

**United States Bankruptcy Court
Middle District of Tennessee**

In re	PAUL ANTHONY LOBIANCO	Case	
	SANDRA DAUGHERTY LOBIANCO	No.	3:15-bk-08423
	Debtor(s)	Chapter	11

Small Business Case under Chapter 11

**PAUL ANTHONY LOBIANCO AND SANDRA DAUGHERTY LOBIANCO'S DISCLOSURE
STATEMENT, DATED SEPTEMBER 2nd, 2016**

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I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the small business chapter 11 case of Paul Anthony Lobianco and Sandra Daugherty Lobianco (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the Chapter 11 Plan of Reorganization (the "Plan") filed by Paul Anthony Lobianco and Sandra Daugherty Lobianco on September 2nd, 2016. A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. ***Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.***

The proposed distributions under the Plan are discussed below. General unsecured creditors are classified in Class 11 and will receive a distribution of 100% of their allowed claims. A distribution of \$650 per month shall be paid prorata on the 1st day of the month following the effective date of the Plan.

A. Purpose of This Document

This Disclosure Statement describes:

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

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

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

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

1. *Time and Place of the Hearing to [Finally Approve This Disclosure Statement and] Confirm the Plan*

The hearing at which the Court will determine whether to finally approve this Disclosure Statement and confirm the Plan will take place at the U.S. Bankruptcy Court for the Middle District of Tennessee in Nashville Tennessee. The date and time is described on the Notice included with this disclosure.

2. *Deadline for Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to:

David F. Cannon
Attorney for the Debtor
346 21st Ave North
Nashville TN 37203
(615) 321-8787

See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by the date indicated on the ballot or it will not be counted.

3. *Deadline for Objecting to the Adequacy of Disclosure and Confirmation of the Plan*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon the attorney designated in 2 above by the date indicated on the attached Notice.

4. *Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact the attorney designated in 2 above.

The Court has conditionally approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and the fact that the Court has approved this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted. The Court's approval of this Disclosure Statement is subject to final approval at the hearing on confirmation of the Plan. Objections to the adequacy of this Disclosure Statement may be filed until the date for hearing on confirmation of the Plan indicated on the Notice sent with this Disclosure Statement.

II. BACKGROUND

A. Description and History of the Debtor's Business

The Debtor is two Individuals. Since April 2003 the Debtor has been in the Owner of a business in retail sales. It is a business to consumer builder of pools and spas and retailer of outdoor equipment and associated supplies.

B. Insiders of the Debtor

The debtors are the only insiders. Each owns 50% of Sango Pool and Spa LLC. Sandra Lobianco draws \$4200 per month and Paul Lobianco draws \$4000 per month.

C. Management of the Debtor Before and During the Bankruptcy

During the two years prior to the date on which the bankruptcy petition was filed, the officers, directors, managers or other persons in control of the Debtor, the "Managers" were Paul and Sandra Lobianco. The Managers of the Debtor during the Debtor's chapter 11 case have been Paul and Sandra Lobianco.

After the effective date of the order confirming the Plan the "Post Confirmation Managers" will be Paul and Sandra Lobianco.

D. Events Leading to Chapter 11 Filing

The Debtors found themselves overextended with their creditors in the fall of 2015. They incurred a large amount of debt in connection with their ownership of Sango Pool & Spa, LLC. Most of the debts incurred by Sango Pool & Spa, LLC are personally guaranteed by the Debtors. The larger personally guaranteed business debts include two blanket liens which total approximately \$236,000. The Debtors are also obligated on three mortgages, two of which are residential real properties and one is commercial.

The Debtors income was drastically reduced by the recession in 2008 when business sales declined. The Debtors also suffered a major income loss by theft from a former employee. The extent of the theft is unknown but it estimated to be hundreds of thousands of dollars. Additionally, Paul Lobianco suffered serious medical issues during the summer of 2013, resulting in surgery to remove 25% of his small intestine and colon. Paul Lobianco was unable to work most of that summer.

E. Significant Events During the Bankruptcy Case

1. An Order approving the employment of David F. Cannon, Attorney at Law, was approved by the Court on December 29, 2015.

2. An Order fixing the last date for filing a proof of claim by a creditor was approved by the Court on December 3, 2015. The Order affixed a deadline to file a proof of claim of March 30, 2016 for non-governmental creditors and April 30, 2016 for governmental creditors.

3. Detailed monthly operating reports of the Debtors' post-petition finances are on file with the Clerk of the U.S. Bankruptcy Court, 701 Broadway, Nashville, TN, and are available through the Court's website at www.tnmb.uscourts.gov.

4. Both Debtors maintain their employment to fund the plan.

5. On August 15, 2016, David F. Cannon attorney for the Debtors filed his first interim application for fees and expenses.

F. Projected Recovery of Avoidable Transfers

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions at this time. The Debtor has not yet completed its investigation with regard to prepetition transactions. If you received a payment or other transfer within 90 days of the bankruptcy, or other transfer avoidable under the Code, the Debtor may seek to avoid such transfer.

G. Claims Objections

If an asserted Claim is not listed or you believe the amount owed is inaccurate, the debtor's Plan of Reorganization, Exhibit A, objects to the allowance of or the amount of your claim. A hearing on any objection will be consolidated with the hearing on confirmation of the Plan.

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld.

H. Current and Historical Financial Conditions

The identity and fair market value of the estate's assets are listed in Exhibit B. The most recent post-petition operating report filed since the commencement of the Debtor's bankruptcy case are set forth in Exhibit C.

III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization?

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

B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has not placed the following claims in any class:

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date	none	Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	none	Paid in full on the effective date of the Plan, or according to terms of obligation if later

Professional Fees, as approved by the Court.	Approximately \$6,000	Paid according to court order as approved by the Court on the effective date of the Plan
Clerk's Office Fees	none	Paid in full on the effective date of the Plan
Other administrative expenses	none	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	Paid quarterly	Paid in full on the effective date of the Plan
TOTAL	\$6000	

2. *Priority Tax Claims*

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

None.

C. **Classes of Claims and Equity Interests**

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan. If an asserted Secured Claim is not listed and you believe an amount is owed, the debtor's Plan of Reorganization, Exhibit A, objects to the allowance of your claim. A hearing on any objection will be consolidated with the hearing on confirmation of the Plan.

1. *Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan. None of the secured creditors is an insider and all claims are *impaired*. The class number, name, description of the secured collateral and treatment to be paid under the Plan is as follows:

Class 1: Wells Fargo Bank, N.A has an allowed fully secured claim in the residential real property located at 295 Ellsworth Ct, Clarksville TN 37043. This long term first mortgage will be paid at \$1,177.75 per month starting on the 1st day of the month following the effective date of the Plan. An arrearage of \$13,045.52 shall be paid pro rata within 60 months. The present lien is retained.

Class 2: F&M Bank has an allowed fully secured claim in the residential real property located at 295 Ellsworth Ct, Clarksville TN 37043. This long term second mortgage will be paid at \$196.49 per month starting on the 1st day of the month following the effective date of the Plan. An arrearage of \$2,343 shall be paid pro rata within 60 months. The present lien is retained.

Class 3: F&M Bank has an allowed fully secured claim in the residential real property located at 316 Dunbrook, Clarksville TN 37043. This property is currently occupied by the tenant, Eric Vanderveer. This long term first mortgage will be paid at \$735.68 per month starting on the 1st day of the month following the effective date of the Plan. An arrearage of \$8,397.25 shall be paid pro rata within 60 months. The present lien is retained.

Class 4: Montgomery Co Taxes has a statutory lien from unpaid property tax. It is an allowed fully secured claim for property taxes in the residential real property located at 316 Dunbrook Clarksville TN 37043. This tax claim of \$2,908.20 at 12% APR will be paid at \$64.69 per month starting on the 1st day of the month following the effective date of the plan.

Class 5: First Advantage Bank has an allowed fully secured claim in the commercial real property occupied by the Sango Pool & Spa, LLC, commonly known as 2800 Hwy 41-A South, Clarksville TN 37043. This long term first mortgage will be paid at \$5,055 per month starting on the 1st day of the month following the effective date of the Plan. An arrearage of \$37,710.61 shall be paid \$628.51 per month, 0% interest within 60 months. The present lien is retained.

Class 6: Montgomery Co Taxes has a statutory lien. It is an allowed fully secured claim for property taxes in the commercial real property located 2800 Hwy 41-A South, Clarksville TN 37043. This tax claim of \$9,169 at 12% APR will be paid at \$203.96 per month starting on the 1st day of the month following the effective date of the plan.

Class 7: City of Clarksville has an allowed statutory lien. It is a fully secured claim for property taxes in the commercial real property located 2800 Hwy 41-A South, Clarksville TN 37043. This tax claim of \$7,009.68 at 12% APR will be paid at \$156 per month starting on the 1st day of the month following the effective date of the Plan.

Class 8: Ally Financial has a perfected fully secured allowed claim in a 2012 Chevy Silverado with a VIN # ending in 7068. Ally Financial has received adequate assurance payments of \$250 per month commencing April 15, 2016 under the terms of an Agreed Order entered April 5, 2016. Ally's claim of \$11,596.76 will be paid at 5.5% interest and amortized over 60 months from the effective date of the Plan. Payments will be \$221.52 starting on the 1st day of the month following the effective date of the Plan. Ally will retain its lien until the claim has been satisfied in full.

Class 9: American Honda Finance has a fully secured allowed claim in a 2011 Honda Odyssey. Honda's claim of \$9,702.82 will be paid at 5.25% interest rate and amortized over 60 months from the effective date of the Plan. Payments will be \$185 starting on the 1st day of the month following the effective date of the Plan. Honda will retain its lien until the claim has been satisfied in full.

Class 10: Santander Consumer has a secured claim in a 2007 2860 Regal Boat. Debtors surrender any right, title, and interest in the 2007 2860 Regal boat. Santander Consumer shall be granted relief from the stay and shall be authorized to exercise any and all applicable non-bankruptcy rights against the 2007 2860 Regal boat. There shall be no deficiency balance or unsecured claim.

2. *Classes of Priority Unsecured Claims: None*

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment.

If an asserted Priority Claim is not listed and you believe an amount is owed, the debtor's Plan of Reorganization, Exhibit A, objects to the allowance of your claim. A hearing on any objection will be consolidated with the hearing on confirmation of the Plan.

3. *Class of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code. If your asserted Unsecured Claim is not listed in Exhibit D and you believe an amount is owed, the debtor's Plan of Reorganization, Exhibit A, objects to the allowance of your claim. A hearing on any objection will be consolidated with the hearing on confirmation of the Plan.

The Plan's proposed treatment of Class 11 general unsecured claims is to pay 100% of allowed unsecured claims pro rata with a monthly payment \$650. This is estimated to pay unsecured claims within 60 months.

4. *Class of Equity Interest Holders*

The Debtor is two individuals. They are equity interest holders and shall retain their individual property which includes 100% membership interest in Sango Pool and Spa LLC.

D. Means of Implementing the Plan

1. *Source of Payments*

Payments and distributions under the Plan will be funded by the Debtors employment as Managers of Sango Pool and Spa LLC.

2. *Post-confirmation Management*

The Post-Confirmation Managers of the Debtor, and their compensation, shall be as follows:

Name	Affiliation	Insider	Position	Compensation
Paul Lobianco	Membership Owner	yes	Managing member	\$4,000/ month
Sandra Lobianco	Membership Owner	yes	Managing Member	\$4200/ month

E. Risk Factors

Debtor is two individuals that own a sales business to consumer LLC subject to the ups and downs of the economy. This business has the same risks every business faces from month-month. All financials indicate that the business owned by the debtor will have adequate receipts to meet future expenses that comes into the day to day operation as well as pay off accumulated debt through the Reorganized Plan attached as Exhibit A.

F. Executory Contracts and Unexpired Leases

Debtor Paul Lobianco shall assume his residential lease with the Loft at Riverdale. Debtors assume the lease with tenant Eric Vanderveer who resides at 316 Dunbrook in Clarkesville TN 37043.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, and/or Advisors.

11 U.S.C. §1125(a)(1) requires the Debtors to include a discussion of any potential material federal tax consequences of the Plan to the Debtors, any successor to the Debtors, and a hypothetical investor typical of the holders of Claims or Interests in this case. Debtors have not sought or received advice concerning the tax consequences of confirmation of the Plan on themselves. Nor have the Debtors assessed the tax consequences that confirmation of the Plan could have on Debtors' creditors. Creditors are advised to direct all questions regarding the tax consequences of the Plan to their respective tax advisors.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

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

A. Who May Vote or Object

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

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

In this case, the Plan Proponent believes that all classes of claims are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that class 12, the interests of the debtor in property of the estate, is unimpaired and the Debtor therefore, does not have the right to vote to accept or reject the Plan.

1. *What Is an Allowed Claim or an Allowed Equity Interest?*

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure. ***If your asserted Claim is not listed above or in the list of unsecured claims attached as Exhibit D and you believe an amount is owed, the debtor's Plan of Reorganization, Exhibit A, objects to the allowance of your claim. A hearing on any objection will be consolidated with the hearing on confirmation of the Plan.***

The deadline for filing a proof of claim in this case was March 30, 2016 for non-governmental creditors and April 30, 2016 for governmental creditors.

The deadline for filing objections to claims is the date and time of the confirmation hearing described in the Notice sent with this disclosure.

2. *What Is an Impaired Claim or Impaired Equity Interest?*

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

3. *Who is Not Entitled to Vote*

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

holders of claims and equity interests that have been disallowed by an order of the Court;

holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes.

holders of claims or equity interests in unimpaired classes;

holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and

holders of claims or equity interests in classes that do not receive or retain any value under the Plan;

administrative expenses.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.

4. *Who Can Vote in More Than One Class*

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

B. Votes Necessary to Confirm the Plan

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

1. Votes Necessary for a Class to Accept the Plan

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

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

2. Treatment of Nonaccepting Classes

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds nonaccepting classes is commonly referred to as a "cram down" plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not "discriminate unfairly," and is "fair and equitable" toward each impaired class that has not voted to accept the Plan.

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

C. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit E.

D. Feasibility

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

1. Ability to Initially Fund Plan

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan, and the sources of that cash are attached to this disclosure statement as Exhibit F.

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

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

The Plan Proponent has provided projected financial information. Those projections are listed in Exhibit G.

The Plan Proponent's financial projections show that the Debtor will have an aggregate annual average cash flow, after paying operating expenses and post-confirmation taxes, of \$174,000. The final Plan payment is expected to be paid on October 1, 2021.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

V. EFFECT OF CONFIRMATION OF PLAN

A. NO DISCHARGE OF DEBTOR.

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

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

The Plan Proponent may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated and (2) the Court authorizes the proposed modifications after notice and a hearing.

C. Final Decree

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

VI. OTHER PLAN PROVISIONS

-Sango Pool & Spa LLC business debt with a personal guarantee.

Any individual guarantee previously signed by the debtors for loans to Sango Pool and Spa LLC secured by assets owned by Sango Pool and Spa LLC shall continue as written upon the Effective Date of the Plan. The reorganized individual debtor shall remain individually obligated and liable for business debt owed by Sango Pool and Spa LLC, secured by Sango Pool and Spa LLC assets in the event of default.

/s/ PAUL ANTHONY LOBIANCO
/s/ SANDRA DAUGHERTY LOBIANCO

PAUL ANTHONY LOBIANCO and SANDRA
DAUGHERTY LOBIANCO

/s/ David F. Cannon

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