

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:)
) Case No. 16-03240-HB
CCC OF FAIRPLAY, LLC)
) Chapter 11
) Jointly Administered
) and Substantively Consolidated

These jointly administered cases are those of the following debtors: CCC Land Company, LLC, Case No. 16-03241-hb and CCC of Fairplay, LLC, Case No.: 16-03240-hb.

**JOINT DEBTORS' DISCLOSURE STATEMENT PURSUANT TO SECTION 1125 OF THE
BANKRUPTCY CODE**

Respectfully submitted,

/s/ Randy A. Skinner
Randy A. Skinner, Fed. Id. #5412
300 N. Main Street, Suite 201A
Greenville, SC 29601
(864) 232-2024 (Telephone)
(864) 232-8496 (Facsimile)
rskinner@skinnerlawfirm.com
Attorney for CCC of Fairplay, LLC
and CCC Land Company, LLC

Dated: February 1, 2017

GLOSSARY OF TERMS

For purposes of this disclosure statement, all capitalized terms used but not defined in this disclosure statement shall have the meaning given them in the plan.

I. INTRODUCTION

CCC of Fairplay, LLC, debtor and debtor in possession of Case No.: 16-03240-hb (“**CCC Fairplay**”); and **CCC Land Company, LLC**, debtor and debtor-in-possession of **Case No. 16-03241-hb** (“**CCC Land**”); (collectively, the “**Debtors**” and each individually a “**Debtor**”); submit this disclosure statement pursuant to Section 1125 of the bankruptcy code to holders of claims against and equity interests in the Debtors in connection with (i) the solicitation of votes to accept or reject the plan, a copy of which is attached hereto and incorporated herein as Exhibit A, filed with the bankruptcy court by the Debtors and (ii) the hearing to consider confirmation of the plan scheduled for _____, commencing at _____ prevailing Eastern Time.

Chapter 11 is the principal business reorganization chapter of the U.S. Bankruptcy Code. Under Chapter 11 of the bankruptcy code, a debtor is authorized to reorganize or liquidate its business for the benefit of itself, its creditors and its equity interest holders. In addition to permitting the rehabilitation of a debtor, another goal of Chapter 11 is to promote equality of treatment for similarly situated creditors and similarly situated equity interest holders with respect to the distribution of a debtor’s assets.

The commencement of the bankruptcy cases creates estates that are comprised of all of the legal and equitable interests of the debtor as of the commencement date. The bankruptcy code provides that a debtor may continue to operate its business and remain in possession of its property as a “debtor in possession.”

The consummation of the plan is the principal objective of a Chapter 11 reorganization case. The plan sets forth the means for satisfying claims against and interests in a debtor. Confirmation of the plan by the bankruptcy court binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the bankruptcy code.

Certain holders of claims against and interests in a debtor are permitted to vote to accept or reject the plan. Prior to soliciting acceptances of the plan, Section 1125 of the bankruptcy code requires the debtor to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding the plan. Chapter 11 does not require that each holder of a claim against or interest in the Debtor vote in favor of the plan in order for the plan to be confirmed. At a minimum, however, the plan must be accepted by at least one class of claims impaired under the plan, such acceptance being made by the holders of a majority in number and two-thirds in amount of the claims actually voting in such class. The Plan Proponent is submitting this disclosure statement to holders of claims against and interests in the Debtor to satisfy the requirements of Section 1125 of the bankruptcy code.

The plan in these cases is a plan of liquidation. The plan shall be funded through the sale of all of the real estate and certain related assets of each of the Debtors to **Mason Jar 101, LLC**, or its designee or assignee (“**Purchaser**”) Agreement or any eventual successful bidder at a court ordered, approved, and conducted sale of the assets of the Debtors, together with the effective collection and liquidation of the remaining assets of the Debtors by the Estate Representative into cash for the benefit of creditors of the

Debtors. Descriptions of the Estate Representative and the remaining assets are set forth in this disclosure statement.

This plan is the result of careful and lengthy review and analysis of the Debtors' assets and numerous alternatives. The plan also represents the result of significant and meaningful discussions and negotiations between the Debtors and the Purchaser.

A. Exhibits and Schedules to the Disclosure Statement.

Attached as Exhibits to this disclosure statement are the following documents:

- The Plan (**Exhibit A**)
- Order of the bankruptcy court dated _____ (the "**Disclosure Statement Order**"), among other things, approving this disclosure statement and establishing certain procedures with respect to the solicitation and tabulation of votes to accept or reject the plan (**Exhibit B**)
- Liquidation Analysis (**Exhibit C**)
- Purchase Agreement (**Exhibit D**)

In addition, a ballot for voting on the plan is enclosed with this disclosure statement distributed to the holders of claims that are entitled to vote to accept or reject the plan.

B. Disclosure Statement Order.

On _____, after notice and a hearing, the bankruptcy court entered the Disclosure Statement Order, a copy of which is attached hereto as **Exhibit B**, approving this disclosure statement as containing adequate information of a kind and in sufficient detail to enable hypothetical, reasonable investors typical of the Debtors' creditors to make an informed judgment whether to accept or reject the Plan. **APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN.**

The Disclosure Statement Order sets forth in detail the deadlines, procedures, and instructions for voting to accept or reject the plan and for filing objections to confirmation of the plan, the record date for voting purposes, and the applicable standards for tabulating ballots. In addition, detailed voting instructions accompany each ballot. Each holder of a claim entitled to vote on the plan should read this disclosure statement, the plan, the Disclosure Statement Order, and the instructions accompanying the ballot in their entirety before voting on the plan. These documents contain important information concerning the classification of claims for voting purposes and the tabulation of votes. No solicitation of votes to accept the plan may be made except pursuant to Section 1125 of the bankruptcy code.

C. Classification of Claims and Equity Interests.

Section 1122 of the bankruptcy code requires that the plan classify the claims of the Debtors' creditors and the interests of their equity holders. The bankruptcy code also provides that, except for certain claims classified for administrative convenience, a plan may place a claim of a creditor or an interest of an equity holder in a particular class only if such claim or interest is substantially similar to the other claims or interest of such class. The bankruptcy code also requires that a plan provide the same treatment for each claim or interest agrees to a less favorable treatment of its claim or interest.

The Debtors believe that the plan has classified all claims against and equity interests in the Debtors in compliance with the requirements of the bankruptcy code. A detailed discussion of the classification treatment of claims and equity interests is set forth in this disclosure statement.

D. Holders of Claims Entitled to Vote.

Pursuant to the provisions of the bankruptcy code, only holders of allowed claims or equity interests in classes of claims or equity interests that are impaired and that are not deemed to have rejected the plan are entitled to vote to accept or reject the plan. Pursuant to Section 1126(f) of the bankruptcy code, classes of claims or equity interests in which the holders of claims or equity interests are unimpaired under the plan are deemed to have accepted the plan and are not entitled to vote to accept or reject the plan. Pursuant to Section 1126(g) of the bankruptcy code, classes of claims or equity interests in which the holders of claims or equity interests will receive no recovery under the plan are deemed to have rejected the plan and are not entitled to vote to accept or reject the plan.

The bankruptcy code defines “acceptance” of the plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in dollar amount and more than one-half in number of the claims that cast ballots for acceptance or rejection of the plan. With respect to the creditors of CCC Fairplay, LLC and CCC Land Company, LLC, holders of Class 2 and 3 Claims and holders are impaired. Thus, acceptance of the plan by Classes 2 and 3 will occur only if at least two-thirds in dollar amount and a majority in number of the holders of allowed Class 2 and 3 claims that cast their ballots in favor of acceptance of the plan. A vote may be disregarded if the bankruptcy court determines, after notice and a hearing, that such acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the bankruptcy code.

For a more detailed description of the requirements for confirmation of the plan, see this disclosure statement.

If a class of claims entitled to vote on the plan rejects the plan, the plan may be confirmed pursuant to Section 1129(b) of the bankruptcy code. Section 1129(b) of the bankruptcy code permits the confirmation of the plan notwithstanding the non-acceptance of the plan by one or more impaired classes of claims or equity interests. Under Section 1129(b) of the bankruptcy code, the plan may be confirmed by the bankruptcy court if it does not “discriminate unfairly” and is “fair and equitable” with respect to each non-accepting class. A more detailed description of the requirements for confirmation of a nonconsensual plan is set forth in this disclosure statement. If any impaired class under the plan fails to accept the plan in accordance with Section 1129(a)(8) of the bankruptcy code, the Debtors reserve the right to request that the bankruptcy court confirm the plan in accordance with Section 1129(b) of the bankruptcy code with respect to such rejecting class(es).

E. Voting Procedures.

If you are entitled to vote to accept or reject the plan, a ballot is enclosed for the purpose of voting on the plan. If you hold claims in more than one class and you are entitled to vote claims in more than one class, you will receive separate ballots, which must be used for each separate class of claims. Each ballot contains detailed instructions for completing and submitting the ballot. Please vote and return your ballot(s) to the respective location specified in the instructions accompanying each ballot.

DO NOT RETURN ANY NOTES OR OTHER SECURITIES WITH YOUR BALLOT.

TO BE COUNTED, YOUR BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE FORWARDED IN ACCORDANCE WITH THE ACCOMPANYING INSTRUCTIONS IN SUFFICIENT TIME FOR IT TO BE RECEIVED BY COUNSEL FOR THE DEBTORS, RANDY A. SKINNER, 300 N. MAIN STREET, SUITE 201A, GREENVILLE, SC 29601, NO LATER THAN 4:00 P.M., PREVAILING EASTERN TIME, ON _____.
PLEASE FOLLOW CAREFULLY THE INSTRUCTIONS CONTAINED IN YOUR BALLOT. ANY EXECUTED BALLOT RECEIVED THAT DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN SHALL NOT BE COUNTED.

Any claim in an impaired class as to which an objection or request for estimation is pending or which is scheduled by the Debtors as unliquidated, disputed, or contingent and for which no proof of claim has been filed is not entitled to vote unless the holder of such claim has obtained an order of the bankruptcy court temporarily allowing such claim for the purpose of voting on the plan.

If you are a holder of a claim entitled to vote on the plan and you did not receive a ballot, received a damaged ballot, or lost your ballot, or if you have any questions concerning this disclosure statement or the plan, please counsel for the Debtors, Randy A. Skinner at (864) 232-2007.

F. Confirmation Hearing

Pursuant to Section 1128 of the bankruptcy code, the confirmation hearing will be held on _____, commencing at _____. prevailing Eastern Time, before the Honorable Helen Elizabeth Burris, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of South Carolina (Spartanburg) with an address of Donald Stuart Russell Federal Courthouse, 201 Magnolia Street Spartanburg SC 29306.

PURSUANT TO THE DISCLOSURE STATEMENT ORDER, THE BANKRUPTCY COURT HAS DIRECTED THAT OBJECTIONS, IF ANY, TO CONFIRMATION OF THE PLAN MUST BE IN WRITING, AND: (A) STATE THE NAME AND ADDRESS OF THE OBJECTING PARTY AND THE NATURE OF THE CLAIM OR INTEREST OF SUCH PARTY; (B) STATE WITH PARTICULARITY THE LEGAL AND FACTUAL GROUNDS OF ANY OBJECTION OR PROPOSED MODIFICATION; (C) PROVIDE, WHERE APPLICABLE, THE SPECIFIC TEXT THAT THE OBJECTING PARTY BELIEVES TO BE APPROPRIATE TO INSERT INTO THE PLAN; AND (D) BE FILED, TOGETHER WITH PROOF OF SERVICE, WITH THE BANKRUPTCY COURT AND SERVED ON: COUNSEL FOR DEBTORS, RANDY A. SKINNER, 300 NORTH MAIN STREET, SUITE 210A, GREENVILLE, SOUTH CAROLINA 29601, SUCH AS TO BE ACTUALLY RECEIVED NO LATER THAN _____. UNLESS AN OBJECTION IS TIMELY FILED AND SERVED AS PROVIDED HEREIN, IT MAY NOT BE CONSIDERED AT THE CONFIRMATION HEARING.

The confirmation hearing may be adjourned from time to time by the bankruptcy court without further notice except for the announcement of the adjournment date made at the confirmation hearing or at any subsequent adjourned confirmation hearing.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN, AND THE DELIVERY OF THIS DISCLOSURE STATEMENT SHALL NOT CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION STATED SINCE THE DATE HEREOF. HOLDERS OF CLAIMS AND INTERESTS SHOULD CAREFULLY READ

THIS DISCLOSURE STATEMENT IN ITS ENTIRETY, INCLUDING THE PLAN, PRIOR TO VOTING ON THE PLAN.

THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED WITH, OR APPROVED OR DISAPPROVED BY, THE SECURITIES AND EXCHANGE COMMISSION, AND THE COMMISSION HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

FOR THE CONVENIENCE OF HOLDERS OF CLAIMS AND INTERESTS, THIS DISCLOSURE STATEMENT SUMMARIZES THE TERMS OF THE PLAN. IF ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THIS DISCLOSURE STATEMENT, THE TERMS OF THE PLAN ARE CONTROLLING. THIS DISCLOSURE STATEMENT MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, AND NOTHING STATED HEREIN SHALL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTORS OR THE PURCHASER OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON THE DEBTOR OR HOLDERS OF CLAIMS OR INTERESTS. CERTAIN OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT, BY NATURE, ARE FORWARD-LOOKING AND CONTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES. ALL HOLDERS OF CLAIMS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN ARTICLE IV OF THIS DISCLOSURE STATEMENT BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

SUMMARIES OF CERTAIN PROVISIONS OF AGREEMENTS REFERRED TO IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE COMPLETE AND ARE SUBJECT TO, AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO, THE FULL TEXT OF THE APPLICABLE AGREEMENT, INCLUDING THE DEFINITIONS OF TERMS CONTAINED IN SUCH AGREEMENT.

THE DEBTORS BELIEVE THAT THE PLAN WILL ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS, THEIR CHAPTER 11 ESTATES, AND THEIR CREDITORS.

NO REPRESENTATIONS OR ASSURANCES, IF ANY, CONCERNING THE DEBTORS (INCLUDING, WITHOUT LIMITATION, FUTURE BUSINESS OPERATIONS) OR THE PLAN ARE AUTHORIZED BY THE DEBTORS OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE BY ANY PERSON TO SECURE YOUR VOTE THAT ARE OTHER THAN HEREIN CONTAINED SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATIONS OR INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTORS FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE.

THE DEBTORS URGE CREDITORS TO VOTE TO ACCEPT THE PLAN.

II. BACKGROUND OF THE DEBTORS

A. General Overview of the Debtors' Businesses.

1. Ownership and Purpose

CCC Fairplay and CCC Land are each owned in equal interests by Jeffrey Neil Shore and Jodi Carson Shore, all as more fully set forth in their respective corporate ownership statements filed pursuant to Bankruptcy Rule 7007.1 on June 30, 2016 and their respective statements of financial affairs filed on July 15, 2016. Jeffrey Shore is the managing member of both Debtors.

CCC Land was formed in 2010 to acquire the real property, located at 207 Farm House Lane, Fair Play, South Carolina (the "Property") then being used as an existing assisted living facility. The Property was purchased for \$850,000.00, funded by a down payment of \$75,000.00 from the Shores, a first mortgage from Carolina First Bank for \$685,000.00 secured by a U.S. Small Business Administration note ("Note") executed by both Debtors and guaranteed by the Shores, a mortgage, an assignment of rents, an assignment of lease. The individual seller and former proprietor of the facility, Tina Zabolowski, also retained a second mortgage secured by the real property in the amount of \$90,000.00.

CCC Fairplay was formed as the entity to operate the facility and is licensed with the South Carolina Department of Environmental Control as a 14- bed "Community Residential Care Facility" and is identified with the South Carolina Lieutenant Governor's Office on Aging as an "Assisted Living Facility." CCC Fairplay is also licensed to provide Alzheimer's care to its patients.

During its operations, the facility has experienced no substantive complaints regarding the care of its occupants. In fact, the residents have consistently express high regard for their care and the condition of the facilities.

CCC Fairplay leases the Property according to the terms of a memorandum of lease from CCC Land which is subject to the assignment of rents and assignment of lease granted to Carolina First. By the terms of this lease, CCC Fairplay pays the monthly mortgage payments directly to the mortgagees, along with all taxes, insurance, and other costs associated with occupying the property. CCC Fairplay owes CCC Land rent arrears of \$86,713.00, as of the petition date. However, this arrearage is uncollectible for the reasons stated herein.

CCC Fairplay also granted Carolina First a security agreement and filed UCC thereby pledging substantially all of its assets, including accounts receivable as collateral for this loan. TD Bank, N.A., is now the successor by merger with Carolina First Bank and is the owner and holder of the Carolina First note, mortgage, assignment of rents, assignment of lease, and security agreement.

2. Significant Events Related to Debtors' Efforts to Reorganize and Proposed Sale

In the late spring and summer of 2015, CCC Fairplay suffered a significant downturn in occupancy in the facility. Six of the fourteen beds became vacant during this time, largely due to poor foresight by the then on-site manager charged with marketing the facility in anticipation of the typical, recurring turnover of residents due to aging health and mortality.

Consequently, the Debtors defaulted in the payment of the TD Bank note and mortgage. On December 21, 2015, TD Bank instituted an action in the Oconee County Court of Common Pleas to foreclose on the Property securing the note. On May 18, 2016, the Master in Equity for Oconee County entered the Master in Equity's Order and Judgment of Foreclosure and Sale ("Foreclosure Order"),

granting, among other things, TD Bank foreclosure of its interests in the Property. The foreclosure sale was scheduled to occur on July 5, 2016.

On June 30, 2016, both CCC Fairplay and CCC Land filed separate voluntary Chapter 11 bankruptcy petitions in the United States District Court for the District of South Carolina to stay the pending foreclosure sale. This court later, on August 17, 2016, entered an order authorizing joint administration and substantive consolidation of both cases.

As required by Section 333(a)(2) of the bankruptcy code in any case involving a debtor operating an assisted living facility, the court has appointed a health care ombudsman to inspect, monitor, and file regular reports with the court concerning the care of the residents. None of these reports have disclosed any irregularity regarding their care.

Since the bankruptcy filing, occupancy has risen to as much as 12 beds, but has also dropped to below 10-bed occupancy. In any event, the Debtors concede that the present size of the facility and market rents for occupancy cannot support the operating expenses and the existing level of debt service.

The appraised value of the real property owned by CCC Land is \$900,000. The approximate value of the assets of CCC Fairplay, the operating entity, is \$18,193. However, the Debtors believe these values are not realistic. After extensive efforts by the Debtors' realtor to market the property for sale, the Debtors believe the Purchaser is the only realistic purchaser of the properties at the proposed purchase price of \$715,000. Following the proposed acquisition of the property, the Purchaser intends to upfit and expand the facility

The Debtors' plan generates the highest recovery for all claimants by the Debtors selling all of their rights in the Property to Purchaser, thus perpetuating the operations of the facility and allowing the current residents to enjoy undisturbed and continued, quality care and accommodations.

3. Financial Summary.

- a. As stated in Section II.A.2, above, the approximate value of the assets of CCC Fairplay, the operating entity, was \$18,193.19, as of the petition date. CCC Fairplay's unsecured liabilities total \$150,410.00.
- b. CCC Land's only asset is the real property, located at 207 Farm House Lane, Fair Play, South Carolina, which has been previously valued at \$900,000.00. As noted above, this value is not realistic and the Debtors believe the Purchaser is the only party willing to purchase the assets of both Debtors at the proposed purchase price of \$715,000.00.

CCC Land's only unsecured debt, in the amount of \$62,000.00, is owed to Jeffrey Shore for mortgage payments personally made to TD Bank on behalf of the Debtor. Further, Tina Zaborowski's second mortgage, in the amount of \$90,000.00, is wholly unsecured in that the value of CCC Land's assets is exceeded by the amount of the debt owed to the first mortgage holder, TD Bank, as stated below.

- c. Both Debtors jointly owe TD Bank \$707,759.28, according to the calculations of the Debtors, as of the petition date, which is secured by substantially all of their joint assets. However, TD Bank has filed a proof of claim alleging an indebtedness of \$738,036.89, as of the same date. This discrepancy will be resolved by the court once the Debtors file their objection to the amount of this claim.

- d. Revenue from the operation of the assisted living facility constitutes the only income of the Debtors. Since the petition date, monthly revenue has fluctuated between \$29,000.00 and \$34,000.00 with average monthly operation expenses of \$32,000.00, including monthly, agreed upon debt service payments to TD Bank of \$3,500.00.

4. Purchase Agreement. Each Debtor is, or is to become, a party to the Purchase Agreement. The Purchase Agreement is attached hereto as Exhibit D. Pursuant to the sale, at the closing, Purchaser shall purchase, accept and acquire from each Debtor, and each Debtor shall sell, transfer, assign, convey and deliver to Purchaser, free and clear of all encumbrances (other than permitted exceptions), claims and other interests, the property applicable to such Debtor. The filing of the plan shall constitute a motion (or a supplement to the extent a separate motion is already filed) for an order of the bankruptcy court approving, pursuant Sections 363, 364, 365, 1123, and 1129 of the bankruptcy code, the purchase agreement and the transactions and actions contemplated thereunder.

III. EVENTS IN THE CHAPTER 11 CASE

A. Bankruptcy Filing And Activity.

On the petition date, the Debtors filed voluntary petitions under Chapter 11 of the bankruptcy code. The Debtors also filed schedules and Statements of Financial Affairs. Other notable pleadings include:

1. Health Care Ombudsman, A. Dale Watson, appointed;
2. Order granting joint administration and substantive consolidation of both Debtors;
3. Final consent order authorizing Debtor's use of cash collateral

B. Retention of Legal Counsel and Financial Professionals.

The bankruptcy court has entered orders authorizing the Debtors to retain the Randy A. Skinner to assist in this Chapter 11 Case.

C. Schedules and Statements.

The Debtors each filed schedules and statements of financial affairs on July 15, 2016, which were amended on September 8, 2016 to add additional claims held by Jeffrey Shore against CCC Fairplay.

D. Meeting of Creditors.

On July 25, 2016, the United States Trustee filed a statement that no creditor committee has been appointed in either case. On July 29, 2016, the United States Trustee conducted Section 341 meetings of creditors as to each Debtor.

E. Avoidance Actions

The Debtors are of the opinion that no transfers or fraudulent conveyances, pursuant to the provisions of the bankruptcy code and applicable state law, exist to pursue on behalf of the bankruptcy estate.

IV. THE PLAN

The plan is attached hereto and incorporated herein as **Exhibit A**. The summary description of the plan is qualified in its entirety by reference to the full text of the plan. The following tables classify claims and equity interests for all purposes, including voting, confirmation and distribution pursuant hereto and pursuant to Sections 1122 and 1123(a)(1) of the bankruptcy code. The plan deems a claim or equity interest to be classified in a particular class only to the extent that the claim or equity interest qualifies within the description of that class and shall be deemed classified in a different class to the extent that any remainder of such claim or equity interest qualifies within the description of such different class. A claim or equity interest is in a particular class only to the extent that any such claim or equity interest is allowed in that class and has not been paid or otherwise settled prior to the Effective Date.

A. Claims and Equity Interests. The plan divides claims and equity interests of the Debtors into various classes for all purposes, including voting, confirmation and distribution pursuant to the plan, as follows:

Class	Claimant	Status	Voting Rights
Unclassified Claims	Administrative claims, professional claims, priority tax claims and priority non-tax claims	Unimpaired	No (deemed to accept)
Class 1	All non-insider unsecured creditors	Unimpaired	No (deemed to accept)
Class 2	TD Bank, 1 st priority mortgage holder & secured creditor	Impaired	Yes
Class 3	Tina Zaborowski, 2 nd mortgage holder	Impaired	Yes
Class 4	Insider unsecured creditors	Unimpaired	No (deemed to accept)
Class 5	Equity Interests	Unimpaired	No (deemed to accept)

B. Reserve Fund

A Reserve Fund, in the amount of \$100,000.00, shall be carved out from the funds ordinarily due to the secured creditors, from the proceeds resulting from the sale of the Debtors' Property under the Purchase Agreement to pay all Unclassified Claims and Class 1 claims. After all such claims are paid and satisfied, any unused portion of the Reserve Fund shall be paid to TD Bank. The Debtors believe that sufficient funds will exist to satisfy the administrative claims, professional claims, priority tax claims and priority non-tax claims under the plan.

C. Administrative Claims (Excluding Professional Claims)

As soon as practicable after the later of the Effective Date and the date the claim becomes an allowed administrative claim, each holder of an allowed administrative claim (excluding professional claims which shall be treated as set forth in Section 3.2) against a Debtor will receive in full satisfaction, settlement, release and discharge of and in exchange for such allowed administrative claim (excluding professional claims) a distribution from that Debtor (i) in cash equal to the unpaid portion of such allowed administrative claim against that Debtor, or (ii) in such amounts and on such other terms as may be

agreed between the holder of an allowed administrative claim, such Debtor and Purchaser pursuant to the Purchase Agreement; provided, however, that administrative claims representing obligations incurred in the ordinary course of business may be paid by each Debtor in accordance with the terms of the particular agreements under which such administrative claims arise. Among such claims, the Debtors anticipate a quarterly fee payment to be due to the United States Trustee, pursuant to 28 Section 1930 of the U.S. Code, in the amount of approximately \$4,875.00 from the sale of the Debtors' Property.

D. Professional Claims.

All persons and/or entities seeking an award by the bankruptcy court of compensation for professional claims against the Debtors (a) shall file their respective final applications for allowances of compensation, for services rendered and reimbursement of expenses incurred through Effective Date for the Debtors, by the date that is ninety (90) days after the Effective Date or such other date as may be fixed by the bankruptcy court, and (b) if granted such an award by the bankruptcy court, will receive in full satisfaction, settlement, release and discharge of and in exchange for such professional claim a distribution from the Reserve Fund (i) in cash equal to the unpaid portion of such allowed professional claim against the Debtors, or (ii) in such amounts as are allowed by the bankruptcy court on the date such claim becomes an allowed claim, or within ten (10) days thereafter.

E. Priority Tax Claims.

As soon as practicable after the later of the Effective Date and the date the claim becomes an allowed priority tax claim, each holder of an allowed priority tax claim against a Debtor will receive in full satisfaction, settlement, release and discharge of and in exchange for such allowed priority tax claim a distribution from the Reserve Fund (i) in cash equal to the unpaid portion of such allowed priority tax claim against that Debtor, or (ii) in such amounts and on such other terms as may be agreed between the holder of an allowed priority tax claim, Debtor and Purchaser pursuant to the Purchase Agreement. Among such claims, Oconee County is owed 2016 real estate taxes in the amount of \$2,593.18.

F. Priority Claims.

In full and complete satisfaction, discharge and release of its priority claim, each holder of an allowed priority non-tax claim will receive a distribution from the Reserve Fund (i) in cash equal to the unpaid portion of such allowed priority non-tax claim against the Debtors, or (ii) in such amounts and on such other terms as may be agreed between the holder of the allowed priority non-tax claim, Debtor and Purchaser pursuant to the Purchase Agreement, or (iii) in accordance with the terms of the particular agreement under which such priority non-tax claim arose.

G. Treatment of Claims Against and Interests in the Debtors

1. Class 1: Non-Insider Unsecured Claims.

(a) Impairment and Voting. Class 1 consists of all of the unsecured claims against either Debtor which are not held by an insider of either Debtor, as defined by Section 101(31) of the bankruptcy code. Class 1 is unimpaired. Each Class 1 claimant is conclusively presumed to have accepted the plan and is not entitled to vote to accept or reject the plan pursuant to Section 1126(f) of the bankruptcy code.

(b) Treatment. Except to the extent that a holder of an allowed unsecured, non-insider claim agrees to a different treatment, each

holder of an allowed unsecured, non-insider claim shall receive cash from the Reserve Fund in an amount equal to the an allowed unsecured, non-insider claim, on the later of (i) (x) the closing date or (y) the Effective Date and (ii) the date such unsecured, non-insider claim becomes an allowed unsecured, non-insider claim, or as soon thereafter as is practicable. The total of these claims is anticipated to be less than \$1,000.00

2. Class 2: TD Bank

(a) Impairment and Voting. Class 2 shall consist of the Claims of TD Bank. Class 2 is Impaired. As a Class 2 claimant, TD Bank is entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that TD Bank has been paid by the Debtors prior to the Effective Date or agrees to a different treatment, TD Bank shall be paid \$600,000.00 in full and complete satisfaction of the TD Bank's allowed secured claim on the later of: (i) the closing date, or (ii) the Effective Date. In the event of an upset bid by a successful bidder at a court ordered, approved, and conducted sale of the assets of the Debtors, TD Bank shall receive any and all funds in excess of the Purchase Price of \$715,000.00 contemplated in the Purchase Agreement up to the allowed amount of its claim. TD Bank shall retain its lien securing its allowed secured claim as of the confirmation date until all distributions have been made as provided in this section. The deficiency claim of TD Bank, as to the bankrupt Debtors, is waived with the exception of TD Bank's entitlement to the unused portion of the Reserve Fund.

3. Class 3: Tina Zaborowski, 2nd mortgage holder

(a) Impairment and Voting. Class 3 shall consist of the secured claim of Tina Zaborowski. Class 3 is impaired. As a Class 3 claimant, Tina Zaborowski is entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that Tina Zaborowski agrees to a different treatment, Tina Zaborowski shall receive cash in the amount of \$15,000.00 in full and complete satisfaction of the allowed secured claim of Tina Zaborowski on the later of: (i) the closing date, or (ii) the Effective Date. In the event a court ordered, approved, and conducted sale generates proceeds in excess of the Purchase Price of \$715,000.00 contemplated in the Purchase Agreement and sufficient to satisfy the allowed amount of TD Bank's claim, Tina Zaborowski shall receive any remaining excess proceeds up to the allowed amount of her claim. She shall also retain her lien securing the allowed secured claim as of the confirmation date until all distributions have been made as provided in the plan. The deficiency claim of Tina Zaborowski is waived.

4. Class 4: Insider Unsecured Creditors

(a) Impairment and Voting. Class 4 shall consist of the unsecured claims against either Debtor which are held by an insider of either Debtor as defined by Section 101(31) of the bankruptcy code. Class 4 is

unimpaired as a result of their agreed upon treatment, set forth below. Class 4 claimants are conclusively presumed to have accepted the Plan and are not entitled to vote to accept or reject the plan pursuant to Section 1126(f) of the bankruptcy code.

(b) Treatment. Insider Unsecured Creditors, in support of the successful completion of the Plan, forever waive and fully and completely release all of their claims, effective on the later of: (i) the closing date, or (ii) the Effective Date. However, Insider Unsecured Creditors shall retain their claims, as of the confirmation date, until all distributions have been made as provided in the plan.

5. Class 5: Claims of Equity Interests.

(a) Impairment and Voting. Class 5 shall consist of the equity interests of both Debtors. Class 5 is unimpaired as a result of their agreed upon treatment, set forth below. Class 5 claimants are conclusively presumed to have accepted the plan and are not entitled to vote to accept or reject the plan pursuant to Section 1126(f) of the bankruptcy code.

(b) Treatment. The equity interests of both Debtors in support of the successful completion of the plan, forever waive and fully and completely release all of their claims, effective on the later of: (i) the closing date, or (ii) the Effective Date. However, the equity interests of both Debtors shall retain their claims, as of the confirmation date, until all distributions have been made as provided in the plan.

H. Distributions Under the Plan.

1. Delivery of Distributions. Subject to Bankruptcy Rule 9010, all distributions under the plan to holders of allowed claims shall be made to the holder of each allowed claim at the address of such holder as listed on the schedules as of the Distribution Record Date unless a reorganized Debtor or the Estate Representative has been notified in writing of a change of address, including, without limitation, by the timely filing of a proof of claim by such holder prior to the Distribution Record Date that provides an address for such holder different from the address reflected on the schedules. In the event that any distribution to any such holder is returned as undeliverable, the Estate Representative for the reorganized Debtors shall use reasonable efforts to determine the current address of such holder, but no distribution to such holder shall be made unless and until the Estate Representative has determined the then current address of such holder, at which time such distribution shall be made to such holder; provided, however, that, at the expiration of one (1) year from the Effective Date such distributions shall be deemed unclaimed property and shall be treated in accordance with Section 9.4 of the plan.

2. Distributions by Estate Representative. The Estate Representative shall make distributions under the plan. On the Effective Date, the Estate Representative, on behalf of holders of allowed classes of claims (as more particularly set forth in this plan) shall take all steps necessary to establish the Plan Distribution Accounts. Immediately following the closing pursuant to the Purchase Agreement, the Estate Representative shall transfer to the applicable Plan Distribution Accounts the proceeds from the Purchase Price. The Plan Distribution Accounts shall be established for the sole purpose of allowing distributions to occur to all claimants entitled to such distributions. All distributions required to be made under the Plan shall be made in conformity with Article IX of the Plan.

3. Disputed Claims. With respect to disputed claims, any distribution otherwise payable to the holders of such claims shall be held in a reserve account by the Estate Representative pending resolution of the disputed status of such claim. After final resolution has been reached with respect to the disputed claims, any remaining property held in such reserve account will be distributed in accordance with the plan. Notwithstanding any other provision hereof, if any portion of a claim is a disputed claim, no payment or distribution provided hereunder shall be made on account of such claim unless and until such disputed claim becomes an allowed claim.

4. Distribution After Allowance. Subject to any applicable restrictions in this plan, after such time as an unsecured claim becomes an allowed claim, the Estate Representative shall distribute to the holder thereof the distributions, if any, to which such holder is then entitled under the plan. Such distributions to holders of allowed unsecured claims shall be made as set forth in Section 9.4 of the plan.

5. No Partial Distribution. The Estate Representative shall not make any partial distributions to any holder of any disputed claims pending resolution of such disputed claims.

6. Fractional Dollars. Notwithstanding anything to the contrary contained in the plan, the Estate Representative shall not be required to make distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under the plan would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

7. Undeliverable Checks or Uncashed Checks. Checks issued on account of allowed claims shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Any claim in respect of such voided check shall be made in writing on or before the first subsequent distribution after the date of the voided check. After that date, all claims in respect of void checks shall be discharged and forever barred and the proceeds of those checks shall be treated as unclaimed property in accordance with this plan and Section 347(b) of the bankruptcy code.

8. Unclaimed Property. All distributions under the plan that are unclaimed for a period of one (1) year after distribution thereof shall be deemed unclaimed property under Section 347(b) of the bankruptcy code and any entitlement of any holder of any claim to such distribution shall be extinguished and forever barred.

9. Untimely Claims. Except as otherwise agreed by the Estate Representative, any claim filed after the applicable bar date shall be deemed disallowed and expunged without further notice, action or order of the bankruptcy court, and holders of such claims shall not receive any distribution on account of such claims.

10. Interest on Claims. Except as specifically provided for in the plan, interest shall not accrue on claims, and no holder of a claim shall be entitled to interest accruing on or after the Effective Date on any claim. Interest shall not accrue or be paid on any disputed claim in respect of the period from the petition date to the date a final distribution is made thereon if that disputed claim becomes an allowed claim. Except as expressly provided herein or in a final order of the court, no prepetition claim shall be allowed to the extent that it is for post-petition interest or other similar charges.

11. No Recourse. No claimant shall have recourse to the Debtor and the Estate Representative or the committee other than for the enforcement of rights or distributions.

I. Treatment of Disputed Claims.

1. Objection to Claims. The Estate Representative on behalf of the reorganized Debtors shall be entitled to object to claims, (other than any claims assumed by Purchaser under the Purchase Agreement and/or settled pursuant to this plan and/or any settlement agreement), including claims set forth on the schedules. Purchaser shall be entitled to object to any claims assumed under the Purchase Agreement except for those claims settled pursuant to this plan and/or any settlement agreement. Any such objections to claims shall be filed and served on or before the later of (i) 60 days after the Effective Date, (ii) such date as may be fixed by the bankruptcy court, whether fixed before or after the date specified in clause (i) above; and (iii) 120 days after the date of filing of the applicable proof of claim or request for payment of an administrative claim.

2. Resolution of Disputed Claims. Subject to the terms of the plan with respect to previously allowed claims, all objections to claims shall be litigated to a final order except to the extent the Estate Representative elects to withdraw any such objection or the Estate Representative and the claimant elect to compromise, settle or otherwise resolve any such objection, in which event the Estate Representative may settle, compromise or otherwise resolve any disputed claim without approval of the bankruptcy court.

3. Estimation. The Estate Representative may, at any time, request that the bankruptcy court estimate any disputed claim pursuant to Section 502(c) of the bankruptcy code regardless of whether the Estate Representative has previously objected to such claim, and the bankruptcy court will retain jurisdiction to estimate any claim at any time, including during litigation concerning any objection to such claim.

4. Distribution on Disputed Claims. No distributions shall be made with respect to a disputed claim until such disputed claim becomes an allowed claim. In the event, and to the extent, a disputed claim becomes an allowed claim after the Effective Date, the holder of such allowed claim shall receive such distributions as to which such holder is then entitled under the plan.

J. Executory Contracts and Unexpired Leases.

1. Assumption or Rejection of Executory Contracts. All executory contracts and unexpired leases to which a Debtor is a party shall be deemed rejected, pursuant to Sections 365 and 1123 of the bankruptcy code, on the confirmation date except those executory contracts or unexpired leases that: (i) have been assumed by the Debtor (or assumed and assigned by the Debtor to third parties) on or before the confirmation date; (ii) are assumed (or assumed and assigned) after the confirmation date by a final order granting a motion that is pending as of the confirmation date; or (iii) become the subject of a dispute over the amount or manner of cure and for which the Estate Representative makes a motion to reject such contract or lease based upon the existence of such dispute.

2. Deadline to File Rejection Damage Claims. Claims against the Debtors arising out of the rejection of executory contracts pursuant to the plan must be filed with the bankruptcy court no later than forty-five (45) days after the later of service of (a) notice of entry of an order (which order may be the confirmation order) approving the rejection of such executory contract, and (b) notice of occurrence of the Effective Date. Any such claims not filed within such time shall be forever barred from assertion against the Debtors and any and all of their respective properties and assets.

K. Estate Representative.

1. Termination of the Debtor; Appointment of Estate Representative. Upon the Effective Date the Estate Representative shall be appointed as provided herein, and upon such appointment the

Debtors will have no rights to operate the Debtors' business or to perform any of the functions of the Debtors as specified in 11 U.S.C. § 1107 but, rather, the Estate Representative will have full and complete power to act on behalf of the Debtors in a manner consistent with and as more fully described in the plan.

2. Estate Representative. Jeffrey Neil Shore, shall serve as the Estate Representative. On the Effective Date, the Estate Representative will, without further action by the members or managers of either Debtor, take possession and control of the estates with the full and complete power to act on behalf of the reorganized Debtors in accordance with the provisions of this Plan. The entry of the confirmation order shall vest authority in the Estate Representative as set forth below. The Estate Representative will be authorized to manage and administer the distributable assets as more fully set forth herein, if any, to unsecured creditors and shall thereupon take such steps as otherwise necessary and proper to close the bankruptcy cases. The Estate Representative shall take such actions as are necessary to implement the Plan including executing documents, directing payments and disbursements and filing all required reports, including final tax returns and UST quarterly reports. The Estate Representative shall have the right to object to and compromise claims and will have the authority to prosecute and defend any causes of action which may arise under the applicable provisions of the bankruptcy code and/or other applicable law, including but not limited to those causes of action set forth in the U.S. Bankruptcy Code Sections 542 through 553.

The Estate Representative will not be required to submit an application to be employed and will serve without compensation for such services. The confirmation order will (i) constitute a finding by the bankruptcy court that the appointment of the Estate Representative as the manager of the reorganized Debtors satisfies the requirements of 11 U.S.C. § 1129(a)(5), and (ii) contain a finding that the Estate Representative is not a "professional person" as that term is used in 11 U.S.C. §§ 327, 328, 329, 330, and 331, or if no such finding is made, contain a provision expressly approving and authorizing the employment and compensation of the Estate Representative on the terms set forth herein. The Estate Representative shall be authorized and directed to execute, deliver, file, or record such contracts, instruments, releases and other agreements and documents and take such actions on behalf of the reorganized Debtors or the estates, as may be necessary or appropriate to effectuate and further evidence the provisions of the Purchase Agreement or this plan. The Estate Representative will serve in such capacity until the earliest of (i) the entry of a final order closing the bankruptcy cases; (ii) the replacement of the Estate Representative by order of the bankruptcy court; or (iii) the conversion of the bankruptcy cases to a case under Chapter 7 and the appointment of a Chapter 7 trustee.

3. Limitation of Liability. The Estate Representative shall not be liable in any manner in the performance of his duties, except for criminal acts, malfeasance or gross recklessness, and no bond shall be required.

4. Preservation of Rights. Under the plan, by direction of the Estate Representative, the reorganized Debtors retain all rights of and on behalf of the Debtors and/or the reorganized Debtors to commence and pursue any and all causes of action (under any theory of law, including, without limitation, the bankruptcy code, and in any court or other tribunal including, without limitation, in an adversary proceeding filed in the Debtors' bankruptcy cases) discovered in such investigation to the extent the reorganized Debtors deem appropriate, other than any causes of action released by the Debtors under Article X of the plan. Unless causes of action against a person or entity are expressly waived, relinquished, released, compromised or settled in the plan, or any final order, the plan hereby reserves all causes of action, known or unknown, for later adjudication and therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such causes of action upon or after the confirmation of the plan.

L. Confirmation Process. Under the bankruptcy code, the following steps must be taken to confirm the plan:

1. Solicitation of Votes. The holders of allowed claims in each unimpaired class are conclusively presumed to have accepted the plan, and the solicitation of acceptances with respect to such classes is not required under Section 1126(f) of the bankruptcy code. The holders of allowed claims deemed to have accepted the plan shall receive with this disclosure statement a Notice of Non-Voting Status – Unimpaired Classes. The holders of claims in classes that will not receive any distributions and have not waived their claim under the plan will not receive a ballot and are conclusively presumed to have rejected the plan pursuant to Section 1126(g) of the bankruptcy code. The holders of claims and equity interests deemed to have rejected the plan shall receive with this disclosure statement a Notice of Non-Voting Status – Impaired Class. As to the classes of claims entitled to vote on the plan, the bankruptcy code defines acceptance of the plan by a class of creditors as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of the claims of that class that have timely voted to accept or reject the plan. A vote may be disregarded if the bankruptcy court determines, after notice and a hearing, that acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the bankruptcy code. Any creditor in any impaired class (a) whose claim has been listed by the Debtors in the schedules filed with the bankruptcy court (provided that such claim has not been scheduled as disputed, contingent or unliquidated) or (b) who filed a proof of claim, which claim is not the subject of an objection or request for estimation, is entitled to vote on the plan. For a discussion of the procedures with respect to the solicitation and tabulation of votes to accept or reject the plan, see the disclosure statement order.

2. The Confirmation Hearing. The bankruptcy code requires the bankruptcy court, after notice, to hold a confirmation hearing. The confirmation hearing in respect of the plan has been scheduled for _____ commencing at _____. prevailing Eastern Time, before the Honorable Helen Elizabeth Burris, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of South Carolina (Spartanburg). The confirmation hearing may be adjourned from time to time by the bankruptcy court without further notice except for an announcement of the adjourned date made at the confirmation hearing. Any objection to the confirmation of the Plan must be made in writing and specify in detail the name and address of the objector, all grounds for the objection and the amount of the claim or other amount or description of the interest held by the objector. Any such objection must be filed with the bankruptcy court and served in accordance with the disclosure statement order such as to be received on or before _____. Objections to confirmation of the plan are governed by Bankruptcy Rule 9014.

3. Confirmation. At the confirmation hearing, the bankruptcy court will confirm the plan only if all requirements of Section 1129 of the bankruptcy code are met. Among the requirements for confirmation of a plan are that the plan is (a) accepted by all impaired classes of claims and equity interests or, if rejected by an impaired class, that the plan “does not discriminate unfairly” and is “fair and equitable” as to such class, (b) feasible, and (c) in the “best interests” of creditors and stockholders that are impaired under the plan.

M. Acceptance.

Classes 2 and 3 are impaired under the plan, and holders of Classes 2 and 3 claims, as of the record date shall be entitled to vote to accept or reject the plan. Classes 1, 4, and 5 are unimpaired under the plan, and are, therefore, conclusively presumed to have accepted the plan pursuant to Section 1126(f) of the bankruptcy code

With respect to impaired classes of claims that are deemed to reject the plan, the Debtor shall request that the bankruptcy court confirm the plan under Section 1129(b) of the bankruptcy code. If any other

impaired class of claims entitled to vote does not accept the plan by the requisite statutory majority provided in Section 1126(c) of the bankruptcy code, the Debtor reserves the right to amend the plan or to have the bankruptcy court confirm the plan under Section 1129(b) of the bankruptcy code or both.

N. Unfair Discrimination and Fair and Equitable Tests.

To obtain nonconsensual confirmation of the plan, it must be demonstrated that the plan “does not discriminate unfairly” and is “fair and equitable” with respect to each impaired, non-accepting class. The bankruptcy code provides a non-exclusive definition of the phrase “fair and equitable.” Section 1129(b) of the bankruptcy code establishes “cram down” tests for secured creditors, unsecured creditors and equity holders, as follows.

Secured Creditors. Either (i) each impaired secured creditor retains its liens securing its secured claim and receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) each impaired secured creditor realizes the “indubitable equivalent” of its allowed secured claim or (iii) the property securing the claim is sold free and clear of liens with such liens to attach to the proceeds of the sale and the treatment of such liens on proceeds to be provided in clause (i) or (ii) above.

Unsecured Creditors. Either (i) each impaired unsecured creditor receives or retains under the plan property of a value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive any property under the plan.

Equity Interests. Either (i) each holder of an equity interest will receive or retain under the plan property of a value equal to the greater of the fixed liquidation preference to which such holder is entitled, or the fixed redemption price to which such holder is entitled or the value of the interest, or (ii) the holder of an interest that is junior to the non-accepting class will not receive or retain any property under the plan.

The plan does not “discriminate unfairly” with respect to a non-accepting class if the value of the cash and/or securities to be distributed to the non-accepting class is equal to, or otherwise fair when compared to, the value of the distributions to other classes whose legal rights are the same as those of the non-accepting class.

The Debtors believe that the plan is fair and equitable and does not discriminate unfairly with respect to any classes that vote not to accept the plan.

O. Feasibility.

Section 1129(a)(11) of the bankruptcy code requires the bankruptcy court to make a finding that confirmation of the plan is not likely to be followed by the liquidation, or need for further financial reorganization, of the Debtors or any successor to the Debtors under the plan. The distributions to be made under the plan are not dependent upon the future financial performance of any business. Instead, consummation of the plan is dependent upon sale of the Debtors primary real estate and business assets and the distribution of proceeds from such sale. Assuming that the plan is confirmed, the plan is necessarily feasible.

P. Miscellaneous Requirements.

Section 1129(a)(4) of the bankruptcy code provides that the plan can be confirmed only if any payment made or to be made by the Debtor or by a person issuing securities or acquiring property under the plan for services or for costs and expenses in connection with the case or in connection with the plan and

incident to the bankruptcy cases, has been approved by, or is subject to approval by the bankruptcy court as reasonable. The Debtors submit that the plan meets the requirements of Section 1129(a)(4) of the bankruptcy code.

Section 1129(a)(5) of the bankruptcy code conditions confirmation on disclosure of the identity and affiliates of any individual proposed to serve after the Effective Date as a director, officer, or voting trustee of the Debtor. Section 1129(a)(5) of the bankruptcy code further requires that (i) appointment to or continuance in such office of such individual be consistent with the interests of creditors and equity security holders and with public policy; and (ii) the Debtor discloses the identity of any insider who will be employed or retained by the organized entity and the nature of any compensation for such insider. As the Debtors are liquidating, the requirements of Section 1129(a)(5) of the bankruptcy code are largely inapplicable. All persons or entities serving as officers or directors of the Debtors who have not previously been terminated shall cease serving in such capacity as of the appointment of the Estate Representative. The Estate Representative will be authorized to act on behalf of the Debtors as provided for in the Plan.

Q. Best Interests Test.

With respect to each impaired class of claims and equity interests, confirmation of the plan requires that each holder of a claim or equity interest either (i) accept the plan or (ii) receive or retain under the plan property of a value, as of the Effective Date, that is not less than the value such holder would receive if the Debtor was liquidated under Chapter 7 of the bankruptcy code. To determine what holders of claims and equity interests in each impaired class would receive if the Debtors were liquidated under Chapter 7, the bankruptcy court must determine the dollar amount that would be generated from the liquidation of the Debtors' assets and properties in the context of a Chapter 7 liquidation case. The cash amount that would be available for satisfaction of the claims and interests would consist of the proceeds resulting from the disposition of the unencumbered assets and properties, if any, of the Debtors, augmented by the unencumbered cash, if any, held by the Debtors at the time of the commencement of the liquidation case. Such cash amount would be reduced by the costs and expenses of liquidation and by such additional administrative and priority claims that might result from the termination of the Debtor's business and the use of Chapter 7 for the purposes of liquidation.

The Debtors' costs of liquidation under Chapter 7 would include the fees payable to a trustee in bankruptcy which include the statutory fees payable to a Chapter 7 trustee, as well as those fees payable to attorneys and other professionals that such a Chapter 7 trustee might engage. These claims and other claims that might arise in a liquidation case or result from the pending bankruptcy cases, including any unpaid expenses incurred by the Debtors during the bankruptcy cases, such as compensation for attorneys, financial advisors and accountants, would be paid in full from the liquidation proceeds before the balance of those proceeds would be made available to pay prepetition unsecured claims.

To determine if the plan is in the best interests of each impaired class, the present value of the distributions from the proceeds of a liquidation of the Debtors' unencumbered assets and properties, after subtracting the amounts attributable to the foregoing claims, must be compared with the value of the property offered to such classes of claims under the plan.

The Debtors believe that the value of any distributions in a Chapter 7 case would be less than the value of distributions under the plan because, among other reasons, the sale of Property to the Purchaser is the primary means of funding the plan and the sale to Purchaser at the Purchase Price of \$715,000.00 may not happen and the Purchase Price is less than the combined amounts owed to the first and second mortgage holders, TD Bank and Tina Zaborowski, respectively. Further, distributions in a Chapter 7 case may not occur for a longer period of time, thereby reducing the present value of such distributions. In this regard,

it is possible that distribution of the proceeds of liquidation could be delayed for a period in order for a Chapter 7 trustee and its professionals to become knowledgeable about the Chapter 11 case and the claims against the Debtors. The fees and expenses of a Chapter 7 trustee, including but not limited to the statutory fees, also would likely exceed those of the professionals retained by present bankruptcy estate, thereby further reducing cash available for distribution.

The Debtors believe that confirmation and implementation of the plan will provide a greater distribution to creditors than liquidation under Chapter 7 of the bankruptcy code. Liquidation under Chapter 7 would require that a trustee be appointed and charged with liquidating the assets of the estates, administering and adjudicating claims, and distributing the proceeds of the sale of assets of the estates in conformity with the priority scheme of the bankruptcy code. The priorities of distribution provided in the Plan are similar to the priorities of distribution that a trustee would follow under Chapter 7; however, treatment of claims and distributions in a Chapter 7 case would likely differ significantly from treatment of claims and distributions pursuant to the plan. Specifically, (i) the plan proposes to pay secured claims less than the amount of their claims and, therefore, such claims will be impaired and (ii) allowed unsecured claims will not be impaired under the plan. Such treatment would be unlikely to occur under Chapter 7. Additionally, administration and distribution of the estates by a Chapter 7 trustee would likely result in occurrence of administrative costs in excess of those projected under the plan. Also, a new time period for the filing of claims would commence under Bankruptcy Rule 1019(2), possibly resulting in the filing of additional claims against the estates' conversion of the Chapter 11 case to a case under Chapter 7 and appointment of a trustee for administration of the estates would delay liquidation of any remaining assets and distribution of the proceeds.

Given the foregoing, the Debtors do not believe that it would be economical or in the best interest of the estate to now convert the bankruptcy cases to Chapter 7 since (i) to do so would require, among other things, a Chapter 7 trustee and his or her representatives to become familiar with numerous aspects of the case and (ii) the Purchaser may be unwilling to move forward with the purchase of the Debtors' real estate in a Chapter 7 case. The resulting costs and delay and lack of institutional knowledge, could significantly impact the ultimate recovery realized by the estates.

Attached hereto and incorporated herein as **Exhibit C**¹ is a liquidation analysis of the Debtors. This liquidation analysis, however, is based on the Debtor's good faith estimate of the aggregate amount of claims in each class and upon resolution of all such claims that are disputed claims, based on all currently known information. The amount of the distributions of available cash and cash that ultimately will be received by a particular holder of an allowed claim may be adversely or favorably affected. These estimates also are based on a good faith estimate of the recovery from causes of action, including avoidance actions. For all of the reasons stated above, no representation can be, or is being, made with respect to whether the estimated allowed amount of claims in each class will be accurate.

R. Effect of Confirmation of the Plan.

1. Vesting of Assets. On the Effective Date, title to the assets shall vest in the Debtors, free and clear of all claims, liens, charges, encumbrances and interests of creditors and interest holders (except to the extent that such claims, liens, charges, encumbrances and/or interests have been reinstated, or as otherwise expressly provided herein).

¹ An updated **Exhibit C** shall be filed with this Court no later than five (5) days prior to the hearing on approval of this disclosure statement if the Debtors become aware that a material change in the liquidation analysis has occurred and may be amended, from time to time, at any time up through the date of entry of the disclosure statement order and thereafter upon notice to the bankruptcy court.

2. Discharge. Pursuant to Section 1141(d)(3) of the bankruptcy code, confirmation of the plan will not discharge the Debtors; *provided, however*, upon confirmation of the plan and the occurrence of the Effective Date, creditors may not seek payment or recourse against or otherwise be entitled to any distribution from the assets of the Debtors or the estate except as expressly provided in the plan.

3. Injunction. Except as otherwise provided in the plan or the confirmation order, as of the confirmation date, but subject to the occurrence of the Effective Date, all entities that have held, hold or may hold claims or equity interests in the Debtors or the estate are, with respect to any such claims or equity interests, permanently enjoined from and after the confirmation date from: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or the Debtors, the estates, or any of their property, (ii) enforcing, levying, attaching (including, without limitation, any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order against the Debtors, the estates or any of their property, (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Debtors, the estates or any of their property, (iv) asserting any right of setoff, subrogation, or recoupment of any kind, directly or indirectly, against any obligation due the Debtors, the estates or any of their property, and (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan to the full extent permitted by applicable law.

For clarification, and notwithstanding the provisions of the plan, nothing contained in the plan shall effectuate a release or relinquishment of any right, claim or cause of action that the Debtors, the estates or the Estate Representative may have against those entities listed in the Debtors' schedules, statements of financial affairs or any attachment to this disclosure statement.

4. Term of Injunctions or Stays. Unless otherwise provided in the plan, the confirmation order, or a separate order of the bankruptcy court, all injunctions or stays arising under or entered during the bankruptcy cases under Section 105 or 362 of the bankruptcy code, or otherwise, and in existence on the confirmation date, shall remain in full force and effect until the later of the Effective Date and the date indicated in such applicable order.

5. Releases by Debtor and the Estate.

(a) As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, each reorganized Debtor, in their individual capacities and as debtor-in-possession, shall forever release, waive and discharge all claims, obligations, suits, judgments, demands, debts, rights, causes of action and liabilities, whether direct or derivative, liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, against any party, that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to (i) the Debtors; (ii) the parties released pursuant to the settlement agreements, if any; (iii) any act taken or omitted to be taken on or after the petition date; (iv) the disclosure statement, the plan, and the documents necessary to effectuate the plan; (v) the solicitation of acceptances and rejections of the plan; (vi) the solicitation of the settlement agreements, if any; (vii) the bankruptcy cases; (viii) the administration of the plan; (ix) the property to be distributed under the plan; (x) the sale or (xi) any contract, instrument, release or other agreement or document created or entered into in connection with the plan or the bankruptcy cases, against (a) the current and former members, directors, officers and employees (in their capacities as such) of each Debtor (other than for money borrowed from or owed to a Debtor by any such members, directors, officers or employees as set forth in such Debtor's books and records as of the Effective Date); (b) each Debtor's agents and professionals; and (c) each holder of a

secured claim and/or an unsecured claim that votes to accept the plan including without limitation their current and former members, directors, officers, employees their agents and professionals (in their capacities as such).

(b) Neither the Debtors and/or reorganized Debtors, the estates, the Purchaser, nor any of their respective present or former officers, directors, members, employees, advisors, attorneys or agents acting in such capacity or their respective affiliates, shall have or incur any liability to, or be subject to any right of action by, the Debtors or any holder of a claim, or any other party in interest, or any of their respective agents, shareholders, employees, representatives, financial advisors, attorneys or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, (a) any act taken or omitted to be taken on or after the petition date, (b) the disclosure statement, the plan, and the documents necessary to effectuate the plan, (c) the solicitation of acceptances and rejections of the plan, (d) the settlement agreements, if any, or the solicitation thereof, (e) the bankruptcy cases, (f) the administration of the plan, (g) the distribution of property under the plan, (h) any contract, instrument, release or other agreement or document created or entered into in connection with the plan or the bankruptcy case, or (i) the sale, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the plan.

(c) For clarification, and notwithstanding the provisions of the plan, nothing contained in the plan shall effectuate a release or relinquishment of any right, claim or cause of action that the Debtor, the estate or the Estate Representative may have against those entities listed in the Debtors' schedules, statements of financial affairs or any attachment to this disclosure statement.

6. Causes of Action.

(a) Under the plan, by direction of the Estate Representative, the reorganized Debtors retain all rights of and on behalf of the Debtors and/or the reorganized Debtors to commence and pursue any and all causes of action (under any theory of law, including, without limitation, the bankruptcy code, and in any court or other tribunal including, without limitation, in an adversary proceeding filed in the Debtors' bankruptcy cases) discovered in such investigation to the extent the reorganized Debtors deem appropriate, other than any causes of action released by the Debtors under Article XI of the Plan. Unless causes of action against a person or entity are expressly waived, relinquished, released, compromised or settled in the plan, or any final order, the plan hereby reserves all causes of action, known or unknown, for later adjudication and therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such causes of action upon or after the confirmation of the Plan.

(b) Except as specifically provided herein or in the confirmation order, nothing contained herein or in the confirmation order shall be deemed to be a waiver or relinquishment of any claim, cause of action (including but not limited to avoidance actions), right of setoff, or other legal or equitable defense that the Debtors had immediately prior to the petition date, or have as Chapter 11 Debtors from and after the petition date under the bankruptcy code or applicable law, against or with respect to any claim left unimpaired by the plan. The Debtors or the Estate Representative, as the case may be, shall have, retain, reserve, and be entitled to assert all such claims, causes of action (including but not limited to avoidance actions), rights of setoff, or other legal or equitable defenses which the Debtors, the estates, the Estate Representative or any of them had immediately prior to the petition date fully as if the bankruptcy cases had not been commenced, and all legal and equitable rights of the Debtors respecting any claim, cause of action (including but not limited to avoidance actions), right of setoff, or other legal or equitable defense left unimpaired by the plan may be asserted after the confirmation date by

the Debtors or the Estate Representative to the same extent as if the bankruptcy cases had not been commenced.

(c) ALL CAUSES OF ACTION SHALL SURVIVE CONFIRMATION AND THE COMMENCEMENT OR PROSECUTION OF CAUSES OF ACTION SHALL NOT BE BARRED OR LIMITED BY ANY ESTOPPEL, WHETHER JUDICIAL, EQUITABLE, OR OTHERWISE. The Estate Representative's right on behalf of the Debtors to commence and prosecute causes of action (including but not limited to avoidance actions) shall not be abridged or materially altered in any manner by reason of confirmation of the plan. No defendant party to any cause of action (including but not limited to an avoidance action) shall be entitled to assert any defense based, in whole or in part, upon confirmation of the plan, and confirmation of the plan shall not have any res judicata or collateral estoppel effect upon the commencement and prosecution of causes of action (including but not limited to avoidance actions). The confirmation order will contain findings that the foregoing shall be sufficient for all purposes to satisfy the requirements of the standard set forth in Browning v. Levy, 283 F.3d 761 (6th Cir. 2002).

7. Preservation of Insurance. Nothing in the plan shall diminish or impair the enforceability of any policies of insurance that may cover claims against the Debtors or any other entity.

S. Consummation.

The plan will be consummated on the Effective Date. The confirmation of the plan will occur upon the satisfaction of the conditions precedent set forth in the plan. The Effective Date of the plan will occur on the first business day on which the conditions precedent to the effectiveness of the plan, as set forth in the plan, have been satisfied or waived pursuant to the plan. The plan is to be implemented pursuant to its terms, consistent with the provisions of the bankruptcy code.

T. Conditions to Effective Date; Modification or Revocation of the Plan.

1. Conditions to Effective Date. The plan may not be consummated unless each of the conditions set forth below has been satisfied:

(a) The confirmation order shall have been entered; and

(b) All documents, instruments and agreements, in form and substance satisfactory to the Debtors, provided for under or necessary to implement the plan, shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the Debtors.

2. Modification of the Plan. The Debtors may alter, amend, or modify the plan under Section 1127 of the bankruptcy code at any time prior to the Effective Date. After the Effective Date, the Debtors and the Estate Representative may institute proceedings in the bankruptcy court to remedy any defect or omission or reconcile any inconsistencies in the plan or the confirmation order, or to address such matters as may be necessary to carry out the purposes and effects of the plan. Notwithstanding any reference herein to the forms of documents to be filed with the bankruptcy court prior to the confirmation hearing, and without limiting the preceding portions of this Article, the Debtors may make any non-material changes to such forms prior to the Effective Date.

3. Revocation of the Plan. Debtors reserve the right to revoke or withdraw the plan prior to the confirmation date. If the Debtors revoke or withdraw the plan, or if confirmation of the plan does not occur, then the plan shall be null and void, and nothing contained herein shall: (i) constitute a waiver or

release of any claims by or against, or liens in property of, the Debtors; or (ii) serve as an admission of fact or conclusion of law or otherwise prejudice in any manner the rights of the Debtors in any further proceedings involving the Debtors.

IV. RISK ASSOCIATED WITH THE PLAN

HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND THE DOCUMENTS DELIVERED TOGETHER HERewith AND/OR INCORPORATED BY REFERENCE THEREIN), PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE RISK FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION.

A. Parties in interest may object to the Debtors' classification of claims.

Section 1122 of the bankruptcy code provides that the plan may place a claim or an interest in a particular class only if such claim or interest is substantially similar to the other claims or interests of such class. The Debtors believe that the classification of claims and interests under the plan complies with the requirements set forth in the bankruptcy code. However, the Debtors cannot assure you that parties in interest and/or the bankruptcy court will reach the same conclusion.

B. The commencement of the bankruptcy cases may have negative implications under certain contracts of the Debtors.

The Debtors are party to various contractual arrangements under which the commencement of the bankruptcy cases and the other transactions contemplated by the plan could, subject to the Debtors' rights and powers under Sections 362 and 365 of the bankruptcy code, (i) result in a breach, violation, default or conflict, (ii) give other parties thereto rights of termination or cancellation, or (iii) have other adverse consequences for the Debtors. The magnitude of any such adverse consequences may depend on, among other factors, the diligence and vigor with which other parties to such contracts may seek to assert any such rights and pursue any such remedies in respect of such matters, and the ability of the Debtors prior to the Effective Date or the Estate Representative following the Effective Date to resolve such matters on acceptable terms through negotiations with such other parties or otherwise.

C. The Debtors may not be able to secure confirmation of the Plan.

1. Risk of Non-Confirmation of the Plan. Although the Debtors believe that the plan will satisfy all requirements necessary for confirmation of the bankruptcy court, there can be no assurance that the bankruptcy court will reach the same conclusion. Moreover, there can be no assurance that modifications to the plan will not be required for confirmation or that such modifications would not necessitate the solicitation of votes.

2. Non-Consensual Confirmation. In the event any impaired class of claims or equity interests does not accept the plan, the bankruptcy court may nevertheless confirm the plan at the Debtors' request if at least one impaired class has accepted the plan (such acceptance being determined without including the vote of any "insider" in such class), and as to each impaired class that has not accepted the plan, if the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. The Debtors believe that the plan satisfies these requirements.

D. The Debtors may object to the amount or classification of your claim.

The Debtors reserve the right to object to the amount or classification of any claim. The estimates set forth in this disclosure statement cannot be relied on by any creditor whose claim is subject to an objection. Any such claim holder may not receive its specified share of the estimated distributions described in this disclosure statement.

E. The information in this disclosure statement is based on estimates, which may turn out to be incorrect.

The information in this disclosure statement is based upon claims reflected in the schedules and a preliminary review of the claims filed as of the date hereof. Upon the passage of the bar date and the completion of a detailed analysis of the proofs of claim, the actual amount of claims may differ from the current estimates. Further, the amounts of disputed claims that ultimately are allowed by the bankruptcy court may be significantly more or less than the estimated amount of such claims. The actual aggregate amount of allowed claims may differ significantly from the estimates set forth in this disclosure statement. Accordingly, the amount of the distributions that ultimately will be received by a particular holder of an allowed claim may be adversely or favorably affected by the aggregate amount of claims ultimately allowed.

V. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

No rulings or determinations by the Internal Revenue Service have been obtained or sought by the Debtors with respect to the plan. The plan does not purport to address the federal income tax consequences of the plan to particular classes of taxpayers (such as foreign persons, S corporations, mutual funds, small business investment companies, regulated investment companies, broker-dealers, insurance companies, tax-exempt organizations and financial institutions) or the state, local or foreign income and other tax consequences of the plan.

NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE PLAN TO ANY HOLDER OF A CLAIM OR INTEREST. EACH HOLDER OF A CLAIM OR EQUITY INTEREST IS STRONGLY URGED TO CONSULT A TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS DESCRIBED HEREIN AND IN THE PLAN.

THE FOREGOING DISCUSSION OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. ACCORDINGLY, THE INFORMATION CONTAINED HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSES OF (i) AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, OR (ii) PROMOTING, MARKETING OR RECOMMENDING TO ANOTHER PARTY ANY TRANSACTION OR MATTER ADDRESSED HEREIN. ADDITIONALLY, HOLDERS OF CLAIMS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES OF THE PLAN, INCLUDING

THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.

VI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Liquidation Under Chapter 7.

If the plan can not be confirmed, the bankruptcy cases may be converted to a case under Chapter 7 of the bankruptcy code in which case a trustee will be appointed to liquidate the assets of the Debtors. It is impossible to predict precisely how the proceeds of a liquidation of the Debtors' assets under Chapter 7 of the bankruptcy code would be distributed to the respective holders of claims against or equity interests in the Debtors. However, the Debtors believe that liquidation under Chapter 7 would result in, among other things, (i) smaller distributions being made to creditors than those provided for in the plan because of additional administrative expenses attendant to the appointment of a trustee and the trustee's employment of attorneys and other professionals, and (ii) additional expenses and claims, some of which may be entitled to priority.

B. Alternative Plan of Reorganization.

If the plan is not confirmed, the Debtors or any other party in interest could attempt to formulate a different plan with respect to the Debtors. Such a plan would necessarily involve the orderly liquidation of the Debtors' assets. The Debtors have concluded that this plan represents the best alternative to protect the interests of creditors and other parties in interest.

Further, the Debtors believe that this plan enables the Debtors to maximize the value of their assets, allowing its creditors to realize the highest recoveries under the circumstances. In a liquidation under Chapter 11 of the Bankruptcy Code, no Chapter 7 trustee, who would likely have less familiarity with the bankruptcy cases than the Estate Representative, will need to be appointed, thus increasing the administrative expenses of the Debtors' estates. Accordingly, the Debtors believe that the creditors of the Debtors will receive greater recoveries through this plan than in a Chapter 7 liquidation.

VII. MISCELLANEOUS

A. Securities and Exchange Commission

Notwithstanding any provision herein to the contrary, no provision of the plan, the disclosure statement or the confirmation order shall (i) discharge or release the Debtors or any other person or entity from any right, any claim (which as to any claim against property of the Debtors' estates has been timely and properly asserted in the bankruptcy cases), any cause of action or any power or any interest held or assertable by the United States Securities and Exchange Commission or (ii) enjoin, impair or delay the United States Securities and Exchange Commission from commencing or continuing any claims, causes of action, proceedings or investigations against the Debtors or any other person or entity in any non-bankruptcy forum, provided however, that any enforcement of a claim (as defined in the bankruptcy code) or monetary judgment, if any, against the estate and/or property of the Debtors' estates, will be brought strictly in accordance with the bankruptcy code, the bankruptcy rules and orders of the bankruptcy court in the bankruptcy cases.

VIII. CONCLUSION AND RECOMMENDATION

The Debtors believe that confirmation and implementation of the plan is preferable to any of the alternatives described above because it will provide the greatest recoveries to holders of claims. Other

alternatives would involve delay, uncertainty and substantial administrative costs. The Debtors urge holders of impaired claims entitled to vote on the plan to accept the plan.

Respectfully submitted,

February 1, 2017

/s/ Randy A. Skinner

Randy A. Skinner, Fed. Id. #5412
300 North Main Street, Suite 201A
Greenville, SC 29601

(864) 232-2024 (Telephone)

(864) 232-8496 (Facsimile)

rskinner@skinnerlawfirm.com

Attorney for CCC of Fairplay, LLC & CCC Land Company, LLC

EXHIBIT A

PLAN

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:) Case No. 16-03240-HB
)
CCC OF FAIRPLAY, LLC)
)
) Chapter 11
) Jointly Administered
) and Substantively Consolidated

These jointly administered cases are those of the following debtors: CCC Land Company, LLC, Case No. 16-03241-hb and CCC of Fairplay, LLC, Case No.: 16-03240-hb.

**DEBTORS' JOINT PLAN OF LIQUIDATION FOR CCC OF FAIRPLAY, LLC AND
CCC LAND COMPANY, LLC**

Respectfully submitted,

/s/ Randy A. Skinner
Randy A. Skinner, Fed. Id. #5412
300 N. Main Street, Suite 201A
Greenville, SC 29601
(864) 232-2024 (Telephone)
(864) 232-8496 (Facsimile)
rskinner@skinnerlawfirm.com
Attorney for CCC of Fairplay, LLC
and CCC Land, LLC

Dated: February 1, 2017

**DEBTORS' JOINT PLAN OF LIQUIDATION FOR CCC OF FAIRPLAY, LLC AND
CCC LAND COMPANY, LLC
 TABLE OF CONTENTS**

ARTICLE I	DEFINITIONS	5
1.1	Defined Terms	5
1.2	Rules of Construction	5
ARTICLE II	GENERAL OVERVIEW OF PLAN; CLASSIFICATION OF CLAIMS	5
2.1	Claims and Equity Interests of CCC of Fairplay, LLC and CCC Land Company, LLC	6
ARTICLE III.....	TREATMENT OF UNCLASSIFIED CLAIMS	6
3.1	Administrative Claims (excluding Professional Claims).....	6
3.2	Professional Claims	6
3.3	Priority Tax Claims.....	7
3.4	Priority Non-Tax Claims.....	7
3.5	Reserve Fund	7
ARTICLE IV...	CLASSIFICATION & TREATMENT OF CLASSIFIED CLAIMS & INTERESTS	
4.1	Class 1: Non-Insider Unsecured Claims.	7
4.2	Class 2: TD Bank	8
4.3	Class 3: Tina Zaborowski, 2 nd mortgage holder	8
4.4	Class 4: Insider Unsecured Creditors.....	8
4.5	Class 5: Claims of Equity Interests	8
ARTICLE V.....	CONDITIONS PRECEDENT TO THE EFFECTIVE DATE	9
5.1	Conditions Precedent to the Effective Date of the Plan.....	9
5.2	Effectiveness	9
5.3	Failure of Conditions	9

5.4	Waiver of Conditions	10	
ARTICLE VI	.....ACCEPTANCE OR REJECTION OF PLAN		10
6.1	Presumed Acceptance of Plan.....	10	
6.2	Voting Classes	10	
6.3	Acceptance by Impaired Classes of Claims.....	10	
6.4	Cramdown.....	10	
ARTICLE VII	..... EXECUTORY CONTRACTS AND UNEXPIRED LEASES		10
7.1.	Assumption or Rejection of Executory Contracts	10	
7.2.	Approval or Rejection of Executory Contracts.....	11	
7.3.	Bar Date for Filing Proofs of Claim Relating to Executory Contracts Rejected Pursuant to the Plan	11	
ARTICLE VIII	..... MEANS OF IMPLEMENTATION OF PLAN		11
8.1	Purchase Agreement	11	
8.2	Consideration	11	
8.3	Closing Date.....	11	
8.4	Settlement of Certain Claims	11	
8.5	Termination of the Debtor; Appointment of Estate Representative	12	
8.6	Estate Representative	12	
8.7	Limitation of Liability.....	13	
8.8	Preservation of Rights.....	13	
8.9	Claims Bar Date.....	13	
ARTICLE IX	. DISTRIBUTIONS; PROCEDURES FOR TREATING DISPUTED CLAIMS		13
9.1	Distributions by the Estate Representative; Plan Distribution Accounts.....	13	
9.2	Distributions of Cash	14	
9.3	Timing of Distributions.....	14	
9.4	Delivery of Distributions	14	

9.5	Surrender of Instruments.....	14
9.6	Unclaimed Distributions	14
9.7	Distributions to Holders as of the Distribution Record Date	15
9.8	Setoffs	15
9.9	Allocation of Plan Distributions Between Principal and Interest	15
9.10	Time Bar to Cash Payments by Check	15
9.11	Compliance with Tax Requirements.....	15
9.12	Interest on Claims	15
9.13	Procedure for Contingent and Unliquidated Claims.....	16
9.14	Objections to Claims.....	16
9.15	Estimation of Claims.....	16
9.16	No Distributions Pending Allowance	16
9.17	Distributions to Unsecured Claims	16
9.18	Resolution of Claims.....	17
ARTICLE X.....	EFFECT OF PLAN CONFIRMATION	17
10.1	Discharge of Claims and Termination of Equity Interests.....	17
10.2	Termination of Subordination Rights and Settlement of Related Claims.....	17
10.3	Injunction	17
10.4	Terms of Existing Injunctions or Stays.....	18
10.5	Exculpation	18
10.6	Releases.....	18
ARTICLE XI.....	MISCELLANEOUS PLAN PROVISIONS	19
11.1	Effectuating Documents.....	19
11.2	Corporate Action.....	20
11.3	Exemption from Certain Transfer Taxes	20

11.4	Bankruptcy Court Approved Payments	20
11.5	Confirmation Order.....	20
11.6	Expedited Tax Determination	20
11.7	Governing Law	20
11.8	Withholding and Reporting Requirements	21
11.9	Binding Effect.....	21
11.10	Plan Supplement	21
11.11	Closing of the Case	21
11.12	Further Authorization.....	21
11.13	Modification of Plan	21
11.14	Consummation of the Plan.....	21
11.15	Minimum Distributions.....	22
11.16	Late Claims	22
11.17	Copies of Confirmation Order Sufficient Evidence of Waivers, Releases	22
11.18	Binding Effect.....	22
11.19	Severability	22
11.20	Set-Off and Recoupment Rights	22
11.21	No Admissions or Waivers	22
	ARTICLE XII. RETENTION OF JURISDICTION	23

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:	)	Case No. 16-03240-HB
)	
CCC OF FAIRPLAY, LLC)	
	)	Chapter 11
	)	Jointly Administered
	)	and Substantively Consolidated

These jointly administered cases are those of the following debtors: CCC Land Company, LLC, Case No. 16-03241-hb and CCC of Fairplay, LLC, Case No.: 16-03240-hb.

**DEBTORS' JOINT PLAN OF LIQUIDATION FOR CCC OF FAIRPLAY, LLC AND
CCC LAND COMPANY, LLC**

Pursuant to 11 U.S.C. §§ 1121 and 1123 and Bankruptcy Rule 3016, comes CCC of Fairplay, LLC, debtor and debtor-in-possession of Case No.: 16-03240-hb (“**CCC Fairplay**”); and CCC Land Company, LLC, debtor and debtor-in-possession of **Case No. 16-03241-hb** (“**CCC Land**”); (collectively, the “**Debtors**” and each individually a “**Debtor**”); each hereby proposing the following joint plan of liquidation (the “**Plan**”) for the resolution of the claims against, and equity interests in, the Debtors. CCC of Fairplay, LLC and CCC Land Company, LLC are jointly proponents of this plan within the meaning of 11 U.S.C. § 1129.

I.
DEFINITIONS

- A. Defined Terms:** All capitalized terms used herein and not otherwise defined have the meanings given to them in the definitions attached hereto as Exhibit A or, if not defined in Exhibit A, then as defined in the bankruptcy code, unless the context clearly requires otherwise.
- B. Rules of Construction:** The rules of construction used in 11 U.S.C. § 102 shall apply to the construction of this plan.

II.
GENERAL OVERVIEW OF THE PLAN; CLASSIFICATION FOR EACH DEBTOR

The plan in these cases is a plan of liquidation. The plan shall be funded through the sale of all of the real estate and certain related assets of each of the Debtors to **Mason Jar 101, LLC**, or its designee or assignee (“**Purchaser**”) as well as the effective collection and liquidation of the remaining assets of the Debtors by the Estate Representative into cash for the benefit of creditors of the Debtors pursuant to the terms and conditions contained in the purchase and sale

agreement attached to the Disclosure Statement as Exhibit 1 (the “**Purchase Agreement**”), all as more particularly set forth in Article VIII, herein.

2.1 Claims and Equity Interests of Doe the Debtors. The Plan divides the claims and equity interests of both Debtors into various classes for all purposes, including voting, confirmation and distribution pursuant to the plan, as follows:

Class	Claimant	Status	Voting Rights
Unclassified Claims	Administrative claims, professional claims, priority tax claims and priority non-tax claims	Unimpaired	No (deemed to accept)
Class 1	All non-insider unsecured creditors	Unimpaired	No (deemed to accept)
Class 2	TD Bank, 1 st priority mortgage holder & secured creditor	Impaired	Yes
Class 3	Tina Zaborowski, 2 nd mortgage holder	Impaired	Yes
Class 4	Insider unsecured creditors	Unimpaired	No (deemed to accept)
Class 5	Equity Interests	Unimpaired	No (deemed to accept)

III. **TREATMENT OF UNCLASSIFIED CLAIMS**

3.1 **Administrative Claims (excluding Professional Claims).** As soon as practicable after the later of the Effective Date and the date the claim becomes an allowed administrative claim, each holder of an allowed administrative claim (excluding professional claims which shall be treated as set forth in Section 3.2) against a Debtor will receive in full satisfaction, settlement, release and discharge of and in exchange for such allowed administrative claim (excluding professional claims) a distribution from the Reserve Fund (i) in cash equal to the unpaid portion of such allowed administrative claim against the Debtor, or (ii) in such amounts and on such other terms as may be agreed between the holder of an allowed administrative claim, such Debtor and Purchaser pursuant to the Purchase Agreement; provided, however, that administrative claims representing obligations incurred in the ordinary course of business may be paid by each Debtor in accordance with the terms of the particular agreements under which such administrative claims arise.

3.2 **Professional Claims.** All persons and/or entities seeking an award by the bankruptcy court of compensation for professional claims against a Debtor (a) shall file their respective final applications for allowances of compensation, for services rendered and reimbursement of expenses incurred through Effective Date for that Debtor, by the date that is ninety (90) days after the Effective Date or such other date as may be fixed by the bankruptcy court, and (b) if granted such an award by the bankruptcy court, will receive in full satisfaction, settlement, release and discharge of and in exchange for such professional claim a distribution from the

Reserve Fund (i) in cash equal to the unpaid portion of such allowed professional claim against Debtor, or (ii) in such amounts as are allowed by the bankruptcy court on the date such claim becomes an allowed claim, or within ten (10) days hereafter.

3.3 Priority Tax Claims. As soon as practicable after the later of the Effective Date and the date the claim becomes an allowed priority tax claim, each holder of an allowed priority tax claim against a Debtor will receive in full satisfaction, settlement, release and discharge of and in exchange for such allowed priority tax claim a distribution from the Reserve Fund (i) in cash equal to the unpaid portion of such allowed priority tax claim against that Debtor, or (ii) in such amounts and on such other terms as may be agreed between the holder of an allowed priority tax claim, Debtor and Purchaser pursuant to the Purchase Agreement.

3.4 Priority Non-Tax Claims. As soon as practicable after the later of the Effective Date and the date the claim becomes an allowed claim, each holder of an allowed priority non-tax claim against a Debtor will receive in full satisfaction, settlement, release and discharge of and in exchange for such allowed priority non-tax claim a distribution from the Reserve Fund (i) in cash equal to the unpaid portion of such allowed priority non-tax claim against that Debtor, or (ii) in such amounts and on such other terms as may be agreed between the holder of the allowed priority non-tax claim, Debtor and Purchaser pursuant to the Purchase Agreement, or (iii) in accordance with the terms of the particular agreement under which such priority non-tax claim arose.

3.5 Reserve Fund. A Reserve Fund, in the amount of \$100,000.00, shall be carved out from the funds ordinarily due to the secured creditors, from the proceeds resulting from the sale of the Debtors' Property under the Purchase Agreement to pay all Unclassified Claims and Class 1 claims. After all such claims are paid and satisfied, any unused portion of the Reserve Fund shall be paid to TD Bank. The Debtors believe that sufficient funds will exist to satisfy the administrative claims, professional claims, priority tax claims and priority non-tax claims under the plan.

IV. CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

On the respective dates set forth herein, or within twenty (20) business days of the date a claim that is classified in accordance with Article II becomes an allowed, whichever is later, the Debtors shall make the following payments, undertake the considerations hereinafter set forth, and be obligated with respect to such claims, as follows:

4.1 Class 1: All Non-Insider Unsecured Creditors of Both Debtors.

(a) Impairment and Voting. Class 1 consists of all of the unsecured claims against either Debtor which are not held by an insider of either Debtor as defined by Section 101(31) of the bankruptcy code. Class 1 is unimpaired. Each Class 1 claimant is conclusively presumed to have accepted the plan and is not entitled to vote to accept or reject the plan pursuant to Section 1126(f) of the bankruptcy code.

(b) Treatment. Except to the extent that a holder of an allowed unsecured, non-insider claim agrees to a different treatment, each holder of an allowed unsecured, non-insider claim shall receive cash from the Reserve Fund in an amount equal to the an allowed unsecured, non-insider claim, on the later of (i) (x) the closing date or (y) the Effective Date and (ii) the date such unsecured, non-insider claim becomes an allowed unsecured, non-insider claim, or as soon thereafter as is practicable.

4.2 Class 2: TD Bank

(a) Impairment and Voting. Class 2 shall consist of the claims of TD Bank. Class 2 is Impaired. As a Class 2 claimant, TD Bank is entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that TD Bank has been paid by the Debtors prior to the Effective Date or agrees to a different treatment, TD Bank shall be paid \$600,000.00 in full and complete satisfaction of the TD Bank's allowed secured claim on the later of: (i) the closing date, or (ii) the Effective Date. In the event of an upset bid by a successful bidder at a court ordered, approved, and conducted sale of the assets of the Debtors, TD Bank shall receive any and all funds in excess of the Purchase Price of \$715,000.00 contemplated in the Purchase Agreement up to the allowed amount of its claim. TD Bank shall retain its lien securing its allowed secured claim as of the confirmation date until all distributions have been made as provided in this section. The deficiency claim of TD Bank, as to the bankrupt Debtors, is waived with the exception of TD Bank's entitlement to the unused portion of the Reserve Fund.

4.3 Class 3: Tina Zaborowski, 2nd mortgage holder

(a) Impairment and Voting. Class 3 shall consist of the secured claim of Tina Zaborowski. Class 3 is impaired. As a Class 3 claimant, Tina Zaborowski is entitled to vote to accept or reject the plan.

(b) Treatment. Except to the extent that Tina Zaborowski agrees to a different treatment, Tina Zaborowski shall receive cash in the amount of \$15,000.00 in full and complete satisfaction of the allowed secured claim of Tina Zaborowski on the later of: (i) the closing date, or (ii) the Effective Date. In the event a court ordered, approved, and conducted sale generates proceeds in excess of the Purchase Price of \$715,000.00 contemplated in the Purchase Agreement and sufficient to satisfy the allowed amount of TD Bank's claim, Tina Zaborowski shall receive any remaining excess proceeds up to the allowed amount of her claim. She shall also retain her lien securing the allowed secured claim as of the confirmation date until all distributions have been made as provided in the plan. The deficiency claim of Tina Zaborowski is waived.

4.4 Class 4: Insider Unsecured Creditors

(a) Impairment and Voting. Class 4 shall consist of the unsecured claims against either Debtor which are held by an insider of either Debtor as defined by Section 101(31) of the bankruptcy code. Class 4 is unimpaired. Class 4 claimants are conclusively presumed to have accepted the Plan and are not entitled to vote to accept or reject the Plan pursuant to Section 1126(f) of the Bankruptcy Code.

(b) Treatment. Insider Unsecured Creditors, in support of the successful completion of the Plan, forever waive and fully and completely release all of their claims, effective on the later of: (i) the closing date, or (ii) the Effective Date. However, Insider Unsecured Creditors shall retain their claims, as of the confirmation date, until all distributions have been made as provided in the plan.

4.5 Class 5: Claims of Equity Interests.

(a) Impairment and Voting. Class 5 shall consist of the equity interests of both Debtors. Class 5 is unimpaired. Class 5 claimants are conclusively presumed to have accepted the plan and are not entitled to vote to accept or reject the plan pursuant to Section 1126(f) of the bankruptcy code.

(b) Treatment. The equity interests of both Debtors in support of the successful completion of the plan, forever waive and fully and completely release all of their claims, effective on the later of: (i) the closing date, or (ii) the Effective Date. However, the equity interests of both Debtors shall retain their claims, as of the confirmation date, until all distributions have been made as provided in the plan.

ARTICLE V. CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

5.1 Conditions Precedent to the Effective Date of the Plan. The following shall be satisfied or waived as a condition precedent to confirmation of the plan:

- (a) The disclosure statement shall have been approved by the bankruptcy court;
- (b) The sale shall have been approved by the bankruptcy court;
- (c) All conditions precedent in the purchase agreement have been satisfied and/or waived;
and
- (d) The confirmation order, as entered by the bankruptcy court, shall be a final order, in form and substance reasonably satisfactory to the Purchaser and Debtors.

5.2 Effectiveness. The plan shall not become effective unless and until the following conditions have been satisfied or waived pursuant to Section 5.4 of the Plan and the Debtors and Purchaser have declared the Plan to be effective:

- (a) The confirmation order (and sale order if separate from the confirmation order), shall be a final order, in form and substance reasonably satisfactory to the Purchaser, and Debtors;
- (b) To the extent the parties and/or bankruptcy court determine such separate orders are necessary, the settlement orders, in form and substance reasonably acceptable to the Debtors, the Purchaser and the applicable claimant, shall be a final order;
- (c) The Closing shall have occurred; and
- (d) All actions, documents and agreements necessary to implement the Plan shall have been

effected or executed.

5.3 Failure of Conditions. In the event that one or more of the conditions specified in Sections 5.1 or 5.2 of the plan have not occurred or been waived in accordance with Section 5.4 of the plan, on or before sixty (60) days after the confirmation date, (i) the confirmation order shall be vacated, (ii) no distributions under the plan shall be made (and the distributions that have been made shall be unwound), (iii) the Debtors and all holders of claims and equity interests shall be restored to the *status quo ante* as of the day immediately preceding the confirmation date as though the confirmation date never occurred, and (iv) the Debtors' obligations with respect to claims and equity interests shall remain unchanged and nothing contained herein shall constitute or be deemed a waiver or release of any claims or equity interests by or against the Debtors or any other entity or to prejudice in any manner the rights of the Debtors or any entity in any further proceedings involving the Debtors.

5.4 Waiver of Conditions. To the extent legally permissible, each of the conditions precedent in Sections 5.1 and 5.2 of the plan may be waived, in whole or in part only by the Debtors and Purchaser. Any such waiver of a condition precedent may be affected at any time, without notice or leave or order of the bankruptcy court and without any formal action other than proceeding as if such condition did not exist. The failure of the Debtors and Purchaser to exercise any of the foregoing rights shall not be deemed a waiver of any other rights. Upon the waiver of any conditions set forth in Sections 5.1 and 5.2 of the plan, and subject to the satisfaction in full of each of the remaining conditions set forth in Article V, the plan shall become effective in accordance with its terms without notice to third parties or any other formal action.

VI. ACCEPTANCE OR REJECTION OF PLAN

6.1 Presumed Acceptance of Plan. Classes 1, 4, and 5 are unimpaired under the plan, and are, therefore, conclusively presumed to have accepted the plan pursuant to Section 1126(f) of the bankruptcy code.

6.2 Voting Classes. Classes 2 and 3 are impaired under the plan, and holders of Classes 2 and 3 claims, as of the record date shall be entitled to vote to accept or reject the plan.

6.3 Acceptance by Impaired Classes of Claims. Pursuant to Section 1126(c) of the bankruptcy code and except as otherwise provided in Section 1126(e) of the bankruptcy code, an impaired class of claims entitled to vote to accept or reject the plan has accepted the plan if the holders of at least two-thirds in dollar amount and more than one-half in number of the allowed claims in such class actually voting have voted to accept the plan.

6.4 Cramdown. The Debtors will request confirmation of the plan under Section 1129(b) of the bankruptcy code with respect to any class or classes that vote to reject the plan in the event that at least one impaired class votes to accept the plan. The Debtors reserve the right to modify the plan in accordance with Section 11.13 hereof.

VII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

7.1. Assumption or Rejection of Executory Contracts. Effective on and as of the confirmation date, all executory contracts are hereby specifically deemed rejected, except for any executory contract (a) that has been specifically assumed, assumed and assigned, or rejected by the Debtors on or before the confirmation date with the approval of the bankruptcy court, (b) in respect of which a motion for assumption or assumption and assignment has been filed with the bankruptcy court on or before the confirmation date, or (c) that is specifically designated as a contract to be assumed on a schedule to the plan.

7.2. Approval or Rejection of Executory Contracts. Entry of the confirmation order by the clerk of the bankruptcy court, but subject to the condition that the Effective Date occur, shall constitute approval, pursuant to Sections 365(a) and 1123(b)(2) of the bankruptcy code, of the rejection of the executory contracts pursuant to Section 7.1 of the plan.

7.3. Bar Date for Filing Proofs of Claim Relating to Executory Contracts Rejected Pursuant to the Plan. Claims against the Debtors arising out of the rejection of executory contracts pursuant to the plan must be filed with the bankruptcy court no later than forty-five (45) days after the later of service of (a) notice of entry of an order (which order may be the confirmation order) approving the rejection of such executory contract, and (b) notice of occurrence of the Effective Date. Any such claims not filed within such time shall be forever barred from assertion against the Debtors and any and all of their respective properties and assets.

VIII. MEANS OF IMPLEMENTATION OF PLAN

8.1 Purchase Agreement. Each Debtor is, or is to become, a party to the Purchase Agreement. The Purchase Agreement is attached to the disclosure statement as Exhibit 1. Pursuant to the sale, at the closing, Purchaser shall purchase, accept and acquire from each Debtor, and each Debtor shall sell, transfer, assign, convey and deliver to Purchaser, free and clear of all encumbrances (other than permitted exceptions), claims and other interests, the property applicable to such Debtor. The filing of the plan shall constitute a motion (or a supplement to the extent a separate motion is already filed) for an order of the bankruptcy court approving, pursuant Sections 363, 364, 365, 1123, and 1129 of the bankruptcy code, the Purchase Agreement and the transactions and actions contemplated thereunder. Each of the Debtors may seek approval of the sale independently of the plan by separate motion. In the event there is a conflict between the terms of the plan and the Purchase Agreement, the Purchase Agreement shall control.

8.2 Consideration. The Purchase Price shall be the consideration for the Property.

8.3 Closing Date. The sale shall occur on the later of the next business day after the Effective Date or the closing as defined in the Purchase Agreement.

8.4 Settlement of Certain Claims. The filing of the plan constitutes a motion by the Debtors, on behalf of the bankruptcy estates, pursuant to Bankruptcy Rule 9019 for approval of

the settlement and compromise represented hereby. Pursuant to Bankruptcy Rule 9019 and Section 1123(b)(3)(A) of the bankruptcy code, and in consideration for the classification, distribution, releases and other benefits provided under the plan, the provisions of the plan shall constitute a good faith compromise and settlement of all claims or controversies resolved pursuant to the plan, including, but not limited to, controversies relating to the distributions under the plan by and among the Debtors and each of their respective holders of the administrative claims, priority claims, secured claims, and equity interests.

8.5 Termination of the Debtor; Appointment of Estate Representative. Upon the Effective Date, the Estate Representative shall be appointed as provided herein, and, upon such appointment, the Debtors will have no rights to operate the Debtors' businesses or to perform any of the functions of the Debtors as specified in 11 U.S.C. § 1107 but, rather, the Estate Representative will have full and complete power to act on behalf of the Debtors in a manner consistent with the provisions of the plan. The confirmation order will constitute an order of the bankruptcy court, pursuant to 11 U.S.C. § 1107(a), limiting the rights, powers, and duties of the Debtors as provided herein. On the Effective Date, the officers, directors and/or managers of the Debtors will be deemed to resign. As of the Effective Date of the plan, the Estate Representative shall have the sole signature power and authority to act on behalf of the Debtors and/or the reorganized Debtors, as applicable, to (i) open and close accounts with any banking, financial or investment institution; (ii) make deposits and withdrawals of cash and other property into or from any such account; (iii) make or endorse checks with respect to any such account; (iv) complete and file federal and state tax returns on behalf of the estates; and (v) execute the Purchase Agreement, and any and all documents in connection with consummation of the Purchase Agreement, including, but not limited to, deeds, closing statements, and other related documents (together with the Purchase Agreement, the "Contract Documents").

8.6 Estate Representative. Jeffrey Neil Shore, managing member of both Debtors, shall serve as the Estate Representative. On the Effective Date, the Estate Representative will, without further action by the members, directors or managers of either Debtor, take possession and control of the bankruptcy estates with the full and complete power to act on behalf of the reorganized Debtors in accordance with the provisions of this plan. The entry of the confirmation order shall vest authority in the Estate Representative as set forth below. The Estate Representative will be authorized to manage and administer the distributable assets as more fully set forth herein, if any, to creditors and shall thereupon take such steps as otherwise necessary and proper to close the bankruptcy cases. The Estate Representative shall take such actions as are necessary to implement the Plan including executing documents, directing payments and disbursements and filing all required reports, including final tax returns and UST quarterly reports. The Estate Representative shall have the right to object to and compromise claims and will have the authority to prosecute and defend any causes of action which may arise under the applicable provisions of the bankruptcy code and/or other applicable law, including but not limited to those causes of action set forth in Bankruptcy Code Sections 542 through 553.

The Estate Representative will not be required to submit an application to be employed or subsequent applications to be compensated but, rather, the confirmation order will (i) constitute a finding by the bankruptcy court that the appointment of the Estate Representative as the management of the reorganized Debtors satisfies the requirements of 11 U.S.C. § 1129(a)(5), and (ii) contain a finding that the Estate Representative is not a "professional person" as that term is

used in 11 U.S.C. §§ 327, 328, 329, 330, and 331, or if no such finding is made, contain a provision expressly approving and authorizing the employment and compensation of the Estate Representative on the terms set forth herein. The Estate Representative shall serve and fulfill his duties without compensation.

The Estate Representative shall be authorized and directed to execute, deliver, file, or record such contracts, instruments, releases and other agreements and documents and take such actions on behalf of the reorganized Debtors or the estates, as may be necessary or appropriate to effectuate and further evidence the provisions of the Purchase Agreement or this plan. The Estate Representative will serve in such capacity until the earliest of (i) the entry of a final order closing the bankruptcy cases; (ii) the replacement of the Estate Representative by order of the bankruptcy court; or (iii) the conversion of the bankruptcy cases to a case under Chapter 7 and the appointment of a Chapter 7 trustee.

8.7 Limitation of Liability. The Estate Representative shall not be liable in any manner in the performance of his duties, except for criminal acts, malfeasance or gross recklessness, and no bond shall be required.

8.8 Preservation of Rights. Under the plan, by direction of the Estate Representative, the reorganized Debtors retain all rights of and on behalf of the Debtors and/or the reorganized Debtors to commence and pursue any and all causes of action (under any theory of law, including, without limitation, the bankruptcy code, and in any court or other tribunal including, without limitation, in an adversary proceeding filed in the Debtors' bankruptcy cases) discovered in such investigation to the extent the reorganized Debtors deem appropriate, other than any causes of action released by the Debtors under Article X of the plan. Unless causes of action against a person or entity are expressly waived, relinquished, released, compromised or settled in the plan, or any final order, the plan hereby reserves all causes of action, known or unknown, for later adjudication and therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such causes of action upon or after the confirmation of the Plan.

8.9 Claims Bar Date. Except as otherwise provided herein, all parties asserting a claim in these bankruptcy cases must file a proof of claim evidencing such claim no later than the bar date. Holders of claims who do not file a proof of claim prior to the bar date shall be forever barred from asserting such claims against the Debtors or their assets, and the holder thereof shall be enjoined from commencing or continuing any action, employment of proceeds or act to collect, offset or recover such claim.

IX. DISTRIBUTIONS UNDER THE PLAN; PROCEDURES FOR TREATING DISPUTED CLAIMS

9.1 Distributions by the Estate Representative; Plan Distribution Accounts. The Estate Representative shall make distributions under the plan. On the Effective Date, the Estate Representative, on behalf of holders of allowed classes of claims (as more particularly set forth

in this plan) shall take all steps necessary to establish the plan distribution accounts. Immediately following the closing, pursuant to the Purchase Agreement, the Estate Representative shall transfer to the applicable plan distribution accounts the proceeds from the Purchase Price. The plan distribution accounts shall be established for the sole purpose of allowing distributions to occur to all claimants entitled to such distributions while recognizing the corporate independence of each Debtor. All distributions required to be made under the plan shall be made in conformity with this Article IX of the plan.

9.2 Distributions of Cash. Any payment of cash made by the Estate Representative pursuant to the plan shall, at the Estate Representative's option, be made by check drawn on a domestic bank or wire transfer.

9.3 Timing of Distributions. In the event that any payment, distribution, or act under the plan is required to be made or performed on a date that is not a business day, then the making of such payment or distribution or the performance of such act may be completed on or as soon as reasonably practicable after the next succeeding business day, but shall be deemed to have been completed as of the required date. Distributions that are made after the Effective Date to holders of disputed claims that are not allowed claims as of the Effective Date but which later become allowed claims shall be deemed to have been made on the Effective Date. Notwithstanding any provision of this plan, the disclosure statement, or the confirmation order to the contrary, the Estate Representative shall not be required to make any distributions unless and until the aggregate cash available for distribution, as determined in the Estate Representative's sole discretion, is sufficient to warrant such a distribution.

9.4 Delivery of Distributions. Subject to Bankruptcy Rule 9010, all distributions under the plan to holders of allowed claims shall be made to the holder of each allowed claim at the address of such holder as listed on the schedules as of the distribution record date unless a reorganized Debtor or the Estate Representative has been notified in writing of a change of address, including, without limitation, by the timely filing of a proof of claim by such holder prior to the distribution record date that provides an address for such holder different from the address reflected on the schedules. In the event that any distribution to any such holder is returned as undeliverable, the Estate Representative for the applicable reorganized Debtor shall use reasonable efforts to determine the current address of such holder, but no distribution to such holder shall be made unless and until the Estate Representative has determined the then current address of such holder, at which time such distribution shall be made to such holder; provided, however, that, at the expiration of one (1) year from the Effective Date such distributions shall be deemed unclaimed property and shall be treated in accordance with Section 9.6 of the Plan.

9.5 Surrender of Instruments. As a condition to receiving any distribution under the plan, each holder of a certificated instrument or note must surrender such instrument or note held by it to the Estate Representative for the applicable reorganized Debtor or its designee. Any holder of such instrument or note that fails to (i) surrender such instrument or note, or (ii) execute and deliver an affidavit of loss and/or indemnity reasonably satisfactory to the Estate Representative for the applicable reorganized Debtor, as the case may be, and furnish a bond in form, substance, and amount reasonably satisfactory to such reorganized Debtor, as the case may be, before the first (1st) anniversary of the Effective Date shall be deemed to have forfeited all rights and claims and may not participate in any distribution under the Plan. Any distribution so forfeited

shall become property of the applicable reorganized Debtor to be administered by the Estate Representative for such reorganized Debtor. For purposes of clarity, this provision does not apply to any promissory notes being issued pursuant to the terms of the Plan.

9.6 Unclaimed Distributions. All distributions under the plan that are unclaimed for a period of one (1) year after distribution thereof shall be deemed unclaimed property under Section 347(b) of the bankruptcy code and any entitlement of any holder of any claim to such distribution shall be extinguished and forever barred.

9.7 Distributions to Holders as of the Distribution Record Date. As of the distribution record date, the claims register shall be deemed closed, and there shall be no further changes in the record holder of any claim. The Estate Representative for the applicable reorganized Debtor shall have no obligation to recognize any transfer of any claim occurring after the distribution record date. The Estate Representative for the applicable reorganized Debtors shall instead be authorized and entitled to recognize and deal for all purposes under the plan with only those record holders listed on the claims register as of the distribution record date. Nothing herein shall affect, amend, or modify any bar date entered in the bankruptcy cases.

9.8 Setoffs. The Estate Representative for each reorganized Debtor may, but shall not be required to, set off against any claim (for purposes of determining the allowed amount of such claim), any claims of any nature whatsoever that such reorganized Debtor may have against the holder of such claim, but neither the failure to do so nor the allowance of any claim hereunder shall constitute a waiver or release of any such claim by such reorganized Debtor.

9.9 Allocation of Plan Distributions Between Principal and Interest. To the extent that any allowed claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall be allocated first to the principal amount of the claim (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the claim, to accrued but unpaid interest.

9.10 Time Bar to Cash Payments by Check. Checks issued on account of allowed claims shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Any claim in respect of such voided check shall be made in writing on or before the first subsequent distribution after the date of the voided check. After that date, all claims in respect of void checks shall be discharged and forever barred and the proceeds of those checks shall be treated as unclaimed property in accordance with this plan and Section 347(b) of the bankruptcy code.

9.11 Compliance with Tax Requirements. A distribution may be withheld until such time as such holder of the applicable allowed claim provides the necessary information to comply with any withholding requirements of any governmental unit. Any property so withheld will then be paid to the appropriate authority. If the holder of an allowed claim fails to provide the information necessary to comply with any withholding requirements of any governmental unit within six (6) months from the date of first notification to the holder of the need for such information or for the cash necessary to comply with any applicable withholding requirements, then such holder's distribution shall be treated as an unclaimed distribution in accordance with this plan.

9.12 Interest on Claims. Except as specifically provided for in the plan, interest shall not accrue on claims, and no holder of a claim shall be entitled to interest accruing on or after the Effective Date on any claim. Interest shall not accrue or be paid on any disputed claim in respect of the period from the petition date to the date a final distribution is made thereon if that disputed claim becomes an allowed claim. Except as expressly provided herein or in a final order of the court, no prepetition claim shall be allowed to the extent that it is for post-petition interest or other similar charges.

9.13 Procedure for Contingent and Unliquidated Claims. Creditors holding contingent or unliquidated claims shall have sixty (60) days from the confirmation date to file a motion with the court to have their claim allowed. Upon the allowance of a contingent or unliquidated claim, it shall be entitled to distribution under the plan consistent with the treatment of other claims in the class in which the contingent or unliquidated claim is ultimately allowed. The contingent or unliquidated claim of any creditor who fails to initiate action pursuant to this provision for the allowance of its claim shall have its claim disallowed and be forever barred from seeking any recovery from the Debtors, the bankruptcy estates, the reorganized Debtors and the assets (including the Property).

9.14 Objections to Claims. The Estate Representative on behalf of the reorganized Debtors shall be entitled to object to claims, (other than any claims assumed by Purchaser under the Purchase Agreement and/or settled pursuant to this plan and/or any settlement agreement), including claims set forth on the schedules. Purchaser shall be entitled to object to any claims assumed under the Purchase Agreement except for those claims settled pursuant to this plan and/or any settlement agreement. Any such objections to claims shall be filed and served on or before the later of (i) 60 days after the Effective Date, (ii) such date as may be fixed by the bankruptcy court, whether fixed before or after the date specified in clause (i) above; and (iii) 120 days after the date of filing of the applicable proof of claim or request for payment of an administrative claim.

9.15 Estimation of Claims. At any time, the Estate Representative on behalf of a reorganized Debtor, may request that the court estimate any contingent or unliquidated claim to the extent permitted by Section 502(c) of the bankruptcy code regardless of whether such reorganized Debtor has previously objected to such claim or whether the court has ruled on any such objection, and the court shall have jurisdiction to estimate any claim at any time during litigation concerning any objection to such claim, including during the pendency of any appeal relating to any such objection. If the court estimates any contingent or unliquidated claim, that estimated amount shall constitute either the allowed amount of such claim or a maximum limitation on the claim, as determined by the court. If the estimated amount constitutes a maximum limitation on the claim, a reorganized Debtor may elect to pursue supplemental proceedings to object to the ultimate allowance of the claim. All of the aforementioned claims objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the court.

9.16 No Distributions Pending Allowance. Notwithstanding any other provision hereof, if any portion of a claim is a disputed claim, no payment or distribution provided hereunder shall

be made on account of such claim unless and until such disputed claim becomes an allowed claim.

9.17 Distributions to Unsecured Claims. Subject to any applicable restrictions in this plan, after such time as an unsecured claim becomes an allowed claim, the Estate Representative shall distribute to the holder thereof the distributions, if any, to which such holder is then entitled under the plan. Such distributions to holders of allowed unsecured claims shall be made as set forth in Section 9.4 of the plan.

9.18 Resolution of Claims. On and after the Effective Date, the Estate Representative on behalf of each reorganized Debtor shall have the authority to compromise, settle, otherwise resolve or withdraw any objections to disputed claims without approval of the bankruptcy court.

X. EFFECT OF PLAN CONFIRMATION

10.1 Discharge of Claims and Termination of Equity Interests. Except as provided in the confirmation order, pursuant to Section 1141(d) of the bankruptcy code, the rights afforded under the plan and the treatment of claims and equity interests under the plan shall be in exchange for and in complete satisfaction, settlement, discharge and release of all claims. The confirmation order shall discharge each Debtor from all claims and other debts that arose before the confirmation date and all debts of the kind specified in Section 502(g), 502(h) or 502(i) of the bankruptcy code, whether or not (i) a claim based on such debt is allowed pursuant to Section 502 of the bankruptcy code or (ii) the holder of a claim based on such debt has accepted the plan. As of the confirmation date, all persons and entities shall be precluded from asserting against the Debtors and/or reorganized Debtors, the bankruptcy estates, their successors or property, any other or further claims, debts, rights, causes of action or liabilities based upon any act, omission, transaction or other activity of any nature that occurred prior to the confirmation date. In accordance with the foregoing, the confirmation order shall be a judicial determination of discharge of all such claims and other debts and liabilities of or in the Debtors, pursuant to Sections 524 and 1141 of the bankruptcy code, and such discharge shall void any judgment obtained against the Debtor at any time to the extent that such judgment relates to a discharged claim. For purposes of clarity, this paragraph shall not preclude a party from pursuing the receipt of its treatment being granted under the plan.

10.2 Termination of Subordination Rights and Settlement of Related Claims. The classification and manner of satisfying all claims and equity interests and the respective distributions and treatments hereunder take into account and/or conform to the relative priority and rights of the claims and equity interests in each class of Debtors in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, Section 510(b) of the bankruptcy code or otherwise, and any and all such rights are settled, compromised and released pursuant to the plan. The confirmation order shall permanently enjoin, effective as of the Effective Date, all persons and entities from enforcing or attempting to enforce any such contractual, legal and equitable subordination rights satisfied, compromised and settled in this manner.

10.3 Injunction.

(a) **Generally.** Except as otherwise expressly provided in the plan, all persons that have held, hold or may hold claims against the Debtors, reorganized Debtors, any co-obligor, guarantor or other responsible party, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against the Debtors and/or reorganized Debtors, the bankruptcy estates, or any of their property, or against Debtors or Purchaser on account of any claims or causes of action arising from events prior to the Effective Date: (i) commencing or continuing in any manner any action or other proceeding of any kind; (ii) enforcing, attaching, collecting or recovering by any manner or in any place or means any judgment, award, decree or order; (iii) creating, perfecting, or enforcing any lien or encumbrance of any kind; and (iv) asserting any defense or right of setoff, subrogation or recoupment of any kind against any obligation, debt or liability due to the Debtors and/or reorganized Debtors. For purposes of clarity, this paragraph shall not enjoin a party from pursuing the receipt of its treatment being granted under the plan.

(b) **Acceptance of Distributions.** By accepting distributions pursuant to the plan, each holder of an allowed claim receiving distributions pursuant to the plan will be deemed to have specifically consented to the injunctions set forth herein.

10.4 Terms of Existing Injunctions or Stays. Unless otherwise provided, all injunctions or stays provided for in the bankruptcy cases pursuant to Sections 105, 362 or 525 of the bankruptcy code, or otherwise, and in existence on the confirmation date, shall remain in full force and effect until the Effective Date. The confirmation order will permanently enjoin the commencement or prosecution by any person or entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to the plan.

10.5 Exculpation. Neither the Debtors and/or reorganized Debtors, the bankruptcy estates, the Purchaser, nor any of their respective present or former members, officers, directors, shareholders, employees, advisors, attorneys or agents acting in such capacity or their respective affiliates, shall have or incur any liability to, or be subject to any right of action by, the Debtors or any holder of a claim, or any other party in interest, or any of their respective agents, shareholders, employees, representatives, financial advisors, attorneys or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, (a) any act taken or omitted to be taken on or after the petition date, (b) the disclosure statement, the plan, and the documents necessary to effectuate the plan, (c) the solicitation of acceptances and rejections of the plan, (d) the settlement agreements, if any, or the solicitation thereof, (e) the bankruptcy cases, (f) the administration of the plan, (g) the distribution of property under the plan, (h) any contract, instrument, release or other agreement or document created or entered into in connection with the plan or the bankruptcy cases or (i) the sale, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the plan.

10.6 Releases.

(a) **By the Reorganized Debtors.** As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, each reorganized Debtor in its individual capacities and as debtors-in-possession, shall forever release, waive and discharge all

claims, obligations, suits, judgments, demands, debts, rights, causes of action and liabilities, whether direct or derivative, liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, against any party, that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to (i) the Debtors; (ii) the parties released pursuant to the settlement agreements, if any; (iii) any act taken or omitted to be taken on or after the petition date; (iv) the disclosure statement, the Plan, and the documents necessary to effectuate the plan; (v) the solicitation of acceptances and rejections of the plan; (vi) the solicitation of the settlement agreements, if any; (vii) the bankruptcy cases; (viii) the administration of the plan; (ix) the property to be distributed under the plan; (x) the sale or (xi) any contract, instrument, release or other agreement or document created or entered into in connection with the plan or the bankruptcy cases, against (a) the current and former directors, officers and employees (in their capacities as such) of each Debtor (other than for money borrowed from or owed to a Debtor by any such members, directors, officers or employees as set forth in such Debtor's books and records as of the Effective Date); (b) each Debtor's agents and professionals; and (c) each holder of a secured claim and/or an unsecured claim that votes to accept the plan including without limitation their current and former members, directors, officers, employees their agents and professionals (in their capacities as such).

(b) By Others. As of the Effective Date, in exchange for accepting consideration pursuant to the plan, all holders of secured claims and unsecured claims that vote to accept the plan, and the current and former directors, officers and employees of the Debtors and reorganized Debtors (in their capacity as such) shall forever release, waive and discharge all claims, obligations, suits, judgments, demands, debts, rights, causes of action and liabilities (other than the right to enforce a Debtor's obligations under the plan and the contracts, instruments, releases, agreements and documents delivered under the plan), whether direct or derivative, liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date, against any party, including the Debtors and Purchaser, in any way relating to (i) a Debtor; (ii) the parties released pursuant to the settlement agreements, if any; (iii) any act taken or omitted to be taken on or after the petition date; (iv) the disclosure statement, the plan, and the documents necessary to effectuate the plan; (v) the solicitation of acceptances and rejections of the plan; (vi) the solicitation of the settlement agreements, if any; (vii) the bankruptcy cases; (viii) the administration of the plan (excluding, however, remedies for defaults on terms of the plan); (ix) the property to be distributed under the plan; (x) the sale or (xi) any contract, instrument, release or other agreement or document created or entered into in connection with the plan or the bankruptcy cases (excluding, however, pursuing remedies for defaults on terms of the plan or agreements being issued pursuant to the plan), against each of (a) the current and former members, directors, officers and employees (in their capacities as such) of the Debtors (other than for money borrowed from or owed to a Debtor by any such directors, officers or employees as set forth in such Debtor's books and records as of the Effective Date); and (b) each Debtor's agents and professionals; (c) each holder of a secured claim and/or an unsecured claim that votes to accept the Plan including without limitation their current and former members directors, officers, employees their agents and professionals (in their capacities as such); and (d) any co-obligor, guarantor or other responsible

party of the Debtors.

XI. MISCELLANEOUS PLAN PROVISIONS

11.1 Effectuating Documents. The Estate Representative is hereby authorized to execute, deliver, file or record such documents, contracts, releases and other agreements, including, but not limited to the contract documents, and take all such further action as may be necessary to effectuate and further evidence the terms of the Purchase Agreement and this plan.

11.2 Corporate Action. On the Effective Date, all matters provided for under the plan that would otherwise require approval of the members of the Debtors or the directors of the reorganized Debtors, shall be deemed to have occurred and shall be in effect from and after the Effective Date pursuant to the applicable general corporation law of the state in which a reorganized Debtor is constituted, without any requirement of further action by the members, shareholders and/or directors of the applicable reorganized Debtor. On the Effective Date, or as soon thereafter as is practicable, the reorganized Debtors shall, if required, file amended articles of incorporation with the secretary of state of the state in which the reorganized Debtor is constituted, in accordance with the applicable general law of each such state.

11.3 Exemption from Certain Transfer Taxes. Pursuant to Section 1146(c) of the bankruptcy code, the issuance, transfer, or exchange of notes, equity securities or other securities under the plan, the creation of any mortgage, deed of trust, or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the plan, including, without limitation, any merger agreements or agreements of consolidation, deeds, bills of sale, or assignments executed in connection with any of the transactions contemplated under the plan, shall not be subject to any stamp, real estate transfer, mortgage, recording, or other similar tax. All sale transactions consummated by the reorganized Debtors and approved by the bankruptcy court on and after the petition date through and including the Effective Date, or by the reorganized Debtors after the Effective Date, including, without limitation, the sale shall be deemed to have been made under, in furtherance of, or in connection with the plan and, thus, shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax.

11.4 Bankruptcy Court Approved Payments. Notwithstanding the contents of the Debtors' bankruptcy schedules, claims listed therein as undisputed, liquidated, and not contingent shall be reduced by the amount, if any, that was paid by a Debtor pursuant to previous orders of the bankruptcy court. To the extent such payments are not reflected in the schedules, such schedules are hereby amended and reduced to reflect that such payments were made. After the confirmation date, nothing in this plan shall preclude the reorganized Debtors from paying or honoring, and the reorganized Debtors are hereby authorized to pay or honor, claims, or policies or programs that a Debtor was authorized to pay or honor pursuant to any order of the bankruptcy court entered prior to the confirmation date.

11.5 Confirmation Order. The confirmation order shall, and is hereby deemed to, ratify all transactions effected by the Debtors during the period commencing on the petition date, except for any acts constituting willful misconduct, gross negligence or fraud.

11.6 Expedited Tax Determination. The Debtors and/or the reorganized Debtors may request an expedited determination of taxes under Section 505(b) of the bankruptcy code for all returns filed for, or on behalf of, the Debtors for all taxable periods through the Effective Date.

11.7 Governing Law. Except to the extent that the bankruptcy code or other federal law is applicable, or to the extent an exhibit or schedule hereto provides otherwise, the rights, duties, and obligations arising under the plan shall be governed by, and construed and enforced in accordance with, the laws of the State of South Carolina, without giving effect to the principles of conflict of laws thereof.

11.8 Withholding and Reporting Requirements. In connection with the consummation of the plan, the reorganized Debtors shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority and all distributions hereunder shall be subject to any such withholding and reporting requirements.

11.9 Binding Effect. The plan shall be binding upon and inure to the benefit of the reorganized Debtors, the holders of claims and equity interests, and their respective successors and assigns.

11.10 Plan Supplement. If the reorganized Debtor determines that any additional instruments or agreements have to be executed in connection with the implementation of the provisions of the plan, such additional instruments or documents shall be filed with the bankruptcy court as part of a plan supplement. Upon the filing of such a plan supplement with the bankruptcy court, the plan supplement may be inspected in the office of the clerk of the bankruptcy court during normal bankruptcy court hours. Holders of claims may obtain a copy of the plan supplement, at their own expense unless otherwise required by the bankruptcy code or the bankruptcy rules or ordered by the court, by making a written request by either by (i) regular mail to (a) Randy A. Skinner, The Ogletree Building, 300 North Main Street, Suite 201, Greenville, South Carolina 29601, counsel for the Debtors, or (ii) electronic mail to (x) rskinner@skinnerlawfirm.com, counsel for the Debtors

11.11 Closing of the Case. After confirmation, the Estate Representative may seek to close the bankruptcy cases or shall seek dismissal thereof, if either is so allowed by the bankruptcy court, provided, however, that any dismissal or closure shall be subject to the following conditions authorized by 11 U.S.C. § 349(b): (a) said dismissal or closing shall not alter, amend, revoke or supersede the terms of the confirmed plan; (b) all rights of the Debtors, creditors, claimants or any other person treated under the plan shall remain unaffected by said dismissal; (c) the terms of the confirmed plan shall be binding on all persons; (d) all orders previously entered by the court, unless altered by the plan, shall remain in full force and effect; and (e) the bankruptcy court shall retain all jurisdiction set forth herein.

11.12 Further Authorization. The Estate Representative shall be entitled to seek such orders, judgments, injunctions and rulings as he deems necessary or desirable to carry out the intentions and purposes, and to give full effect to the provisions, of this plan.

11.13 Modification of Plan. The Debtors reserve the right to modify this plan in accordance with 11 U.S.C. § 1127 and Bankruptcy Rule 3019 at any time prior to the confirmation date.

Subject thereto, the Debtors may modify this plan, before or after the confirmation date but prior to substantial consummation of this plan, without notice or hearing, or after such notice as the court deems appropriate, if the modification does not materially and adversely affect the rights of any parties in interest which have not had notice or opportunity to be heard with regard thereto. In the event of any modification of this plan on or before the confirmation date, any votes to accept or reject the plan shall be deemed to be votes to accept or reject as modified, unless the bankruptcy court finds that the modification materially and adversely affects the rights of the parties which have cast said votes. Further, the Debtors reserve the right to revoke or withdraw this plan any time before entry of the confirmation order. If the Debtors revoke or withdraw the plan prior to the confirmation date, or if the confirmation or Effective Date does not occur, this plan shall be deemed null and void. In such event, nothing in this plan or any disclosure statement relating to this plan shall be deemed to constitute an admission of validity, waiver or release of any claims by or against the Debtors or in any proceeding involving the Debtors.

11.14 Consummation of the Plan. Substantial consummation shall occur when the first payments on allowed claims are made or reserved for.

11.15 Minimum Distributions. If a distribution to be made to a claimant holding an allowed claim would be \$50.00 or less in the aggregate, notwithstanding any contrary provision of this plan, no such distribution will be made to such holder unless a request therefore is made in writing to the attorney for the Debtors.

11.16 Late Claims. Disallowed claims shall be expunged from the claims register in the bankruptcy cases without need for any further notice, motion or order.

11.17 Copies of Confirmation Order Sufficient Evidence of Waivers, Releases. Upon confirmation of this plan, a true and correct copy of the confirmation order shall be legally sufficient evidence of the terms, provisions and effects of this Plan for all purposes in any subsequent judicial proceeding or official record.

11.18 Binding Effect: The rights and obligations of any person named or referred to in this plan shall be binding upon, and shall inure to the benefit of, the successors, heirs and assigns of such person.

11.19 Severability. If the court determines at the confirmation hearing that any material provision of this plan is invalid or unenforceable, such provision, subject to 11 U.S.C. § 1127, shall be severable from this plan and shall be null and void, and, in such event, such determination shall in no way limit or affect the enforceability or operative effect of any or all other portions of the plan.

11.20 Set-Off and Recoupment Rights. Except as specifically provided in the plan, no person shall retain any contractual or statutory right to set off or recoup any asset in which a reorganized Debtor has an interest in satisfaction of a claimant's prepetition claim with respect to a reorganized Debtor. Any right to set off or recoup a claim against an asset of a Debtor that is not specifically retained is waived and forever barred.

11.21 No Admissions or Waivers.

(a) Neither the filing of this plan or the disclosure statement (as either may be modified or amended) nor the taking of any action by the Debtors with respect to the plan or disclosure statement is, or shall be deemed, an admission or waiver of any of the Debtors' rights or defenses. In the event confirmation does not occur or the plan does not become effective, no statement contained herein or in the disclosure statement may be used or relied on in any manner against the Debtors' in any suit, action, proceeding or controversy within or outside of the bankruptcy cases. The Debtors further reserve any and all of its rights against all persons in the event the plan is not confirmed or does not become effective.

(b) Except as otherwise specified, all notices and requests shall be given to or upon the Debtors at the addresses below by any written means, including but not limited to, facsimile, electronically, first class mail, express mail or similar overnight delivery service and hand delivery letters; and any such notices or requests shall be deemed to have been given when sent.

Randy A. Skinner, Fed. Id. #5412
300 N. Main Street, Suite 201A
Greenville, SC 29601
(864) 232-2024 (Telephone)
(864) 232-8496 (Facsimile)
rskinner@skinnerlawfirm.com

XII. RETENTION OF JURISDICTION

The bankruptcy Court shall retain jurisdiction of the bankruptcy cases after confirmation of the Plan with respect to the following matters:

12.1 To determine any and all adversary proceedings, applications, and contested matters in the bankruptcy cases and grant or deny any application involving the Debtors or reorganized Debtors that may be pending on the Effective Date;

12.2 To ensure that distributions to holders of allowed claims and allowed equity interests are accomplished as provided in the plan;

12.3 To hear and determine any timely objections to administrative expense claims or to proofs of claims and equity interests, including any objections to the classification of any claim or equity interest, and to allow or disallow any disputed claim or disputed equity interest, in whole or in part;

12.4 To enter and implement such orders as may be appropriate in the event the confirmation order is for any reason stayed, revoked, modified, or vacated;

12.5 To issue such orders in aid of execution of the plan, to the extent authorized by 11 U.S.C. § 1142;

12.6 To consider any amendments to or modifications of the plan, or to cure any defect or omission, or to reconcile any inconsistency in any order of the bankruptcy court, including the confirmation order;

12.7 To hear and determine all applications of retained professionals under 11 U.S.C. §§ 330, 331, and 503(b) for awards of compensation for services rendered and reimbursement of expenses incurred prior to the confirmation date;

12.8 To hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the plan, the confirmation order, or any agreement, instrument, or other document governing or relating to any of the foregoing;

12.9 To hear and determine matters concerning state, local, and federal taxes in accordance with 11 U.S.C. §§ 346, 505, and 1146;

12.10 To hear any other matter not inconsistent with the bankruptcy code;

12.11 To hear and determine all disputes involving the existence, scope, nature or otherwise of the discharges, injunctions, and exculpations granted under the plan, the confirmation order or the bankruptcy code;

12.12 To issue injunctions and effect any other actions that may be necessary or desirable to restrain interference by any entity with the consummation or implementation of the plan; and

12.13 To enter a final decree(s) closing the bankruptcy cases.

Respectfully submitted,
/s/ Randy A. Skinner
Randy A. Skinner, Fed. Id. #5412
300 N. Main Street, Suite 201A
Greenville, SC 29601
(864) 232-2024 (Telephone)
(864) 232-8496 (Facsimile)
rskinner@skinnerlawfirm.com
Attorney for the Debtors

EXHIBIT A

PLAN DEFINITIONS

1. “Administrative claim” shall mean a claim against a Debtor under Sections 503(b), 507(a)(1) or 507(b) of the bankruptcy code including, without limitation, any actual and necessary expenses of preserving the estates of the Debtors, any actual and necessary expenses of operating the businesses of the Debtors, and all professional claims to the extent allowed by the bankruptcy court, and any fees or charges assessed against the Debtor’s estates under Section 1930 of Title 28 of the United States Code.

2. “Allowed” shall mean, with reference to any claim or equity interest, (a) any claim against or equity interest in a Debtor, proof of which was filed within the applicable period of limitation fixed by the bankruptcy court in accordance with Rule 3003(c)(3) of the Bankruptcy Rules (i) as to which no objection to the allowance thereof has been interposed within the applicable period of limitation fixed by this Plan, the bankruptcy code, the Bankruptcy Rules or a final order, or (ii) as to which no action has been commenced to avoid such claim or equity interest within the applicable period of limitation fixed by this Plan, or (iii) as to which an objection has been interposed or avoidance action commenced, only to the extent such claim or equity interest has been allowed (whether in whole or in part) by a final order, (b) if no proof of claim was so filed, any claim against or equity interest in the Debtor which has been listed by the Debtor in their schedules, as such schedules may be amended from time to time in accordance with Rule 1009 of the Bankruptcy Rules, as liquidated in amount and not disputed or contingent, (c) any claim arising from the recovery of property under Sections 550 or 553 of the bankruptcy code and allowed in accordance with Section 502(h) of the bankruptcy code or (d) any claim deemed as allowed by the Plan or by final order.

3. “Assets” shall mean, with respect to each Debtor, all of the right, title and interest in and to property of whatsoever type or nature, owned by such Debtor, as of the Effective Date, as well as the proceeds, products, rents and profits from all of the foregoing. assets include, but are not limited to, property as defined in 11 U.S.C. § 541 (each identified item of property being herein sometimes referred to as an asset).

4. “Avoidance actions” shall mean any claims or causes of action arising under or authorized by 11 U.S.C. §§ 510, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551 or 553, including applicable state law claims, that belong to the Debtors, the Debtors-in-possession or the bankruptcy estates.

5. “Bankruptcy case(s)” shall mean as to the Debtors, their respective case under Chapter 11 of the bankruptcy code.

6. “Bankruptcy code” or “code” shall mean the United States Bankruptcy Code, 11 U.S.C. §§101 et seq., as in effect from time to time.

7. “Bankruptcy court” or “court” shall mean the United States Bankruptcy Court for the District of South Carolina.

8. "Bankruptcy Rules" shall mean the Federal Rules of Bankruptcy Procedure and Interim Bankruptcy Rules applicable to cases pending before the bankruptcy court and local rules applicable to cases pending before the bankruptcy court ("Local Rules"), as the same may from time to time be in effect and applicable to proceedings under the Plan.

9. "Bar date" shall mean the final date for filing proofs of claim, which date shall be the first scheduled date of the confirmation hearing. Continuance of the confirmation hearing shall not extend the bar date.

10. "Business day" shall mean a day other than a Saturday, Sunday or other day on which national commercial banks are authorized or required by law to close.

11. "CCC Land" shall mean CCC Land, LLC.

12. "CCC Fairplay" shall mean CCC of Fairplay, LLC.

13. "Cash" shall mean any cash or cash equivalents, including, without limitation, bank deposits, checks and other similar negotiable instruments.

14. "Causes of action" shall mean, without limitation, any and all actions (including avoidance actions), liabilities, obligations, rights, suits, damages, judgments, claims, and demands whatsoever of each Debtor, each Debtor in possession, or the bankruptcy estates, whether known or unknown, existing or hereafter arising, in law, equity, or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the petition date or during the course of the bankruptcy cases, including through the Effective Date.

15. "Claim" and/or "claims" shall mean "claim" as defined in 11 U.S.C. § 101(5) if such claim against the Debtor was in existence on or as of the petition date. The term "claim", when preceded by a reference to a class of claims, shall mean a claim of that class.

16. "Claimant" shall mean the holder of a claim against either Debtor.

17. "Class" shall mean a claim or equity interest in the particular class of claims or equity interests identified and described in Article II of this Plan.

18. "Closing" shall mean the closing of the sale.

19. "Closing date" shall mean the date designated by the Debtors (or otherwise set by the bankruptcy court) to close the sale.

20. "Collateral" shall mean assets encumbered by the liens of a secured creditor.

21. "Confirmation" shall mean confirmation of the Plan pursuant to 11 U.S.C. § 1129, which shall occur upon entry of the confirmation order.

22. "Confirmation Date" shall mean the date on which the Bankruptcy Court enters the Confirmation Order.

23. "Confirmation hearing" shall mean the bankruptcy court's hearing under 11 U.S.C. § 1128 and Rule 3020(b) of the Bankruptcy Rules on confirmation of the Plan.

24. "Confirmation order" shall mean the order of the bankruptcy court confirming the Plan with such modifications as may be agreed to or approved prior to the Effective Date by the Debtors.

25. "Creditor" shall mean the owner or holder of a claim.

26. "Debtor(s)" shall mean, as the context requires, one or more of CCC Land, LLC and/or CCC of Fairplay, LLC.

27. "Deficiency Claim" shall mean the unsecured portion of a secured claim as determined by 11 U.S.C. § 506(a).

28. "Disallowed claim" shall mean a claim, or any portion thereof, that has (a) been disallowed by a final order; (b) withdrawn by a creditor; (c) been scheduled as contingent, disputed, or unliquidated, and as to which no proof of claim has been timely filed with the bankruptcy court pursuant to either the bankruptcy code or any final order of the bankruptcy court; or (d) not otherwise deemed timely filed under applicable law or the provisions of a confirmed Plan.

29. "Disclosure statement" shall mean the disclosure statement proposed by the Debtors and filed in the bankruptcy cases and as it may be further amended, modified or supplemented from time to time as provided therein.

30. "Disputed claim" shall mean a claim, or a portion of a claim against a Debtor not previously allowed: (a) to the extent that allowance of such claim is the subject of an objection or a motion to estimate interposed by a party in interest, (b) which is scheduled by a Debtor as disputed, contingent or unliquidated, (c) proof of which has been filed as unliquidated or contingent, (d) proof of which was not timely filed, or (e) prior to the time that an objection has been or may be timely filed, to the extent that the claim as filed exceeds the amount of the claim as scheduled by the Debtor as not disputed, contingent or unliquidated.

31. "Distributable assets" means (i) all avoidance actions; (ii) any assets that (a) do not constitute the property, and (b) are not subject to any secured claim; and (iii) the proceeds of all of the foregoing; provided, however, that notwithstanding the foregoing, the distributable assets shall not include (y) causes of action that are expressly released hereunder or under the Plan; or (z) causes of action (including commercial tort causes of action) that directly arise from or relate to any part of the property or would impair Purchaser's title to, or ability to use, the property.

32. "Distribution(s)" shall mean a payment and/or distribution of cash or other consideration to be made to holders of allowed claims or allowed equity interests in accordance with the terms and conditions of this Plan from the applicable Plan Distribution Account, or in the case of aggregate claims against the Debtor, from all Plan Distribution Accounts on a pro-rata basis.

33. "Distribution Record Date" shall mean 4:00 p.m. prevailing Spartanburg, South Carolina Time, on the Effective Date.

34. "Effective Date" shall mean the date on which the confirmation order becomes a final order.

35. "Equity Interest(s)" shall mean the interest of any holder of equity securities in a Debtor that is represented by any issued and outstanding membership interest, common stock, partner, or any other instrument evidencing an ownership interest in such Debtor prior to the Effective Date (including prior to the petition date), whether or not transferable, any restricted stock units, calls, rights, puts, awards, commitments, repurchase rights, unvested or unexercised options, warrants, unvested common interests, or any other agreements of any character related to the common interests of the Debtor, obligating the Debtor to issue, transfer, purchase, redeem, or sell any equity interests or other equity securities, any rights under any equity incentive plans, voting agreements, any claims arising from the rescission of a purchase, sale or other acquisition of any membership interest, outstanding common stock, or other equity securities (or any right, claim, or interest in and to any common stock, or other equity securities) of the Debtor, any claims for the payment of any distributions with respect to any membership interest, common stock, or other equity interests in or securities of the Debtor, and any claims for damages or any other relief arising from the purchase, sale, or other acquisition of the Debtor's outstanding membership interest, common stock, or other equity interests or securities.

36. "Estates" shall mean the bankruptcy estates of the Debtors created pursuant to Section 541 of the bankruptcy code.

37. "Estate Representative" shall mean Jeffrey Neil Shore, as set forth in Sections 8.5 and 8.6 of this Plan.

38. "Executory Contracts" means any executory contract or unexpired lease subject to Section 365 of the bankruptcy code, between either Debtor and any other person.

39. "Final Order" means (i) an order of the bankruptcy court or any other court or adjudicative body as to which the time to appeal, petition for certiorari or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending, or (ii) in the event that an appeal, writ of certiorari, reargument or rehearing thereof has been sought, such order of the bankruptcy court or any other court or adjudicative body shall have been affirmed by the highest court to which such order was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that no order shall fail to be a final order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order.

40. "Impaired" shall mean impaired within the meaning of 11 U.S.C. § 1124.

41. "Initial closing" shall mean the next business day after the confirmation order approving the sale becomes a final order.

42. "Insider" shall have the meaning assigned to it in 11 U.S.C. § 101(31).

43. "Insider unsecured creditors" shall mean creditors who are insiders and hold or own unsecured claims against the Debtors.

44. "Lien" shall have the meaning assigned to it in 11 U.S.C. § 101(37).

45. "Non-insider unsecured creditors" or "unsecured creditor" shall mean the owner or holder of an unsecured claim that is not an insider.

46. "Notice of sale" shall mean a notice of sale which may be separately filed with the bankruptcy court, pursuant to Section 363 of the bankruptcy code, seeking permission of the court to transfer the assets of the Debtors under the terms of a purchase for the purpose of liquidating the assets of the Debtors to fund the Plan.

47. "Other secured claims" shall mean any secured claim other than the secured claims of TD Bank and Tina Zaborowski.

48. "Person" shall mean any individual, corporation, limited liability company or partnership, general partnership, limited partnership, association, joint stock company, joint venture, estate, trust, unincorporated organization, governmental unit or any political subdivision thereof or other entity.

49. "Petition date" shall mean June 30, 2016, being the date of the filing of the voluntary petition for relief by each Debtor under the bankruptcy code.

50. "Plan" shall mean this Plan proposed by the Debtors and filed in the bankruptcy cases, as it may be further amended, modified or supplemented from time to time as provided therein.

51. "Plan Distribution Accounts" shall mean the accounts maintained by the Debtors and funded by the purchase price.

52. "Priority claim" shall mean a claim entitled to priority pursuant to 11 U.S.C. § 507(a) other than administrative claims.

53. "Priority non-tax claim" shall mean any claim of a kind specified in Sections 507(a)(3), (4), (5), (6), (7) or (9) of the bankruptcy code.

54. "Priority tax claim" shall mean any claim of a governmental unit of the kind specified in Section 507(a)(8) of the bankruptcy code.

55. "Professionals" shall mean all attorneys, accountants, financial advisors, investment bankers, appraisers, consultants, realtors, brokers and other professionals retained or to be compensated by the estates pursuant to an order of the bankruptcy court entered into under Sections 327, 328, 330, 331, 363, 503(b) or 1103 of the bankruptcy code.

56. "Professional claims" shall mean the allowances made by the bankruptcy court to professionals, each of which allowance shall be an administrative claim.

57. "Property" shall have the meaning set forth in the purchase agreement or the notice of sale which may be separately filed with the bankruptcy court pursuant to Section 363 of the bankruptcy code.

58. "Proponents" shall mean both Debtors, jointly.

59. "Pro rata" shall mean ratable payment, without preference.
60. "Purchaser" shall mean Mason Jar 101, LLC or any subsequent assignee or successor to the Purchase Agreement or eventual successful bidder at a court ordered, approved, and conducted sale of the assets of the Debtors.
61. "Purchase Agreement" shall mean the agreement between Purchaser and Debtors attached to the disclosure statement as Exhibit 1, and as it may be further amended, modified or supplemented from time to time as provided therein.
62. "Purchase price" shall have the meaning set forth in the Purchase Agreement or any eventual successful bid resulting from a court ordered, approved, and conducted sale of the assets of the Debtors.
63. "Record date" shall mean the date ballots for voting on the Plan are due pursuant to order of the bankruptcy court.
64. "Reorganized Debtors" shall mean the Debtors on or after the confirmation date.
65. "Reserve Fund" shall mean \$100,000.00, which shall be funded from the purchase price as set forth in Section 3.5 of the plan.
66. "Sale" shall mean the sale of the property pursuant to the purchase agreement, the Plan, or a court ordered, approved, and conducted sale of the assets of the Debtors.
67. "Sale order" shall mean an order of the bankruptcy court authorizing the sale to the extent the parties determine such an order separate from the confirmation order is necessary.
68. "Schedules" shall mean those schedules and statements of financial affairs filed by the Debtors under Bankruptcy Rule 1007, as same may be amended from time to time.
69. "Secured claim" shall mean (a) a claim secured by a lien on property of the Debtor, which lien is valid, superior, perfected and enforceable under applicable law and is not subject to avoidance under the bankruptcy code or other applicable non-bankruptcy law, and which is duly established in the Debtor's bankruptcy case, but only to the extent that such claim does not exceed the value of the Debtor's assets which the bankruptcy court finds are valid collateral for such claim (except, if the class of which such claim is a part makes the election provided for in 11 U.S.C. § 1111(b)(2), the entire amount of the claim shall be a secured claim) and (b) a claim allowed under the Plan as a secured claim.
70. "Secured creditor" shall mean the owner or holder of a secured claim.
71. "Settlement agreements" shall mean any agreement by and among Purchaser, Debtors and a claimant settling a claim for purposes of the Plan.

72. "Settlement order" shall mean any final order of the bankruptcy court approving a settlement agreement.

73. "Tax claims" shall mean claims of any person for the payment of taxes (a) accorded priority pursuant to 11 U.S.C. §§ 507(a)(1) and (8), or (b) those secured by valid liens on assets of the Debtor as of the confirmation date.

74. "Taxes order" shall have the meaning set forth in Section 3.3 of this Plan.

75. "Unimpaired" means, with respect to a class of claims, that such class is not impaired.

76. "Unsecured claims" shall mean all claims held by non-insider creditors of the Debtors, including deficiency claims and claims arising out of the rejection of executory contracts, other than secured claims, administrative claims, priority claims, and tax Claims.

77. "Unsecured creditor" shall mean the owner or holder of an unsecured claim that is not an insider.

EXHIBIT B

DISCLOSURE STATEMENT ORDER

EXHIBIT C

LIQUIDATION ANALYSIS

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:) Case No. 16-03240-HB
)
)

CCC OF FAIRPLAY, LLC)
)
)

) Chapter 11
) Jointly Administered
) and Substantively Consolidated

1 These jointly administered cases are those of the following debtors: CCC Land Company, LLC, Case No. 16-03241-hb and CCC of Fairplay, LLC, Case No.: 16-03240-hb.

Asset Analysis of CCC Land Company, LLC

Date of Filing: June 30, 2016

Assets:		As of date of filing		Creditors:	
	1. TD Bank Account # 5396		\$49.66		
	2. Real Estate	CCC Land Co., LLC - 2.5 acres of land located at 207 Farmhouse Lane, Fair Play, SC 29643, Oconee County, SC. Property includes: 2 mobile homes, a barn and an assisted living facility. Debtor believes the property to be worth \$900,000	\$715,000.00	TD Bank	Holder UCC blanket lien on all assets of the Debtor. First Mortgage Holder on Real Estate of Debtor for \$707,759.68 as of date of filing
	4. Other receivables	Outstanding rent from CCC of Fairplay, LLC - \$86,713.00 ***UNCOLLECTABLE***	\$0.00	TD Bank	Holds UCC blanket lien on all assets of the Debtor.
Total of all assets and debts:			\$715,049.66		\$707,759.68

No funds will be available to unsecured creditors after liquidation.

UNITED STATES BANKRUPTCY COURT
 DISTRICT OF SOUTH CAROLINA

In re:) Case No. 16-03240-HB

CCC OF FAIRPLAY, LLC)
)
) Chapter 11
) Jointly Administered
) and Substantively Consolidated

1 These jointly administered cases are those of the following debtors: CCC Land and Company, LLC, Case No. 16-03241-hb and CCC of Fairplay, LLC, Case No.: 16-03240-hb.

Asset Analysis of CCC of Fairplay, LLC

Date of Filing: June 30, 2016

Assets:		As of date of filing	Creditors:	
	1. TD Bank Account # 5407			
	2. Perishables & Supplies	Perishable food items, cleaning supplies, and medical supplies	TD Bank	Holds UCC blanket lien on all assets of the Debtor.
	4. Office Equipment, Furniture & Fixtures	Office furniture and equipment, furniture for assisted living home, computer, telephones & fax/printer/scanner	TD Bank	Holds UCC blanket lien on all assets of the Debtor.
Total of all assets and debts:				
		\$11,081.76		\$707,759.68
		\$3,031.43		
		\$3,950.00		
				\$18,063.19

The debt to TD Bank exceeds the value of the Debtor's assets.
 No funds will be available to unsecured creditors after liquidation.

EXHIBIT D

PURCHASE AGREEMENT



REAL ESTATE CONTRACT

This CONTRACT is made and entered into this 9th day of November, 2016, by and between Mason Jar 101, LLC and/or Assigns (hereinafter "Buyer") and CCC Land Company, LLC; CCC Of FairPlay, LLC; and CCC Land of FairPlay, LLC, (Owners of record - hereinafter "Sellers").

Dr. Randall Sisam is an active South Carolina Real Estate Licensee and principal of the Buying entity.

WITNESSETH:

THAT FOR AND IN CONSIDERATION of the mutual covenants, agreements, and undertakings herein set forth, of the Earnest Money paid herewith and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers agrees to sell and convey to Buyer and Buyer agrees to purchase from Sellers the real property described in Paragraph 1 below on the following terms and conditions:

1. Description of Property. The real property which is the subject of this Contract (the "Property") is that certain tract or parcels of land located at **207 Farm House Lane, Fair Play, SC 29643**, Oconee County tax map number 331-00-02-063, together with all rights, ways, alleys, easements and appurtenances thereto. Parcel is improved with an Assisted Living Facility.

2. Purchase Price. The purchase price of the Property shall be **Seven Hundred and Fifteen Thousand (\$715,000.00) dollars** and shall be paid by the Buyer as follows:

(a) Buyer will pay a deposit of Five Thousand (**\$5,000.00**) dollars ("Earnest Money") to Breaux and Callahan, as the Escrow Agent, immediately upon (a) the execution of this Contract by both parties and (b) acceptance of the terms of this contract by the Bankruptcy Court and Lien-holder. The Escrow Agent shall promptly deposit the Earnest Money in an account at a federally-insured bank, to be held and disbursed in accordance with the terms of this Contract.

(b) The balance of the purchase price shall be paid by Buyer to Sellers in cash or electronically wired funds at the time of closing, subject to any prorations and adjustments provided for in this Contract.

3. Closing. Closing of the transaction herein provided shall be held on or before Thirty (30) days after the expiration of the Inspection Period and any extensions (as defined below) at the offices of Breaux and Callahan, 505 Pettigru Street, Greenville, SC 29601.

4. Survey. During the Inspection Period, the Buyer may, but shall not be obligated to, obtain a current survey of the Property made by a registered surveyor, which survey will be the basis for determining the number of acres in the Property. The survey shall indicate the boundary lines of the Property, the location of all easements, roadways and other rights-of-way, flood plain areas, wetlands, any existing building setback lines, any encroachments and any other matters affecting the Property. The survey shall also show the acreage contained in the Property net of any public streets or highways calculated to the nearest one thousandths (.001) of an acre. If


11/11/16
2:01PM EST

Buyer


11/14/16
9:24AM EST

Seller

such a survey is obtained, it shall be the basis for preparing the legal description to be used in the deed conveying title to the Buyer.

5. Title. The Sellers shall deliver good, marketable and insurable fee simple title to the Property, free and clear of all liens and encumbrances except for: (a) taxes for the year in which Closing occurs; (b) presently existing easements, covenants, and restrictions of record which do not materially and adversely affect the Property; and (c) any other matters approved by Buyer. For the purposes of this Contract, the term "insurable title" means title that a title insurance company acceptable to Buyer ("Title Company") is willing to insure by issuing to Buyer a commitment for an American Land Title Association ("ALTA") owner's insurance policy in the amount of the purchase price, at standard rates, insuring Buyer's title to the Property, without exception other than those mentioned above. If Sellers is unable to deliver good, marketable and insurable fee simple title to the Property at Closing, Buyer may terminate this contract and the Earnest Money will be returned to Buyer by the Escrow Agent.

No later than ten (10) days before the expiration of the Inspection Period, Buyer shall, at its expense, obtain and furnish to Sellers a commitment for title insurance issued in accordance with the provisions of this paragraph. At that time, Buyer shall give Sellers written notice of any objection to matters of title, including any matters revealed by the survey obtained by the Buyer as provided in Paragraph 3. Upon receipt of any such objections to title, Sellers shall have a period of five (5) days within which to either (a) provide the Buyer with written notice of its intention to cure the objectionable matters, in which case the Closing Date will automatically be extended, if necessary, for an additional ten (10) days from the date of the Sellers's notice of its intent to cure or (b) provide the Buyer with written notice that it does not intend to cure the objectionable matters, in which case the Buyer shall, no later than five (5) days after receipt of Sellers's notice, elect to either (1) terminate the Contract, in writing, and receive a full refund of the Earnest Money or (2) waive the objections to title and proceed with the closing.

6. Environmental Matters. During the Inspection Period, the Buyer may, but shall not be obligated to, obtain environmental reports on the Property from a qualified environmental engineer that shall evaluate and assess the Property for the presence of hazardous substances, toxic wastes or other environmental contamination. If, such reports disclose any materially adverse information regarding the Property and pertaining to environmental matters or conditions existing on the Property, the Buyer shall have the right to terminate the Contract, in which event the Escrow Agent shall refund the Earnest Money to the Buyer and the parties shall have no further obligation to each other hereunder.

7. Buyer's Rights Prior to Closing - Inspection Period.

(a) For a period of **Sixty (60) days** after the necessary approvals (see section 7c) of this Contract have been received (which period is referred to herein as the "Inspection Period"), Buyer, its authorized agents and employees, as well as others authorized by Buyer, shall have full and complete access to the Property and shall be entitled to enter upon the Property and make such marketing, financial, surveying, architectural, engineering, topographical, geological, soil, subsurface, environmental, water drainage, and traffic studies and any other audits, investigations, inspection, evaluations, studies, tests, borings, and measurements as Buyer deems necessary or advisable, so long as the same do not result in any material adverse change to the physical characteristics of the Property. Buyer agrees to indemnify, defend and hold Sellers harmless from and against any and all claims, costs, expenses and liabilities, including reasonable attorney's fees, arising out of or by reason of the investigations conducted by Buyer or Buyer's agent(s).

(b) Buyer has the exclusive right to terminate this Contract at any time during the Inspection Period for any reason. If Buyer elects to terminate pursuant to this paragraph, it shall give written notice


11/13/16
2:01PM EST

Buyer


11/14/16
9:24AM EST

Seller

of such termination to Sellers and to the Escrow Agent prior to the end of the Inspection Period and upon such termination, the Escrow Agent shall return the Earnest Money to the Buyer and the parties shall have no further obligation to each other. Once the Inspection Period (and any permitted extension thereof) has expired, all the Earnest Money will become non-refundable to the Buyer, *except* as otherwise set forth in sections 5, 6, 7 and 14. If the transaction does proceed to Closing, all Earnest Money shall be credited against the purchase price of the Property at Closing.

(c) The Inspection Period shall not begin until the Bankruptcy Court and Lien-holder have both accepted the terms of this contract and submitted such approval to the Buyer in writing.

8. Documents and Records to be Furnished by Sellers. Within ten (10) days of the Effective Date of this Contract, Sellers shall deliver to Buyer copies of any of the following documents that are in Sellers's possession or control and pertain to the Property: Existing plats of survey; most recent tax receipts; title insurance policies; property and liability insurance information; information relating to the condemnation of any portion of the Property; reports from all environmental surveys, investigation, studies, audits, tests, reviews, or other environmental analyses; copies of all leases and amendments thereto; and any other information pertaining to the ownership or operation of the Property which Buyer requests. If Buyer terminates this Contract before the end of the Inspection Period, Buyer will return to Sellers all documents furnished by Sellers pursuant to this section.

9. Sellers' Warranties and Representations. Sellers covenants, represents and warrants as follows:

(a) Sellers has good, marketable and insurable fee simple title to the Property.

(b) Subsequent to the signing of this Contract by both parties hereto, Sellers will not take any action or otherwise permit any change in the status of the title to the Property prior or subsequent to the Closing, without first obtaining the written consent of the Buyer.

(c) The individual(s) who have executed this Contract as Sellers or on behalf of the Sellers have the full right and authority to do so, having obtained all consents to enter into and perform this Contract and to sell the Property on the terms set forth in this Contract.

(d) The Sellers has no knowledge of any threatened condemnation, eminent domain proceedings, action, suit, administrative proceeding, judgment, bankruptcy, lien execution, or proceeding pending or threatened against or affecting the Property or the Sellers, which if adversely determined or continued might have an adverse effect upon the Property or upon the Sellers's ability to perform its obligations under this Contract.

(e) The Sellers represents that neither it nor any of its partners, agents or employees have treated, stored, recycled, disposed of or discharged any hazardous, toxic, or polluting substances on or into the Property. Sellers further represents that, to the best of Sellers's knowledge, no other person or entity, including without limitation, any previous owners of the Property, has treated, stored, recycled, disposed of or discharged any hazardous, toxic, or polluting substances on or into the Property. To the best of Sellers's knowledge, all operations or activities upon the Property and the use and occupancy of all or any part of the Property have been in all material respects in compliance with all applicable laws, rules, and regulations relating to the generation, handling, manufacturing, treatment, storage, use, transportation, spillage, leakage, dumping, discharge, release, or disposal of any hazardous, toxic, or polluting substances. Sellers has not received any notification from any person, entity, or governmental authority regarding a violation, proceeding, or inquiry pertaining to the Property with regards to the environment or hazardous, toxic, or polluting substances and there are no underground storage tanks on the Property. Sellers and Buyer hereby expressly acknowledge that the Real Estate Broker, KW Commercial, have not made any independent investigation or determination with respect to the existence or non-existence of asbestos, PCB transformers or other toxic, hazardous or potentially contaminating substances, and/or underground tanks in, on, under or about the Property.



Buyer



Seller

(f) From the Effective Date until Closing, Sellers immediately will notify Buyer of any fact, event, or occurrence having a material effect on the Property or which renders any representation or warranty made by Sellers in this Contract incorrect or misleading in any respect, including but not limited to fire or other casualty loss, receipt of notice of condemnation or threat of condemnation, or violation of any health, safety, fire, environmental, or zoning law, code, regulation, or ordinance, and Sellers promptly will send to Buyer copies of any notices.

10. Closing, Documents. At the Closing, Sellers shall deliver to Buyer the following:

(a) A duly executed general warranty deed conveying insurable fee simple title to the Property free and clear of all liens and encumbrances except (i) ad valorem property taxes for the year in which the Closing occurs; (ii) any presently existing easements, covenants, and restrictions of record; and (iii) any other matters approved by Buyer;

(b) Any documents that Buyer's counsel may determine are necessary to assign any easements, licenses, or permits relating to the use of the Property, which Buyer's counsel determines are assignable;

(c) Such written evidence of authority to execute and deliver the deed and such reasonable owner's affidavit regarding the payment of bills for labor and materials rendered for improvements on the Property as may reasonably be required by the Buyer's title insurance company in order to issue the owners policy and to insure the title without exception for unfiled mechanics' and materialmens' liens and without exceptions for rights of possession in any third party.

(d) A duly executed "non-foreign person" affidavit as required by the Internal Revenue Service with respect to the sale of real property and, if applicable, a non-resident affidavit as required by the South Carolina Tax Commission. Sellers hereby acknowledges that non-resident status may obligate Buyer to withhold a percentage of Sellers's gain or net proceeds.

11. Possession. Exclusive possession of the Property shall be delivered to the Buyer at Closing.

12. Taxes. Ad valorem real property taxes with respect to the Property shall be prorated between the Buyer and the Sellers as of the Closing Date, based upon the most recent information available regarding the amount of taxes. Any applicable rollback taxes will be split equally between Buyer and Sellers and paid at closing.

13. Closing Costs. The Buyer shall be responsible for the cost of any third party inspections ordered by the Buyer, the survey referred to in Paragraph 3 and the title insurance policy. The Sellers shall be responsible for the cost of deed preparation and documentary transfer/ recording taxes or like taxes on the warranty deed of conveyance. Each party shall be responsible for the fees of its own attorneys and for any other costs incurred by such party in connection with the closing of this transaction. All items of income and expense, including without limitation, rental income, insurance premiums, and utility charges, shall be prorated through the date of closing.

14. Condemnation. If, after the execution of this Contract and prior to Closing, Sellers receives notice of the commencement or threatened commencement of eminent domain or any other proceeding against the Property or any portion thereof, Sellers shall immediately notify the Buyer in writing and the Buyer shall elect either:

(a) Not to close the transaction contemplated hereby in which event the Earnest Money shall be refunded to the Buyer and this Contract shall be void and of no further force and effect, or

(b) To close the transaction contemplated hereby in accordance with its terms but subject to such proceedings in which event the Buyer shall be entitled to any condemnation award or proceeds paid with respect to the Property.


11/11/16
2:01PM EST

Buyer


11/14/16
9:24AM EST

Seller

15. Remedies Upon Breach. In the event that the terms and conditions of this Contract have been satisfied and Buyer does not purchase the Property in accordance with the requirements of this Contract within the time limits herein set forth, Sellers, as its sole and exclusive remedy, shall declare this Contract cancelled in which event any Earnest Money held by the Escrow Agent shall be forfeited and paid to the Sellers as full liquidated damages and not as a penalty, the parties acknowledging that Sellers's damages would be difficult to ascertain precisely, and the parties hereto shall have no further rights or obligations with respect to each other. In the event of Sellers's breach of any of the terms, conditions, warranties or representations hereof, the Buyer shall have the right to (a) immediately terminate this Contract upon written notice to the Sellers and receive back the full amount of the Earnest Money and upon return of the same the parties hereby shall have no further rights and obligations or liabilities to each other hereunder; (b) demand and compel by an action for specific performance or similar legal proceedings if necessary the immediate conveyance of the Property by Sellers in compliance with the terms and conditions of this Contract or (c) utilize any other remedies available to it under South Carolina law and equity. Buyer's rights hereunder shall be absolute and shall remain in effect notwithstanding any attempts by Sellers to cure such breach.

16. Governing Law. This Contract shall be governed, interpreted, and construed under the substantive laws of the State of South Carolina, without regard to conflict of laws principles thereof.

17. Time of Essence. Time is of the essence in the performance of the terms and conditions of this Contract. If any date set forth in this Contract should fall on a Saturday, Sunday, or legal holiday, compliance with any obligation or delivery due on that date will be deemed acceptable on the next business day following such Saturday, Sunday, or legal holiday. In this Contract, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the State of South Carolina. In this Contract, the term "business day" means any day other than a Saturday, Sunday, or legal holiday.

18. Notices. All notices which are required hereunder to be in writing shall be effective with respect to the party who is to receive them as of the date on which such notice is (i) telecopied to the office of the party or their counsel, (ii) mailed in care of such party or their counsel in any United States Post Office by certified or registered mail, postage prepaid or (iii) hand delivered by messenger, overnight service or otherwise to the office of the party or their counsel. The addresses for such notices are as follows:

AS TO BUYER: 301 Augusta Street, Suite 100, Greenville, SC 29601

AS TO SELLERS: 207 Farm House Lane, Fair Play, SC 29643

AS TO ESCROW AGENT: 505 Pettigru Street, Greenville, SC 29601

19. Survival of Warranties. This Contract and the warranties contained herein shall survive the Closing and shall not be merged into the closing documents.

20. Assignment of Buyer's Interest. Sellers understands and agrees that Buyer may assign Buyer's right, title, and interest in and to this Contract at any time with the consent of the Sellers. Such consent shall not be unreasonably withheld. The term "Buyer" shall include Buyer's successors and assigns.

21. Escrow Agent. The parties understand and agree that Escrow Agent is authorized to deliver the Earnest Money to the Sellers at Closing. However, if Closing does not occur, and Escrow Agent receives a notice requesting release of the Earnest Money from either party, Escrow Agent is authorized to release the Earnest


11/11/16
2:01PM EST

Buyer


11/04/16
9:24AM EST

Seller

Money to the requesting party, provided that: the notice sets forth the basis on which the Earnest Money is to be released; the notice is simultaneously sent to the other party; and the request is not refuted by the non-requesting party within ten (10) days after receipt of the notice. If the parties cannot agree as to the disposition of the Earnest Money, Escrow Agent is authorized to hold the Earnest Money until the parties reach agreement or until a court of competent jurisdiction establishes the rightful disposition. In consideration of Escrow Agent's services, the Sellers and the Buyer agree to indemnify, defend and hold Escrow Agent harmless from and against all liabilities, damages, costs, expenses (including all attorneys' fees and expenses incurred by Escrow Agent or any of Escrow Agent's employees or agents), causes of action, suits, demands, judgments, and claims of any nature whatsoever that might arise at any time out of Escrow Agent's holding, investing, reinvesting, payment, or other disposition of the Earnest Money, except those which result from Escrow Agent's willful misconduct or neglect.

22. Headings. The headings or captions set forth in this Contract are for the convenience of the parties only, do not form a part of this Contract, and are not to be considered a part of this Contract for any purpose.

23. Entire Understanding. This Contract constitutes the entire understanding and agreement between the parties. This Contract shall not be modified or amended in any way except by written instrument executed by both parties.

24. Effective Date. The Effective Date of this Contract shall be the date the Contract is signed by both parties, and if both parties do not sign on the same date, the date on which it is signed by the last party to sign.

25. Binding Effect. This Contract shall be binding on the parties and their successors and assigns.

26. Counterparts. This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

27. Attorneys Fees. In any action or proceeding arising out of this Contract and involving a dispute between Buyer, Sellers and/or Broker, the prevailing party shall be entitled to receive reasonable attorney's fees and costs as determined by a court of competent jurisdiction from the non-prevailing party.

28. Real Estate Commission. If this transaction is consummated, Sellers agrees to pay a brokerage commission of Five percent (5%) of the purchase price to KW Commercial, the Buyer's Agent, in connection with the purchase and sale of the Property. Excepting said commission, Sellers and Purchaser represent and warrant to each other that no brokerage fees or real estate commissions are or shall be due or owing in connection with this transaction or in any way with respect to Property. Sellers agrees to defend, indemnify, and hold Purchaser harmless from any claims, costs, judgments, or liabilities of any kind advanced by persons claiming real estate brokerage fees through Sellers. Purchaser agrees to defend, indemnify, and hold Sellers harmless from any claims, costs, judgments, or liabilities of any kind advanced by persons claiming real estate brokerage fees through Purchaser.

29. Counterparts. To facilitate execution, this agreement may be executed in as many counterparts as may be deemed appropriate by the parties, all of which shall comprise one Agreement.


11/11/16
2:01PM EST

Buyer


11/14/16
9:24AM EST

Seller

THIS IS A LEGALLY BINDING CONTRACT. THE PARTIES SHOULD SEEK LEGAL ADVICE IF THE CONTENTS ARE NOT UNDERSTOOD. KW COMMERCIALRECOMMENDS THAT YOU OBTAIN LEGAL, TAX OR OTHER PROFESSIONAL ADVICE RELATING TO THIS AGREEMENT. BOTH PURCHASER AND SELLERS ACKNOWLEDGE RECEIPT OF A COPY OF THIS CONTRACT. SIGNATURES BELOW VERIFY ACCEPTANCE OF ALL TERMS AND CONDITIONS STATED HEREIN.

IN WITNESS WHEREOF, the parties hereto have executed or have caused this Contract to be executed under seal by persons duly empowered to bind the parties to perform their respective obligations under this document

IN THE PRESENCE OF:

Purchaser: Mason Jar 101, LLC and/or Assigns

Seller: CCC Land Company, LLC, CCC of FairPlay, LLC, CCC Land of FairPlay, LLC, Owner of Record

By  

By:  

Date: _____


Date: _____

Its: _____

Its: _____


11/11/16
2:01PM EST

Buyer


11/14/16
9:24AM EST

Seller