

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

IN RE:
ARITEL, INC. :
: CASE NO. 14-03727 (EAG)
: and
----- : CASE NO. 14-03729 (EAG)
: :
CHENELIZ CONVENTION :
CENTER, INC. :
Substantively Consolidated,

and

FC DEVELOPMENT, INC. : CASE NO.14-03731 (EAG)
: CHAPTER 11
Administratively Consolidated

Debtors :

THIRD AMENDED CONSOLIDATED DISCLOSURE STATEMENT

December 16, 2016

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THIRD AMENDED CONSOLIDATED DISCLOSURE STATEMENT

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Debtors

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CHAPTER 11

:
:
CASE NO.14-03731 (EAG)
CHAPTER 11

THIRD AMENDED CONSOLIDATED DISCLOSURE STATEMENT
INTRODUCTION

The Debtors, ARITEL INC. and CHENELIZ CONVENTION CENTER INC. were consolidated substantively by Order of the Court on June 27, 2014, (dkt. #28). A substantive consolidation merges the individual estates into a single estate. In so ordering, the Court consolidated the estates of ARITEL and CHENELIZ into a single estate: ARITEL/CHENELIZ for the benefit of all creditors. An initial Consolidated Disclosure Statement was filed as docket #106 on January 7, 2015. An Amended Consolidated Disclosure Statement was filed as docket #162 on April 26, 2015. A Second Amended Consolidated Disclosure Statement and Plans were filed on June 10, 2016 (dkts#316 and

317). As the case developed the Debtors decided to amend their disclosures and plan for a third time. This Third Consolidated Disclosure Statement (Consolidated Disclosure Statement) provides the financial information of this estate although general information of each Debtor is included for reference. Assets, claims and the treatment of these claims are presented as a single estate.

Debtor FC DEVELOPMENT, INC., a related company, was authorized by the Court on September 8, 2014 (dkt. #33) to be consolidated administratively and is included in this Consolidated Disclosure Statement with separate disclosures and plan. The administrative consolidation of these estates permits joint hearings, and the joint presentation of the plans, with significant savings for the Debtors, although classes and treatments of claims are maintained separate.

Purpose of this Consolidated Disclosure Statement

Debtors provide this Consolidated Disclosure Statement to enable each creditor that is so entitled to make an informed judgment in exercising the right to vote on each Debtor's Plan of Reorganization (the "Plans"). The material in this Consolidated Disclosure Statement is intended solely for that purpose and solely for the use of Debtors' creditors. This Consolidated Disclosure Statement may not be relied upon for any other purpose. Nothing contained in this Consolidated Disclosure Statement constitutes an admission of any fact or liability by any party. The information contained in this Consolidated Disclosure Statement has been provided by the Debtors' management.

NO REPRESENTATION CONCERNING THESE CONSOLIDATED DISCLOSURES OR THE PLANS ARE AUTHORIZED BY DEBTORS OTHER THAN AS SET FORTH IN THIS CONSOLIDATED DISCLOSURE STATEMENT. ANY REPRESENTATIONS MADE BY ANY PERSON TO SECURE YOUR VOTE OTHER THAN THOSE CONTAINED IN THIS CONSOLIDATED DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON. ANY PERSON MAKING REPRESENTATIONS OR INDUCEMENTS CONCERNING ACCEPTANCE OR REJECTION OF THE PLAN SHOULD BE REPORTED TO THE COURT.

Debtors believe but do not warrant that the contents of this Consolidated Disclosure Statement are complete and accurate. This Consolidated Disclosure Statement and its exhibits should be read in its entirety. Although a summary of the plans is included in this Consolidated Disclosure Statement, the Plans of Reorganization are filed in separate documents. The financial information contained in this Consolidated Disclosure Statement has not been subjected to audit, but Debtors have made every reasonable effort to provide accurate financial information.

Manner of Voting on the Plans

Each creditor entitled to vote on each Plan may cast a vote by completing the ballot that will be sent by mail to all creditors entitled to vote once this Consolidated Disclosure Statement is approved by the Court. A self-addressed envelope will be enclosed for this purpose.

**BALLOTS FOR THE SUBSTANTIVELY CONSOLIDATED ARITEL/CHENELIZ CASE
MUST BE SENT BY MAIL, FAX OR EMAIL TO THE OFFICES OF:**

**ROLANDO EMMANUELLI JIMÉNEZ, ESQ.
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**BALLOTS FOR THE FC DEVELOPMENT CASE MUST BE SENT BY MAIL, FAX OR
EMAIL TO THE OFFICES OF WINSTON VIDAL GAMBARO, ESQ. AT:**

**PO Box 193673
San Juan, Puerto Rico 00919-3673
Tel. (787) 751-2864
Fax. (787) 763-6114
Email: wvidal@prtc.com**

**ALL BALLOTS MUST BE RECEIVED AT THE RELATED COUNSEL'S OFFICE AT
THE DATE WHICH WILL BE SET BY THE COURT. NO BALLOTS RECEIVED AFTER
THAT TIME AND DATE WILL BE COUNTED IN DETERMINING WHETHER THE
PLANS SHOULD BE CONFIRMED. DO NOT ATTEMPT TO FILE YOUR BALLOT
WITH THE COURT, THE OFFICE OF THE U. S. TRUSTEE, OR AT ANY OTHER
PLACE OTHER THAN WITH THE RELATED COUNSEL'S LAW OFFICE.**

Creditors Entitled to Vote on the Plan

Each creditor with an impaired claim, that is, each creditor that will receive less than full cash payment for the allowed amount of its claim on the "Effective Date" (as defined in the Plan), is entitled to vote on the related Plan.

Creditors of ARITEL/CHENELIZ with impaired claims are creditors whose claims fall within Classes 1 to 5 as set forth in Article IV of the Plan. Class 6

includes equity security holders which are insiders and will not be entitled to vote in the Plan.

Creditors of FC DEVELOPMENT with impaired claims are creditors whose claims fall within Classes 1 to 6 as set forth in Article IV of the Plan. Class 7 includes equity security holders which are insiders and will not be entitled to vote in the Plan.

Even though a creditor may choose not to vote or may vote against a Plan, the creditor will be bound by the terms and treatment set forth in the Plan if the Plan is accepted by the requisite majorities in one or more classes of creditors of that plan and is confirmed by the Court. Only those votes that accept or reject a Plan, will be counted for the purpose of determining whether the Plan has been approved by the creditors. Objections to the Consolidated Disclosure Statement or Plans are not considered votes to accept or reject the plans. Allowance of a claim for voting purposes does not necessarily mean that the claim will be allowed for purposes of distribution under the terms of the Plan.

The ballots enclosed with this Consolidated Disclosure Statement are not a Proof of Claim. The proofs of claim against Debtors can be filed at the Bankruptcy Court for the District of Puerto Rico.

A hearing on the confirmation of the Plans of Reorganization shall be set by the Bankruptcy Court, which must determine whether each Plan has been accepted by a Class of creditors whose interests are impaired by the related Plan. An impaired Class will have accepted the Plan if the class members who have voted to accept the Plan constitute (1) at least two-thirds in the sum total of the amount allowed of the claims and (2) more than one-half in number of the allowed claims of Class members who have voted on the Plan.

Acceptance or rejection of each plan will have no effect in the acceptance or rejection of the other.

The Bankruptcy Court may confirm any or both Plans, even if the Plans are not accepted by all the impaired classes, provided that the Bankruptcy Court finds that the Plans (1) were accepted by at least one impaired class and (2) do not discriminate unfairly against, and is fair and equitable as to all non-accepting impaired classes. Debtors intend to rely on this "cram down" provision, if necessary, in seeking confirmation of the Plans.

HISTORY OF THE DEBTORS

ARITEL, INC. (ARITEL)

Aritel, is a closely held corporation established in the Municipality of San Sebastián under the laws of the Commonwealth of Puerto Rico (Register #129,460) on July 22, 2002 under the name Aritel, Inc. Since its incorporation, the company has been engaged as a general contractor with projects primarily related to government contracts. The shareholders at the date of the filing of the petition were Franco Cabán and Arienrique Colón with 50% each of the total outstanding shares of the corporation.

CHENELIZ CONVENTION CENTER INC. (CHENELIZ)

Cheneliz was registered as a domestic corporation in the Commonwealth of Puerto Rico on January 24, 2002. The company is dedicated to owning and operating the Villas Del Pepino Hotel and Cheneliz Convention Center. Franco Cabán and Arienrique Colón acquired the shares of the corporation in July 26, 2005 and have each have 50% of the total outstanding shares. The hotel has 20 rooms, a restaurant and two bars, swimming pool and a 16,000 square

feet convention center. The principal offices of the hotel are at Road # 125 km 19.6 interior, Barrio Pozas, San Sebastian, Puerto Rico. In 2007, CHENELIZ provided a \$1,000,000.00 mortgage note to guarantee Banco Popular for a construction loan provided to ARITEL. ARITEL was one of the corporate guarantors of Banco Popular and USIC. The hotel real estate was used as collateral for a \$1 million guarantee note provided to Banco Popular.

Since its purchase, the hotel did not generate profits due to its location and limited number of rooms. To mitigate the losses, the shareholders decided to lease the hotel facilities in August 10, 2012. The hotel was leased for a monthly rent of \$12,000.00 to the Institute of Beauty and Technology Course, Inc. (IBO), a non-related entity. IBO is a for profit educational facility that offers short technical courses in Cosmetology, Aesthetics, Hairdressing, Barber Shop, bartender, and nail courses. They have their main facilities in Moca, Puerto Rico and have been developing a campus like project in the San Sebastian Cheneliz facilities that would also provide culinary, bartender, hotel services and hotel management courses. IBO renewed its lease with CHENELIZ in 2013 for another year and was given an option to purchase the facilities. The lease and the option lapsed and IBO continued on a month to month basis occupying the Cheneliz facilities to this day.

At an undetermined date, IBO finally received its permits and licenses to operate an educational facility and provide federal students aid programs. As a result, IBO has been able to increase its student body in Cheneliz to over 200 students and expects to reach 600 by December 2016.

However, at the filing of Chapter 11, IBO had accrued rent and other charges payable to the Debtor exceeding \$500,000. The Debtor notified IBO and was authorized by the Court to engage special counsel for the collection of rent in the local Court. The case for collection of rent was filed after

exhaustive attempts to reach an agreement with IBO. The case, number A2CI-2016-00608. The Court has scheduled the trial for January 11, 2017. After the failure of negotiations with IBO, Debtors are considering to file a motion to authorized the special counsel to suit for the repossession of equipment, furniture and other assets located in the rented premises in possession of IBO.

IBO meanwhile continued to seek approval from the secured creditor to acquire the property. Recently IBO submitted a proposal to acquire Cheneliz for \$800,000. The secured creditor has agreed to release the liens in a 363 sale of the Cheneliz property, however has required that IBO make a deposit of \$160,000.00. The accrued rents and other receivables form IBO , hotel furniture and equipment are not part of the secured creditor's collateral and will be available for the benefit of the estate.

Gilberto Jimenez, President of IBO guaranteed the rental contract I his personal capacity. Since the filing of the petition of Cheneliz IBO opened a new branch in Rio Grande under a new corporate entity: IBO Technology Course, Inc. By information provided by the General Manager of IBO, the new corporation operates both the Rio Grande and the San Sebastian schools.

The Debtor was informed by IBO officers that during 2015 they had ceased operating in the facilities for several months and during that period, the Cheneliz property was vandalized. Damages were estimated by IBO at over \$100,000 and claimed to their insurance company. Debtors are requesting all the documentation of the claim, the amount paid and the expenses incurred in the repairs. Any damages still unrepaired or not covered by the insurance is the responsibility of the lessee. Debtor submitted a Subpoena Duces Tecum and deposition, scheduled for December 21, 2016, to obtain all the information.

CHENELIZ has currently no employees and the shareholders have delegated administrative functions to Franco Cabán and Mrs. Marisel Nieves. Mr. Cabán receives no compensation. Mrs. Nieves receives \$500 per month commencing on January 2016 as compensation for management services and reimbursement of expenses, as may be necessary, at cost. No commissions are paid for the sales of property.

FC DEVELOPMENT INC. (FC)

FC was registered in the Commonwealth of Puerto Rico on November 15, 1999. The company is dedicated to the development of land parcels and the sale of residential single family units. The Corporation is wholly owned by Mr. Franco Cabán and Mrs. Marisel Nieves, his spouse. FC provided its corporate guaranty to Banco Popular for specific ARITEL loans with mortgages over its real estate. Prior to filing for protection under Chapter 11, Franco Cabán transferred his residence to the corporation since it had a \$1,000,000 mortgage note in favor of Banco Popular for the ARITEL construction loan. The purpose of transferring the residence to FC was to facilitate its sale and settlement with Banco Popular, now PRAPI.

The company has currently no employees and the shareholders have delegated administrative functions to Franco Cabán and Mrs. Marisel Nieves who receive no compensation for their services. Expenses, as may be necessary are reimbursed at cost. Mrs. Marisel Nieves Torres assists in administrative matters and has been in charge of the sales efforts of the properties and equipment. Mrs. Nieves is compensated for the administrative services \$250 per week. No commissions are paid for the sales of property.

OTHER RELATED CORPORATIONS

Other corporations related to the Debtors by common control and or family ties are disclosed in the following section for reference only. These related companies are not part of the estates of ARITEL/CHENELIZ or FC and are not part of the plans of reorganizations of the Debtors. The related companies are as follows:

Cava Construction Inc. (CAVA). Cava was organized under the Laws of the Commonwealth of Puerto Rico on May 18, 2001 and is dedicated to construction and maintenance contracts with government agencies and private companies. This company provided a guaranty to FC on one of its loans from Banco Popular (not related to the ARITEL obligations). The company was originally organized by Franco Cabán Valentin. In January 28, 2014, Cabán Valentin sold 100% of the outstanding shares to Franco Javier Cabán Nieves and Franco Cabán Nieves in equal shares. Both shareholders are sons of Franco Cabán Valentin and Marisel Nieves Torres, sole shareholders of FC and part owners of ARITEL/CHENELIZ.

Since 2013 CAVA provided services through purchase orders to Caribbean Properties Group (CPG), an affiliate of PRAPI, for maintenance of real estate owned by various PRAPI companies.

CAVA had been providing financial assistance to FC to comply with its payment plan to Banco Popular/PRAPI prior to the filing of the petition. In early 2015, however, after the filing of the petition, payments on services provided to CPG were not being paid. CPG stated that it would not pay these services, in fact offsetting the amounts due to CAVA as a payment to PRAPI, its related company. In February 2015 the unpaid services amounted to \$191,003.91, substantially related to payroll, payroll costs and materials used in providing the maintenance services to CPG. CAVA argued that although it recognized its guarantee on one particular FC loan, it was not guarantor to the claims against ARITEL, CHENELIZ by PRAPI and furthermore it had no debt or guarantee to CPG, a separate entity although related to PRAPI.

To avoid unnecessary legal costs, CAVA decided to transfer the receivables from CPG as a post-petition capital contribution to FC, and account these uncollected receivables as a post-petition payment to PRAPI. Due to losses incurred on the uncollected services provided to CPG and the fact that CAVA did guarantee an FC loan from Banco Popular, CAVA has been unable to continue operations and is currently under a orderly liquidation of its limited assets to pay its creditors.

Telephone Electric Lines Inc. (TELINC) was organized under the Laws of the Commonwealth of Puerto Rico on July 31, 1989. Since inception the company was dedicated to construction and installations of communications equipment. The company is owned by Franco Cabán and his spouse. TELINC was one of the corporate guarantors of Banco Popular and USIC. TELINC ceased operations in 2010 and has been liquidating its assets for the benefit of its creditors.

ARITEL Development, Inc. (DEV) was a real estate developer. The company ceased operations in 2011 and has been cancelled in the Department of State since April 2014. The shareholders were Franco Cabán and Arienrique Colón with 50% each of the total outstanding shares of the corporation.

ARITEL Rental, Inc., (RENTAL), was an equipment rental company. RENTAL was one of the corporate guarantors of Banco Popular. The company ceased operations in 2011 and has been cancelled in the Department of State since April 2014. The shareholders were Franco Cabán and Arienrique Colón with 50% each of the total outstanding shares of the corporation.

Fast Mobile Trailers, Corp., (FAST MOBILE) was a trailer building, sales and rental company organized in July 2, 2003. FAST MOBILE was one of the corporate guarantors of Banco Popular. The company ceased operations in 2011 and has been cancelled in the Department of State since April 16, 2014. The shareholders were Franco Cabán and Arienrique Colón with 50% each of the total outstanding shares of the corporation.

PR Life Contractors, Corp., (CONTRACTORS) - is a corporation organized by Franco Cabán Nieves as a general contractor on January 19, 2010 under the laws of the Commonwealth of Puerto Rico. CONTRACTORS acquired during 2011 and 2013 two vehicles from FC Development on account.

PR Life Farm, Corp., (FARM) - is a corporation organized by Franco Cabán Nieves as a bona fide farmer on January 19, 2010 under the laws of the Commonwealth of Puerto Rico. FARM acquired during 2012 and 2013 two vehicles from FC Development on account.

All Green Cleaning & Maintenance, LLC (ALL GREEN) is a corporation organized by Franco Javier Cabán Nieves as a maintenance contractor on September 21, 2012 under the laws of the Commonwealth of Puerto Rico.

**ASSETS OF THE SUBSTANTIVELY CONSOLIDATED ESTATE OF
ARITEL/CHENELIZ**

Debtor's assets as of May 6, 2014, at estimated market value, were presented in amended schedules as follows:

Cash in bank	\$ 107
Supplies and surplus materials	4,600
Rent receivable	88,372
Claims receivable	44,095
Due from related party-FC Development	8,764
Office equipment and hotel furniture	283,380
Truck	7,000
Heavy Equipment	320,700
Hotel and land	2,508,385
Other real estate	505,000
License to operate hotel	10,000
Deposits	<u>1,000</u>
Total	<u>\$ 3,781,403</u>

ASSETS OF THE ESTATE OF FC DEVELOPMENT INC.

Debtor's assets as of May 6, 2014, as per the amended schedules, at estimated market value, were as follows:

Cash in bank	\$	389
Rent receivable		5,600
Due from related parties		43,494
Land		<u>1,046,775</u>
	Total	<u>\$1,095,258</u>

Real estate values are presented in the amended schedules based on the best estimate of the Debtors, however, the secured creditor, PRAPI has filed a proof of claim in each case indicating they are fully secured. The Court granted a Lift of Stay on the real estate collateral and thus the Debtors have yielded to the valuation of the real estate by the secured creditor. Debtors will only object the debt included in each proof of claim of the secured creditor that is related to the other related unconsolidated Debtor. The Debtors understand that the values of the properties far exceed the statutory liens on CRIM and Treasury claims, as well as other liens filed by the IRS prior to the secured mortgages.

**EVENTS LEADING TO FILING FOR PROTECTION UNDER
THE US BANKRUPTCY CODE**

ARITEL INC.

ARITEL, entered into a \$21 million construction contract with the Puerto Rico Water and Sewer Authority (AAA) for the construction of a filtration plant in Las Marias in 2006. The company had a long-standing banking relationship with Banco Popular and commenced the project with the understanding that the financing was being provided by Banco Popular. The company had other

projects in different stages that had been financed by Banco Popular. The bank actually paid for the initial work certifications of the Las Marias project before stating that they would not provide the financing. Meanwhile, the company had made its initial investment in mobilization, and had obtained its payment and performance bond from United Surety Insurance Company (USIC). The bond required an indemnity agreement which was signed by Aritel, Inc., Aritel Rental Inc., Arieco, Inc., Telephone Electric Lines Inc., Cheneliz Convention Center Inc., Fast Mobile Trailers Corp., Arienrique Colón Cortés, Mareliza Serrano Monroig, Franco Colón Valentín and Marisel Nieves Torres. The Debtor had bonds for other projects with USIC since 2004.

In order to resolve the lack of financing, ARITEL requested reconsideration of the Banco Popular financing and obtained the construction loan secured with all its real estate, and real estate of Cheneliz Convention Center Inc., FC Development Inc., and its shareholders. The loan however, was structured with contract payments on a bi-weekly basis. Acueductos agreed to adjust the payments in accordance with the financing obtained. Despite the acquisition of secured financing, Banco Popular called the default of the loan due to delays in payments by Acueductos, who in turn called the contract default and requested the intervention of USIC. In a last effort to complete the project, ARITEL requested the assistance of CIDRA EXCAVATION SE, (CIDRA) a large contractor with capital, financing, experience and bonding capacity unrelated to the ARITEL Group. CIDRA accepted to assume the contract and subcontract ARITEL to complete the project. USIC requested a payment and performance bond that in effect would completely guaranty the completion of the project. USIC requested a payment and performance bond that in effect would completely guaranty the completion of the project with no loss to USIC. CIDRA provided the bond as well as projections on the completion of the Las Marias project and several other projects that were in

their final stages, however USIC refused to permit CIDRA's intervention. USIC engaged other contractors apparently with no bond to secure USIC. The Debtor made all possible efforts to assist USIC and the contractor engaged by USIC, providing equipment and facilitating the transition process.

ARITEL stipulated a payment plan with Banco Popular on October 19, 2011 with monthly payments of \$10,000 and had paid the plan until the IBO lease payments ceased prior to the filing of the petition. Banco Popular sold its loans to PR Asset Portfolio 2013-1 International, LLC. (PRAPI) on March 2013.

Several years after taking control of the Las Marias and other projects, USIC sued ARITEL for alleged losses in completion of the projects adding up to \$6 million. The lawsuit did not provide any information on the retainages and certifications pending payment at the date of the takeover, or the contract balance or amounts paid by Acueductos for all the projects. USIC requested the local Court permission to file liens on ARITEL and other guarantor's properties to guarantee its possible judgment.

ARITEL filed for protection under Chapter 11 of the US. Bankruptcy Code in May 6, 2014, after attempts to reach an agreement with USIC.

CHENELIZ CONVENTION CENTER INC.

CHENELIZ had been struggling to cover its costs for several years since the hotel was acquired in July 26, 2005 however increased energy costs and a significant decrease in occupancy and activities income was generating annual losses. CHENELIZ provided Banco Popular a mortgage note of \$1 million over the real estate of the hotel to secure ARITEL's construction loan. CHENELIZ also provided USIC a corporate guarantee on the payment and performance bond provided ARITEL. PRAPI filed a lawsuit for collection of money in January 20, 2014 and requested execution on the mortgage note.

Cheneliz filed for protection under Chapter 11 of the US. Bankruptcy Code in May 6, 2014, after attempts to reach an agreement with PRAPI.

FC DEVELOPMENT

FC was directly affected by the ARITEL situation since all its real estate has been provided as guarantee for Banco Popular, now PR Asset Portfolio 2013-1 International, LLC (PRAPI). Sales of residential units decreased due to the economy and the lack of working capital to continue construction. Also, PRAPI had refused to release a completed unit sold and was in the process of requesting execution of the mortgages over all real estate of the Debtor.

FC filed for protection under Chapter 11 of the US. Bankruptcy Code in May 6, 2014, after attempts to reach an agreement with PRAPI.

EVENTS SUBSEQUENT TO FILING OF THE PETITIONS

The shareholders of ARITEL and CHENELIZ requested the Court to consolidate substantively and the Court ordered the consolidation on June 27, 2014 (dkt.#28). On August 19, 2014, the Debtors requested the administrative consolidation of the consolidated ARITEL case with FC Development, case number 14-03731. The Court approved the administrative consolidation on September 8, 2014, Docket #50.

On July 11, 2014 FC requested the Court to approve the transfer of an additional real estate (a 156,051.0711-square meters lot of land (about 39 cuerdas) in San Sebastian, Puerto Rico) owned by Franco Cabán to FC since that property was to be developed by FC and is part of PRAPI's collateral. The Court approved the transfer in the July 11, 2014 minute dkt#26 and the property was transferred on August 25, 2014 in exchange of the mortgages held on the property.

Amended schedules were filed on November 11,2014, Dockets 61 to 67,

to correct the values of real estate based on information obtained subsequent to the filing of the petition and the original schedules. The amended value of the CHENELIZ hotel was based on the option provided to IBO which is in a position now to acquire the property. The land lot values were amended based on the expected development of each lot. Values are still based on estimates of the Debtor since there are no recent appraisals available to the Debtors. The secured creditor, PRAPI filed proofs of claim in both cases alleging a \$14 million in each estate (for a total of \$28 million secured) but did not present appraisals or value estimates to support the secured status of these claims. The secured portion of claims were also amended to conform with the updated values. The amendments also include the addition of the 25 cuerdas lot of land owned by Franco Cabán transferred with permission of the Court.

On January 7, 2015, Docket # 106, in ARITEL and Docket #58 in FC DEVELOPMENT, Debtors filed their Consolidated Disclosure Statement and Plans.

Debtors sold several vehicles with authorization of the Court on docket #152 and 153 on April 10, 2015.

On February 2, 2015 PRAPI filed a Motion for Relief of Stay under 362(e) Docket #119 in ARITEL and #67 in FC, and the Court granted the Lift of Stay filed by PRAPI on February 27, 2015, Docket # 140 in ARITEL and 81-82 in FC. The Debtors were ordered to file an amended consolidated Disclosure statement by March 30, 2015. And a new hearing for approval of Disclosure Statement was set for May 14, 2015. An Amended Consolidated Disclosure Statement was filed as docket #162 on April 26, 2015. The hearing for approval of Disclosure Statement was scheduled for January 22, 2016.

On, January 14th, 2016, Debtors informed the Court at Docket No. 242, that their counsel, Antonio Fiol Matta, Esq., was hospitalized since early

December, 2015, and requested continuance of the hearing scheduled for January 22nd, 2016. At the moment of the sudden illness of Counsel Fiol Matta, Esq., there were several pending matters that are essential for a fair discussion and consideration of Debtors' Amended Disclosure Statement. On, January 20th, 2016, the Court rescheduled the hearing for April 15, 2015 (Dkt No. 242). Counsel Fiol Matta, Esq., was not able to regain his health and, on March 3, 2016, this Court granted Debtors' Urgent motion requesting authorization to engage new counsel (Dkts No. 245 & 246). On April 1th, 2016, the undersigned attorney, Rolando Emmanuelli Jiménez, filed Application for Appointment of Attorney for Debtors (Amended) (Docket No. 252). The application for employment was approved on April 28, 2016. (dkt#291)

As previously informed in Docket #227, negotiations have been ongoing with PRAPI and the final resolution to these negotiations will affect the provisions of the disclosure statement. The core of the settlement is based on the sale or surrender of all collateral providing security to PRAPI.

In order to be able to finish settlement negotiation and to file the Second Amended Disclosure Statement, Debtors asked for a continuance of the hearing, scheduled for April 15, 2016, and for an extension of time of no less than 28 days to file a Second Amended Disclosure Statement. The hearing was scheduled for July 22, 2016.

On April 8, 2016, Debtors filed their Second Amended Schedules B, E and F (Dkt. 260). Schedule B was amended to include additional heavy equipment identified by Debtors during the pendency of the case and to eliminate a civil law suit against USIC. Schedule E was amended to add claims for Internal Revenue Service and PR Department of Treasury for Cheneliz Convention Center, Inc. XX-XXX2619, and updated the amount of other claims as allowed. No new creditor was added.

Objections have been filed for proof of claims during the month of April

2016.(dkts271 to 278).

On June 10, 2016 a Second Amended consolidated Disclosure Statement and Plan were filed. (dkts#316 and 317). Due to ongoing objections to claims, objections to the Disclosure and plan by PRAPI (dkt#354), and the possibility of reaching an agreement with PRAPI for the settlement of their claims, the Debtors jointly requested 28 days to file a Third Amended Consolidated Disclosure Statement (dkt#367).

The negotiations with PRAPI had been delayed in expectations of the offer for the purchase of the Chenelys property by IBO. The offer for \$800,000.00 and the related appraisal of the property have been received and PRAPI has approved the transaction under a 363 sale, but has requested that IBO deposit \$160,000.00 in their account. Debtor has been requesting financial information from IBO to ascertain that they can be pre-qualified for this transaction. As of the date of this Third Amended Disclosure Statement, despite a subpoena served on IBO officers, the Debtor has not received any information from the proposed purchaser of the Chenelys property.

Surprisingly, instead of pursuing a closing of the 363 sale, PRAPI filed a motion for conversion to chapter 7, which is pending (dkt#373). Debtors will oppose to the conversion to chapter 7. In addition, on December 9, 2016, PRAPI filed, in the Superior Court of San Sebastian, CIVIL CASE # A2CI201100723, a motion requesting an order of execution stating the intentions of the Secured Creditor to pursue the foreclosure of all properties that serve as collateral for the claims of PRAPI against the Estates of ARRITEL/CHENELIZ and FC Development, Inc.

CLAIMS ON ARITEL/CHENELIZ

Total claims on the consolidated schedules, as amended, of ARITEL/CHENELIZ were \$13,649,539.22. Proofs of claims were filed for a

total of \$27,341,118.96. The regular bar date was stated for September 11, 2014 the government bar date was November 4, 2014. The claims expected to be allowed aggregate \$14,247,274.71 after objections and settlements.

Claims included in this Third Amended Disclosure Statement were reviewed and reconciled with the PACER Claims Register up to December 15, 2016.

The following reconciles the actual proofs of claims with the Claims Register:

	Claims Register	Reconciling items	Proofs of Claims
Number of claims	22		22
Total Amounts claimed	\$27,341,118.96		\$27,341,118.96
Secured claims	14,091,379.36		14,091,379.36
Priority Claims (2)	273,858.27	654.50	274,512.77
Unsecured Claims (1,2)	12,975,881.30	-654.50	12,975,226.83

- (1) The Claims Register does not provide the unsecured claims totals, which must be determined by the difference between the total claims from the identified secured and priority claims.
- (2) The Claims Register by error accounted for POC#2 as an unsecured claim instead of as priority.

EXHIBIT A-1 is the CONSOLIDATED SUMMMARY OF CLAIMS AND PLAN PAYMENTS of ARITEL/CHENELIZ.

CLAIMS ON FC DEVELOPMENT

Total claims in the amended schedules of FC DEVELOPMENT were

\$4,801,178.82. Proofs of claims were filed for a total of \$14,053,209.04 up to December 15, 2016. The regular bar date was stated for September 11, 2014 and the government bar date was November 4, 2014. The claims expected to be allowed aggregate \$1,828,251.30 after objections and settlements.

Claims were reconciled with each Proof of Claim and the PACER Claims Register. The Claims Register does not provide the sum of the total of unsecured claims, however, by difference the amount can be determined without reconciling items.

EXHIBIT A-2 is the SUMMARY OF CLAIMS AND PLAN PAYMENTS of FC DEVELOPMENT.

The Summary of Claims and Plan Payments (A-1 and A-2) show all the scheduled claims as amended, proofs of claims filed, and amounts expected to be allowed, in addition to the amount expected to be paid at the effective date of the Plan, and payments made from sale of collateral or by exchange of stock. The Summary also shows amounts expected to be allowed for each creditor as classified (Secured, Priority, and Unsecured).

INCOME AND OTHER TAXES

The Debtors will, during the pendency of the reorganization and upon emergence from bankruptcy, pay its income, property municipal and other taxes as required by law. Carry forward losses must be offset from the income generated from the reduction of debt in the reorganization. Excess losses generated up to December 31, 2014 can be used to reduce taxable income generated by the Debtors for up to ten years and losses generated subsequently will be available for 7 years. Reductions in claims are not taxable

but are used to offset any carried forward losses in accordance with the Puerto Rico Tax Code, section 1033.14.

PROFESSIONALS EMPLOYED

Counsel for the Debtors - with permission of the Bankruptcy Court, ARITEL/CHENELIZ has employed the Law Offices of Antonio Fiol Matta Law Office, PSC, to represent it in connection with these and other proceedings during the pendency of the Chapter 11 process. The employment of Fiol was approved by the Court on July 7, 2014 (dkt. #33). Debtor was authorized by the Court to engage new counsel after counsel Fiol was disabled. On April 1th, 2016, the undersigned attorney, Rolando Emmanuelli Jiménez, filed Application for Appointment of Attorney for Debtors (Amended) (Docket No. 252). The employment of Emmanuelli Jiménez was approved by the Court on April 28, 2016 (dkt. #291).

FC Development has employed the Law Offices of Winston Vidal Gambaro, Esq., to represent it in connection with these and other proceedings during the pendency of the Chapter 11 process. The employment of Vidal was approved on July 9, 2014 (dkt. #21).

Certified Insolvency and Restructuring Advisors - Monge Robertín & Asociados, Inc. (MONGE) were engaged on June 19, 2014 (dkt. #26) and was approved by the court on July 8, 2014 (dkt. #35) to act as its financial advisors in connection ARITEL/CHENELIZ with these and other proceedings during the course of the Chapter 11 process. In the case of FC Development MONGE was engaged on June 4, 2014 (dkt. #9) and was approved by the Court on July 2, 2014 (dkt. #19). The Principal of Monge Robertín & Asociados, Inc., José M.

Monge Robertín, CPA, CIRA, CGMA is highly experienced in reorganization matters and has been directly involved in the development of the plans. Mr. Monge is a Certified Insolvency and Restructuring Advisor as well as Certified Public Accountant and Chartered Global Management Accountant and has over twenty years of experience in reorganizations and more than thirty-six years of experience in public accounting in Puerto Rico. Monge was involved in the plan development for both cases, preparation of monthly operating reports and reviewing the proofs of claims for objections, preparing cash flow projections for feasibility purposes and preparing and the liquidation analysis.

Jose Pagán, CPA was engaged by ARITEL/CHENELIZ to determine the damages suffered by ARITEL and related companies due to USIC's management of the contracts declared in default. The employment of Pagán was approved by the Court on December 22, 2014 (dkt# 91), however the work was cancelled since the debtors decided not to counter sue USIC, but just to object their claim. Funds of the estate advanced to CPA Pagán have been claimed by debtor and are recognized as a receivable.

Special Counsel for the Collection of rents of IBO from the CHENELIZ property -The Debtors engaged Ariedwar Colón Cortés as special counsel to file suit to collect the rents. The application for employment of the special counsel was approved by the Court on November 20, 2015 (Dkt# 232).

ACCOUNTING ARITEL/CHENELIZ

Monthly financial reports have been filed in Court from the date of filing of the petition and up to October 31, 2016. Monthly operating reports filed with the Bankruptcy Court and the US Trustee's Office are prepared on the cash basis of accounting by the financial advisors. The November 2016 report has been completed and is in the process of filing.

Financial statements are not required for any purpose in Puerto Rico unless the volume of business exceeds \$3 million dollars. Since the Debtors have not exceeded this volume, and for economic reasons, they will not prepare formal financial statements. A Summary of Operating Reports is included as EXHIBIT D

ACCOUNTING FC DEVELOPMENT

Monthly operating reports have been filed in Court from the date of filing up to October 31, 2016. The November 2016 report has been completed and is in the process of filing. Monthly operating reports filed with the Bankruptcy Court and the US Trustee's Office are prepared on the cash basis of accounting by the financial advisors. Financial statements are not required for any purpose in Puerto Rico unless the volume of business exceeds \$3 million dollars. Since the Debtors have not exceeded this volume, they will not prepare formal financial statements. A Summary of Operating Reports is included as EXHIBIT D

ESTIMATED ADMINISTRATIVE EXPENSES

Administrative expenses include professional services related to the reorganization as well as professional services that would be recurring ordinary and necessary expenses of the Debtor for current and prior periods.

Estimated professional fees and other reorganization items pending to complete are as follows:

ARITEL/CHENELIZ

Legal and Special Counsel	\$ 15,000
Insolvency restructuring advisors	10,000
US Trustee fees	<u>1,750</u>
Total estimated administrative expenses	<u>\$26,750</u>

FC DEVELOPMENT

Legal Counsel	\$ 20,000
Financial restructuring advisors	20,000
US Trustee fees	<u>975</u>
Total estimated administrative expenses	<u>\$ 40,975</u>

US TRUSTEE FEES

US Trustee are being paid as invoiced. US Trustee fees will be paid currently as billed up to the effective date and subsequently up to the final decree, which in turn, is assumed to be requested by Debtor and ordered by the Court within 90 days of the effective date of the Plan.

SUMMARY OF THE CHAPTER 11 LIQUIDATING PLAN

It is the Debtors' intention to enable the best payment to all its creditors through these two combined plans of liquidation under Chapter11.

The plans contemplated enable the sales of real estate, the surrender of collateral to the principal secured creditor, sale of equipment cancellation of all existing equity interests and additional capital contributions by related

parties.

ARITEL has already sold part of its equipment and has received an offer for most of the remaining equipment. Equipment sales will be coordinated between all three corporations to minimize cost and improve proceeds for distribution.

As to Cheneliz in particular, Debtors tried to negotiate with IBO for the sale of the Cheneliz property. The hotel was appraised for IBO at \$920,000 and IBO has increased its initial offer to \$800,000 which has been approved by PRAPI subject to a deposit of 20% or \$160,000. Hotel equipment, which is not part of the collateral of PRAPI, will be sold or auctioned for the benefit of other secured creditors. The collection of accrued rents and charges, including a potential claim on damages on the property will also be part of the funding of the plan.

FC will also be selling or surrendering collateral and has two offers being prepared that the Debtor has requested proof of funds or financing prior to presentation to the PRAPI which is the secured creditor.

Upon the issuance of the Final Decree of the plans, the corporations ARITEL, CHENELIZ, and FC DEVELOPMENT and will merge, with FC as the surviving entity.

Debtor believes that the Chapter 11 Liquidating Plans proposed herein will suffice to make confirmable both plans and provide to all creditors substantially more than they would receive in a Chapter 7 liquidation. While it cannot be foretold, with absolute certainty that the cash flow projections, which accompany this Consolidated Disclosure Statement, will happen as presented, Debtors have no reason to believe the contrary.

MEANS OF FUNDING THE ARITEL/CHENELIZ PLAN

The Plan shall be funded by the following means:

- 1- Cash on hand at the Effective Date.
- 2- Capital contributions by related parties electing payment by stock.
- 3- Surrender of real property in full payment to creditor PRAPI for which there is a Lift of Stay and the creditor is processing foreclosure in local Court.
- 4- Surrender of real property collateral for the benefit of the secured creditor.
- 5- Collection of rent and other receivable .
- 6- Sale of equipment and vehicles.

MEANS OF FUNDING THE F.C. DEVELOPMENT PLAN

The Plan shall be funded by the following means:

- 1- Cash on hand at the Effective Date.
2. Surrender of real property in full payment to creditor PRAPI for which there is a Lift of Stay and the creditor is processing foreclosure in local Court.
3. Post-Petition Capital contribution of CAVA for services provided to

CPG Servicing and not paid on account of a corporate guaranty provided by CAVA to FC.

FEASIBILITY- ARITEL/CHENELIZ

In EXHIBIT C-1, a Projected Cash Flow Statement is presented assuming that the secured creditor is foreclosing on all real property, the sale of and equipment and collect receivables from IBO and CPA Pagan. Since secured creditors will be paid in full, through the foreclosure of the collateral, and these claims include tax liens over the real property, the funds generated from the sale of equipment, the recovery of receivables and the issuance of new shares will be sufficient for the distribution to administrative, priority and unsecured claims as provided in the plan. Based on the above, this consolidated plan is feasible.

FEASIBILITY-FC DEVELOPMENT

In EXHIBIT C-2, a Projected Cash Flow Statement is presented assuming that the secured creditor is foreclosing on all real property. Since the principal other claims will be paid for with an issuance of the Debtor's shares, this plan is feasible.

LIMITATION ON PAYMENT OF DIVIDENDS

Debtors will cancel all shares existing prior to the filing of the petition and will not pay dividends to pre-petition equity security holders. New stock issued will be exchanged in a merger between ARITEL, CHENELIZ, FC DEVELOPMENT, with FC as the surviving entity, after the Final Decree is

issued. Shares of the surviving FC may issue dividends from income not related to the liquidating plans of ARITEL/CHENELIZ and FC DEVELOPMENT until all creditors are paid in full as established in the Chapter 11 Liquidating Plans.

POST CONFIRMATION MANAGEMENT

Management of the merged companies will remain under the control of Franco Cabán Valentin as outlined above and will after the payment of all claims under these plans, continue operating as construction management and housing and commercial reconstruction.. Counsel for Debtors and the financial advisory team will continue to be available to assist in the implementation of the plans after the case is closed.

CLASSIFICATION OF CLAIMS: ARITEL /CHENELIZ

UNCLASSIFIED: Claims comprised of administrative expenses pursuant to 11 USC §507(a)(1) of the Bankruptcy Code are not classified. Included herein are the fees and expenses for professional services (legal, financial, special audit, special counsel, realtor and closing costs) as approved by the Court, _post petition creditors under ordinary course and the United States Trustee's fees as incurred from the filing of the case to the issuance of the final decree. These claims are estimated to be allowed at \$26,750.00.

Also Unclassified are, claims entitled to priority status such as tax claims pursuant to 11 USC §507(a)(8). These claims include room taxes, municipal license taxes and withheld social security and income tax withholding of income taxes. The amount aggregate expected to be allowed in these claims is \$268,133.10.

CLASS 1: This class is composed of real estate tax claims expected to be allowed to the Corporacion de Recaudacion de Ingresos Municipales (CRIM) comprised of Proofs of Claim #3-1 and 13-1. The amount expected to be allowed under this class is \$34,067.91. Also under this class is included \$1,110.61 of Proof of Claim #14-2 of the Internal Revenue Service for liens on real property filed prior to mortgage notes payable.

CLASS 2: This class is comprised of Proof of Claim #18-1 of the P R Asset Portfolio Servicing International, LLC. (PRAPI) for \$14,030,379. The claim was filed as secured by a lien over real estate. Debtors admit the valuation assumed by PRAPI and have noted that this claim includes amounts due by FC Development, which is also secured with real estate.

CLASS 3: This class includes Proof of Claim #21-2 of the Puerto Rico Treasury Department claimed as secured and amended to \$10,836.12 after excluding the portion of the claim related to FC. Also included in this class is Proof of Claim #14-2 of the Internal Revenue Service allowed as secured for \$16,096.20 for liens on equipment.

CLASS 4: This class is comprised of allowable general unsecured claims, except those that elect to be treated under CLASS 5. The aggregate claims estimated to be allowed under this class are \$665,298.80.

CLASS 5: This class is comprised of unsecured allowed claims that elect to receive payment in shares of the Debtor convertible to FC shares after confirmation of this plan, the Final Decree is issued and the merger is completed. The aggregate claims estimated to be allowed under this class are \$225,145.77.

CLASS 6: This class is comprised of the equity security holders of ARITEL INC. and CHENELIZ CONVENTION CENTER, INC. for all shares

outstanding as of the filing these of the Chapter 11 petitions.

TREATMENT OF CLASSES OF CREDITORS: ARITEL/CHENELIZ

UNCLASSIFIED: Professional fees will be paid when approved by the Court, not to exceed the effective date of the plan, or as agreed to with the related professional. US Trustee fees will be continued to be paid for quarters ended up to the filing of the Order of Final Decree as per the published fee tables of the Office of the United States Trustee. Any post-petition taxes that may arise for property would be included as part of unclassified claims.

Other allowed priority tax claims will be paid within five years from the filing date, upon the sale of the construction and hotel equipment and collection of receivables, including interest fixed at the statutory annual rate prevailing at the date of confirmation of the plan for the IRS (expected to be 3%) and 4.5% for local and Commonwealth taxes on a quarterly basis commencing 30 days after the effective date. Quarterly distributions on the will be made pro rata among members of these unclassified claims. These claims shall be paid in full, including any related interest, penalties or charges prior to commencing distribution of other classes, except the secured classes.

CLASS 1: Secured property taxes and IRS liens on real property under this class will be paid in full by secured creditor that obtained a lift of stay and is in the process of foreclosing on all real estate of the Debtor. The amount expected to be paid under this class is \$34,473.39 plus interest that may accrue after the effective date of the plan and until the date of the sale to a third party or transfer of the property to the secured creditor.

CLASS 2: Secured creditor obtained a lift of stay and is in the process of foreclosure of all properties of the estate which serve as collateral for this secured claim. The aggregate total secured amount allowed of \$14,030,379

in full payment for of these claims, including claims of FC Development.

CLASS 3: The secured claim of the Puerto Rico Treasury on special property taxes, as allowed will be paid in full from the proceeds of the liquidation of other assets including receivables and sale of equipment on a pro rata quarterly basis commencing 90 days after all unclassified (administrative and priority) claims are paid in full. The amount expected to be paid under this class to Puerto Rico Treasury is \$10, 836.12 plus interest at the rate of 4.5% per annum, that may accrue after the effective date of the plan and until the date of the sale to a third party. The amount payable to the Internal Revenue Services under the same conditions will be \$16,096.20, and interest at the prevailing statutory rate (estimated at 3.0% per annum) accruable after the effective date of the plan.

CLASS 4: Unsecured claims allowed under this Class, except those that elect to be treated under Class 5, will be paid 5% of the allowed amount of each claim upon the liquidation of other assets including receivables and the sale of equipment from the hotel, and recovery of receivables without interest, pro-rata in a quarterly basis commencing 90 days after the payment in full of Class 3 claims. The aggregate payments under this Class are estimated at \$33,264.94.

CLASS 5: Unsecured allowed claimants that elect to be treated under this class will be carried over to receive the total amount of their claim in new common shares of ARITEL, Inc. and CHENELIZ CONVENTION CENTER, Inc. at par value which will be exchangeable for FC Development common shares at their estimated fair market value after the issuance of the final decree and completion of the merger. The expected value of ARITEL and CHENELIZ shares approximates 5% of their par values.

CLASS 6: All shares outstanding at the date of the petition will be cancelled and prepetition shareholders will receive no distribution or dividends under this plan.

CLASSIFICATION OF CLAIMS: FC DEVELOPMENT

UNCLASSIFIED: Claims comprised of administrative expenses pursuant to 11 USC §507(a)(1) of the Bankruptcy Code are not classified. Included herein are the fees and expenses for professional services (legal, financial, realtor and closing costs) as approved by the Court, post petition creditors under ordinary course and the United States Trustee's fees as incurred from the filing of the case to the issuance of the final decree. These claims are estimated to be allowed at \$40,975.00.

There are no claims entitled to priority status such as tax claims pursuant to 11 USC §507(a)(8).

CLASS 1: This class is composed of real estate tax claims expected to be allowed to the Corporacion de Recaudacion de Ingresos Municipales (CRIM) comprised of Proof of Claim #1-1 The amount expected to be allowed under this class is \$8,784.24.

CLASS 2: This class is comprised of Proof of Claim # 3-1 of the P R Asset Portfolio Servicing International, LLC. (PRAPI) for \$14,030,379.13 claimed as fully secured. The claim includes amounts owed in the consolidated estate of ARITEL/CHENELIZ as fully secured by liens over the same real estate. Debtor accepts that PRAPI is fully secured for the amounts related to this Debtor.

CLASS 3: This class includes proof of claim # 21-1 of the Puerto Rico

Treasury Department filed in the Consolidated ARITEL/CHENELIZ case in which Treasury claimed as secured the amount of \$15,646.31, but which is expected to be allowed for \$2,077.10 after excluding the portion of the claim related to ARITEL/CHENELIZ.

CLASS 4: This class is comprised of allowable general unsecured claims, except those that elect to be treated under CLASS 5 or are classified as Class 6. The aggregate claims estimated to be allowed under this class are \$7,081.58.

CLASS 5: This class is comprised of unsecured allowed claims that elect to receive payment in shares of the Debtor convertible to FC shares after confirmation of this plan, the Final Decree is issued and the merger is completed. The aggregate claims estimated to be allowed under this class are \$642,601.55.

CLASS 6: This class is comprised of the equity security holders of F.C. DEVELOPMENT, INC. shares outstanding as of the filing of the Chapter 11 petition.

TREATMENT OF CLASSES OF CREDITORS: FC DEVELOPMENT

UNCLASSIFIED: Professional fees will be paid when approved by the Court, or as agreed to with the professional. US Trustee fees will be continued to be paid for quarters ended up to the filing of the Order of Final Decree as may be billed by the Office of the US Trustee. No administrative tax claims are expected to be allowed. Post-petition amounts due to CAVA will be issued in FC stock.

There are no claims entitled to priority status in this case.

CLASS 1: Amounts due under this class will be paid by secured creditor upon foreclosure of all real estate of the Debtor.

CLASS 2: Amounts due under this CLASS will be paid in full upon foreclosure of all the real property of the Debtor.

CLASS 3: Amounts due under this class will be paid by the secured creditor upon foreclosure of all real properties of the Debtor.

CLASS 4: Unsecured claims allowed under this Class, except those that elect to be treated under Class 5, will be paid 5% of the allowed amount of each claim within ninety (90) days after the effective date of the Plan. The aggregate payments under this class are estimated at \$354.08.

CLASS 5: Unsecured allowed claimants that elect to be treated under this class will receive the total amount of their claim in new common shares of F.C. Development Inc. at their fair market value subsequent to the issuance of the final decree in the plan and the completion of the merger with ARITEL, Inc., and Chenelys Convention Center, Inc.

CLASS 6: All shares outstanding at the date of the petition will be cancelled and shareholders will receive no distribution or dividends under this plan.

CONSOLIDATED ESTATE OF ARITEL/CHENELIZ
LIQUIDATION ANALYSIS

Before confirmation of the Debtor's Plan of Reorganization, the Bankruptcy Court must analyze the Plan and determine that it is in the best interest of each impaired class of creditors. One major factor in this analysis is the determination of the Debtor's liquidation value and a comparison as to whether this liquidation value exceeds the proposed recovery to impaired classes under the Plan of Reorganization.

The liquidation of ARITEL/CHENELIZ involves primarily the sale of real estate and equipment and collection of receivables. Preference actions are not contemplated in this liquidation.

The recoveries assumed under the liquidation scenario were 70% of the amended fair market value of real estate, 60% on equipment and vehicles, 25% on furniture and office equipment and 100% on receivables.

The Liquidation Analysis included as **EXHIBIT C-1** to this Consolidated Disclosure Statement shows that under a Chapter 7 Liquidation the secured creditors would be paid from foreclosure and the collateral would be excluded from the estate if the case is converted to Chapter 7. All other creditors would depend on the proceeds from litigation against IBO and the sale of furniture and equipment remaining in the hotel and other miscellaneous receivables. Most probably a Trustee would either abandon the litigation due to lack of funds to pay legal counsel, or attempt to negotiate with IBO a settlement. The latter appears to be very difficult due to the experience with this lessee. Either

way, the proceeds from a forced liquidation under a Chapter 7 would not render a fraction of the proceeds that are projected under the liquidating Chapter 11 Plan.

FC DEVELOPMENT (FC) LIQUIDATION ANALYSIS

Before confirmation of the Debtor's Plan of Reorganization, the Bankruptcy Court must analyze the Plan and determine that it is in the best interest of each impaired class of creditors. One major factor in this analysis is the determination of the Debtor's liquidation value and a comparison as to whether this liquidation value exceeds the proposed recovery to impaired classes under the Plan of Reorganization.

The liquidation of FC Development involves primarily the sale of real estate. Preference actions are not contemplated in this liquidation. However, timing of such liquidations could be in excess of three years because the market for land is saturated due to the banking crisis. Also, as recently as last March 2013, Banco Popular and First Bank sold commercial repossessed properties and loan portfolios in excess of \$1.5 Billion dollars to U.S. investors which have these assets currently in the offering table for disposition.

The recoveries assumed under this liquidation scenario changed since the Court has lifted the stay and the secured creditor is foreclosing. There are no cash balances and 79% is recoverable from the receivables, since part of the accounts are the related consolidated cases.

The Liquidation Analysis included as **EXHIBIT C** to this Consolidated Disclosure Statement shows that under a Chapter 7 Liquidation the secured creditor has lifted the stay for foreclosure on all real estate collateral and would carry the related property and special property taxes. There are no

priority claims in this case. Unsecured creditors and equity security holders would receive nothing.

BEST INTEREST

The proposed treatment of all Classes of creditors under the Debtors' plans far exceed any potential recovery through liquidation since it provides 100% to secured creditors, 100% administrative expenses of the estate, 100% to priority claims (taxes) and 5% to unsecured creditors in a shorter period of time. Equity security creditors will receive nothing in compliance with the Absolute Priority Rule.

THE EMERGING ARITEL, INC., CHENELIZ AND FC DEVELOPMENT

Debtors will, upon emergence of the bankruptcy, merge the three corporations to operate as a domestic corporation dedicated to construction reconstruction and maintenance.

PENDING AND FUTURE LITIGATION

There was a foreclosure in the local court by Banco Popular which was stayed upon filing. Also, Debtors had a lawsuit by United Surety (USIC) which was stayed upon filing. Originally, Debtors had considered filing a counter suit against USIC but decided not to do so in these cases. Nevertheless, the claim by USIC is being objected since it is considered not owed. Debtors are also trying to negotiate with IBO the sale of the Cheneliz property and the collection of rents accrued. If this transaction is not realized, Debtors will sue IBO for rents and other charges accrued. The Debtors have filed several claim objections and are currently in the process of completing documentation for the objection of the USIC claim.

OBJECTIONS GRANTED

Debtors filed in the ARITEL/ CHENELIZ case an objection against POC-17-1 of the Puerto Rico Tourism Company since the hotel property has been leased for more than two years and the Debtor is not operating as a hotel. This objection was granted in part on September 23, 2015 (Dkt. #210). Objections to Claims 11 and 15 were granted on May 26, 2016 (Dkt. #306 & 307). Objection to Claim 2 was granted on June 15, 2016 (Dkt. #320). Objection to Claim 16 was granted on November 23, 2016 (Dkt. #369). The debtors objection to claim #7 (docket #296), to claim #8 (docket #297), to claim #9 (docket #298), Popular Autos answer to objection to claims #7, #8 and #9 (docket #325), and the motion in compliance with order filed by Popular Auto (docket #352) are still pending.

RETENTION OF JURISDICTION

Notwithstanding Confirmation, the Bankruptcy Court will retain jurisdiction for all purposes provided by the Bankruptcy Code, including, but not limited to:

- 1- The determination of the allowance of claims upon the objection to such claims by the Debtor or by any other party in interest;
- 2- The determination of requests for payment of claims entitled to priority under 11 USC §507(a) (1), including compensation of parties entitled thereto;
- 3- The resolution of any disputes regarding the interpretation of the Plan;

4- The implementation of the provisions of the Plan and entry of Orders in aid of consummation of the Plan;

5- The modification of the Plans pursuant to 11 USC §1127;

6 The adjudication of any cause of action, including avoiding powers actions, brought by the DEBTORS, by a representative of the estates, or by a Trustee under the Bankruptcy Code; and

7- The entry of an Order approving the Debtor's Statement of Indebtedness.

MODIFICATION OF THE PLANS

Pursuant to the provisions of Section 1127 of the Bankruptcy Code, the Debtors have the right to modify or alter the provisions of the Plan at any time prior or subsequent to Confirmation, but before substantial consummation of such plan.

EFFECT OF CONFIRMATION AND FINAL DECREE

Confirmation and the Order of Confirmation will vest title of all property of the Estate in ARITEL/CHENELIZ, and in the Estate of FC DEVELOPMENT and will constitute final settlement of payment to all creditors. Completion of the payment therein contemplated shall act, constitute and operate as a relief of any and all liability and indebtedness of the Debtor which existed prior to confirmation pursuant to applicable sections on 11 USC §1141(a)(d)(c)(d)(1).

CONCLUSION

Your receipt of this Consolidated Disclosure Statement means that,

either, you requested a copy upon filing, and the Court granted the request, or the Court has approved this Statement as containing adequate information to enable you to make an informed choice. The Court's approval of the Consolidated Disclosure Statement does not constitute a recommendation by the Court either for or against the Plan, nor a guarantee of the accuracy or completeness of the information contained in this Consolidated Disclosure Statement.

DEBTORS' SHAREHOLDERS BELIEVE THAT THE PLANS ARE IN THE BEST INTEREST OF THE CREDITORS, AND RECOMMENDS THAT YOU VOTE TO ACCEPT THE RELATED PLAN. YOUR VOTE IS IMPORTANT. PLEASE VOTE PROMPTLY.

In San Juan, Puerto Rico this 16th day of December, 2016

ARITEL/CHENELIZ

By: [Signature]

Debtor in Possession

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Attorney for the Debtors
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Ponce, PR 000732-0779
Tel. (787) 848-0666
E-mail: rolando@bufete-emmanuelli.com

By: /s/Rolando Emmanuelli Jiménez
Attorney #214105

FC DEVELOPMENT, INC.

By: [Signature]

Debtor in Possession

/s/ Winston Vidal Gambaro
WINSTON VIDAL GAMBARO
LAW OFFICES
Attorney for the Debtor
PO Box 193673
San Juan, PR 00919-3673
Tel. (787) 751-2864
Fax. (787) 763-6114
Email: wvidal@prtc.com

CERTIFICATE OF SERVICE: I hereby certify that on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF systems, which will send notification of such filing to the Office of the United States Trustee, and all CM/ECF participants, particularly to the Assistant U. S. Trustee, Ms. Monsita Lecaroz Arribas, Esq., ustregion21.hr.ecf@usdoj.gov; Hermann D. Bauer Álvarez, Esq., herman@oneillborges.com; Roberto R. Blanes Ibarra, Esq., rblanes@medinazapatalaw.com; Verónica Durán Castillo, Esq., vduran@bppr.com; Carmen Priscilla Figueroa Bell, Esq., cfigueroa@crimpr.net and José A. Sánchez Girona, Esq., jose.sanchez@saldanalaw.com.

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AMENDED CONSOLIDATED DISCLOSURE STATEMENT TABLE OF EXHIBITS

A-1	Summary of Claims and Plan Payments -ARITEL/CHENELIZ
A-2	Summary of Claims and Plan Payments- FC DEVELOPMENT
B-1	Projected Cash Flow after the effective date- ARITEL/CHENELIZ
B-2	Projected Cash Flow after the effective date- FC DEVELOPMENT
C-1	Liquidation Analysis-ARITEL/CHENELIZ
C-2	Liquidation Analysis- FC DEVELOPMENT
D-1	Summary of Monthly Operating Reports-ARITEL/CHENELIZ
D-2	Summary of Monthly Operating Reports-FC DEVELOPMENT

Label Matrix for local noticing
0104-3
Case 14-03727-EAG11
District of Puerto Rico
Old San Juan
Fri Dec 16 21:00:21 AST 2016

ARTEL INC
PO BOX 3670
HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

CHENELIZ CONVENTION CENTER INC
PO BOX 3670
HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

CRIM
PO BOX 195387
SAN JUAN, PR 00919-5387

POPULAR AUTO
PO BOX 366818
SAN JUAN, PR 00936-6818

PR ASSET PORTFOLIO 2013 - 1 INTERNATIONAL, L
270 Munoz Rivera, Suite 302
Hato Rey, PR 00918-1901

PUERTO RICO TOURISM COMPANY
PO BOX 9023960
SAN JUAN, PR 00902-3960

TREASURY DEPARTMENT OF THE COMMONWEALTH OF P
DEPARTMENT OF JUSTICE
FEDERAL LITIGATION DIVISION
PO BOX 9020192
SAN JUAN, PR 00902-0192

US TRUSTEE
EDIFICIO OCHOA
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901-1922

United Surety & Indemnity Company
SALDANA & SALDANA EGOZCUE, PSC
Popular Center, Suite 1420
208 Ponce de Leon Ave
SAN JUAN, PR 00918-1000

US Bankruptcy Court District of P.R.
Jose V Toledo Fed Bldg & US Courthouse
300 Recinto Sur Street, Room 109
San Juan, PR 00901-1964

ACE CONSTRUCTION SUPPLIES
PO BOX 363707
SAN JUAN, PR 00936-3707

ACEROS Y TORNILLERA LA PAZ
RR 1 BOX 37719
SAN SEBASTIAN, PR 00685-6100

ACHA TRADING CO., INC.
PO BOX 940 PR-2 KM 84.7 BO CARRIZA
HATILLO, PR 00659-0940

ALUMINIUM DESIGNERS
URB. SANTA RITA
CALLE 3 G-10 (BAJOS)
SAN SEBASTIAN, PR 00685

AMCAR, INC.
PO BOX 72000
SAN JUAN, PR 00936-7200

ANGEL E. RAMOS LA TORRE
HC-05 BOX 39504
SAN SEBASTIAN, PR 00685

ARAMSCO
PO BOX 143101
ARECIBO, PR 00614-3101

ARIECO, INC.
APARTADO 1039
SAN SEBASTIAN, PR 00685-1039

ARIECO, INC.
PO BOX 1039
SAN SEBASTIAN, PR 00685-1039

ARIEDWAR COLON CORTES
APARTADO 5247
SAN SEBASTIAN, PR 00685-5247

ARIENRIQUE COLON CORTES
PO BOX 1039
SAN SEBASTIAN, PR 00685-1039

ASOC DE CONTRATISTAS GENERALES
501 CALLE PERSEO
SAN JUAN, PR 00920-4204

ASSEMBLERS & FABRICATORS
#2 AMERICA ST.
HATO REY, PR 00917-3638

ATLANTIC PIPE CORPORATION
PO BOX 366259
SAN JUAN, PR 00936-6259

AUTORIDAD ACUEDUCTOS Y ALCANTARILLADOS
P.O. BOX 70101
SAN JUAN, PR 00936-8101

AUTORIDAD ENERGIA ELECTRICA
PO BOX 363508
SAN JUAN, PR 00936-3508

AXESA
PO BOX 70373
SAN JUAN, PR 00936-8373

BEST BUSINESS CONSTRUCTION
PO BOX 628
SAN SEBASTIAN, PR 00685-0628

BETTERROADS ASPHALT CORP
PO BOX 1515
AGUADA, PR 00602-1515

BETTERROADS ASPHALT CORP
PO BOX 21420
SAN JUAN PR 00928 1420

BUTTE BARNES ROSICH
P.O. BOX 331031
PONCE, PR 00733-1031

CANO'S TRUCK LUBE & PARTS
HC 02 BOX 23914
SAN SEBASTIAN, PR 00685-9295

CARDONA RENTAL, INC.
HC-07 BOX 75900
SAN SEBASTIAN, PR 00685-7322

CARIBBEAN WELL
200 ROAD 384 KM 3.1
PENUELAS, PR 00624

CAVA CONSTRUCTION
PO BOX 3667 HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

CENTENNIAL DE PUERTO RICO
PO BOX 71514
SAN JUAN, PR 00936-8614

CENTRAL PRODUCE
PO BOX 11933
SAN JUAN, PR 00922-1933

CENTRO AUTOMOTRIZ GUATEMALA
AVE. EMERITO ESTRADA PO BOX 89
SAN SEBASTIAN, PR 00685

CENTRO DE GAS
APARTADO 623
AGUADA, PR 00602-0623

CENTRO UNIDO DE DETALLISTAS
PO BOX 190127
SAN JUAN, PR 00919-0127

CIB CORPORATION
PO BOX 364086
SAN JUAN, PR 00936-4086

COD CONCRETE PUMPING
PO BOX 653
AASCO, PR 00610-0653

COLON PRATTS & ASSOCIATES
APARTADO 498
SAN SEBASTIAN, PR 00685-0498

COMERCIAL FELO, INC.
PO BOX 175
SAN SEBASTIAN, PR 00685-0175

COMPANIA DE TURISMO DE PUERTO RICO
APARTADO 9024000
SAN JUAN, PR 00902-4000

CONSPRO CORP.
PO BOX 361628
SAN JUAN, PR 00936-1628

DEMKAJ SIGNS & DESIGN
HC-05 BOX 110750
MOCA, PR 00676-9771

DESTILERIA SERRALLES
APARTADO 198
MERCEDITA, PR 00715-0198

DOCUMENT COMPANY
MSC 848 WINSTON CHURCHILL
SAN JUAN, PR 00926

Department of Treasury
Bankruptcy Section (424)
P.O. Box 9024140
San Juan PR 00902-4140

ECOLAB MANUFACTURING
PO BOX 1354
DORADO, PR 00646-1354

EDITORIAL PRIMERA HORA
PO BOX 2009
CATANO, PR 00963-2009

EL NUEVO DIA, INC.
PO BOX 71445
SAN JUAN, PR 00936-8545

ENVIRONMENTAL QUALITY
PO BOX 11458
SAN JUAN, PR 00910-2558

FABRICA DE HIELO DE SAN SEBASTIAN
PO BOX 1981
SAN SEBASTIAN, PR 00685-7981

FAST MOBILE TRAILER, CO.
PO BOX 1658
SAN SEBASTIAN, PR 00685-1658

FASTENAL COMPANY
PO BOX 978
WINONA, MN 55987-0978

FC DEVELOPMENT, INC.
PO BOX 3667 HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

FEDEX
PO BOX 371461
PITTSBURGH, PA 15250-7461

FERRETERIA ABRAHAM
CAPARRA TERRACE PO BOX 11974
SAN JUAN, PR 00922-1974

FIRST MEDICAL HEALTH PLUS
PO BOX 70264
SAN JUAN, PR 00936-8264

FRANCO CABAN VALENTIN
PO BOX 1039
SAN SEBASTIAN PR 00685 1039

GALOFFIN'S RADIATOR
CALLE SERAFIN #10
MOCA, PR 00676

GARAGE ESSO GUATEMALA
CARR 125 KM 20.5 AVE. EMERITO ESTRADA
SAN SEBASTIAN, PR 00685

GE Capital Retail Bank
c/o of Recovery Management Systems Corp
25 S.E. 2nd Avenue, Suite 1120
Miami, FL 33131-1605

GOMERA EL CIEGO
BO. CULEBRINAS KM 28.6
SAN SEBASTIAN, PR 00685

GONZALEZ AUTO DISTRIBUTOR
HC-04 BOX 13952
MOCA, PR 00676-9787

HACIENDA EL JIBARITO
PO BOX 3210 HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7004

HALCO SALES, INC.
PO BOX 4820
CAROLINA, PR 00984-4820

HOME DEPOT
PO BOX 9055
DES MOINES, IA 50368-9055

IMPRENTA CARIBE
1361 AVE. EMERITO ESTRADA
SAN SEBASTIAN, PR 00685-3019

INSTANT PRINT CORPORATION
PO BOX 190540 PIERO AVE. NO. 276
HATO REY, PR 00919-0540

INSTITUTO OF BEAUTY, OCCUPATION
AND TECHNOLOGY
CONCEPCION VERA #500 EDIF DOWNTOWN
MOCA, PR 00676-5071

INTERNAL REVENUE SERVICE
CITY VIEW PLAZA II
48 CARR 165 SUITE 2000
GUAYNABO, PR 00968-8000

INTERNATIONAL COFFEE VE
PMB 145 PO BOX 70171
SAN JUAN, PR 00936-8171

ITO'S ART GRAPHIC
HC-02 BUZON 19684
SAN SEBASTIAN, PR 00685

J.R. GUERRA TOWING SERVICE
PO BOX 834
SAN SEBASTIAN, PR 00685-0834

JS POWER PRODUCTION
PO BOX 363222-3222
SAN JUAN, PR 00936-3222

JULIO VALENTIN GONZALEZ
HC-02 BOX 12326
MOCA, PR 00676-8379

JVP ENGINEERING, PSC
HC-02 BOX 12287
MOCA, PR 00676-8385

KEVANE GRANT THORNTON
33 CALLE BOLIVIA SUITE 400
SAN JUAN, PR 00917-2013

LETICIA MOCTEZUMA
PO BOX 1965
YABUCCA, PR 00767-1965

LUIS F. CARATINI & SON, INC.
PO BOX 194663
SAN JUAN, PR 00919-4663

LUIS V. CARDONA CRESPO
PO BOX 1538
SAN SEBASTIAN, PR 00685-1538

LUIS VARGAS NIEVES
PO BOX 5082
SAN SEBASTIAN, PR 00685-5082

M'ARISEL NIEVES TORRES
P.O. BOX 1039
SAN SEBASTIAN, PR 00685-1039

MARELIZA SERRANO MONROIG
PO BOX 1039
SAN SEBASTIAN, PR 00685-1039

MEDALLA DISTRIBUTOR
PO BOX 51985
TOA BAJA, PR 00950-1985

MIGUEL A DURAN
PO BOX 941
ARSCO, PR 00610-0941

MIGUEL VELAZQUEZ SANTIAGO
HC-05 BOX 616239
SAN SEBASTIAN, PR 00685

MME SECURITY SERVICE
EL CAFETAL
CALLE ANTONIO RODRIGUEZ J13
YAUCO PR 00698-3153

MONGE ROBERTIN & ASOCIADOS
97 Acosta St.
Caguas, PR 00725-4103

MUEBLERIA HIRAM
APARTADO 623 CARR #2 KM 134.6
AGUADA, PR 00602

MUNICIPALITY OF SAN SEBASTIAN
DEPARTAMENTO DE FINANZAS
P.O. BOX 1603
SAN SEBASTIAN, PR 00685-1603

MUNICIPIO DE MOCA
APARTADO 1571
MOCA, PR 00676-1571

OFFICE MAX
PO BOX 101705
ATLANTA, GA 30392-1705

ORLANDO BERRIOS APONTE
TRANSPORTE BERRIOS
BO CATAO PO BOX 146
HUMACAO, PR 00792-0146

ORLANDO ROLON ORTIZ
HC-01 BUZON 9224
SAN SEBASTIAN, PR 00685

PALMAR
AVE. EMERITO ESTRADA #1
SAN SEBASTIAN, PR 00685

PEA CONSTRUCTION
APARTADO 105
SAN SEBASTIAN, PR 00685-0105

PEDRO MORALES VALLE
COMUNIDAD ESTELA BUZON 3062
RINCON, PR 00677

PEPINO TOOLS & FLEA MARKET
HC-07 BOX 75274 BO, HATO ARRIBA
SAN SEBASTIAN, PR 00685-7229

PIM ENGINEERING LABORATORY
PO BOX 800515
COTO LAUREL, PR 00780-0515

PLAZA CELLARS
PO BOX 363328
SAN JUAN, PR 00936-3328

POPULAR AUTO (POPULAR LEASING)
BANKRUPTCY DEPARTMENT
PO BOX 366818
SAN JUAN PUERTO RICO 00936-6818

PR ACQUISITIONS LLC
PO BOX 194499
SAN JUAN, PR 00919-4499

PR ASSET PORTFOLIO 2013-1 INTL, LLC
270 MUNOZ RIVERA AVE SUITE 302
SAN JUAN, PR 00918-1901

PR Asset Portfolio 2013-1 International LLC
c/o O'Neill & Borges LLC
American International Plaza
250 Muoz Rivera Avenue, Suite 800
San Juan, PR 00918-1813

PR DEPARTMENT OF LABOR
505 AVE. MUNOZ RIVERA PISO 12
SAN JUAN, PR 00918-3352

PR DEPARTMENT OF TREASURY
P.O. BOX 924140
SAN JUAN, PR 00902

PR FLATPROOFING SALES
PO BOX 7999 PMB 151
MAYAGUEZ, PR 00681-7999

PRIMUS TELECOMMUNICATION
PO BOX 535313
ATLANTA, GA 30353-5313

PROMOTIONS STUDIO
CARR 125 KM 7.8 INT BO VOLADORAS
MOCA, PR 00676

PUERTO RICO INTERNATIONAL
PO BOX 160
AGUIRRE, PR 00704-0160

PUERTO RICO TELEPHONE DBA CLARO
FRANCISCO J SILVA, ESQ
PO BOX 360998
SAN JUAN, PR 00936-0998

QANTEL TECHNOLOGIES
268 PONCE DE LEON AVE
HOME MORTGAGE PLAZA
HATO REY, PR 00918-2010

R & B POWER, INC.
PO BOX 366009
SAN JUAN, PR 00936-6009

RADIADORES CANO
AVE. EMERITO ESTRADA #1236
SAN SEBASTIAN, PR 00685-3025

RICARDO PEA
PO BOX 8
SAN SEBASTIAN, PR 00685-0008

RICOH LANIER
AVE. PONCE DE LEON 431
EDIF. NACIONAL PLAZA
HATO REY, PR 00917-3418

RIMCO INC
KENNEDY AVE K 37
BOX 362529
SAN JUAN PR 00936 2529

RIMCO, INC.
P.O. BOX 362529
SAN JUAN, PR 00936-2529

RJ FUENTES RENTAL
HC-03 BUZON 27365
SAN JUAN, PR 00685

RNA CONSULTORES
PO BOX 1319
SAN SEBASTIAN, PR 00685-1319

ROBERT MACHINE SHOP
BO. PIEDRAS BLANCAS
SAN SEBASTIAN, PR 00685

ROGELIO AQUINO PEREZ
APARTADO 534
SAN SEBASTIAN, PR 00685-0534

ROGER ELECTRIC, INC.
AVE DE HOSTOS #738
MAYAGUEZ, PR 00680

SAN SEBASTIAN FIRE EQUIPMENT
CARR 11 KM 22.8 BO. PIEDRAS BLANCAS
SAN SEBASTIAN, PR 00685

SAN SEBASTIAN MUNICIPALITY
PO BOX 1603
SAN SEBASTIAN PR 00685-1603

SERVICIOS SANITARIOS DE
DBA A-1 PORTABLE TOILETS
PO BOX 7569
PONCE, PR 00732-7569

SPOT ON HOLD
BOX 1836
MAYAGUEZ, PR 00681-1836

STATE INSURANCE FUND CORPORATION
P.O. BOX 364548
SAN JUAN, PR 00936-4548

STEEL & PIPES, INC.
PO BOX 5309
CAGUAS, PR 00726-5309

TALLER ELECTROMECHANICA
APARTADO 1866
MOCA, PR 00676-1866

TELEPHONE ELECTRIC LINES, INC.
PO BOX 3667 HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

TONYS LIQUOR STORE
URB. EL CULEBRINA
301 AVE. EL FLAMBOYAN
SAN SEBASTIAN, PR 00685

TRENCHER SPECIALIZED EQUIPMENT
PMB 334 DRIVE-INN PLAZA 2
CARR #2 SUITE 15
BAYAMON, PR 00959-5259

UNITED SURETY & INDEMNITY COMPANY
P.O. BOX 2111
SAN JUAN, PR 00922-2111

UNO RADIO GROUP
PO BOX 3822
MAYAGUEZ, PR 00681-3822

URAYOAN MOLINA IRIZARRY
PO BOX 1365
SAN SEBASTIAN, PR 00685-1365

VARELA TRUCK SUPPLIES
315 AVE SANTIAGO DE LOS CABALLEROS
SUITE 813
PONCE, PR 00716-2019

VERIZON INFORMATION
PO BOX 70373
SAN JUAN, PR 00936-8373

WAEI, INC.
BOX 1370
MAYAGUEZ, PR 00681-1370

WESTERN ELECTRONICS
HC-56 BOX 37200
AGUADA, PR 00602

WESTERN SOIL, INC.
PO BOX 345
MAYAGUEZ, PR 00681-0345

ANTONIO FIOL MATTA
PO BOX 9021779
SAN JUAN, PR 00902-1779

JOSE M MONGE ROBERTIN
MONGE ROBERTIN & CO
97 ACOSTA STREET
CAGUAS, PR 00725-4103

MONSITA LECAROS ARRIBAS
OFFICE OF THE US TRUSTEE (UST)
OCHOA BUILDING
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901

ROLANDO EMMANUELLI JIMENEZ
URB CONSTANCIA
2803 CALLE SAN FRANCISCO
PONCE, PR 00717-2207

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)CHENELIZ CONVENTION CENTER, INC.
PO BOX 3670 HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

(d)CRIM
P.O. BOX 195387
SAN JUAN, PR 00919-5387

(d)CRIM
PO BOX 195387
SAN JUAN, PR 00919-5387

(d)PUERTO RICO TOURISM COMPANY
PO BOX 9023960
SAN JUAN PR 00902 3960

End of Label Matrix
Mailable recipients 149
Bypassed recipients 4
Total 153

Label Matrix for local noticing
0104-3
Case 14-03731-EAG11
District of Puerto Rico
Old San Juan
Fri Dec 16 21:23:31 AST 2016

BANCO POPULAR DE PR SPECIAL LOANS
PO BOX 362708
SAN JUAN, PR 00936-2708

CRIM
PO BOX 195387
SAN JUAN, PR 00919-5387

DEPARTAMENTO DE HACIENDA
PO BOX 9024140
OFICINA 424-B
SAN JUAN, PR 00902-4140

FC DEVELOPMENT INC
PO BOX 3667
HATO ARriba STATION
SAN SEBASTIAN, PR 00685-7012

INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 7346
PHILADELPHIA, PA 19101-7346

MONGE ROBERTIN & ASOCIADOS
97 Acosta St.
Caguas, PR 00725-4103

PR Asset Portfolio 2013-1 International LLC
270 Munoz Rivera, Suite 302
Hato Rey, PR 00918-1901

PR DEPARTMENT OF LABOR
PRUDENCIO RIVERA MARTINEZ BLDG
505 MUNOZ RIVERA AVENUE
12 FLOOR
SAN JUAN, PR 00918

US TRUSTEE
EDIFICIO OCHOA
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901-1922

US Bankruptcy Court District of P.R.
Jose V Toledo Fed Bldg & US Courthouse
300 Recinto Sur Street, Room 109
San Juan, PR 00901-1964

ARITEL, INC.
P.O. BOX 3670
HATO ARriba STATION
SAN SEBASTIAN, PR 00685-7012

ASSOCIATES
PO BOX 11917
SAN JUAN, PR 00922-1917

ASSOCIATES FINANCE
PO BOX 11917
SAN JUAN, PR 00922-1917

CAVA CONSTRUCTION INC.
P.O. BOX 3667
HATO ARriba STATION
SAN SEBASTIAN, PR 00685-7012

CITI CARDS
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIBANK
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIBANK CCSI
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIBANK MORTGAGE
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIBANK NA
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIBANK SOUTH DAKOTA
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIBANK USA
PO BOX 11917
SAN JUAN, PR 00922-1917

CITICARDS
PO BOX 11917
SAN JUAN, PR 00922-1917

CITICARDS CREDIT SERVICES
PO BOX 11917
SAN JUAN, PR 00922-1917

CITICARDS SEARS
PO BOX 11917
SAN JUAN, PR 00922-1917

CITICORP DINERS
PO BOX 11917
SAN JUAN, PR 00922-1917

CITICORP FINANCE
PO BOX 11917
SAN JUAN, PR 00922-1917

CITIFINANCIAL
PO BOX 11917
SAN JUAN, PR 00922-1917

DORAL FINANCIAL CORPORATION
LOPEZ SANCHEZ PIRILLO & HYMOVITZ LLC
PO BOX 11917
SAN JUAN, PR 00922-1917

FRANCO CABAN VALENTIN
PO BOX 3667
SAN SEBASTIAN PR 00685-7012

MARISEL NIEVES TORRES
PO BOX 3667
SAN SEBASTIAN PR 00685-7012

PANAMERICAN/CITIBANK
PO BOX 11917
SAN JUAN, PR 00922-1917

PR ASSET PORTFOLIO 2013-1 INTL, LLC
270 MUNOZ RIVERA AVE SUITE 302
SAN JUAN, PR 00918-1901

PR Asset Portfolio 2013-1 International LLC
c/o O'Neill & Borges LLC
American International Plaza
250 Muoz Rivera Avenue, Suite 800
San Juan, PR 00918-1813

TELEPHONE ELECTRIC LINES, INC
P.O. BOX 3667
HATO ARRIBA STATION
SAN SEBASTIAN, PR 00685-7012

ANTONIO FIOL MATTA
PO BOX 9021779
SAN JUAN, PR 00902-1779

FEDERAL LITIGATION DEPT. OF JUSTICE
PO BOX 9020192
SAN JUAN, PR 00902-0192

MONSITA LECAROS ARRIBAS
OFFICE OF THE US TRUSTEE (UST)
OCHOA BUILDING
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901

ROSA E RODRIGUEZ VELEZ
US ATTORNEYS
TORRE CHARDON STE 1201
350 CARLOS E. CHARDON AVE
SAN JUAN, PR 00918-2124

WINSTON VIDAL-GAMBARO
WINSTON VIDAL LAW OFFICE
PO BOX 193673
SAN JUAN, PR 00919-3673

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)US TRUSTEE
EDIFICIO OCHOA
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901-1922

(u)Banco Popular de Puerto Rico Special Loan
Migdalia Effie Guasp, Esq.
Special Loans Department (733)
P.O. Box 362708, San Juan, P.R. 00936-27

(d)CRIM
P.O. BOX 195387
SAN JUAN, PR 00919-5387

End of Label Matrix
Mailable recipients 39
Bypassed recipients 3
Total 42