UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:	Chapter 11
OPTIMIZED LEASING, INC.,	Case No. 1:18-bk-10746-AJC
Debtor. _____/	

DISCLOSURE STATEMENT FOR
OPTIMIZED LEASING, INC.'S PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE

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Miami, Florida
Dated: February 14, 2019

THIS DISCLOSURE STATEMENT (THE "**DISCLOSURE STATEMENT**") MAY NOT BE RELIED ON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN OF REORGANIZATION FOR OPTIMIZED LEASING, INC. (THE "**PLAN OF REORGANIZATION**" OR THE "**PLAN**"), AND NOTHING CONTAINED IN THIS DISCLOSURE STATEMENT WILL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTOR OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE ADVICE ON THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE DEBTOR.

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

THE DESCRIPTION OF THE DEBTOR'S PLAN OF REORGANIZATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INTENDED AS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN ITSELF. **EACH CREDITOR AND HOLDER OF AN EQUITY INTEREST SHOULD READ, CONSIDER AND CAREFULLY ANALYZE THE TERMS AND PROVISIONS OF THE PLAN.**

THE SOLICITATION OF ACCEPTANCES OF THE PLAN OR THE GIVING OF ANY INFORMATION OR THE MAKING OF ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS OR DOCUMENTS ATTACHED HERETO OR INCORPORATED BY REFERENCE OR REFERRED TO HEREIN IS NOT AUTHORIZED BY THE PLAN PROPONENT, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MAY NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE DEBTOR. SUCH ADDITIONAL REPRESENTATIONS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR, WHO IN TURN WILL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR ACTION AS MAY BE DEEMED APPROPRIATE. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCES IMPLY THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. CREDITORS AND HOLDERS OF EQUITY INTERESTS ARE ENCOURAGED TO REVIEW THE BANKRUPTCY DOCKET IN ORDER TO EVALUATE EVENTS WHICH OCCUR BETWEEN THE DATE OF THIS DISCLOSURE STATEMENT AND THE DATE OF THE CONFIRMATION HEARING. **ALL CREDITORS THAT ARE ENTITLED TO VOTE ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN OF REORGANIZATION AND THE MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT, PRIOR TO SUBMITTING A BALLOT PURSUANT TO THIS SOLICITATION.**

IN THE EVENT THAT ANY OF THE CLASSES OF HOLDERS OF IMPAIRED CLAIMS VOTE TO REJECT THE PLAN (1) THE DEBTOR MAY ALSO SEEK TO SATISFY THE

REQUIREMENTS FOR CONFIRMATION OF THE PLAN WITH RESPECT TO THAT CLASS UNDER THE SO-CALLED "CRAMDOWN" PROVISIONS OF SECTION 1129(b) OF THE BANKRUPTCY CODE (11 U.S.C. §1129(b)) AND, IF REQUIRED, MAY FURTHER AMEND THE PLAN TO CONFORM TO SUCH REQUIREMENTS OR (2) THE PLAN MAY BE OTHERWISE MODIFIED OR WITHDRAWN AS PROVIDED THEREIN. THE REQUIREMENTS FOR CONFIRMATION, INCLUDING THE VOTE OF HOLDERS OF IMPAIRED CLAIMS TO ACCEPT THE PLAN AND CERTAIN OF THE STATUTORY FINDINGS THAT MUST BE MADE BY THE BANKRUPTCY COURT, ARE SET FORTH UNDER THE CAPTION "VOTING ON AND CONFIRMATION OF THE PLAN."

APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT INDICATE THAT THE BANKRUPTCY COURT RECOMMENDS EITHER ACCEPTANCE OR REJECTION OF THE PLAN, NOR DOES SUCH APPROVAL CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT OF THE FAIRNESS OR MERITS OF THE PLAN OR OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT.

THE DEBTOR BELIEVES THAT THE PLAN IS IN THE BEST INTERESTS OF CREDITORS AND HOLDERS OF EQUITY INTERESTS. ALL CREDITORS AND HOLDERS OF EQUITY INTERESTS ARE THEREFORE URGED TO VOTE IN FAVOR OF THE PLAN. INDEED, IT IS ANTICIPATED THAT HOLDERS OF ALLOWED UNSECURED CLAIMS WILL BE PAID IN FULL UNDER THE PLAN. TO BE COUNTED, YOUR BALLOT MUST BE COMPLETED AND EXECUTED AND RECEIVED BY NO LATER THAN THE TIME SET BY THE COURT.

INDEX TO EXHIBITS TO
DISCLOSURE STATEMENT

DISCLOSURE STATEMENT FOR
OPTIMIZED LEASING, INC.

OPTIMIZED LEASING, INC. (the "**Debtor**"), the Debtor and Debtor in Possession in the Reorganization Case bearing Case Number 1:18-bk-10746-AJC, submits this Disclosure Statement pursuant to Section 1125 (11 U.S.C. §1125) of the Bankruptcy Code, 11 U.S.C. §101, *et seq.* (the **"Bankruptcy Code"**), in connection with the solicitation of votes on the Plan from holders of Impaired Claims against the Debtor and the hearing on confirmation of Optimized Leasing, Inc.'s Plan of Reorganization (the "**Plan**"), as scheduled by the Bankruptcy Court.

This Disclosure Statement is subject to the approval of the Bankruptcy Court in accordance with Section 1125(b) of the Bankruptcy Code as containing information of a kind and in sufficient detail adequate to enable a hypothetical reasonable investor typical of the holders of Claims of the relevant Voting Classes (as defined below) to make an informed judgment whether to accept or reject the Plan. Effort has been made to provide meanings of capitalized and other terms used in this Disclosure Statement. Reference is made to the Plan, however, for the actual meanings of all capitalized and other terms used in this Disclosure Statement and in the Plan and for controlling language with respect to any provision referenced in this Disclosure Statement or in the Plan. Terms used in this Disclosure Statement and in the Plan are defined in Article I of the Plan. In the event of a conflict between the definition of any term or any other provision contained in this Disclosure Statement and the corresponding definition or provision contained in the Plan, the definition or provision contained in the Plan shall control.

In the opinion of the Debtor, the treatment of Claims and Equity Interests under the Plan contemplates a substantially greater recovery than that which is likely to be achieved under other alternatives for the reorganization or liquidation of the Debtor. If the Plan is not confirmed, there is a substantial likelihood that unsecured creditors will be left with no recovery at all.

The Debtor believes that confirmation of the Plan is clearly in the best interests of Creditors and Holders of Equity Interests, and strongly recommends that Creditors holding Allowed Claims in the Voting Classes vote to accept the Plan.

PURPOSE OF DISCLOSURE STATEMENT

The purpose of this Disclosure Statement is to provide the Creditors of the Debtor with adequate information to make an informed judgment about the Plan. This information includes, among other things, the history of the Debtor prior to the filing of the Reorganization Case under Chapter 11, the events leading to the filing of the Reorganization Case, a brief summary of significant events to date in the Reorganization Case, and a summary explanation of how the Plan will function.

This Disclosure Statement contains important information about the Plan and considerations pertinent to a vote for or against the confirmation of the Plan. All holders of Claims and Equity Interests are encouraged to carefully review this Disclosure Statement and the Plan.

VOTING INSTRUCTIONS

Who May Vote

Only the holders of Claims and Equity Interests that are deemed "allowed" under the Bankruptcy Code and that are "impaired" under the terms and provisions of the Plan (the **"Voting Classes"**) are permitted to vote to accept or reject the Plan. For purposes of the Plan, only the holders of Allowed Claims in the Voting Classes are impaired under the Plan and thus may vote to accept or reject the Plan. Under the Plan, the Claims classified in Classes 2 through 6, and 8 are impaired under the Plan and are entitled to vote to accept or reject the Plan and thus constitute the "Voting Classes" thereunder.

How to Vote

Each holder of a Claim in a Voting Class should read this Disclosure Statement, together with the Plan and other exhibits, in their entirety. After carefully reviewing the Plan and this Disclosure Statement and their respective exhibits, please complete the enclosed Ballot, including indicating your vote thereon with respect to the Plan, and return the Ballot as provided below. Please note that your vote and election cannot count unless you return the enclosed Ballot.

If you are a member of a Voting Class and did not receive a Ballot, if your Ballot is damaged or lost, or if you have any questions concerning voting procedures, please contact Susan McKee at (813) 229-0144.

YOU SHOULD COMPLETE AND SIGN THE ENCLOSED BALLOT AND RETURN IT AS DESCRIBED BELOW. IN ORDER TO BE COUNTED, BALLOTS MUST BE DULY COMPLETED AND EXECUTED AND RECEIVED BY NO LATER THAN 4:00 P.M. (EDT) ON THE DATE FIXED BY THE BANKRUPTCY COURT IN THE ENCLOSED ORDER APPROVING DISCLOSURE STATEMENT AND FIXING DATES FOR CONFIRMATION (THE "BALLOT DEADLINE").

COMPLETED BALLOTS SHOULD BE SENT BY REGULAR MAIL, HAND DELIVERY, OR OVERNIGHT DELIVERY, SO AS TO BE RECEIVED NO LATER THAN THE BALLOT DEADLINE, to:

Clerk of the United States Bankruptcy Court
301 N. Miami Ave., Room 150
Miami, FL 33128

A copy of the Ballot should also be sent to:

Elena Paras Ketchum, Esquire
Stichter Riedel Blain & Postler, P.A.
110 E. Madison Street, Suite 200
Tampa, FL 33602

Acceptance of Plan and Vote Required for Class Acceptance

As the holder of an Allowed Claim in the Voting Classes, your vote on the Plan is extremely important. In order for the Plan to be accepted and thereafter confirmed by the Bankruptcy Court without resorting to the "cramdown" provisions of Section 1129(b) of the Bankruptcy Code as to other classes of Allowed Claims, votes representing at least two-thirds in amount and more than one-half in number of Allowed Claims of each impaired Class of Claims that are voted must be cast for the acceptance of the Plan. The Debtor is soliciting acceptances only from members of the Voting Classes. The Debtor or its agents may contact you with regard to your vote on the Plan.

To meet the requirement for confirmation of the Plan under the "cramdown" provisions of the Bankruptcy Code with respect to any impaired Class of Claims or Equity Interests which votes to reject the Plan (a "**Rejecting Class**"), the Debtor would have to show that all Classes junior to the Rejecting Class will not receive or retain any property under the Plan unless all holders of Claims in the Rejecting Class receive, under the Plan, property having a value equal to the full amount of their Allowed Claims.

Confirmation Hearing

The Bankruptcy Court will schedule a hearing to consider confirmation of the Plan (the "**Confirmation Hearing**"), which may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing. The Bankruptcy Court has directed that any objection to confirmation of the Plan must be in writing and specify in detail the name and address of the objector, the basis for the objection and the specific grounds for the objection, and the amount of the Claim held by the objector. Consistent with Rule 3020(b) of the Federal Rules of Bankruptcy Procedure and Local Rule 3020-1(a), any such objection must be filed with the Bankruptcy Court and served upon each of the following parties, so as to be actually received on or before the deadline set by the Court:

Debtor:	Elena Paras Ketchum, Esquire Stichter Riedel Blain & Postler, P.A. 110 East Madison Street, Suite 200 Tampa, Florida 33602
U.S. Trustee:	Office of The United States Trustee Attn: Johanna Armengol, Esquire 51 SW First Avenue, Room 1204 Miami, FL 33130

HISTORY OF THE DEBTOR

The Debtor, a Florida corporation with its headquarters in Miami, Florida, has been operating a trucking business since 2005. The company was formed by and has been operated by the same ownership of Ephrat Afek, Ralph Milman, and Ronen Koubi since its inception. Ralph Milman and Ephrat Afek have been involved in the transportation business for over 30 years, with Ronen Koubi having over 18 years of experience in the transportation business.

From its inception, the Debtor continued to grow its fleet and transportation capabilities such that prior to the filing, the Debtor had approximately 630 tractors and trailers (collectively, the "**Vehicles**"), some equipped with ThermoKing refrigeration units. The Debtor furnished the Vehicles to a non-debtor related company for transportation of flowers, fruits, vegetables, and other perishable items throughout the United States, including from a 300,000-square foot warehouse located at 3400 NW 74th Avenue, Unit 1, Miami, Florida 33122 (the "**Miami Location**") and a 20,000-square foot warehouse location in Ventura, California (the "**California Location**"). The Debtor's main source of revenue is from the related non-debtor company.

The Vehicles were generally all subject to security interests, liens, or lease relationships[1] with approximately fifteen (15) different creditors, with individual creditors asserting an interest in as many as 66, and as few as 5, of the Vehicles. Additionally, Florida Community Bank asserts a lien on substantially all the assets of the Debtor. Prior to the filing, the approximate total monthly payment due to creditors for all Vehicles was over approximately Eight Hundred Thousand Dollars ($800,000.00).

As discussed below, a myriad of issues caused the Debtor to experience cash flow issues, which together with a desire to protect its assets and business operations for the benefit of all creditors, necessitated the filing of this Chapter 11 case.

EVENTS LEADING TO THE FILING OF THE REORGANIZATION CASE

Prior to the filing, there were certain specific events that delayed and impacted the transportation industry as a whole and resulted in the Debtor experiencing cash flow issues. In addition, there were certain marketplace factors that together with certain internal inefficiencies exacerbated these cash flow issues. The combination of these factors necessitated the filing of this Chapter 11 case by the Debtor in order to obtain a breathing spell for it to map out and execute a going forward plan for the benefit of its creditors and its business operations.

The Debtor's cash flow was impacted by Hurricane Irma that made landfall in Florida on September 10, 2017. FEMA reported as of October 16, 2017 that approximately 2,148,134 businesses in Florida, Georgia, Puerto Rico, and The Virgin Islands were potentially impacted by the storm, with 2,108,378 businesses in 48 Florida counties (including 346,779 businesses in Miami-Dade) potentially being impacted. *See* Dun & Bradstreet, "Impact of Hurricane Irma", http://www.dnb.com/utility-pages/businesses-impacted-from-hurricane-irma.html. The Debtor was

[1] The Debtor reserves all rights with respect to the characterization, amount, extent, validity, and priority of the creditors' claims as summarized in this section.

one of those Miami-Dade businesses affected by the storm. Due to the hurricane, Florida's major roadways and interstates were either closed or were not available for large-scale transportation, thereby preventing deliveries from taking place before and after the storm. In addition, there were fuel shortages throughout the State of Florida. These transportation challenges resulted in a domino effect by causing a delay in the receipt of revenue, to be utilized by the Debtor.

In addition to Hurricane Irma, the Debtor's cash flow was affected by the wildfires which began in early October 2017 in Northern California, including in the Santa Paula, Ventura area. The wildfires continued into December 2017 causing major power outages and mandatory evacuations in the Ventura area, where the California Location is situated. Mudslides also occurred in early January 2018 in California. These natural disasters resulted in major highways being closed. For example, the mudslides closed a stretch of Highway 101, a major transportation artery south of Santa Barbara. Finally, the inclement weather and snow storms that hit in the northern part of the United States in December 2017 and into January 2018 also created transportation, and thus timing, challenges.

Each of these weather conditions caused shut down or delay in the transportation industry, which then resulted in a delay in revenue being received – which delay affected the Debtor and its cash flow into first quarter of 2018. Expenses continued to accrue during Hurricane Irma and the other weather interruptions causing the Debtor to experience cash flow problems.

In addition, regulatory changes requiring drivers to utilize electronic logs affected productivity and the opportunity to more steadily recover following the weather-related issues. These challenges continued into second and third quarters of 2018 affecting driver and Vehicle utilization, productivity, and efficiency.

The foregoing factors also brought to the forefront certain internal inefficiencies in such areas as fleet utilization, collection and billing, and electronic systems and programs. The combination of continuing operating expenses and inability to make payments to creditors for the Vehicles caused cash flow problems, and the Debtor was unable to adjust operating expenses to remain in line with revenue.

Prior to the Petition Date, the Debtor was in contact with its creditors regarding the issues it was experiencing. The Debtor filed this Chapter 11 to protect the value of its going concern operation and its assets for the benefit of all its creditors. The Chapter 11 process provided a venue in which the Debtor could effectively examine its equipment needs, evaluate its inefficiencies, tackle marketplace challenges, and move towards resolving its cash flow issues.

SUMMARY OF PREPETITION FINANCIAL PERFORMANCE

The Debtor's gross revenue for fiscal year ending December 31, 2017 was approximately $9 million.

SIGNIFICANT EVENTS TO DATE IN THE REORGANIZATION CASE

On January 21, 2018, Optimized Leasing. Inc. filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code, assigned Case No. 18-10746-AJC. Set forth below is a brief summary of significant matters or events which have occurred to date in the Reorganization Case. The description of such matters or events is qualified in its entirety by the actual pleadings filed in the Reorganization Case and, to the extent of any inconsistencies between the descriptions in this Disclosure Statement and such pleadings, the filed pleadings shall control. All of such pleadings are on file with, and may be obtained from, the Bankruptcy Court.

Employment of Professionals

The Debtor employed Stichter, Riedel, Blain & Postler, P.A. as its bankruptcy counsel and Bill Maloney and Bill Maloney Consulting as its financial advisor. In addition, in the normal course of its business, the Debtor hired Boyan Mintchev as its Chief Financial Officer, who has significant trucking and financial services industry experience.

Lease and Loan Issues; Stay Relief; Negotiations with Creditors

As of the Petition Date, the Debtor had approximately 630 Vehicles pursuant to agreements with the following fifteen (15) creditors (the "**Creditors**"):

a. Banc of America Leasing & Capital, LLC;
b. BMO Harris Bank, N.A.;
c. City National Bank of Florida;
d. Engs Commercial Finance Co.;
e. EverBank Commercial Finance, Inc.;
f. Evolve Bank & Trust;
g. Fifth Third Bank;
h. Huntington National Bank;
i. People's Capital and Leasing Corp.;
j. Signature Financial and Leasing, LLC;
k. TCF Equipment Finance;
l. VFS Leasing Co.;
m. Volvo Financial Services, a Division of VFS US, LLC;
n. Webster Capital Finance, Inc.; and
o. Wells Fargo Equipment Finance, Inc.

At various points throughout the Chapter 11 Case, almost all of the Creditors filed either motions to compel the Debtor to assume or reject their lease or motions for relief from the automatic stay. The Debtor, in almost all cases, negotiated and reached agreement with the applicable Creditor as to the relief sought, and the Court entered agreed interim orders on these motions.

During the course of the Chapter 11 case, the Debtor continuously evaluated its entire fleet of 630 Vehicles to determine the appropriate fleet make-up on a going-forward basis. As part of

this analysis, the Debtor with its counsel conducted meetings (with most being in-person and a number at the Creditors' out-of-state offices) with its Creditors in order to present proposals as to the applicable Vehicles and debt with regard to same. In most cases, there were a number of follow-up settlement discussions with the Creditors to further explore how the particular Creditor and its Vehicles would fit within the make-up of the reorganized fleet. These meetings and discussions took a number of months, and ultimately ended with agreements, in principal, being reached with a number of the Creditors. For those Creditors that desired the return of the Vehicles, the Debtor consented to same. Through this process, the Debtor rejected leases of only five (5) Creditors. The Debtor filed motions to reject the leases of (i) VFS Leasing Co.; (ii) Everbank Commercial Finance; (iii) TCF Equipment Finance; and (iv) Fifth Third Bank. After notice and hearings, the Court entered agreed orders on these motions. With respect to Wells Fargo, the Court entered an order providing for the rejection of the lease with Wells Fargo.

With respect to the remaining eleven (11) Creditors, the Debtor has either filed motions to assume the leases, as restructured; set forth in its Plan the leases, as restructured, to be assumed; or set forth in its Plan the terms of the loans, as restructured. Specifically, the Debtor filed motions to assume the leases, as restructured, of: (i) BMO Harris Bank, N.A.; (ii) Huntington National Bank; and (iii) People's Capital and Leasing Corp. (as to certain Vehicles). The Debtor filed a *Notice of Agreement in Principal* as to the lease with (i) Webster Capital Finance, Inc. (Doc. No. 325) and (ii) Huntington National Bank (Doc. No. 329). As set forth in the Plan, the Debtor will retain the Vehicles and seeks to restructure the loans with Webster Capital, Volvo Financial, Evolve, and City National Bank. The Debtor will also restructure the loans of SunTrust and Nissan as to each of the vehicles furnished to the Debtor. As further set forth in the Plan, the Debtor will assume the leases, as restructured, with Engs Commercial, BMO Harris, Banc of America, Webster Capital, Signature Financial, and People's Capital (as to certain Vehicles). The Debtor has reached an agreement in principal with approximately eight (8) of the eleven (11) Creditors and expects to reach an agreement (due to being in mature discussions with such creditors) with the remaining approximately three (3) Creditors. The vast majority of the Debtor's and its professionals' efforts in this Chapter 11 Case have been focused upon fleet make-up and negotiations with Creditors either in connection with return of the applicable Vehicles or restructure of the applicable loan or lease.

Extension of Exclusivity

The Debtor filed various motions to extend the deadline to file a plan, the exclusivity periods for filing a plan, and to assume or reject leases. After notice and hearings, the Court entered orders granting these motions. On January 14, 2019, the Debtor filed its motion to extend these deadlines to February 14, 2019 (Doc. No. 406). A hearing in the motion is scheduled for 2:00 p.m. on February 13, 2019. No objections have been filed to the motion or request for extension of exclusivity or related deadlines.

Administrative Expenses

The Creditors during the course of the Chapter 11 have raised the issue of administrative expense claims for post-petition payments. With respect to the Creditors with whom the Debtor has or will be reaching an agreement as to a restructured loan or restructured lease, the

administrative expense claims of such Creditors have been negotiated in connection with such restructured terms. Therefore, the Debtor does not expect that these Creditors will be filing a motion or other pleading with the Bankruptcy Court seeking a separate administrative expense claim.

Everbank Commercial, TCF Equipment, and Fifth Third have each filed a motion seeking the award of an administrative expense claim. With respect to Volvo Leasing, the Debtor has participated in a mediation session with Elizabeth Green, Esquire serving as mediator, to attempt to settle any issues involving Volvo Leasing, including its asserted administrative expense claim. The mediation remains open. The Debtor reserves all rights, claims, and defenses with respect to the asserted administrative expense claims of the Creditors. The treatment of such claims is set forth in Article 3 of the Plan, and the Debtor suggests the Creditors with Rejected Leases review Article 3 in its entirety.

Operational changes

The Debtor and the related non-debtor affiliates have developed and are aggressively implementing an overall restructuring plan. Part of the global restructuring plan is the proposals made in the Plan with respect to the Debtor and the Vehicles. Most significantly, the Debtor has streamlined its fleet, reducing waste, and increasing efficiency and utilization of its remaining Vehicles. The Debtor expects to retain a total of approximately 364 Vehicles post-confirmation pursuant to the restructured loans and leases set forth in the Plan. This number of Vehicles has permitted the Debtor and its related non-debtor affiliate to address the challenges and inefficiencies outlined in more detail above, including creating a strategy around greater utilization rates for both Vehicles and drivers and implementation of same, restructuring of billing and collection departments, and moving towards upgrade of older systems and programs. There are also efforts to explore other avenues of opportunity while refocusing on the core business. It is management's expectation that the restructuring plan will restore profitability in 2020 and moving forward.

SUMMARY OF FINANCIAL PERFORMANCE TO DATE IN THE REORGANIZATION CASE

For the period of January 21, 2018 through December 31, 2018, the Debtor generated gross receipts of $3,477,313.29.

SUMMARY OF PLAN OF REORGANIZATION

Introduction

The Debtor believes that the Plan provides the greatest possible recovery to the Debtor's Creditors. The Debtor therefore believes that acceptance of the Plan is in the best interest of each and every Class of Claims and Equity Interests and recommends that the Voting Classes vote to accept the Plan.

A summary of the principal provisions of the Plan is set forth below. This summary is qualified in its entirety by reference to the provisions of the Plan and, to the extent there is any conflict between this summary and the Plan, the language of the Plan will govern. All terms stated in initial capital letters in this summary are defined in the Plan.

Claims and Equity Interests will be treated under the Plan in the manner set forth in Article 5 of the Plan. Except as otherwise specifically provided in the Plan, the treatment of, and the consideration to be received by, Holders of Allowed Claims and Holders of Allowed Equity Interests pursuant to the Plan will be in full and final satisfaction, settlement, release, extinguishment and discharge of their respective Allowed Claims (of any nature whatsoever) and Allowed Equity Interests.

In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims have not been classified in the Plan. The treatment accorded to Administrative Expense Claims and Priority Tax Claims is set forth below.

Administrative Expense Claims.

Except as otherwise provided below, each Holder of an Allowed Administrative Expense Claim shall be paid (a) on the Effective Date, an amount, in Cash equal to the Allowed Amount of its Administrative Expense Claim, in accordance with Section 1129(a)(9)(A) of the Bankruptcy Code, or (b) under such other terms as may be agreed upon by both the Holder of such Allowed Administrative Expense Claim and the Debtor, or (c) as otherwise ordered by order of the Bankruptcy Court.

Allowed Administrative Expense Claim for Holders of Restructured Loans. The treatment accorded loans being restructured by the Debtor is set forth in the Plan, including Article 4 pursuant to Classes 2, 3, 4, 5, 7, and 8. The terms set forth in Article 4 as to Classes 2, 3, 4, 5, 7, and 8 address the Allowed Administrative Expenses Claims of those respective Classes. Other than as set forth in Article 4, Class 2, 3, 4, 5, 7, and 8 shall receive no other Distribution from the Debtor or the Reorganized Debtor on account of an Allowed Administrative Expense Claim.

Allowed Administrative Expense Claim for Holders of Assumed Restructured Lease. The treatment accorded to Assumed Restructured Leases by the Debtor is set forth in the Plan, including Article 7. The terms set forth in Article 7 as to the Assumed Restructured Leases address the Allowed Administrative Expense Claims for Holder of Assumed Restructured Leases. Other than as set forth in Article 7, Holders of Assumed Restructured Leases shall receive no other Distribution from the Debtor or the Reorganized Debtor on account of an Allowed Administrative Expense Claim.

Allowed Administrative Expense Claim for Holder of Rejected Leases. The Allowed Administrative Expense Claim for Holder of Rejected Leases shall be reduced by all amounts received by the Holder from sale, lease, or disposition of the property subject of the Rejected Lease. The applicable Holder shall file with the Bankruptcy Court a notice stating the amount realized from sale, lease, or disposition of the property and the amount remaining as a claimed Administrative Expense Claim, if any, ten (10) days following the date of the sale, lease, or

disposition of the property; provided, however, if the ten (10) days has already run, the Holder shall file the notice with the Bankruptcy Court no later than the Voting Deadline. The Debtor may file with the Bankruptcy Court objection(s) to the notice(s) and the amount(s) asserted therein. The amount of the Administrative Expense Claim for Holder of Rejected Lease after deducting the amount realized from sale, lease, or disposition of the property is referred to as the "**Net Rejected Lease Administrative Expense Claim**."

Source and Payment of (i) Allowed Administrative Expense Claim for Holder of Rejected Leases and (ii) Allowed Administrative Expense Claim of Professionals. The Debtor shall establish an administrative expense fund (the "**Administrative Expense Fund**") to fund payments to Holders of Allowed Net Rejected Lease Administrative Expense Claims and Holders of Allowed Administrative Expense Claims of Professionals. Prior to the Confirmation Date, the Administrative Expense Fund shall be funded by (hereinafter referred to collectively as the "**Confirmation Funding**"): (i) the Debtor depositing monthly the amount of Thirty Thousand Dollars ($30,000.00) through and until the Confirmation Date and (ii) a one-time deposit in the amount of Two Hundred Thousand Dollars ($200,000.00) furnished by the Guarantors prior to the Confirmation Hearing. After the Confirmation Date, the Debtor or Reorganized Debtor shall fund the Administrative Expense Fund monthly in the amount of Thirty-Thousand Dollars ($30,000.00) beginning on the third (3rd) of the month beginning the month following the Confirmation Date and continuing each month thereafter for a period of sixty (60) months.

On the Effective Date, the Debtor or Reorganized Debtor shall remit the Confirmation Funding from the Administrative Expense Fund on a pro-rata basis to Professionals to be applied to their respective Allowed Administrative Expense Claims. Beginning on the third (3rd) of the month beginning the month following the Confirmation Date and continuing each month thereafter for a period of sixty (60) months, the Administrative Expense Fund shall be distributed on a monthly basis to Holders of the Allowed Net Rejected Lease Administrative Expense Claims and Holders of the Allowed Administrative Expense Claims of Professionals as follows: (i) two-thirds of each monthly Distribution from the Administrative Expense Fund shall be remitted on a pro-rata basis to Professionals to be applied to their respective Allowed Administrative Expense Claims and (ii) one-third of each monthly Distribution from the Administrative Expense Fund shall be remitted on a pro-rata basis to Holders of Allowed Net Rejected Lease Administrative Expense Claims to be applied to their respective Claims. If an Allowed Net Rejected Lease Administrative Expense Claim or an Allowed Administrative Expense Claim of Professional is paid in full during the course of the sixty (60) months, no further Distributions shall be made on account of such Claim.

The Allowed Net Rejected Lease Administrative Expense Claim may be paid under such other terms as may be agreed upon by both the Creditor and Debtor or Reorganized Debtor or as otherwise ordered by order of the Bankruptcy Court. The Allowed Administrative Expense Claim of Professionals may be paid under such other terms as may be agreed upon by both the Professional and Debtor or Reorganized Debtor or as otherwise ordered by order of the Bankruptcy Court.

All fees and charges assessed against the Estate under Chapter 123 of Title 28, United States Code, 28 U.S.C. §§ 1911-1930, through the Effective Date shall be paid to the United States

Trustee by the Reorganized Debtor by no later than thirty (30) days following the Effective Date. At the time of such payment, the Reorganized Debtor shall provide to the United States Trustee an appropriate affidavit indicating the disbursements for the relevant periods. Following the Effective Date, any such fees required pursuant to 28 U.S.C. §1930(a)(6) arising or accruing from distributions made by the Reorganized Debtor or made under the Plan shall also be paid by the Reorganized Debtor. All such payments to the United States Trustee shall be in the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) based upon the applicable disbursements for the relevant post-confirmation periods and shall be made within the time period set forth in 28 U.S.C. §1930(a)(6), until the earlier of (i) the closing of the Reorganization Case by the issuance of a Final Order by the Bankruptcy Court on the Final Decree Date, or (ii) the entry of an order by the Bankruptcy Court dismissing the Reorganization Case or converting the Reorganization Case to another chapter under the Bankruptcy Code.

All Holders of Administrative Expenses (including Holders of any Claims for non-ad valorem Postpetition federal, state, or local taxes) that do not file an application or other Bankruptcy Court-approved pleading by the Administrative Expenses Claims Bar Date will be forever barred from asserting such Administrative Expense against the Debtor, the Reorganized Debtor, or any of their respective Properties or Assets or the Estate, and such Holders shall not be entitled to participate in any distribution under the Plan on account of any such Administrative Expense Claims.

Priority Tax Claims.

Except as otherwise expressly provided in the Plan, each Holder of an Allowed Priority Tax Claim shall be paid by the Debtor or the Reorganized Debtor, as the case may be, deferred equal quarterly Cash payments, commencing on the Distribution Date, and to be paid in full no later than sixty (60) months from the Effective Date.

Holders of Allowed Priority Tax Claims will receive interest on account of its Allowed Priority Tax Claims to the extent allowed under Section 511 of the Bankruptcy Code; provided, however, that if the Holder of such Allowed Priority Tax Claim is a city, county or state, such Holder shall receive interest on account of its Allowed Priority Tax Claim at the applicable statutory rate under state law.

Notwithstanding the above, each Holder of an Allowed Priority Tax Claim may be paid under such other terms as may be agreed upon by both the Holder of such Allowed Priority Tax Claim and the Debtor or the Reorganized Debtor, as the case may be.

DESIGNATION OF CLASSES OF CLAIMS AND EQUITY INTERESTS

Pursuant to Section 1122 of the Bankruptcy Code, set forth below is a designation of Classes of Claims and Equity Interests. A Claim or Equity Interest (a) is classified in a particular Class only to the extent the Claim or Equity Interest qualifies within the description of that Class and (b) is classified in a different Class to the extent the Claim or Equity Interest qualifies within the description of that different Class. For purposes of the Plan, the Claims and Equity Interests are classified as follows:

TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

Claims and Interests shall be treated under the Plan in the manner set forth in Article 5 of the Plan. Except as otherwise specifically provided in the Plan, the treatment of, and the consideration to be received by, Holders of Allowed Claims and Holders of Allowed Interests pursuant to the Plan shall be in full and final satisfaction, settlement, release, extinguishment and discharge of their respective Allowed Claims (of any nature whatsoever) and Allowed Interests.

Unclassified Claims.

Holders of Allowed Administrative Expense Claims and Allowed Priority Tax Claims shall receive the treatment set forth in Article 3 of the Plan.

Class 1: Priority Claims.

Class 1 consists of all Allowed Priority Claims. Each Holder of an Allowed Priority Claim shall be paid (a) on the Effective Date, an amount, in Cash, by the Reorganized Debtor equal to the Allowed Amount of its Priority Claim, in accordance with Section 1129(a)(9)(B) of the Bankruptcy Code, (b) as otherwise agreed to by the Debtor and the Holder of an Allowed Priority Claim, or (c) as otherwise ordered by a Final Order of the Bankruptcy Court. Class 1 is Unimpaired. Each Holder of a Priority Claim in Class 1 is presumed to have accepted the Plan and, therefore, is not entitled to vote to accept or reject the Plan.

Class 2: Allowed Secured Claim of City National.

Class 2 consists of the Allowed Secured Claim of City National related to contract number 1010038001. As treatment for its Class 2 Allowed Secured Claim, City National shall retain its liens on the collateral securing its Allowed Secured Claim pursuant to the pre-petition loan documents executed between City National and the Debtor. The Allowed Secured Claim of City National shall be in the amount of $905,098.00, consisting of the principal amount of $649,736.00 amortized over seventy-two (72) months at 3.75% *per annum* and a balloon payment of $255,362.00.

The Debtor shall pay City National's Allowed Secured Claim in accordance with the following:

(i) Seventy-two (72) equal monthly principal and interest installments in the amount of Ten Thousand Eight Hundred and Eighty-Nine Dollars and Forty Cents ($10,889.40).

(ii) The first monthly principal and interest installment commenced on November 28, 2018 and monthly principal and interest installments shall continue on the 28th day of each month thereafter until the principal amount of $649,736.00 is paid in full, with the final monthly principal and interest

installment to be made on October 28, 2024; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. The balloon payment of $255,362.00 shall be made on September 28, 2024.

(iii) Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, all or any portion of the Allowed Secured Claim.

The pre-petition loan documents executed by the Debtor and City National shall be deemed amended in accordance with the terms of the Plan, including the following, and otherwise shall remain in effect:

(i) Upon payment of the applicable amounts set forth herein, with respect to any recorded UCC-1 Financing Statement, City National shall take all commercially reasonable steps necessary to cancel, terminate, and extinguish such UCC-1 Financing Statement, including, without limitation, filing a UCC-3 Amendment Form indicating the termination of any security interest, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by City National within the 10-day period, the Reorganized Debtor is authorized to file and record such termination.

(ii) The provisions of the restructured loan shall be deemed amended in accordance with the terms herein and otherwise shall remain in effect, except that all non-monetary default provisions, if any, (such as, for example, financial covenants and provisions regarding loan ratios) shall be eliminated. The Debtor shall provide the following reporting to City National, so long as the restructured loan is outstanding: (a) annual financial statements by no later than 180 days after the end of the calendar year, and (b) quarterly, internally prepared, financial statements provided by no later than 60 days following the end of each quarter. Upon written notice of default for failure to provide annual or quarterly financial statement required by this provision, the Debtor shall have thirty (30) days after receipt of written notice of default to cure any default.

(iii) The Reorganized Debtor shall be in default under the restructured loan, as amended in accordance with the terms herein, upon the occurrence of the following: (i) failure to make the payments described in Article 5.3.4 of the Plan; (ii) failure to maintain insurance on the collateral; (iii) failure to pay taxes on the collateral, if applicable, when due; (iv) failure to provide the quarterly or annual reports required by Article 5.3.5(ii) of the Plan; or (v) failure to allow reasonable inspections of collateral upon reasonable advance notice. The Reorganized Debtor shall have thirty (30) days after receipt of written notice of default to cure any default. All other covenants and default provisions shall be eliminated from the restructured loan.

Notwithstanding the above, City National may be paid such other amount and under such other terms as may be agreed upon by City National and the Debtor or the Reorganized Debtor, as the case may be. In addition, notwithstanding the above, the Debtor reserves the right to amend the treatment of the restructured loan terms to conform to any terms and conditions required by the Bankruptcy Court or otherwise necessarily to overcome any objections or in the event the Debtor seeks cramdown, and such modified terms shall become part of the Plan.

Any Claim held by City National in excess of the Allowed Amount of its Allowed Secured Claim shall receive treatment as a Class 9 General Unsecured Claim. Class 2 is Impaired.

Class 3: Secured Claim of Evolve.

Class 3 consists of the Allowed Secured Claim of Evolve related to contract number 871-8056261-000. As treatment for its Class 3 Allowed Secured Claim, Evolve shall retain its liens on the collateral securing its Allowed Secured Claim pursuant to the pre-petition loan documents executed between Evolve and the Debtor. The Allowed Secured Claim of Evolve shall be in the amount of $477,560.00, consisting of principal amount of $395,870.00 amortized over fifty-eight (58) months at 4.39% *per annum* and a balloon payment of $81,689.00.

The Debtor shall pay Evolve's Allowed Secured Claim in accordance with the following:

(i) Fifty-eight (58) equal monthly principal and interest installments in the amount of Seven Thousand Eight Hundred and Eighty-Five Dollars and Thirty-Two Cents ($7,885.32).

(ii) The first monthly principal and interest installment commenced on November 1, 2018 and monthly principal and interest installments shall continue on the 1st day of each month thereafter until the principal amount of $395,870.00 is paid in full, with the final monthly principal and interest installment to be made on August 1, 2023; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. The balloon payment of $81,689.00 shall be made on July 1, 2023.

(iii) Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, all or any portion of the Allowed Secured Claim.

The pre-petition loan documents executed by the Debtor and Evolve shall be deemed amended in accordance with the terms of the Plan, including the following, and otherwise shall remain in effect:

(i) Upon payment of the applicable amounts set forth herein, with respect to any recorded UCC-1 Financing Statement, Evolve shall take all commercially reasonable steps necessary to cancel, terminate, and

extinguish such UCC-1 Financing Statement, including, without limitation, filing a UCC-3 Amendment Form indicating the termination of any security interest, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by Evolve within the 10-day period, the Reorganized Debtor is authorized to file and record such termination.

(ii) The provisions of the restructured loan shall be deemed amended in accordance with the terms herein and otherwise shall remain in effect, except that all non-monetary default provisions, if any, (such as, for example, financial covenants and provisions regarding loan ratios) shall be eliminated. The Debtor shall provide the following reporting to Evolve, so long as the restructured loan is outstanding: (a) annual financial statements by no later than 180 days after the end of the calendar year, and (b) quarterly, internally prepared, financial statements provided by no later than 60 days following the end of each quarter. Upon written notice of default for failure to provide annual or quarterly financial statement required by this provision, the Debtor shall have thirty (30) days after receipt of written notice of default to cure any default.

(iii) The Reorganized Debtor shall be in default under the restructured loan, as amended in accordance with the terms herein, upon the occurrence of the following: (i) failure to make the payments described in Article 5.4.4 of the Plan; (ii) failure to maintain insurance on the collateral; (iii) failure to pay taxes on the collateral, if applicable, when due; (iv) failure to provide the quarterly or annual reports required by Article 5.4.5(ii) of the Plan; or (v) failure to allow reasonable inspections of collateral upon reasonable advance notice. The Reorganized Debtor shall have thirty (30) days after receipt of written notice of default to cure any default. All other covenants and default provisions shall be eliminated from the restructured loan.

Notwithstanding the above, Evolve may be paid such other amount and under such other terms as may be agreed upon by Evolve and the Debtor or the Reorganized Debtor, as the case may be. In addition, notwithstanding the above, the Debtor reserves the right to amend the treatment of the restructured loan terms to conform to any terms and conditions required by the Bankruptcy Court or otherwise necessarily to overcome any objections or in the event the Debtor seeks cramdown, and such modified terms shall become part of the Plan.

Any Claim held by Evolve in excess of the Allowed Amount of its Secured Claim shall receive treatment as a Class 9 General Unsecured Claim. Class 3 is Impaired.

Class 4: Secured Claim of Webster Capital.

Class 4 consists of the Allowed Secured Claims of Webster Capital related to contract numbers 001-0048984-911, 001-0048984-912, and 001-0048984-913. As treatment for its Class 4 Allowed Secured Claims, Webster Capital shall retain its liens on the collateral securing its

Allowed Secured Claims pursuant to the pre-petition loan documents executed between the Debtor and Webster Capital.

The Allowed Secured Claims of Webster Capital shall be in the following amounts:

(i) As to contract number 001-0048984-911, in the principal amount of $24,441.00 amortized over seven (7) months at 4.49% *per annum*.

(ii) As to contract number 001-0048984-912, in the principal amount of $12,796.00 amortized over seven (7) months at 4.49% *per annum*.

(iii) As to contract number 001-0048984-913, in the amount of $429,519.00, consisting of principal amount of $328,509.00 amortized over forty-one (41) months at 3.67% *per annum* and a balloon payment of $101,010.00.

The Debtor shall pay Webster Capital's Allowed Secured Claims in accordance with the following as to each contract:

(i) As to contract number 001-0048984-911, seven (7) equal monthly principal and interest installments in the amount of Three Thousand Five Hundred and Forty-Three Dollars and Ninety-Seven Cents ($3,543.97). The first monthly principal and interest installment commenced on December 1, 2018 and monthly principal and interest installments shall continue on the 1st day of each month thereafter until the principal amount of $24,441.00 is paid in full, with the final monthly principal and interest installment to be made on June 1, 2019; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Allowed Secured Claim.

(ii) As to contract number 001-0048984-912, seven (7) equal monthly principal and interest installments in the amount of One Thousand Eight Hundred and Fifty-Five Dollars and Forty-Four Cents ($1,855.44). The first monthly principal and interest installment commenced on December 1, 2018 and monthly principal and interest installments shall continue on the 1st day of each month thereafter until the principal amount of $12,796.00 is paid in full, with the final monthly principal and interest installment to be made on June 1, 2019; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Allowed Secured Claim.

(iii) As to contract number 001-0048984-913, forty-one (41) equal monthly principal and interest installments in the amount of Eight Thousand Eight

Hundred and Forty-Five Dollars and Ninety-Four Cents ($8,845.94). The first monthly principal and interest installment commenced on November 1, 2018 and monthly principal and interest installments shall continue on the 11th day of each month thereafter until the principal amount of $328,509.00 is paid in full, with the final monthly principal and interest installment to be made on March 11, 2022; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. The balloon payment of $101,010.00 shall be made on March 11, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Allowed Secured Claim.

The pre-petition loan documents executed by the Debtor and Webster Capital shall be deemed amended in accordance with the terms of the Plan, including the following, and otherwise shall remain in effect:

(i) Upon payment of the applicable amounts set forth herein, with respect to any recorded UCC-1 Financing Statement, Webster Capital shall take all commercially reasonable steps necessary to cancel, terminate, and extinguish such UCC-1 Financing Statement, including, without limitation, filing a UCC-3 Amendment Form indicating the termination of any security interest, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by Webster Capital within the 10-day period, the Reorganized Debtor is authorized to file and record such termination.

(ii) The provisions of the restructured loan shall be deemed amended in accordance with the terms herein and otherwise shall remain in effect, except that all non-monetary default provisions, if any, (such as, for example, financial covenants and provisions regarding loan ratios) shall be eliminated. The Debtor shall provide the following reporting to Webster Capital, so long as the restructured loan is outstanding: (a) annual financial statements by no later than 180 days after the end of the calendar year, and (b) quarterly, internally prepared, financial statements provided by no later than 60 days following the end of each quarter. Upon written notice of default for failure to provide annual or quarterly financial statement required by this provision, the Debtor shall have thirty (30) days after receipt of written notice of default to cure any default.

(iii) The Reorganized Debtor shall be in default under the restructured loan, as amended in accordance with the terms herein, upon the occurrence of the following: (i) failure to make the payments described in Article 5.5.4 of the Plan; (ii) failure to maintain insurance on the collateral; (iii) failure to pay taxes on the collateral, if applicable, when due; (iv) failure to provide the quarterly or annual reports required by Article 5.5.5(ii) of the Plan; or (v)

failure to allow reasonable inspections of collateral upon reasonable advance notice. The Reorganized Debtor shall have thirty (30) days after receipt of written notice of default to cure any default. All other covenants and default provisions shall be eliminated from the restructured loan.

Notwithstanding the above, Webster Capital may be paid such other amounts and under such other terms as may be agreed upon by Webster Capital and the Debtor. In addition, notwithstanding the above, the Debtor reserves the right to amend the treatment of the restructured loan terms to conform to any terms and conditions required by the Bankruptcy Court or otherwise necessarily to overcome any objections or in the event the Debtor seeks cramdown, and such modified terms shall become part of the Plan.

Any Claim held by Webster Capital in excess of the Allowed Amount of its Secured Claim shall receive treatment as a Class 9 General Unsecured Claim. Class 4 is Impaired.

Class 5: Secured Claim of Volvo Financial.

Class 5 consists of the Allowed Secured Claims of Volvo Financial related to contract numbers 500-7642515-001, 500-7642515-006, and 500-7642515-007. As treatment for its Class 5 Allowed Secured Claims, Volvo Financial shall retain its liens on the collateral securing its Allowed Secured Claims pursuant to the pre-petition loan documents executed between the Debtor and Volvo Financial.

The Allowed Secured Claims of Volvo Financial shall be in the following amounts:

(i) As to contract number 500-7642515-001, in the principal amount of $419,952.00 amortized over forty-eight (48) months at 4% *per annum*.
(ii) As to contract number 500-7642515-006, in the principal amount of $522,322.00 amortized over forty-eight (48) months at 3.95% *per annum*.
(iii) As to contract number 500-7642515-007, in the principal amount of $264,478.00 amortized over forty-eight (48) months at 3.95% *per annum*.

The Debtor shall pay Volvo Financial's Allowed Secured Claims in accordance with the following as to each contract:

(i) As to contract number 500-7642515-001, forty-eight (48) equal monthly principal and interest installments in the amount of Nine Thousand Four Hundred and Eighty-Two Dollars and Twelve Cents ($9,482.12). The first monthly principal and interest installment commenced on December 19, 2018 and monthly principal and interest installments shall continue on the 14th day of each month thereafter until the principal amount of $419,952.00 is paid in full, with the last payment to be made on November 14, 2022; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. Notwithstanding the foregoing, the

Reorganized Debtor may prepay, without penalty, any, all or any portion of the Allowed Secured Claim.

(ii) As to contract number 500-7642515-006, forty-eight (48) equal monthly principal and interest installments of Eleven Thousand Seven Hundred and Eighty-Two Dollars and Seventy-Four Cents ($11,782.74). The first monthly principal and interest installment commenced on December 19 , 2018 and monthly principal and interest installments shall continue on the 1st day of each month thereafter until the principal amount of $522,322.00 is paid in full, with the last payment to be made on November 1, 2022; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Allowed Secured Claim.

(iii) As to contract number 500-7642515-007, forty-eight (48) equal monthly principal and interest installments in the amount of Five Thousand Nine Hundred and Sixty-Five Dollars and Seventy-Six Cents ($5,965.76). The first monthly principal and interest installment commenced on December 19, 2018 and monthly principal and interest installments shall continue on the 27th day of each month thereafter until the principal amount of $264,478.00 is paid in full, with the last payment to be made on November 27, 2022; provided, however, if prior to the last month's payment, the remaining amount due and owing is less than a full month's payment (or the payment associated with each loan schedule, if applicable), then the Debtor shall only pay such remaining amount owed. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Allowed Secured Claim.

The pre-petition loan documents executed by the Debtor and Volvo Financial shall be deemed amended in accordance with the terms of the Plan, including the following, and otherwise shall remain in effect:

(i) Upon payment of the applicable amounts set forth herein, with respect to any recorded UCC-1 Financing Statement, Volvo Financial shall take all commercially reasonable steps necessary to cancel, terminate, and extinguish such UCC-1 Financing Statement, including, without limitation, filing a UCC-3 Amendment Form indicating the termination of any security interest, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by Volvo Financial within the 10-day period, the Reorganized Debtor is authorized to file and record such termination.

(ii) The provisions of the restructured loan shall be deemed amended in accordance with the terms herein and otherwise shall remain in effect, except that all non-monetary default provisions, if any, (such as, for example, financial covenants and provisions regarding loan ratios) shall be eliminated. The Debtor shall provide the following reporting to Volvo Financial, so long as the restructured loan is outstanding: (a) annual financial statements by no later than 180 days after the end of the calendar year, and (b) quarterly, internally prepared, financial statements provided by no later than 60 days following the end of each quarter. Upon written notice of default for failure to provide annual or quarterly financial statement required by this provision, the Debtor shall have thirty (30) days after receipt of written notice of default to cure any default.

(iii) The Reorganized Debtor shall be in default under the restructured loan, as amended in accordance with the terms herein, upon the occurrence of the following: (i) failure to make the payments described in Article 5.6.4 of the Plan; (ii) failure to maintain insurance on the collateral; (iii) failure to pay taxes on the collateral, if applicable, when due; (iv) failure to provide the quarterly or annual reports required by Article 5.6.5(ii) of the Plan; or (v) failure to allow reasonable inspections of collateral upon reasonable advance notice. The Reorganized Debtor shall have thirty (30) days after receipt of written notice of default to cure any default. All other covenants and default provisions shall be eliminated from the restructured loan.

Notwithstanding the above, Volvo Financial may be paid such other amounts and under such other terms as may be agreed upon by Volvo Financial and the Debtor. In addition, notwithstanding the above, the Debtor reserves the right to amend the treatment of the restructured loan terms to conform to any terms and conditions required by the Bankruptcy Court or otherwise necessarily to overcome any objections or in the event the Debtor seeks cramdown, and such modified terms shall become part of the Plan.

Any Claim held by Volvo Financial in excess of the Allowed Amount of its Secured Claim shall receive treatment as a Class 9 General Unsecured Claim. Class 5 is Impaired.

Class 6: Secured Claim of FCB.

Class 6 consists of the Allowed Secured Claim of FCB. As treatment for its Class 6 Secured Claim, FCB shall retain its liens on the collateral securing its Allowed Secured Claim pursuant to the pre-petition loan documents executed between FCB and the Debtor. FCB shall continue to receive its regular payments from the co-maker of the debt under the pre-petition loan documents in the normal course. Any Claim held by FCB in excess of the Allowed Amount of its Secured Claim shall receive treatment as a Class 9 General Unsecured Claim. Class 6 is Unimpaired.

Class 7: Secured Claim of Nissan.

Class 7 consists of the Allowed Secured Claim of Nissan. Nissan shall retain its liens on that certain 2015 Nissan Murano bearing VIN 5N1AZ2MG4FN286147 to secure its Allowed Secured Claim. Nissan shall commence receiving its regular monthly payments in the amount of $529.75 beginning November 26, 2018 and continuing on the 26th day of each succeeding month thereafter. As to the five (5) missed payments (for months June 26, 2018 through and including October 26, 2018), the Debtor or Reorganized Debtor shall remit commencing after the Effective Date, a half payment in the amount of $264.87 with each regular payment until the 5-month arrearage is cured. Following completion of the payments provided in this Section 5.8, Nissan shall release all liens on the collateral securing its Secured Claim and shall file and record all necessary documentation to effectuate such release of liens, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by Nissan within the 10-day period, the Reorganized Debtor is authorized to file and record such termination. Class 7 is Impaired.

Class 8: Secured Claim of SunTrust.

Class 8 consists of the Allowed Secured Claim of SunTrust. SunTrust shall retain its lien on that certain 2012 Ford Econoline E250 Van V8 Extended Cargo Van, bearing VIN 1FTNS2EW0CDA53321 to secure its Allowed Secured Claim. SunTrust shall commence receiving its regular monthly payments in the amount of $431.64 beginning October 11, 2018 and continuing on the 11th day of each succeeding month thereafter. As to the eight (8) missed payments (for months February 11, 2018 through and including September 11, 2018), the original term of the Retail Installment Sale Contract shall be extended by an additional eight (8) months (or through and including December 11, 2019) with the Debtor or the Reorganized Debtor remitting the amount of $431.64 on the 11th of each month. Following completion of the payments provided in this Section 5.9, SunTrust shall release all liens on the collateral securing its Allowed Secured Claim and shall file and record all necessary documentation to effectuate such release of liens, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by SunTrust within the 10-day period, the Reorganized Debtor is authorized to file and record such termination. Class 8 is Impaired.

Class 9: General Unsecured Claims.

Class 9 consists of all Unsecured Claims against the Debtor not otherwise classified in the Plan. Commencing on the first anniversary of the Effective Date and continuing annually thereafter for four (4) additional years (for a total of five (5)), the Debtor shall distribute to each Holder of an Allowed Class 9 General Unsecured Claim their Pro Rata Share of Ten Thousand Dollars ($10,000.00) (the "**Unsecured Creditor Distribution Amount**"). Distributions to Holders of Allowed Class 9 General Unsecured Claims shall be made no later than the fifth (5th) day of the quarter following the applicable anniversary of the Effective Date. Class 9 is Impaired.

Class 10: Intercompany Claims.

Class 10 consists of all Intercompany Claims (including those of non-debtor Affiliates). The Holders of Class 10 Intercompany Claims shall retain their claims; however, each Holder of a Class 10 Intercompany Claim shall receive no distribution on account of such Class 10 Intercompany Claims until all other Allowed Claims have been paid in full. Class 10 is Impaired.

Class 11: Equity Interests.

Class 11 consists of all Equity Interests in the Debtor. All Class 11 Equity Interests shall remain in effect; however, each Holder of an Allowed Equity Interests shall receive no distribution on account of its Allowed Equity Interests until all other Allowed Claims have been paid in full. Class 11 is Unimpaired.

ACCEPTANCE OR REJECTION OF THE PLAN

Each Impaired Class Entitled to Vote Separately.

Except as otherwise provided herein, the Holders of Claims or Interests in each Impaired Class of Claims or Interests shall be entitled to vote separately to accept or reject the Plan.

Acceptance by Impaired Classes.

Classes 2 through 5 and 7 through 10 are Impaired under the Plan, and Holders of Claims in such Classes are entitled to vote to accept or reject the Plan. Pursuant to Section 1126(c) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted the Plan if (a) the Holders (other than any Holder designated pursuant to Section 1126(e) of the Bankruptcy Code) of at least two-thirds in dollar amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (b) the Holders (other than any Holder designated pursuant to Section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan. If a Holder of a Claim holds more than one Claim in any one Class, all Claims of such Holder in such Class shall be aggregated and deemed to be one Claim for purposes of determining the number of Claims in such Class voting on the Plan. An Impaired Class of Equity Interests shall have accepted the Plan if the Holders (other than any Holder designated pursuant to Section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Equity Interests actually voting in such Class have voted to accept the Plan.

Presumed Acceptance of Plan by Unimpaired Classes.

Classes 6 and 11 are Unimpaired under the Plan. Pursuant to Section 1126(f) of the Bankruptcy Code, each such Class and the Holders of Claims in such Classes are conclusively presumed to have accepted the Plan and, thus, are not entitled to vote on the Plan. Accordingly, votes of Holders of Claims in such Classes are not being solicited by the Debtor. Except as otherwise expressly provided in the Plan, nothing contained herein or otherwise shall affect the rights and legal and equitable claims or defenses of the Debtor or the Reorganized Debtor in

respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to setoffs or recoupments against Unimpaired Claims.

Impairment Controversies.

If a controversy arises as to whether any Claim, or any Class of Claims, is Impaired under the Plan, such Claim or Class shall be treated as specified in the Plan unless the Bankruptcy Court shall determine such controversy upon motion of the party challenging the characterization of a particular Claim or a particular Class of Claims, under the Plan.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Assumption of Certain Executory Contracts & Unexpired Leases.

The Debtor proposes under the Plan, pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code, to assume the executory contracts and unexpired leases identified in the attached **Exhibit A** (the "**Leases**"), as of the Effective Date, upon the terms and conditions set forth as to each lessor in Article 7.2 below with respect to its Lease, which shall constitute a restructuring of such Lease and provide for treatment of any Cure Claim with respect to such Lease (the Leases, as restructured pursuant to Article 7.2 of the Plan, the "**Assumed Restructured Leases**"). Each lessor agrees that the treatment contained in the Assumed Restructured Lease constitutes prompt cure of its Cure Claim with respect to such Lease.

The Debtor shall assume any unexpired lease or sub-lease with any Affiliate, sister company, or related company, with such lease or sub-lease being amended to reflect payment amounts and terms set forth elsewhere in the Plan. The Debtor or Reorganized Debtor and an Affiliate, sister company, or related company may amend, supplement, or restructure the lease or sub-lease pursuant to such other terms as may be agreed upon by the Debtor or Reorganized Debtor and an Affiliate, sister company, or related company.

Notwithstanding the foregoing in Article 7.1 of the Plan, the Debtor reserves the right, on or prior to the Confirmation Date, to amend the Plan to identify any executory contract or unexpired lease which is to be rejected or assumed. The Debtor shall provide notice of any addition or deletion of executory contracts or unexpired leases to the Plan to the parties to the affected executory contracts and unexpired leases. The listing of a document shall not constitute an admission by the Debtor that such document is an executory contract or an unexpired lease or that the Debtor has any liability thereunder. The Debtor reserves the right to file motions to assume or reject any unexpired lease or executory contract not specifically listed in Article 7 of the Plan.

Terms and Conditions for Assumed Restructured Executory Contracts & Restructured Leases.

As provided in Article 7.1 of the Plan, the Debtor proposes the following as terms and conditions of each of the following Assumed Restructured Leases, which includes treatment of any Cure Claim with respect to each Assumed Restructured Lease:

Webster Capital Restructured Lease Terms. Webster Capital and Debtor are parties to that certain Master Lease Agreement No. 69859 and related Lease Schedules 006-0069859-001, 006-0069859-002, and 006-0069859-003 (collectively, the "**Restructured Webster Lease**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing under Lease Schedule 006-0069859-001 is One Hundred Sixty Two Thousand, Three Hundred and Fifty-Four Dollars and Seventy Eight Cents ($162,354.78) (the "**Webster Lease 001 Balance**"). The Debtor or Reorganized Debtor shall remit fourteen (14) equal monthly installments of Eleven Thousand Five Hundred and Ninety-Six Dollars and Seventy-Seven Cents ($11,596.77). The first payment commenced on December 1, 2018 and shall continue on the 1st day of each month thereafter, with the last monthly installment to be made on January 1, 2020. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Webster Lease 001 Balance.

b) The total amount, including Prepetition and Postpetition arrearages, due and owing under Lease Schedule 006-0069859-002 is Five Hundred and Forty Thousand, Four Hundred and Four Dollars and Nine Cents ($540,404.09) (the "**Webster Lease 002 Balance**"). The Debtor or Reorganized Debtor shall remit forty-one (41) equal monthly installments of Thirteen Thousand One Hundred and Eighty Dollars and Fifty-Nine Cents ($13,180.59). The first payment commenced on November 28, 2018 and shall continue on the 28th day of each month thereafter, with the last monthly installment to be made on March 28, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Webster Lease 002 Balance.

c) The total amount, including Prepetition and Postpetition arrearages, due and owing under Lease Schedule 006-0069859-003 is One Million Eighteen Thousand Thirty Dollars and Twenty Six Cents ($1,018,030.26) (the "**Webster Lease 003 Balance**"). The Debtor or Reorganized Debtor shall remit forty-one (41) equal monthly installments of Twenty-Four Thousand Eight Hundred and Thirty Dollars ($24,830.00). The first payment commenced on November 22, 2018 and shall continue on the 22nd day of each month thereafter, with the last monthly installment to be made on March 22, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Webster Lease 003 Balance.

Huntington Restructured Lease Terms. Huntington and Debtor are parties to that certain Master Equipment Lease Agreement dated as of November 26, 2014 (initially with Fifth Third Bank, predecessor in interest to Huntington) and related Equipment Schedule No. 006 dated January 27, 2016 and Equipment Schedule No. 007 dated January 27, 2016 (collectively, the "**Restructured Huntington Lease**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing under Equipment Schedule No. 006 043-0140353-075 is Two Million Five Hundred and Thirty Thousand Eight Hundred and Ninety-Nine Dollars and Fifty Cents ($2,530,899.50) (the "**Schedule 006 Balance**"). The Debtor or Reorganized Debtor shall remit thirty-nine (39) monthly installments as follows: (a) $65,094.73 (months 1-5), (b) $72,889.90 (months 6 – 10), (c) $63,981.13 (months 11 – 25), (d) $62,867.54 (months 26 – 30), (e) $61,753.94 (months 31-35), and (f) $64,537.93 (months 36-39). The first payment commenced on November 27, 2018 and shall continue on the 27th day of each month thereafter, with the last monthly installment to be made on January 27, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 006 Balance.

b) The total amount, including Prepetition and Postpetition arrearages, due and owing under Equipment Schedule No. 007 043-0140353-067 is Four Hundred Ninety-One Thousand and Seventeen Dollars and Sixty-Three Cents ($491,017.63) (the "**Schedule 007 Balance**"). The Debtor or Reorganized Debtor shall remit thirty-nine (39) monthly installments as follows: (a) $12,845.02 (months 1-5), (b) $14,141.31 (months 6 – 10), (c) $12,412.93 (months 11 – 25), (d) $11,980.83 (months 26 – 35), and (e) $12,520.95 (months 36-39). The first payment commenced on November 27, 2018 and shall continue on the 27th day of each month thereafter, with the last monthly installment to be made on January 27, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 007 Balance.

ENGS Restructured Lease Terms. Engs Commercial and Debtor are parties to those two certain Commercial Lease Agreements – one assigned Contract # 51473 and the other assigned Contract #51485 (together, the "**Restructured Engs Leases**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing under Contract # 51473 is Two Hundred Seventy-Two Thousand Three Hundred and Seventy-Five Dollars and Eighty-Six Cents ($272,375.86) (the "**Contract 51473 Balance**"). The Debtor or Reorganized Debtor shall remit eight (8) monthly installments as follows: (a) $35,951.99 (November 1, 2018), (b) $20,951.99 (December 1, 2018 and January 1, 2018), (c) $38,903.98 (February 1, 2018 and on the 1st day of the month through and including June 1, 2018). Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Contract 51473 Balance.

b) The total amount, including Prepetition and Postpetition arrearages, due and owing under Contract #51485 is Two Hundred and Twenty Thousand Nine Hundred and Thirty-Two Dollars and Ninety-One Cents ($220,932.91) (the "**Contract 51485 Balance**"). The Debtor or Reorganized Debtor shall remit nine (9) monthly installments as follows: (a) $15,000.00 (November 1, 2018), (b) $20,084.81 (November 15, 2018, December 15, 2018, and January 15, 2018), (c) $29,135.70

(February 15, 2019 and on the 15th day of the month through and including June 15, 2019). Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Contract 51485 Balance.

People's Capital Restructured Lease Terms. People's Capital and Debtor are parties to that certain Master Lease assigned no. 396051 and Lease Schedule assigned no. 150230 (together, the "**Restructured People's Capital Lease**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing is One Million Two Hundred and Eighteen Nine Hundred and Seventy Dollars and Seventeen Cents ($1,218,970.17) (the "**People's Capital Balance**"). The Debtor or Reorganized Debtor shall remit thirty-six (36) monthly installments as follows: (a) Debtor shall make 15 monthly payments in the amount of $42,424.95, with the first payment being made on November 23, 2018 and the final payment in that amount being made on January 23, 2020 and (b) Debtor shall thereafter make 21 monthly payments in the amount of $27,742.67 to People's Capital, with the first payment being made on February 23, 2020 and the final payment in that amount being made on October 23, 2021. The residual on the Trac lease is the amount of $711,941.91 (the "**People's Trac Lease Payment**"), payable on November 23, 2021. With payment of the People's Trac Lease Payment, all amounts due to People's Capital will have been paid in full. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the People's Capital Balance.

b) Pursuant to the Restructured People's Capital Lease, the Debtor has assumed the following eighteen (18) units:

4	463	2016	VOLVO	VNL780	4V4NC9EH2GN954637
6	465	2016	VOLVO	VNL780	4V4NC9EH4GN954641
7	466	2016	VOLVO	VNL780	4V4NC9EH6GN954639
17	476	2016	VOLVO	VNL780	4V4NC9EH9GN954652
28	647	2016	VOLVO	VNM64T430	4V4MC9EG8GN957917
1	371	2016	VOLVO	VNL780	4V4NC9EH4GN954946
9	468	2016	VOLVO	VNL780	4V4NC9EH7GN954634
24	483	2016	VOLVO	VNL780	4V4NC9EH5GN954647
29	650	2016	VOLVO	VNM430	4V4MC9EG8GN957920
18	477	2016	VOLVO	VNL780	4V4NC9EH2GN954654
19	478	2016	VOLVO	VNL780	4V4NC9EHXGN954658
20	479	2016	VOLVO	VNL780	4V4NC9EH0GN954653
8	467	2016	VOLVO	VNL 780	4V4NC9EH6GN954642
13	472	2016	VOLVO	VNL 780	4V4NC9EH7GN954651
14	473	2016	VOLVO	VNL 780	4V4NC9EHXGN954644

30	656	2016	VOLVO	VNM 430	4V4MC9EG9GN957926
22	481	2016	VOLVO	VNL780	4V4NC9EH8GN954657
23	482	2016	VOLVO	VNL780	4V4NC9EH5GN954650

BMO's Restructured Lease Terms. BMO and Debtor are parties to that certain Master Vehicle Lease Agreement dated April 8, 2015, that certain Split-Trac Addendum to Master Vehicle Lease Agreement dated April 8, 2015, and those certain Schedule "A" Even Payments (Split-Trac) assigned Account Nos. 7953676011 (dated April 9, 2015), 7953676013 (dated December 18, 2015), 7953676005 (dated April 8, 2015), 7953676008 (dated April 9, 2015), 7953676009 (dated April 9, 2015), and 7953676010 (dated April 8, 2015) (together, the "**Restructured BMO Lease**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing under Account No. 6005 is Five Hundred Twenty-Eight Thousand and Zero Cents ($528,000.00) (the "**Account 6005 Balance**"). The Debtor or Reorganized Debtor shall remit forty-eight (48) equal monthly installments of Eleven Thousand Dollars ($11,000.00) with the first payment being made on October 8, 2018 and the final payment in that amount being made on September 8, 2022. Debtor shall make a final payment in the amount of $9,108.21 on or before September 8, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Account 6005 Balance.

b) The total amount, including Prepetition and Postpetition arrearages, due and owing under Account No. 6008 is Thirty Thousand Nine Hundred and Sixty Dollars and Zero Cents ($30,960.00) (the "**Account 6008 Balance**"). The Debtor or Reorganized Debtor shall remit thirty-six (36) equal monthly installments of Eight Hundred and Sixty Dollars ($860.00) with the first payment being made on October 9, 2018 and the final payment in that amount being made on September 9, 2021. Debtor shall make a final payment in the amount of $343.28 on or before September 9, 2021. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Account 6008 Balance.

c) The total amount, including Prepetition and Postpetition arrearages, due and owing under Account No. 6009 is Twenty-Eight Thousand Eight Hundred Dollars and Zero Cents ($28,800.00) (the "**Account 6009 Balance**"). The Debtor or Reorganized Debtor shall remit thirty-six (36) equal monthly installments of Eight Hundred Dollars ($800.00) with the first payment being made on October 9, 2018 and the final payment in that amount being made on September 9, 2021. Debtor shall make a final payment in the amount of $329.49 on or before September 9, 2021. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Account 6009 Balance.

d) The total amount, including Prepetition and Postpetition arrearages, due and owing under Account No. 6010 is Two Hundred and Forty Thousand Dollars and Zero

Cents ($240,000.00) (the "**Account 6010 Balance**"). The Debtor or Reorganized Debtor shall remit forty-eight (48) equal monthly installments of Five Thousand Dollars ($5,000.00) with the first payment being made on October 9, 2018 and the final payment in that amount being made on September 9, 2022. Debtor shall make a final payment in the amount of $5,119.10 on or before September 9, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Account 6010 Balance.

e) The total amount, including Prepetition and Postpetition arrearages, due and owing under Account No. 6011 is One Million Two Hundred and Forty-Six Thousand, Sixty-Nine Dollars and Ninety-Two Cents ($1,246,069.92) (the "**Account 6011 Balance**"). The Debtor or Reorganized Debtor shall remit forty-eight (48) equal monthly installments of Twenty-Five Thousand Nine Hundred and Fifty-Nine Dollars and Seventy-Nine Cents ($25,959.79) with the first payment being made on October 9, 2018 and the final payment in that amount being made on September 9, 2022. Debtor shall make a final payment in the amount of $26,303.06 on or before September 9, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Account 6011 Balance.

f) The total amount, including Prepetition and Postpetition arrearages, due and owing under Account No. 6013 is One Million Two Hundred and Seventy-Four Thousand, Four Hundred and Six Dollars and Zero Cents ($1,274,406.00) (the "**Account 6013 Balance**"). The Debtor or Reorganized Debtor shall remit sixty (60) equal monthly installments of Twenty-One Thousand, Two Hundred and Forty Dollars and Ten Cents ($21,240.10) with the first payment being made on October 1, 2018 and the final payment in that amount being made on September 1, 2023. Debtor shall make a final payment in the amount of $17,322.78 on or before September 1, 2023. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Account 6013 Balance.

Signature's Restructured Lease Terms. Signature and Debtor are parties to that certain Master Lease Agreement dated December 12, 2014, that certain Equipment Schedule No. 001 (Contract No. 107890001) and that certain Equipment Schedule No. 007 (Contract No. 107890007)(collectively, the "**Restructured Signature Lease**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing under Schedule No. 001 is Five Hundred and Sixty-Seven Thousand, One Hundred Eighty-Three Dollars and Twenty-Six Cents ($567,183.26) (the "**Schedule 001 Balance**"). The Debtor or Reorganized Debtor shall remit sixteen (16) monthly installments as follows: (a) Debtor shall make six (6) monthly payments in the amount of $36,089.35, with the first payment being made on November 20, 2018 and the final payment in that amount being made on April 20, 2019, (b) Debtor shall thereafter make nine (9) monthly payments in the amount of $24,059.57, with the first payment being made on May 20, 2019 and the final payment in that amount being made on January 20, 2020, and (c) Debtor shall thereafter make one (1) final

payment in the amount of $134,110.00 on January 20, 2020. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 001 Balance.

b) The total amount, including Prepetition and Postpetition arrearages, due and owing under Schedule No. 007 is Six Hundred and Fifty-Eight Thousand, Six Hundred and Twenty-One Dollars and Ninety-Two Cents ($658,621.92) (the "**Schedule 007 Balance**"). The Debtor or Reorganized Debtor shall remit forty-three (43) monthly installments as follows: (a) Debtor shall make six (6) monthly payments in the amount of $19,110.45, with the first payment being made on November 20, 2018 and the final payment in that amount being made on April 20, 2019, (b) Debtor shall thereafter make thirty-six (36) monthly payments in the amount of $12,740.30, with the first payment being made on May 20, 2019 and the final payment in that amount being made on April 20, 2022, and (e) Debtor shall thereafter make one (1) final payment in the amount of $85,308.42 on April 20, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 007 Balance.

c) In addition to, and without limiting any of, the terms and provisions set forth in the Restructured Signature Lease, which such terms and provisions shall remain valid and enforceable, upon an Event of Default under any of the Leases, the Debtor must assemble and turnover possession of all of the equipment under both leases to Signature within five (5) business days after any demand from Signature to assemble and turnover possession of the equipment to Signature.

Banc of America's Restructured Lease Terms. Banc of America and Debtor are parties to (i) that certain Master Lease Agreement assigned Master Lease Number 27345-90000 dated November 19, 2014 and those certain Schedule Numbers 001, 002, 003, and 004 and (ii) that certain Wells Fargo Equipment Finance, Inc. Master Lease Number 10222154 dated December 12, 2013 and Supplement Number 222154-101 (collectively, the "**Restructured Banc of America Lease**"), as deemed amended by the terms and conditions set forth below and in the Plan:

a) The total amount, including Prepetition and Postpetition arrearages, due and owing under Supplement Number 222154-101 is Two Hundred and Eighty-Three Thousand, Fifty-Four Dollars and Zero Cents ($283,054.00) (the "**Supplement 101 Balance**"). The Debtor or Reorganized Debtor shall remit fifteen (15) equal monthly installments of Eighteen Thousand Eight Hundred and Seventy Dollars and Twenty-Five Cents ($18,870.25). The first payment commenced on October 16, 2018 and shall continue on the 16th day of each month thereafter, with the last monthly installment to be made on December 16, 2019. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Supplement 101 Balance.

b) The total amount, including Prepetition and Postpetition arrearages, due and owing under Schedule Number 001 is One Million Two Hundred and Twenty-Three

Thousand, One Hundred and Sixty-Three Dollars and Twenty-Seven Cents ($1,223,163.27) (the "**Schedule 001 Balance**"). The Debtor or Reorganized Debtor shall remit thirty-eight (38) equal monthly installments of Thirty-Two Thousand One Hundred and Eighty-Eight Dollars and Fifty-One Cents ($32,188.51). The first payment commenced on November 5, 2018 and shall continue on the 5th day of each month thereafter, with the last monthly installment to be made on December 5, 2021. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 001 Balance.

c) The total amount, including Prepetition and Postpetition arrearages, due and owing under Schedule Number 002 is Six Hundred Forty-Four Thousand, Five Hundred and Eighty-Four Dollars and Six Cents ($644,584.06) (the "**Schedule 002 Balance**"). The Debtor or Reorganized Debtor shall remit thirty-nine (39) equal monthly installments of Sixteen Thousand Five Hundred and Twenty-Seven Dollars and Eighty Cents ($16,527.80). The first payment commenced on November 5, 2018 and shall continue on the 5th day of each month thereafter, with the last monthly installment to be made on January 5, 2022. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 002 Balance.

d) The total amount, including Prepetition and Postpetition arrearages, due and owing under Schedule Number 003 is Five Hundred and Fifteen Thousand, Eight Hundred and Twenty-Nine Dollars and Seventy-Eight Cents ($515,829.78) (the "**Schedule 003 Balance**"). The Debtor or Reorganized Debtor shall remit fifty-six (56) equal monthly installments of Nine Thousand Two Hundred and Eleven Dollars and Twenty-Five Cents ($9,211.25). The first payment commenced on November 5, 2018 and shall continue on the 5th day of each month thereafter, with the last monthly installment to be made on June 5, 2023. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 003 Balance.

e) The total amount, including Prepetition and Postpetition arrearages, due and owing under Schedule Number 004 is Fifty Thousand, Thirty-One Dollars and Twenty Cents ($50,031.20) (the "**Schedule 004 Balance**"). The Debtor or Reorganized Debtor shall remit fifty-six (56) equal monthly installments of Eight Hundred and Ninety-Three Dollars and Forty-One Cents ($893.41). The first payment commenced on November 5, 2018 and shall continue on the 5th day of each month thereafter, with the last monthly installment to be made on June 5, 2023. Notwithstanding the foregoing, the Reorganized Debtor may prepay, without penalty, any, all or any portion of the Schedule 004 Balance.

f) The Restructured Banc of America Leases shall be modified from Split TRAC to Full TRAC. The Liens against all Banc of America equipment shall remain in place until all five (5) Restructured Banc of America Leases are retired (as lease obligations are reduced/eliminated, underlying collateral pool to remain unchanged). The Debtor shall execute a general release of Banc of America from

any claims it may have related to the leases through execution. The state court action initiated by Banc of America against the Guarantors shall be abated until 90 days after Confirmation of the Plan, then shall be dismissed by Banc of America without prejudice if all payments then-due are timely made.

Common Provisions to Assumed Restructured Leases: All Restructured Leases assumed by the Debtor shall be deemed amended by the terms and conditions set forth below and in the Plan:

a) Upon payment of the applicable amounts set forth herein, with respect to any recorded UCC-1 Financing Statement, the applicable Creditor shall take all commercially reasonable steps necessary to cancel, terminate, and extinguish such UCC-1 Financing Statement, including, without limitation, filing a UCC-3 Amendment Form indicating the termination of any security interest, but in no event later than ten (10) days from receipt of the final payment. In the event such termination is not filed by the applicable Creditor within the 10-day period, the Reorganized Debtor is authorized to file and record such termination.

b) Notwithstanding the above, the applicable Creditor may be paid such other amounts and under such other terms as may be agreed upon by the applicable Creditor and the Debtor or the Reorganized Debtor, as the case may be. In addition, notwithstanding the above, the Debtor reserves the right to amend the treatment of the restructured lease terms to conform to any terms and conditions required by the Bankruptcy Court or otherwise necessarily to overcome any objections of the applicable Creditor, in the event the Debtor seeks cramdown, and such modified terms shall become part of the Plan.

c) The provisions of the restructured loan shall be deemed amended in accordance with the terms herein and otherwise shall remain in effect, except that all non-monetary default provisions, if any, (such as, for example, financial covenants and provisions regarding loan ratios) shall be eliminated. The Debtor shall provide the following reporting to the applicable Creditor, so long as the restructured lease is outstanding: (a) annual financial statements by no later than 180 days after the end of the calendar year, and (b) quarterly, internally prepared, financial statements provided by no later than 60 days following the end of each quarter. Upon written notice of default for failure to provide annual or quarterly financial statement required by this provision, the Debtor shall have thirty (30) days after receipt of written notice of default to cure any default.

d) The Reorganized Debtor shall be in default under the applicable restructured lease, as amended in accordance with the terms herein, upon the occurrence of the following: (i) failure to make payments described in the applicable subparagraph of Article 7.2 of the Plan; (ii) failure to maintain insurance on the collateral; (iii) failure to pay taxes on the collateral, if applicable, when due; (iv) failure to provide the quarterly or annual reports required by subsection Article 7.2.8(c) of the Plan; or (v) failure to allow reasonable inspections of collateral upon reasonable advance

notice. The Reorganized Debtor shall have thirty (30) days after receipt of written notice of default from the applicable Creditor to cure any default. All other covenants and default provisions shall be eliminated from the restructured leases.

Rejection of Executory Contracts & Unexpired Leases Not Otherwise Assumed.

Pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code, any unexpired lease or executory contract (i) that has been rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date, (ii) as to which a motion for approval of the rejection of such executory contract or unexpired lease has been filed and served prior to the Effective Date, or (iii) that is specifically designated as a contract or lease to be rejected in the Plan as listed on **Exhibit "B"** (collectively, and including the Rejected Lessor Leases (as defined below), the "**Rejected Leases**") shall be deemed rejected.

Additionally, unless such lease is assumed elsewhere in the Plan, the Debtor hereby rejects all leases in which the Debtor is the lessor under the lease (the "**Rejected Lessor Leases**").

Approval of Assumption or Rejection of Executory Contracts and Unexpired Leases.

Entry of the Confirmation Order shall, subject to and upon the occurrence of the Effective Date, constitute (i) the approval, pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of the assumption of the executory contracts and unexpired leases assumed pursuant to Article 7.1 of the Plan, (ii) the approval, pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of the rejection of the executory contracts and unexpired leases rejected pursuant to Article 7.3 of the Plan, and (iii) the extension of time, pursuant to Section 365(d)(4) of the Bankruptcy Code, within which the Debtor may assume, assume and assign, or reject any unexpired lease of nonresidential real property through the date of entry of an order approving the assumption, assumption and assignment, or rejection of such unexpired lease. The assumption by the Debtor of an Assumed Restructured Lease shall be binding upon any and all parties to such agreement as a matter of law, and each such agreement shall be fully enforceable by the Debtor in accordance with its terms, except as modified by the provisions of the Plan or an order of the Bankruptcy Court.

Inclusiveness.

Unless otherwise specified, each executory contract and unexpired lease that is rejected or assumed shall include all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affect such executory contract or unexpired lease, without regard to whether such agreement, instrument or other document is specifically referenced in the Plan or in a notice of assumption provided under the Plan.

Damages Arising from Rejection of any Executory Contract or Unexpired Lease.

Any Claim for damages arising by reason of the rejection of any Rejected Lease (a "**Rejection Claim**") must be filed with the Bankruptcy Court on the earlier of (a) thirty (30) days

following the date of any order approving the rejection of such Rejected Lease, or (b) thirty (30) days following the Confirmation Date. Any Rejection Claim must be served upon the Debtor or such Rejection Claim shall be forever barred and unenforceable against the Debtor.

Any party to a Rejected Lease must avail themselves of all commercially reasonable efforts to mitigate damages in connection with the rejection of such Rejected Lease and shall use all commercially reasonable efforts to obtain maximum value in any disposition of the property subject to such Rejected Lease. Any party who files a Rejection Claim shall only assert such portion of the Rejection Claim that is unmitigated by subsequent sale, lease, or disposition of the property subject to such Rejected Lease and after first application of all proceeds to an Allowed Administrative Expense Claim. The Bankruptcy Court shall retain exclusive jurisdiction to determine the amount of any Rejection Claim.

All Rejection Claims, once fixed and liquidated by the Bankruptcy Court and determined to be Allowed Claims, shall receive treatment as a Class 9 General Unsecured Claim. Any such Rejection Claims that become Disputed Claims shall be Disputed Claims for purposes of administration of distributions under the Plan to Holders of Allowed Unsecured Claims. The Plan and any other order of the Bankruptcy Court providing for the rejection of an executory contract or unexpired lease shall constitute adequate and sufficient notice to Persons or Entities which may assert a Claim for damages from the rejection of an executory contract or unexpired lease of the Bar Date for filing a Claim in connection therewith.

Insurance Policies.

All of the Debtor's insurance policies and any agreements, documents, or instruments relating thereto are treated as executory contracts under the Plan. All of the Debtor's insurance policies shall be assumed by the Debtor. Nothing contained in the Plan shall constitute or be deemed a waiver of any Causes of Action that the Debtor or the Reorganized Debtor may hold against any Person or Entity, including the insurers under any of the Debtor's insurance policies.

MEANS OF IMPLEMENTATION OF THE PLAN

General Overview of the Means of Funding Plan Distributions.

The Plan provides, in general, for a restructuring of the Debtor's operations through assumption of the Assumed Restructured Leases and the curing of defaults under the Assumed Restructured Leases through the stipulated treatment provided in Article 7 of the Plan. Further, the Debtor will pay go-forward payments under the Assumed Restructured Leases, as modified by the terms provided in Article 7 of the Plan, through the continued restructured operations of the Debtor. With respect to other Claims, including Secured Claims of truck and trailer financiers, the Plan proposes to pay such Claims under the terms provided in Article 5 of the Plan. The Debtor intends to retain its current management team and has and will continue to implement changes in its business model for more cost-effective operations.

Vesting of Certain Assets of the Estate in the Debtor.

On the Effective Date, except as otherwise expressly provided in the Plan, all Assets of the Estate (including the Causes of Action) shall vest in the Reorganized Debtor, free and clear of any and all Liens, Debts, obligations, Claims, Cure Claims, Liabilities, encumbrances, and all other interests of every kind and nature, and the Confirmation Order shall so provide. As of the Effective Date, the Reorganized Debtor shall be responsible for the operation of the business, the management of the Assets, the pursuit of Causes of Action, the payment of Allowed Claims, and such other duties imposed by the Plan and the Confirmation Order. All privileges with respect to the Assets of the Debtor's Estate, including the attorney-client privilege, to which the Debtor is entitled shall automatically vest in, and may be asserted by or waived on behalf of, the Reorganized Debtor.

Continued Corporate Existence; Tax Consequences.

The Debtor will continue to exist after the Effective Date as a corporation with all of the powers of a corporation under Florida law and pursuant to its articles of organization or other organizational documents in effect prior to the Effective Date, without prejudice to any right to terminate such existence (whether by merger, dissolution or otherwise) under applicable law after the Effective Date. On the Effective Date, title to the Assets of the Estate shall vest in the Reorganized Debtor.

Management and Executive Officers of the Reorganized Debtor.

The executive officers and directors of the Debtor immediately prior to the Effective Date shall continue their employment and performance of their obligations as officers and directors of the Debtor following the Effective Date. Specifically, Ephrat Afek will remain the President and Chief Executive Officer of the Reorganized Debtor and Ronan Koubi will remain as Chief Operating Officer of the Reorganized Debtor. Ephrat Afek, Ralph Milman, and Ronen Koubi will remain the directors of the Reorganized Debtor. None of the officers or directors of the Reorganized Debtor have been receiving compensation from the Debtor during the course of this Chapter 11 case, which will continue after the Effective Date and through and including such time as all payments required under the Plan are paid in full.

Corporate Action.

All matters provided for under the Plan involving the corporate structure of the Debtor or the Reorganized Debtor, or any corporate action to be taken by or required of the Debtor or the Reorganized Debtor, shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects without any requirement for further action by the director(s) or management of the Debtor or the Reorganized Debtor. From and after the Effective Date, the Reorganized Debtor shall have all powers accorded by law to put into effect and carry out the Plan and the Confirmation Order.

Section 1146 Exemption.

Pursuant to Section 1146(a) of the Bankruptcy Code, the issuance, distribution, transfer or exchange of any security or the making, delivery or recording of any instrument of transfer pursuant to, in implementation of or as contemplated by the Plan or any Plan Document, or the revesting, transfer or sale of any real or personal Property of, by or in the Debtor or the Reorganized Debtor pursuant to, in implementation of or as contemplated by the Plan or any Plan Document, or any transaction arising out of, contemplated by or in any way related to the foregoing, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangible or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall be, and hereby are, directed to forego the collection of any such tax or governmental assessment and to accept for filing and recording any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment. This section shall apply to any transactions on or after the Effective Date, as well as any transactions necessary to effectuate the Plan.

Effectuating Documents; Further Transactions.

Each officer and director of the Debtor or the Reorganized Debtor, as applicable, shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, mortgages, and other agreements or documents, and take such actions as may be necessary or appropriate, to effectuate and further evidence the terms and conditions of the Plan and the Plan Documents or to otherwise comply with applicable law. With respect to all Secured Claims and Assumed Restructured Leases, to the extent that the Debtor retains the Collateral subject to such Secured Claims or the property subject to such Assumed Restructured Leases, no financial covenants or other technical defaults will exist post-confirmation; and all defaults shall be subject to thirty (30) day cure provisions, unless a longer cure period is provided in the loan or lease agreements.

Exclusivity Period.

The Debtor shall retain the exclusive right to amend or modify the Plan, and to solicit acceptances of any amendments to or modifications of the Plan, through and until the Effective Date.

Preservation of Causes of Action.

On the Effective Date, the Causes of Action shall be vested in the Reorganized Debtor, except to the extent a Creditor or other third party has been specifically released from any Cause of Action by the terms of the Plan or by Final Order. The right to pursue Causes of Action shall be vested in the Reorganized Debtor. The Reorganized Debtor will have the rights, powers and privileges, in its absolute discretion, to pursue, not pursue, settle, release or enforce any Causes of Action without seeking any approval from the Bankruptcy Court. The Debtor is currently not in a position to express an opinion on the merits of any of the Causes of Action or on the recoverability of any amounts as a result of any such Causes of Action. For purposes of providing notice, the Debtor states that any party in interest that engaged in business or other transactions with the

Debtor Prepetition or that received payments from the Debtor Prepetition may be subject to litigation to the extent that applicable bankruptcy or non-bankruptcy law supports such litigation.

No Creditor or other party should vote for the Plan or otherwise rely on the Confirmation of the Plan or the entry of the Confirmation Order in order to obtain, or on the belief that it will obtain, any defense to any Cause of Action. No Creditor or other party should act or refrain from acting on the belief that it will obtain any defense to any Cause of Action. ADDITIONALLY, THE PLAN DOES NOT, AND IS NOT INTENDED TO, RELEASE ANY CAUSES OF ACTION OR OBJECTIONS TO CLAIMS, AND ALL SUCH RIGHTS ARE SPECIFICALLY RESERVED IN FAVOR OF THE REORGANIZED DEBTOR. Creditors are advised that legal rights, claims and rights of action the Debtors may have against them, if they exist, are retained under the Plan for prosecution unless a specific order of the Bankruptcy Court authorizes the Debtor to release such claims. As such, Creditors are cautioned not to rely on (i) the absence of the listing of any legal right, claim or right of action against a particular Creditor in the Disclosure Statement, the Plan, or the Schedules or (ii) the absence of litigation or demand prior to the Effective Date of the Plan as any indication that the Debtor or the Reorganized Debtor does not possess or does not intend to prosecute a particular claim or cause of action if a particular Creditor votes to accept the Plan. It is the expressed intention of the Plan to preserve rights, Claims, and rights of action of the Debtor, whether now known or unknown, for the benefit of the Reorganized Debtor and the Debtor's Estate. A Cause of Action shall not, under any circumstances, be waived as a result of the failure of the Debtor to describe such Cause of Action with specificity in the Plan or the Disclosure Statement; nor shall the Debtor, as a result of such failure, be estopped or precluded under any theory from pursuing such Cause of Action. Nothing in the Plan operates as a release of any of the Causes of Action, except as expressly provided otherwise.

The Debtor does not presently know the full extent of the Causes of Action and, for purposes of voting on the Plan, all Creditors are advised that the Reorganized Debtor will have substantially the same rights that a Chapter 7 trustee would have with respect to the Causes of Action. Accordingly, neither a vote to accept the Plan by any Creditor nor the entry of the Confirmation Order will act as a release, waiver, bar or estoppel of any Cause of Action against such Creditor or any other Person or Entity, unless such Creditor, Person or Entity is specifically identified by name as a released party in the Plan, in the Confirmation Order, or in any other Final Order of the Bankruptcy Court. Confirmation of the Plan and entry of the Confirmation Order is not intended to and shall not be deemed to have any res judicata or collateral estoppel or other preclusive effect which would precede, preclude, or inhibit prosecution of such Causes of Action following Confirmation of the Plan.

The Reorganized Debtor reserves the right to pursue any or none of the Causes of Action in its sole discretion.

Retention of Jurisdiction.

The Plan provides for the retention of jurisdiction by the Bankruptcy Court following the Effective Date to, among other things, determine all disputes relating to Claims, Equity Interests and other issues presented by or arising under the Plan. The Bankruptcy Court will also retain

jurisdiction under the Plan for any actions brought in connection with the implementation and consummation of the Plan and the transactions contemplated thereby.

PROVISIONS GOVERNING DISTRIBUTIONS

Determination of Claims.

After the Effective Date, the Reorganized Debtor shall have the exclusive authority to, and shall, file, settle, compromise, withdraw, or litigate to judgment all objections to Claims. Unless otherwise ordered by the Bankruptcy Court, and except as to any late-filed Claims and Claims resulting from the rejection of executory contracts or unexpired leases, if any, all objections to Claims shall be filed with the Bankruptcy Court by no later than ninety (90) days following the Effective Date (unless such period is extended by the Bankruptcy Court upon motion of the Reorganized Debtor), and the Confirmation Order shall contain appropriate language to that effect. Holders of Unsecured Claims that have not filed such Claims on or before the Bar Date shall serve notice of any request to the Bankruptcy Court for allowance to file late Unsecured Claims on (i) the Reorganized Debtor and (ii) such other parties as the Bankruptcy Court may direct. If the Bankruptcy Court grants the request to file a late Unsecured Claim, such Unsecured Claim shall be treated in all respects as an Unsecured Claim. Objections to late-filed Claims and Claims resulting from the rejection of executory contracts or unexpired leases shall be filed on the later of (a) ninety (90) days following the Effective Date or (b) the date ninety (90) days after the Debtor receives actual notice of the filing of such Claim.

Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder of the Claim if the Debtor effects service in any of the following manners: (a) in accordance with Rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004, (b) to the extent counsel for the Holder of a Claim is unknown, by first class mail, postage prepaid, on the signatory on the Proof of Claim or other representative identified on the Proof of Claim or any attachment thereto, or (c) by first class mail, postage prepaid, on any counsel that has filed a notice of appearance in the Reorganization Case on behalf of the Holder of a Claim.

Disputed Claims shall be fixed or liquidated in the Bankruptcy Court as core proceedings within the meaning of 28 U.S.C. §157(b)(2)(B) unless the Bankruptcy Court orders otherwise. If the fixing or liquidation of a contingent or unliquidated Claim would cause undue delay in the administration of the Reorganization Case, such Claim shall be estimated by the Bankruptcy Court for purposes of allowance and distribution. Upon receipt of a timely-filed Proof of Claim, the Debtor or other party in interest may file a request for estimation along with an objection to the Claim set forth therein. The determination of Claims in Estimation Hearings shall be binding for purposes of establishing the maximum amount of the Claim for purposes of allowance and distribution. Procedures for specific Estimation Hearings, including provisions for discovery, shall be set by the Bankruptcy Court giving due consideration to applicable Bankruptcy Rules and the need for prompt determination of the Disputed Claim.

Unclaimed Distributions.

If the Holder of an Allowed Claim fails to negotiate a check issued to such Holder within 60 days of the date such check was issued, then the Reorganized Debtor will provide written notice to such Holder stating that unless such Holder negotiates such check within 30 days of the date of such notice, the amount of Cash attributable to such check will be deemed to be unclaimed, such Holder's Claim will no longer be deemed to be Allowed, and such Holder will be deemed to have no further Claim in respect of such check and will not participate in any further distributions under the Plan.

If a distribution pursuant to the Plan to any Holder of an Allowed Claim is returned to the Reorganized Debtor due to an incorrect or incomplete address (as determined by the address listed in the Schedules, on a proof of claim, or on the most current version of the Court's mailing matrix for the Reorganization Case) for the Holder of such Allowed Claim, and no claim is made to the Reorganized Debtor as to such distribution within 30 days of the return of such distribution, then the amount of Cash attributable to such distribution will be deemed to be unclaimed and such Holder will be deemed to have no further Claim in respect of such distribution and will not participate in any further distributions under the Plan.

Any unclaimed distribution described above shall be redistributed to the Holders of Allowed Claims in the same priority set forth in the Plan.

Transfers of Claims.

In the event that the Holder of any Claim transfers such Claim on and after the Effective Date, the Holder shall immediately advise the Reorganized Debtor in writing of such transfer. The Reorganized Debtor will be entitled to assume that no transfer of any Claim has been made by any Holder unless and until the Reorganized Debtor has received written notice to the contrary. Each transferee of any Claim will take such Claim subject to the provisions of the Plan and to any request made, waiver or consent given, or other action taken hereunder and, except as otherwise expressly provided in such notice, the Reorganized Debtor will be entitled to assume conclusively that the transferee named in such notice will thereafter be vested with all rights and powers of the transferor under the Plan.

***De Minimis* Distributions.**

To avoid the disproportionate expense and inconvenience associated with making *de minimis* distributions, the Reorganized Debtor will not be required to make, and will be excused from making, distributions in amounts of less than ten dollars ($10.00) each to Holders of Allowed Class 9 Claims.

One Distribution per Holder.

If the Holder of a Claim holds more than one Claim in any one Class, all Claims of such Holder in such Class shall be aggregated and deemed to be one Claim for purposes of Distributions hereunder, and only one Distribution shall be made with respect to the single aggregated Claim.

Effect of Pre-Confirmation Distributions.

Nothing in the Plan shall be deemed to entitle the Holder of a Claim that received, prior to the Effective Date, full or partial payment of such Holder's Claim, by way of settlement or otherwise, pursuant to an order of the Bankruptcy Court, provision of the Bankruptcy Code, or other means, to receive a duplicate payment in full or in part pursuant to the Plan; and all such full or partial payments shall be deemed to be payments made under the Plan for purposes of satisfying the obligations of the Debtor or the Reorganized Debtor as applicable to such Holder under the Plan.

No Interest on Claims.

Except as expressly stated in the Plan or otherwise Allowed by a Final Order of the Bankruptcy Court, no Holder of an Allowed Claim shall be entitled to the accrual of Postpetition interest or the payment of Postpetition interest, penalties, or late charges on account of such Allowed Claim for any purpose. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a Distribution is made when and if such Disputed Claim becomes an Allowed Claim.

Compliance with Tax Requirements.

In connection with the Plan, the Debtor or the Reorganized Debtor, as applicable, shall comply with all tax withholding and reporting requirements imposed by federal, state, local and foreign taxing authorities, and all Distributions hereunder shall be subject to such withholding and reporting requirements. Notwithstanding the above, each Holder of an Allowed Claim that is to receive a Distribution under the Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit, including income, withholding, and other tax obligations, on account of such Distribution.

CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND THE EFFECTIVE DATE

Condition Precedent to Confirmation of the Plan.

The following is a condition precedent to Confirmation of the Plan: the Bankruptcy Court shall have made such findings and determinations regarding the Plan as shall enable the entry of the Confirmation Order in a manner consistent with the provisions of the Plan.

Conditions Precedent to the Effective Date.

The following are conditions precedent to the occurrence of the Effective Date, each of which must be satisfied or may be waived by the Debtor in accordance with Article 10.3 of the Plan:

The Confirmation Funding has been funded prior to the Confirmation Date to be applied in accordance with the Plan and Confirmation Order.

The Bankruptcy Court shall have entered the Confirmation Order in form and substance satisfactory to the Debtor on the Docket of the Reorganization Case, and no stay of the Confirmation Order shall be in effect.

Waiver of Conditions Precedent to the Effective Date.

The conditions precedent set forth in Article 10.2 of the Plan may be waived, in whole or in part, by the Debtor, without notice or a hearing, unless the Bankruptcy Court has entered an order prohibiting any such waiver.

DISCHARGE, EXCULPATION FROM LIABILITY, RELEASE, AND GENERAL INJUNCTION

Revesting of Property of the Estate in the Reorganized Debtor.

On the Effective Date, except as otherwise expressly provided in the Plan, all Property and Assets of the Estate shall revest in the Reorganized Debtor free and clear of any and all Liens, Debts, obligations, Claims, Liabilities, and all other interests of every kind and nature, and the Confirmation Order shall so provide.

Discharge of Claims.

Except as otherwise expressly provided in the Plan or in the Confirmation Order, the Confirmation Order shall operate as a discharge, pursuant to Section 1141(d) of the Bankruptcy Code, to the fullest extent permitted by applicable law, as of the Effective Date, of the Debtor and the Reorganized Debtor from any and all Debts of and Claims of any nature whatsoever against the Debtor that arose at any time prior to the Effective Date, including any and all Claims for principal and interest, whether accrued before, on or after the Petition Date. Except as otherwise expressly provided in the Plan or in the Confirmation Order, but without limiting the generality of the foregoing, on the Effective Date, the Debtor and the Reorganized Debtor, and their respective successors or assigns, shall be discharged from any Claim or Debt that arose prior to the Effective Date and from any and all Debts of the kind specified in Section 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a Proof of Claim based on such Debt was filed pursuant to Section 501 of the Bankruptcy Code, (b) a Claim based on such Debt is an Allowed Claim pursuant to Section 502 of the Bankruptcy Code, or (c) the Holder of a Claim based on such Debt has voted to accept the Plan. As of the Effective Date, except as otherwise expressly provided in

the Plan or in the Confirmation Order, all Persons and Entities, including all Holders of a Claim, shall be forever precluded and permanently enjoined to the fullest extent permitted by applicable law from asserting directly or indirectly against the Debtor or the Reorganized Debtor, or any of their respective successors and assigns, or the assets or Properties of any of them, any other or further Claims, Debts, rights, causes of action, remedies, or Liabilities based upon any act, omission, document, instrument, transaction, event, or other activity of any kind or nature that occurred prior to the Effective Date or that occurs in connection with implementation of the Plan, and the Confirmation Order shall contain appropriate injunctive language to that effect. In accordance with the foregoing, except as otherwise expressly provided in the Plan or in the Confirmation Order, the Confirmation Order shall be a judicial determination of the discharge or termination of all such Claims and other Debts and Liabilities against the Debtor, pursuant to Sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against the Debtor, at any time, to the extent that such judgment relates to a discharged or terminated Claim, Liability, or Debt. Notwithstanding the foregoing, the Reorganized Debtor shall remain obligated to make payments to Holders of Allowed Claims as required pursuant to the Plan.

Exculpation from Liability.

The Debtor and its Postpetition directors, officers, managers, employees, and the Professionals for the Debtor (acting in such capacity) (collectively, the "Exculpated Parties") shall neither have nor incur any liability whatsoever to any Person or Entity for any act taken or omitted to be taken in good faith in connection with or related to the formulation, preparation, dissemination, or confirmation of the Plan, the Disclosure Statement, or any contract, instrument, release, or other agreement or document created or entered into, or any other act taken or omitted to be taken, in connection with the Plan or the Reorganization Case, in each case for the period on and after the Petition Date and through the Confirmation Date; provided, however, that this exculpation from liability provision shall not be applicable to any liability found by a court of competent jurisdiction to have resulted from fraud or the willful misconduct or gross negligence of any such party. With respect to Professionals, the foregoing exculpation from liability provision shall also include claims of professional negligence arising from the services provided by such Professionals during the Reorganization Case. Any such claims shall be governed by the standard of care otherwise applicable to the standard of negligence claims outside of bankruptcy. The rights granted under Article 11.3 of the Plan are cumulative with (and not restrictive of) any and all rights, remedies, and benefits that the Exculpated Parties have or obtain pursuant to any provision of the Bankruptcy Code, prior orders of the Bankruptcy Court, or other applicable law. In furtherance of the foregoing, the Exculpated Parties shall have the fullest protection afforded under Section 1125(e) of the Bankruptcy Code and all applicable law from liability for violation of any applicable law, rule or regulation governing the solicitation of acceptance or rejection of a plan or the offer, issuance, sale or purchase or securities. This exculpation from liability provision is an integral part of the Plan and is essential to its implementation. Notwithstanding anything to the contrary contained herein, the provisions of Article 11.3 of the Plan shall not release, or be deemed a release of, any of the Causes of Action.

ANY BALLOT VOTED IN FAVOR OF THE PLAN SHALL ACT AS A CONSENT BY THE CREDITOR CASTING SUCH BALLOT TO THIS EXCULPATION FROM LIABILITY PROVISION.

MOREOVER, ANY CREDITOR WHO DOES NOT VOTE IN FAVOR OF THE PLAN MUST FILE A CIVIL ACTION IN THE BANKRUPTCY COURT ASSERTING ANY SUCH LIABILITY WITHIN THIRTY (30) DAYS FOLLOWING THE EFFECTIVE DATE OR SUCH CLAIMS SHALL BE FOREVER BARRED.

Matching Injunction.

Provided that the Reorganized Debtor is not in default of payments due to such Creditor under the Plan, any Creditor, including any party to a restructured loan, an Assumed Restructured Lease, or Rejected Lease, shall be enjoined and barred from taking any of the following actions: (a) commencing or continuing in any manner any action or other proceeding against the Guarantors; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Guarantors; (c) creating, perfecting or enforcing any Lien or encumbrance against the Guarantors; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Guarantors; (e) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order; or (f) interfering with or in any manner whatsoever disturbing the rights and remedies of the Guarantors. The injunction shall dissolve, with respect to a particular Creditor, in the event that the Reorganized Debtor defaults on the payments set forth in Article 5 or Article 7 of the Plan with respect to the applicable Creditor. All claims and defenses of Creditors, the Debtor, the Reorganized Debtor, and/or Guarantors shall be preserved. The Debtor, the Reorganized Debtor, and/or Guarantors shall have the right to independently seek enforcement of this injunction provision. This injunction provision is an integral part of the Plan and is essential to its implementation.

During the time the matching injunction is in place, the Principals shall not receive any distribution from the Reorganized Debtor out of the ordinary course of business without (i) Bankruptcy Court approval or (ii) approval of any affected Debtor-related Creditor.

General Injunction.

Pursuant to Sections 105, 1123, 1129 and 1141 of the Bankruptcy Code, in order to preserve and implement the various transactions contemplated by and provided for in the Plan, as of the Effective Date, except as otherwise expressly provided in the Plan or in the Confirmation Order, all Persons or Entities that have held, currently hold or may hold a Claim, Debt, Liability or Equity Interests that is discharged or terminated pursuant to the terms of the Plan are and shall be permanently enjoined and forever barred to the fullest extent permitted by law from taking any of the following actions on account of any such discharged or terminated Claims, Debts, Liabilities, or Equity Interests, other than actions brought to enforce any rights or obligations under the Plan: (a) commencing or continuing in any manner any action or other proceeding against the Debtor, the Reorganized Debtor, or their Assets; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtor, the Reorganized Debtor, or their Assets; (c) creating, perfecting or enforcing any Lien or encumbrance against the Debtor, the Reorganized Debtor, or their Assets; (d) asserting a setoff, right of subrogation or

recoupment of any kind against any debt, liability or obligation due to the Debtor or the Reorganized Debtor; (e) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order, or (f) interfering with or in any manner whatsoever disturbing the rights and remedies of the Debtor, or the Reorganized Debtor under the Plan and the documents executed in connection therewith. The Debtor and the Reorganized Debtor shall have the right to independently seek enforcement of this general injunction provision. This general injunction provision is an integral part of the Plan and is essential to its implementation. This provision is cumulative with both the Debtor's and the Reorganized Debtor's other legal rights and remedies.

Term of Certain Injunctions and Automatic Stay.

Except as otherwise ordered by this Court, all injunctions or automatic stays provided for in the Reorganization Case pursuant to Sections 105, 362 or other applicable provisions of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date. Any preliminary or permanent injunction entered by the Bankruptcy Court shall continue in full force and effect following the Confirmation Date and the Final Decree Date, unless otherwise ordered by the Bankruptcy Court.

With respect to all lawsuits pending in courts in any jurisdiction (other than the Bankruptcy Court) that seek to establish (i) the Debtor's liability on Prepetition Claims asserted therein and that are stayed pursuant to Section 362 of the Bankruptcy Code or (ii) one or more Guarantor's liability on Prepetition or Postpetition Claims, such lawsuits shall be deemed dismissed, unless a different time period is set forth in the Plan, as of the Effective Date, unless the Debtor affirmatively elects to have the Debtor's liability established by such other courts, and any pending motions seeking relief from the automatic stay for purposes of continuing any such lawsuits in such other courts shall be deemed denied as of the Effective Date, and the automatic stay shall continue in effect, unless the Debtor affirmatively elects to have the automatic stay lifted and to have the Debtor's liability established by such other courts; and the Prepetition Claims at issue in such lawsuits shall be determined and either Allowed or disallowed in whole or part by the Bankruptcy Court pursuant to the applicable provisions of the Plan, unless otherwise elected by the Debtor as provided herein.

No Liability for Tax Claims.

Unless a taxing Governmental Authority has asserted a Claim against the Debtor before the Bar Date or Administrative Expense Claims Bar Date established therefore, no Claim of such Governmental Authority shall be Allowed against the Debtor or the Reorganized Debtor or their respective members, officers or agents for taxes, penalties, interest, additions to tax or other charges arising out of (i) the failure, if any, of the Debtor, any of its Affiliates, or any other Person or Entity to have paid tax or to have filed any tax return (including any income tax return or franchise tax return) in or for any prior year or period, or (ii) an audit of any return for a period before the Petition Date.

MODIFICATION OF PLAN AND CONFIRMATION OVER OBJECTIONS

Modification of Plan.

The Debtor may modify the Plan at any time prior to the entry of the Confirmation Order provided that the Plan, as modified, and the Disclosure Statement meet applicable Bankruptcy Code and Bankruptcy Rules requirements.

After the entry of the Confirmation Order, the Debtor or the Reorganized Debtor (as the case may be) may modify the Plan to remedy any defect or omission or to reconcile any inconsistencies in the Plan or in the Confirmation Order, as may be necessary to carry out the purposes and effects of the Plan, provided that (a) the Debtor or the Reorganized Debtor (as the case may be) obtains Bankruptcy Court approval for such modification, after notice and a hearing, and (b) such modification does not materially adversely affect the interests, rights, or treatment of any Class of Claims or Equity Interests under the Plan.

After the Confirmation Date and before substantial consummation of the Plan, the Debtor or the Reorganized Debtor (as the case may be) may modify the Plan in a way that materially adversely affects the interests, rights, or treatment of a Class of Claims or Equity Interests, provided that (a) the Plan, as modified, meets applicable Bankruptcy Code requirements; (b) the Debtor or the Reorganized Debtor (as the case may be) obtains Bankruptcy Court approval for such modification, after notice and a hearing; (c) such modification is accepted by at least two-thirds in dollar amount, and more than one-half in number, of Allowed Claims or by at least two-thirds in amount of Allowed Equity Interests voting in each Class adversely affected by such modification; and (d) the Debtor or the Reorganized Debtor (as the case may be) complies with Section 1125 of the Bankruptcy Code with respect to the Plan, as modified.

Notwithstanding anything to the contrary contained in this Article 13.1 or elsewhere in the Plan, the Plan may not be altered, amended or modified without the written consent of the Debtor or the Reorganized Debtor (as the case may be).

Confirmation Over Objections.

If any Impaired Class of Claims or Equity Interests votes against the Plan, and the Plan is not revoked or withdrawn in accordance with Article 14.2 of the Plan, the Debtor hereby requests, and shall be allowed, to modify the terms of the Plan to effect a "cramdown" on such dissenting Class by (a) restructuring the treatment of any Class on terms consistent with Section 1129(b)(2)(B) of the Bankruptcy Code, or (b) deleting distributions to all Classes at or below the level of the objecting Class, or reallocating such distributions, until such impaired senior Classes are paid in accordance with the absolute priority rule of Section 1129(b) of the Bankruptcy Code. The Debtor may make such modifications or amendments to the Plan and such modifications or amendments shall be filed with the Bankruptcy Court and served on all parties in interest entitled to receive notice prior to the Confirmation Hearing. No such modifications shall require any resolicitation of acceptances as to the Plan by any Class of Claims or Equity Interests unless the Bankruptcy Court shall require otherwise. Notwithstanding any provision of the Plan to the contrary, the Debtor reserves any and all rights it may have to challenge the validity, perfection,

priority, scope and extent of any Liens in respect to any Secured Claims and the amount of any Secured Claims, the Holders of which have not accepted the Plan.

MISCELLANEOUS PROVISIONS

Retention of Jurisdiction. The Plan provides for the retention of jurisdiction by the Bankruptcy Court following the Effective Date to, among other things, determine all disputes relating to Claims, Equity Interests, and other issues presented by or arising under the Plan. The Bankruptcy Court will also retain jurisdiction under the Plan for any actions brought in connection with the implementation and consummation of the Plan and the transactions contemplated thereby. *See* Article 12 of the Plan for a more detailed description.

Confirmation Order and Plan Control. To the extent the Confirmation Order or the Plan is inconsistent with the Disclosure Statement or any agreement entered into between the Debtor or the Reorganized Debtor and any third party, unless otherwise expressly provided in the Plan or the Confirmation Order, the Plan controls over the Disclosure Statement and any such agreement, and the Confirmation Order (and any other Final Orders of the Bankruptcy Court) shall be construed together and consistent with the terms of the Plan.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

The tax consequences of the Plan to the Debtor and to Holders of Claims and Equity Interests are discussed below. This discussion of the federal income tax consequences of the Plan to the Debtor and Holders under U.S. federal income tax law, including the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), is provided for informational purposes only. While this discussion addresses certain of the material tax consequences of the Plan, it is not a complete discussion of all such consequences and is subject to substantial uncertainties. Moreover, the consequences to a Holder may be affected by matters not discussed below (including, without limitation, special rules applicable to certain types of persons, such as persons holding non-vested stock or otherwise subject to special rules, nonresident aliens, life insurance companies, and tax-exempt organizations) and by such Holders' particular tax situations. In addition, this discussion does not address any state, local, or foreign tax considerations that may be applicable to particular Holders.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING STATE, LOCAL AND FOREIGN TAX CONSEQUENCES.

THE DEBTOR'S GENERAL BANKRUPTCY COUNSEL HAS NO TAX EXPERTISE AND HAS NOT RESEARCHED OR ANALYZED TAX CONSEQUENCES RESULTING FROM THE PLAN.

SOME OF THE ISSUES DISCUSSED BELOW ARE COMPLEX, AND THERE CAN BE NO ASSURANCE OF THE ACCURACY OF THIS INFORMATION.

General Federal Income Tax Consequences to Holders

In General. The following discussion addresses certain of the material consequences of the Plan to Holders. Under the Plan, the tax consequences of the Plan to a Holder will depend, in part, on the type of consideration received in exchange for the Claim or Equity Interest and the tax status of the Holder, such as whether the Holder is an individual, corporation or other entity, whether the Holder is a resident of the United States, the accounting method of the Holder, and the tax classification of the Holder's particular Claim or Equity Interest. **HOLDERS ARE STRONGLY ADVISED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX TREATMENT UNDER THE PLAN OF THEIR PARTICULAR CLAIM OR EQUITY INTEREST.**

Tax Consequences to Holders of Claims and Equity Interests. The Holders of Claims against and Equity Interests in the Debtor are urged to consult with their tax advisors as to the consequences of the Plan to them. Among the issues the Holders of Claims and/or Equity Interests and their advisors may wish to consider are:

(1) The extent to which the Holder of a Claim and/or Equity Interest is entitled to a bad debt deduction or a worthless securities loss.

(2) The extent to which the Holder of a Claim or Equity Interest recognizes gain or loss on the exchange of its Claim or Equity Interest for property, debt, and stock of the Debtor and the character of that gain or loss.

(3) The basis and the holding period for any property, debt, and stock received by the Holder of a Claim or Equity Interest.

(4) Whether the original issue discount rules, market discount rule, and amortizable bond premium rules apply to any debt received by the Holder of a Claim or Equity Interest.

(5) The treatment of property, stock, or debt, if any, received by the Holder of a Claim or Equity Interest in satisfaction of accrued interest.

(6) The effect of a Holder of a Claim or Equity Interest receiving a deferred distribution or distribution that is contingent in amount.

Certain Federal Income Tax Consequences to the Debtor

Cancellation of Indebtedness Income. Generally, cancellation of indebtedness triggers ordinary income to a debtor equal to the adjusted issue price (as determined for federal income tax purposes) of the indebtedness cancelled. If debt is discharged in a Chapter 11 case, however, a debtor does not recognize cancellation of indebtedness income. Instead, certain tax attributes otherwise available to the debtor are reduced by the amount of the indebtedness cancelled. Tax attributes subject to reduction include: (i) net operating losses (NOL) and NOL carryforwards; (ii) most credit carryforwards; (iii) capital losses and carryforwards; (iv) the tax basis of the debtor's depreciable and non-depreciable assets; (v) passive activity loss and credit carryovers; and (vi) foreign tax credit carryforwards.

Under Sections 108(b) and 1017 of the Tax Code, attributes are reduced in the following order: first, net operating loss carryover; second, general business credit carryovers; third, capital loss carryovers; and fourth, tax basis. In lieu of reducing net operating loss and carryovers, the taxpayer can elect to reduce tax basis first. Such an election shall not apply to an amount greater than the aggregate adjusted bases of depreciable property held by the taxpayer as of the beginning of the taxable year following the taxable year in which the discharge occurs.

Therefore, any cancellation of indebtedness income realized by the Debtor would require a reduction in its NOLs or other tax attributes. Because attribute reduction is calculated only after the tax for the year of discharge has been determined, however, the realization of substantial amounts of cancellation of indebtedness income as a result of implementation of the Plan should not diminish the NOLs and NOL carryforwards otherwise available to offset other income recognized in the year in which the Plan is consummated.

Additionally, any sale of Collateral pursuant to the Plan may result in taxable income to the Debtor if the tax basis in the Collateral is less than the sales price.

The Debtor does not believe that a principal purpose of the Plan is the avoidance of federal income tax within the meaning of Section 269 of the Internal Revenue Code.

Importance of Obtaining Professional Tax Assistance

This discussion is intended only as a summary of certain federal income tax consequences of the Plan and is not a substitute for careful tax planning with a tax professional. The tax consequences are in many cases uncertain and may vary depending on a Holder's individual circumstances. Accordingly, Holders are urged to consult with their tax advisors about the federal, state, local and foreign tax consequences of the Plan.

VOTING ON AND CONFIRMATION OF THE PLAN

Confirmation and Acceptance by All Impaired Classes

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan if all of the requirements of Bankruptcy Code Section 1129 are met. Among the requirements for

confirmation of a plan are that the plan be accepted by all impaired classes of claims and equity interests, and satisfaction of the matters described below.

Feasibility. A plan may be confirmed only if it is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor. As set forth in the Projections attached hereto as Exhibit "B", the Plan is feasible, based on the Debtor's reduced fleet size and other business and operational improvements, cash flow from operations, and contributions from the Guarantors.

Best Interests Standard. The Bankruptcy Code requires that the Plan meet the "best interest" test, which requires that members of a Class must receive or retain under the Plan, property having a value not less than the amount which the Class members would have received or retained if the Debtor was liquidated, under Chapter 7, on the same date. The Debtor believes that the liquidation analysis attached hereto as Exhibit "A" demonstrates that the Plan satisfies the "best interest" test.

Confirmation Without Acceptance by All Impaired Classes

If one or more of the Impaired Classes of Claims or Equity Interests does not accept the Plan, the Plan may nevertheless be confirmed and be binding upon the non-accepting Impaired Class under the "cram-down" provisions of the Bankruptcy Code, if the Plan does not "discriminate unfairly" and is "fair and equitable" to the non-accepting Impaired Classes under the Plan.

Discriminate Unfairly. The Bankruptcy Code requirement that a plan not "discriminate unfairly" means that a dissenting class must be treated equally with respect to other classes of equal rank. The Debtor believes that the Plan does not "discriminate unfairly" with respect to any Class of Claims or Equity Interests because no class is afforded treatment which is disproportionate to the treatment afforded other Classes of equal rank.

Fair and Equitable Standard. The "fair and equitable" standard, also known as the "absolute priority rule," requires that a dissenting class receive full compensation for its allowed claims or interests before any junior class receives any distribution. The Debtor believes the Plan is fair and equitable to all Classes pursuant to this standard.

With respect to the Impaired Classes of Secured Claims, Bankruptcy Code Section 1129(b)(2)(A) provides that a plan is "fair and equitable" if: (i) the holders of such claims retain the lien securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and each holder of a claim of said class receives on account of such claims deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property; or (ii) it provides for the sale, subject to Section 363(k) of the Bankruptcy Code, of any property free and clean of such liens; or (iii) it provides for the realization by such holders of the indubitable equivalent of such claims. With respect to secured creditors, the Debtor believes that the Plan meets the standard for fair and equitable treatment pursuant to 1129(b)(2)(A)(i).

With respect to the Impaired Classes of Unsecured Claims, Bankruptcy Code Section 1129(b)(2)(B) provides that a plan is "fair and equitable" if it provides that (i) each holder of a claim of such a class receives or retains on account of such claim, property of a value as of the effective date of the plan equal to the allowed amount of such claim; or (ii) the Holder of any claim or interest that is junior to the claims of such class will not receive or retain any property under the plan on account of such junior claim or interest.

The Debtor intends to evaluate the results of the balloting and determine whether to seek Confirmation of the Plan in the event that less than all the Impaired Classes of Claims do not vote to accept the Plan. The determination as to whether to seek Confirmation under such circumstances will be announced before or at the Confirmation Hearing.

Absolute Priority Rule

The Bankruptcy Code and other applicable law establish the priority for distribution of funds in bankruptcy cases. These priority provisions are sometimes referred to as the "absolute priority" rule. Normally, and subject to exceptions not relevant here, valid secured claims are first paid to the extent of the amount of the claim or the value of the claimant's collateral (if less than the claim).

Any property in the Estate, net of the valid secured claims described above, is first distributed to holders of priority claims, including (a) the costs of administering the Reorganization Case; (b) certain wage and benefit claims; and (c) certain tax claims. After payment of priority claims, unsecured creditors share pro rata in the remaining funds until paid in full. Equity holders (i.e., stockholders) are paid only after all creditors have been paid. The Debtor believes that the Plan meets these standards, based on the treatment of Class 11 Equity Interests under the Plan.

Non-Confirmation of the Plan

If the Plan is not confirmed by the Bankruptcy Court, the Court may permit the filing of an amended plan, dismiss the case, or convert the case to Chapter 7. In a Chapter 7 case, the Debtor's assets would be sold and distributed to the Unsecured Creditors after the payment of all Secured Claims, costs of administration, and the payment of priority claims.

The cost of distributing the Plan and this Disclosure Statement, as well as the costs, if any, of soliciting acceptances, will be borne by the Estate.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed, the potential alternatives include (a) alternative plans under Chapter 11 (including a liquidation plan), (b) dismissal of the case, or (c) conversion of the case to a case under Chapter 7 of the Bankruptcy Code.

Alternative Plans of Reorganization

If the Plan is not confirmed, the Debtor could attempt to formulate and propose a different plan or plans. The Debtor believes that the Plan will enable Creditors to be paid the maximum amount possible for their Allowed Claims.

Liquidation under Chapter 7 or Chapter 11

If a plan is not confirmed, the Reorganization Case may be converted to a Chapter 7 liquidation case. In a Chapter 7 case, a trustee would be appointed to liquidate the assets of the Debtor. Converting the case to Chapter 7 would simply add an additional layer of administrative expenses to the Estate which would eliminate or reduce any funds available for distribution to Unsecured Creditors. The proceeds of the liquidation would be distributed to the Creditors of the Debtor in accordance with the priorities established by the Bankruptcy Code.

In general, the Debtor believes that liquidation under Chapter 7 would result in diminution of the value of the interests of the Creditors because of (a) additional administrative expenses involved in the appointment of a trustee and attorneys, accountants, and other professionals to assist such trustee; (b) additional expenses and claims, some of which might be entitled to priority, which would arise by reason of the liquidation; (c) failure to realize the full value of the Debtor's assets; (d) the inability to utilize the work-product and knowledge of the Debtor and its Professionals; (e) the substantial delay which would elapse before Creditors would receive any distribution in respect of their Claims; and (f) the loss to Unsecured Creditors.

The Debtor believes that the Plan is superior to liquidation under Chapter 7 or Chapter 11.

SUMMARY, RECOMMENDATION AND CONCLUSION

The Debtor believes that the Plan is in the best interests of all Creditors. The Plan provides for payment in full to Holders of Allowed Claims. For these reasons, the Debtor urges that the Plan is in the best interests of all Creditors and that the Plan be accepted.

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Dated: February 14, 2019

OPTIMIZED LEASING, INC.

By: _____
Ronen Koubi
Chief Operating Officer

/s/ Elena Paras Ketchum
Elena Paras Ketchum
Florida Bar No. 0129267
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Attorneys for Debtor

EXHIBIT A

LIQUIDATION ANALYSIS

Statement of Assets

	Chapter 11 Plan Value	Liquidation Value	Notes
Cash (amounts listed in schedules)	$231.47	$231.47	1
Receivables	$62,000.00	$0.00	2
Vehicles: Tractors, Trailers, etc.	$1,800,000.00	$0.00	3
Total:	**$1,862,231.47**	**$231.47**	

Statement of Liabilities

Secured Claims	**Chapter 11 Plan**	**Chapter 7**	**Notes**
Secured claim of Nissan Motor Acceptance Corp.	$24,370.17	$24,370.17	4
Secured claim of SunTrust Bank	$6,293.84	$6,293.84	5
Secured claim of Evolve Bank & Trust	$400,000.00	$400,000.00	6
Secured claim of City National Bank of Florida	$719,000.00	$719,000.00	7
Secured claim of Florida Community Bank, N.A.	$11,415,860.44	$11,415,860.44	8
Secured claim of Webster Capital Finance, Inc.	$486,140.07	$486,140.07	9
Secured claim of VFS US, LLC	$1,298,666.50	$1,298,666.50	10
Total Secured Claims	**$14,350,000.00**	**$14,350,000.00**	

Administrative Expense Claims	**Chapter 11 Plan**	**Chapter 7**	**Notes**
Administrative Claims (Approx.), including filed by Everbank Commercial Finance; TCF Equipment Finance; Fifth Third Bank; UST Fees and Professional Fees (estimated) - Ch. 11	$2,100,000.00	$2,100,000.00	11
Ch. 7 Trustee Fees	$0.00	$20,000.00	12
Total Administrative Expense Claims	**$2,100,000.00**	**$2,120,000.00**	

General Unsecured Claims	**Chapter 11 Plan**	**Chapter 7**	**Notes**
General Unsecured Claims	**$2,350,000.00**	**$2,350,000.00**	13

AMOUNT PAYABLE TO UNSECURED CREDITORS IN CHAPTER 11: $50,000.00
AMOUNT PAYABLE TO UNSECURED CREDITORS IN CHAPTER 7: $0.00

ASSUMPTIONS IN THE PREPARATION OF THE LIQUIDATION ANALYSIS IN CONNECTION WITH DEBTOR'S PLAN OF REORGANIZATION

I. This Liquidation Analysis was prepared in accordance with the requirements of §1129 of the Bankruptcy Code to establish that the Plan of Reorganization is in the best interest of each holder of a claim or interest. Unless otherwise defined herein, capitalized terms shall have the same meaning ascribed to them in the Plan. The liquidation values of the Debtor's assets are anticipated to be $0.00 due to Chapter 11 administrative fees, FCB likely asserting in a Chapter 7 liquidation a secured claim on all of the Debtor's assets and asserting to the extent it has an unsecured claim that its claim exceeds the amount of all other unsecured claims leaving no or minimal distribution to unsecured creditors. In addition, in a Chapter 7, creditors will seek to the lift the automatic stay in order to retrieve their collateral or leased equipment.

II. The Liquidation Analysis is based upon certain estimates and assumptions that, although developed and considered reasonable by the Debtor, are inherently subject to significant economic factors, market conditions, uncertainties, and contingencies beyond the control of the Debtor. The Liquidation Analysis is also based on assumptions with regard to liquidation decisions that are subject to change. Accordingly, there can be no assurance that the values reflected in this Liquidation Analysis would be realized if the Debtor was in fact to undergo such liquidation and actual results could vary materially and adversely from those contained herein. The liquidation and reorganization values represent the Debtor's best estimate of those values based on available information.

III. This analysis assumes the conversion of the current Chapter 11 case to a Chapter 7 case and the liquidation or abandonment of the Debtor's assets by a Chapter 7 Trustee within a significantly abbreviated timeframe. A Chapter 7 Trustee would be initially appointed by the Bankruptcy Court to administer the estate. The Chapter 7 Trustee is independent and would be entitled to make all of his or her own decisions regarding the liquidation of the estate's assets, the hiring of professionals, the pursuit of claims or litigation and the payment of or objection to claims. The distribution of any ultimate dividend would be made in accordance with the priorities established by the Bankruptcy Code. The Chapter 7 Trustee would be compensated in accordance with the Bankruptcy Code.

IV. The Liquidation Analysis uses the Debtor's information as set forth in its Schedules and other figures estimated by the Debtor's management and professionals. The "Statement of Liabilities" include the secured claims set forth in the Plan, but do not include claims filed as secured by lessors. The amount available to unsecured creditors through the Chapter 11 Plan is the amount set forth in the Plan.

V. There can be no assurance made that all of the Debtor's assets will be completely liquidated during the shortened liquidation period in a Chapter 7. In addition, secured creditors will likely seek to the lift the automatic stay in order to retrieve their collateral or leased equipment leaving little to no value in the estate for unsecured creditors.

VI. This Liquidation Analysis is the Debtor's best estimate of the net value of assets available to distribution to its creditors after deducting the value of secured and administrative claims.

VII. This Liquidation Analysis is without prejudice to the Debtor's ability to object to the characterization, amount, secured status, or classification of any claim or asset. The Debtor

reserves all rights and objections to any filed or scheduled claim, and any application or motion seeking an administrative expense claim. Reference to any filed or scheduled claim or any pleading seeking a claim shall not constitute a waiver of any kind.

NOTES TO LIQUIDATION ANALYSIS IN CONNECTION WITH DISCLOSURE STATEMENT FOR DEBTOR'S PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE

1. Estimated Cash in Debtor's bank account as of December 31, 2018. The Debtor's Cash balance will change prior to the Confirmation Hearing.

2. As reported on the Debtor's December 2018 monthly operating report, the Debtor had approximately $62,000.00 in accounts receivable as of December 31, 2018. The going concern value has been reduced by 10% in a liquidation scenario.

3. The value of the Debtor's financed vehicles is difficult to ascertain. That being said, Debtor's books and records reflect that as of December 31, 2018, the net book value of the financed and leased vehicles is approximately $1,800,000.00. In a liquidation scenario, the Debtor's management and professionals believe that there will be no significant value above the amounts asserted by secured creditors.

4. The amount reflected herein is the amount set forth in Claim No. 1.

5. The amount reflected herein is the amount set forth in Claim No. 4.

6. The amount reflected herein is the amount set forth in Claim No. 6.

7. The amount reflected herein is the amount set forth in Claim No. 7.

8. The amount reflected herein is the amount set forth in Claim No. 13.

9. The amount reflected herein is the amount set forth in Claim No. 17.

10. The amount reflected herein is the amount set forth in Claim No. 20.

11. The amount reflected herein is an approximate total of administrative expense claims filed to date by creditors and an estimate with respect to professional fees and US Trustee's fees. The amount could be higher and is subject to Court approval. This is without prejudice to objection by the Debtor.

12. Total disbursements of compensation to a Chapter 7 Trustee would be calculated pursuant to 11 U.S.C. §326. The Debtor does not anticipate that there are any significant unencumbered assets to be administered by a Chapter 7 Trustee. The Debtor anticipates that the administrative costs (being the Chapter 7 Trustee's fees, its counsel's fees, and U.S. Trustee fees) of the Chapter 7 could be approximately $20,000.00.

13. With respect to the Rejected Leases, approximate amount of unsecured claims as reflected on the Debtor's Schedules (including unliquidated, contingent, and disputed) and Claims Register maintained by the Clerk of Court. The Debtor reserves the right to object to the character, status, amount, or classification of any claim or portion thereof.

EXHIBIT B

Optimized Leasing Inc.
Statement of Cash Flows
Fiscal Year Ending December 31,

(in '000 US$ except unit data)	2019E	2020E	2021E	2022E	2023E
Revenues					
Equipment Rental Revenue	5,749	4,830	4,715	2,041	540
Operating Expenses:					
Bank Service Charges	5	5	5	5	5
Miscellaneous	5	5	5	5	5
US Trustee Fees	20	0	0	0	0
Total Operating Expense	30	10	10	10	10
Operating Cash Flow	**5,719**	**4,820**	**4,705**	**2,031**	**530**
Less:					
Loan and Assumed Lease Payments:					
Banc Of America Leasing And Capital, LLC	932	706	706	138	61
Engs Commercial Finance	381	0	0	0	0
Signature Financial	515	311	153	136	0
BMO	778	778	773	633	191
Huntington National Bank	975	915	899	77	0
Webster Capital Finance	734	574	562	141	0
Peoples Capital	509	348	277	0	0
City National Bank Of Florida	131	131	131	131	131
Volvo Financial Services	327	327	327	300	0
Evolve Bank & Trust	95	95	95	95	47
Nissan Motor	9	6	6	1	0
SunTrust Finance	5	0	0	0	0
Total Loan and Assumed Lease Payments:	**5,391**	**4,190**	**3,929**	**1,650**	**430**
Truck/Trailer Residuals[1]	0	0	0	0	0
Net Proceeds Available to Other Claimants	**327**	**629**	**775**	**381**	**100**
Administrative Expense	160	540	540	342	218
Professional Administrative Expense	498	49	49	49	46
Unsecured Claim Payments	10	10	10	10	10
Total Payments	668	599	599	401	274
Net Increase (Decrease) in Cash	**(341)**	**30**	**176**	**(20)**	**(174)**
Cash at Beginning of Period	**0**	**9**	**40**	**216**	**196**
Administrative Expense Funding (Confirmation Funding)	200	0	0	0	0
Additional Cash Contribution (Confirmation Funding)	150	0	0	0	0
Change in Cash	(341)	30	176	(20)	(174)
Cash at End of Period	**9**	**40**	**216**	**196**	**22**

[1] Due to the structure of the lease agreements, a reasonable estimate of this figure cannot be provided, in addition to the fact that assets will not necessarily be kept at lease end; any balloon payments due under the loans will be covered by the proceeds from the sale of equipment.

[2] To the extent funds become available, distributions will be made to administrative expense claimants to be paid in accordance with the Plan.