

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

<p>IN RE:</p> <p>ERIC WILLIAM MAUROSA TORO CONSOLIDATED DEBTOR</p>	<p>CASE NO. 17-3604 EAG</p> <p>CHAPTER 11</p>
<p>IN RE:</p> <p>WEST WINDOW FILMS CORP. CONSOLIDATED DEBTOR</p>	<p>CASE NO. 17-03607 EAG</p> <p>CHAPTER 11</p>

DISCLOSURE STATEMENT OF THE CONSOLIDATED CONSOLIDATED DEBTOR
DATED AUGUST 9, 2017

Filed by: ERIC WILLIAM MAUROSA TORO and WEST WINDOWFILMS CORP. as
consolidated Consolidated Debtor-in-Possession
Date: August 9, 2017

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I. INTRODUCTION

This is the Disclosure Statement dated August 9, 2017 (the "Disclosure Statement") in the Chapter 11 Bankruptcy Case of Eric William Maurosa Toro and West Window Films Corp. Consolidated Debtor-in-Possession ("Consolidated Debtor" or "the Consolidated Debtor"). This Disclosure Statement contains information about the Consolidated Debtor and describes the Plan of Reorganization dated August 9, 2017 (the "Plan") filed by Consolidated Debtor on even date. A full copy of the Plan is attached to this Disclosure Statement as **Exhibit A**.

Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.

A. Purpose of this Document

This Disclosure Statement describes:

- The Consolidated Debtor and significant events during the bankruptcy case
- How the Plan proposes to treat claims or equity interests of the type you hold (*i.e.*, what you will receive on your claim or equity interest if the Plan is confirmed).
- Who can vote on or object to the Amended Plan
- What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Amended Plan.
- Why Consolidated Debtor believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation.
- The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. The Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Court has not yet confirmed the Plan described in this Disclosure Statement. The Court will schedule the hearing for the final approval of the Disclosure Statement and the confirmation of the Plan. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

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1. *Time and Place of the Hearing to finally approve this Disclosure Statement and Confirm the Plan has been fixed by the Court and shall be notified to all creditors and parties in interest. Creditors and parties in interest will be allowed a term to file any objections to the approval of this Disclosure Statement and to the confirmation of the Amended Plan. It is of paramount importance to take notice of the deadlines fixed by the Court to be included in the order granting a preliminary approval of the Disclosure Statement that will be notified to all creditors and parties in interest.*

The time and place of the Hearing to finally approve this Disclosure Statement and Confirm the Plan as fixed by the Court will be notified to all creditors and parties in interest.

2. *Deadline For Voting to Accept or Reject the Amended Plan.*

If you are entitled to vote to accept or reject the Plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to the following mailing address:

*Gloria M. Justiniano Irizarry, Esq.
Ensanche Martínez
8 Ramirez Silva
Mayagüez, PR 00680
Email: justiniano@gmail.com
787-222-9272*

See Section IV.A below for a discussion of voting eligibility requirements. Your ballot must be received by the date fixed by the Court; otherwise it will not be counted.

3. *As previously stated, the Court will fix a deadline for objecting to the adequacy of the Disclosure Statement and to the confirmation of the Plan.*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon Consolidated Debtor's attorney at the mailing address previously disclosed by the date fixed by the Court.

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4. *The identity of the person to contact for more information is Consolidated Debtor's attorney whose name, telephone number and contact information is hereby disclosed and whose mailing address has been previously provided:*

*Gloria M. Justiniano Irizarry
Tel. (787) 222-9272 FAX 787-805-7350
E-mail: justiniano@gmail.com*

II. BACKGROUND

A. Description and History of the Consolidated Debtor Businesses

Consolidated Debtor Eric William Maurosa Toro has been in the business of sale of commercial and residential window films, and automotive window tints for the last ten years. The development of Consolidated Debtor's business derives from many years of experience and hard work in the industry.

In January 17, 2007, he created West Window Films Corp. ("WWFC"). It is a domestic corporation organized under the laws of the Commonwealth of Puerto Rico since January 17, 2007, corporation number 169406, and it is engaged in the sale of of commercial and residential window films, and automotive window tints. These products increase energy savings, sun control, privacy, and protection. WWFC has leased a real property located at 3085 Nelson Colón St., Guanajibo Industrial Park, Mayaguez, Puerto Rico, for this business operation.

In 2012, Mr. Maurosa commenced a second business for the installation of automotive window films and tints: Smart Tints. Professional installation services of these products are provided at competitive prices.

These businesses were a successful up to 2016; last year business sales decline were due to general constraint in the economy. The business cash flow was affected.

The Consolidated Debtor has reduced business operating expenses and personal expenses as well. New business strategies have been developed to increase sales.

B. Insiders

1. Eric William Maurosa Toro

C. Management of the Consolidated Debtor Before and During the Bankruptcy Case

1. Eric William Maurosa Toro has been managing all economic and business affairs before and during the bankruptcy, and he continues to do so as of this date. Day to day management of West Window Films Corp. is headed by Eric William Maurosa Toro.

D. Events Leading to Chapter 11 Bankruptcy Petition

1. Substantial reduction in business income that didn't allow the Consolidated Debtor to pay the commercial and personal debts, and expenses as they became due.

E. Significant Event During the Bankruptcy Case

1. *Employment of Professionals:*

- a. On May 24, 2017 Consolidated Debtor filed an Application for the Employment of Gloria M. Justiniano Irizarry, Esq. as counsel for Consolidated Debtor (Docket No. 7). Application for Employment was subsequently approved by the Court on June 23, 2017 (Docket No. 27).
- b. The application to employ accountant was filed on June 29, 2017, docket 32. It was approved as per docket 50.

2. *Election:*

- a. This case qualifies and it is a Small Business Case.

3. *Sales out of the Ordinary Course of Business:*

- a. The Consolidated Debtor has not made any sale outside the ordinary course of business.

4. *Post – Petition Financing:*

- a. The Consolidated Debtor has not applied for any post-petition financing at this time.

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5. *Adversary Proceedings:*

a. None

6. *Administrative Reorganization:*

a. Consolidated Debtor has significantly reduced the monthly expenses.

7. *Other Significant Events:*

a. NONE

F. Projected Recovery of Avoidable Transfers

There are no projected recoveries of avoidable transfers, thus, Consolidated Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance related actions.

G. Claims Objections

1. The Consolidated Debtor, at his option or upon Order of The Court, if requested, may file an objection to any claim as to its validity or amount within thirty (30) days before the confirmation date. If an objection is made, payment to such claimant will be made only after the entry of a final Order by the Court allowing such claim and in accordance with the provisions of the Plan governing such class to which such claim belongs. Up to this date the Consolidated Debtor does not predict that he will file any other objection to a claim other than the ones that have been previously made to this date.

Notice is hereby given that, except to the extent that the claim is already allowed pursuant to a final not appealable order, the Consolidated Debtor reserves the right to object to claims. Therefore even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedure for resolving disputed claims are set forth in Article VII of the Amended Plan.

H. Current and Historical Financial Conditions

1. For purposes of filing this petition the Consolidated Debtor submitted the required schedules. The information provided in the schedules, as amended, and the statement of financial affairs showed Consolidated Debtor financial position as of the date of the filing of the petition. The monthly operating reports available in the bankruptcy court file show Consolidated Debtor's finances and results of operations for the periods after the date of the filing of the petition.

III. SUMMARY OF THE PLAN OF REORGANIZATION

A. What is the Purpose of the Plan of Reorganization

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claim or equity is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Amended Plan.

B. Unclassified Claims

Certain types of claims are automatically entitled to a specific treatment under the Code. They are not considered impaired, and holders of such claim do not vote on the Amended Plan. They may, however, object if, in their view, the provided treatment under the Plan does not comply with the correct requirements by the Code.

C. Classes of Claims and Equity Interest under the Plan of Reorganization:

CLASS 1: ALLOWED ADMINISTRATIVE EXPENSES

This class shall consist of Allowed Administrative Expense Priority Claims, as provided under section 503 of the Code, including, but not limited to, fees to the United States Trustee, fees and expenses of the Consolidated Debtor's counsel, accountant and any other professional retained by the Consolidated Debtor, as may be allowed by the Bankruptcy Court upon application therefore and after notice and hearing in accordance with the Bankruptcy Code and Rules, any unpaid taxes or fees

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accrued since petition date, and court cost accrued since the petition date. Debt under this class is estimated at:

Attorney's Fees - \$4,000.00, for work realized on the instant case
Accountant's Fees-\$1,000.00

TREATMENT:

This class will be paid on the effective date or upon an agreement by the parties, and upon Courts approval. This class is not impaired. (Effective date shall mean thirty (30) days after the order of confirmation becomes a final and firm order, and shall be the date on which the Consolidated Debtor will commence the cash payments under the reorganization of the Plan.)

THIS CLASS IS NOT IMPAIRED

CLASS 2: SCOTIABANK DE PUERTO RICO

Secured Creditor Scotiabank de Puerto Rico ("Scotiabank") filed Claim Numbered 7 for the amount of \$173,747.57; pre-petition arrears are in the amount of \$9,008.38. This senior mortgage lien encumbers Consolidated Debtor's residence located at Urbanización Paseos Los Peregrinos, B-17, Hormigueros, Puerto Rico; Property # 7,512 recorded at Page 80 of Volume 170 of Hormigueros, Property Registry of Property of Mayaguez. The value of this collateral is estimated at \$215,000.00 based on comparable sales at the petition date.

TREATMENT

The Consolidated Debtor is currently involved in a Loss Mitigation Process with this Creditor. The Consolidated Debtor obtained permission from the Court to proceed with the Loss Mitigation Process, and he will submit it to the Court's approval any stipulation once the agreement is reached.

Once the Consolidated Debtor has achieved an agreement with this Creditor they will submit it for Court's approval. **This creditor shall retain its lien**

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on the collateral. It shall be paid according to the Loss Mitigation Agreement that is reached between the Consolidated Debtor and this Creditor.

If no agreement over a Loss Mitigation process is reached with the Creditor, the Consolidated Debtor consents to the lifting of the automatic stay in favor of the Creditor. The Creditor will continue with foreclosure proceedings and any amount owed to Scotiabank that results as difference from the sale of the property in the foreclosure procedure shall be treated as part of the Unsecured Creditors Class (CLASS 6).

THIS CLASS IS IMPAIRED

CLASS 3: BANCO POPULAR DE PUERTO RICO

Secured Creditor Banco Popular de Puerto Rico ("BPPR") de Puerto Rico has filed claim number 8 in the amount of \$44,401.72. This junior mortgage lien encumbers Consolidated Debtor's residence located at Urbanización Paseos Los Peregrinos, B-17, Hormigueros, Puerto Rico; Property # 7,512 recorded at Page 80 of Volume 170 of Hormigueros, Property Registry of Property of Mayaguez. The value of this collateral is estimated at \$215,000.00 based on comparable sales at the petition date.

TREATMENT

The Consolidated Debtor is currently involved in a Loss Mitigation Process with this Creditor. The Consolidated Debtor obtained permission from the Court to proceed with the Loss Mitigation Process, and he will submit it to the Court's approval any stipulation once the agreement is reached.

Once the Consolidated Debtor has achieved an agreement with this Creditor they will submit it for Court's approval. **This creditor shall retain its lien on the collateral.** It shall be paid according to the Loss Mitigation Agreement that is reached between the Consolidated Debtor and this Creditor.

If no agreement over a Loss Mitigation process is reached with the Creditor, the Consolidated Debtor consents to the lifting of the automatic stay in favor of the Creditor. The Creditor will continue with foreclosure proceedings and any amount owed to BPPR that results as difference from the sale of the property in the

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foreclosure procedure shall be treated as part of the Unsecured Creditors Class (CLASS 6).

THIS CLASS IS IMPAIRED

CLASS 4: Popular Auto- Auto Lease Agreements

The two claims under this class relates to auto lease agreements numbered 2154 for a 2014 Ford Transit used for delivery in Consolidated Debtor's business ((Claim 6), and a lease agreement dated October 1, 2015 for a 2015 Jeep Cherokee, loan 3081 (Claim 4).These vehicles are used by the Consolidated Debtor.

The auto lease agreement dated August 7, 2014 for the 2014 Ford Transit provides that the Consolidated Debtor shall comply with 72 monthly installments of \$425.42 each beginning September 4, 2014.

The lease agreement for the 2015 Jeep Grand Cherokee provides that the Consolidated Debtor shall comply with sixty-six (66) monthly installments in the amount of \$599.15 beginning November 4, 2015. Popular Auto filed claim numbered 2 for this lease agreement.

TREATMENT

This class shall retain unaltered its legal equitable and contractual rights. The Consolidated Debtor is in full compliance with the original terms with Popular Auto for both accounts, and he will continue to make regular payments as agreed to. The Consolidated Debtor will continue to pay Popular Auto under the terms and conditions of his obligations therewith.

THIS CLASS IS NOT IMPAIRED

CLASS 5: RELIABLE FINANCIAL SERVICES

This class relates to an auto loan for 2016 Porsche Cayman as per claim number 1 filed by this creditor in the amount of \$81,289.94.

TREATMENT

The collateral has been surrendered to this creditor after petition date. The deficiency that resulted from the repossession shall receive distribution as general unsecured claim under Class 6. Creditor's claim number 1 has been amended to claim deficiency in the amount of \$8,307.94, which has been included in the general unsecured class (Class 6).

THIS CLASS IS IMPAIRED

CLASS 6: General Unsecured Creditors

This class shall consist of general unsecured creditors. General Unsecured Creditors include those listed by the Consolidated Debtor and those who have filed proof of claims. General unsecured creditors listed by Consolidated Debtor and filed proof of claims total the amount of \$167,141.01. Schedule F has been amended considering the proofs of claim that have been filed in this case. Unsecured Creditors are as follow:

CREDITOR	TYPE OF DEBT (LISTED OR CLAIM NUMBER)	AMOUNT OWED
Reliable Financial Services	Claim 1 (amended)	\$8,307.94
BPPR	Claim 3	\$35,827.32
BPPR	Claim 4	\$11,136.81
	Listed	\$24,793.87
American Express	Claim 5	\$39,799.09
	Claim 9	\$6,481.17
	Listed	\$13,464.00
CRIM	Listed	\$8,547.92
Bank of America	Listed	\$8,946.12
Citifinancial	Listed	\$8,505.78
Health Clubs of America	Listed	\$1,000
TOTAL		\$167,141.01

TREATMENT

The total unsecured claims (whether claimed or listed) subject to distribution is \$167,141.01. Creditors in this class shall receive a total repayment of 19.14 % of their claimed or listed debt which equals \$32,000.00 to be paid Pro Rata to all allowed claimants under this class. CLASS 6 claimants shall receive from the Consolidated Debtor a non-negotiable, interest bearing at 2.75 % annually, promissory note dated as of the Effective Date. Unsecured Creditors will receive 55 equal monthly installments in the amount of \$620.04 (principal plus interest) beginning **December 15, 2017**. This installment shall be distributed pro-rata among creditors of this class.

THIS CLASS IS IMPAIRED

7.PAYMENT TO PRIORITIES UNDER SECTION 507(a)(8) OF THE BANKRUPTCY CODE

Governmental entities and other priority creditors have been listed and/or have filed priority claims in this case in the total amount of \$17,792.50

CREDITOR	TYPE OF DEBT (LISTED OR CLAIM NUMBER)	AMOUNT OWED
CRIM	Listed (priority amount)	\$8,311.00
Department of Treasury of PR	Listed	\$8,749.00
State Insurance Fund ("SIF")	Listed	\$732.50
TOTAL		\$17,792.50

Payment to Priorities

- I. **CRIM-** Principal amount of \$8,311.00, or amount allowed, plus 2.75 % will be pay in 54 equal monthly installments of \$163.80 **beginning December 15, 2017**. If the amount listed differs from amount claimed, the Debtor will make the adjustments to pay it in full within the period specified in this Section.

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- II. **Department of Treasury of PR-** Principal amount of \$8,749, or amount allowed, plus 2.75 % will be pay in 54 equal monthly installments of \$172.44 beginning **December 15, 2017**. If the amount listed differs from amount claimed, the Debtor will make the adjustments to pay it in full within the period specified in this Section.
- III. **SIF-** Amount listed shall be paid in full on or before November 15, 2017.

L.Means of Execution of the Plan and Future Management of Consolidated Debtor

1.Source of Payments and Management of Consolidated Debtor

Payments and distributions under the Plan will be funded by the following:

Upon confirmation of the Plan, the Consolidated Debtor shall have sufficient funds to make all payments then due under this Plan. The funds will be obtained from Consolidated Debtor's businesses income.

On the effective date of the Plan, the distribution, administration, management of Consolidated Debtor's affairs, collection of money, sale of property and distribution to creditors, unless otherwise provided herein, will be under the control of the Consolidated Debtor.

M. Risk Factors

The proposed Plan has the following risks:

- 1.The funding of the Plan is contingent to the continuation of the Consolidated Debtors' businesses.

N. Executory Contracts and Unexpired Leases

The Plan lists all the executory contracts and unexpired leases that the Consolidated Debtor will assume under the Plan. Assumption means that the Consolidated Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the

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Plan, unless the Court has set an earlier time. *Consult your advisor or attorney for more specific information about particular contracts and/or leases.*

If you object to the rejection of your unexpired lease or executory contract, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

The Deadline for filing a Proof of Claim based on a claim arising from the Rejection of a Lease or Contract will be fixed by the U.S. Bankruptcy Court. Any claim based on the rejection of a contract or lease will be barred if the Proof of Claim is not timely filed, unless the Court orders it otherwise.

Consolidated Debtor assumes all unexpired leases and executory contracts to which it is a party and which have not been expressly rejected pursuant to 11 U.S.C. Section 365(a). Specifically the Consolidated Debtor assumes all contracts with PREPA (electric utility company), Acueductos y Alcantarillados, and Public Liability Insurance. *Auto Leases Agreements with Banco Popular de Puerto Rico, commercial lease contract with Puerto Rico Development Company ("PRIDCO"), and commercial lease with Auto Earth, Inc. have been assumed as per dockets 43,44 and 45, and the Order entered by the Court at the hearing held on August 3, 2017.*

O. Tax Consequences of the Amended Plan

Creditors concerned with how the Plan may affect their Tax Liability should consult with their own Accountants, Attorneys and/or Advisors. The following are the anticipated tax consequences of the Plan:

1. *Tax consequences to the Consolidated Debtor of the Plan*

Notwithstanding the confirmation of the Plan, the Consolidated Debtor will be liable for the payment of personal property taxes, income taxes, capital gain taxes, and other taxes that might become due after the confirmation of the Plan.

2. *General tax consequences on Creditors of any discharge, and the general tax consequences of receipt of Plan consideration after confirmation*

The tax consequences of the confirmation of the Plan to Unsecured Creditors will depend mainly on whether the creditor's present claim constitutes a security for federal income tax purposes and the type of consideration received by the creditor in exchange for its claim.

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Generally, claims arising out of the extension of trade credit have been held to not be tax securities.

III.CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §1129(a) or (b) of the US Bankruptcy Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the Amended Plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a Chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in §1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that classes that are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Amended Plan.

1. What is an Allowed Claim or an Allowed Equity Interest

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Consolidated Debtor has scheduled the claim on the Consolidated Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim for non-governmental claimants in this case is September 28, 2017, and for governmental claimants is November 20, 2017.

2. What is an Impaired Claim or Impaired Equity Interest?

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. Who is Not Entitled to Vote?

The holders of the following five types of claims and equity interests are *not* entitled to vote:

- Holders of claims and equity interests that have been disallowed by an order of the Court;
- Holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes;
- Holders of claims or equity interests in unimpaired classes;
- Holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and

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- Holders of claims or equity interests in classes that do not receive or retain any value under the Amended Plan;
- Administrative expenses.

Even if you are not entitled to Vote on the Amended Plan, you have a right to object to the Confirmation of the Plan [and to the Adequacy of the Disclosure Statement].

4. Who can Vote in More than One Class?

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. Votes Necessary to Confirm the Plan

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by a Cram Down on non-accepting classes, as discussed later in Section [B.2.].

1. Votes Necessary for a Class to Accept the Plan

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. Treatment of Non-accepting Classes

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the non-accepting classes are treated in the manner prescribed by §1129(b) of the Code. A Plan that binds non-accepting classes is commonly referred to as a Cram Down Amended Plan. The Code allows the Plan to bind non-accepting classes of claims or equity

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interests if it meets all the requirements for consensual confirmation except the voting requirements of §1129(a) (8) of the Code, does not discriminate unfairly, and is fair and equitable towards each impaired class that has not voted to accept the Plan.

You should consult your own attorney if a Cram Down confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

Copy of the Ballot for voting is attached hereto as Exhibit C

C.Liquidation Analysis

To confirm the Plan, the Court must find that all creditors who do not accept the Plan will receive at least as much under the Plan as such claim would receive in Chapter 7 liquidation. A Liquidation Analysis is attached to this Disclosure Statement as **Exhibit B**.

D.Feasibility

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Consolidated Debtor or any successor to the Consolidated Debtor, unless such liquidation or reorganization is proposed in the Plan.

1. Ability to Initially Fund Amended Plan

The Plan Proponent believes that the Consolidated Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date.

2. Ability to Make Future Plan Payments and Operate Without Further Reorganization

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.

The Plan Proponent's financial projections show that the Consolidated Debtor will have an aggregate annual average cash flow, after paying operating expenses and post-confirmation taxes that will allow the quarterly payments proposed. The final Plan payment is expected to be paid five (5) years from confirmation date.

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You should consult with your Accountant or other Financial Advisor if you have any questions pertaining to these Projections.

IV.EFFECT OF CONFIRMATION OF THE PLAN

A.Discharge of Claims

If Consolidated Debtor are individuals and § 1141(d) (3) is not applicable

Discharge. Confirmation of this Plan does not discharge any debt provided for in this Plan until the court grants a discharge on completion of all payments under this Amended Plan, or as otherwise provided in § 1141(d)(5) of the Code. The Consolidated Debtor will not be discharged from any debt excepted from discharge under § 523 of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

B.Modification of the Plan

The Consolidated Debtor may propose amendments or modification of this Plan at any time prior to the confirmation pursuant to 11 USC 1127. After confirmation of the Plan, the Consolidated Debtor may, with the approval of the Court as long as they do not adversely affect the interest of the creditors, remedy any defect or omission, in such manner as may be necessary to carry out the purposes and effects of the same.

C.Final Decree

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

V.OTHER PLAN PROVISIONS

NONE.

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In Mayagüez, Puerto Rico, this 9th day of August, 2017.

/s/ Eric William Maurosa Toro

CERTIFICATE OF ELECTRONIC FILING AND SERVICE

I hereby certify that on this same date I electronically filed the foregoing motion with the Clerk of the Court using the CM/ECF System, which sends notification of such filing to the United States Trustee: *Mrs. Monsita Lecaroz Arribas, Esq.*, at ustpreion21.hr.ecf@usdoj.gov; and to all attorneys for all creditors and parties in interest that have filed a Notice of Appearance as listed.

I further certify that I have served this notice by depositing true and correct copy thereof in the United State Mail to all non-user creditors and parties in interest as per attached Master Address List.

In Mayagüez, Puerto Rico, this 9th day of August , 2017.

/s/ ERIC WILLIAM MAUROSA TORO
Consolidated Debtor in Possession

ATTORNEY FOR CONSOLIDATED DEBTOR
/s/ Gloria M. Justiniano Irizarry
USDC- PR - 207603
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Label Matrix for local noticing
0104-2
Case 17-03604-EAG11
District of Puerto Rico
Ponce
Wed Aug 9 09:58:19 AST 2017
POPULAR AUTO
PO BOX 366818
SAN JUAN, PR 00936-6818

SCOTIABANK DE PUERTO RICO
CARDONA JIMENEZ LAW OFFICE PSC
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US Bankruptcy Court District of PR
Jose V Toledo Fed Bldg & US Courthouse
300 Recinto Sur Street, Room 109
San Juan, PR 00901-1964

Banco Popular De Puerto Rico
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Citifinancial
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San Juan, PR 00936-4106

Island Finance
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San Juan, PR 00919-5369

PRIDCO
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San Juan, PR 00936-2350

Sears
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AUTOSPEED CORP.
Hormigueros, PR 00660

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c/o Becket and Lee LLP
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US TRUSTEE
EDIFICIO OCHOA
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Bank Of America
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Wilmington, DE 19850-5019

Department Of Treasury
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Bankruptcy Section
San Juan, PR 00902-4140

Jc Penney
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San Juan, PR 00936-4788

Sams
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Atlanta, GA 30353-0942

State Insurance Fund
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San Juan, PR 00936-5028

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SAN JUAN, PR 00928-1382

WEST WINDOW FILMS CORP
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Synchrony Bank
c/o of PRA Receivables Management, LLC
PO Box 41021
Norfolk, VA 23541-1021

GLORIA JUSTINIANO IRIZARRY
JUSTINIANO'S LAW OFFICE
ENSANCHE MARTINEZ
8 CALLE A RAMIREZ SILVA
MAYAGUEZ, PR 00680-4718

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

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

(d)RELIABLE FINANCIAL SERVICES, INC.
P.O. BOX 21382
SAN JUAN, PR 00928-1382

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

(d)American Express Bank, FSB
c/o Becket and Lee LLP
PO Box 3001
Malvern PA 19355-0701

(d)American Express Bank, FSB
c/o Becket and Lee LLP
PO Box 3001
Malvern PA 19355-0701

(d)BANCO POPULAR PUERTO RICO
CARDONA JIMENEZ LAW OFFICE, PSC
PO BOX 9023593
SAN JUAN, PR 00902-3593

(d)Popular Auto
PO Box 366818
San Juan, PR 00936-6818

(d)SCOTIABANK DE PUERTO RICO
CARDONA JIMENEZ LAW OFFICE, PSC
PO BOX 9023593
SAN JUAN, PR 00902-3593

End of Label Matrix	
Mailable recipients	30
Bypassed recipients	5
Total	35