

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION**

IN RE:	)	
	)	Case No. 3:16-bk-02065
JACKSON MASONRY, LLC,	)	Chapter 11
	)	Judge Walker
Debtor.	)	

**DISCLOSURE STATEMENT TO ACCOMPANY PLAN OF REORGANIZATION**

Jackson Masonry, LLC (“Jackson Masonry”) submits this Disclosure Statement for use in soliciting acceptances of its Plan of Reorganization (the “Plan”). All capitalized terms herein are defined in this Disclosure Statement, the Plan or the Bankruptcy Code, and all capitalized terms in the Plan are defined in the Plan, this Disclosure Statement, or the Bankruptcy Code.

**INTRODUCTION**

**I. Beginning of Jackson Masonry**

Jackson Masonry was formed on January 26, 1998. It is owned entirely by Rogers Jackson. Its formation was preceded by his years of experience in the industry. Mr. Jackson started working in construction and masonry in 1976. His initial employer was WASCO Masonry, where he worked as a bricklayer until 1980. In 1980, Mr. Jackson entered into a partnership and started JGS Masonry. After just a few years, the partnership dissolved and Mr. Jackson returned to WASCO. He remained there until 1990, when he became 50% owner of Knight Masonry. In 1997, Mr. Jackson left Knight Masonry and decided to form Jackson Masonry along with his wife. The business started out of their basement, with 0 projects in the queue and Mr. Jackson as the only employee.

**II. The Progression of the Business**

Mr. Jackson slowly began to obtain small, residential jobs, such as foundation work. He estimated at night, and laid brick during the day. After about three years of residential and industrial work, Mr. Jackson had made a name for himself, and his business. He had built the Jackson Masonry name to the point that it could do smaller residential jobs, but also became known for having the ability to complete high quality commercial jobs in a timely manner. What started from his basement slowly grew into a successful, reputable, business that serviced Middle Tennessee’s largest projects, to include courthouses, Nashville’s Pinnacle Building, and university and church buildings.

The following represents just a small portion of the masonry jobs performed over the years: St. Anne’s Church (1998), Academy Sports (1999), St. Cecilia Academy high school (2000), Vanderbilt baseball stadium (2001), Fort Campbell combined Officers and Enlisted Club (2002), Pillsbury (2003), Vanderbilt building additions (2004), Robertson County Courthouse (2005), SunTrust Plaza (2006), Pinnacle Building as sole masonry provider (2007), University of

Tennessee Hess Residence Hall (2008), Clarksville Marina (2009), Hemlock Semiconductor plant (2010), U.S. Fish and Wildlife Center (2011), Stone's River Battlefield (2012), First Bank (2013), six Tire Discounters (2014), Thompson Gulch hotel (2015), Nissan facility (2016), and Germantown Apartments (2016).

### **III. The Present**

Jackson Masonry is now a full-service masonry contractor, and no job is too big. It prides itself on not being a subcontractor-driven company. Instead, it has a team of approximately 28 dedicated employees who understand and embrace the Jackson Masonry way of doing business. The employees include mason tenders to provide general labor, yard personnel to service the project needs, operators for mixers and forklifts, apprenticeship bricklayers who are learning the trade, bricklayers, foreman to oversee bricklayers, superintendents to oversee the foreman, and project managers in the office taking care of general business administration matters.

The work environment feels more like a family, which has been the company's goal from the beginning. This approach may not be the most profitable when the business is not at full capacity, but it is certainly the best approach for ensuring quality results and having predictability during a project. Since its inception, Jackson Masonry has prided itself on getting the job done on time, and in a manner that exceeds the general contractors' and/or owners' expectations. Based on several events and realities, though, the company's financial situation needs to improve to ensure its long-term viability.

### **IV. Basis for Chapter 11 Filing**

Jackson Masonry has a solid business model. And it has a large team of employees who are loyal to the company. Given its reputation, there is also no shortage of work. However, not everything is ideal. There have been key indicators of problems. The company lost money every year from 2008 to 2012, and its future was very much in doubt. In 2013, the company had maxed out a line of credit with Civic Bank & Trust, which has since been converted to a promissory note. In order to satisfy cash concerns, Jackson Masonry attempted to sell its 4.3 acres of real estate (1200 49<sup>th</sup> Avenue North, Nashville) where it operated. After an approximate 18-month due diligence period, the tentative purchaser was unable to satisfy the contract terms and the closing never occurred.

Despite the failed closing, Jackson Masonry was able to find the cash, in part because Rogers Jackson liquidated a 401k account, to press forward. It operated at a profit in 2014 and 2015; however, prior to a sale of real estate (described below), Jackson Masonry had a maxed out line of credit with Franklin Synergy Bank. Although it has survived, it is not in a position to improve as a business or protect itself from an economic downturn. In fact, based on projections, Jackson Masonry's future would be in serious doubt if it could not rely upon Chapter 11 protection. There were four primary reasons for the Chapter 11 filing: (1) lack of available cash, (2) current contracts that will virtually eliminate profit margin over the next 6-9 months (without a cash float or line of credit to cover the operating expenses), and (3) current lawsuits, to namely include (a) a lawsuit filed by the City of Clarksville that, unless removed or handled through the claims litigation process, will be extremely expensive to defend, and (b) a lawsuit by Ritzen Group, Inc. that attempts to force Jackson Masonry from its operating location.

1. Lack of Available Cash.

Prior to the Petition Date, Jackson Masonry realized about \$5 million in annual revenue. It has traditionally relied upon its accounts receivable to fund its operations, as well as a line of credit during periods of cash shortages. Jackson Masonry's cash on the Petition Date was \$4,029.55. The Chapter 11 filing was designed to permit the company to increase its cash position to serve as an operating reserve, ensure the business is able to pay its employees, fund future projects related to assumed contracts, and maximize returns to creditors (which under the Plan is 100% to all creditors).

In addition, during January and February prior to the Petition Date, Jackson Masonry did not realize \$101,880.32 in accounts receivable that are due and payable. This amount relates to 16 projects that were delayed in payment for various reasons, to include the project owner's failure to pay the general contractor. Since the filing, Jackson Masonry has recovered a substantial portion of these amounts.

2. Losing/Breakeven Contracts.

For a 6-9 month period in 2016, Jackson Masonry had 42 contracts for which it was obligated to perform. A majority of these contracts still require both parties to perform, and are therefore executory pursuant to 11 U.S.C. § 365. The company analyzed each contract, estimated the costs and yield, and determined the profit margin. As of the Petition Date, the total value of the contract prices totaled approximately \$5,947,011.56 and the estimated costs associated with these contracts totaled approximately \$5,206,721.74. Although a 5% margin is ordinary in the industry, Jackson Masonry's 42 contracts are expected to achieve only a 1.2% margin. During the bankruptcy, Jackson Masonry has worked with its contractors on terms that will permit completion of projects. Although not all projects have been as profitable as others, the bankruptcy has permitted Jackson Masonry to survive, assume contracts, negotiate with contractors, keep a substantial number of its employees, and remain in business.

3. Pending Lawsuits.

As of the Petition Date, Jackson Masonry was involved in two lawsuits. The following is a brief description of the two major pre-petition lawsuits that contributed to Jackson Masonry's uncertain future, and how both have been addressed in the Chapter 11:

a. *The City of Clarksville vs. TMS Contracting, LLC and Fidelity and Deposit Company of Maryland, Case No. MC-CH-CV-CD-14-47, Chancery Court for Montgomery County, Tennessee* (the "Clarksville Lawsuit"). The City of Clarksville sued the defendants based on the failure of a construction project known as the "Marina at Liberty Park" located in Clarksville. Specifically, it is alleged that there has been a failure of a revetment stone slope, improper settlement, and other construction defects. TMS Contracting, LLC filed a third party complaint against Jackson Masonry and two other parties. It appears the Marina at Liberty Park may have to be completely redone. The Chapter 11 filing was necessary to provide Jackson Masonry the opportunity to control its litigation cost and exposure related to the Clarksville Lawsuit.

During the bankruptcy, Jackson Masonry has been able to relieve itself of any direct liability related to the Clarksville Lawsuit. First, Jackson Masonry negotiated a release from TMS Contracting, LLC. TMS Contracting, LLC was granted relief from the automatic stay (*see* Docket No. 167) for the limited purpose of pursuing any insurance proceeds or performance bonds related to the Marina at Liberty Park project. In exchange for the stay relief, TMS Contracting, LLC provided Jackson Masonry with a full release and waiver of all claims related to the Clarksville Lawsuit. Jackson Masonry was able to avoid multi-million dollars in exposure and fees as a result of this action during the Chapter 11.

No other parties in the Clarksville Lawsuit have asserted liability against Jackson Masonry. The City of Clarksville, as the plaintiff in the lawsuit, has not demanded any amounts from Jackson Masonry or otherwise asserted any claim against Jackson Masonry. The deadline to file a proof of claim has passed (*see* Docket No. 273) without the filing of a claim, and the City of Clarksville therefore has no recourse against the estate. Jackson Masonry accordingly proposes to make no distributions to the City of Clarksville in connection with its Chapter 11.

b. *Ritzen Group, Inc. v. Jackson Masonry, Case No. 14-1822-II, Davidson County Chancery Court.* When Jackson Masonry filed the Chapter 11, it described its pre-petition lawsuit against Ritzen Group, Inc. (“Ritzen”) as follows:

This is a simple breach of contract case. In 2013, during a cash crunch, Jackson Masonry desired to sell the property at which it operates, which consists of 4.3 acres of property. This real estate is large enough to store Jackson Masonry’s equipment and materials, and is located in a convenient area in Nashville. The property appeared to have equity, and Jackson Masonry wanted to use the cash proceeds to assist the business. Ritzen Group and Jackson Masonry agreed on terms. After approximately 18 months, the property still had not closed, and Ritzen Group still had unperformed conditions precedent that prevented closing. Both parties now assert that the other party breached the contract. Ritzen Group seeks specific performance of the contract (despite not fulfilling its obligations) to compel a closing. Jackson Masonry believes it would prevail in this lawsuit, but needs to remain at its current operating location. If Jackson Masonry is removed from this location, it would be forced to find another location that is unknown, and which would greatly disrupt its operations. Any claim filed by Ritzen Group will be adjudicated in connection with claims litigation in this Chapter 11.

After the case was filed, Ritzen filed a motion for relief from the automatic stay to continue the pre-petition lawsuit. *See* Docket No. 57. Jackson Masonry opposed the motion. *See* Docket No. 83. On June 14, 2016, the Court conducted a hearing on the Motion. After hearing testimony and arguments of counsel, and further in consideration of the papers filed by both parties, the Court denied Ritzen’s motion. *See* Docket No. 133.

On December 5-6, 2016, the Court conducted a hearing that consolidated all contested matters between Jackson Masonry and Ritzen. This included an objection to Ritzen’s claim (*see* Docket No. 118) and adversary proceedings filed by both parties. After multiple days and multiple witnesses, the Court issued a ruling in Jackson Masonry’s favor on liability. *See* Docket No. 375.

The Court will conduct a “damages hearing” to determine the extent of any relief in favor of Jackson Masonry. Specifically, Jackson Masonry will seek the recovery of \$15,000 in earnest money and all attorney fees that are recoverable under the pre-petition purchase and sale contract between Ritzen and Jackson Masonry. Ritzen is expected to appeal the decision. The ongoing litigation costs could continue to be significant; however, the attorney fees (i) are unknown based on the uncertainty concerning Ritzen’s next actions, and (ii) will be pursued from Ritzen in the event Jackson Masonry prevails on the appeal.

## **V. PROGRESS OF THE CHAPTER 11 CASE**

Jackson Masonry has remained a debtor-in-possession and in control of its affairs since the Petition Date. There has been no examiner, restructuring officer, or other professional appointed to control Jackson Masonry’s affairs. Jackson Masonry has continued to operate as usual, while also using the bankruptcy process as an opportunity to locate, analyze and remedy inefficiencies in its estimating, bidding, and collections. Jackson Masonry has filed all monthly operating reports, which are available electronically to any party in interest. These reports indicate the cash flow of Jackson Masonry relative to Jackson Masonry’s costs, expenses, and debt service obligations under the Plan.

Specifically, Jackson Masonry has used the Chapter 11 to build better relationships with its current and prospective customers, vendors, and suppliers. The Chapter 11 provided an opportunity to analyze every aspect of its business and business model. This has included its counsel working on existing contracts with the intent of making the same more profitable and/or including protective language, assuming contracts (*see, e.g.*, Docket Nos. 131, 132) changing the manner in which Jackson Masonry bids its prospective projects, reducing its payroll expenses, and conferring with a consultant that provided advisory services to WASCO, Inc., a recent industry participant that filed for Chapter 11 within this district.

In addition, Jackson Masonry has used the Chapter 11 to improve its cash position. As stated in its *Company Profile* (Docket No. 10), Jackson Masonry was cash-strapped on the Petition Date. It is crucial in the masonry industry to build a cash reserve to float operations during downturns. As of the Petition Date, Jackson Masonry owned real estate at 657 Old Hickory Boulevard, Nashville, Tennessee 37209. Jackson Masonry sold this property, paid off secured debt, and used the substantial equity that benefited the bankruptcy estate. A statement of sale is available as Docket No. 310. More specifically, as of the Petition Date, and in connection with a certain commercial promissory note, Jackson Masonry owed Franklin Synergy Bank approximately \$238,000. *See Schedules*, ¶ 2.6. The sale of the real estate at 657 Old Hickory permitted Jackson Masonry to fully satisfy all outstanding amounts owed to Franklin Synergy Bank. As a result, Franklin Synergy Bank’s claim (*see Claim No. 15*) is paid in full and Franklin Synergy Bank no longer has a claim against Jackson Masonry’s bankruptcy estate.

With regard to impediments or other concerns during the bankruptcy case, the owner of Jackson Masonry (Rogers Jackson) has continued to take a substantial decrease in his compensation. Although this has benefited Jackson Masonry and contributed to its sustainability, a multi-million masonry contractor needs to be paying its owner/key employee a market rate. The long-term viability of a company requires fairness in compensation, and Jackson Masonry's inability to do that during the bankruptcy is a concern. In this case, the professional fees related to the Ritzen contested matters have made it impossible for Mr. Jackson to receive competitive compensation. The most important concern, though, is uncertainty surrounding Jackson Masonry's ability to obtain performance bonds. It has lost at least one project (and possibly others) because it has been denied when applying for bonds. The Chapter 11 and risks with the Chapter 11 were cited as the reason for the denial.

## **VI. PROGRESS OF THE CHAPTER 11 CASE**

### **a. Filing of Petition.**

On March 24, 2016 (the "Petition Date"), Jackson Masonry filed a voluntary petition seeking relief under Chapter 11, Title 11 of the Bankruptcy Code.

### **b. First Day Administration & Relevant Proceedings**

Shortly after the Petition Date, Jackson Masonry filed several motions seeking to utilize various portions of the Bankruptcy Code (the "First Day Motions"), including the following:

1. Expedited Motion Pursuant to Section 366 of the Bankruptcy Code for Entry of Expedited Interim and Final Order: (A) Prohibiting Utilities from Altering, Refusing or Discontinuing Service to, or Discriminating Against, Jackson Masonry on Account Of Prepetition Invoices; (B) Determining that the Utilities Are Adequately Assured of Future Payment; (C) Establishing Procedures for Determining Requests for Additional Assurance; and (D) Permitting Utility Companies to Opt Out of the Established Adequate Assurance Procedures (the "Utilities Motion") (Doc. No. 13);

2. Expedited Motion for Entry of Order Authorizing Use of Cash Collateral (the "Cash Collateral Motion") (Doc. No. 11);

3. Expedited Motion for Entry of Order Authorizing Maintenance and Use of Existing Bank Accounts and Cash Management System (the "Cash Management Motion") (Doc. No. 12);

4. Expedited Motion for Authorization to Pay Prepetition Wages, Compensation and Employee Benefits (the "Wages Motion") (Doc. No. 14); and

The First Day Motions were heard on an expedited basis by the Court on March 29, 2016. The Court granted Jackson Masonry interim relief, and set the final hearing on the First Day Motions for April 12, 2016. In connection with a final hearing, the Court granted the Cash

Collateral Motion (Doc. No. 31), the Cash Management Motion (Doc. No. 37), the Utilities Motion (Doc. No. 35), and the Wages Motion (Doc. No. 33).

In the months after the Petition Date, Jackson Masonry faced multiple demands from its vendors and customers after Jackson Masonry had accrued a receivable from project owners/contractors. In the ordinary course of business, Jackson Masonry would typically pay its suppliers upon receipt of payment from the project owner or contractor. When the Chapter 11 was filed, Jackson Masonry owed pre-petition amounts to various suppliers. These suppliers had an ability to lien the subject project and make demands directly to the project owner or contractor. This would have caused project delay, work stoppages, and further would have seriously hurt Jackson Masonry's credibility within the industry. To avoid any disastrous results, Jackson Masonry requested, and the Court approved, a "joint check" method so that the suppliers could get paid pursuant to contract. *See* Docket No. 92.

**c. Schedules of Assets and Liabilities and Monthly Operating Reports.**

Pursuant to the Bankruptcy Rules and the requirements of the United States Trustee's Office, Jackson Masonry filed on April 27, 2016 its Statement of Financial Affairs and its Schedules of Assets and Liabilities (Doc. Nos. 73, 74, as amended by Doc. Nos. 75-77). Jackson Masonry has filed Monthly Operating Reports since the Petition Date. In addition to the information provided herein, the Schedules, Statements and Monthly Operating Reports may be consulted and inspected by all interested persons. Copies of these and any other filings in this Chapter 11 Case may be obtained electronically by those authorized to participate in the PACER program by accessing the Bankruptcy Court's website, [www.tnmb.uscourts.gov](http://www.tnmb.uscourts.gov), or by writing to Jackson Masonry's counsel.

**d. Deadline for Filing Proofs of Claim.**

Jackson Masonry filed a motion asking the Bankruptcy Court to set a general Claims Bar Date. By Order entered May 3, 2016 (Doc. No. 82), the Bankruptcy Court set July 27, 2016 as the general Claims Bar Date, the deadline by which all proofs of Claim for unscheduled debts or for debts scheduled as disputed, contingent, or unliquidated had to be filed with the Clerk of the Bankruptcy, and September 20, 2016, as the deadline for all governmental creditors to file proofs of Claim. The Court later amended the July 27, 2016 deadline to November 28, 2016 for any party that did not receive notice of the original deadline, and otherwise was not notified of the deadline to file a proof of claim prior to the deadline.

For unexpired leases rejected as a matter of law pursuant to § 365(d)(4) of the Bankruptcy Code (which Jackson Masonry asserts did not occur in this case) and those contracts or leases deemed rejected by the Plan, the deadline for filing a Claim is set by the Plan to be 30 days from the Effective Date. Should Jackson Masonry amend its schedules in the future to change the amount of any Claim or change a Claim to disputed, contingent, or unliquidated, the Plan provides that the holder of such Claim shall have 30 days from service of notice of the change to file a proof of Claim.

## VII. JACKSON MASONRY'S ASSETS AND OPERATIONS

The identity and value of the estate's assets are contained in Jackson Masonry's schedule of assets. *See* Docket No. 73, 75, 76. Please also refer to Jackson Masonry's financial history set forth in the monthly operating reports, the most recent of which was filed for the period ending January 31, 2017. Based on this operating history, Jackson Masonry anticipates that it will be able to successfully complete its obligations under the Plan and that the Plan is feasible.

### a. Cash and Receivables.

As of January 31, 2017, Jackson Masonry's Operating & Disbursement a debtor-in-possession account with Regions Bank had an ending book balance of \$86,397.11. This represents an increase from the amount on hand as of the Petition Date, which was \$4,029.55. As of January 31, 2017, Jackson Masonry had outstanding receivables of \$599,158.44, which represents a decrease from the amount as of the Petition Date, which was approximately \$749,681.00.

### b. Real Property, Equipment, and Misc. Assets.

The assets of Jackson Masonry, like many other masonry contractors, fall into two categories: real estate and equipment. Jackson Masonry owns the real estate upon which it operates, which is located at 1200 49<sup>th</sup> Avenue N., Nashville, Tennessee. As of the filing of the Plan, the tax assessed value of this real estate is \$378,600.00. Jackson Masonry is not marketing this property and is unaware of the fair market value; however, Jackson Masonry asserts that the fair market value of the real estate exceeds the tax assessed value. Any Claimant or party in interest may appraise the property upon request and coordination with Jackson Masonry. Jackson Masonry proposes to pay all creditors in full, and therefore it would not be appropriate business judgment for Jackson Masonry to conduct an appraisal in connection with the Plan.

With respect to personalty, Jackson Masonry primarily owns a fleet of vehicles, equipment used to complete its projects, and raw building materials. Jackson Masonry has not estimated its values as of the filing of the Plan. In connection with filing the Chapter 11 bankruptcy, though, Jackson Masonry made a good faith attempt to approximate the fair market value of all of its assets as of the Petition Date. The estimated values are contained in Jackson Masonry's Schedule A/B, Form 206A/B (Docket No. 73).

### c. Executory Contracts and Leases.

As of the Petition Date, Jackson Masonry had multiple executory contracts, all of which are set forth on Schedule G (pages 18-23) of the Schedule of Assets. The material executory contracts with various contractors have (i) been assumed or rejected prior to the filing of the Plan, (ii) expired on during the Chapter 11 based on project completion, or (iii) otherwise are being addressed in connection with the Plan. As negotiated and agreed upon during the Chapter 11, Jackson Masonry does not intend to reject or default on any non-expired or non-terminated executory contract. **All executory contracts to which Jackson Masonry is a party, which have not expired or which have not been rejected prior to confirmation of the Plan, are intended to be assumed under the Plan.** Notice is hereby given to all parties to an executory contract with Jackson Masonry that it should investigate its rights and interests pursuant to 11 U.S.C. § 365 and any other applicable law to determine the consequences of such assumption. Jackson Masonry



asserts that the Plan shall be controlling in all respects with respect to such assumed or rejected executory contracts upon confirmation of the Plan.

**d. Causes of Action.**

Jackson Masonry reserves the right to pursue all available Causes of Action, including Avoidance Actions under the Plan. Jackson Masonry asserts a claim against Ritzen for the reasons stated above. The claim includes earnest money and all attorney fees to enforce its rights in connection with that the pre-petition purchase and sale agreement of its real property located at 1200 49<sup>th</sup> Avenue North, Nashville, Tennessee. This claim is currently being litigated, and is expected to be litigated to finality, in Bankruptcy Court prior to a final decree being issued in this case.

In addition, Section 547 of the Bankruptcy Code creates a cause of action for avoidance of preferential transfers, i.e. transfers to or on behalf of a creditor on account of antecedent debt to the extent such transfer was made in the 90 days before the Petition Date or, if made to or on behalf of an insider, in the one year prior to the Petition Date. There are additional elements to be proven in order to avoid a transfer, and there are several defenses available to creditors to prevent avoidance. In this case, substantially all payments made by Jackson Masonry during the 90-day period prior to the Petition Date were made to employees and vendors that provided labor or materials in support of Jackson Masonry's operations, on account of Jackson Masonry's debt servicing requirements, or were payments on a demand note. To the extent any payment or other transfer of an interest in property by Jackson Masonry on account of antecedent debt in the 90-day period prior to the Petition Date constitutes a preferential transfer under § 547(b) of the Bankruptcy Code, Jackson Masonry anticipates that creditors will possess multiple defenses under § 547(c) of the Bankruptcy Code, including without limitation, ordinary course of business, contemporaneous exchange for new value, and/or subsequent new value. Prior to the Petition Date, on March 10, 2016 and March 17, 2016, Jackson Masonry transferred \$104,021.46 to Patty Jackson, the wife of Rogers Jackson. This payment was pursuant to a promissory note that matured on demand. The payment was timely made and Jackson Masonry asserts that Mrs. Jackson would assert a defense based on this transaction being paid in the ordinary course of business. Specifically, Jackson Masonry repaid the note upon demand, and in accordance with the terms of the promissory note. Jackson Masonry believes that payments to insiders, including Rogers Jackson as regular (under market) compensation and Patty Jackson as repayment on a demand note, will be protected from avoidance by defenses under § 547(c) and/or § 548 of the Bankruptcy Code, including the ordinary course of business and/or subsequent new value defenses. Even if not protected, the cost of pursuing such claims will be burdensome and time consuming. Given that Jackson Masonry is proposing a plan that pays all creditors in full, and given the cost and uncertainties of litigation, commencing adversary proceedings is not in the bankruptcy estate's best interests. Please refer to Jackson Masonry's Statements and Schedules for a full discussion of amounts paid to recipients of transfers during this period.

**Notwithstanding the foregoing, all recipients or beneficiaries of a potentially avoidable transfer under § 547 of the Bankruptcy Code and all immediate or mediate transferees of such transfers are on notice that Jackson Masonry may seek to avoid and recover such transfers from them pursuant to §§ 547 and 550 of the Bankruptcy Code.**

Jackson Masonry reserves and retains all causes of action, including any fraudulent conveyances recoverable under the Bankruptcy Code or state law. For clarity and without limitation of the scope of reserved Section 547 Claims, (i) all creditors who received payment or payments on account of antecedent debt from Jackson Masonry in the 90-day period prior to the Petition Date that aggregated at least \$6,225 and (ii) all insiders receiving payments on account of antecedent debt from Jackson Masonry in the year prior to the Petition Date that aggregated at least \$6,225 should take notice that such payments may be subject to avoidance and recovery. Recipients of such payments known by Jackson Masonry were identified in response to Form 207 to the Statements and Schedules. Jackson Masonry reserves its right to amend the lists and identify additional transfers to the identified creditors or to identify additional creditors who received potentially avoidable transfers.

Jackson Masonry will continue its analysis of potential preferences and fraudulent conveyances, and specifically reserves the right to pursue such actions. A discussion of the potential recovery value of these actions is set forth in the Liquidation Analysis below.

## **VIII. JACKSON MASONRY'S LIABILITIES**

### **a. Administrative Expenses.**

Administrative Claims are any Claim that is defined in § 503(b) of the Bankruptcy Code as being an “administrative expense” and granted priority under § 507(a)(2) of the Code, including:

1. A Claim for any cost or expense of administration in connection with the Case, including any actual, necessary cost or expense of preserving Jackson Masonry's estate and of operating the business of Jackson Masonry incurred on or before the Effective Date;

2. The full amount of all Allowed Claims for compensation for legal, accounting and other services or reimbursement of costs under §§ 330, 331 or 503 of the Bankruptcy Code;

3. All fees and charges assessed against Jackson Masonry's estate under Chapter 123 of Title 28 of the United States Code; and

4. Any allowed post-petition taxes and related items, including any interest and penalties on such post-petition taxes.

i. **United States Trustee Quarterly Fees.** Jackson Masonry is current, and will remain current, with payments to the United States Trustee through the entry of a final decree closing the bankruptcy case.

ii. **Ordinary Course Expenses.** All amounts incurred by Jackson Masonry for services provided or materials or goods purchased in the ordinary course of Jackson Masonry's business are entitled to administrative expense priority. Jackson Masonry pays these amounts on a regular basis in the ordinary course of its business. Jackson Masonry will continue to pay ordinary course business expense Claims after the Effective Date, unless disputed by Jackson Masonry.

- iii. **Executory Contract and Lease Cure Claims.** There are no past due amounts to cure in connection with any assumed executory contract.
- iv. **Payments to Professionals.** Jackson Masonry will pay all professional fees owed on the Effective Date of the Plan, as required by Court by order pursuant to an approved application for payment.

**b. Priority Claims.**

Jackson Masonry is not currently aware of any Claims meeting the definition of Priority Claims under the Bankruptcy Code, other than Priority Tax Claims. To the extent such Claims (to include wage Claims) exist, and arise or are discovered after the filing of the Plan, such Claims will be paid by Jackson Masonry in accordance with the Bankruptcy Code.

**c. Claims Subject to a Security Interest.**

Jackson Masonry has secured debt, and believes that each Claimant asserting a valid security interest in its assets is fully secured. The following Claimants are believed to hold a valid and perfected lien against Jackson Masonry as of the Petition Date:

1. Civic Bank & Trust. As of the Petition Date, Civic Bank & Trust (“Civic Bank”) had a Claim in the amount of \$608,529.82 (inclusive of \$1,500 in attorney fees), secured by a first-priority security interest in Jackson Masonry’s real property located at 1200 49<sup>th</sup> Avenue North, Nashville, Tennessee, as evidenced by that certain Deed of Trust, recorded as Instrument No. 20080428-0042982, dated April 28, 2008 (as amended by Instrument No. 20150408-0030999, dated April 8, 2015. In addition, the Civic Bank Claim is secured by a first-priority security interest in Jackson Masonry’s personalty, as evidenced by that certain UCC-1 financing statement, recorded as Instrument No. 20090402-0029643, as continued by that certain UCC-3 continuation statement, recorded as Instrument No. 20140218-0013901. Civic Bank has filed a proof of claim in this case (*see* Claim No. 3), to which Jackson Masonry does not object.

2. First Advantage Bank. As of the Petition Date, First Advantage Bank had a Claim in the amount of \$43,515.10 (inclusive of \$1,000 in attorney fees), secured by a first-priority security interest in certain equipment owned by Jackson Masonry, to include a lull, rough terrain forklift, snorkel, boom lift, and hydro mobile mast. These assets are more fully described in that certain UCC-1 financing statement, recorded as Instrument No. 422821831, dated February 20, 2015. First Advantage Bank has filed a proof of claim in this case (*see* Claim No. 1), to which Jackson Masonry does not object.

3. Ascend Federal Credit Union. As of the Petition Date, Ascend Federal Credit Union (“Ascend”) had four Claims against Jackson Masonry.

- a. The first Ascend Claim in the amount of \$22,648.97 is secured by a first-priority security interest in a 2014 Chevrolet Silverado, VIN 1GC1CVCG6EF117149. The title to this vehicle evidences a lien stamp in favor of Ascend. Ascend has filed a proof of claim for this amount (*see* Claim No. 4), to which Jackson Masonry does not object.

- b. The second Ascend Claim in the amount of \$21,960.08 is secured by a first-priority security interest in a 2013 Chevrolet Silverado, VIN 1GC2CVCG7DZ388089. The title to this vehicle evidences a lien stamp in favor of Ascend. Ascend has filed a proof of claim for this amount (*see* Claim No. 5), to which Jackson Masonry does not object.
- c. The third Ascend Claim in the amount of \$57,313.05 is secured by a first-priority security interest in a 2014 Ford F150, VIN 1FTFW1CF4EFA67008, and a 2015 Ford F250, VIN 1FT7W2A60FEC43878. The titles to these vehicles evidence lien stamps in favor of Ascend. Ascend has filed a proof of claim for this amount (*see* Claim No. 6), to which Jackson Masonry does not object.
- d. The fourth Ascend Claim in the amount of \$34,000.07 is secured by a first-priority security interest in a 2000 Lull 1044C-54 Rough Terrain Forklift and a 2009 Telehandler. Ascend perfected its security interest by filing a UCC-1 financing statement, Instrument No. 423250515, dated May 19, 2015. Ascend has filed a proof of claim for this amount (*see* Claim No. 7), to which Jackson Masonry does not object.

4. Kubota Credit Corporation, U.S.A.. As of the Petition Date, Kubota Credit Corporation, U.S.A. (“Kubota”) had a Claim in the amount of \$43,449.40, secured by a first-priority security interest in a Kubota SVL75W 11855 CTL, as evidenced by that certain UCC-1 financing statement, recorded as Instrument No. 424332237, dated December 31, 2015. Kubota has filed a proof of claim in this case (*see* Claim No. 2), to which Jackson Masonry does not object.

5. Wells Fargo Bank. As of the Petition Date, Wells Fargo Bank (“Wells Fargo”) had a Claim in the amount of \$96,266.43, secured by a first-priority security interest in a Lull Model 1044C-54 Telehandler S/N 0160057244, as evidenced by that certain UCC-1 financing statement, recorded as Instrument No. 421565047, dated May 19, 2014. Wells Fargo has filed a proof of claim in this case (*see* Claim No. 12), to which Jackson Masonry does not object.

6. Ally Bank. As of the Petition Date, Ally Bank d/b/a Ally Bank and/or Ally Financial (collectively, “Ally”) had four Claims against Jackson Masonry.

- a. The first Ally Claim in the amount of \$35,099.16 is secured by a first-priority security interest in a 2015 Chevrolet Silverado, VIN 1GC1CVEGXFF509985. The title to this vehicle evidences a lien stamp in favor of Ally. Ally has filed a proof of claim for this amount (*see* Claim No. 8), to which Jackson Masonry does not object.
- b. The second Ally Claim in the amount of \$45,410.79 is secured by a first-priority security interest in a 2016 Chevrolet Silverado, VIN 1GC4KYC81GF130257. The title to this vehicle evidences a lien stamp in favor of Ally. Ally has filed a proof of claim for this amount (*see* Claim No. 10), to which Jackson Masonry does not object.

- c. The third Ally Claim in the amount of \$34,436.08 is secured by a first-priority security interest in a 2016 Chevrolet Silverado, VIN 1GC1CYEG1GF1656613. The title to this vehicle evidences a lien stamp in favor of Ally. Ally has filed a proof of claim for this amount (*see* Claim No. 11), to which Jackson Masonry does not object.
- d. The fourth Ally Claim in the amount of \$36,820.00, secured by a first-priority security interest in a 2014 Ram 5500, VIN 3C7WRMBL6EG202958. The title to this vehicle evidences a lien stamp in favor of Ally. Ally has filed a proof of claim for this amount (*see* Claim No. 9), to which Jackson Masonry does not object.

**d. Unsecured Claims.**

Jackson Masonry has reviewed filed Claims for variances from or addition to the amounts scheduled.

A detailed listing of Jackson Masonry's remaining unsecured Claims, together with the amount in which unsecured Claim is proposed to be Allowed, is below. If an asserted Unsecured Claim is not contained on this list, or if a Claimant believes the amount is inaccurate, Jackson Masonry shall be considered to either object to the allowance of, or the amount of, the Claim. The hearing on the objection will be consolidated with the hearing on confirmation of the Plan.

Unsecured Claims scheduled by Jackson Masonry or for which proofs of Claim were filed and that remain unpaid, and which Jackson Masonry does not dispute or otherwise assert are subject to an offset, total approximately \$51,094.80. These Claims are further described in Schedule E/F to Jackson Masonry's Schedules.

If Jackson Masonry rejects any executory contract or unexpired lease, the other party to the contact/lease will have rejection damages that will add to the unsecured Claim pool. Jackson Masonry does not anticipate rejecting any contracts or leases as part of its Plan. Rejection of contracts and leases would likely (i) significantly reduce Jackson Masonry's goodwill and bargaining power within the community, (ii) cause reputation injury, (iii) make it more difficult for Jackson Masonry to obtain future jobs in a competitive bidding situation, (iv) increase bonding costs or render performance bonds impossible to obtain, and (v) result in a liquidation.

**Unsecured Creditors**

<b>Creditor</b>	<b>Amount</b>
Care Supply	\$8,723.26
Chase	\$12,685.27
Fastenal Co.	\$228.35
HDS White Cap	\$183.00
Synchrony Bank Lowes	\$740.65
Napa	\$330.87
NES	\$1,514.98
Pep Boys	\$44.79

Piedmont Gas	\$789.52
Regions Bank	\$4,500.00
Tire Discounters	\$862.97
Ritzen Group, Inc.	\$20,491.14

**e. Disputed Claims.**

**Jackson Masonry disputes and objects to any claim not set forth above.**

**f. Post-Petition Claims Against Jackson Masonry.**

As of January 31, 2017, Jackson Masonry owed \$322,810.94 in accounts payable for expenses and materials incurred in the ordinary course of Jackson Masonry's operations. Jackson Masonry is current with respect to such payables, and intends to pay the accounts in the ordinary course on or before the Effective Date of the Plan. To the extent any account payable remains outstanding as of the Effective Date, such Claims shall be paid in accordance with any contract between Jackson Masonry and the post-petition Claimant that sets forth a repayment schedule.

**IX. FINANCIAL INFORMATION AND FUTURE OPERATIONS**

**a. Disclaimer.**

**The financial information described below was compiled by Jackson Masonry and has not been subjected to an audit. The financial projections are forward-looking and are based upon numerous assumptions, including business, economic, and market conditions. Many of these assumptions are beyond Jackson Masonry's control and are subject to uncertainty. Assumptions involve elements of subjective judgment that may or may not prove to be accurate, and consequently, no assurances can be made regarding the analyses or conclusions so derived.**

**b. Historical and Post-Petition Financial Information and Results of Operations.**

Jackson Masonry prepares and maintains internal financial statements on an annual basis. Jackson Masonry's most recent financial reports as of the Petition Date reflect that Jackson Masonry had gross revenues of \$2,772,251 for 2014, \$4,921,942 for 2015, and \$4,090,216 for 2016. From a balance sheet standpoint, as of the most recent monthly operating report, for month-end January 31, 2017, Jackson Masonry had assets of \$1,720,284.61 and liabilities of \$1,404,526.63.

Jackson Masonry's monthly operating reports reflect the results of Jackson Masonry's operations since the Petition Date and are available for review.

**c. Jackson Masonry's Future Operations.**

Attached as Exhibit A to this Disclosure Statement are certain financial projections of Jackson Masonry's future performance. Jackson Masonry believes that this Exhibit A reflects a

fair and reasonable representation of its anticipated future operations, but there can be no guarantee that the projections will prove accurate.

**d. Employment.**

Jackson Masonry intends to continue to employ all employees and/or independent contractors, including “insiders” under 11 U.S.C. § 101(31) who are currently employed. Compensation to Jackson Masonry’s executives, staff, providers and other employees is subject to change, at Jackson Masonry’s discretion, in the ordinary course of business. Jackson Masonry also submits that its compensation structure will be largely subject to the financial results of Jackson Masonry, inflation, and other factors. Jackson Masonry anticipates that it will make only modest changes to payroll, such as cost of living raises or changes to maintain a competitive market wage.

**X. SUMMARY OF PLAN CLASSIFICATIONS**

All amounts below are as of the Petition Date. Pursuant to approved Court orders, many of the amounts have been reduced during the Chapter 11. The amounts below expressly do not indicate the payoff or current balance with respect to any Claimant.

**a. Class 1.** Class 1 consists of Allowed Priority Claims against Jackson Masonry, other than Priority Tax Claims, excluding any such Claims that were paid prior to the Effective Date. This Class of Claims is not Impaired under the Plan. Jackson Masonry is not aware of any Claims in this Class other than regular amounts due in favor of the U.S. Trustee (in connection with quarterly fees), professionals pursuant to approved fee applications, and Kubota Credit Corporation (\$3,421.52) pursuant to Docket No. 223, ¶ 3. This Class is Unimpaired under the Plan.

**b. Class 2.** Class 2 consists of the Allowed, Secured Claim of Civic Bank in the amount of \$608,529.82. This Class is Impaired under the Plan.

**c. Class 3.** Class 3 consists of the Allowed, Secured Claim of First Advantage Bank in the amount of \$43,515.10. This Class is Impaired under the Plan.

**d. Class 4.** Class 4 consists of the Allowed, Secured Claims of Ascend in the aggregate amount of \$135,922.17, which relate to four loans with outstanding balances of \$22,648.97 (*see* Claim No. 4), \$21,960.08 (*see* Claim No. 5), \$57,313.05 (*see* Claim No. 6), and \$34,000.07 (*see* Claim No. 7). This Class is Impaired under the Plan.

**e. Class 5.** Class 5 consists of the Allowed, Secured Claim of Kubota in the amount of \$43,449.40. This Class is Impaired under the Plan.

**f. Class 6.** Class 6 consists of the Allowed, Secured Claim of Wells Fargo in the amount of \$96,266.43. This Class is Impaired under the Plan.

**g. Class 7.** Class 7 consists of the Allowed, Secured Claims of Ally Bank in the aggregated amount of \$151,766.03, which relate to four loans with outstanding balances of \$35,099.16 (*see* Claim No. 8), \$36,820.00 (*see* Claim No. 9), \$45,410.79 (*see* Claim No. 10), and \$34,436.08 (*see* Claim No. 11). This Class is Impaired under the Plan.

**h. Class 8.** Class 8 consists of all Allowed, Unsecured Claims against Jackson Masonry, other than the Unsecured Claim of Ritzen. The Claims in this class total \$30,603.66 *See* Section VII(d) above. This Class is Impaired under the Plan.

**i. Class 9.** Class 9 consists of the Allowed, Unsecured Claim of Ritzen in the amount of \$20,491.14. This Class is Unimpaired under the Plan.

**j. Class 10.** Class 10 consists of the equity ownership interests in Jackson Masonry held by Rogers Jackson. This Class is Unimpaired under the Plan.

## **XI. TREATMENT OF CLAIMS**

Classes 1, 9, and 10 are Unimpaired as determined pursuant to 11 U.S.C. § 1124. All other classes are Impaired. The following is a summary of the treatment provided in the Plan to each Class of Claims and Interests:

### **a. Unclassified Claims**

Under the Bankruptcy Code, the payment of certain types of Claims is accomplished without the requirement of classification of those Claims into Classes. Administrative Claims and Priority Tax Claims are not classified under Section 1123(a)(1) of the Bankruptcy Code for purposes of voting or receiving distributions under the Plan. With respect to Jackson Masonry's professionals and the Office of the U.S. Trustee, Jackson Masonry shall make payments in accordance with the applicable provisions of the Bankruptcy Code. The procedures for payment of Administrative Claims and Priority Tax Claims are discussed later in this Disclosure Statement and are detailed in the Plan.

Except as set forth below, Jackson Masonry shall pay in full all Administrative Expense Claims on or before the Effective Date.

1. General Allowed Administrative Claims. Each holder of an Administrative Claim, except as otherwise set forth in subsections (2) through (6) below shall receive either: (i) with respect to Administrative Claims which are Allowed Claims on the Effective Date, the amount of such holder's Allowed Claim in cash on the Effective Date; (ii) with respect to Administrative Claims which become Allowed Claims after the Effective Date, the amount of such holder's Allowed Claim in one cash payment as soon as practicable after such Claim becomes an Allowed Administrative Claim; or (iii) such other treatment agreed upon by Jackson Masonry and such holder; provided that any such Administrative Claim representing a liability incurred in the ordinary course of business by any of Jackson Masonry shall be paid in accordance with the terms and conditions of the particular transaction giving rise to such liability and any agreements relating thereto. Any person or Entity that asserts an Administrative Claim that is not paid on the Effective Date shall be required to file with the Court an application for payment of such asserted Administrative Claim and to serve notice thereof on all parties entitled to such notice. Any such Claims must be filed within 90 days from the Effective Date. The failure to file timely the application as required under section 2.1(a) of the Plan shall result in the Claim being forever barred and discharged. An Administrative Claim with respect to which an application has been properly Filed pursuant to section 2.1(d) of the Plan and to which no objection has been filed or



an objection has been filed but overruled by the Court, shall become an Allowed Administrative Claim to the extent such Claim is allowed by Final Order.

2. Cure Claims. For all executory contracts and real property leases assumed by Jackson Masonry pursuant to the Plan, Jackson Masonry shall pay all cure amounts specified in this Disclosure Statement. Jackson Masonry shall pay all Cure Claims on or before the Effective Date, at Jackson Masonry's discretion.

3. Post-Effective Date Expenses. Jackson Masonry shall have the right to pay Post-Effective Date Expenses in the ordinary course of business, without the necessity of any Court approval. In the event that Jackson Masonry notifies a person demanding payment of a Post-Effective Date Expense that the creditor's demand is Disputed, then the Person seeking payment must file and serve a motion or application for allowance of such expense in accordance with L.B.R. 9013-1 within thirty (30) days after the date on which written notice of the dispute is served by Jackson Masonry, or that Post-Effective Date Expense shall be deemed disallowed. Payment of any such expense shall be made promptly after a Final Order resolving the motion and determining the appropriate amount of the Post-Effective Date Expense.

4. Administrative Tax Claims. Each holder of an Administrative Claim for Taxes for which Jackson Masonry is responsible and any other Taxes of Jackson Masonry payable pursuant to Section 507(a)(1) of the Bankruptcy Code shall be paid the Allowed Amount of such holder's Claim in cash, in full, on the latest of: (i) the Effective Date, (ii) if Contested or unknown to Jackson Masonry, the date such Claim is Allowed by Final Order, or (iii) the date such payment is due under applicable law. Any person or Entity that asserts an Administrative Claim for Taxes that is not paid on the Effective Date shall file with the Court an application for payment of such asserted Administrative Claim and serve notice thereof on all parties entitled to such notice. Jackson Masonry anticipates that its primary obligation under this Section, owed to the Internal Revenue Service, will be satisfied prior to the Effective Date.

Any such Claims must be filed within ninety (90) days from the Effective Date. The failure to file timely the application as required under the Plan shall result in the Claim being forever barred and discharged. An Administrative Claim for Taxes with respect to which an application has been properly filed pursuant to the Plan and to which no objection has been filed or an objection has been Filed but overruled by the Court, shall become an Allowed Administrative Claim to the extent such Claim is allowed by Final Order.

Jackson Masonry is not aware of any such Tax Claims. To the extent an Allowed Tax Claim arises, Jackson Masonry shall pay the Allowed amount in full by way of regular and equal monthly installments, beginning on the Effective Date and continuing thereafter on the first day of each successive month until the sixtieth (60th) month following the Petition Date. Priority Tax Claims shall accrue interest at a rate of six percent (6%) per annum.

a. *Secured ad valorem Tax Claims.* Jackson Masonry is not aware of any such Tax Claims. To the extent such a Claim arises, and unless otherwise agreed to by Jackson Masonry and any taxing authority, Jackson Masonry shall pay in full all Allowed Tax Claims over a period ending not later than five years after Petition Date. Jackson Masonry may, in its sole discretion, choose to make partial payments on Allowed Tax Claims, which payments shall be applied as indicated by Jackson Masonry. Any unpaid portion of such Allowed Claims shall bear

interest from the Effective Date until the date of payment at the minimum rate required by the Bankruptcy Code.

- (i) **Tax Liens.** All pre-petition liens (which Jackson Masonry does not believe exist in this case) arising from Secured Tax Claims and Priority Tax Claims shall continue until such Claims are paid in full.
- (ii) **Penalties and Allowed Claims.** Except as provided herein, no Governmental Authority shall be entitled to receive any penalties for any period of time after the Petition Date nor shall any Allowed Tax Claim include any post-petition interest or pre-petition or post-petition penalties except as provided herein. Each Contested Tax Claim shall become an Allowed Tax Claim only upon entry of, and only to the extent such Claim is allowed by, a Final Order or agreement of Jackson Masonry.

b. *Priority Tax Claims.* In no event shall Jackson Masonry's payment of Allowed Priority Tax Claims extend later than five years after Petition Date, in accordance with applicable law. Jackson Masonry may, in its sole discretion, choose to make partial payments on Allowed Priority Tax Claims, which payments shall be applied as indicated by Jackson Masonry. If any Allowed Tax Claim is not paid in cash in full on the latest of (i) the Effective Date; (ii) the date a Contested Tax Claim is Allowed in whole or in part by Final Order; or (iii) the date such payment is due under applicable law, then the unpaid portion of such Allowed Tax Claims shall bear interest after the Effective Date until the date of payment at the applicable non-bankruptcy interest rate, but no Governmental Authority shall be entitled to receive any penalties for any period of time after the Petition Date; provided, however, that no Allowed Priority Tax Claim shall include any post-petition interest or penalties, all of which interest and penalties shall be (i) deemed disallowed and (ii) fully discharged on the Confirmation Date. Each Contested Priority Tax Claim shall become an Allowed Priority Tax Claim only upon entry of, and only to the extent such Claim is allowed by, a Final Order. All pre-petition liens arising from Priority Tax Claims shall continue until such Claims are paid in full.

**b. Classified Claims**

**1. Class 1 – Priority Claims Other Than Unclassified Claims.** Each person or entity holding a Class 1 Claim shall be paid the Allowed Amount of such Claim in cash, in full, on the latest of: (i) the Effective Date; (ii) the date such Claim is allowed by Final Order; or (iii) the date such payment is due under applicable law. Each Contested Priority Claim shall become an Allowed Priority Claim only upon entry of, and only to the extent such Claim is allowed by, a Final Order. If any Allowed Priority Claims are not paid in cash in full on the latest of the dates set forth above, then the unpaid portion of such Allowed Priority Claims shall bear interest from the Effective Date until the date of payment at the Legal Rate.

**2. Class 2 – Allowed Secured Claim of Civic Bank.** Class 2 consists of the Allowed, Secured Claim of Civic Bank in the amount of \$608,529.82. During the course of this Chapter 11, Jackson Masonry has made monthly principal payments in the amount of \$2,473.50 to adequately protect Civic Bank's lien interests. *See* Docket No. 97, ¶ 7. In addition, Jackson Masonry has escrowed, on a monthly basis, \$683.02 to satisfy the real property taxes related to the property securing the Class 2 Claim. Except as modified herein, Jackson Masonry agrees to repay

the Class 2 Claim in full, as reduced during the Chapter 11 (the “Adjusted Class 2 Claim Balance”), on the same terms and conditions contained in the pre-petition loan documents between the parties; however, notwithstanding the foregoing, Civic Bank shall not assess any penalties, fees, late charges, or default interest rate as a result of Jackson Masonry’s Chapter 11 filing. The terms and conditions of repayment are contained in that certain Promissory Note, dated March 30, 2015, in the principal amount of \$624,360.04. On the first day of the first month following the Effective Date, Jackson Masonry shall resume making regular installment payments of \$4,111.63 until the Adjusted Class 2 Claim Balance is paid in full. The Class 2 Claim is Impaired to the extent that this proposed treatment modifies the maturity date of the Class 2 Claim. Civic Bank shall retain its lien to the same extent and in the same priority as it existed on the Petition Date.

**3. Class 3 – Allowed Secured Claim of First Advantage Bank.** Class 3 consists of the Allowed, Secured Claim of First Advantage Bank in the amount of \$43,515.10. During the course of this Chapter 11, Jackson Masonry has made monthly principal payments in the amount of \$989.51 to adequately protect First Advantage’s lien interests. *See* Docket No. 110, ¶ 4. Except as modified herein, Jackson Masonry agrees to repay the Class 3 Claim in full, as reduced during the Chapter 11 (the “Adjusted Class 3 Claim Balance”), on the same terms and conditions contained in the pre-petition loan documents between the parties; however, notwithstanding the foregoing, First Advantage shall not assess any penalties, fees, late charges, or default interest rate as a result of Jackson Masonry’s Chapter 11 filing. The terms and conditions of repayment are contained in that certain Promissory Note, dated February 19, 2015, in the principal amount of \$53,000.00. On the first day of the first month following the Effective Date, Jackson Masonry shall resume making regular installment payments of \$989.51 until the Adjusted Class 3 Claim Balance is paid in full; provided that the Class 3 Claim shall be paid in full on or before January 19, 2020. The Class 3 Claim is Impaired to the extent that this proposed treatment modifies the maturity date of the Class 3 Claim. First Advantage shall retain its lien to the same extent and in the same priority as it existed on the Petition Date.

**4. Class 4 – Allowed Secured Claim of Ascend Federal Credit Union.** Class 4 consists of the Allowed, Secured Claim of Ascend Federal Credit Union in the aggregated amount of \$135,922.17. During the course of this Chapter 11, Jackson Masonry has made monthly principal payments in the amount of \$4,298.55 to adequately protect Ascend’s lien interests. *See* Docket No. 221, ¶ 4. Jackson Masonry agrees to repay the Class 4 Claim in full, as reduced during the Chapter 11 (the “Adjusted Class 4 Claim Balance”). On the first day of the first month following the Effective Date, Jackson Masonry shall make regular installment payments of \$3,247.64 until the Class 4 Claim is paid in full. During the period of repayment pursuant to the Plan, the Adjusted Class 4 Claim Balance (as reduced by payments pursuant to a confirmed Plan) shall accrue interest at the rate of four percent (4%). Notwithstanding anything herein, Jackson Masonry shall pay the Class 4 Claim in full on or before June 1, 2020. Ascend shall retain its liens to the same extent and in the same priority as they existed on the Petition Date.

**5. Class 5 – Allowed Secured Claim of Kubota Credit Corporation, U.S.A.** Class 5 consists of the Allowed, Secured Claim of Kubota in the amount of \$43,449.40. During the course of this Chapter 11, Jackson Masonry has made monthly payments in the amount of \$855.38 to adequately protect Kubota’s lien interests. *See* Docket No. 223, ¶ 2. Except as modified herein, Jackson Masonry agrees to repay the Class 5 Claim in full, as reduced during the Chapter 11 (the “Adjusted Class 5 Claim Balance”), on the same terms and conditions contained in the pre-

petition loan documents between the parties; however, notwithstanding the foregoing, Kubota shall not assess any penalties, fees, late charges, or default interest rate as a result of Jackson Masonry's Chapter 11 filing. The terms and conditions of repayment are contained in that certain Retail Installment Contract, dated December 15, 2015, in the principal amount of \$44,258.23. On the first day of the first month following the Effective Date, Jackson Masonry shall resume making regular installment payments of \$855.38 until the Adjusted Class 5 Claim Balance is paid in full; provided that the Class 5 Claim shall be paid in full on or before January 1, 2021. The Class 5 Claim is Impaired to the extent that this proposed treatment modifies the maturity date of the Class 5 Claim. Kubota shall retain its lien to the same extent and in the same priority as it existed on the Petition Date.

**6. Class 6 – Allowed Secured Claim of Wells Fargo.** Class 6 consists of the Allowed, Secured Claim of Wells Fargo Bank in the amount of \$96,266.43. During the course of this Chapter 11, Jackson Masonry has made periodic monthly principal payments in the amount of \$2,670.83 to adequately protect Wells Fargo's lien interests. *See* Docket No. 157, ¶ 4. Except as modified herein, Jackson Masonry agrees to repay the Class 6 Claim in full, as reduced during the Chapter 11 (the "Adjusted Class 6 Claim Balance"), on the same terms and conditions contained in the pre-petition loan documents between the parties; however, notwithstanding the foregoing, Wells Fargo shall not assess any penalties, fees, late charges, or default interest rate as a result of Jackson Masonry's Chapter 11 filing. The terms and conditions of repayment are contained in that certain Combination Loan and Security Agreement, dated May 14, 2014, in the principal amount of \$154,908.14. On the first day of the first month following the Effective Date, Jackson Masonry shall resume making regular installment payments of \$2,670.83 until the Adjusted Class 6 Claim Balance is paid in full; provided that the Class 6 Claim may be repaid in full prior to maturity without any prepayment premium. Wells Fargo shall retain its lien to the same extent and in the same priority as it existed on the Petition Date.

**7. Class 7 – Allowed Secured Claim of Ally Bank d/b/a Ally Bank or Ally Financial.** Class 7 consists of the Allowed, Secured Claim of Ally in the aggregated amount of \$151,766.03. During the course of this Chapter 11, Jackson Masonry has made periodic monthly principal payments in the amount of \$3,411.60 to adequately protect Ally's lien interests. *See* Docket No. 253, ¶ 3. Except as modified herein, Jackson Masonry agrees to repay the Class 7 Claim in full, as reduced during the Chapter 11 (the "Adjusted Class 7 Claim Balance"), on the same terms and conditions contained in the pre-petition loan documents between the parties; however, notwithstanding the foregoing, Ally shall not assess any penalties, fees, late charges, or default interest rate as a result of Jackson Masonry's Chapter 11 filing. The terms and conditions of repayment are contained in those certain Retail Installment Sale Contracts, dated May 14, 2015 (*see* Claim No. 8), April 30, 2014 (*see* Claim No. 9), February 24, 2016 (*see* Claim No. 10), and February 24, 2016 (*see* Claim No. 11).

On the first day of the first month following the Effective Date, Jackson Masonry shall resume making regular installment payments of \$3,411.60 until the Adjusted Class 7 Claim Balance is paid in full. The payments shall be itemized as follows:

- Claim No. 8: \$784.56 – 2015 Chevrolet Silverado, VIN 1GC1CVEGXFF509985
- Claim No. 9: \$1,097.77 – 2014 Dodge Ram 5500, VIN 3C7WRMBL6EG202958
- Claim No. 10: \$869.73 – 2016 Chevrolet Silverado, VIN 1GC4KYC81GF130257

- Claim No. 11: \$659.54 – 2016 Chevrolet Silverado, VIN 1GC1CYEG1GF165613

Ally shall retain its liens to the same extent and in the same priority as they existed on the Petition Date.

**8. Class 8 – Allowed General Unsecured Claims.** Class 8 consists of the Allowed, General Unsecured Claims other than the Unsecured Claim in Favor of Ritzen. The aggregated amount of Class 8 Claims is \$30,603.66. On the first day of the first month following the Effective Date, Jackson Masonry shall make thirty-six (36) regular installment payments of \$850.10 to satisfy the Class 8 Claims in full. The allocation of payments is contained on Exhibit B hereto. Notwithstanding the foregoing, Jackson Masonry shall be expressly permitted to pay any Class 8 Claim in full prior to maturity without penalty.

**9. Class 9 – Allowed General Unsecured Claim of Ritzen Group, Inc.** Class 9 consists of the Allowed, General Unsecured Claim of Ritzen in the amount of \$20,491.14. Jackson Masonry shall pay the Class 9 Claim in full by way of one of the following methods: (i) a third party payment upon Bankruptcy Court approval prior to the Effective Date, (ii) payment by Jackson Masonry upon Bankruptcy Court approval prior to the Effective Date, (iii) setoff based on amounts owed by Ritzen to Jackson Masonry, (iv) on the Effective Date, or (v) any combination hereof.

**10. Class 10 – Equity Ownership Interests of Jackson Masonry.** Rogers Jackson shall retain his equity interest in Jackson Masonry. Because the Plan proposes to pay all of Jackson Masonry's Allowed Claims in full, Mr. Jackson shall retain all ownership interests in the Reorganized Jackson Masonry, and Jackson Masonry shall retain its ownership interest in all assets it owns.

## **XII. MEANS FOR PLAN EXECUTION AND IMPLEMENTATION**

**a. Effective Date.** The Effective Date of Jackson Masonry's Plan shall be the first day of the first month following finality of the Bankruptcy Court Order approving the Plan.

**b. Effective Date Status.** Jackson Masonry has remained a debtor-in-possession and in control of its affairs since the Petition Date. There has been no examiner, restructuring officer, or other professional appointed to control Jackson Masonry's affairs. The identity and book value of the estate's assets are listed in Jackson Masonry's Schedules of Assets. Please also refer to Jackson Masonry's financial history set forth in the monthly operating reports. Jackson Masonry anticipates that it will be able to successfully complete its obligations under the Plan and that the Plan is feasible.

**c. Payments Funded by Ongoing Operations.** Cash generated from Jackson Masonry's continued operations will be the source of funding the Plan payments set forth therein.

**d. Employment of Professionals.** In the period after the Confirmation Date but before closing of the case, Jackson Masonry may continue to utilize the services of professional persons whose employment was approved at or prior to the Confirmation Date in completing administration of the case and in the consummation and performance of the Plan. Jackson Masonry is authorized to pay these Post-Effective Date expenses, including the fees of any accountants,

employees, or agents, as such expenses come due pursuant to the Orders of the Court approving such appointment.

**e. Assumption of Leases.** All leases of real property and executory contracts to which Jackson Masonry is a party that have not, as of ten (10) days following the Effective Date, been specifically rejected by separate filing or according to the Plan shall be deemed contracts that Jackson Masonry intends to assume. Any party to an unexpired lease or executory contract that is assumed in connection with the Plan that asserts that Jackson Masonry has defaulted under that contract and whose cure amount is not stated by Jackson Masonry or who disagrees with Jackson Masonry's proposed cure amount shall file with the Court an application for allowance and payment of Cure Claim, identifying the amount allegedly due to cure any such defaults in accordance with Section 365(b)(1)(A) of the Code. Any such application must be filed prior to the Effective Date. The failure to file timely the application shall be deemed a full waiver of any rights available to the affected Claimant pursuant to Section 365(b)(1)(A) of the Code. All Cure Claims asserted pursuant to the Plan to which no objection is filed or to which an objection is filed but overruled by a Final Order of the Court shall become Allowed Cure Claims, unless Jackson Masonry timely files a Notice of Rejection Pursuant to the Plan. Notwithstanding anything in this section to the contrary, Jackson Masonry may reject any executory contract in the event Jackson Masonry determines that any Allowed Cure Claim renders assumption of that contract not in Jackson Masonry's best interest, and the other party to the contract shall be entitled to file a Class 7 Claim for damages arising from the rejection.

**f. Causes of Action.** Jackson Masonry will be responsible for evaluating, funding and pursuing any or none of the Causes of Action based on its reasonable business judgment and shall fund such amounts as Jackson Masonry, in its discretion, shall deem appropriate and reasonable. After the Effective Date, Jackson Masonry shall, in its sole and absolute discretion, be authorized to compromise and settle any of the Causes of Action, without Court approval or notice to any party, at any time, and for any consideration that Jackson Masonry believes to be in its best interest. Any recovery from any Cause of Action, including Avoidance Actions, either from litigation or settlement, will be used by Jackson Masonry or Reorganized Jackson Masonry for operations and/or to fund the payments due under the Plan.

### **XIII. CLAIM OBJECTIONS AND DISTRIBUTIONS**

**a. No Distributions Pending Allowance or Estimation of Claims.** No payments or distributions shall be made with respect to all or any portion of a Contested Claim unless and until such Claim becomes an Allowed Claim as determined by Final Order.

**b. Deadline for Objections to Claims.** Jackson Masonry or any other party in interest may file with the Bankruptcy Court, within 90 days after the Effective Date, which date may be extended by Bankruptcy Court order, a written objection to the allowance or classification of any Claim in any Class, which objection shall be served upon the Claimant and any other known parties in interest. The failure to object to or to examine any Claim shall not be deemed a waiver of such party's right to object to, or re-examine, the Claim in whole or in part within the above-described time period.

**c. Objections to Claims.** Jackson Masonry's Plan expressly objects to the Claims filed by any creditor not referenced in the Plan or this Disclosure Statement. Jackson Masonry's

Plan expressly objects to the amount of any Claim in excess of any amount identified in the Plan or this Disclosure Statement. Jackson Masonry proposes to resolve any Claim objections, if disputed by such alleged Claimants, in connection with the confirmation hearing of the Plan. Jackson Masonry or any party in interest may file an objection to any Claim in any class on or before the Claims Objection Deadline. Objections not filed within such time will be deemed waived. If any Claim or portion thereof is challenged by an objection or otherwise, distribution may, in Jackson Masonry's sole discretion, be made on any portion of such disputed Claim which is undisputed pending resolution of the Claim allowance as a whole.

Jackson Masonry expressly objects to, and deems disallowed under the Plan, the Claims filed by Ritzen except as Allowed herein in the amount of \$20,491.14.

**d. Distribution Address and Mailing Method.** Any distribution or payment to a creditor shall be sent by first class mail to the creditor's address indicated on the proof of Claim filed by that creditor in the Case or, if no proof of Claim has been filed, to that creditor's most recent address indicated on Jackson Masonry's Schedules or known to Jackson Masonry. If a creditor holds an Allowed Claim by virtue of a transfer of such Claim pursuant to Rule 3001 of the Federal Rules of Bankruptcy Procedure, then distributions to the holder of such Claim shall be sent to the address set forth in evidence of the transfer filed with the Bankruptcy Court. Creditors may change the address to which distributions are sent through amendment of their proof of Claim or written notice delivered to Jackson Masonry's counsel. Creditors are responsible for keeping Jackson Masonry informed of their current address for receipt of distributions or other payments under the Plan.

**e. Unclaimed Property/Forfeit Distributions.** If any distribution remains unclaimed and/or uncashed for a period of ninety (90) days after it is sent by Jackson Masonry, then the creditor to whom such distribution was sent will be deemed to have forfeited the distribution and all future distributions, and such creditor's Claim shall no longer be deemed to be Allowed, but rather, such Claim shall be deemed disallowed and expunged for all purposes, and such person shall be deemed to have no further Claim in respect of such distribution and shall not participate in any further distributions under the Plan. Any undeliverable or forfeit distribution shall be returned to Jackson Masonry.

**f. Automatically Disallowed Claims.** With respect to any Claim for which Jackson Masonry has insurance coverage, the Claim will be treated as an Allowed Claim only to the extent that the holder of the Claim can establish that such Claim is not recoverable to any extent under Jackson Masonry's insurance. Unless the holder obtains a Final Order establishing that the Claim is not recoverable to any extent under Jackson Masonry's insurance, such Claim is automatically disallowed and will be entitled to no distribution. Notwithstanding the foregoing, this provision does not amend or modify the release of liability by TMS Contracting, LLC or any other terms of Jackson Masonry's agreement(s) in connection with the Clarksville Lawsuit.

**g. Precluded Distributions.** No distribution shall be made in violation of Bankruptcy Code § 502(d) to an Entity or transferee liable for recoverable property for an avoidable transfer. Jackson Masonry shall notify each affected creditor of any contention that Bankruptcy Code § 502(d) prohibits any distribution to such creditor. If such notice is given, the Claim held by such creditor will be treated as a Disputed Claim hereunder.

**h. Treatment of Contingent or Unliquidated Claims.** Until such time as a contingent Claim becomes fixed and Allowed, such Claim shall be treated as a Contested Claim for purposes related to voting, allowance, and distributions under the Plan. Upon request of Jackson Masonry or any other party in interest, the Bankruptcy Court shall, in a summary proceeding for each such contingent Claim or unliquidated Claim, by estimation determine the allowance of each such contingent or unliquidated Claim for purposes of voting on the Plan.

**i. Payment Dates.** Whenever any payment or distribution to be made under the Plan shall be due on a day other than a Business Day, such payment or distribution shall instead be made, without interest, on the next business day.

**j. No Tax or Filing Fee.** No governmental entity may tax any transfer of property pursuant to or in furtherance of the Plan, or charge any tax or fee for the recording of, any release, deed, transaction or other document executed pursuant to or in furtherance of the Plan.

**k. No Interest or Attorney's Fees.** Except as expressly provided for in the Plan, or allowed by the Court, no interest, penalty, late charge or attorney's fees is to be Allowed on any Claim subsequent to the Filing Date.

**l. Setoff.** Except as specifically provided in the Plan, no creditor shall retain any contractual or statutory right to set off against asset in which Jackson Masonry has an interest.

**m. Suspension of Payments.** Upon motion and for cause shown, Jackson Masonry may at any time move the Court to grant a moratorium or extension of distributions to Claimants in any of the classes set out herein for a reasonable period of time. Additionally, Jackson Masonry may propose amendments to or modifications of the Plan at any time prior to Confirmation of the Plan. After Confirmation of the Plan, Jackson Masonry, with approval of the Court, and so long as it does not materially or adversely affect the interests of Claimants, may remedy any defect or reconcile any inconsistencies in the Plan or in the Confirmation Order in such manner as may be necessary to carry out the purposes and effect of the Plan.

**n. Prepayment of Plan Obligations.** Jackson Masonry shall be permitted without penalty to prepay any obligation under the Plan prior to the due date or maturity date of such obligation. There shall be no penalty for any such prepayment.

**o. Payments Due Only on Business Days.** Whenever any payment or distribution to be made under the Plan shall be due on a day other than a business day, such payment or distribution shall instead be made, without interest, on the next business day.

**p. Security Deposits.** To the extent Jackson Masonry has posted security deposits (with utilities or otherwise) pre-petition, those amounts may be set off against Allowed Claims only upon the written consent of Jackson Masonry or upon entry of a Final Order authorizing such offset. To the extent Jackson Masonry has posted security deposits (with utilities or otherwise) post-petition, the deposit shall be returned to Jackson Masonry or otherwise applied as directed by Jackson Masonry.



#### **XIV. SUMMARY OF OTHER PROVISIONS OF PLAN**

**a. Vesting of Property, Free and Clear.** On the Effective Date, all of Jackson Masonry's property shall vest in Jackson Masonry, free and clear of all Liens, Claims and encumbrances except for those Liens created or preserved as provided in the treatment of creditors under the Plan. There are no restrictions in the Plan on Jackson Masonry's use of cash generated from the operation of Jackson Masonry's business. The Plan provides Jackson Masonry with the flexibility to use cash from operations to maximize the value of its business and to use proceeds from the sale of Jackson Masonry's real estate to pay past due taxes, on-going property taxes on other retained properties, and its secured debt.

**b. Pre-Petition Security Agreements.** The Plan provides that certain, but not all, of Jackson Masonry's pre-petition creditors shall retain security interests in the same priority as existed prior to the Petition Date without the need for execution of new security agreements or financing statements, and as of the Confirmation Date, existing security and other agreements between Jackson Masonry and creditors shall be superseded by the terms of the Plan only to the extent modified by the Plan.

**c. Legally Binding Effect; Release of Claims.** Confirmation of the Plan will bind Jackson Masonry and all creditors and interest holders, whether or not they accept the Plan. The Distributions provided for in the Plan will be in exchange for and in complete settlement and satisfaction of all Claims and Interests, including any Claim for interest after the Petition Date. On the Confirmation Date, all creditors shall be precluded from asserting any Claim against Jackson Masonry or its property based upon any transaction or other activity of any kind that occurred prior to the Confirmation Date.

**d. Modification of the Plan.** Jackson Masonry may propose amendments to or modifications of the Plan at any time prior to the Confirmation Date, provided that the amended Plan satisfies the requirements of the Code. If the circumstances warrant, after the Confirmation Date and before Consummation of the Plan, Jackson Masonry may modify the Plan, provided that the Plan, as modified, meets the requirements of the Code, and the Court, after a hearing, confirms the Plan as modified. Unless, within the time fixed by the Court, a creditor changes its previous acceptance or rejection of the Plan, such previous election shall be deemed applicable to the amended Plan.

**e. Request for Relief under Section 1129(b).** In the event any Impaired Class of Claims shall fail to accept the Plan in accordance with Section 1129(a) of the Bankruptcy Code, Jackson Masonry requests the Bankruptcy Court to confirm the Plan in accordance with the provisions of Section 1129(b) of the Bankruptcy Code.

**f. Effect on Third Parties.** Nothing contained in the Plan or in the documents to be executed in connection with the Plan shall affect any creditor's or party in interest's rights against any third party and except that any creditor or party in interest may only recover from any third-party guarantor or co-obligor the amount owed to it in excess of the amount to be paid on the underlying obligation pursuant to the Plan.

**g. Permanent Injunction.** Except as otherwise expressly provided in, or permitted under, the Plan, the Confirmation Order shall provide, among other things, that all creditors and

persons who have held, hold or may hold Claims that existed prior to the Effective Date, are permanently enjoined on and after the Effective Date against the: (i) commencement or continuation of any judicial, administrative, or other action or proceeding against Jackson Masonry or any of its owned entities on account of Claims against Jackson Masonry, or on account of Claims released pursuant to the Plan; (ii) enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree, or order against either of Jackson Masonry or any assets or property of same; or (iii) creation, perfection or enforcement of any encumbrance of any kind against either of Jackson Masonry arising from a Claim. This provision does not enjoin the prosecution of any Claims that arise on or after the Effective Date nor does it enjoin the determination in the Bankruptcy Court of the Allowed Amount of any Claims that arose prior to the Effective Date. Parties asserting entitlement to payment of Administrative Expenses incurred Prior to the Confirmation Date and holders of Claims shall be permanently enjoined from asserting any Claim against Jackson Masonry or its Retained Assets based upon any act or omission, transaction or other activity that occurred prior to the Confirmation Date, except as otherwise provided in the Plan, whether or not a proof of Claim or interest was filed and whether or not such Claim or Interest is allowed under Section 502 of the Bankruptcy Code.

**h. Exculpation.** Except as otherwise provided in the Plan or Confirmation Order, Jackson Masonry, its officers and directors, and the professionals for all of the foregoing shall neither have nor incur any liability to any Entity for any act taken or omitted to be taken (exclusive of an act constituting fraud, gross negligence or intentional misconduct) in connection with or related to this Chapter 11 Case, including without limitation actions related to the formulation, preparation, dissemination, implementation, administration, Confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan. Notwithstanding anything herein to the contrary, neither the Plan nor the Confirmation Order affects any Claims or causes of action against current or former officers, directors, shareholders or employees of Jackson Masonry arising prior to or as of the Petition Date under 11 U.S.C. §§ 544, 547, 548, 549 or 550.

**i. Quarterly Fees.** All fees payable under 28 U.S.C. § 1930, for quarters ending prior to the entry of the Final Decree shall be paid in full by the Reorganized Jackson Masonry.

**j. Confirmation Order and Plan Control.** To the extent the Confirmation Order and/or the Plan is inconsistent with the Disclosure Statement, any other agreement entered into between or among Jackson Masonry and any third party, the Plan controls the Disclosure Statement and any such agreements and the Confirmation Order (and any other Orders of the Court) shall be construed together and consistent with the terms of the Plan.

**k. Post-Confirmation Notice.** After the Confirmation Date, no creditor or other party-in-interest shall be entitled to general notice of pleadings filed in the Chapter 11 Case or other notices required by the Bankruptcy Code or Bankruptcy Rules, unless such party already receives notice through the Court's CM/ECF system or such party requests post-confirmation notice by filing a request with the Court and serving same on Jackson Masonry's counsel. All pre-Confirmation requests for notice and orders requiring or limiting notice shall have no effect post-Confirmation, except with regard to continued service through the Court's CM/ECF system.

**l. Case Closing.** Jackson Masonry shall be responsible for preparing and filing any required motion to close the Chapter 11 Case. Jackson Masonry intends to seek closure of this Chapter 11 Case as soon as possible after the Effective Date, and this Chapter 11 Case may be closed notwithstanding the pendency of any Claims objections, other contested motions, Causes of Action or Avoidance Actions, over which the Court shall retain jurisdiction.

**m. Destruction of Records.** After the Effective Date, and in accordance with applicable law, Jackson Masonry shall have the right to destroy or cause to be destroyed records that they determine to no longer be needed. Any objection to the destruction of such records must be raised as an objection to confirmation of the Plan or shall be deemed to be waived.

**n. Headings.** All headings utilized in the Plan for convenience and reference only, and shall not constitute a part of the Plan for any other purpose.

**o. Due Authorization.** Each Claimant electing to participate in the distributions provided for herein warrants that such Claimant is authorized to accept, in consideration of such Claim against Jackson Masonry, the distributions provided for in the Plan and that there are not outstanding commitments, agreements, or understandings, expressed or implied, that may or can in any way defeat or modify the rights conveyed or obligations undertaken by such Claimant under the Plan.

**p. Further Acts, Assurances and Authorizations.** Jackson Masonry may, but shall not be obligated to, take any action or commit any act that they determine to be necessary to facilitate the consummation, implementation, effectuation and execution of the Plan. Jackson Masonry, if and to the extent necessary, shall seek such orders, judgments, injunctions, and rulings that may be required to carry out further the intentions and purposes, and to give full effect to the provisions, of the Plan. All terms and provisions of the Plan shall be construed in favor of Jackson Masonry.

**q. Notice of Default; Cure.** In the event of any alleged default under the Plan, any creditor or party-in-interest must give a written default notice to Jackson Masonry, with copies to counsel of record for Jackson Masonry, specifying the nature of the default. Upon receipt of the default notice, Jackson Masonry shall have ten (10) days to cure such default from the time of receipt of the default notice. If such default has not been cured within the applicable time period, the default may be brought to the attention of the Court or any other court of competent jurisdiction.

**r. Applicable Law.** Except to the extent that the Bankruptcy Code or other federal law is applicable, the rights, duties and obligations arising under the Plan shall be governed by and construed and enforced in accordance with the internal laws of the State of Tennessee without reference to the laws of other jurisdictions.

**s. Severability.** Should any provisions in the Plan be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any other provisions of the Plan.

**t. Notices.** All notices, requests, elections or demands in connection with the Plan shall be in writing and shall be deemed to have been given when received or, if mailed, five (5)

days after the date of mailing provided such writing shall have been sent by registered or certified mail, postage prepaid, return receipt requested.

**u. Retention of Jurisdiction.** The Court shall retain exclusive jurisdiction over this Chapter 11 case for the purpose of determining any matters pertaining to the Plan or the Confirmation Order, as well as determining all disputes, suits or controversies arising out of the Plan and its interpretation, enforcement or consummation. Persons reading this Disclosure Statement should refer to the Plan for a more detailed discussion of the Court's continuing jurisdiction over Jackson Masonry and this case.

**v. Consent to Jurisdiction.** By accepting any distribution or payment under or in connection with the Plan, by filing any Proof of Claim, by filing any Cure Claim or objection to the assumption or assignment of any assumed contract, by voting on the Plan, or by entering an appearance in the Case, all creditors and other parties in interest have consented, and will be deemed to have expressly consented to the jurisdiction of the Bankruptcy Court for all purposes with respect to any and all matters relating to, arising under or in connection with the Plan or the Case, including the matters and purposes set forth in the Plan.

**w. Post-Confirmation Reporting.** All post-confirmation reporting shall be made by Jackson Masonry in accordance with the Local Bankruptcy Rules.

## **XV. LIQUIDATION ANALYSIS**

If any holder of an Allowed Claim in any impaired Class does not accept the Plan, then Jackson Masonry must establish that the Plan affords that Class of creditors an amount that is not less than the amount that would be received by that creditor if Jackson Masonry were liquidated under Chapter 7 of the Bankruptcy Code. Because the Plan offers the potential for the greatest realization from its assets, the greatest of which is the goodwill and reputation maximized by Jackson Masonry's ongoing operations, Jackson Masonry is confident that this test is met and that the Plan, therefore, is in the best interests of creditors. Jackson Masonry does not believe that liquidation in the context of a Chapter 7 case would afford the holders of Claims a return as great as may be achieved under the Plan.

The starting point in determining the amount which creditors of each class of unsecured Claims and interest would receive in a Chapter 7 case is to estimate the amount that would be generated from a forced liquidation of Jackson Masonry (the "Liquidation Proceeds").

The Liquidation Proceeds of Jackson Masonry would consist of the proceeds from the sale of all of the assets of Jackson Masonry, plus cash held by Jackson Masonry, collection of Jackson Masonry's receivables, and recoveries on any actions against other parties. The Liquidation Proceeds would first be used to pay allowed secured Claims, then be reduced by the cost of the liquidation. Costs of liquidation of Jackson Masonry would likely include the fees of the Chapter 7 Trustee, as well as those of counsel and other professionals that would be retained by the Trustee, actual selling expenses, any unpaid expenses incurred by Jackson Masonry during its reorganization under this Chapter 11 (such as fees for attorneys and accountants), and any Claims arising by reason of the Trustee's rejection of any contractual or lease obligations of Jackson Masonry. These Claims, and such other Claims which are likely to arise during the liquidation process under Chapter 7, will result in a diminution of the Liquidation Proceeds available to pay

unsecured creditors. If there are any proceeds from the liquidation of Jackson Masonry's assets after payment of the secured Claims and Chapter 7 administrative expenses, those proceeds would be applied to any administrative expenses of the Chapter 11 case, then to priority Claims, before any distribution to unsecured creditors.

Jackson Masonry asserts that the present value of the distributions which could be anticipated from the net Liquidation Proceeds should be compared with the present value offered to each of the classes of unsecured Claims and interests under the Plan. Jackson Masonry's physical assets and cash are fully encumbered and subject to lender liens up to the full amount of the asset's value, often with overlapping liens. Jackson Masonry's other assets include its accounts receivable; which Jackson Masonry expects to collect substantially all of, provided Jackson Masonry continues in business. Should Jackson Masonry cease operations and liquidate in a Chapter 7, Jackson Masonry's ability to collect outstanding receivables will be significantly diminished and possibly subject to recoupment.

If Jackson Masonry's assets were liquidated by a Chapter 7 Trustee, the costs of liquidation and the lesser proceeds that might be obtained in a liquidation sale could likely result in Secured creditors having unsecured deficiency Claims, increasing and diluting the unsecured Claim pool and reducing, if not eliminating, the amounts that unsecured creditors would receive. In fact, based on the high amount of secured Claims and administrative expenses in this case, unsecured creditors will receive \$0 in a liquidation. In contrast, under the Plan, every class of Allowed Secured Claims receives payments equal to the present value of its Allowed Secured Claim. The Plan provides a better treatment to holders of Allowed Secured Claims, and holders of Allowed Claims as a whole, than such creditors would likely receive in the event of a Chapter 7 liquidation.

Because a creditor cannot receive more than it is owed, the payment of 100% of the Claims necessarily provides each creditor with a return of at least what it would receive in a Chapter 7 case. For these reasons, Jackson Masonry believes that all creditors of Jackson Masonry will receive as much or more under the Plan than they would receive in a Chapter 7 case.

## **XVI. FEASIBILITY**

Another requirement for confirmation involves the feasibility of the Plan, which means that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further reorganization, of Jackson Masonry or any successor to Jackson Masonry under the Plan. There are at least two important aspects of a feasibility analysis. The first aspect considers whether Jackson Masonry will have enough cash on hand on the Effective Date of the Plan to pay all the Claims and expenses which are entitled to be paid on such date. Jackson Masonry asserts that this aspect of feasibility is satisfied because its cash on hand will be sufficient to pay all fees or expenses due on the Effective Date, to include those Administrative Expenses and other amounts that Jackson Masonry will have paid by agreement prior to the Effective Date. Jackson Masonry submits that its cash flow from its strengthened, streamlined operational base post-bankruptcy will enable Jackson Masonry to make all payments as they become due over the course of the Plan.

The second aspect of feasibility concerns whether Jackson Masonry will have enough cash over the life of the Plan to make the required Plan payments. Jackson Masonry has provided projections that demonstrate Jackson Masonry's anticipated cash flow, and monthly operating reports in this case demonstrate Jackson Masonry's typical monthly income and operating

expenses. Jackson Masonry will be able to continue maximizing the efficiency and earnings of its operations, such that Jackson Masonry will have been able to make all payments as due on each Class of Claims, paying all Allowed Claims in full on the dates called for by the Plan and emerging a successfully reorganized entity.

Please refer to the monthly operating reports filed in this case for Jackson Masonry's relevant financial statements and Jackson Masonry's *Pro Forma Budget*, filed as Exhibit A hereto. YOU ARE ADVISED TO CONSULT WITH YOUR ACCOUNTANT OR FINANCIAL ADVISOR IF YOU HAVE ANY QUESTIONS PERTAINING TO THESE FINANCIAL STATEMENTS.

## **XVII. REQUEST FOR RELIEF UNDER SECTION 1129(b)**

**a. Requirements for "Cramdown."** Section 1129(b) of the Bankruptcy Code provides that the Bankruptcy Court may confirm a plan, even if it is not accepted by all impaired Classes, if the Plan has been accepted by at least one impaired Class of Claims and the Plan meets the "cramdown" provisions set forth in that Section. The "cramdown" provisions require that the Bankruptcy Court find that a plan "does not discriminate unfairly" and is "fair and equitable" with respect to each non-accepting impaired Class. In the event that all impaired Classes do not vote to accept the Plan, Jackson Masonry will request that the Bankruptcy Court confirm the Plan pursuant to the provisions of § 1129(b) of the Code.

The Bankruptcy Court may find that the Plan is "fair and equitable" with respect to a Class of non-accepting Secured Claims, only if, under the Plan, (a) the holder of each Secured Claim in such Class retains such holder's lien and receives deferred cash payments totaling at least the Allowed amount of such Secured Claim and having a value, as of the Effective Date of the Plan, equal to or in excess of the value of such holder's interest in the estate's interest in the collateral for the Secured Claim, (b) the collateral for such Secured Claim is sold, the lien securing such Claims attached to the proceeds, and such liens on proceeds are afforded the treatment described under clause (a) or (c) of this sentence, or (c) the holders of such Secured Claims realize the "indubitable equivalent" of their Claims.

Jackson Masonry asserts that the rate of interest proposed to be paid on Secured Claims provides secured creditors with a future payment stream having a present value equal to each creditor's Allowed Secured Claim.

The Bankruptcy Court may find that the Plan is "fair and equitable" with respect to a Class of non-accepting impaired Unsecured Claims only if (a) each impaired unsecured creditor receives or retains under the Plan property of a value as of the Effective Date of such Plan equal to the amount of its Allowed Claim, or (b) the holder of any Claim or Interest that is junior to the Claims of the dissenting Class will not receive or retain any property under the Plan.

If all of the provisions of Section 1129(b) of the Code are met, the Bankruptcy Court may enter an order confirming the Plan.

**b. The Plan is Confirmable Under Section 1129(b) of the Bankruptcy Code.** Jackson Masonry asserts that the Plan also meets the “best interest of creditors” test and is “feasible”. In addition, if any Class of Claims rejects the Plan, the Plan can nevertheless be confirmed because it meets the “cramdown” standard with respect to such Class.

i. **The Plan Meets the “Best Interest of Creditors” Test.** The “best interest of creditors” test requires that the Bankruptcy Court find that the Plan provides to each non-accepting holder of a Claim treated under the Plan a recovery which has a present value at least equal to the present value of the distribution that such person would receive if Jackson Masonry’s assets were liquidated under Chapter 7 of the Code. An analysis of the likely recoveries and effect on creditors in the event of liquidation under Chapter 7 of the Code is contained in this Disclosure Statement. Jackson Masonry submits that, in a Chapter 7 liquidation, recovery by Jackson Masonry’s unsecured creditors, and many of Jackson Masonry’s pre-petition secured creditors, is unlikely. As such, Jackson Masonry believes that this test is easily satisfied.

ii. **The Plan is Feasible.** As a condition to Confirmation of a plan, the Bankruptcy Court must find that Confirmation is not likely to be followed by a liquidation or a need for further financial reorganization except as proposed in that plan. Jackson Masonry has proven its ability to pay the amounts that will be due under the Plan on the Effective Date and thereafter, as verified in Jackson Masonry’s Pro Forma, attached as Exhibit D to this Disclosure Statement. Jackson Masonry believes that the information contained in Jackson Masonry’s Pro Forma realistically reflects anticipated operations, and provides creditors with a reasonable snapshot from which to evaluate the prospects for Jackson Masonry’s long-term success. Exhibit D is based on historical revenues, expenses, and operating trends, as adjusted for changes and improvements made to Jackson Masonry’s operations. Information about Jackson Masonry’s operations during the pendency of this case may be found in Jackson Masonry’s monthly operating reports, which are available electronically through the Court’s website.

iii. **The Plan Meets the Cramdown Standard with Respect to Any Impaired Class of Claims Rejecting the Plan.** In the event any impaired Class of Claims rejects the Plan, the Plan can be confirmed. The Plan satisfies the provisions for cramdown under § 1129(b)(2) of the Bankruptcy Code. Secured creditors are either retaining their liens and receiving the value of their interest in Jackson Masonry’s property in deferred cash payments totaling the allowed amount of their Claims or receiving all property secured by their Liens. Priority and Unsecured creditors are receiving more than they would receive if this Case were a Chapter 7 liquidation. In the event an impaired Class rejects the Plan, the Plan shall be deemed a motion for cramdown of such Class under the Bankruptcy Code.

## **XVIII. TAX CONSEQUENCES**

The following discussion summarizes certain anticipated federal income tax consequences of implementation of the Plan to holders of Claims and to Jackson Masonry. It does not address all federal income tax consequences of the Plan nor does it address the state or local income tax or other state or local tax consequences of implementation of the Plan to holders of Claims or to Jackson Masonry.

**PERSONS READING THIS DISCLOSURE STATEMENT SHOULD BE AWARE THAT NEITHER JACKSON MASONRY NOR ITS COUNSEL HAVE INTENDED TO**

**ANSWER THE ABOVE TAX-RELATED ISSUES BUT RATHER ARE ONLY ATTEMPTING TO IDENTIFY SOME, BUT NOT ALL, OF THE TAX-RELATED ISSUES WHICH SHOULD BE CONSIDERED BY CREDITORS IN VOTING ON THE PLAN. FURTHERMORE, CREDITORS SHOULD CONSULT WITH THEIR OWN INDEPENDENT TAX ADVISOR WITH RESPECT TO ANY TAX IMPACT THAT MAY RESULT THROUGH THE IMPLEMENTATION OF THE PLAN.**

The description of the federal income tax consequences of implementing the Plan is based on the Internal Revenue Code of 1986 (the "Tax Code"), the existing Treasury Regulations and Proposed Regulations thereunder, judicial decisions and current published administrative rulings generally available prior to the date of the filing of the Plan, all of which are subject to change at any time. Any such change may have a retroactive effect. JACKSON MASONRY HAS NOT RECEIVED, NOR WILL IT REQUEST, A RULING FROM THE IRS AS TO ANY OF THE TAX CONSEQUENCES OF THE PROPOSED PLAN WITH RESPECT TO HOLDERS OF CLAIMS. NO ASSURANCE IS OR CAN BE GIVEN THAT THE IRS WILL CONCUR WITH, NOR IS THE IRS BOUND BY, THIS DISCUSSION. Jackson Masonry has not obtained an opinion of counsel with respect to any of these matters. The discussion below is general in nature and is not directed to the specific tax situation of any particular interested taxpayer. FOR THESE REASONS, ALL HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR OWN ADVISORS AS TO THE TAX CONSEQUENCES OF IMPLEMENTATION OF THE PLAN TO THEM UNDER APPLICABLE FEDERAL, STATE AND LOCAL TAX LAWS.

**a. Tax Consequences to Jackson Masonry.** Confirmation of the Plan is not expected to have any material tax consequence for Jackson Masonry.

**b. Tax Consequences to Claimants.** Generally, bad debts arising from a taxpayer's trade or business may be deducted from gross income to the extent of their worthlessness when such debts become partially or totally worthless. A cash basis taxpayer can deduct a bad debt only if an actual cash loss has been sustained or if the amount deducted was included in income. All accrual-basis taxpayers must use the specific charge-off method to deduct business bad debts.

Holders of Claims may be required to report income or entitled to a tax deduction as a result of implementation of the Plan. The exact tax treatment depends on, among other things, each Claim holder's method of accounting, the nature of each Claim, and whether and to what extent such Claimant has taken a bad debt deduction in prior taxable years with respect to the particular debt owed to them by Jackson Masonry.

EACH HOLDER OF A CLAIM IS URGED TO CONSULT WITH HIS OR ITS OWN TAX ADVISOR REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE TREATMENT OF HIS OR ITS CLAIM UNDER THE PLAN. JACKSON MASONRY HAS NO MEANS TO DETERMINE THE POTENTIAL INDIVIDUALIZED TAX CONSEQUENCES TO ANY HOLDER OF CLAIMS.

## **XIX. CONFIRMATION PROCEDURES**

The Plan cannot be consummated unless it is confirmed by the Court. Confirmation of the Plan requires that, among other things, either (i) each Class of Claims or Interests that is impaired by the Plan has voted to accept the Plan by the requisite majority, or (ii) the Plan is determined by



the Court to be fair and equitable, as defined by the Bankruptcy Code, with respect to Classes of Claims or Interests that have rejected the Plan. The Bankruptcy Code also requires that the confirmation of the Plan be in the “best interests” of all holders of Claims and Interests. Jackson Masonry believes that the Plan meets the Confirmation requirements of the Bankruptcy Code.

**a. Creditors Eligible to Vote.** Only the votes of Classes whose Claims or Interests are impaired by the Plan will be counted in connection with the Confirmation of the Plan. Generally, and subject to the specific provisions of § 1124 of the Bankruptcy Code, a Class is “impaired” if its legal, equitable or contractual rights attaching to the Claims or Interests of that Class are modified by the Plan. In determining acceptance of the Plan, votes will be counted only if submitted by a holder of an Allowed Claim or Allowed Interest. Claims or Interests may be Allowed by the Court for voting purposes only. Classes 1, 9, and 10 of the Plan include Claims or Interests that are not impaired under the Plan. All other Classes of Claims or Interests are impaired and entitled to vote.

**b. Acceptance Necessary to Confirm the Plan.** For the Plan to be accepted and thereafter confirmed, it must be accepted by at least one Class of Claims which is impaired by the Plan. Under § 1126 of the Code, the impaired Class is deemed to have accepted the Plan if: (i) with respect to a Class of Claims, votes representing at least two-thirds (2/3) in amount and more than one-half (1/2) in number of Allowed Claims that have voted in that Class have accepted the Plan, and (ii) with respect to a Class of Interests, votes representing at least two-thirds (2/3) in amount of those Allowed Interests that have voted have accepted the Plan; provided that the vote of any holder of an Allowed Claim or Allowed Interest whose acceptance or rejection of the Plan was not made in good faith, as determined by the Court, will not be counted.

If a Class of Claims has been impaired by the Plan, the impaired Class must accept the Plan. Otherwise, the Court, in order to confirm the Plan, must independently determine that the Plan provides to each holder of a Claim or Interest, as the case may be, of such Class a recovery which has a value, as of the Effective Date, at least equal to the value of the distribution which such holder would receive or retain if Jackson Masonry was liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date.

**c. Manner of Voting.** In voting for or against the Plan, please use only the ballot sent to you with this Disclosure Statement. If a creditor has an Allowed Claim or Allowed Interest in more than one Class, such creditor may vote multiple ballots. Holders of Allowed Claims or Allowed Interests entitled to vote to accept or reject the Plan may vote by completing, dating, signing and transmitting the ballot to: Dunham Hildebrand, PLLC, 2510 Franklin Pike, Suite 210, Nashville, Tennessee, 37204, Email: [griffin@dhnashville.com](mailto:griffin@dhnashville.com).

To be counted, a ballot must be received at the above address on or before the date and time set forth in the ballot. A ballot, once submitted, cannot be withdrawn or modified except as provided under the Bankruptcy Code. If a creditor fails to submit a ballot on or before the date set forth in the ballot, such creditor shall be deemed to have accepted the Plan.

**d. Confirmation Without Unanimous Acceptance.** Section 1129(b) of the Bankruptcy Code provides that the Plan may be confirmed by the Court despite not being accepted by every impaired Class if: (i) at least one impaired Class of Claims, excluding the Claims of insiders, has accepted the Plan; and (ii) the Court finds that the Plan does not discriminate unfairly

and is fair and equitable to the rejected Classes. Among other things, such a finding would require a determination by the Court that the Plan provides that no holder of an Allowed Claim or Allowed Interest junior to the rejecting Class will receive or retain property or payment under the Plan until or unless such rejecting Class is paid in full.

Jackson Masonry reserves the right pursuant to § 1129(b) of the Code to request the Court to confirm the Plan if all of the applicable requirements of § 1129(a) of the Code have been met. In addition, Jackson Masonry reserves the right pursuant to § 1126(e) of the Code to request the Court to strike any ballot rejecting the Plan cast by any holder of a Claim or Interest which was not cast in good faith.

**e. Hearing on Confirmation of the Plan.** The Court will set a hearing on Confirmation of the Plan to determine whether the Plan has been accepted by the requisite number of holders of Claims and Interests and whether the other standards for Confirmation of the Plan have been satisfied. The hearing may be adjourned from time to time without further written notice other than an announcement in open Court.

DATED: March 1, 2017

Respectfully Submitted,

**JACKSON MASONRY, LLC**

/s/ Rogers Jackson

By: Rogers Jackson

Its: Member

/s/ Griffin S. Dunham

Griffin S. Dunham

Henry E. “(Ned”) Hildebrand, IV

DUNHAM HILDEBRAND, PLLC

2510 Franklin Pike, Suite 210

Nashville, Tennessee 37204

615.933.5850

griffin@dhnashville.com

*Attorneys for Jackson Masonry, LLC*

**Jackson Masonry LLC - Exhibit A**

	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
<b>Beginning Cash</b>	\$ 168,330.79	\$ 280,055.96	\$ 336,232.56	\$ 290,862.97	\$ 286,874.28	\$ 276,704.59	\$ 287,108.90
<b>Operating</b>							
Revenue Collection	\$ 460,000.00	\$ 445,145.00	\$ 325,000.00	\$ 315,000.00	\$ 340,000.00	\$ 325,000.00	\$ 355,000.00
Other Revenue	\$ 3,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00
<b>Total Revenue Collection</b>	<b>\$ 463,600.00</b>	<b>\$ 449,745.00</b>	<b>\$ 329,600.00</b>	<b>\$ 319,600.00</b>	<b>\$ 344,600.00</b>	<b>\$ 329,600.00</b>	<b>\$ 359,600.00</b>
<b>Disbursements</b>							
Sub Contracts	\$ 13,355.00	\$ 6,000.00	\$ 4,000.00		\$ 2,000.00	\$ 1,000.00	\$ 4,000.00
Advertising/Marketing	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Labor	\$ 158,175.00	\$ 203,791.00	\$ 166,400.00	\$ 161,400.00	\$ 181,400.00	\$ 166,400.00	\$ 161,400.00
Bonus							\$ 60,000.00
Rogers Jackson Draws	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Payroll Taxes	\$ 13,295.00	\$ 21,958.00	\$ 15,000.00	\$ 14,000.00	\$ 17,000.00	\$ 15,000.00	\$ 18,000.00
Payroll Fees	\$ 654.00	\$ 832.00	\$ 750.00	\$ 700.00	\$ 800.00	\$ 750.00	\$ 950.00
Materials	\$ 32,241.00	\$ 77,092.00	\$ 60,000.00	\$ 56,000.00	\$ 70,000.00	\$ 61,000.00	\$ 72,000.00
Civic Bank AP	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63
First Advantage AP	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51
Ascend AP	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64
Ally Financial	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60
Wells Fargo	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83
Kubota	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38
Eq Rental Expense	\$ 6,431.00	\$ 1,913.00	\$ 3,250.00	\$ 3,150.00	\$ 3,400.00	\$ 3,250.00	\$ 3,550.00
Equipment Moving Expense	\$ 2,613.00		\$ 800.00		\$ 450.00	\$ 450.00	
WC,G/L,Auto,Umb.Prop.	\$ 11,986.00	\$ 14,231.00	\$ 11,520.00	\$ 11,160.00	\$ 12,600.00	\$ 11,520.00	\$ 13,320.00
Health Insurance Expense	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00
Repairs and Maintenance	\$ 26,793.00	\$ 6,008.00	\$ 9,000.00	\$ 6,000.00	\$ 7,000.00	\$ 5,000.00	\$ 6,500.00
Improvements to Properties			\$ 40,000.00				
Equip. & Vehicle Upgrades	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
2017 IRS Est.Tax Pmts	\$ 16,000.00			\$ 16,000.00			\$ 16,000.00
Business License							
2017 Property & Pers.Property							\$ 21,158.00

Bank Service Fees	\$ 371.00	\$ 134.71	\$ 200.00	\$ 114.00	\$ 188.00	\$ 150.00	\$ 320.00
Utilities	\$ 2,014.00	\$ 3,913.00	\$ 4,000.00	\$ 3,000.00	\$ 2,500.00	\$ 3,000.00	\$ 3,500.00
Fuel	\$ 4,291.00	\$ 7,958.00	\$ 7,500.00	\$ 6,000.00	\$ 6,500.00	\$ 6,000.00	\$ 5,500.00
Exp.Tools/Supplies	\$ 3,413.00	\$ 5,475.00	\$ 10,000.00	\$ 8,000.00	\$ 7,000.00	\$ 6,000.00	\$ 5,000.00
Office Supplies	\$ 2,917.00	\$ 2,480.00	\$ 1,500.00	\$ 1,200.00	\$ 2,000.00	\$ 2,100.00	\$ 1,500.00
Telephone	\$ 1,435.00	\$ 1,383.00	\$ 1,500.00	\$ 1,465.00	\$ 1,532.00	\$ 1,726.00	\$ 1,500.00
Meals & Enter.	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00
Dues and Subscriptions							
Auto/Truck tag renewals	\$ 603.00		\$ 200.00	\$ 300.00	\$ 400.00	\$ 300.00	\$ 400.00
Safety	\$ 450.00		\$ 200.00	\$ 150.00	\$ 400.00	\$ 150.00	\$ 150.00
Legal & Professional							
<b>Total Disbursements</b>	<b>\$ 325,533.59</b>	<b>\$ 382,718.30</b>	<b>\$ 364,969.59</b>	<b>\$ 317,738.59</b>	<b>\$ 343,919.59</b>	<b>\$ 313,345.59</b>	<b>\$ 423,747.59</b>
<b>Total Operating Cash Flow</b>	<b>\$ 138,066.41</b>	<b>\$ 67,026.70</b>	<b>\$ (35,369.59)</b>	<b>\$ 1,861.41</b>	<b>\$ 680.41</b>	<b>\$ 16,254.41</b>	<b>\$ (64,147.59)</b>
US Trustees Fees		\$ 5,000.00			\$ 5,000.00		
Unsecured Creditors	\$ 21,341.24	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10
Legal Fees	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
<b>Total Bankruptcy Costs</b>	<b>\$ 26,341.24</b>	<b>\$ 10,850.10</b>	<b>\$ 10,000.00</b>	<b>\$ 5,850.10</b>	<b>\$ 10,850.10</b>	<b>\$ 5,850.10</b>	<b>\$ 5,850.10</b>
<b>Change in Cash</b>	<b>\$ 111,725.17</b>	<b>\$ 56,176.60</b>	<b>\$ (45,369.59)</b>	<b>\$ (3,988.69)</b>	<b>\$ (10,169.69)</b>	<b>\$ 10,404.31</b>	<b>\$ (69,997.69)</b>
<b>Ending Cash</b>	<b>\$ 280,055.96</b>	<b>\$ 336,232.56</b>	<b>\$ 290,862.97</b>	<b>\$ 286,874.28</b>	<b>\$ 276,704.59</b>	<b>\$ 287,108.90</b>	<b>\$ 217,111.21</b>

**Jackson Masonry LLC - Exhibit A**

	1/1/2018	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
<b>Beginning Cash</b>	<b>\$ 294,727.30</b>	<b>\$ 280,854.61</b>	<b>\$ 158,713.92</b>	<b>\$ 91,275.23</b>	<b>\$ (182,371.46)</b>	<b>\$ (120,497.15)</b>	<b>\$ 23,149.16</b>	<b>\$ 143,371.76</b>	<b>\$ 201,952.07</b>	<b>\$ 278,263.38</b>	<b>\$ 337,893.69</b>	<b>\$ 403,098.00</b>
<b>Operating</b>												
Revenue Collection	\$ 300,000.00	\$ 315,000.00	\$ 320,000.00	\$ 325,000.00	\$ 375,000.00	\$ 460,000.00	\$ 460,000.00	\$ 400,000.00	\$ 375,000.00	\$ 360,000.00	\$ 350,000.00	\$ 340,000.00
Other Revenue	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00
<b>Total Revenue Collection</b>	<b>\$ 304,600.00</b>	<b>\$ 319,600.00</b>	<b>\$ 324,600.00</b>	<b>\$ 329,600.00</b>	<b>\$ 379,600.00</b>	<b>\$ 464,600.00</b>	<b>\$ 464,600.00</b>	<b>\$ 404,600.00</b>	<b>\$ 379,600.00</b>	<b>\$ 364,600.00</b>	<b>\$ 354,600.00</b>	<b>\$ 344,600.00</b>
<b>Disbursements</b>												
Sub Contracts	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Advertising/Marketing			\$ 1,200.00									
Labor	\$ 135,600.00	\$ 150,600.00	\$ 150,600.00	\$ 155,600.00	\$ 155,600.00	\$ 160,000.00	\$ 165,000.00	\$ 145,000.00	\$ 140,000.00	\$ 138,000.00	\$ 137,000.00	\$ 136,000.00
Bonus												\$ 62,000.00
Rogers Jackson Draws	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
Payroll Taxes	\$ 25,529.00	\$ 22,239.00	\$ 16,437.00	\$ 14,446.00	\$ 17,876.00	\$ 13,295.00	\$ 21,958.00	\$ 15,000.00	\$ 14,000.00	\$ 17,000.00	\$ 15,000.00	\$ 18,000.00
Payroll Fees	\$ 1,196.00	\$ 611.00	\$ 789.00	\$ 423.00	\$ 636.00	\$ 654.00	\$ 832.00	\$ 750.00	\$ 700.00	\$ 800.00	\$ 750.00	\$ 950.00
Materials	\$ 51,431.00	\$ 188,083.00	\$ 118,347.00	\$ 267,591.00	\$ 56,742.00	\$ 32,241.00	\$ 77,092.00	\$ 60,000.00	\$ 56,000.00	\$ 70,000.00	\$ 61,000.00	\$ 72,000.00
Civic Bank AP	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63
First Advantage AP	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51
Ascend AP	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64
Ally Financial	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60
Wells Fargo	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83
Kubota	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38
Unsecured Creditors	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10
Eq Rental Expense	\$ 2,972.00	\$ 2,672.00	\$ 5,191.00	\$ 4,252.00	\$ 2,323.00	\$ 6,431.00	\$ 1,913.00	\$ 3,250.00	\$ 3,150.00	\$ 3,400.00	\$ 3,250.00	\$ 3,550.00
Equipment Moving Expense	\$ 450.00	\$ 450.00		\$ 2,611.00	\$ 328.00	\$ 2,613.00		\$ 800.00		\$ 450.00	\$ 450.00	
WC,G/L,Auto,Umb.Prop.	\$ 19,656.00	\$ 91.00	\$ 12,908.00	\$ 21,788.00	\$ 11,339.00	\$ 11,986.00	\$ 14,231.00	\$ 11,520.00	\$ 11,160.00	\$ 12,600.00	\$ 11,520.00	\$ 13,320.00
Health Insurance Expense	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00
Repairs and Maintenance	\$ 19,806.00	\$ 2,837.00	\$ 6,373.00	\$ 9,127.00	\$ 12,630.00	\$ 26,793.00	\$ 6,008.00	\$ 9,000.00	\$ 6,000.00	\$ 7,000.00	\$ 5,000.00	\$ 6,500.00
Improvements to Properties				\$ 40,000.00				\$ 40,000.00				
Equip. & Vehicle Upgrades	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
IRS Estimated Tax			\$ 16,500.00	\$ 22,000.00		\$ 16,500.00			\$ 16,500.00			\$ 16,500.00
Business License				\$ 11,000.00								
Property & Per.Proper Tax												\$ 22,000.00
Bank Service Fees	\$ 100.00	\$ 384.00	\$ 495.00	\$ 530.00	\$ 86.00	\$ 371.00	\$ 134.71	\$ 200.00	\$ 114.00	\$ 188.00	\$ 150.00	\$ 320.00
Utilities	\$ 3,898.00	\$ 3,110.00	\$ 1,039.00	\$ 2,885.00	\$ 1,619.00	\$ 2,014.00	\$ 3,913.00	\$ 4,000.00	\$ 3,000.00	\$ 2,500.00	\$ 3,000.00	\$ 3,500.00
Fuel	\$ 4,458.00	\$ 4,656.00	\$ 4,224.00	\$ 6,711.00	\$ 6,111.00	\$ 4,291.00	\$ 7,958.00	\$ 7,500.00	\$ 6,000.00	\$ 6,500.00	\$ 6,000.00	\$ 5,500.00
Exp.Tools/Supplies	\$ 13,344.00	\$ 22,656.00	\$ 9,438.00	\$ 4,375.00	\$ 11,769.00	\$ 3,413.00	\$ 5,475.00	\$ 10,000.00	\$ 8,000.00	\$ 7,000.00	\$ 6,000.00	\$ 5,000.00
Office Supplies	\$ 1,683.00	\$ 1,591.00	\$ 2,304.00	\$ 2,020.00	\$ 1,725.00	\$ 2,917.00	\$ 2,480.00	\$ 1,500.00	\$ 1,200.00	\$ 2,000.00	\$ 2,100.00	\$ 1,500.00
Telephone	\$ 1,034.00	\$ 1,344.00	\$ 1,726.00	\$ 1,532.00	\$ 1,540.00	\$ 1,435.00	\$ 1,383.00	\$ 1,500.00	\$ 1,465.00	\$ 1,532.00	\$ 1,726.00	\$ 1,500.00
Meals & Enter.	\$ 500.00	\$ 500.00	\$ 7,500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Dues and Subscriptions				\$ 600.00								
Auto/Truck tag renewals		\$ 949.00	\$ 135.00	\$ 356.00	\$ 802.00	\$ 603.00		\$ 200.00	\$ 300.00	\$ 400.00	\$ 300.00	\$ 400.00
Safety	\$ 1,116.00	\$ 268.00	\$ 1,021.00			\$ 450.00		\$ 200.00	\$ 150.00	\$ 400.00	\$ 150.00	\$ 150.00
Legal & Professional	\$ 200.00	\$ 3,200.00	\$ 312.00									
<b>Total Disbursements</b>	<b>\$ 318,472.69</b>	<b>\$ 441,740.69</b>	<b>\$ 392,038.69</b>	<b>\$ 603,246.69</b>	<b>\$ 317,725.69</b>	<b>\$ 320,953.69</b>	<b>\$ 344,377.40</b>	<b>\$ 346,019.69</b>	<b>\$ 303,288.69</b>	<b>\$ 304,969.69</b>	<b>\$ 289,395.69</b>	<b>\$ 404,139.69</b>
<b>Change in Cash</b>	<b>\$ (13,872.69)</b>	<b>\$ (122,140.69)</b>	<b>\$ (67,438.69)</b>	<b>\$ (273,646.69)</b>	<b>\$ 61,874.31</b>	<b>\$ 143,646.31</b>	<b>\$ 120,222.60</b>	<b>\$ 58,580.31</b>	<b>\$ 76,311.31</b>	<b>\$ 59,630.31</b>	<b>\$ 65,204.31</b>	<b>\$ (59,539.69)</b>
<b>Ending Cash</b>	<b>\$ 280,854.61</b>	<b>\$ 158,713.92</b>	<b>\$ 91,275.23</b>	<b>\$ (182,371.46)</b>	<b>\$ (120,497.15)</b>	<b>\$ 23,149.16</b>	<b>\$ 143,371.76</b>	<b>\$ 201,952.07</b>	<b>\$ 278,263.38</b>	<b>\$ 337,893.69</b>	<b>\$ 403,098.00</b>	<b>\$ 343,558.31</b>

**Jackson Masonry LLC - Exhibit A**

	JAN. 2019	FEB	MAR.	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
<b>Beginning Cash</b>	<b>\$ 354,467.03</b>	<b>\$ 334,463.34</b>	<b>\$ 226,596.65</b>	<b>\$ 168,602.96</b>	<b>\$ 57,650.27</b>	<b>\$ 93,974.58</b>	<b>\$ 154,970.89</b>	<b>\$ 186,714.32</b>	<b>\$ 226,815.46</b>	<b>\$ 294,147.60</b>	<b>\$ 353,298.74</b>	<b>\$ 407,023.88</b>
<b>Operating</b>												
Revenue Collection	\$ 300,000.00	\$ 325,000.00	\$ 330,000.00	\$ 340,000.00	\$ 350,000.00	\$ 375,000.00	\$ 380,000.00	\$ 400,000.00	\$ 380,000.00	\$ 370,000.00	\$ 350,000.00	\$ 325,000.00
Other Revenue	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
<b>Total Revenue Collection</b>	<b>\$ 305,000.00</b>	<b>\$ 330,000.00</b>	<b>\$ 335,000.00</b>	<b>\$ 345,000.00</b>	<b>\$ 355,000.00</b>	<b>\$ 380,000.00</b>	<b>\$ 385,000.00</b>	<b>\$ 405,000.00</b>	<b>\$ 385,000.00</b>	<b>\$ 375,000.00</b>	<b>\$ 355,000.00</b>	<b>\$ 330,000.00</b>
<b>Disbursements</b>												
Sub Contracts	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Advertising/Marketing			\$ 1,300.00									
Labor	\$ 140,581.00	\$ 142,176.00	\$ 149,455.00	\$ 150,000.00	\$ 155,000.00	\$ 156,000.00	\$ 175,000.00	\$ 160,000.00	\$ 155,000.00	\$ 150,000.00	\$ 150,000.00	\$ 148,000.00
Bonus												\$ 64,000.00
Rogers Jackson Draws	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Payroll Taxes	\$ 25,529.00	\$ 22,239.00	\$ 16,437.00	\$ 14,446.00	\$ 17,876.00	\$ 13,295.00	\$ 21,958.00	\$ 15,000.00	\$ 14,000.00	\$ 17,000.00	\$ 15,000.00	\$ 18,000.00
Payroll Fees	\$ 1,196.00	\$ 611.00	\$ 789.00	\$ 423.00	\$ 636.00	\$ 654.00	\$ 832.00	\$ 750.00	\$ 700.00	\$ 800.00	\$ 750.00	\$ 950.00
Materials	\$ 51,431.00	\$ 188,083.00	\$ 118,347.00	\$ 118,347.00	\$ 56,742.00	\$ 32,241.00	\$ 77,092.00	\$ 60,000.00	\$ 56,000.00	\$ 70,000.00	\$ 61,000.00	\$ 72,000.00
Civic Bank AP	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63	\$ 4,111.63
First Advantage AP	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51	\$ 989.51
Ascend AP	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64	\$ 3,247.64
Ally Financial	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60	\$ 3,411.60
Wells Fargo	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83	\$ 2,670.83					
Kubota	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38	\$ 855.38
Unsecured Creditors	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10	\$ 850.10
Eq Rental Expense	\$ 2,972.00	\$ 2,672.00	\$ 5,191.00	\$ 4,252.00	\$ 2,323.00	\$ 6,431.00	\$ 1,913.00	\$ 3,250.00	\$ 3,150.00	\$ 3,400.00	\$ 3,250.00	\$ 3,550.00
Equipment Moving Expense	\$ 450.00	\$ 450.00		\$ 2,611.00	\$ 328.00	\$ 2,613.00		\$ 800.00		\$ 450.00	\$ 450.00	
WC,G/L,Auto,Umb.Prop.	\$ 19,656.00	\$ 91.00	\$ 12,908.00	\$ 21,788.00	\$ 11,339.00	\$ 11,986.00	\$ 14,231.00	\$ 11,520.00	\$ 11,160.00	\$ 12,600.00	\$ 11,520.00	\$ 13,320.00
Health Insurance Expense	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00	\$ 3,863.00
Repairs and Maintenance	\$ 19,806.00	\$ 2,837.00	\$ 6,373.00	\$ 9,127.00	\$ 12,630.00	\$ 26,793.00	\$ 6,008.00	\$ 9,000.00	\$ 6,000.00	\$ 7,000.00	\$ 5,000.00	\$ 6,500.00
Improvements to Properties				\$ 45,000.00				\$ 45,000.00				
Equip. & Vehicle Upgrades	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
IRS Estimated Tax			\$ 17,000.00	\$ 23,000.00		\$ 17,000.00			\$ 17,000.00			\$ 17,000.00
Business License				\$ 11,000.00								
Property & Pers.Property Tax												\$ 22,500.00
Bank Service Fees	\$ 100.00	\$ 384.00	\$ 495.00	\$ 530.00	\$ 86.00	\$ 371.00	\$ 134.71	\$ 200.00	\$ 114.00	\$ 188.00	\$ 150.00	\$ 320.00
Utilities	\$ 3,898.00	\$ 3,110.00	\$ 1,039.00	\$ 2,885.00	\$ 1,619.00	\$ 2,014.00	\$ 3,913.00	\$ 4,000.00	\$ 3,000.00	\$ 2,500.00	\$ 3,000.00	\$ 3,500.00
Fuel	\$ 4,458.00	\$ 4,656.00	\$ 4,224.00	\$ 6,711.00	\$ 6,111.00	\$ 4,291.00	\$ 7,958.00	\$ 7,500.00	\$ 6,000.00	\$ 6,500.00	\$ 6,000.00	\$ 5,500.00
Exp.Tools/Supplies	\$ 13,344.00	\$ 22,656.00	\$ 9,438.00	\$ 4,375.00	\$ 11,769.00	\$ 3,413.00	\$ 5,475.00	\$ 10,000.00	\$ 8,000.00	\$ 7,000.00	\$ 6,000.00	\$ 5,000.00
Office Supplies	\$ 1,683.00	\$ 1,591.00	\$ 2,304.00	\$ 2,020.00	\$ 1,725.00	\$ 2,917.00	\$ 2,480.00	\$ 1,500.00	\$ 1,200.00	\$ 2,000.00	\$ 2,100.00	\$ 1,500.00
Telephone	\$ 1,034.00	\$ 1,344.00	\$ 1,726.00	\$ 1,532.00	\$ 1,540.00	\$ 1,435.00	\$ 1,383.00	\$ 1,500.00	\$ 1,465.00	\$ 1,532.00	\$ 1,726.00	\$ 1,500.00
Meals & Enter.	\$ 550.00	\$ 550.00	\$ 7,500.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
Dues and Subscriptions					\$ 600.00							
Auto/Truck tag renewals		\$ 949.00	\$ 135.00	\$ 356.00	\$ 802.00	\$ 603.00		\$ 200.00	\$ 300.00	\$ 400.00	\$ 300.00	\$ 400.00
Safety	\$ 1,116.00	\$ 268.00	\$ 1,021.00			\$ 450.00		\$ 200.00	\$ 150.00	\$ 400.00	\$ 150.00	\$ 150.00
Legal & Professional	\$ 200.00	\$ 6,200.00	\$ 312.00									
<b>Total Disbursements</b>	<b>\$ 325,003.69</b>	<b>\$ 437,866.69</b>	<b>\$ 392,993.69</b>	<b>\$ 455,952.69</b>	<b>\$ 318,675.69</b>	<b>\$ 319,003.69</b>	<b>\$ 353,256.57</b>	<b>\$ 364,898.86</b>	<b>\$ 317,667.86</b>	<b>\$ 315,848.86</b>	<b>\$ 301,274.86</b>	<b>\$ 418,018.86</b>
<b>Change in Cash</b>	<b>\$ (20,003.69)</b>	<b>\$ (107,866.69)</b>	<b>\$ (57,993.69)</b>	<b>\$ (110,952.69)</b>	<b>\$ 36,324.31</b>	<b>\$ 60,996.31</b>	<b>\$ 31,743.43</b>	<b>\$ 40,101.14</b>	<b>\$ 67,332.14</b>	<b>\$ 59,151.14</b>	<b>\$ 53,725.14</b>	<b>\$ (88,018.86)</b>
<b>Ending Cash</b>	<b>\$ 334,463.34</b>	<b>\$ 226,596.65</b>	<b>\$ 168,602.96</b>	<b>\$ 57,650.27</b>	<b>\$ 93,974.58</b>	<b>\$ 154,970.89</b>	<b>\$ 186,714.32</b>	<b>\$ 226,815.46</b>	<b>\$ 294,147.60</b>	<b>\$ 353,298.74</b>	<b>\$ 407,023.88</b>	<b>\$ 319,005.02</b>

**Exhibit B**

<b><u>Class 8</u></b>	<b><u>Claim Amount</u></b>	<b><u>% of Class</u></b>	<b><u>Monthly Payment</u></b>
Care Supply Co.	8,723.26	28.5040%	\$242.31
Chase Cardmember Services	12,685.27	41.4502%	\$352.37
City of Clarksville, Tennessee	-	0.0000%	\$0.00
Fastenal Co.	228.35	0.7462%	\$6.34
HDS White Cap Const. Supply	183.00	0.5980%	\$5.08
Synchrony Bank (Lowe's)	740.65	2.4201%	\$20.57
NAPA	330.87	1.0811%	\$9.19
NES	1,514.98	4.9503%	\$42.08
Pep Boys	44.79	0.1464%	\$1.24
Piedmont Natural Gas	789.52	2.5798%	\$21.93
Regions	4,500.00	14.7041%	\$125.00
Tire Discounters	862.97	2.8198%	\$23.97
TMS Contracting, LLC	-	0.0000%	\$0.00
	<b>30,603.66</b>	<b>100.0000%</b>	<b>\$850.10</b>