

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

In Re: Williams Flagger Logistics, LLC

Bankruptcy No. 16-23882 TPA
Document No.

**DISCLOSURE STATEMENT TO ACCOMPANY
CHAPTER 11 SMALL BUSINESS PLAN DATED August 14, 2017**

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:

**Donald R. Calaiaro, Esquire
CALAIARO VALENCIK
428 Forbes Ave, Suite 900
Pittsburgh, PA 15219-1621
(412) 232-0930**

I. Background

- 1. Name of Debtor**
Williams Flagger Logistics, LLC
- 2. Type of Debtor:**
Limited Liability Corporation
- 3. Debtor's Business or Employment**
Debtor is a Limited Liability Corporation which provides business services to the construction and highway industry.
- 4. Date of Chapter 11 Petition**
October 17, 2016
- 5. Events that Caused the Filing:**
The Debtor underbid contracts. It did not calculate the proper costs of all the "Davis – Bacon" fringe benefits. The contractors delayed payments and paid the Debtor greater than 60 after due date. The Debtor did not have the capital to fund payroll and fringe benefits. The Debtor was in debt by more than \$300,000.00 when it realized the underbidding problem. Union and Benefits Funds began impressing contract payments from general contractors and the debtor could not operate without current income. The Debtor was forced to seek protection under the Bankruptcy Laws.

6. **Anticipated Future of the Company & Source of this Information and Opinion**
The Debtor has changed the bidding structure and it has obtained long term federal contracts. These federal contracts require that the general contractors must make prompt payments. The Debtor is under these new contracts profitably. The Debtor has accumulated more than \$ 500,000 in post-petition receivables. The plan will provide "Safe Harbour" protections to the general contractors who will distribute money to the debtor under this confirmed plan. This will allow the Debtor to make a major payment on all pre-petition debt on the Plan Effective Date.
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**
- A. The Class 1, Administrative Claims will be paid in full on the Plan Effective Date.
 - B. Class 2, Priority Wage will be paid in full on the Plan Effective Date from "Withheld Funds" from the Contractors which will be released to the Debtor.
 - C. Class 3, Priority Tax Claims will be paid in full over 5 years with post-confirmation interest of 4%.
 - D. Class 4, contributions due to Union Fringe Benefit Funds will be paid 100% of their allowed contribution claims on the Plan Effective Date by joint checks from contractors' "Withheld Funds". ***The Plan will provide "Safe Harbor" protections to the general contractors who will distribute money to the Debtor under this confirmed Plan. This will allow the Debtor to make a major payment on all pre-petition debt on the Plan Effective Date.***
 - E. Class 5 shall consist of employees who are not members covered by a Collective Bargaining Agreement. They work in the Reading, Pennsylvania area. They will be paid 100% of their allowed contributions claims on the Plan Effective Date by payments from Contractors holding "Withheld Funds". ***The Plan will provide "Safe Harbour" protections to the general contractors who will distribute money to the Debtor under this confirmed Plan. This will allow the Debtor to make a major payment on all pre-petition debt on the Plan Effective Date.***
 - F. Class 6, the Collective Bargaining Agreement with the Local 1058 and 57 and or 413 union will be assumed and the union dues collected from its members will be paid.
 - G. Class 7 shall consist of Executory Contracts with the Debtor under which the Debtor has contracted to perform flagging services. The contracts with General Contractors defined in paragraph 3.7 will be assumed. ***The Plan will provide "Safe Harbor" protections to the general contractors who will distribute money to the Debtor under this confirmed Plan. This will allow the Debtor to make a major payment on all pre-petition debt on the Plan Effective Date.***
 - H. Class 8 Claims of General Unsecured Creditors will be paid 100% (\$66,805.51) of their allowed claims over 5 years without interest. The Debtor will make monthly payments of approximately \$ 1,113.43 to the Disbursing Agent for 60 months.
 - I. The Class 9 Equity Interests in the Debtor will be retained as modified by the Plan. The Debtor will not issue any dividends for 2 years.
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. The Debtor will seek an injunction against third parties from pursuing the Principal while the Debtor pays the claims under this plan

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

	Job No.		Contractor
	1646		Robinson Pipe Cleaning
	JJA 16102	\$3,403,979.00	James J. Anderson Construction Co. Inc.
	92411	\$217,280.00	Road-Con, Inc.
	TS-850A		Road-Con, Inc.
	104366	\$26,608.00	J.D. Eckman, Inc.
	104488	\$25,797.20	J.D. Eckman, Inc.
	105785	\$2,820.48	Donegal Construction
Jobs on Hold			
	98423	\$14,500.00	Golden Eagle
	98406	\$90,000.00	Golden Eagle
	105789	\$10,000.00	Golden Eagle
		\$30,000.00	Golden Eagle
	SYS-15-08	\$277,127.25	Michael Facchiano Contracting Inc.
	87370	\$47,056.00	A. Folino Contruction Inc.
	105200	\$149,632.00	A. Folino Contruction Inc.
	106103	\$21,340.00	EJB Paving & Materials Co.
	101721	\$87,608.00	New Enterprise Stone & Lime Co., Inc.
	83256	\$156,186.00	New Enterprise Stone & Lime Co., Inc.
	90908		Highway Materials
	90944		Highway Materials
Status Undetermined			
	104384	\$445.00	Thomas Construction, Inc.
Not Started			
	24774	\$115,000.00	Glen O. Howbaker
	79155	\$3,104.00	Kruger Contruction, Inc.
	91293	\$250.00	Glen O. Howbaker
	93247	\$9,400.00	Thomas Construction, Inc.
	94932	\$22,000.00	A. Folino Contstruction, Inc.
	96326	\$50,916.00	New Enteprise Stone & Lime Co., Inc.
	99961	\$221.83	Glen O. Howbaker
	102993	\$22,000.00	A. Liberoni, Inc.
	105118		Collinson, Inc.
	106929	\$28,000.00	Golden Eagle

11. Has a bar date been set? Yes X (3/9/2017) no

12. Has an election under 11 U.S.C. §1121(e) has been filed with the Court to be treated as a small business? Yes X No _____

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)
NONE					

B. Priority Claims

PRIORITY WAGE CLAIMS

Creditor	Total Amount	Type of	(D)(L)(U) *
Amy Driscoll	\$25,000.00	NONE	
Dominic Diaz POC #3	\$2,479.59	NONE	
Daniel Swope POC #4	\$1,482.78	NONE	
Antwain Davender POC #5	\$14,347.49	NONE	
Kelvin Hiciano POC #6	\$3,788.00	NONE	
Anthony James POC #7	\$4,100.00	NONE	
Saleem Molina POC #8	\$2,630.81	NONE	
Michael Dancy POC #9	\$14,515.12	NONE	
Luis Mateo POC #10	\$2,581.72	NONE	
Scott A. Dawson POC #11-2	\$5,005.44	NONE	
Benjamin Wagner POC #12	\$7,213.34	NONE	
Ebony Robinson POC #13	\$655.93	NONE	
Nygil Green POC #14	\$4,192.42	NONE	
Steven Welch POC #15	\$9,384.67	NONE	
Shawn S. Reed POC #16	\$7,259.83	NONE	
Eric R. Munoz POC #17	\$3,382.47	NONE	
Amie Adams POC #22 -2	\$1,587.69	NONE	
TOTAL	\$109,607.30		

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

C. Unsecured Claims- Class 7

1. Amount Debtor Scheduled (Disputed and Undisputed)	\$66,805.51
2. Amount of Unscheduled Unsecured Claims ¹	\$
3. Total Claims Scheduled or Filed	\$66,805.51
4. Amount Debtor Disputes	\$

¹Includes 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.

5. **Estimated Allowable Unsecured Claims** \$66,805.51

D. Other Classes of Creditors- Class 4

1. **Amount Debtor Scheduled (Disputed and Undisputed)** \$399,101.94
 2. **Amount of Unscheduled Claims¹** \$
 3. **Total Claims Scheduled or Filed** \$435,214.58
 4. **Amount Debtor Disputes** \$ 36,112.64
 5. **Estimated Allowable Claims** \$ 399,101.94

E. Other Classes of Creditors- Class 5

1. **Amount Debtor Scheduled (Disputed and Undisputed)** \$ 82,385.90
 2. **Amount of Unscheduled Claims¹** \$ 36,112.64
 3. **Total Claims Scheduled or Filed** \$ 82,385.90
 4. **Amount Debtor Disputes** \$ 36,112.64
 5. **Estimated Allowable Claims** \$ 82,385.90

III. Assets

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 Liens)
Huntington Bank	\$8,000.00	Actual Balance on the Date of Filing	NONE	\$8,000.00
Accounts Receivable	\$414,652.38		NONE	\$414,652.38
TOTAL	\$422,652.38			\$422,652.38

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.

IV. SUMMARY OF PLAN

4. **Effective Date of Plan:**
 2. **Will cramdown be sought?** X Yes No
 If yes, state bar date: The Hearing on the Confirmation of this Plan
 4. **Treatment of Secured Non-Tax Claims**

SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
NONE			

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
NONE			

5. Treatment of Administrative Non-Tax Claims²

ADMINISTRATIVE NON-TAX CLAIMS

Name of Creditor *	Amount Owed	Type of Debt **	Summary of Proposed Treatment and Date of First Payment
Calaiaro Valencik Estimated	\$60,000.00	Attorney for Debtor Fees	To be paid in full on the Plan Effective Date; or as parties are able to agree.
United States Trustee	\$4,875.00	Court Costs	To be paid in full on the Plan Effective Date.
TOTAL	\$64,875.00		

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

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

6. Treatment of Administrative Tax Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor *	Amount Owed	Type of Debt **	Summary of Proposed Treatment and Date of First Payment
NONE			

7. Treatment of Priority Non-Tax:

PRIORITY NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Amy Driscoll	2	\$25,000.00	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Dominic Diaz POC #3	2	\$2,479.59	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Daniel Swope POC #4	2	\$1,482.78	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Antwain Davender POC #5	2	\$14,347.49	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Kelvin Hiciano POC #6	2	\$3,788.00	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the

²Include all §503(b) administrative claims.

			money is paid.
Anthony James POC #7	2	\$4,100.00	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Saleem Molina POC #8	2	\$2,630.81	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Michael Dancy POC #9	2	14,515.12	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Luis Mateo POC #10	2	\$2,581.72	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Scott A. Dawson POC #11-2	2	\$5,005.44	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Benjamin Wagner POC #12	2	\$7,213.34	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Ebony Robinson POC #13	2	\$655.93	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Nygil Green POC #14	2	\$4,192.42	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Steven Welch POC #15	2	\$9,384.67	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Shawn S. Reed POC #16	2	\$7,259.83	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Eric R. Munoz POC #17	2	\$3,382.47	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Amie Adams POC #22-2	2	\$1,587.69	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Kashta Davis*	2	\$ 52, 987.62	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Kashta Davis		\$143.72	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Kashta Davis	2	\$805.35	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Rahman Istawa *	2	\$24,284.91	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Rahman Istawa		\$173.44	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Joseph Jackson		\$158.11	This creditor will be paid up to in full from "withheld

			Funds” on or before the Plan Effective Date” as the money is paid.
Joseph Jackson *	2	\$48,727.65	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Keisha McCoy*	2	\$48,955.51	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Keisha McCoy		\$278.92	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Andre Moore*	2	\$49,698.63	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Andre Moore		\$318.43	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Hasaan Norris*	2	\$24,291.50	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Hasaan Norris		\$184.17	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Demetrius Smith*	2	\$28,983.15	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Demetrius Smith		\$282.46	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Evelyn Torres-Perry*	2	\$38,536.89	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Evelyn Torres-Perry		\$115.28	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Michael Warren*	2	\$32,545.08	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Michael Warren		\$247.66	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Nathan Banks	2	\$905.06	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Jesse Bond	2	\$50.24	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Jesse Bond – The claim for fringe benefits is also being asserted by Local 413	2	\$728.46	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.

Darin Bryant	2	\$536.90	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Eduardo Cruz	2	\$291.46	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Brandon Fisher	2	\$1,761.92	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Barbara Hardeman	2	1,673.85	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Krystle Heckman	2	\$747.06	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Marcus Hewitt	2	\$667.29	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Marcus Hewitt – The claim for fringe benefits is also being asserted by Local 413	2	\$7,500.06	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Jennifer McEntire	2	\$3,052.66	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Carlos Mercado	2	\$1,538.60	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Edwin Middlebrooks	2	\$552.54	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Andres Ortiz	2	\$4,272.19	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Taylor Overdorf	2	\$2,485.08	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Kia Pierce – The claim for fringe benefits is also being asserted by Local 413	2	\$8,059.23	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Kia Pierce	2	\$8,922.37	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Charles Pratt	2	\$5,948.68	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Charles Pratt- The claim for fringe benefits is also	2	\$11,116.71	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.

being asserted by Local 413			
Dewayne Quinones	2	\$2,116.92	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Shakina Rush	2	\$ 3,980.14	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Joseph Simmons	2	\$4,411.07	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Sheldon K. Thompkins	2	\$628.00	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Aaron Wade	2	\$2,629.12	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Henry Armstrong	2	\$206.67	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Henry Armstrong	2	\$10,556.61	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Ricky Hamm	2	\$275.22	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Ricky Hamm	2	\$4,586.91	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Michael Dancy	2	\$13,344.16	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Antwain Davender	2	\$13,805.99	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Dominic Diaz	2	\$1,142.83	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
David Ellis	2	\$8,840.44	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Nygil Green	2	\$2,676.83	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Anthony James	2	\$3,876.05	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Keisha McCoy	2	\$986.36	This creditor will be paid up to in full from "withheld Funds" on or before the Plan Effective Date" as the money is paid.
Rafael Rodriguez-	2	\$2,285.66	This creditor will be paid up to in full from "withheld

Ventura			Funds” on or before the Plan Effective Date” as the money is paid.
Evelyn Torres-Perry	2	\$506.22	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Benjamin Wagner	2	\$7,090.62	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Lawrence Bowens- The claim for fringe benefits is also being asserted by Local 413	2	\$715.64	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
DiQuan Braxton – The claim for fringe benefits is also being asserted by Local 413	2	\$7,992.54	This creditor will be paid up to in full from “withheld Funds” on or before the Plan Effective Date” as the money is paid.
Laborers District Council Benefit Funds (Philadelphia)- POC # 23 – disputed as to late charges	4	\$138,370.47	After credits from 3 rd party payments have been deducted, This creditor will be paid by joint check to pay the allowed claim, as defined by the Plan, in full.
Laborers District Council Benefit Funds (Philadelphia)	4	\$ 36,112.64	After credits from 3 rd party payments have been deducted, This creditor will be paid by joint check to pay the allowed claim, as defined by the Plan, in full.
Laborers District Council Benefit Funds (Philadelphia)-dues	4	\$15,569.94	After credits from 3 rd party payments have been deducted, This creditor will be paid by joint check to pay the allowed claim, as defined by the Plan, in full.
TOTAL		\$896,691.14	

8. Treatment of Priority Tax Claims³:

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
IRS - POC #2		\$9,677.27	ESTIMATED- unfiled returns	This creditor will be paid in full over 5 years with 4% interest

9. Treatment of General Unsecured Non-Tax Claims:

GENERAL UNSECURED NON-TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
Amy Driscoll	8	\$14,050.00	100%
Bridgeway Capital	8	\$8,500.00	100%

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

Constructors Association of Western PA	8	\$ 0.00	100%
W. W. Grainger, Inc. POC #1	8	\$1,755.51	100%
LRT Industries Inc.	8	\$ 35,000.00	100%
Margaret Purvis	8	\$ 2,500	100%
Patricia Williams	8	\$ 5,000	100%
TOTAL		\$66,805.51	

**10. Treatment of General Unsecured Tax Claims:
GENERAL UNSECURED TAX CLAIMS**

Creditor	Class	Total Amount Owed	Percent of Dividend
NONE			

11. Will periodic payments be made to unsecured creditors?
 Yes No First payment to begin April 2018

If so:

Amount of each payment (aggregate to all unsecured claimants) \$ 1,113.43
 Estimated date of first payment: April 2018
 Time period between payments: MONTHLY
 Estimated date of last payment: March 2023
 Contingencies, if any:

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

Other significant features of the plan:

Include any other information necessary to explain this plan:

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	\$422,652.38
1. Less secured claims (See IV-2)	\$ 0.00
2. Less administrative expenses (See IV-3 and include approximate Chapter 7 expenses)	\$ 94,875.00
3. Less other priority claims (See IV-4)	\$896,691.14
Total Amount Available for Distribution to Unsecured Creditors	\$ 0.00
Divided by total allowable unsecured claims of (See Section II C)	\$ 6,805.51
Percentage of Dividend to Unsecured Creditors:	% 0%

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

Yes X No _____

Explain: *In a chapter 7 bankruptcy, collections would be problematic because the breaches by not fulfilling contracts may allow counterclaims which would cast doubt on the collections of the accounts receivables. Under this plan, operations are continued, the construction jobs are retained and the unsecured creditors are paid in full.*

VI. Feasibility

- A. Attach Income Statement for Prior 12 Months.
- B. Attach Cash Flow Statement for Prior 12 Months.
- C. Attached are the summary Accounts receivable and the projections. The ‘Withheld Funds’, when released will be sufficient to fund this plan and pay all creditors in full.

Estimated amount to be paid on effective date of plan, including administrative expenses. \$ 64,875.00

Show how this amount was calculated.

\$60,000.00 Administrative Class
 \$ Taxes
 \$900,000.00 Unsecured Creditors- classes 2, 4 and 5- estimated
 \$ 4,875.00 UST Fees
 \$964,875.00 TOTAL

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

Cash on hand \$ 95,000.00 - approximately.

Cash on hand \$1,200,000- Includes “Withheld Funds” (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)
Juan Williams	\$160,000.00	\$160,000.00

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

1. **What, if any, Litigation is Pending?**
 Laborers’ Combined Funds of Western PA vs. Williams Flagger Logistics
2. **What, if any, Litigation is Proposed or Contemplated?**
 - A. **Objections to Claims**
 - B. **Chapter 5 actions – will not be pursued by the Reorganized Debtor under this Plan**
 - C. **Adversary Actions to Impose an injunction under 11 USC § 105 to enjoin collections against officer and shareholders.**

D. Actions to enforce the Plan

IX. Additional Information and Comments

IX. 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.

DATE: August 14, 2017

BY: /s/ Donald R. Calaiaro

Donald R. Calaiaro, Esquire, PA I.D. #27538

dcalaiaro@c-vlaw.com

BY: /s/ David Z. Valencik

David Z. Valencik, Esquire PA ID #30836

dvalencik@c-vlaw.com

CALAIARO VALENCIK

428 Forbes Avenue, Suite 900

Pittsburgh, PA 15219-1621

(412) 232-0930