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IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
ABILENE DIVISION

In Re:	§	Case No. 17-10311-rlj11
	§	
Dent Depot, LLC,	§	Chapter 11 Proceeding
	§	
<i>Debtor.</i>	§	Small Business Case under Chapter 11

**DENT DEPOT, LLC'S COMBINED PLAN OF REORGANIZATION AND DISCLOSURE
STATEMENT**

This *Combined Plan and Disclosure Statement* is filed by the above-referenced Debtor. The case was filed on December 4, 2017.

Purpose of disclosure statement: The purpose of the disclosure statement component of this pleading is to enable the proponent of the plan of reorganization to comply with section 1125(a) of the Bankruptcy Code, which requires that the proponent of a plan disclose such information to creditors "of a kind, and in sufficient detail, as far as is reasonably practicable in the light of the nature and history of the Debtors and the condition of the Debtors' books and records, that would enable a hypothetical reasonable investor typical of holders of claims or interests of the relevant class to make an informed judgment about the plan." Therefore, by operation of law, the contents of this disclosure statement must represent the Debtors' affirmative statements that the representation of actual facts made by it are true to the best of their information, knowledge and belief.

Creditors should primarily analyze the information supplied to determine whether it would be in their best interest to accept the plan or reject it. In making this determination, creditors should take note of the importance of their actually voting either to accept or reject the plan. This is so because the Bankruptcy Code authorizes the bankruptcy court to confirm a chapter 11 plan of reorganization if it is accepted by all creditors if it is demonstrated to be feasible. If all classes of creditors accept the plan (by means of a majority vote of the *voting* members of the class whose claims constitute two-thirds or more in value of the outstanding total claims of all the *voting* members of the class), then the bankruptcy court may confirm the plan on a showing of the plan's feasibility and that dissenting creditors will receive as much under the plan as they would have received in a straight liquidation. If not all classes of creditors accept the plan, the plan may still be confirmed on the showing of its feasibility and that each creditor will receive under the plan at least as much as each would receive in a straight liquidation and that the "absolute priority" rule is observed or waived. It is to be observed that at least one actually impaired class must in any case, affirmatively vote to accept the plan (by a majority of the voting creditors whose claims total at least two-thirds of all the claims of the voting class) or else the bankruptcy court may not confirm the plan. Further, creditors should observe that it is important for each of them to vote because

the acceptance or rejection of classes is to be determined on the basis of the voting membership of each class. Nonvoting membership is ignored for the purpose of determining whether a majority of members who holds two-thirds or more of value of claims accepts the plan. A failure to vote will not be counted as a rejection of the plan. Each creditor will also doubtlessly be interested in the schedule of the payments to be made to each of them. Only after reviewing it below, can they be reasonably expected to determine whether they are being treated as the law requires.

ARTICLE I **SUMMARY**

This Plan of Reorganization (the "Plan") under chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of Dent Depot, LLC (the "Debtor" or "Dent Depot") from cash flow from operations, or future income.

This Plan provides for one class of secured claims; zero classes of unsecured claims; and one class of equity security holders. This Plan also provides for the payment of administrative and priority claims.

All creditors and equity security holders should refer to Articles III through VI of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been combined with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**

ARTICLE II **CLASSIFICATION OF CLAIMS AND INTERESTS**

2.01 Administrative Payments: Tarbox Law, P.C., in the approximate amount of \$15,000.

2.02 Class 1. Priority Claims.

Class 1-A: FUTA and FICA taxes owed to the Internal Revenue Service in the amount of zero dollars. Debtor intends to file an objection to the IRS proof of claim to their proof of claim which shows an unsecured priority claim of \$21,900.21.

Class 1-B: Property taxes owed to Dallas County, Texas, in the amount of \$1,027.43.

Class 1-C: Property taxes owed to the Taylor County Central Appraisal District, in the amount of \$666.77.

Class 1-D: Property taxes owed to the Irving I.S.D. Tax Office, in the amount of \$257.94.

Class 1-E: Penalties owed to the Mississippi Dept. of Employment in the amount of \$126.15.

Class 1-F: Late fees owed to the Texas Comptroller of Public Accounts for franchise taxes in the amount of \$76.57.

Class 1-G: Wage claim asserted by the Texas Workforce Commission in the amount of \$3,033.25.

Class 1-H: Small unpaid wages, described as follows:

Justin Chaves	\$236.56
Tristan Davis	753.86
Adrian Dillard	42.96
Gabriel Flores Garcia:	51.52
Scott Henderson:	757.89
Darren Phelps	345.79
Matthew Speegle:	<u>713.10</u>
Total	\$2,901.68

Class 1-I: Larger unpaid wages, described as follows:

Aaron Dillard:	\$3,275.00
Express Service:	\$2,943.65
Mark McMaster:	25,457.83
Rex Mayes:	9,000.00
William Scott Miller:	<u>3,726.84</u>
Total	\$44,403.32

- 2.03 Class 2. The claims of HNB Holdings, Inc. in the amount of \$490,327.25, to the extent allowed as a secured claim under §506 of the Code. The value of the collateral that the Debtor is retaining is \$5,100.00. The identification of the retained properties is listed in Exhibit "A." The amount that is unsecured will be treated in Class 4: General Unsecured Claims.
- 2.05 Class 3. General unsecured claimsd claims total \$703,661.94. *See* Exhibit "B." The Debtor reserves the right to object to any of these claims.
- 2.06 Class 4. Equity interests of the Debtor, 100% of which is held by Jeffrey Todd Stevenson of Hamlin, Texas.

ARTICLE III TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS, U.S. TRUSTEE'S FEES, AND PRIORITY TAX CLAIMS

3.01 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code will be paid in full on the effective date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

3.02 United States Trustee Fees. All fees required to be paid by 28 U.S.C. §1930(a)(6) (U.S. Trustee Fees) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code. Any U.S. Trustee Fees owed on or before the effective date of this Plan will be paid on the effective date.

ARTICLE IV

TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

Claims and interests shall be treated as follows under this Plan:

4.01

Class	Impairment	Treatment
<p>Administrative Claim</p> <p>Only known Administrative Claim is Tarbox Law, P.C., whose estimated is \$15,000.00. The claim and amount is to be approved by the Bankruptcy Court.</p>		<p>Amount owed will be due on the effective date of the Plan or under such terms as allowed by the claimant.</p>
<p>Class 1-A Claim of the Internal Revenue Service ("IRS")</p>	Impaired	<p>Debtor intends to object to the entire claim of the IRS. The Debtor does not intend to make any payment to the IRS unless an amount is allowed by the Court. If an amount is allowed, the Debtor will modify its confirmed Plan to arrange for payments to the IRS that comply with 11 U.S.C. § 1129(a)(9).</p>
<p>Class 1-B Claim of Dallas County, Texas</p>	Impaired	<p>Debtor will pay claimant's claim over a 6 month period at 12.0% interest beginning August 15, 2018. The first payment will be in the amount of \$252.94 (first payment interest adjustment). The remaining 5 monthly payments will be paid on or before the 15th day of each month in the amount of \$177.28 each.</p>
<p>Class 1-C Claim of Taylor County Central Appraisal District</p>	Impaired	<p>Debtor will pay claimant's claim over a 6 month period at 12.0% interest beginning August 15, 2018. The first payment will be in the amount of \$164.13 (first payment</p>

		interest adjustment). The remaining 5 monthly payments will be paid on or before the 15 th day of each month in the amount of \$115.03 each.
Class 1-D Claim of Irving Independent School District Tax Office	Impaired	Debtor will pay claimant's claim over a 6 month period at 12.0% interest beginning August 15, 2018. The first payment will be in the amount of \$63.51 (first payment interest adjustment). The remaining 5 monthly payments will be paid on or before the 15 th day of each month in the amount of \$44.51 each.
Class 1-E Claim of Mississippi Department of Employment	Impaired	Debtor will pay claimant's claim over a 6 month period at 12.0% interest beginning August 15, 2018. The first payment will be in the amount of \$31.06 (first payment interest adjustment). The remaining 5 monthly payments will be paid on or before the 15 th day of each month in the amount of \$21.77 each.
Class 1-F Texas Comptroller of Public Accounts	Impaired	Debtor will pay claimant's claim in full on August 15, 2018 at 6.0% interest. The payment will be in the amount of \$79.77 (including interest adjustment).
Class 1-G Texas Workforce Commission	Impaired	Debtor will pay claimant's claim over a 12 month period at 6.0% interest beginning August 15, 2018. The first payment will be in the amount of \$372.75 (first payment interest adjustment). The remaining 11 monthly payments will be paid on or before the 15 th day of each month in the amount of \$261.06 each.

Class I-H Unpaid wages (less than \$1,000.00)	Impaired	Debtor will pay claimants' claims on a pro-rat basis over a 12 month period at 6.0% interest beginning August 15, 2018. The first payment will be in the amount of \$356.59 (first payment interest adjustment). The remaining 11 monthly payments will be paid on or before the 15 th day of each month in the amount of \$249.74 each.
Class I-H Unpaid wages (over \$1,000.00)	Impaired	Debtor will pay claimants' claims on a pro-rata basis over a 60 month period at 6.0% interest beginning August 15, 2018. The first payment will be in the amount of \$4,243.85 (first payment interest adjustment). The remaining 11 monthly payments will be paid on or before the 15 th day of each month in the amount of \$1,461.06 each.
Class 2 HNB Holdings, Inc.	Impaired	<p>Debtor will pay claimant's claim over a 18 month period at 6.0% interest beginning August 15, 2018. The first payment will be in the amount of \$484.77 (first payment interest adjustment). The remaining 11 monthly payments will be paid on or before the 15th day of each month in the amount of \$296.98 each.</p> <p>Debtor will be retaining only \$5,100.00 in equipment constituting claimant's collateral. (See attached Exhibit "A" for description and current value of collateral being retained by Debtor.</p>
Class 3 Unsecured claims	Impaired	Debtor will pay claimant's claim 25% of each respective over a 120 month period at 0.0% interest beginning August 15, 2018. Each monthly payment will \$1,465.96.

Class 4 - Equity Security Holders of the Debtor: Jeffrey Todd Stevenson	The plan provides that Jeffrey Todd Stevenson retains his ownership interest.
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ARTICLE V

ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.01 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed [by a final non-appealable order], and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

5.02 Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed [by a final non-appealable order].

5.03 Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

ARTICLE VI

PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.01 Assumed Executory Contracts and Unexpired Leases.

(a) The Debtor assumes the following executory contracts and/or unexpired leases effective upon the [Insert "effective date of this Plan as provided in Article VII," "the date of the entry of the order confirming this Plan," or other applicable date]:

Name of Other Parties to Lease or Contract	Description of Contract or Lease
Augusta Realtors, LLC	Lease of Abilene location of Dent Depot, LLC. Debtor is current on lease payments. Debtor will assume this lease.

(b) The Debtor will be conclusively deemed to have rejected all executory contracts and/or unexpired leases not expressly assumed under section 6.01(a) above, or before the date of the order confirming this Plan, upon the effective date of this Plan. A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than twenty (20) days after the date of the order confirming this Plan. Debtor is specifically rejecting consist of leases with JDP Legacy, LLC.

ARTICLE VII
MEANS FOR IMPLEMENTATION OF THE PLAN

Dent Depot, LLC began in 1996. Owner, Todd Stevenson, traveled all across the United States and worked as independent contractor for years. In 2012 we expanded into a full service body shop to reduce the travel and opened our first permanent location in Irving, TX. In 2013 we had 2 locations and by 2015 we had 3 locations (Abilene, Irving and Lubbock).

Over the years Todd was able to secure backing through Hamlin National Bank. This industry is very weather dependent and it is necessary to have financial backing to survive through the winter. 2015 was a decent year and we decided to expand our location in Lubbock into a much larger facility in a high traffic area of town. Dent Depot invested a large sum of money in to the new Lubbock location that would be home to our E-Z-GO dealership as well as the body shop. Dent Depot's bank had agreed to fund the start up knowing it would be a long term obligation. Soon after Dent Depot opened the Lubbock location our bank sold and it lost all of its funding. The manager it hired was not able to get a direct repair contract and customer base as promised. The contracts Dent Depot did obtain did not bring in as much work as expected. All of these things combined with very few storms lead to Dent Depot's downfall and eventual bankruptcy filing.

A schedule of Debtor's cash flow projection is attached hereto as Exhibit "C".

ARTICLE VIII
GENERAL PROVISIONS

8.01 Definitions and Rules of Construction. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

8.02 Effective Date of Plan. The effective date of this Plan is the twentieth business day following the date of the entry of the order of confirmation. But if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

8.03 Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

8.04 Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

8.05 Captions. The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

8.06 Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Texas govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.]

8.07 Corporate Governance. The Plan provides that the constituent documents of the Debtor will prohibit the issuance of nonvoting equity securities to the extent required by § 1123(a)(6) of the Code.

ARTICLE IX EFFECT OF CONFIRMATION

9.01 In accordance with § 1141(a) & (b) of the Code:

- (a) Except as provided in subsections (d)(2) and (d)(3) of this section, the provisions of a confirmed plan bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired under the plan and whether or not such creditor, equity security holder, or general partner has accepted the plan.
- (b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

ARTICLE X OTHER PROVISIONS

10.01. Does the Debtor Have Enough Money and Earnings to Make the Payments Called for in the Plan?

Yes. The Debtor will pay its plan payments and future operating expenses from its business operations.

10.02 Are There Any Alternatives to This Plan?

The only alternative is liquidation.

10.03 Is There Any Risk That the Plan Might Not Succeed?

Yes. The Debtor cannot predict the future, but it believes it can make the proposed plan payments.

10.04 Are There Any Tax Effects of This Plan?

- A. Tax Effects for the Debtor: The Debtor does not believe that this plan creates any special tax consequences.
- B. Tax Effects to Creditors: Creditors should consult with their own tax advisor.

10.05 Debtor's Obligation to the U.S. Trustee

During the pendency of this bankruptcy case, the Debtor will comply with all regulations promulgated by the Office of the U.S. Trustee, including remaining current on all quarterly fees assessed against the estate by the U.S. Trustee.

10.06 What to Do for More Information?

Creditors should talk with a lawyer about their rights and responsibilities in this case. Creditors should have their lawyers call the lawyer for the Debtor. The Debtor's lawyer is:

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If a Claimant does not have a lawyer but still wants more information, that Claimant can call the Debtor's lawyer directly. However, remember that the Debtor's lawyer cannot give claimants legal or financial advice because the Debtor's lawyer represents the Debtor, not claimants.

Dated: June 1, 2018

Respectfully submitted,

By: /s/ Jeffrey Todd Stevenson
Jeffrey Todd Stevenson,
President and sole member of
Dent Depot, LLC
The Plan Proponent

By: /s/ Max R. Tarbox
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