

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO**

IN RE:

MINI MASTER CONCRETE SERVICES, INC.

Debtor

CASE NO. 16-09956 (MCF)

CHAPTER 11

DISCLOSURE STATEMENT

OF

MINI MASTER CONCRETE SERVICES, INC.

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INDEX

I. INTRODUCTION 4

II. SUMMARY OF THE PLAN 5

III. INFORMATION ABOUT THE REORGANIZATION PROCESS 10

3.1 Purpose of a Disclosure Statement 10

3.2 Voting Procedure 10

3.3 Ballots..... 11

3.4 The Confirmation Hearing 11

3.5 Acceptances Necessary to Confirm the Plan..... 12

3.6 Confirmation of the Plan Without the Necessary Acceptances 13

IV. GENERAL INFORMATION 14

**4.1 Description of the Debtors, its historical Overview, and Events
 Preceding the Chapter 11 Filing14**

4.2 Debtor’s Post-Petition Endeavors..... 16

V. CLAIMS AGAINST DEBTOR AND ITS ASSETS 16

5.1 Claims Against Debtor..... 16

VI. DESCRIPTION OF THE PLAN 17

6.1 Unclassified Claims 17

6.2 Administrative Expense Claims 17

6.3 Professional Fee Claims 18

6.4 Priority Tax Claims..... 18

6.5 Classes of Claims 19

6.6 Treatment of Claims..... 20

6.7 Means for Implementation of the Plan 23

6.8 Executory Contracts..... 23

VII. LIQUIDATION AND FINANCIAL ANALYSIS 24

**7.1 Best Interest of Creditors and Comparison with Chapter 7
 Liquidation24**

7.2 Feasibility of the Plan 25

**A) Funds and Assets Sufficient for Payments Required under the
 Plan 25**

a) Real Property..... 26

7.3 Pending Litigation and Other Liabilities 26

VIII. BAR DATE AND DETERMINATION OF CLAIMS 27

8.1 Bar Date..... 27

8.2 Determination of Claims..... 27

IX. ALTERNATIVES TO THE PLAN 27

A. Liquidation Under Chapter 7 28

B. Dismissal of the Case 28

C. Alternative Plan of Reorganization..... 28

XI. CONCLUSION 29

LIST OF EXHIBITS

Exhibit AA- Sale Motion.....8

Exhibit A- Ballots.....10

Exhibit B – Proposed Order Approving Disclosure Statement.....12

Exhibit C - Summary of Claims and Plan Payments.....17

Exhibit D - Summary of Priority Tax Claims.....19

Exhibit E - Liquidation Analysis.....25

Exhibit F- Monthly Operating Report as of March 31, 2017.....25

Exhibit G – Summary of Monthly Operating Reports.....26

Exhibit H – Funds Distributions.....23

I. INTRODUCTION

Pursuant to Section 1125 of the United States Bankruptcy Code, 11 U.S.C. §101, *et seq.* (the "Bankruptcy Code"), Mini Master Concrete Services, Inc., Debtor and debtor-in-possession in the above captioned case ("Debtor"), provides this Disclosure Statement (the "Disclosure Statement") to all of Debtor's known creditors. The purpose of the Disclosure Statement is to provide such information as Debtor believes may be deemed necessary for Debtor's creditors to make an informed decision in exercising their rights to vote on Debtor's Plan of Reorganization (the "Plan"), dated as of the date of the Disclosure Statement. The Plan is being filed with the Bankruptcy Court simultaneously herewith.

Debtor recommends that you vote to accept the Plan. Each creditor must, however, review the Plan and the Disclosure Statement carefully, including all Exhibits in their entirety, and determine whether or not to accept or reject the Plan based upon that creditor's independent judgment and evaluation. The description of the Plan in the Disclosure Statement is in summary form and is qualified by reference to the actual terms and conditions of the Plan, which should be reviewed carefully before making a decision to accept or reject the Plan. Capitalized terms not otherwise defined herein have the same meaning as set forth in the Plan; other terms shall have the meaning ascribed to them in the Bankruptcy Code.

The information contained in the Disclosure Statement has been provided by Debtor based upon its knowledge of its records and affairs. Except as otherwise expressly indicated, the information provided in the Disclosure Statement has not been subject to an audit or independent review.

Although great efforts have been made to be accurate, Debtor, its counsel and other professional advisors do not warrant the accuracy of the information contained herein.

The Disclosure Statement has not yet been approved by the Bankruptcy Court as providing information deemed adequate to permit Debtor's creditors to make an informed judgment in exercising their right to vote for or against the Plan.

No representations concerning Debtor, including the value of its assets, or the aggregate dollar amounts of its claims which may be allowed, are authorized other than as set forth in the Disclosure Statement. Any representations, warranties, or agreements made to secure acceptance or rejection of the Plan by Debtor's creditors that differ from those contained in the Disclosure Statement, should not be relied upon in voting on the Plan.

Debtor believes that the Plan provides the quickest recovery and will maximize the return to creditors on its Claims. **ACCORDINGLY, DEBTOR URGES ALL CREDITORS TO VOTE IN FAVOR OF THE PLAN.**

II. SUMMARY OF THE PLAN

The Plan specifies the manner in which the Claims are to be treated. Allowed Administrative Expense Claims and Allowed Priority Tax Claims are not classified for purposes of voting under the Plan, but the Plan does provide for the treatment of such Claims. The table below provides a summary of the treatment of those claims and of the various Classes of Claims against Debtor. To the extent that the terms of the Disclosure Statement vary from those of the Plan, the terms of the Plan will control.

**Mini Master Concrete Services, Inc.
Disclosure Statement**

**Case No. 16-09956(MCF)
Page 6**

DESCRIPTION OF CLAIM	CLASS	ESTIMATED AMOUNT OF ALLOWED CLAIM	TREATMENT AND ESTIMATED RECOVERY UNDER THE PLAN
Holders of Allowed Administrative Expense Claims	N/A	\$114,500.00	<p>Unimpaired.</p> <p>Estimated Recovery: 100%</p> <p>Except as otherwise agreed to by Debtor and the Holder of an Allowed Administrative Expense Claim, each such Holder shall be paid in full by Debtor in the regular course of business or as authorized by the Court, on or before the Effective Date of the Plan (the "Effective Date"). Payments to Professionals will be made as approved and ordered to be paid by the Bankruptcy Court. US Trustee's Quarterly Fees will be paid when due.</p>
Holders of Allowed Priority Tax Claims	N/A	\$337,428.79	<p>Unimpaired.</p> <p>Estimated Recovery: 100%</p> <p>Holders of Allowed Priority Tax Claims, Secured and Unsecured, will be paid in full on the Effective Date from the proceeds of the sale of substantially all of Debtor's Assets, as described in Class 1 below.</p>
Holders of Other Priority Tax Claims	N/A	\$27,007.24	<p>Unimpaired.</p> <p>Estimated Recovery: 100%</p> <p>Holders of Other Priority Claims, primarily consisting of unpaid vacations due to Debtor's employees, accrued within 180 days prior to the filing date, will be paid in full, in cash, on the Effective Date from the proceeds of the sale of substantially all of Debtor's Assets, as described in Class 1 below.</p>
Allowed Claims of the Economic Development Bank of P.R. ("EDB")	Class 1	\$ 3,198,012.66	<p>Impaired.</p> <p>Estimated Recovery: 52%</p> <p>EDB's secured claims for \$3,198,012.66, arising from two (2) commercial loans issued to Debtor, secured by the following:</p> <p>Encumbrances on Debtor's real property:</p> <p>(1) First Mortgage for \$1,891,500,</p>

**Mini Master Concrete Services, Inc.
Disclosure Statement**

**Case No. 16-09956(MCF)
Page 7**

			<p>over a Parcel of Land located between Arenales Altos Ward and Arenales Bajos Ward, Isabela, P.R., with an estimated value of \$670,000 (Property No. 13,517),</p> <p>(2) First Mortgage for \$630,000, over a Parcel of Land of 2.21 "cuerdas", with a concrete plant and various concrete buildings at Domingo Ruiz Ward, Arecibo P.R., (Property No. 41,837),</p> <p>(3) Uniform Commercial Code (UCC) Financing Statements, filed with the Department of State, secured by: (i) Concrete Plants at Arecibo, P.R., and other equipment and (ii) Hauling and Heavy Equipment listed in Debtor's Schedule B to its Chapter 11 petition, as amended on January 23, 2017 (Docket No. 25).</p> <p>And other property not owned by Debtor¹, described as follows:</p> <p>(4) First Mortgage for \$630,000, over five (5) Parcels of Land at Maricao Ward, Vega Alta, P.R., with an estimated area of 63.978 "cuerdas" (Properties No. 734, 840, 5923, 5978, and 5976).</p> <p>(5) First Mortgage for \$348,000, over three (3) Parcels of Land at Vega Alta, P.R., (Properties No. 680, 565, and 566).</p> <p>(6) First Mortgage for \$585,000, over a Parcel of Land at Espinosa Ward, Jacana Sector, Dorado, P.R. (Property No. 14,748).</p> <p>EDB's claim shall be partially paid on the Effective Date by the transfer to EDB of properties number 1, with a \$670,000 value and number 4 and 5² above with an estimated value of \$480,000, in the aggregate, and the proceeds from the sale of Debtor's assets, as follows:</p>
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¹ Property owned by The Estate of Víctor S. Maldonado Dávila.

² Not property of the Estate, but contributed by The Estate of Víctor S. Maldonado Dávila to the Debtor as a capital contribution and new value.

**Mini Master Concrete Services, Inc.
Disclosure Statement**

**Case No. 16-09956(MCF)
Page 8**

			<p>The Plan contemplates the sale of substantially all of Debtor’s assets, including Debtor’s leasehold interests, furniture, fixtures, improvements, equipment, inventory and supplies, to Master Group PR Holdings, LLC, (“MGH”), including Debtor’s plants at Aguadilla, Morovis, and Arecibo, P.R., plus other assets at Debtor’s leased premises at Toa Baja, PR (the “Assets”), as detailed in Exhibit AA hereto (the “Sale Motion”), for \$1,250,000 and a credit bid for \$51,419, for MGH’s secured claim as inducted in Class 3 below.</p> <p>From the proceeds of said sale and the sale of other assets, not included in the sale to MGM, to other parties through motions to be filed simultaneously with the Plan, Debtor will pay in cash 100% of Allowed Administrative Expense Claims, 100% of Allowed Priority Tax Claims (Secured and Unsecured), 100% of Other Priority Claims, \$494,982 to EDB, in addition to the transfer of the realty listed above, and \$695,895 to Wells Fargo Financial Leasing in full payment of its loan (Class 2 below), and will reserve a carve out of \$50,000, to pay Allowed General Unsecured Claims (Class 5 below) on a pro-rata basis, on the Effective Date.</p> <p>The remaining portion of EDB’s claims, amounting to approximately \$1,553,031 will be dealt with under Class 5 below.</p>
<p>Allowed Claims of Wells Fargo Financial Leasing (“WF”)</p>	<p>Class 2</p>	<p>\$ 1,170,414.61</p>	<p>Impaired.</p> <p>Estimated Recovery: 60% (Estimated)</p> <p>WF’s shall be paid \$695,895 from the proceeds of the sale of Debtor’s assets, as indicated above, on the Effective Date.</p> <p>The remaining portion of WF’s claims, amounting to approximately \$474,520 will be dealt under Class 5 below.</p>
<p>The Secured Claim of Master Group P.R. Holdings, LLC (“MGH”)</p>	<p>Class 3</p>	<p>\$ 51,418.89</p>	<p>Impaired.</p> <p>Estimated Recovery: 100%</p> <p>MGH’s claim, secured by certain of Debtor’s machinery and equipment and improvements to leased facilities at Toa Alta, PR, will be</p>

**Mini Master Concrete Services, Inc.
Disclosure Statement**

**Case No. 16-09956(MCF)
Page 9**

			paid as part of MGH's credit bid as set forth in Class 1 above.
Holders of Allowed General Unsecured Claims	Class 4	\$897,123.63	Impaired. Estimated Recovery: 1.75% Holders of Allowed General Unsecured Claims, excluding the claim of Mrs. Bess M. Taylor Mitchell, who will not receive any dividends under the Plan, but including the Claims of ESSROC San Juan, Inc. and EBD's and WF's deficiency claims, shall be paid in full satisfaction of their claims, approximately 1.75% thereof, from a \$50,000.00 carve out to be reserved from the proceeds of the sale of Debtor's assets.
Interests in Debtor	Class 5	N/A	Impaired. Estimated Recovery: N/A Debtor's shareholders will not receive any distributions under the Plan. Debtor's common shares will be cancelled within 120 days from the Effective Date, as Debtor's operations have ceased and will not be renewed.

For a more detailed description of the treatment of the foregoing classes of Claims see, "Treatment of Claims Under the Plan".

The Disclosure Statement has been prepared by Debtor to provide creditors with adequate information, so that they can make an informed judgment about the Plan. Each creditor should read the Disclosure Statement and the Plan in their entirety before voting on the Plan. No solicitation of votes on the Plan may be made except pursuant to the Disclosure Statement and no person has been authorized to utilize any information concerning Debtor's assets other than the information contained herein for purposes of solicitation.

III. INFORMATION ABOUT THE REORGANIZATION PROCESS

3.1 Purpose of a Disclosure Statement

This Disclosure Statement includes background information about Debtor and identifies the classes into which creditors have been placed by the Plan. The Disclosure Statement describes the proposed treatment of each of those classes if the Plan is confirmed. In addition, it contains information concerning the prospects in the event of confirmation or, in the alternative, the prospects if confirmation is denied or the proposed Plan does not become effective.

Upon its approval by the Bankruptcy Court, the Disclosure Statement and the Exhibits thereto will have been found to contain, in accordance with the provisions of the Bankruptcy Code, adequate information of a kind and in sufficient detail to enable a reasonable, hypothetical investor, typical of a holder of an impaired claim or an interest to make an informed judgment about the Plan. Approval of the Disclosure Statement, however, does not constitute a recommendation by the Bankruptcy Court either for or against the Plan.

3.2 Voting Procedure

All creditors entitled to vote on the Plan may cast their votes for or against the Plan by completing, dating, signing and causing the Ballot Forms accompanying the Disclosure Statement as **Exhibits A-1** through **A-4** to be returned to the following address:

Mini Master Concrete Services, Inc.
c/o Charles A. Cuprill-Hernández, P.S.C. Law Offices
356 Fortaleza Street – Second Floor
San Juan, PR 00901
or at: ccuprill@cuprill.com

The Ballots must be received **on or before 4:00 P.M. (Eastern Standard Time) on _____, 2017**, to be counted in the voting. Ballots received after this time will not be counted in the voting unless the Bankruptcy Court so orders. Those not marked as accepted or rejected will be deemed as an acceptance of the Plan.

Debtor recommends a vote for "ACCEPTANCE" of the Plan.

3.3 Ballots

Pursuant to the provisions of the Bankruptcy Code, only classes of claims which are "impaired" under the terms and provisions of the plan are entitled to vote to accept or reject the same.

Members of Classes 1, 2, 3, and 4 are impaired under the Plan and entitled to vote. Class 5, while impaired under the Plan, is not entitled to vote as it is deemed not to have accepted the Plan as the interests of such Class are not to receive or retain any property under the Plan on account of such interest, as provided for in Section 1126(g) of the Bankruptcy Code. Members of impaired Classes will be asked to vote for acceptance or rejection of the Plan. A party who holds claims in more than one impaired Class should complete a Ballot for each Class with respect to the applicable portion of the claim included in each Class.

3.4 The Confirmation Hearing

Pursuant to Section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a Hearing on Confirmation of the Plan to commence on _____, **2017** at _____ .M., or as soon thereafter as the parties can be heard. The Confirmation Hearing will be held before the Honorable Mildred Cabán-Flores, United States Bankruptcy Judge, 300 Recinto Sur Street, San Juan, Puerto Rico 00901, or before such other Bankruptcy Judge and at such other place as may be

indicated in the future.

At the Confirmation Hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including whether it is feasible and in the best interests of holders of claims. The Bankruptcy Court will also receive and consider a Report of Plan Voting prepared by Debtor, summarizing the votes for acceptance or rejection of the Plan by parties entitled to vote.

The Confirmation Hearing may be adjourned from time to time without further notice, except for the announcement of the adjourned date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing.

At the Confirmation Hearing, with respect to the Plan, the Bankruptcy Court will (i) determine whether the requisite votes have been obtained for each Class, (ii) hear and determine objections, if any, to the Plan and to the confirmation of the Plan, that have not been previously disposed of, (iii) determine whether the Plan meets the confirmation requirements of the Bankruptcy Code, and (iv) determine whether to confirm the Plan.

Any objection to confirmation of the Plan must be in writing, filed and served as required by the Bankruptcy Court pursuant to the order (**Exhibit B**) approving the Disclosure Statement on Debtor, the United States Trustee and all parties having appeared in the case and requested to be served with pleadings filed in the case.

3.5 Acceptances Necessary to Confirm the Plan

The vote of each holder of an impaired claim is important, since at the Confirmation Hearing and as condition to the confirmation of the Plan on a consensual basis, the Bankruptcy Court must determine, among other things,

whether each impaired Class has accepted the Plan. Under Section 1126 of the Bankruptcy Code, an impaired Class is deemed to have accepted the Plan if at least 2/3 in amount and more than 1/2 in number of the Allowed Claims of the Class members who actually cast ballots to accept or reject the Plan, accept the Plan. Further, unless there is acceptance of the Plan by all members of an impaired Class, the Bankruptcy Court must also determine that under the Plan, the Class members will receive property of a value, as of the Effective Date, that is not less than the amount that such Class members would receive or retain if Debtor was liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date.

3.6 Confirmation of the Plan Without the Necessary Acceptances

If a Class or Classes of impaired Claims does not or do not accept the Plan, Debtor will request confirmation of the Plan under the "cram down" provisions of Section 1129(b) of the Bankruptcy Code, which permit confirmation, notwithstanding non-acceptance by one or more impaired classes, if the Bankruptcy Court finds that the Plan does not discriminate unfairly against and is fair and equitable as to each non-accepting Class, as long as at least one class of impaired creditors votes to accept the Plan. Section 1129(b) of the Bankruptcy Code requires among other things, that claimants must either receive the full value of their claims and if they receive less, that no Class with junior liquidation priority may receive anything. **THESE CALCULATIONS ARE BASED ONLY ON THE CLAIMS AMOUNTS AND NUMBER OF CREDITORS WHO ACTUALLY VOTE. ANY BALLOT THAT IS VALIDLY EXECUTED THAT DOES NOT CLEARLY INDICATE REJECTION OF THE PLAN, SHALL BE DEEMED TO CONSTITUTE A**

VOTE FOR ACCEPTANCE OF THE PLAN. THE VOTE OF EACH CREDITOR IS IMPORTANT.

IV. GENERAL INFORMATION

4.1 Debtor's Description, Historical Overview, and Events Preceding the Chapter 11 Filing

On March 7, 1969, Master Concrete Corporation ("Master"), Debtor's former affiliate, was incorporated under the laws of Puerto Rico, with the late Eng. Victor S. Maldonado Davila ("Eng. Maldonado"), as its president of the board of directors, chief executive officer, and founder.

On June 28, 1972, Debtor was incorporated under the laws of Puerto Rico, by Eng. Maldonado, to be primarily engaged in the processing, production, and sale of ready-mixed concrete. It was created to acquire certain mobile mixers, allowing it to sell and mix the concrete directly on customer's sites.

In 1973, Debtor made its first incursion in the aggregates business by leasing a property in Morovis, Puerto Rico, where it began a small and simple operation of sand extraction to provide its own raw materials for its concrete operations and those of its affiliate, Master.

On May 17, 1977, Master Aggregates Toa Baja Corporation ("Master Aggregates"), Debtor's former affiliate, was incorporated under the laws of Puerto Rico and commenced its operations by grinding stone to produce sand at its plant located in Toa Baja.

The sharp downturn in public infrastructure projects as a result of Puerto Rico's exacerbated fiscal crisis going into its eleventh (11th) year, coupled with a bureaucratic complex permitting process, and sky-high prices for construction

Mini Master Concrete Services, Inc.
Disclosure Statement

Case No. 16-09956(MCF)
Page 15

materials, adversely affected and continues to affect the construction industry of Puerto Rico of which Debtor and its former associates were dependent.

As a result of the above, in December 2010, Master ceased operations after 41 years, resulting in a significant decrease in Debtor's business and cash flows, which affected Debtor's compliance with its obligations in the ordinary course.

Consequently, for the purpose of reorganizing their business and financial affairs, obtain the benefits of the automatic stay provisions of Section 362(a) of the Bankruptcy Code and a breathing spell from the actions which were causing Debtor, its affiliates and their managerial team to defensively operate, on December 11, 2013, Debtor and its affiliates, Master and Master Aggregates, filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code with the Bankruptcy Court. The three cases were substantially consolidated, with Debtor as the surviving entity in Case No. 13-10302.

After the confirmation of Debtor's Plan in said case, Debtor opened another concrete plant in an effort to increase its revenues and comply with its consolidated confirmed Plan.

Notwithstanding, the economic factors indicated above, coupled with 2016 as the worst year in concrete sales in Puerto Rico during the past 11 years, caused Debtor to continue the difficulties to comply with its obligations in the ordinary course of business and with the payments under Debtor's confirmed Plan, leaving no other alternatives to Debtor but to file its second Chapter 11 in the captioned case, in order to implement a liquidating plan, through which Debtor would maximize its assets for the benefit of its creditors and parties in interest, while protected by the automatic stay provisions of Section 362(a) of the Bankruptcy

Code.

4.2 Debtor's Post-Petition Endeavors.

As a result of the filing by Debtor of its Chapter 11 petition, it received the benefits of 11 U.S.C. § 362(a), which stayed all collection actions and judicial proceedings against Debtor, providing Debtor the opportunity to file a Plan and a Disclosure Statement, without the pressures that drove Debtor into Chapter 11, as envisioned by the Bankruptcy Code.

The United States Trustee convened the First Meeting of Creditors pursuant to Section 341 of the Bankruptcy Code in Debtor's case on January 23, 2017. The Section 341 Meeting was closed.

Debtor sought and obtained the Bankruptcy Court's approval to retain Charles A. Cuprill, P.S.C. Law Offices, as its bankruptcy counsel and CPA Luis R. Carrasquillo & Co., P.S.C., as its financial advisor on all matters pertaining to Debtor's reorganization.

During the pendency of the case, Debtor received various sale offers for the sale of some of assets, which were approved by the Bankruptcy Court and others which are been filed simultaneously with the Plan. It is Debtor's intention to dispose of all of its assets to implement the Plan, as indicated in pages 6 to 9 hereof, herein below and in the Plan.

V. CLAIMS AGAINST DEBTOR AND ITS ASSETS

5.1 Claims Against Debtor

Claims against Debtor that are Allowed Claims, as defined in the Plan, will be entitled to Distribution pursuant thereto, as indicated in pages 6 to 9 hereof.

The Plan provides that only the holders of Allowed Claims, that is holders of Claims not in dispute, non-contingent, liquidated in amount and not subject to objection or estimation, are entitled to receive distribution thereunder.

Until a claim becomes an Allowed Claim, distribution will not be made to the holder of such claim. Debtor is including as **Exhibit C** hereto a Summary of Claims and Plan Payments.

VI. DESCRIPTION OF THE PLAN

The following is a summary of the significant provisions of the Plan and is qualified in its entirety by said provisions. In the event and to the extent that the description of the Plan contained in the Disclosure Statement is inconsistent with any provisions of the Plan, the provisions of the Plan shall control and take precedence. All creditors are urged to carefully read the Plan.

6.1 Unclassified Claims

In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims are not classified in the Plan. A description of the unclassified claims and the claims in each class, as well as the estimated principal amounts of each as of the Effective Date and their treatment, are set forth in the Plan and summarized in pages 6 to 9 hereof. Administrative Expense Claims are generally the ordinary and necessary costs of administering and operating during a Chapter 11 case.

6.2 Administrative Expense Claims

Except as otherwise agreed to by Debtor and the Holder of any Allowed Administrative Expense Claim, each such holder shall be paid in full in cash in the regular course of business or as authorized by the Court on or before the Effective

Date. If Debtor disputes any portion of an Administrative Expense Claim, it shall pay such Claim within thirty (30) days after the entry of a Final Order with respect to the allowance of such disputed Administrative Expense Claim. Debtor will reserve the necessary funds to meet any such disputed claims payments.

6.3 Professional Fee Claims

The professionals retained by Debtor in Debtor's Chapter 11 case, have and will incur fees and expenses from the date of their retention through the Effective Date. It is impossible to predict the amount of additional professional administrative expense fees that will be incurred through the Effective Date. As of the filing of this Disclosure Statement, Debtor has paid \$45,000 in fees and expenses to Debtor's professionals. Debtor estimates that additional Allowed Professionals Fee Claims will aggregate from \$75,000 to \$100,000 for unpaid services rendered and expenses incurred by its professionals up to the Confirmation of the Plan. All amounts paid to professionals through the Confirmation Date, including interim fees and expenses are subject to final Bankruptcy Court's approval. Debtor reserves the right to contest the allowance of any professional fees.

6.4 Priority Claims

A) Holders of Allowed Priority Tax Claims

Priority Tax Claims, are Claims entitled to priority pursuant to Section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims consist of taxes due to "Centro de Recaudación de Ingresos Municipales" ("CRIM"), the Department of the Treasury of Puerto Rico and the Municipalities of Aguadilla, Arecibo, Isabela, Las Piedras, Morovis, San Juan, and Toa Baja, Puerto Rico. Debtor is including as

Exhibit D hereto a Summary of its Priority Tax Claims and their payments under the Plan.

Holders of Allowed Priority Tax Claims, secured and unsecured, shall be paid in full on the Effective Date from the proceeds of the sale of substantially all of Debtor's assets.

B) Holders of Other Priority Tax Claims

Other Priority Tax Claims are Claims entitled to priority pursuant to Section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims, primarily consist of unpaid vacations due Debtor's former employees, accrued within 180 days prior to the filing date.

Holders of Other Priority Tax Claims shall be paid in full on the Effective Date from the proceeds of the sale of substantially all of Debtor's assets.

6.5 Classes of Claims

As of the Petition Date, Debtor had secured debts with EDB, WF, ESJ, MGH, and General Unsecured Creditors, as more particularly described below and in pages 6-9 hereof. The Plan classifies the various claims against Debtor. A description of all classes of Claims, the estimated payment to each Class on the Effective Date and their treatment are set forth below. The Classes of Claims set forth in the Plan are as follows:

Class 1 – Consists of EDB's Claim.

Class 2 – Consists of WF's Claim.

Class 3 – Consists of MGH's secured claim.

Class 4 - Consists of Holders of Allowed General Unsecured Claims.

Class 5 – Consists of the Interests in Debtor.

6.6 Treatment of Claims.

Class 1 – EDB’s Claim.

(a) Impairment and Voting- Class 1 is impaired under the Plan and is entitled to vote to accept or reject the Plan.

(b) Distribution- EDB’s secured claims for \$3,198,012.66, arising from two (2) commercial loans issued to Debtor, secured by the following:

- 1) First Mortgage for \$1,891,500, over a Parcel of Land between Arenales Altos Ward and Arenales Bajos Ward, Isabela, P.R., with an estimated value of \$670,000 (Property No. 13,517),
- 2) First Mortgage for \$630,000, over a Parcel of Land of 2.21 “cuerdas”, with a concrete plant and various concrete buildings at Domingo Ruiz Ward, Arecibo P.R., (Properties No. 41,837 and 48,838),
- 3) Uniform Commercial Code (UCC) Financing Statements, filed with the Department of State, secured by: (i) Concrete Plants located at Arecibo, P.R., and other equipment and (ii) Hauling and Heavy Equipment listed in Debtor’s Schedule B to its Chapter 11 petition as amended on January 23, 2017 (Docket No. 25).

And other property not owned by Debtor³, described as follows:

- 4) First Mortgage for \$630,000, over five (5) Parcels of Land at Maricao Ward, Vega Alta, P.R., with an estimated area of 63.978 “cuerdas” (Properties No. 734, 840, 5923, 5978, and 5976).

³ Property owned by The Estate of Víctor S. Maldonado Dávila.

Mini Master Concrete Services, Inc.
Disclosure Statement

Case No. 16-09956(MCF)
Page 21

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- 5) First Mortgage of \$348,000, over three (3) Parcels of Land at Vega Alta, P.R., (Properties No. 680, 565, and 566).
 - 6) First Mortgage of \$585,000, over a Parcel of Land at Espinosa Ward, Jacana Sector, Dorado, P.R. (Property No. 14,748).

EDB's claim shall be partially paid on the Effective Date by the transfer to EDB of property number 1 above, with a \$670,000 value and of properties number 4 and 5⁴ with an estimated value of \$480,000, in the aggregate, and the proceeds from the sale of substantially all of Debtor's assets as follows:

The Plan contemplates the sale of substantially all of Debtor's assets, including Debtor's leasehold interests, furniture, fixtures, improvements, equipment, inventory and supplies, to MGH, at Debtor's plants of Aguadilla, Morovis, and Arecibo, plus other assets at Debtor's leased premises at Toa Baja, PR (the "Assets"), as detailed in **Exhibit AA** hereto (the "Sale Motion"), for \$1,250,000 and a credit bid for \$51,419, for MGH secured claim as inducted in Class 3 below.

From the proceeds of said sale and the sale of other assets not included in the sale to MGM to other parties through motions to be filed simultaneously with the Plan, Debtor will pay in cash 100% of Allowed Administrative Expense Claims, 100% of Allowed Priority Tax Claims (Secured and Unsecured), 100% of Other Priority Claims, \$494,982 to EDB, in addition to the transfer of the realty listed above, and \$695,895 to WF in full payment of its loan (Class 2 below), and will reserve a carve out of \$50,000, to pay Allowed General Unsecured Claims (Class 5 below) on a pro-rata basis, on the Effective Date.

⁴ Not property of the Estate, but contributed by The Estate of Víctor S. Maldonado Dávila to the Debtor as a capital contribution and new value.

**Mini Master Concrete Services, Inc.
Disclosure Statement**

**Case No. 16-09956(MCF)
Page 22**

The remaining portion of EDB's claims, amounting to approximately \$1,553,031 will be dealt with under Class 5 below.

Estimated Recovery: 52%

Class 2 – WF's CLAIM

(a) Impairment and Voting- Class 2 is impaired under the Plan and is entitled to vote to accept or reject the Plan.

(b) Distribution- WF's shall be paid \$695,895 from the proceeds of the sale of Debtor's assets, as indicated above, on the Effective Date.

The remaining portion of WF's claims, amounting to approximately \$474,520 will be dealt under Class 5 below.

Estimated Recovery: 60%

Class 3 – MGH's Secured Claim

(a) Impairment and Voting - Class 3 is impaired under the Plan and is entitled to vote to accept or reject the Plan.

(b) Distribution - MGH's claim, secured by certain of Debtor's machinery and equipment and improvements to Debtor's leased facilities at Toa Alta, PR, will be paid as part of MGH's credit bid as set forth in Class 1 above.

Estimated Recovery: 100%

Class 4 – Holders of Allowed General Unsecured Claims

(a) Impairment and Voting - Class 5 is impaired under the Plan and is entitled to vote to accept or reject the Plan.

(b) Distribution - Holders of Allowed General Unsecured Claims, excluding the claim of Mrs. Bess M. Taylor Mitchell, who will not receive any dividends under

the Plan, but including the Claims of ESSROC San Juan, Inc. and EBD's and WF's deficiency claims, shall be paid in full satisfaction of their claims, approximately 1.75% thereof, from a \$50,000.00 carve out to be reserved from the proceeds of the sale of Debtor's assets.

Estimated Recovery: 1.75%

Class 5 – Interests in Debtor

(a) Impairment and Voting - Class 6 is unimpaired under the Plan and is not entitled to vote to accept or reject the Plan.

b) Distribution - Debtor's shareholders will not receive any distributions under the Plan. Debtor's common shares will be cancelled within 120 days from the Effective Date, as Debtor's operations have ceased and will not be renewed.

Estimated Recovery: N/A

6.7 Means for Implementation of the Plan

The Plan contemplates that substantially all of Debtor's assets securing the claims described above will be sold, excepting the real properties of both Debtor and those of the estate of Víctor S. Maldonado Dávila to be transferred to EDB. With the proceeds of the sale, Debtor will be able to make the payments to Holders of Allowed Administrative Expense Claims, Holders of Allowed Priority Tax Claims, Holders of Other Priority Tax Claims and to Classes 1, 2, 3, and 4.

Exhibit H hereto, consists of detailed Cash Flows Sources and Uses and shows the feasibility of the Plan.

6.8 Executory Contracts

All unexpired executory contracts listed in Debtor's Schedules, except for those being assumed and assigned to MGH as part of the sale, thereto, as indicated

in **Exhibit AA** hereto, shall be deemed rejected on the Effective Date and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejection pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code.

If the rejection of such executory contracts or unexpired leases results in a claim for damages by the other party to such contracts or leases, any claim for such damages, if not evidenced by a filed Proof of Claim, shall be forever barred and will not be enforceable against the Estate, or its properties, its agents, successors, or assigns, unless a Proof of Claim is filed with the Bankruptcy Court and served upon counsel for Debtor on or before thirty (30) days following the Confirmation Date. Debtor retains the right to further object to any rejection damages claims filed in accordance with this Section.

VII. LIQUIDATION AND FINANCIAL ANALYSIS

7.1 Best Interest of Creditors and Comparison with Chapter 7 Liquidation

In the event Debtor's Chapter 11 case is converted to Chapter 7 of the Bankruptcy Code, a Chapter 7 Trustee will be appointed for Debtor's Estate to liquidate the Estate's assets pursuant to the provisions of the Bankruptcy Code, after attending to the immediate issues of securing the same.

The Chapter 7 Trustee will then retain real estate brokers, appraisers, counsel, and other professionals to liquidate the Estate. Therefore, Creditors' recovery may be affected by the extended period of time caused by the conversion, as well as the administrative expenses resulting therefrom. Moreover, in a liquidation under Chapter 7, the contributions made by the Estate of Victor S. Maldonado will not be available, decreasing even further the recovery of creditors in said scenarios.

A Liquidation Analysis with respect to Debtor's assets as of March 31, 2017, is attached as **Exhibit E** hereto (the "Liquidation Analysis").

The Liquidation Analysis reveals that in the event of a liquidation of Debtor's assets under Chapter 7, there would be a substantial loss to Debtors' Estate, considering the Chapter 7 costs of administration and the expected value of the Estate's assets. It also reflects what in Chapter 11 the respective creditors are expected to receive under the Plan versus what is projected they would receive in Chapter 7, underscoring the benefits of the confirmation of the Plan and its effectiveness. Pursuant to the Liquidation Analysis, General Unsecured Creditors would not receive any dividends on their claims. Therefore, confirmation of the Plan will ensure that Holders of Administrative Expense Claims, Allowed Priority Claims, Secured Creditors, and Allowed General Unsecured Claims, will receive prompt payments of their claims.

The Liquidation Analysis contains estimates and assumptions that, although developed and considered reasonable by Debtor, are inherently subject to significant economic uncertainties and contingencies beyond its control.

7.2 Feasibility of the Plan

A) Funds and Assets Sufficient for Payments Required under the Plan

As of the Petition Date, Debtor owned assets and had liabilities, as more particularly described in its amended Schedules and Statement of Financial Affairs, which Debtor filed with the Bankruptcy Court.

Debtor has also prepared and filed with the Bankruptcy Court monthly operating reports summarizing its post-petition financial performance. **Exhibit F** hereto consists of Debtor's March 31, 2017 Operating Report filed with the

**Mini Master Concrete Services, Inc.
Disclosure Statement**

**Case No. 16-09956(MCF)
Page 26**

Bankruptcy Court. Debtor's Monthly Operating Reports, Schedules and Statement of Financial Affairs are available for public inspection at the office of the Clerk of the Bankruptcy Court, during regular business hours. **Exhibit G** hereto consists of Debtor's Summary of Operating Reports filed with the Bankruptcy Court.

a) Real Property

As of the Petition Date, Debtor was the owner of several real properties.

Debtor's Schedule A to its Chapter 11 petition, **Exhibit H** hereto, details the real properties owned by Debtor as of the filing date.

b) Personal Property

As of the Petition Date, Debtors' Schedules listed Debtors' personal property consisting of cash, bank accounts, security deposits, prepaid expenses, accounts receivables, construction equipment, vehicles, inventory, prepaid income taxes, prepaid insurance, and others, with an aggregate value of \$8,459,969.05. A detail of Debtor's personal property can be found in Debtor's Schedule B, available for public inspection at the office of the Clerk of the Bankruptcy Court during regular business hours. The values reflected in Debtor's Schedules represent the estimated values of its assets, based on Debtor's opinion or acquisition costs. To better evaluate the recovery on such assets, see Debtor's Liquidation Analysis as of March 31, 2017, **Exhibit E** hereto.

7.3 Pending Litigation and Other Liabilities

At the time of the filing of Debtor's Chapter 11 petition, Debtor had the following pending case:

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT	STATUS OR DISPOSITION
Andrés Carrillo García; Corporación del Fondo del Seguro del Estado; v. Mini Master Concrete Services, Inc., et als CASE NUM.: 2016-1172	Torts	Court of First Instance of PR, San Juan Section	Stayed by Section 362(a) of the Bankruptcy Code

VIII. BAR DATE AND DETERMINATION OF CLAIMS

8.1 Bar Date

On December 27, 2016, in the "Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors and Deadlines" in Debtors' case, the Bankruptcy Court fixed April 24, 2017, as the bar date for the filing of Proofs of Claim, except for Governmental Units, and June 26, 2017, for such filings by Governmental Units.

8.2 Determination of Claims

The Plan specifies procedures for objecting to claims. Debtor may object to Claims within thirty (30) days before the first date fixed by the Bankruptcy Court for the hearing on the Confirmation of the Plan. No payments will be made under the Plan on account of Disputed Claims until their allowance by the Bankruptcy Court. The Plan provides that distributions on Disputed Claims will be held in reserve until the Disputed Claims are allowed (at which time the reserves will be distributed and the Claims will be treated according to the terms of the Plan), or disallowed (at which time the reserves will be distributed on account of Allowed Claims pursuant to the terms of the Plan).

Any Claim which (a) is not listed as an Allowed Claim on Debtor's Schedules, as amended; (b) is not evidenced by a valid, timely filed Proof of Claim; or (c) is not listed in the Plan or exhibits to the Plan as an Allowed Claim, shall not receive any distribution of cash or property under the Plan until the same becomes an Allowed Claim, and shall be disallowed and discharged if it is not Allowed by Order of the Bankruptcy Court.

IX. ALTERNATIVES TO THE PLAN

If the Plan is not confirmed and consummated, the alternatives include (a) Debtor's liquidation under Chapter 7 of the Bankruptcy Code, (b) dismissal of Debtor's Chapter 11 Case, or (c) the proposal of an alternative plan.

A. Liquidation Under Chapter 7

If a plan cannot be confirmed, the Case may be converted to Chapter 7 of the Bankruptcy Code. A Trustee would be elected or appointed to liquidate Debtor's assets for distribution to creditors in accordance with the order of distribution established by the Bankruptcy Code.

As set forth in the Liquidation Analysis attached as **Exhibit E** hereto, Debtor believes that conversion of the Case to Chapter 7 of the Bankruptcy Code would result in a delayed and uncertain distribution to all classes of creditors, which are receiving dividends under the Plan, as set forth above.

Thus, Debtor believes that the interest of creditors and the goals of Chapter 11 are better served by the confirmation of the Plan.

B. Dismissal of the Case

Dismissal of the Case would likely create substantial problems for all parties involved, including a run to the courthouse, and the foreclosure by the secured creditors of their loans on Debtor's realty, and other assets, which would result, in an abandonment of the orderly and structured equitable payments provided for the Plan. Therefore, dismissal of the Case is not a viable alternative for creditors.

C. Alternative Plan of Reorganization

If the Plan is not confirmed, Debtor could attempt to formulate a different Plan. Debtor believes that the Plan will provide the greatest and most expeditious return to creditors.

X. TAX EFFECTS

Based on the provisions of the Puerto Rico Internal Revenue Code, Debtor expects that the implementation of the Plan will not have any tax effects thereon.

Mini Master Concrete Services, Inc.
Disclosure Statement

Case No. 16-09956(MCF)
Page

XI. CONCLUSION

Debtor submits that the Plan is fair and reasonable and in the best interest of the Estate and creditors and offers the best possible recovery for creditors under the circumstances. Debtor therefore, urges creditors to vote in favor of the Plan.

Signed this 28th day of April 2017.

Mini Master Concrete Services, Inc.

By: 

Carmen M. Betancourt
President

I HEREBY CERTIFY that on this date, I electronically filed the foregoing with the clerk of the Court using the CM/ECF system, which will send notification of such filing to all CM/ ECF participants including the US Trustee.

In San Juan, Puerto Rico, this 28th day of April, 2017

s/CHARLES A. CUPRILL-HERNANDEZ
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