

(Chapter 7) net value of its principal assets is so small as to offer the potential of only a minimal recovery to creditors. The Debtor believes that a Chapter 11 reorganization will allow a more substantial recovery to creditors.

ADEQUATE INFORMATION

A Disclosure Statement should contain adequate information to allow creditors to make an informed decision as to whether the confirmation of the Plan is in their best interest. The Disclosure Statement should be meaningful and easily understood. While circumstances will vary widely from one Chapter 11 case to the next, and, therefore, the parameters of “adequate information” may also vary, the following information is considered to be critical to an evaluation of the adequacy of a Disclosure Statement.

1. The necessary financial information, data and projections relevant to the creditors’ decision to accept or reject the Plan.
2. The assets and liabilities of the Debtor-in-Possession. Provide current balance sheet information and the source of appraisal values.
3. The events leading to the filing of the petition and the financial difficulties of the Debtor.
4. The operating condition and success of the Debtor while in Chapter 11.
5. An estimate of the return to creditors under a Chapter 7 liquidation (brief liquidation analysis).
6. A list of all claims against the Debtor, if practicable, showing the claims to which objections are anticipated and the reasons for the objections. A list of claims to be recognized under the Plan.
7. A statement regarding the Debtors compliance with all responsibilities to file tax returns and pay taxes due both pre and post-petition.
8. An analysis of the potential tax consequences to the Debtor and other parties in interest resulting from the Plan.
9. The parties responsible for the future management of the Debtor (controlling persons), and the rate or amount of compensation to be paid for their services.
10. A detailed estimate of the administrative expenses contemplated under the Plan, including, but not limited to, attorneys’ fees, accountants’ fees and other professional fees and expenses. This includes quarterly fees to the United States Trustee.
11. The estimated collectability of the Debtors accounts receivables.
12. The risks posed to creditors under the Plan.
13. An analysis of potential preferential or otherwise voidable transfers and the Debtors plan if any to pursue such recoveries.
14. Anticipated future litigation (bankruptcy and non-bankruptcy context) and the estimated costs and source of revenue to fund such litigation.
15. A statement that the Plan represents a legally binding arrangement, and should be read in its entirety as opposed to relying on the summary in the Disclosure Statement.
16. The impaired classes under the Plan. Include a layman’s definition of impairment.
17. A statement that approval of the Disclosure Statement by the bankruptcy court does not constitute approval of the Plan.
18. Whether any creditors committee exists and, if so, whether it participated in negotiating the terms of the Plan.
19. An explanation of the voting requirements for acceptance of the Plan.

POST PETITION INFORMATION REGARDING DEBTOR

The debtor-in-possession, Jerome Sydney Heyward, is an individual residing in South Carolina (“Debtor”). The Debtor has been a successful lobbyist and consultant for over ten years, and in 2006, Debtor established Heyward Consulting, LLC, a South Carolina limited liability company, to formalize his business and has been the sole member and manager thereof ever since.

In 2007, Debtor decided to create, invest, and manage a transportation company, Charleston Limo Bus Service, LLC, a South Carolina limited liability company. The Charleston Limo Bus Service, LLC suffered substantial losses and ceased operations in 2012.

In 2010, Debtor decided to create, invest and manage a non-profit café, 7 Café Seven, Inc., a South Carolina non-profit corporation. 7 Café Seven, Inc. suffered substantial losses and ceased operations in 2013.

As a result of the Debtor’s failures of the Charleston Limo Bus Service, LLC and 7 Café Seven, Inc., the Debtor was not able to pay his taxes and other debts in a timely fashion and filed for protection under Chapter 11 of the U.S. Bankruptcy Code on February 8, 2016 (“Petition Date”).

As of the Petition date, the Debtor’s schedules filed with the Bankruptcy Court reflected secured debt in the approximate amount of \$762,879.51, priority unsecured debt in the approximate amount of \$100,344.02 and non-priority unsecured debt of \$81,093.00. As of the petition date, the Debtor owned real property with an approximate value of \$395,000.00¹ and personal property with an approximate value of \$50,892.45 pursuant to the schedules filed on May 13, 2016.

As of the Petition Date, the Debtor only had one banking account under the name of Heyward Consulting, LLC. In order to comply with the U.S. Bankruptcy Code and to establish a new set of books, the Debtor established two post-petition bank accounts: a personal debtor-in-possession bank account and a new business account for J S Heyward Consulting, LLC, a South Carolina limited liability company. The Debtor established J S Heyward Consulting LLC on February 16, 2016, at the direction and advice of his accountant, Sonja Wright with the Tax Services of Mount Pleasant, LLC.

On May 26, 2016, Debtor obtained a court order to retain the accounting services of Sonja Wright with the Tax Services of Mount Pleasant, LLC to assist with the accounting, tax preparation and cash flow management of the Debtor and J S Heyward Consulting, LLC.

On June 13, 2016, Debtor formally dissolved and officially closed out the accounting records for Heyward Consulting, LLC, 7 Café Seven, Inc., and Charleston Limo Bus Service, LLC.

Pursuant to the monthly operating reports filed by the Debtor in this case, J S Heyward Consulting, LLC has been operating with the following monthly cash flows:

¹ On February 8, 2016, SASS, HERRIN & ASSOCIATES, INC. appraised the real property located at 371 Clayton Drive, Charleston, SC 29414 for \$520,000.

Month/Year	Income	Expenses	Profit/Loss
February 2016	\$40,000.00	\$5,748.68	\$34,251.32
March 2016	\$28,250.00	\$26,174.70	\$2,075.30
April 2016	\$8,500.00	\$10,088.43	(\$1,588.43)
May 2016	\$15,000.00	\$32,425.19	(\$17,425.19)
June 2016	\$90,000.00	\$47,665.58	\$42,334.42
Totals	\$181,750.00	\$122,102.58	\$59,647.42

The aforementioned expenses include disbursements to the Debtor in the form of salary and capital distributions as follows:

Month/Year	Salary	Capital Disbursements	Total Compensation
February 2016	\$13,500.00	\$28,598.28	\$42,098.28
March 2016	\$13,500.00	\$0.00	\$13,500.00
April 2016	\$13,500.00	\$0.00	\$13,500.00
May 2016	\$13,500.00	\$1,700.00	\$15,200.00
June 2016	\$16,000.00	\$22,589.89	\$38,589.89
Totals	\$70,000.00	\$52,888.17	\$122,888.17

The Debtor's post-petition cash flows are as follows:

Month/Year	Income	Expenses	Profit/Loss
February 2016	\$42,098.28	\$39,821.91	\$2,276.37
March 2016	\$13,500.00	\$10,177.00	\$3,323.00
April 2016	\$13,500.00	\$8,353.47	\$5,146.53
May 2016	\$15,200.00	\$25,302.77	(\$10,102.77)
June 2016	\$38,589.89	\$26,217.92	\$12,371.97
Totals	\$122,888.17	\$109,873.07	\$13,015.10

Due to the volatility of the Debtor's business, it is difficult to forecast future profits and losses, and consequently, the Amended Schedule I and Schedule J filed on May 13, 2016, and subsequently modified Amended Schedule I and Amended Schedule J refiled on June 21, 2016, were based upon projections which were subsequently proven incorrect based upon actual figures reported in the monthly operating reports. Therefore, the Debtor recommends consulting the aforementioned actual financial information filed with the Court in the form of Monthly Operating Reports in ascertaining the fiscal viability of the Plan as opposed to the figures set forth in Amended Schedule Is and Amended Schedule Js; provided, however, past performance is no indication of future performance².

Using the figures provided in the Monthly Operating Reports and averaging the \$60,000.00 bonus received in June 2016 over the course of two years, the Debtor averages an overall monthly income of approximately \$16,000.00 of which the Debtor reports \$6,750.00 as wages and the remaining \$9,250.00 as capital distributions.

² Debtor received a bonus of \$60,000.00 in June 2016 which is received every two years if a client's contract is renewed. There is no guarantee of any future bonus payment pursuant to this agreement.

Beginning the third quarter of 2016, the Debtor is reporting monthly wages of \$6,750.00 from J S Heyward Consulting, LLC, and the Debtor is remitting Medicare Employee Additional Tax, Federal Withholding Tax, Social Security Employee Withholdings, Medicare Employee Withholdings and South Carolina Withholdings in the approximate amount of \$2,025.00 per month for a net monthly income from wages of \$4,725.00.

The Debtor will take the remaining net profits from J S Heyward Consulting, LLC as capital distributions which are estimated to average \$9,250.00 per month. Assuming a federal income tax rate of 28% and a state income tax rate of 7%, the Debtor shall set aside approximately \$3,250.00 per month for state and federal income taxes at the end of the year.

As a result, the Debtor projects net monthly income of \$10,750.00 per month for pre-petition and post-petition expenses and payments. The Debtor's Plan provides for an average monthly payment to pre-petition creditors of approximately \$6,600.00 which provides the Debtor with \$4,150.00 for monthly living expenses including, but not limited to, electricity/heat/gas (\$400.00), food (\$400.00), water/sewer/trash (\$100.00), car payment (\$500.00), telephone/cell phone/internet/cable (\$300.00), health insurance (\$400.00), homeowner's insurance (\$400.00), flood insurance (\$300.00), property taxes (\$200.00), homeowners association dues (\$100.00), clothing (\$500.00), car insurance (\$100.00), medical expenses (\$100.00) and other living expenses (\$350.00).

On May 19, 2016, the court approved a settlement between the Debtor and one of its primary lenders, Bayer Heritage Federal Credit Union ("Bayer"), with regards to the Debtor's residence. Pursuant to the court order, the Debtor agreed to and continues to make monthly payments to Bayer in the amount of \$4,110.00 until a reorganization plan is approved. In addition, the Debtor agreed and has paid all of the outstanding property taxes and homeowner association fees with regards to the Debtor's residence. Furthermore, the Debtor also agreed to obtain and maintain homeowners and flood insurance on the Debtor's residence in the amount of the appraised value of the Debtor's residence (\$520,000.00) with Bayer being a beneficiary thereto, as well as, the Debtor agreed to have repairs done to the Debtor's residence due to water damage which is currently being performed and is expected to be completed on or before July 15, 2016, as set forth in the agreement approved by the court.

As part of the Debtor's reorganization, the Debtor plans to continue to make the monthly payments to Bayer as set forth in the court order as more particularly set forth herein and in the Plan as well as provide for payment of the Debtor's taxes and other debts as set forth herein and in the Plan. The Debtor intends to make these payments from the wages and profits derived from J S Heyward Consulting, LLC.

As of the end of June 2016, the Debtor reported cash on hand of \$13,015.10, and J S Heyward Consulting, LLC's bank account had cash on hand in the amount of \$59,647.42. However, no income tax or withholding taxes have been paid as of June 2016 with regards thereto, and no payment for repairs to the Debtor's residence were paid.

DEBTOR'S SOURCE OF INFORMATION

The source of information used in this Disclosure Statement includes the following:

- (1) Debtor's opinions;

- (2) Debtor's schedules filed with the bankruptcy court;
- (3) Financial statements prepared by, Debtor's accountant, with cooperation of the Debtor;
- (4) Notes and invoices provided by the Debtor;
- (5) Proofs of claims and other documentation filed and/or provided by creditors;
- (6) Monthly operating reports filed with the bankruptcy court;
- (7) Tax returns.

DEBTOR'S ADDITIONAL INFORMATION

All who review this Disclosure Statement should be aware that no official audit of the Debtor's books has been performed, and the information provided to the Debtor's accountant and attorney is provided by the Debtor and is unaudited and some information is based upon the Debtor's opinions. Therefore, creditors and parties in interest should review the entire Disclosure Statement with that in mind. Additionally, each should review not just the Disclosure Statement, but also the entire Plan in making a decision to accept or reject the Plan. In reviewing the Disclosure Statement and Plan, creditors should assess actual risks posed to them under this Plan. Based upon the liquidation analysis it is the Debtor's opinion, and the opinion of its attorney that creditors will receive more under this Plan than in a Chapter 7 liquidation of assets. However, each creditor should understand that the Plan of Reorganization once approved by the Court does in fact represent a legally binding arrangement, and therefore, should be read in its entirety as opposed to relying solely on the summary of the Plan reflected in the Disclosure Statement. Also, of importance is the fact that Bankruptcy Court approval of the Disclosure Statement does not constitute approval by that Court on the merits of the Plan. These are two separate and distinct documents, and approval of one by the Court is determined separately and distinctly from approval of the other.

CREDITOR'S COMMITTEE

No creditors committee exists in this case.

PREFERENTIAL OR OTHER AVOIDABLE TRANSFERS

No preferential or other avoidable transfers occurred in this case.

PENDING LITIGATION

On the Petition Date, the Debtor was a party to one (1) lawsuit. See below for caption of suit, case number, nature of proceeding, court or agency location and current status or disposition:

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
Bayer Heritage Federal Credit Union vs. Jerome S. Heyward, et al, Case No. 2012-CP-10-00453	Foreclosure	Court of Common Pleas Charleston County	Stayed by bankruptcy

On May 19, 2016, the bankruptcy court approved a settlement between the Debtor and Bayer, with regards to the Debtor's residence which was the subject of the aforementioned lawsuit. Pursuant to the court order, the Debtor agreed to and continues to make monthly payments to Bayer in the amount of \$4,110.00 until a reorganization plan is approved. In addition, the Debtor agreed and has paid all of the outstanding property taxes and homeowner association fees with regards to

the Debtor's residence. Furthermore, the Debtor also agreed to obtain and maintain homeowners and flood insurance on the Debtor's residence in the amount of the appraised value of the Debtor's residence (\$520,000.00) with Bayer being a beneficiary thereto, as well as, the Debtor agreed to have repairs done to the Debtor's residence due to water damage which is currently being performed and is expected to be completed on or before August 15, 2016 despite the fact that the deadline for completion was initially set forth as July 15, 2016 pursuant to the agreement approved by the court.

Other than the lawsuit set forth in herein, there are no other lawsuits pending or contemplated for this Debtor, and no future bankruptcy or non-bankruptcy litigation is anticipated for this Debtor.

OWNERSHIP AND MANAGEMENT

The Debtor is the sole owner and manager of J S Heyward Consulting, LLC. As of the Petition Date, the Debtor was the sole owner and manager of Heyward Consulting, LLC, 7 Café Seven, Inc. and Charleston Limo Bus Service, LLC. Heyward Consulting, LLC, 7 Café Seven, Inc. and Charleston Limo Bus Service, LLC do not have any assets and/or liabilities, and on June 8, 2016, the Debtor submitted Articles of Termination for Heyward Consulting, LLC and Charleston Limo Bus Service, LLC. In addition, on June 8, 2016, the Debtor executed Corporate Resolutions for and filed Articles of Dissolution for 7 Café Seven, Inc. On June 13, 2016, the respective Articles of Termination and Articles of Dissolution were recorded and as a result, these entities cease to exist. As a result, the only entity currently owned by the Debtor is J S Heyward Consulting, LLC.

The Debtor shall continue to be the sole owner and manager for J S Heyward Consulting, LLC which shall continue to operate a lobbying and consulting business. No securities are involved in this case. No future transactions involving insiders or affiliates are expected.

DEBTOR'S REQUEST

The Debtor asks that each creditor and party in interest review this Disclosure Statement and Plan, and the Debtor asks that each cooperate in allowing all a successful reorganization effort in order to bring resolution to these matters.

DEBTOR'S TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

CLASS 1

Except to the extent that the holder of a particular claim has agreed to a different treatment, with respect to a Class of claims of a kind specified in §507(a)(1), 507 (a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code, each holder of such Class will receive:

- (i) if such Class has accepted the Plan, deferred cash payments of a value, as of the effective date of the Plan, equal to the allowed amount of such claim, or
- (ii) if such Class has not accepted the Plan, cash on the effective date of the Plan equal to the allowed amount of such claim.

CLASS 2

Except to the extent that the holder of a particular claim has agreed to a different treatment, with respect to a claim of a kind specified in §507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the Plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim. As to a claim of a kind specified in §507(a)(8), the holder of such claim will receive on account of such claim regular installment payments in cash,

- (i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;
- (ii) over a period ending not later than 5 years after the date of the order for relief under §301, 302, or 303; and
- (iii) in a manner not less favorable than the most favored non-priority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under §1122(b)).

CLASS 3 SECURED CLAIMS

Secured Claims held by creditors with security interests in real and/or personal property, including stock, shall be paid in monthly installments beginning on the Effective Date of the Plan and continuing until such time they are paid in an amount commensurate with the fair market value of the underlying collateral plus interest provided that any deficiency shall be treated as an unsecured claim, unless the collateral securing these debts is to be surrendered, in which case any deficiency shall be treated as an unsecured claim. The property securing the Secured Claims will remain subject to the liens and interests of each secured creditor to the extent of the value of the collateral until such claims are paid as set forth in the Plan. Class 3 shall be treated as separate classes for voting purposes, and shall be deemed to be impaired. If property upon which a lien or mortgage has been perfected is sold, then the value of such allowed secured claims shall be paid from proceeds of the sale in the order of priority according to 11 U.S.C. §363 and all other applicable sections of the Code.

CLASS 4 - JUDGMENT CREDITOR CLAIMS AND MECHANICS LIENS

Judgment Creditor Claims and Mechanics Liens, if any, are impaired under the Plan. If property upon which a judgment has been perfected is sold, then such Class shall be paid their allowed Claims without interest from any proceeds remaining from the sale of that property to which any judgment lien attached, in the order of the date of filing of judgment liens, but only after all Class 3 Claims secured by such property have been paid in full. Otherwise, judgment creditors shall be paid in monthly installments beginning on the Effective Date of the Plan and continuing until such time as they are paid five percent (5%) of their allowed claim. The remaining ninety-five percent (95%) of the Judgment Creditor Claims allowed, and to the extent of any other deficiency, shall be treated as Unsecured Claims. Since the Plan of Reorganization does not provide for full payment of its debts, this Class is deemed to be impaired.

CLASS 5 - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

All Contracts which existed as of the Filing Date between the Debtor and any individual or entity, whether such contract be in writing or oral, which have not heretofore been accepted by Final Order or in the Plan of Reorganization, are hereby specifically rejected. In particular, the Residential Rental Agreement dated May 29, 2013, for the premises located at 1085 Shop Road, Unit 438, Columbia, SC 29201, by and between the Debtor and CMM Realty, Inc. is hereby rejected (“Rental Agreement”). The Rental Agreement is month-to-month and is current. The Debtor does not expect a claim to be filed in connection with the termination of the Rental Agreement, and to the best of the Debtor’s knowledge, the Debtor does not have any other executory contracts and/or unexpired leases. Any person or entity claiming rights under an executory contract or unexpired lease rejected pursuant to the provisions of this Article or 11 U.S.C. Section 365 shall have thirty (30) days after the Confirmation Date to file a proof of claim, or such additional time as the Court, before that date, may allow. Since the Plan of Reorganization does not provide for full payment of its debts, this Class is deemed to be impaired.

CLASS 6(A) THRU (B) - CLAIMS OF GENERAL UNSECURED CREDITORS

All Claims of general Unsecured Creditors shall be impaired under the Plan since the Plan of Reorganization provides for payment of only five percent (5%) of the allowed claims of Unsecured Creditors. Such Class shall be paid five percent (5%) of their allowed Claims without interest after the Effective Date as set forth in this Plan of Reorganization. Class 6(A) will be paid a lump sum for convenience purposes, and Class 6(B) will be paid monthly payments without interest as set forth in this Plan of Reorganization. Both Class 6(A) and 6(B) shall be treated as separate classes for voting purposes, and shall be deemed to be impaired.

CLASS 7 - EQUITY OWNERSHIP.

Equity Owners in J S Heyward Consulting, LLC will receive no monies, and the Debtor shall retain all of the membership interests therein. Consequently, this Class is deemed to be not impaired.

DEBTOR’S LIQUIDATION ANALYSIS

The bankruptcy schedules which are filed with the Court reflect all property owned by the Debtor and all secured claims pertaining to that property. By calculating the equity as follows, with regard to each item of collateral, we observe that the Debtor offers more to creditors in this Chapter 11 than they would receive in a liquidation of those assets:

Liquidation Analysis Table					
Property Description	Retail Value per Schedules	Liquidation Value	Secured Claim Amount	Exemption Claimed	Debtor’s Equity
Real Property as follows:					
Single Family Residence: Location: 371 Clayton Dr, Charleston, SC Tax Map No. 3101600078.	\$520,000.00	\$520,000.00	\$642,474.56	N/A	\$0.00

Personal Property as follows:					
Household goods and furnishings for a two bedroom, two bath home.	\$ 4,500.00	\$ 4,500.00	\$4,500.00	\$4,500.00	\$0.00
Televisions, stereo, dvd player, speakers, laptop and clocks.	\$300.00	\$ 300.00	\$ 0.00	\$300.00	\$0.00
Books, pictures, etc.	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$ 0.00
Two Smith & Wesson 45 caliber pistols	\$200.00	\$200.00	\$200.00	\$200.00	\$0.00
Typical men's clothing	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00
Watch, bracelet, necklace and misc. items	\$300.00	\$300.00	\$0.00	\$300.00	\$0.00
Cash	\$30.00	\$30.00	\$30.00	\$3.00	\$0.00
Wells Fargo Checking Acct#XXXX2989	\$40,112.45	\$40,112.45	\$40,112.45	\$5,822.00	\$0.00
Heyward Consulting, LLC	\$0.00	\$0.00	\$0.00	N/A	\$0.00
7 Café Seven, Inc.	\$0.00	\$0.00	\$0.00	N/A	\$0.00
Charleston Limo Buss Service, LLC	\$0.00	\$0.00	\$0.00	N/A	\$0.00
Counterclaim against Bayer Heritage Federal Credit Union – Improper mortgage and foreclosure	\$0.00	\$0.00	\$0.00	N/A	\$0.00
Desk, chair and office supplies	\$900.00	\$900.00	\$900.00	\$900.00	\$0.00
Apple laptop and printer	\$550.00	\$550.00	\$550.00	\$550.00	\$0.00
TOTALS	\$570,892.45	\$570,892.45	\$762,879.51 ³	\$16,575.00	\$0.00
				Total Equity	\$0.00

PROFIT AND LOSS

The Debtor-in-Possession has already begun undertaking measures in which to increase profits to successfully fund the plan, and asks for the cooperation of its creditors in this time of reorganization. The following represents income versus expenses of the debtor.

PRE-PETITION			
<i>THE FOLLOWING REPRESENTS INCOME VERSUS EXPENSES BEFORE THE FILING OF THE BANKRUPTCY</i>			
MONTH	INCOME	EXPENSES	PROFIT/LOSS
January, 2016	\$21,000.00	\$12,791.28	\$8,208.72
TOTAL PRE-PETITION	\$21,000.00	\$12,791.28	\$8,208.72

³ Amount includes tax liens, judgment liens and mortgages held against the Debtor.

POST-PETITION			
<i>THE FOLLOWING REPRESENTS INCOME VERSUS EXPENSES, SINCE THE FILING OF THE BANKRUPTCY.</i>			
MONTH	INCOME	EXPENSES	PROFIT/LOSS
February, 2016	\$42,098.28	\$39,821.91	\$2,276.37
March, 2016	\$13,500.00	\$10,177.00	\$3,323.00
April, 2016	\$13,500.00	\$8,353.47	\$5,146.53
May, 2016	\$15,200.00 ⁴	\$25,302.77 ⁵	(\$10,102.77)
June, 2016	\$38,589.89	\$26,217.92	\$12,371.97
TOTAL POST-PETITION	\$122,888.17	\$109,873.07	\$13,015.10

As of the end of June 2016, the Debtor reported cash on hand of \$13,015.10, and J S Heyward Consulting, LLC's bank account had cash on hand in the amount of \$59,647.42. However, no income tax or withholding taxes have been paid with regards thereto, and no payments have been made with regards to repairs to the Debtor's residence.

TAX CONSEQUENCES

Beginning the third quarter of 2016, the Debtor is reporting monthly wages of \$6,750.00 from J S Heyward Consulting, LLC, and the Debtor is remitting Medicare Employee Additional Tax, Federal Withholding Tax, Social Security Employee Withholdings, Medicare Employee Withholdings and South Carolina Withholdings in the approximate amount of \$2,025.00 per month for a net monthly income from wages of \$4,725.00. The quarterly withholdings for J S Heyward Consulting, LLC will be reported, collected and remitted to the appropriate governmental agencies in a timely manner by Sonja Wright with the Tax Services of Mount Pleasant, LLC.

The Debtor will take the remaining net profits from J S Heyward Consulting, LLC as capital distributions which are estimated to average \$9,250.00 per month. Assuming a federal income tax rate of 28% and a state income tax rate of 7%, the Debtor shall set aside approximately \$3,250.00 per month for income taxes at the end of the year.

As a result, the Debtor projects net monthly income of \$10,750.00 per month for pre-petition and post-petition expenses and payments. The Debtor's Plan provides for an average monthly payment to pre-petition creditors of approximately \$6,600.00 which provides the Debtor with \$4,150.00 for monthly living expenses including, but not limited to, electricity/heat/gas (\$400.00), food (\$400.00), water/sewer/trash (\$100.00), car payment (\$500.00), telephone/cell phone/internet/cable (\$300.00), health insurance (\$400.00), homeowner's insurance (\$400.00), flood insurance (\$300.00), property taxes (\$200.00), homeowners association dues (\$100.00), clothing (\$500.00), car insurance (\$100.00), medical expenses (\$100.00) and other living expenses (\$350.00).

RISK POSED TO CREDITORS UNDER THE PLAN

The primary risk posed to creditors under the Plan is a decrease in the Debtor's income. This

⁴ Debtor received a raise in June 2016 of \$2,500/month. Therefore, monthly income will increase to \$16,000.00/month.

⁵ Expenses includes two mortgage payments to Bayer in total amount of \$8,211.00 and payment of \$4,000.00 for legal fees.

may be due to loss of clients, increased competition, illness and/or any other cause. A secondary risk may be due to unforeseen future liabilities that would take precedent and priority over payments to creditors including, but not limited to, personal injury claims, taxes, student loans, alimony or child support. Although the Debtor does not expect to be held responsible for any future claims for personal injury, taxes, student loans, alimony or child support, it is a potential risk.

DEBTOR'S SCHEDULE OF PAYMENT DISTRIBUTION TO CREDITORS

All payments set forth in the plan will commence on the Effective Date. See attached Exhibit A – Payment Schedule.

CLASS 1 - ADMINISTRATIVE CLAIMS

United States Trustee: 11 U.S.C. §1930(a)(6) provides as follows:

In addition to the filing fee paid to the clerk, a quarterly fee shall be paid to the United States Trustee, for deposit in the Treasury, in each case under Chapter 11 of Title 11 for each quarter (including any fraction thereof) until the case is closed, dismissed or converted to another chapter. This fee is based upon the disbursements made each quarter by the Debtor-in-Possession, and the amount of such fees are based upon a schedule provided in the above-described statute a copy of which was provided to the Debtor-in-Possession at the beginning of the Chapter 11 case. Such fee shall be payable on the last day of the calendar month following the calendar quarter for which the fee is owed. The Debtor-in-Possession will continue such payments, which at present average \$975.00 per quarter.

POHL, PA: The Debtor still owe this law firm the sum of \$8,500.00 for services rendered and continuing to be rendered in this case. The law firm currently has \$8,500.00 in retainer and upon approval of this Plan the retainer will be applied to pay the fees in full.

TAX SERVICES OF MOUNT PLEASANT, LLC: The Debtor still owes this accounting firm the sum of approximately \$400.00 for services rendered and continuing to be rendered in this case until it is closed. The Debtor will pay the balance amount of \$400.00 in monthly payment of \$50.00 until these fees are paid in full.

CLASS 2 - PRIORITY CLAIMS

Internal Revenue Service: This creditor filed a proof of claim (“POC”) for a priority claim in the amount of \$97,400.41 which did not reflect the late filing of the 2013, 2014 and 2015 tax returns. The Debtor intends to file an objection to the claim to reduce the amount to \$92,117.00 accordingly. This creditor will be paid the sum of \$1,825.00 per month (which includes three (3%) percent fixed rate of interest) until the priority amount is paid in full within 5 years after the date of the order for relief. This should take approximately 52 months.

South Carolina Department of Revenue: This creditor has not filed a proof of claim, but the Debtor acknowledged a priority claim in the amount of \$10,449.05. This creditor will be paid the sum of \$210.00 per month (which includes three (3%) percent fixed rate of interest) until the priority amount is paid in full within 5 years after the date of the order for relief. This should take approximately 52 months.

Charleston County Tax Assessor: This creditor filed a proof of claim (“POC”) for a priority claim in the amount of \$2,664.17. This creditor was paid in full on or about April 21, 2016.

CLASS 3 - SECURED CLAIMS

Each of the following claims, if allowed, shall be paid through the plan in equal monthly payments until the amount of the Allowed Secured Claim as set forth below has been paid in full. This Class is deemed to be impaired.

CLASS 3 - SECURED CLAIMS TABLE

SECURED CREDITOR AND COLLATERAL DESCRIPTION	SCHEDULED AMOUNT OF SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED UNSECURED CLAIM	PROPOSED MONTHLY PAYMENT OF SECURED CLAIM
Bayer Heritage Federal Credit Union 17612 Energy Road Proctor, WV 26055	\$665,451.44	\$520,000.00	\$145,451.44	\$4,110.00

Promissory Note dated June 22, 2010, in the principal amount of \$498,000, secured by a mortgage on the debtor’s home located at 371 Clayton Drive, Charleston, SC (Tax Map No. 3101600078), recorded on October 20, 2010, in the Charleston County Register of Deeds Office at Book 150, Page 278 (the “Loan Documents”). This creditor did file a POC. The debtor’s home appraised for \$520,000.00. The debtor has agreed to pay the creditor \$520,000 over a term of twenty (20) years at a fixed annual interest rate of 7.25% which equates to a monthly payment of \$4,110.00 (the “Monthly Payment”). This payment began on or about May 15, 2016, and shall continue on the 15th of every month thereafter until paid in full. This claim will be paid through monthly payments as set forth herein until the balance of its allowed secured claim, as valued above, is paid in full.

In the event that the Debtor fails to make any of the required payments within 10 days of their due dates, then the automatic stay will be immediately modified, upon filing of an affidavit of Bayer’s counsel and entry of an order, to allow Bayer to pursue its state court remedies.

The Debtor currently pays the homeowners insurance, flood insurance, property taxes, and home owners association fees directly, and these amounts are not held in escrow by Bayer. The Debtor shall continue paying these amounts directly, and no portion of the Monthly Payment shall be held in escrow by Bayer for any amounts payable directly by the Debtor. The Monthly Payment shall be applied by Bayer directly to principal and interest due.

The Debtor has obtained property and flood insurance sufficient to cover the appraised value of the property (\$520,000). Debtor shall continue to maintain the property and flood insurance throughout the life of this Plan. In the event that the Debtor fails to maintain flood or property insurance in an amount sufficient to cover the appraised value of the property, then the automatic stay will be immediately modified, upon filing of an affidavit of Bayer’s counsel and entry of an order, to allow

Bayer to pursue its state court remedies.

The Debtor has paid the property taxes through the current tax year. Debtor shall continue to pay the property taxes on Bayer's collateral in a timely fashion and, in any event, no later than January 30 of the appropriate tax year and shall provide proof of payment to Bayer no later than January 30 of the appropriate tax year. In the event that the Debtor fails to pay the property taxes on Bayer's collateral by January 30 of the appropriate tax year or to provide proof thereof by January 30 of the appropriate tax year, then the automatic stay will be immediately modified, upon filing of an affidavit of Bayer's counsel and entry of an order, to allow Bayer to pursue its state court remedies.

The home owner's association fees for Bayer's collateral are current as of the filing of this Plan. The Debtor shall continue to maintain the home owner's association fees on Bayer's collateral throughout the life of this Plan. In the event that the Debtor fails to pay the home owner's association fees on Bayer's collateral by the 15th of every month, then the automatic stay will be immediately modified, upon filing of an affidavit of Bayer's counsel and entry of an order, to allow Bayer to pursue its state court remedies.

Bayer and the Debtor entered into a settlement agreement, which was approved by Order of this Court filed on May 18, 2016 at Docket No. 31 (the "Settlement Agreement"). The Loan Documents and Settlement Agreement shall continue in full force and effect and are incorporated into this Plan to the extent that they are not inconsistent with the terms herewith.

In the event that any of the aforementioned default provisions are triggered, Bayer shall be entitled to pursue the full amount due from the Debtor and shall in no way be bound by the claim designations set forth in this Plan, and the terms and amounts of the claims as set forth in the Settlement Agreement and the Plan are no longer in effect.

The *ex parte* relief provisions set forth herein shall remain in effect for five (5) years from the Effective Date of the Plan. In the event that the Debtor defaults on the terms contained herein or contained in the Settlement Agreement or Loan Documents after the expiration of five years from the Effective Date of the Plan, Bayer shall be entitled to seek relief from the automatic stay, if necessary, and to file a new foreclosure action against the Debtor.

The total amount of this creditor's proof of claim was \$665,451.44. However, the assets securing this claim only had a value of \$520,000.00; consequently, the debtor's plan proposes to pay the sum of \$520,000.00 as secured and treat the remaining amount of \$145,451.44 as unsecured.

CLASS 4 – JUDGMENT CREDITORS & MECHANICS LIENS

All Claims of Judgment Creditors & Mechanics Liens shall be impaired under the Plan. Such Class shall be paid a percentage of their allowed Claims without interest after the Effective Date as set forth below. This Class is deemed to be impaired.

CLASS 4 – JUDGMENT CREDITORS & MECHANICS LIENS TABLE

JUDGMENT CREDITOR	SCHEDULED AMOUNT OF SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED CLAIM	Proposed Allowed Claim Amount %	PROPOSED MONTHLY PAYMENT
Internal Revenue Service Centralized Insolvency Operation P.O. Box 7346 Philadelphia, PA 19101-7346	\$50,892.45	\$50,892.45	5%	\$43.00

A Tax Lien was recorded in Charleston County, South Carolina, Book 2010-23642, Serial Number 728035810, but this creditor. This creditor did file a POC. The tax owed is with regard to the tax period ending 12/31/2009 which was assessed on 04/05/2010. This claim will be paid through monthly payments as set forth herein until the balance of its allowed percentage of claim, as valued above, is paid in full. *The total amount of this creditor's proof of claim was \$50,892.45. The debtor's plan proposes to pay the sum of \$2,580.00 as set forth above.*

South Carolina Department of Revenue P.O. Box 12265 Columbia, SC 29211	\$42,901.35	\$42,901.35	5%	\$41.00
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Various Tax Liens were recorded in Charleston County, South Carolina by this creditor. This creditor did file a POC but did not claim for the taxes owed with regard to the tax period ending 2008 thru 2012. This claim will be paid through monthly payments as set forth herein until the balance of its allowed percentage of claim, as valued above, is paid in full. *The debtor's plan proposes to pay the sum of \$2,160.00 as set forth above.*

South State Bank Attn: Donna Lawrence P.O. Box 1900 Cornelia, GA 30531	\$10,418.22	\$10,418.22	5%	\$9.00
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A judgment was obtained on September 12, 2012, but was recorded in Charleston County, South Carolina. This creditor did file a POC. The judgment amount was \$8,101.73, accrued interest was \$2,004.09, attorney fees was \$312.40 for total judgment amount of \$10,418.22. This claim will be paid through monthly payments as set forth herein until the balance of its allowed percentage of claim, as valued above, is paid in full. *The total amount of this creditor's proof of claim was \$10,418.22. The debtor's plan proposes to pay the sum of \$540.00 as set forth above.*

South State Bank Attn: Donna Lawrence P.O. Box 1900 Cornelia, GA 30531	\$13,207.58	\$13,207.58	5%	\$11.00
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CLASS 4 – JUDGMENT CREDITORS & MECHANICS LIENS TABLE

JUDGMENT CREDITOR	SCHEDULED AMOUNT OF SECURED CLAIM	PROPOSED AMOUNT OF ALLOWED CLAIM	Proposed Allowed Claim Amount %	PROPOSED MONTHLY PAYMENT
<p>A judgment was obtained on September 12, 2012, but was recorded in Charleston County, South Carolina. This creditor did file a POC. The judgment amount was \$10,270.47, accrued interest was \$2,539.21, attorney fees was \$397.60 for total judgment amount of \$13,207.58. This claim will be paid through monthly payments as set forth herein until the balance of its allowed percentage of claim, as valued above, is paid in full. <i>The total amount of this creditor’s proof of claim was \$13,207.58. The debtor’s plan proposes to pay the sum of \$660.00 as set forth above.</i></p>				
<p>Stonecreek Homeowners Association 1643-B Savannah Highway #111 Charleston, SC 29407</p>	\$217.79	\$217.19	Not Applicable	\$0.00

This creditor did not file a proof of claim. This creditor was paid in full on or about May 10, 2016. Consequently, the debtor has not provided for a payment thereto in the plan.

CLASS 5 – EXECUTORY CONTRACTS & UNEXPIRED LEASES

All Contracts which existed as of the Filing Date between the Debtor and any individual or entity, whether such contract be in writing or oral, which have not heretofore been accepted by Final Order or in the Plan of Reorganization, are hereby specifically rejected. In particular, the Residential Rental Agreement dated May 29, 2013, for the premises located at 1085 Shop Road, Unit 438, Columbia, SC 29201, by and between the Debtor and CMM Realty, Inc. is hereby rejected (“Rental Agreement”). The Rental Agreement is month-to-month and is current. The Debtor does not expect a claim to be filed in connection with the termination of the Rental Agreement, and to the best of the Debtor’s knowledge, the Debtor does not have any other executory contracts and/or unexpired leases. Any person or entity claiming rights under an executory contract or unexpired lease rejected pursuant to the provisions of this Article or 11 U.S.C. Section 365 shall have thirty (30) days after the Confirmation Date to file a proof of claim, or such additional time as the Court, before that date, may allow. Since the Plan of Reorganization does not provide for full payment of its debts, this Class is deemed to be impaired.

CLASS 6 - CLAIMS OF GENERAL UNSECURED CREDITORS All Claims of general Unsecured Creditors shall be impaired under the Plan since the Plan of Reorganization provides for payment of only five percent (5%) of the allowed claims of Unsecured Creditors. Such Class shall be paid five percent (5%) of their allowed Claims without interest after the Effective Date as set forth in this Plan of Reorganization. Class 6(A) will be paid a lump sum for convenience purposes, and Class 6(B) will be paid monthly payments without interest as set forth in this Plan of Reorganization. Both Class 6(A) and 6(B) shall be treated as separate classes for voting purposes, and shall be deemed to be impaired.

CLASS 6(A) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
Calvary SPV I, LLC P.O. Box 27288 Tempe, AZ 85282	\$326.39	5%	\$16.00

This creditor filed a POC in the amount of \$326.39 for services provided. The debtor proposes to pay this creditor \$16.00 as set forth herein.

Carpet Care Service 403 East 5 th North Street Summerville, SC 29483	\$3,792.12	0%	\$0.00
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This creditor did not file a proof of claim. This creditor holds a judgment lien recorded in Charleston County, South Carolina, Judgment Roll No. 2006-JG-10-178. The debtor contends that the statute of limitations has run on this judgment and claim, and consequently, the debtor disputes the validity of this debt. The debtor proposes to pay this creditor \$0.00 as set forth herein.

CCI Contract Callers I Augusta, GA 30901	\$99.00	5%	\$5.00
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This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$5.00 as set forth herein.

Central Finance Control Attn: Bankruptcy P.O. Box 66044 Anaheim, CA 92816	\$6,220.00	5%	\$310.00
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This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$310.00 as set forth herein.

Credit One Bank NA Attn: Bankruptcy P.O. Box 66044 Anaheim, CA 92816	\$410.00	5%	\$20.00
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This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$20.00 as set forth herein.

CLASS 6(A) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
<p>Dynamic Recovery Solutions 135 Interstate Blvd Unit Greenville, SC 29615</p> <p>This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$16.00 as set forth herein.</p>	\$322.00	5%	\$16.00
<p>Financial Data Systems 135 Interstate Blvd Unit Greenville, SC 29615</p> <p>This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$3.00 as set forth herein.</p>	\$56.00	5%	\$3.00
<p>IC Systems Attn: Bankruptcy 444 Highway 96 East P.O. Box 64378 St. Paul, MN 55164</p> <p>This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$13.00 as set forth herein.</p>	\$247.00	5%	\$13.00
<p>Intl Coll SV/MAF Collections P.O. Box 2842 Tampa, FL 33601</p> <p>This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$33.00 as set forth herein.</p>	\$643.00	5%	\$33.00
<p>Jefferson Capital Systems, LLC 16 Mclelland Road St. Cloud, MN 5630</p> <p>This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$11.00 as set forth herein.</p>	\$209.00	5%	\$11.00
<p>SCA P.O. Box 910 Edenton, NC 27932</p>	\$587.00	5%	\$30.00

CLASS 6(A) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
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This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$30.00 as set forth herein.

South Carolina Department of Revenue P.O. Box 12265 Columbia, SC 29211	\$1,549.86	5%	\$78.00
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This creditor filed a POC in the amount of \$54,900.26 broken down into the following categories: (a) priority in the amount of \$10,449.05, (b) secured in the amount of \$42,901.35; and (c) general unsecured in the amount of \$1,549.86. The debtor will pay 5% of this claim through monthly payments as set forth herein until 5% of the balance is paid in full. *The total amount of this creditor's proof of claim was \$54,900.26. The debtor's plan proposes to pay the sum of \$10,449.05, plus 3.00% interest, as priority, \$2,160.00 as secured and \$78.00 as unsecured*

Stern Rec Services 415 N. Edgeworth St. Greensboro, NC 27401	\$66.00	5%	\$4.00
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This creditor did not file a proof of claim. The debtor proposes to pay this creditor \$4.00 as set forth herein.

CLASS 6(B) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
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Bayer Heritage Federal Credit Union 17612 Energy Road Proctor, WV 26055	\$145,451.44	5%	\$122.00 per month
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CLASS 6(A) – CLAIMS OF GENERAL UNSECURED CREDITORS

GENERAL UNSECURED CREDITORS	Unsecured Claim Amount	Proposed Allowed Unsecured Claim Amount %	Proposed Plan Payout of Unsecured Claim
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This creditor filed a POC as a secured claim in the amount of \$665,451.44 secured by a mortgage on the debtor’s home located at 371 Clayton Drive, Charleston, SC (Tax Map No. 3101600078). The debtor’s home appraised for \$520,000.00. Therefore, the remainder of this creditors claim in the amount of \$145,451.44 is unsecured. The debtor will pay 5% of this claim through monthly payments as set forth herein until 5% of the balance is paid in full. *The total amount of this creditor’s proof of claim was \$665,451.44. However, the assets securing this claim only had a value of \$520,000.00; consequently, the debtor’s plan proposes to pay the sum of \$520,000.00, plus 7.25% interest per annum, as secured and \$7,320.00 as unsecured.*

Internal Revenue Service Centralized Insolvency Operation P.O. Box 7346 Philadelphia, PA 19101-7346	\$186,074.41	5%	\$155.00 per month
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This creditor filed a POC in the amount of \$334,367.27 broken down into the following categories: (a) priority in the amount of \$97,400.41 which did not reflect the late filing for 2013, 2014 and 2015 – Debtor contends amount of priority claim is only \$92,117.00, (b) secured in the amount of \$50,892.45 for taxes assessed in 2010; and (c) general unsecured in the amount of \$186,074.41. The debtor will pay 5% of this claim through monthly payments as set forth herein until 5% of the balance is paid in full. *The total amount of this creditor’s proof of claim was \$334,367.27. However, the claim failed to reflect the tax filings for 2013, 2014 and 2015; consequently, the debtor’s plan proposes to pay the sum of \$92,117.00, plus 3.00% interest, as priority, \$2,600.00 as secured and \$9,300.00 as unsecured.*

CLASS 7.- EQUITY OWNERSHIP

Debtor is a South Carolina resident who is the sole member and manager of JS Heyward Consulting, LLC, a South Carolina limited liability company. Under this plan there is no distribution provided for the equity holders of the debtor. This class will receive no monies; however, the ownership, by members of this Class shall be retained. This Class shall be deemed to be not impaired.

/S/Robert A. Pohl

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Date: August 12, 2016
Greenville, South Carolina