

EXHIBIT A

Amended Plan of Reorganization

Dated **July 2, 2018**

With

Schedule of Payments

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

IN RE: * CASE NO. 15-09171
La Habichuela, Inc. *
DEBTOR * CHAPTER 11

SECOND CHAPTER 11 PLAN OF REORGANIZATION DATED JULY 2, 2018

ARTICLE I
SUMMARY

This chapter 11 Plan proposes to pay the creditors of La Habichuela, Inc. from the cash flow and the future income generated by the sales made by the three fast food restaurants that the Debtor owns and administers.

The plan provides for: The unclassified creditors who are unimpaired and provides for general unsecured Creditors which are impaired as the Code requires. The unimpaired Creditors are The Priority Tax Claims, Administrative Priority Claims. There is one class of secured creditors which are unimpaired. There are three classes of unsecured creditors that are impaired, and there is one Class of Equity Security Holders. The Classes are:

- Class 1 general secured claim,
- Class 2 general unsecured creditors, who have guarantors,
- Class 3 nonresidential commercial leases,
- Class 4 General unsecured Creditors and
- Class 5 Equity Security Holders.

All Creditors and equity security holders should refer to Articles III through VI of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding the Plan and the rights of creditors and equity security holders has been circulated with this plan. Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one.

GENERAL PROVISIONS

1. The definitions and rules of construction set forth in 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

For the purposes of this Plan of Reorganization, the following terms shall have the respective meanings set forth.

1. "**Administrative Creditor**" shall mean a person entitled to payment of an Administrative Expense Claim.
2. "**Administrative Expense Claim**" shall mean any Claim constituting a cost or expense of administration of the Chapter 11 proceeding allowed under 11 U.S.C. Sec. 503(b) and 507(a)(1).
3. "**Allowed Claim**" shall mean any Claim, proof of which was properly filed on or before the Bar Date set by the Bankruptcy Court, namely May 05, 2016, or if no proof of claim has been so filed, which has been or hereafter is listed as liquidated in amount and not disputed or contingent in the Debtor's schedules of assets and liabilities filed with the Bankruptcy Court (as they may be amended or supplemented from time to time according to the Bankruptcy Rules) and, in either case, a Claim to which no objection to the allowance thereof has been interposed within the applicable period of limitation (if any) fixed by the Bankruptcy Court, or about which any objection has been determined by a Final Order. Unless otherwise provided for in this Plan, "Allowed Claim" shall not include interest, costs, fees, expenses or other charges on the principal amount of such Claim from and after the Petition Date.
4. "**Allowed secured Claim**" shall mean any Allowed Claim, which is a Secured Claim and shall include in the amount thereof -- unless otherwise stated in this Plan - all interest accrued on or after the Petition Date, fees, costs, and charges as may be allowed.
5. "**Bankruptcy Code**" or "**Code**" shall mean the provision of Title 11 of the United States Code, 11 U.S.C. Sections 1101 et seq., as amended from time to time.
6. "**Bankruptcy Court**" shall mean the United States Bankruptcy Court for the District of Puerto Rico, having jurisdiction over this Chapter 11 proceeding, or such other court as may be exercising jurisdiction over this Chapter 11 proceeding.
7. "**Bankruptcy Rules**" or "**Rules**" shall mean the Federal Rules of Bankruptcy Procedures, as amended from time to time.
8. "**Bar Date**" shall mean the deadline of May 05, 2017, after which any proof of claim filed will not have any effect on this Plan and will not entitle its holder to participate with other Claims under this Plan. The government bar date is on July 27, 2017.
9. "**Binding Effect**" - The rights and obligations of any entity named or referred to in the Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.
10. "**Captions**" - The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.
11. "**Claim**" shall mean any right to payment whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, continent, matured, unmatured, disputed, undisputed, secured or unsecured.
12. "**Class**" shall mean a category of holders of Claims or Interests that is substantially

similar to other claims or Interests in such Class.

13. "**Confirmation Date**" shall mean the date the Order of Confirmation in this Chapter 11 proceeding made according to the provisions of 11 U.S.C. Section 1129 becomes a Final Order.
14. "**Consummation Date**" shall mean the date by which all of the conditions precedent to consummation set forth in this Plan, shall have been met or waived.
15. "**Controlling Effect**". Unless a rule of law or procedure is supplied by federal law including the Code or the Federal Rules of Bankruptcy Procedure, the laws of the State of Puerto Rico govern this Plan and any agreements, documents and instruments executed in connection with this plan, except as otherwise provided in this Plan.
16. "**Cramdown**" shall mean the confirmation of the Plan under the provisions of 11 U.S.C. §1129 (b).
17. "**Creditor**" shall mean any Person who has a Claim against the Debtor, which arose on or before the Petition Date or a Claim of any kind specified in 11 U.S.C. Sections 502(g), 503(h) or 502(1).
18. "**Creditors' Committee**" shall mean the elected committee that represents the Creditors in this proceeding pursuant to 11 U.S.C. Section 705. No creditor's committee has been appointed in this case.
19. "**Corporate Governance**" - 11 USC 1123 (S)(B) & (S)(C); (a)(6) are not applicable. The two equity security holders Francisco Cabello and Harry Mercado will continue to work as the administrators of the Debtor.
20. "**Debtor**" shall mean the La Habichuela, Inc.
21. "**Disclosure Statement**" shall mean the Disclosure Statement filed by the Debtor with the Bankruptcy Court in this Chapter 11 Proceeding and dated **July 2, 2018**, pursuant to 11 U.S.C. Section 1125, approved by the Bankruptcy Court and distributed to all Creditors and parties in Interest, according to the provisions of the Code and Rules.
22. "**Effective Date of the Plan**" shall mean thirty (30 days) after the order confirmation of the plan, becomes a final order, and shall be the date on which there shall be made all initial cash payments required by the Plan. Unsecured creditors will commence receiving payments 90 days after the effective date.
23. "**Estate**" shall mean the Property owned by the Debtor that comprises the Chapter 11 estate of the Debtor in the above-captioned Chapter 11 proceeding.
24. "**Final Order**" shall mean an Order of the Bankruptcy Court (or other court of appropriate jurisdiction) which shall not have been reversed, stayed, modified or amended and the time to appeal from or to seek review or rehearing of such order shall have expired, and about which no appeal or petition for review or rehearing or certiorari proceeding is pending, as a result of which such Order shall have become final according to Rule 8002 of the Rules of Bankruptcy Procedure, as such Rules may be "**Final Order**" shall mean an Order of the Bankruptcy Court (or other court of appropriate jurisdiction) which shall not have been reversed, stayed, modified or amended and the time to appeal from or to seek review or rehearing of such order shall have expired, and about which, no appeal or petition for review or rehearing or certiorari proceeding is pending, as a result of which such Order shall have become final according to Rule 8002 of the Rules of Bankruptcy Procedure, as such Rules may be amended from time to time.

25. "**Lien**" shall mean a mortgage, pledge, judgment lien, security interest, charging order, or other charge or encumbrance on Property as is effective under applicable law as of the Petition Date.
26. "**Liquidation**" shall mean the complete liquidation of the Property of the Debtor's Estate, by a duly appointed trustee, according to the provisions of Chapter 7 of the Bankruptcy Code.
27. "**Liquidation Analysis**" shall mean the comparison of the current assets and liabilities of the Debtor, in order to determine the Liquidation Value of the Debtor's Property.
28. "**Liquidation Value**" shall mean the value that, any item of the Debtor's Property could be expected to bring during Liquidation.
29. "**Order of Confirmation**" shall mean the Order of the Bankruptcy Court confirming this Plan according to the provisions of Chapter 11 of the Bankruptcy Code.
30. "**Person**" shall mean any individual, corporation, partnership, association, Joint Stock Company, trust, unincorporated organization, government or any political subdivision thereof, or other entity.
31. "**Petition Date**" shall mean November 19, **2015**, the date on which debtor filed its voluntary petition and commenced the instant Chapter 11 proceeding.
32. "**Priority Claim**" shall mean any Allowed Claim, other than an Administrative Expense Claim or Priority Tax Claim, to the extent entitled to priority in payment under 11 U.S.C. Section 507(a).
33. "**Priority Creditor**" shall mean any Creditor that is the holder of a Priority Claim.
34. "**Priority Tax Claim**" shall mean any Allowed Claim of any Person who is entitled to a priority in payment under 11 U.S.C. Section 507(a)(8).
35. "**Priority Wage Claim**" shall mean any Allowed Claim of any Person who is entitled to a priority in payment under 11 U.S.C. Section 507(a)(3).
36. "**Property**" shall mean the property of the Estate, which shall be administered by the Debtor.
37. "**Pro Rata**" shall mean in the same proportion that a Claim or Interest in a given Class bears to the aggregate amount of all Claims (including disputed Claim until allowed or disallowed) or the aggregate number of all Interests in such Class.
38. "**Secured Claim**" shall mean a Claim, the holder of which is vested with a perfected, non-voidable Lien on Property in which the Debtor has an interest, which Lien is valid, perfected, and enforceable under applicable law and not subject to avoidance under the Bankruptcy Code or other applicable non bankruptcy law, and is duly established in this case, to the extent of the value of such holder's interest in the Debtor's interest in such Property, as determined according to 11 U.S.C. Section 506.
39. "**Secured Creditor**" shall mean a Creditor who has a Secured Claim.
40. "**Severability**" - If any provision in this plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.
41. "**Substantial Consummation**" of this Plan shall mean any of the events provided for on 11 U.S.C. Sec. 1101(2).
42. "**Trustee**" shall mean the Debtor-in-Possession.
43. "**Unsecured Claim**" shall mean a Claim, which is other than an Administrative Expense Claim, a Secured Claim or a Priority Claim (including a Priority Tax Claim or a Priority Wage Claim), including any Claim specified in 11 U.S.C.

Sections 502(g), 502(h) or 502(I).

44. **"Unsecured Creditor"** shall mean a creditor that is a holder of an Allowed General Unsecured Claim.
45. **"Voluntary Petition"** shall mean the voluntary Petition for Relief filed by the Debtor on the Petition Date.

ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS

Class 1- Reliable Financial Services is a secured auto loan guaranteed by a vehicle. This loan is current and will continue to be paid current monthly payments of \$1,244 until the balloon payment becomes due which will then be paid off on monthly payments.

CREDITOR	AMOUNT ALLOWED	DEFERRED AMOUNT	MONTHLY PAYMENTS
Reliable Financial Services	\$ 38,050.31	\$ 38,050.31	1,244.00
TOTAL	\$ 38,050.31	\$ 38,050.31	\$ 1,244.00

Class 2 - BPPR - POC #5-01 is a Commercial unsecured debt which is a loan guaranteed by the stockholder and director of the debtor. This loan is being paid by the stockholder Francisco Cabello. The guarantor has been curing the arrears of the debtor and paying the current monthly debt. BPPR will receive from the estate a percentage amount equal to the same percentage that the general unsecured creditors will be receiving.

CREDITOR	AMOUNT ALLOWED	DEFERRED AMOUNT	MONTHLY PAYMENTS
Banco Popular de Puerto Rico	\$ 295,806.01	\$ 44,370.90	\$ 739.52
Total	\$ 295,806.01	\$ 44,370.90	\$ 739.52

Class 3 - Nonresidential commercial leases - These creditors were either recognized in the Schedules and did file proof of claims which were objected and settled and will be paid 15% as general unsecured creditors.

CREDITOR	AMOUNT ALLOWED	DEFERRED AMOUNT	MONTHLY PAYMENTS
DDR del Sol LLC SE	\$ 140,801.93	\$ 21,120.29	\$ 352.00
DDR del Norte LLC SE	60,494.52	9,074.18	151.24
Total	\$ 201,296.45	\$ 30,194.47	\$ 503.24

Class 4 - General Unsecured Creditors - These creditors were either recognized in the Schedules and did not file proof of claims in the alternative they have filed proof of claims and these have not been subject to an objection.

CREDITOR	AMOUNT ALLOWED	DEFERRED AMOUNT	MONTHLY PAYMENTS
Departamento de Hacienda	\$ -	\$ -	\$ -
Income tax withheld Penalties (07-2015)	119.42	17.91	0.30
7% retention Penalties (01-2014)	259.71	38.96	0.65
Income tax 2012	15,349.00	2,302.35	38.37
Income tax 2013	534.00	80.10	1.34
IVU 2014-08	10,385.55	1,557.83	25.96
IVU 2014-09	15,115.10	2,267.27	37.79
IVU 2014-10	28,519.20	4,277.88	71.30
IVU 2014-11	29,830.80	4,474.62	74.58
IVU 2014-12	37,083.60	5,562.54	92.71
IVU 2015-01	26,803.20	4,020.48	67.01
IVU 2015-02	25,844.40	3,876.66	64.61
IVU 2015-03	28,975.20	4,346.28	72.44
IVU 2015-04	23,648.90	3,547.34	59.12
IVU 2015-05	28,246.90	4,237.04	70.62
IVU 2015-06	948.10	142.22	2.37
IVU 2015-09	20,654.00	3,098.10	51.64
Coca Cola	6,999.14	1,049.87	17.50
Concepcion Produce Inc	31,221.85	4,683.28	78.05
CPA José A Tort Saade	2,700.00	405.00	6.75
Dade Paper	13,687.00	2,053.05	34.22
Dockside Seafood	7,752.22	1,162.83	19.38
EcoLab	1,000.00	150.00	2.50
Empresas de Gas	4,207.61	631.14	10.52
HL Hernandez	1,587.49	238.12	3.97
Jose Santiago	18,509.31	2,776.40	46.27
Mister Price	31,559.80	4,733.97	78.90
Packer Food Service	12,284.62	1,842.69	30.71
Septix Waste, Inc.	1,050.77	157.62	2.63
Internal Revenue Service (Penalty/Interest)	-	-	-
Department of Labor	2,471.31	370.70	6.18
Department of Labor	821.26	123.19	2.05
Total	<u>\$ 428,169.46</u>	<u>\$ 64,225.42</u>	<u>\$ 1,070.42</u>

Class 5 - Equity Security Holders and Interest Holders

Equity security and interest holders are the owners of the common stocks of the debtor. The sole stockholders of the corporation are Mr. Francisco Cabello and Dr. Harry Mercado. Currently these stockholders are the principal officers and directors of the corporation and have been actively engaged on Debtor's reorganization process

ARTICLE III
TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,
US TRUSTEE FEE AND PRIORITY TAX CLAIMS
RATIVE EXPENSE CLAIMS, US
TRUSTEE FEE AND PRIORITY TAX
CLAIMS

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Unclassified Claims - Under section 1123(a)(l), administrative expense claims and priority tax claims are not in classes. -
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Priority Tax Claims - The Treasury Department of the Commonwealth of Puerto Rico filed proofs of claim number 11 & 12 on 05-19-2016. These claims were objected by the Debtor; the creditor audited them and subsequently amended these couple of times. These priority claims will be paid in full over 60 months with a statutory 10 % interest.

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Proof of claim #11-3 was filed on 03-30-2017 and claimed \$121,286.06. The priority amount claimed amounted to \$105,023.95, will receive \$2,156.02 p/m for 60 months, remaining amount of \$16,262.11 is unsecured.

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Proof of claim #12-5 was filed on 08-28-2017 and claimed **\$582,185.96**. The priority amount claimed amounted to **\$306,131.01**, will receive **\$6,419.19** p/m for 60 months the remaining amount of **\$242,394.50** is unsecured. The unsecured part of these claims, are part of the General Unsecured Creditors in Class 4 and shall be paid 15% of the Claim, the same as all Unsecured Creditors.

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Priority Tax Claims

Each holder of a priority tax claim will be paid in full including Pro Rata statutory legal interest of 10% within 5 years or 60 months from the effective date of the Plan.

Administrative Expense Claims - Each holder of an administrative expense claim allowed under 503 of the Code will be paid in full on the effective date of this Plan (as defined in article VII), in cash or upon such terms as may be agreed upon by the holder of the claim and the Debtor. Administrative priority claim - DDR Del Norte LLC SE filed proof of claim #9 and #10-1 which makes for one administrative priority claim. POC #10-1 requires two distinct treatments. The Administrative Rent on POC 9 amounts to \$21,191.62. The Rental owed on the #10-1 POC in the amount of \$10,510.19 as of the date that the locale was surrendered, and the contract rejected. Was not subject of the contested matter. This administrative priority claim will be paid in three identical monthly payments, commencing of the effective date of the Plan.

DDR del Norte, L.L.C.S.E.

POC 9 the amount of \$21,191.62 will be paid \$7,063.83 p/m for 3 months.

POC 10 the amount \$10,510.19 will be paid \$3,503.40 p/m for 3 months from the effective date of the Plan.

A total of \$10,567.27 per month from effective date of the Plan for 3 months.

United States Trustee Fees -All fees required to be paid by 28 USC 1930(a)(6) (US Trustee Fees) will accrue and be timely paid until the case is closed, dismissed or converted to another chapter of this Code. Any US Trustee Fees owed on or before the effective date of this plan will be paid on the effective date.

ARTICLE IV
PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

1. DDR del Norte LLC SE lease contract was rejected, see docket #48 dated 02-17-2016. The lessor filed proof of claim number 10. This subject of a contested matter that was settled on July 17, 2017, see Docket #227.
2. DOR EI Sol LLC SE lease contract was rejected, see docket #42, the rejection was granted at docket #53 on 03-04-2016. The lessor filed proof of claim number 10. This was subject of a contested matter that was settled on July 12, 2017, see Docket #227.
3. Plaza Carolina Mall LLC lease contract was assumed at docket #74 on 04-01-2016. The lease is current and does not have any arrears.
4. DOR Rio Hondo LLC SE lease contract was assumed at docket #78 dated 04-01-2016. The lease is current and does not have any arrears.
5. FW Caguas Ground Joint Venture - Plaza Centro Mall - the locale was delivered to the lessor. A refund was received of \$9,973.17 after the delivery of the locale, the inspection of the physical state left in and a determination that everything was delivered as it would have been required if there had been an unexpired lease contract. The possession was retained and subsequently delivered pursuant to a settlement agreement judgement of a local court case.

ARTICLE V
TREATMENT OF CLAIMS AND INTEREST UNDER THE PLAN

Claims and interest shall be treated as follows under this plan:

Priority Claims 507 (a)(8) - are **unimpaired**. Will be paid in full, in cash, in 60 monthly payments, with statutory interest.

Priority Administrative Claims POC #9 and #10-1 of DDR Del Norte which are - **unimpaired**. These are rents due for unexpired leases of nonresidential real property.

Class 1- Secured Claim of Reliable Financial Services -is **unimpaired**. Will be continued to be paid, until the conclusion of the 64 monthly installments of \$1,244.00, including interest at a rate of 4.65%. On November 2019 a balloon payment is due.

Class 2 - General Unsecured Creditors with guarantors. - are **impaired**. These creditors will receive prorate payment of 15 % for a period of 5 years, beginning **90** days after the effective date of the plan.

Class 3 - Nonresidential commercial lease creditors - are **impaired**

Class 4- General Unsecured creditors - are **impaired**. These creditors will receive prorate payment of 15 % for a period of 5 years, beginning **90** days after the effective date of the plan.

Class 5 - Equity Security Holders - are **impaired**. These creditors will not receive any dividends until the plan is completely paid in full. They will continue to receive their income from the work they perform in the restaurants of the Debtor.

ARTICLE VI ALLOWANCE AND DISALLOWANCE OF CLAIMS

Disputed Claim - A disputed claim is a claim that has not been allowed or disallowed by a final non appealable order, and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent or unliquidated.

The Debtor was involved in **Four (4)** contested matters which have been resolved. The contested matter relates to proof of claims 8-2 of DDR Del Sol LLC SE e POC #10 of DDR del Norte which were settled on July 12, 2017 Docket #227 and will be paid as part of Class 3 unsecured Creditors. **FW Caguas Ground Joint Venture - Plaza Centro Mall was settled. The Claims of the Treasury Dept. of Puerto Rico were settled, when the POC's were amended.**

Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed by a final non appealable order.

Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

ARTICLE VII MEANS FOR IMPLEMENTATION OF THE PLAN

The Debtor shall continue to do business in its three fast food restaurants. Two are located at Plaza Carolina Food Court and the third restaurant is located at Rio Hondo Mall in Bayamon. The Debtor closed two other fast food restaurants that were not profitable and were draining the resources of the other three that are productive. The plan will be funded with the cash available at the effective date of the plan and with future earnings of the reorganized entity over the next 5 years. The Directors and officers will continue to work and administer the business. They are Francisco Cabello and Dr. Harry Mercado. Their bi-weekly income continues to be \$2,350.00 for Francisco Cabello and \$1,073 for Dr. Harry Mercado.

ARTICLE VIII
DISCHARGE

On the confirmation date of this Plan, the debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in 1141(d)(l)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of any kind in 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in 1141(d)(6)(B).

ARTICLE IX
OTHER PROVISIONS

Respectfully submitted on **July 2, 2018** in San Juan, Puerto Rico

By: s/Francisco Cabello
La Habichuela, Inc.

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La Habichuela, Inc.

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