

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re: RMPC HABILITATIVE SERVICES, LLC

Bankruptcy No. 15-23409-CMB

AMENDED DISCLOSURE STATEMENT  
TO ACCOMPANY PLAN DATED 11/26/2016

[ ] Chapter 11 Small Business (Check box only if debtor has elected to be considered a small business under 11 U.S.C. §1121(e)

Debtor furnishes this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code §1125 to assist them in evaluating debtor's proposed Chapter 11 plan, a copy of which is attached hereto. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing time. The Court will schedule a hearing on the plan pursuant to 11 U.S.C. §1129.

Address for return of ballots:

RMPC Habilitative Services, LLC c/o  
Franklin L. Robinson, Jr., Esquire  
5907 Penn Avenue  
Suite 200  
Pittsburgh, PA 15206  
412-363-6685

I. Background

1. Name of Debtor

RMPC Habilitative Services

2. Type of Debtor (individual, partnership, corporation)

PA Limited Liability Corporation – Single Member

3. Debtor's Business or Employment.

Provide residential services to individuals with intellectual disabilities.

4. Date of Chapter 11 Petition:

October 26, 2016

5. Events that Caused the Filing:

Prudential Real Estate initiated legal proceedings to sue the Debtor for over \$100,000.00 for a business office lease default.

6. Anticipated Future of the Company & Source of this Information and Opinion.

Continue to operate by paying creditors pursuant to Chapter 11 Plan and grow upon completion of the Chapter 11 Plan.

7. Summarize all Significant Features of the Plan Including When and How Each Class of Creditor Will Be Paid and What, If Any, Liens Will Be Retained By Secured Creditors or Granted to Any Creditor Under the Plan.

The secured creditors will be paid pursuant to contract terms. The creditors with tax claims will be paid pursuant to stipulations as agreed upon by the parties. The general unsecured creditors will be paid 50% of their timely filed unsecured claims unless the creditors selects the option on the ballot form to receive 100% of their filed claims over a period of eighty four (84) months upon confirmation of the plan.

8. Are All Monthly Operating Statements Current and on File With The Clerk of Court?

Yes X No \_\_\_\_\_

If Not, Explain:

9. Does the plan provided for releases of nondebtor parties? Specify which parties and terms of release.

No.

10. Identify all executory contracts that are to be assumed or assumed and assigned.

None

11. Has a bar date been set? Yes X No \_\_\_\_\_

Bar date February 2, 2016 for filing claims and March 14, 2016 for governmental entities.

12. Has an election under 11 U.S.C. §1121(e) been filed with the Court to be treated as a small business?

Yes \_\_\_\_\_ No x \_\_\_\_\_

13. Specify property that will be transferred subject to 11 U.S.C. §1146(c).

None.

II. Creditors

A. Secured Claims

SECURED CLAIMS

Creditor	Total Amount Owed	Arrearages	Type of Collateral Priority of Lien (1, 2, 3)	Disputed (D) Liquidated (L) Unliquidated (U)	Will Liens Be Retained Under the Plan? (Y) or (N)
Southside Motors	\$10,772.73	0	2007 Mercury Mountaineer	Liquidated	Y
GreatAmerica Financial Svs Corp	\$15,679.40	0	Copier and Software	Liquidated	Y
Southside Motors	\$10,772.73	0	2006 Saturn Vue	Liquidated	Y
Internal Revenue Service	\$28,479.92	0	Income Tax Lien	Unliquidated	Y
Department of Revenue	\$5,907.93	0	Income Tax Lien	Unliquidated	Y
Commonwealth of Pennsylvania	\$1,832.80	0	Income Tax Lien	Unliquidated	Y
<b>TOTAL</b>	<b>\$73,445.51</b>	<b>\$0</b>			

B. Priority Claims

PRIORITY CLAIMS

Creditor	Total Amount Owed	Type of Collateral	(D) (L) (U) *
Internal Revenue Service (est.)	\$181,023.79	None	U
PA Department of Revenue	\$21,409.51	None	U
<b>TOTAL</b>	<b>\$202,433.30</b>		

\* Disputed (D), Liquidated (L), or Unliquidated (U)

C.Unsecured Claims

1. Amount Debtor Scheduled (Disputed and Undisputed)	(see attached)	\$ 345,355.13
2. Amount of Unscheduled Unsecured Claims <sup>1</sup>		\$ 0
3. Total Claims Scheduled or Filed		\$ 345,355.13
4. Amount Debtor Disputes		\$ 0
5. Estimated Allowable Unsecured Claims		\$166,340.98

D. Other Classes of Creditors

1. Amount Debtor Scheduled (Disputed and Undisputed)	\$
2. Amount of Unscheduled Claims	\$
3. Total Claims Scheduled or Filed	\$
4. Amount Debtor Disputes	\$
5. Estimated Allowable Claims	\$

E. Other Classes of Interest Holders

1. Amount Debtor Scheduled (Disputed and Undisputed)	\$
2. Amount of Unscheduled Claims	\$
3. Total Claims Scheduled or Filed	\$
4. Amount Debtor Disputes	\$
5. Estimated Allowable Claims	\$

Includes (a.) unsecured claims filed by unscheduled creditors; (b.) that portion of any unsecured claim filed by a scheduled creditor that exceeds the amount debtor scheduled; and (c.) any unsecured portion of any secured debt not previously scheduled.

III. Assets

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ASSETS

Assets	Value	Basis for Value Priority of Lien	Name of Lien Holder (if any) (Fair Market Value/ Book Value)	Amount of Debtor's Equity (Value Minus Lien)
2007 Mercury Mountaineer	\$10,000.00	FMV	Southside Motors	0
2006 Saturn Vue	\$10,000.00	FMV	Southside Motors	0
2002 Ford Taurus	\$2,500.00	FMV		\$2,500.00
2004 Ford Taurus-Wagon	\$1,000.00	FMV		\$1,000.00
2005 Dodge Caravan	\$2,000.00	FMV		\$2,000.00
2007 Nissan Armada	\$7,000.00	FMV		\$7,000.00
2008 Suzuki	\$2,500.00	FMV		\$2,500.00
Office and residential furnishings for clients	\$28,000.00	FMV		\$28,000.00
Cash in Bank	\$265,000.00			\$265,000.00 TOTAL
	\$328,000 Total			

Are any assets which appear on Schedule A or B of the bankruptcy petition not listed above? No.

If so, identify asset and explain why asset is not in estate:

2. Are any assets listed above claimed as exempt? If so attach a copy of Schedule C and any amendments. Yes

IV. SUMMARY OF PLAN

1. Effective Date of Plan: October 15, 2016
2. Will cramdown be sought? Yes        No  X    
If Yes, state bar date: \_\_\_\_\_
3. Treatment of Secured **Non-Tax** Claims

SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Southside Motors	5	\$21,772.73	Paid according to contract terms
GreatAmerican Financial Svs Corp	2	\$15,679.40	Pay according to contract terms
<b>TOTAL</b>		\$ 37,452.13	

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Internal Revenue Service	III	\$28,479.92	Pay monthly installments over 60 months
Pennsylvania Dept. Revenue	III	\$5,907.93	Pay monthly installments over 59 Months
Commonwealth of PA Labor	III	\$1,832.80	Pay monthly installments over 50 Months
<b>TOTAL</b>		\$36,220.65	

5. Treatment of Administrative **Non-Tax** Claims<sup>2</sup>

ADMINISTRATIVE NON-TAX CLAIMS

Name of	Amount	Type of Debt	Summary of Proposed Treatment and Date of First Payment

6. Treatment of Administrative Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor	Amount Owed	Type of Debt	Summary of Proposed Treatment and Date of First Payment

\* Identify and Use Separate Line for Each Professional and Estimated Amount of Payment

\*\* Type of Debt (P=Professional, TD=Trade, TX=Taxes)

7. Treatment of Priority Non-Tax Claims

PRIORITY NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment

8. Treatment of Priority Tax Claims<sup>3</sup>

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
Internal Revenue Service	IV	\$181,023.79	2012-2015	Payment pursuant to stipulation over 60 month
PA Dept. of Revenue	IV	\$21,409.51	8/2015	Payment pursuant to stipulation over 59 months
Total		\$202,433.30		

3 Include dates when any §507(a)(7) taxes were assessed.

9. Treatment of General Unsecured Non-Tax Claims

GENERAL UNSECURED NON-TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
UnitedHealthcare Insurance Co.	VII	\$6,643.57	50% lump sum unless 100% selected on ballot
CIT Finance, LLC	VII	\$53,209.24	50% lump sum unless 100% selected on ballot
Capital One Bank	VII	\$1,755.43	50% lump sum unless 100% selected on ballot
Robinson Management, Inc.	VII	\$44,690.00	50% lump sum unless 100% selected on ballot
Knight Capital Funding	VII	\$4,654.75	50% lump sum unless 100% selected on ballot
Total		\$110,952.99	

10. Treatment of General Unsecured Tax Claims

GENERAL UNSECURED TAX CLAIMS

Creditor	Class	Total Amount of Claim	Percent of Dividend
Pennsylvania Department of Revenue	VII	\$13,434.68	50% lump sum unless 100% selected on ballot
Internal Revenue Service	VII	\$41,953.31	50% lump sum unless 100% selected on ballot
Total		\$55,387.99	

11. Will periodic payments be made to unsecured creditors?

Yes X No \_\_\_\_\_ First payment to begin: Upon confirmation of the Chapter 11 Plan

If so:

Amount of each payment (aggregate to all unsecured claimants)

Estimated date of first payment: Upon confirmation of the Chapter 11 Plan

Time period between payments: 30 Days

Estimated date of last payment: November 16, 2022

Contingencies, if any: None

State source of funds for planned payments, including funds necessary for capital replacement, repairs, or improvements:

Funds for plan payments will come from the business each month.

Other significant features of the plan:

None.

Include any other information necessary to explain this plan:

None.

V.

Comparison of Plan with Chapter 7 Liquidation

If debtor's proposed plan is not confirmed, the potential alternatives would include proposal of a different plan, dismissal of the case or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtor's non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants.

Total value of Chapter 7 estate (See Section III)	\$328,000.00
1. Less secured claims (See Section II A)	\$73,672.78
2. Less administrative claims (See Section IV-5-6 and include approximate Chapter 7	\$0
3. Less other priority claims (See Section II B)	\$202,433.30
Total Amount Available for Distribution to Unsecured Creditors	\$0
Divided by total allowable unsecured claims of (See Section II C)	\$166,340.98
Percentage of Dividend to Unsecured Creditors:	.32

Will the creditors fare better under the plan than they would in a Chapter 7 liquidation?

Yes X No \_\_\_\_\_

Explain: The Debtor is agreeing to pay a lump sum of 50% of all timely filed unsecured claims upon confirmation of the plan unless the creditors designates acceptance of a 100% of the claim payable in eighty four (84) months upon confirmation of the plan which is the best efforts of the Debtor in this Chapter 11 case.

VI. Feasibility

- A. Attach Income Statement for Prior 12 Months.
- B. Attach Cash Flow Statement for Prior 12 Months.
- C. Attach Cash Flow Projections for Next 12 Months.

Estimated amount to be paid on effective date of plan, including administrative expenses.

\$ \_\_\_\_\_

Show how this amount was calculated.

\$0	Administrative Class
\$0	Taxes
\$2,310.29	Unsecured Creditors
\$	UST Fees
\$2,310.29	<b>TOTAL ESTIMATED</b>

What assumptions are made to justify the increase in cash available for the funding of the plan?

Will funds be available in the full amount for administrative expenses on the effective date of the plan? Yes

From what source? If not available, why not and when will payments be made?

Funds from RMPC Habilitative Services, LLC Yes

Cash on hand \$ 265,000.00 Estimated (Current). Attach current bank statement.

Cash on hand \$To Be Determined (Estimated amount available on date of confirmation)

If this amount is less than the amount necessary at confirmation, how will debtor make up the shortfall?

VII. Management Salaries

MANAGEMENT SALARIES

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post Confirmation)
Traci Smith-President	\$70,000.00	\$70,000.00
Melvin Smith-Vice President	\$40,000.00	\$50,000.00
Ben Standifer-Vice President Operations	\$50,000.00	\$50,000.00

VIII. Identify the Effect on Plan Payments and Specify Each of the Following:

1. What, if any, litigation is pending? None
2. What, if any, litigation is proposed or contemplated? None

IX. Additional Information and Comments

The Debtor is making their best efforts to pay all the creditors that have timely filed proof of claims. The Debtor believes the current plan proposed to the creditors will enable them to pay the creditors and continue to operate and provide services to the clients serviced by the corporation.

X. Certification

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry.

If Debtor is a corporation, attach a copy of corporate resolution authorizing the filing of this Disclosure Statement and Plan.

If Debtor is a general partnership, attach a copy of the consent agreement of all general partners to the filing of the bankruptcy.

11/26/2016  
DATE

Traci Smith /s/  
PRESIDENT, RMPC HABILITATIVE SERVICES, LLC

11/26/2016  
DATE

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