUDGMENT AND DECISION IN EXERCISING THEIR RIGHT TO VOTE UPON THE
ACCEPTANCE OR REJECTION OF THE PLAN OF REORGANIZATION.**

PRELIMINARY STATEMENT

The information contained in the Disclosure Statement was derived from the Debtor and the Debtor's books, records and files.

BACKGROUND

1. On January 27, 2016, the Debtor filed his voluntary petition for relief, under Chapter 11 of the Bankruptcy Code, with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court")
2. The Debtor continues to possess his properties and operate his business as a debtor-in-possession, pursuant to Bankruptcy Code sections 1107 and 1108.
3. No creditors' committee has been constituted in this case.
4. The last date for Creditors to file proofs of claim in this case was October 19, 2016.
5. In summary, the Plan provides for Mr. Lespinasse to pay: a.) his Secured Creditors to the extent of their security interests in his Real Property - New York and Real Property - Antwerp, upon the sale of that property; b.) his general unsecured creditors on a *pro rata basis* the proceeds from the sale of his Real Property after paying his secured creditors the full amount of their Secured Claims and preserving Mr. Lespinasse's \$150,000 homestead exemption c.) Allowed Priority Tax claims in periodic payments over five years from the Relief Date, January 27, 2016.

ABOUT THE DEBTOR

6. Pierre Lionel Lespinasse is an individual was engaged primarily in the real estate industry.
7. He resides in New York City and Antwerp Belgium.
8. As a result of the 2008 economic downturn, Mr. Lespinasse's endeavors in real estate faltered.
9. The case was filed to address a pending foreclosure sale of the Debtor's Real Property- New York. located at 52 East 78th Street, New York, NY.
10. The goal is to sell his properties, pay his creditors and reorganize.

SIGNIFICANT EVENTS IN THIS CASE

Turmoil In Belgium

11. Shortly after this Case was filed, Mr. Lespinasse's Belgian creditors pursued him and his wife to collect on their Claims.
12. The automatic stay of Bankruptcy Code § 362(a) was not recognized or given comity in Belgium.
13. Mr. Lespinasse's wife then commenced divorce proceedings against him in Belgium.
14. The Real Property - Antwerp's sale will achieve the satisfaction Mr. Lespinasse's European Creditors' Claims.
15. This includes all obligations of Mr. Lespinasse to his wife as the result of their divorce.
16. Mr. Lespinasse is awaiting a final determination of what he will receive from the Antwerp-Property's sale.

17. He has been granted a room in the Antwerp Property which was sold.
18. That property right's value is undetermined.

Efforts to Sell the New York Real Property

19. Even before this case began, the Debtor tried to sell the New York Real Property on his own.
20. Absent success, he retained a New York real estate broker to sell the New York Real Property.
21. Mr. Lespinasse moved for authority to retain Douglas Elleman Real Estate as his brokers in this case for the New York Real Property through November 18, 2016.

Filing Plan of Reorganization

22. The Debtor initially filed a liquidating plan of reorganization on October 10, 2016.
23. A proposed disclosure statement for that plan was file on October 18, 2016.

Stipulation with New York Mortgagee

24. The Debtor was having little success in his efforts to sell the New York Property.
25. Facing reality and avoiding the need for U.S. Bank moving to modify the automatic stay afforded the Debtor and affecting the Real Property New York, the Debtor and U.S.Bank stipulated concerning the Real Estate New York's sale.
26. In summary, the Debtor's retained real estate broker had until November 17, 2016 to find a buyer for that property.
27. Failing that, the Debtor puts the property up for auction with a sale no later than

December 31, 2016.

28. The Stipulation is annexed as Exhibit "A" to the Plan and incorporated into the Plan by reference.

Checking the Court's Docket

29. A detailed statement of the events in this case can be found by reviewing the docket maintained by the Bankruptcy Court concerning Mr. Lespinasse's case at the Bankruptcy Court's website, www.nysb.uscourts.gov. A PACER password is necessary to access the docket.

PLAN OF REORGANIZATION

THE FOLLOWING IS A BRIEF SUMMARY OF THE PLAN OF REORGANIZATION.

IT IS A SUMMARY ONLY, AND CREDITORS AND PARTIES IN INTEREST ARE URGED TO READ THE PLAN OF REORGANIZATION IN FULL FOR THE TERMS AND THE TREATMENT OF THE VARIOUS CLASSES OF CLAIM HOLDERS.

CLASSIFICATION AND PAYMENT OF CLAIMS AND INTERESTS

Claims against and Existing Interests in the Debtor, excluding Administrative Claims and Priority Tax Claims, are divided into the following Classes:

Class 1 shall consist of:

The Secured Claim of Goffin Bank secured by the Real Estate Antwerp.

The Debtor scheduled this Claim at \$730,453.75

Class 2 shall consist of:

The Secured Claim of U.S.Bank, NA, successor trustee to Bank of

American NA, successor in interest to LaSalle Bank NA as trustee on behalf of the holders of WaMu Mortgage Pass-Through Certificates, Series 2006-AR15, its assignees and/or successors, by and through its servicing agent Select Portfolio Servicing Inc. (“U.S. Bank”) secured by the Real Estate New York. U.S. Bank filed claim is for \$830,797

Class 3 shall consist of:

The Secured Claim of Bradley Weisbrod secured by the Real Estate New York. The Creditor filed a proof of claim for \$36,100.00

Class 4 shall consist of:

All other Secured Claims secured by the Real Property New York. The United States filed a secured claim for \$49, 233.08

Class 5 shall consist of:

All Allowed Priority Tax Claims. The United States filed a \$17,846.57 priority tax claim

Class 6 shall consist of:

Allowed General Unsecured Claims. There are \$107,553.91 general unsecured claims filed

30. All Allowed Claims in Class 1 shall be paid before the Effective Date of the Plan. Therefore, Class 1 is impaired, and entitled to vote.
31. All Allowed Claims in Classes 2, 3 and 4 shall be paid not later than on the Effective Date of the Plan. Therefore, Classes 2, 3 and 4 are unimpaired and not entitled to vote.
32. All Allowed Claims in Class 5 shall be paid in accordance with 11 U.S.C. § 1129(a)(9)(C). Class 5 is unimpaired, and not entitled to vote to accept or reject the

Plan.

33. All Allowed Claims in Class 6 shall be paid after the Creditors holding Allowed Class 2, 3 and 3 are paid in full. Class 6 is impaired, and entitled to vote to accept or reject the Plan
34. In the event of a controversy as to whether any Claimant or Class of Claimants is impaired under the Plan, the Court shall, after notice and a hearing, determine the outcome of such controversy.

**MEANS OF PAYMENT OF
CLAIMS AND INTERESTS UNDER THE PLAN**

PROVISIONS FOR TREATMENT OF CLAIMS

35. **Unclassified Claims.** Allowed Administrative Claims are not classified under the Plan pursuant to Section 1123(a) of the Bankruptcy Code.
- All Allowed Administrative Claims, which remain unsatisfied as of the Effective Date, shall be paid by the Debtor in full upon the earlier of the Distribution Date or the entry of an order approving such Allowed Administrative Claim if such order is required, in Cash, or on such other terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtor, except that Administrative Claims incurred by the Debtor in the ordinary course of business shall be paid when due in accordance with ordinary business terms.
 - U.S. Trustee and Any Applicable Interest-The U.S. Trustee's fees will continue to be due and payable until a Final Decree is entered or the case is dismissed or converted, whichever is earlier. Prior to the confirmation of the Plan the Debtor

will continue to pay all applicable U.S. Trustee fees. After the entry of an order confirming the Plan the Debtor will continue to pay all applicable U.S. Trustee fees. After the entry of an order confirming the Plan, the reorganized Debtor will be responsible for the payment of all applicable U.S. Trustee fees.

36. **Allowed Secured Claim of Goffin Bank (Class 1)**. Goffin Bank be paid its Allowed Secured Claim in full pursuant to Belgian Law. Belgian Law does not recognize the automatic stay of 11 U.S.C. § 362(a). Therefore, Class 1 will be paid before the Effective Date.

37. **Allowed Secured Claims of U.S. Bank (Class 2), Secured by the Real Estate New York** Allowed Class 2 Claims shall be paid on the Effective Date of the Plan in the order of their priority to the extent that the Sale of the Real Estate New York's proceeds is sufficient to satisfy those claims. To the extent a Class 2 claim is not satisfied, it will be treated as a Class 6 General Unsecured Claim.

This treatment of Class 2 Claims is subject to the "Stipulation and Order for Plan Treatment and Conditional Stay Relief on First Lien Secured by Real Property at 522 E 78th Street, #3C, New York, NY" dated November 22, 2016 (the "Stipulation") a copy of which is annexed to the Plan as Exhibit "A" and incorporated therein by reference.

38. **All Other Allowed Secured Claims of Bradley Weisbrod (Class 3) and Allowed All Other Secured Claims Secured by the Real Estate New York**. Allowed Class 3 and 4 Claims shall be paid on the Effective Date of the Plan in the order of their priority, after Class 2 Claims are paid in full, to the extent that the Sale of the Real Estate New York's proceeds is sufficient to satisfy those claims. To the extent a Class 3 or 4 claim is not satisfied, it will be treated as a Class 6 General Unsecured Claim.

39. **Allowed Tax Claims (Class 5)**. Allowed Tax Claims shall be paid in full (I) of a total value, as of the Effective Date of the Plan, equal to the allowed amount of such Claim; (ii) over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303; and (iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan.

4.04 **Allowed General Unsecured Claims (Class 6)**. The holders of Allowed General Unsecured Claims shall be their *pro rata* share of the proceeds from the sale of the Debtor's Real Property New York after the Allowed Claims of Classes 2, 3 and 4 are paid in full, and net of the Debtor's homestead exemption, up to the full amount of each Allowed Unsecured Claim.

MEANS FOR EXECUTING THE PLAN

40. Plan Implementation: The Plan is to be implemented in a manner consistent with Bankruptcy Code § 1123.

41. To fund the payment of Claims, the Debtor shall:

- a.) sell his Real Property - Antwerp use the proceeds of the that sale to

pay Allowed Class 1 Claims and Claims asserted by Creditors in Belgium, in accordance with Belgian Law.

- b.) sell his Real Property - New York. If the Debtor is able to obtain a contract for the sale of the New York Property by November 20, 2016, the Real Property New York and will be soled pursuant to 11 U.S.C. § 363 and that contract's terms. If the Debtor is unable to obtain a contract the sale of the New York Property by November 18, 2016, the Debtor will promptly sell that property by auction, pursuant to 11 U.S.C. § 363, in cooperation with the Class 2 Secured Creditor.
- c.) The Debtor shall use his income toward satisfying the Class 5 Priority Tax Claims

42. The Debtor shall continue to manage his properties and ventures in implementing the Plan until and after the Effective Date.
43. Subject to the terms of the Plan, the Reorganized Debtor may, at his own election, transfer, convey and/or refinance interests in his property.
44. If the Debtor and/or Reorganized Debtor makes a transfer of property under the Plan which transfer might otherwise be subject to a stamp tax or similar tax, including a transfer tax, such transfers shall not be subject to such tax to the fullest extent permitted by Bankruptcy Code § 1146.

**THE REORGANIZED DEBTOR'S
OPERATIONS AND MANAGEMENT**

45. Mr. Lespinasse will continue to manage his affairs and operations. He presently intends to be employed. He may also pursue ventures.

EXECUTORY CONTRACTS

46. The Debtor will reject all executory contracts and unexpired leases which are in effect on the Confirmation Date.
47. Any Entity whose Claim arises from the rejection of an Executory Contract shall, to the extent such Claim becomes an Allowed Claim, have the rights of a Class 6 Claimant with respect thereto.
48. Any Entity who has a claim against the Debtor by virtue of the operation of Section 10.01 of the Plan may file a Claim with the Clerk of the Court and serve a copy of same upon the Debtor in accordance with the notice provisions of Section 14.04 of the Plan within thirty (30) days following service upon such Entity of notice of entry of the Confirmation Order or order authorizing such rejection, whichever is later. If such Claim is not filed within the specified time, it shall be forever barred from assertion against the Debtor and his property. The Debtor shall provide prompt notice of rejection to the other parties to any rejected executory contract so they may timely

exercise their rights. The Confirmation Order shall also provide for such notice.

49. Any Claim filed in accordance with the provisions of Section 10.01 of the Plan shall be treated as a Disputed Class 2 Claim until the period of time has elapsed within which the Debtor may file an objection to such Claim with no such objection being filed.

50. **Conditions to Occurrence of the Effective Date.**

The entry of the Confirmation Order and its becoming a Final Order and the Sale of the Real Property - New York are the conditions precedent to the occurrence of the Effective Date.

EFFECT OF THE PLAN ON CLAIMS AND EXISTING INTERESTS

51. **Injunction:**

In implementing the discharge provided for by the Plan, except as otherwise expressly provided in the Plan (including obligations in respect of Claims as at the Effective Date): (a) all Persons who have held, hold or may hold Claims or Interests against the Debtor are permanently enjoined on and after the Payment Date: (I) from commencing or continuing in any manner, directly or indirectly, any action or other proceeding of any kind with respect

to any such Claim or Interests against the Debtor or the property of the Debtor with respect to any such Claim or Interests, (ii) from the enforcement, attachment, collection or recovery by any manner or means, directly or indirectly, of any judgment, award, decree, or order against the Debtor or the property of the Debtor (iii) from creating, perfecting or enforcing, directly or indirectly, any encumbrance of any kind against the Debtor, or against the property of the Debtor, with respect to any such Claim or Interests, (iv) from asserting, directly or indirectly, any set-off, right of subrogation, or recoupment of any kind against any obligation due the Debtor, or against the property of the Debtor with respect to any such Claim or Interests, and (v) from any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan and/or Confirmation Order. Nothing contained in the Plan shall (a) prohibit the holder of a timely filed Claim to which the Debtor has timely filed an objection from litigating his right to seek to have such Claim declared an Allowed Claim. The Confirmation Order shall make provision for this injunction.

52. **Releases:**

Except as otherwise provided for in the Plan on the Effective Date, all Claims, including, but not limited to, those based upon guarantees of

collection, payment or performance, indemnity bonds or obligations, performance bonds, contingent liabilities or contract obligations, or other similar undertakings made or given by the Debtor prior to the Petition Date as to the obligations or performance of another or of any other Person and/or in connection with the promulgation and obtaining the confirmation of the Plan, shall be discharged, released and of no further force or effect.

53. **Certain Terminations:**

Except as otherwise provided for in the Plan, on the Effective Date, all instruments evidencing indebtedness of the Debtor impaired by the Plan shall be deemed canceled as against the Debtor.

54. **Rights if Plan not Confirmed:**

If Confirmation of the Plan does not occur, the Plan shall be deemed null and void, and in such event, nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtor or any other Person or to prejudice in any manner the rights of the Debtor or any Person in any further proceedings involving the Debtor; nor in such event shall any statement contained in the Plan constitute an admission of any fact by the Debtor in any further proceedings involving the Debtor.

MISCELLANEOUS AND JURISDICTION PROVISIONS

55. The Bankruptcy Court will retain jurisdiction for the purposes, including but not limited to:

- 1 to hear and determine any objections to the allowance of Claims brought by the Debtor;
- 2 to determine any and all applications for compensation for Professional Persons;
- 3 to determine any and all applications, adversary proceedings, and contested or litigated matters properly before the Court and pending on the Confirmation Date that may be brought by the Debtor;
- 4 to modify the Plan pursuant to Section 1127 of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistency in the Confirmation Order to the extent authorized by the Bankruptcy Code;
- 5 to hear and determine all controversies, suits and disputes, if any, as may arise in connection with the interpretation or enforcement of the Plan, the Confirmation Order and any other documents executed and delivered in connection with the Plan;
- 6 to hear and determine all controversies, suits and disputes, if any, as may arise with regard to orders of this Court in the Bankruptcy Case;

- 7 to hear and determine any and all controversies and disputes arising under, or in connection with, the Plan, or the Confirmation Order, including disputes with respect to post-Effective Date fees and expenses of Professional Persons;
- 8 to adjudicate all controversies concerning the classification of any Claim;
- 9 to liquidate damages in connection with any disputed, contingent or unliquidated Claims;
- 10 to recover any assets and property of the Debtor wherever located, including the prosecution and adjudication of all causes of action available to the Debtor as of the Confirmation Date;
- 11 to determine all questions and disputes regarding recovery of and entitlement to the Debtor's assets and property and determine all claims, causes of action and disputes between the Debtor, and any other Entity, whether or not subject to an action pending as of the Confirmation Date;
- 12 to consider and act upon the compromise and settlement of any claim against or cause of action by or against the Debtor or the Debtor's Estate including the Litigations;

- 13 to enter any order, including injunctions, necessary to enforce the title, rights and powers of the Debtors and to impose such limitations, restrictions, terms and conditions on such title, rights and powers as the Court may deem necessary or appropriate;
 - 14 to enter an order or final decree closing and terminating the Bankruptcy Case; and
 - 15 to make such orders as are necessary or appropriate to carry out the provisions of the Plan, including but not limited to orders interpreting, clarifying or enforcing the provisions thereof and/or the Confirmation Order.
56. Quarterly fees which are payable to the Office of the United States Trustee, pursuant to 28 U.S.C. § 1930 which have accrued but not been paid prior to the Confirmation of the Plan shall be paid by the Debtor not later than the Effective Date of the Plan. Quarterly fees which are payable to the Office of the United States Trustee, pursuant to 28 U.S.C. § 1930 which accrue after the Confirmation of the Plan through the entry of a final decree in this case, shall be paid by Mr. Lespinasse as they become due.
57. The reorganized Debtor shall continue to be responsible for the preparation and filing of operating reports from the Confirmation Date of the Plan

through the entry of a final decree in this Case.

58. The reorganized Debtor shall be responsible for filing the required post-confirmation operating reports and payment of the quarterly fees to the United States Trustee, pursuant to 28 U.S.C. § 1930. The Confirmation Order shall provide that the Reorganized Debtor shall be responsible for filing the required post-confirmation operating reports and payment of the quarterly fees to the United States Trustee, pursuant to 28 U.S.C. § 1930.

FINANCIAL ANALYSIS AND LIQUIDATION ANALYSIS

59. The Debtor estimates that if this case were a liquidation, under chapter 7 of the Bankruptcy Code, after deducting for chapter 7 and 11 administration expenses, Secured Claims, and priority claims, there would be a little if any distribution to general unsecured creditors. than may be available under the Plan.
60. Accordingly, the Debtor believes that the Plan is in the best interests of his Creditors and should be accepted by all classes of Creditors.
61. Based on his projections Mr. Lespinasse believes that his Plan is feasible.
62. The Plan is based primarily on the Debtor liquidating his assets.
63. Right, Mr. Lespinasse's income is derived from Social Security.
64. He has no real disposable income.
65. Therefore, if an Unsecured Creditor objects to the Plan's confirmation

because they are receiving less than full payment on their Allowed Claim, the Plan satisfies Bankruptcy Code § 1129(a)(15)(B) and can be confirmed.

66. Mr. Lespinasse hopes to increase his income through finding work.
67. This would facilitate his paying Class 5 Priority Tax Claims.

RISKS IN ACCEPTING THE PLAN

68. The distributions to be received by Creditors under the Plan is not without risk.
69. The net proceeds from the sale of Mr. Lespinasse's Real Estate depend on the volatile and unpredictable New York City real estate market.
70. He may not realize as much from the New York Real Property's sale as hoped.
71. Likewise, Mr. Lespinasse's income increasing is dependant on his finding work.
72. Mr. Lespinasse believes that he is able to maintain or advance himself.
73. However, there is no guarantee that he will.
74. Moreover, Mr. Lespinasse believes that the anticipated distributions under the Plan can be realized and are better than any known alternative to the Plan.

Payments to Creditors

75. Payments to creditors depend entirely on the proceeds from the liquidation of the Debtor's real estate.
76. The Debtor remains unable to finalize what he receives from the sale of the Real Property - Antwerp.
77. The Stipulation with U.S. Bank values the Real Property - New York at \$1,696,000. Subject to its \$790,235.39 lien.
78. There are \$85,332.08 in other liens on the Real Property - New York.
79. The liens total \$883,567.47.
80. Before any proceeds from the Real Property - New York are available for unsecured creditors, Mr. Lespinsasse is entitled to a homestead exemption of \$165,550.
81. After computing administration creditor claims, it is estimated that the sale of the Real Property - New York must yield approximately \$1,200,000 before unsecured creditors can receive any distribution.
82. U.S Bank values the Property at \$1,696,000.
83. However, the Debtor received no viable offer to purchase the Real Property - New York.
84. Therefore, whether and the amount of a distribution to general unsecured

creditors is exceedingly speculative.

85. Having received no offer for the Real Property - New York, a 1% distribution to general unsecured creditor is ambitious.
86. The Debtor has and will continue doing his best to realize the highest sale price possible.

VOIDABLE TRANSFER ANALYSIS

87. The right to pursue preference, fraudulent conveyances or other types of claims under Bankruptcy Code sections 544(b), 547, 548, 549, and 550 or applicable state law will survive the Plan.
88. Mr. Lespinasse and his counsel are investigating whether such claims exist. Thus far, they do not believe they do.
89. However, distributions made to Mr. Lespinasse's Creditors in Europe from the Real Estate - Antwerp's sale will should prevent them from receiving any further distribution in this Case.

TAX CONSEQUENCES

90. The Debtor does not anticipate that he shall be subject to any unfavorable tax consequences arising from the Plan of reorganization.

91. Each individual interested party is advised to confer with a tax professional to determine the tax consequences of the Plan to that individual.

VOTING REQUIREMENTS WITH RESPECT TO THE PLAN

92. The Plan will be confirmed if it is accepted by the requisite majorities of the Debtor's Creditors. The requisite majorities with respect to each class are at least two-thirds (2/3) in dollar amount, and more than one-half (1/2) in number of allowed eligible claims that actually vote within the time period prescribed by the Court.
93. Ballots are enclosed. Ballots should be completed as promptly as possible and returned to the Debtor, c/o his counsel, Wayne Greenwald, P.C., 475 Park Avenue South 26th Floor, New York, New York 10016 Attn: W. M. Greenwald, Esq., The Bankruptcy Court has set December ____, 2011, at 5:00 Eastern Time as the last date for receipt of ballots.
94. In addition to voting, a creditor or party in interest would have the right to object to the Plan, in writing, on any appropriate grounds. The Bankruptcy Court has set December ____, 2016, at 5:00 Eastern Time as the last date for objecting to the Plan .

**ANY BALLOT RECEIVED AFTER THE LAST DATE FOR RECEIPT OF
BALLOTS WILL NOT BE COUNTED IN THE DETERMINATION
OF WHETHER A CLASS HAS APPROVED THE PLAN OF
REORGANIZATION**

**THE FOREGOING IS A BRIEF SUMMARY OF THE PLAN OF
REORGANIZATION AND SHOULD NOT BE RELIED ON FOR
VOTING PURPOSES. CREDITORS ARE URGED TO READ THE
PLAN OF REORGANIZATION IN FULL. CREDITORS ARE
FURTHER URGED TO CONSULT WITH COUNSEL, TO FULLY
UNDERSTAND THE PLAN OF REORGANIZATION.**

**THE PLAN OF REORGANIZATION IS COMPLEX
AT LEAST TO THE EXTENT THAT IT
REPRESENTS A PROPOSED LEGALLY BINDING
AGREEMENT WITH THE DEBTOR, AND AN
INTELLIGENT JUDGMENT CONCERNING SUCH
PLAN OF REORGANIZATION CANNOT BE MADE
WITHOUT UNDERSTANDING IT.**

**FURTHERMORE, IT MUST BE EXPRESSLY
UNDERSTOOD THAT NO REPRESENTATIONS
CONCERNING THE DEBTOR HAVE BEEN
AUTHORIZED BY THE DEBTOR, OTHER THAN
AS SET FORTH IN THIS STATEMENT. ANY
REPRESENTATIONS OR INDUCEMENTS MADE
TO SECURE YOUR ACCEPTANCE WHICH ARE
OTHER THAN AS CONTAINED IN THIS
STATEMENT SHOULD NOT BE RELIED UPON
BY YOU IN ARRIVING AT YOUR DECISION, AND
SUCH ADDITIONAL REPRESENTATIONS AND
INDUCEMENTS SHOULD BE REPORTED TO
COUNSEL FOR THE DEBTOR, WHO IN TURN
SHALL DELIVER SUCH INFORMATION TO THE
BANKRUPTCY COURT FOR SUCH ACTION AS
MAY BE DEEMED APPROPRIATE.**

CONCLUSION

95. The Debtor believes that the annexed Plan is fair to all parties concerned and is the best available alternative to creditors under the circumstances.
96. The Debtor therefore requests that you execute the ballot transmitted to you in connection with this Disclosure Statement and return it to the Debtor's counsel as soon as possible.

Dated: New York, New York
November 22, 2016

WAYNE GREENWALD, P.C.
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212-983-1922

By: /s/ Wayne M. Greenwald Officer
Wayne M. Greenwald

Pierre Lionel Lespinasse

By: _____
Pierre Lionel Lespinasse

EXHIBIT A

Debtor's Plan of Reorganization, which is annexed hereto and made a part hereof
under separate cover