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Anne Penachio, Esq.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

CHAPTER 11

THE CRYSTAL SPOON CORP.,

CASE NO.: 16-22238(rdd)

Debtor.

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**CLARIFICATION OF SMALL BUSINESS
DISCLOSURE STATEMENT**

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This clarification to the Disclosure Statement is made at the request of the New York State Tax Commission (“NYS”) to resolve any discrepancies

Class 1: Secured Claims –

Allowed Secured Claims include the Debtor’s liability (1) IOU Financial; (2) Farm Fresh, Inc. which holds a secured claim under the Perishable Agricultural Commodity Act (“PACA”) for the supply of fresh produce to the Debtor; (3) Taxing Authorities; and (4) the Department of Labor, which the Debtor disputes.

The Debtor shall make payments to Class 1 Claims in full together with applicable interest over a three year period from the Effective Date of the Plan. Class 1 Claims are Impaired and entitled to vote to accept or reject the Plan. NYS will be paid 8% interest on its claim.

2. Class 2: Arrears Claim of the Landlord – The Allowed Claim of the Landlord for amounts due under its lease will be paid in full over time pursuant to the schedule set forth in the order approving assumption of the lease. The Debtor will satisfy the Landlord’s arrears claim in full in April of 2018.

3. Class 3: Priority Unsecured Claims - Class 3 is comprised of Priority Claims that are referred to in Sections 507(a)(1), (4), (5), (6), (7) and (8) of the Code. The Code requires, and the Plan provides, for the holder of such a Claim to receive cash equivalent to their claims in regular installments paid over a period not exceeding five years from the Filing Date.

Class 3 Claim, which total no more than \$113,165.09, will be paid in full with

interest on or before September 1, 2019. NYS will be interest at the rate of 14.5% per year with respect to that portion of its Priority Claim which represents unpaid sales tax and at a rate of 8% on the balance of its Priority Claim.

4. Class 4: General Unsecured Claims - General Unsecured Claims are not secured by any Assets of the Debtor and are not entitled to priority under Section 507(a) of the Code. Unless the holder of an Allowed Class 4 General Unsecured Claim agrees to less favorable treatment, the Debtor shall pay holders of Allowed Class 4 Claims in full without interest over a period not to exceed 6 years from the Effective Date. The first payment to the holders of Allowed Class 4 General Unsecured Claims shall be made on September 1, 2018 in an amount equal to 10% of the amount of such Allowed Class 4 General Unsecured Claim. The Debtor shall make subsequent payments to the holders of Allowed Class 4 General Unsecured Claims in quarterly installments of 10% of their claims on January 1, 2019, April 1, 2019, July 1, 2019, September 1, 2019, January 1, 2020, April 1, 2020, July 1, 2020, and September 1, 2020. The final payment to holders of Allowed Class 4 General Unsecured Claims shall be made on January 1, 2021 when Class 4 claimants will have received an amount equal to 100% of their Allowed Class 4 General Unsecured Claims, without interest.

A revised claims analysis and summary is annexed hereto.

Dated: White Plains, NY
January 17, 2017

PENACHIO MALARA, LLP
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CORRECTED CLAIMS ANALYSIS AND SUMMARY OF DISTRIBUTION

No.	Holder	Secured	Priority/Other	Unsecured	Class
1	Perkins Paper			7,378.25	4
2	NYS Dept of Tax	42,291.77			1
2	NYS Dept of Tax		18,417.62		3
2	NYS Dept of Tax			1,896.98	4
4	ATM Corp			3,637.88	4
5	NYS Dept of Labor		9,568.01		3
6	Select Express Logistics			3,887.00	4
7	Mack Cali Corp.		275,942.06		2
8	Dairyland USA Corp			7,988.29	4
9	Complete Packing			2,334.00	4
10	David Whimms			72,000.00	4
11	Brother Baking			390.95	4

		2		
12	Ginsberg Int'l Foods		44,727.18	4
13	Sills Cummis & Gross		6,687.86	4
14	Farm Fresh Inc.	7,981.43	343.50	4
15	Ace Natural		13,661.00	4
16	Miron Produce		14,833.50	4
17	NYS Dept of Tax	134.24		3
18	IRS	\$64,667.15		3
18	IRS		5,571.62	4
19	NYS Dept of Labor	7,075.68		Unclassified/Admin
20	NYS Dept of Labor	\$20,378.07		3
21	Home Security Systems		1,762.51	4

SCHEDULED

N/A	ATNM		2,728.41	
	ALL Safe Fire		280.00	
	Anthony & Sons Bakery		3,220.35	
	Artic Ice		4,985.00	
	Baldor		13,436.96	
	Cember & Cember		6,138.63	
	Cintas Corp		633.07	
	Complete Packaging & Shipping		2,334.00	
	Con Edison		4,937.45	
	Cream O Land		2,323.17	

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Crystal Spring	1,390.16
CZL Consulting	1,000.00
Dry Ice Corp	4,395.60
Ecolab	795.82
Glens Towing	2,139.35
IOU Central Inc.	\$72,186.12
Joseph Law Group	1,500.00
Lawrence Lazarus	6,400.00
ML Bruen	4,322.34
Nu Technologies Refrig	2,080.00
OP Schuman/Ameripak	816.08
Pro Automotive	2,461.13
RJ Muse LLC	110.00
Sprint	400.73
Tree Nut Cheese	311.34
Trust Pilot	840.00
Uline Shipping	2,329.65
United Natural Foods	11,293.09
US Foods	4,685.10
Western Pest Services	510.05
YELP	1,240.00

TOTALS AND SUMMARY:

- 121,897.07 Secured Class 1 –
Paid 100% plus interest over approximately
27 months from the Effective Date in installments of
\$5,000.00 per month distributed to Class 1 creditors
on a pro rata basis.
Secured Class 1 Claims will be paid in full with
interest on or before June 1, 2018**
- 113,165.09 Priority –
Paid 100% plus interest within 4 years of
the Filing Date starting July 1, 2018 in
installments of \$10,000.00 per month distributed to
Class 3 creditors on a pro rata basis.
Priority Class 2 Claims will be paid in full with
interest on or before September 1, 2019.**
- 275,942.06 Landlord – Paid pursuant to Stip by 4/15/18**
- 284,775.93 Unsecured – Paid in full without interest in
installments on a pro rata basis pursuant to the
following schedule (The estimated payment is in
noted):**
- 5% - December 15, 2019 (\$15,000)**
 - 5% - March 15 15, 2020 (\$15,000)**
 - 10% - July 15, 2020 (\$30,000)**
 - 10% - September 15, 2020 (\$30,000)**
 - 10% - January 15, 2021 (\$30,000)**
 - 10% - April 15, 2021 (\$30,000)**
 - 10% - July 15, 2021 (\$30,000)**
 - 10% - December 15, 2021 (\$30,000)**
 - 10% - March 15, 2022 (\$30,000)**
 - 10% - July 15, 2022 (\$30,000)**
 - 10% - November 15, 2022 (\$30,000)**

**The Debtor estimates that the Unsecured Class 4 Creditors
with Allowed Claims will be paid in full without interest by
November 15, 2022. A Disputed Claims reserve shall be
established.**