

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

AFFIDAVIT OF SERVICE OF SOLICITATION MATERIALS

Stephenie Kjontvedt, being duly sworn, deposes and says, under the penalty of perjury:

1. I am a Vice President, Senior Consultant at Epiq Bankruptcy Solutions, LLC (“Epiq”), located at 757 Third Avenue, New York, New York 10017. I am authorized to submit this affidavit on Epiq’s behalf. I am over the age of eighteen years and am not a party to the above-captioned action. Unless otherwise stated, I have personal knowledge of the facts set forth herein.

2. I supervised service of the following materials:

a. A CD-ROM containing PDF copies of the following:

- i. Disclosure Statement for Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, attached hereto as Exhibit 1,
- ii. Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 [Docket No. 642],
- iii. Order (A) Approving Disclosure Statement; (B) Approving Solicitation and Voting Procedures; (C) Scheduling the Plan

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtors’ federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) and (2) Daytop Village, Inc. (1438). The location of the Debtors’ headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

Confirmation Process; and (D) Granting Related Relief [Docket No. 645];

(together the “Disclosure Statement and Plan CD-Rom”),

- b. Letter from the Official Committee of Unsecured Creditors of Daytop Village Foundation Incorporated, *et al.*, to all General Unsecured Creditors of Daytop Village Foundation Incorporated and Daytop Village, Inc. (Holders of Claims in Classes 4A and 4B) (the “Committee Letter”) a copy of which is attached hereto as Exhibit 2;
- c. Notice of Order Approving the Disclosure Statement and the Solicitation and Voting Procedures; Scheduling the Plan Confirmation Process and Procedures for Filing Objections to the Confirmation of the Plan (the “Confirmation Hearing Notice”) [Docket No. 648]
- d. Notice of Non-Voting Status Under Plans of Reorganization of the Debtors Under Chapter 11 of the Bankruptcy Code (the “Notice of Non-Voting Status”), a copy of which is attached hereto as Exhibit 3;
- e. Ballot for Accepting or Rejecting Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code – Ballot for Voting Claims in Class 2A (Prepetition Lender Secured Claims against Daytop Village Inc.) (the “Class 2A Ballot”) a copy of which is attached hereto as Exhibit 4;
- f. Ballot for Accepting or Rejecting Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code – Ballot for Voting Claims in Class 2B (Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated) (the “Class 2B Ballot”) a copy of which is attached hereto as Exhibit 5;
- g. Ballot for Accepting or Rejecting Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code – Ballot for Voting Claims in Class 4A (General Unsecured Claims against Daytop Village Inc.) (the “Class 4A Ballot”) a copy of which is attached hereto as Exhibit 6;
- h. Ballot for Accepting or Rejecting Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code – Ballot for Voting Claims in Class 4B (General Unsecured Claims against Daytop Village Foundation Incorporated) (the “Class 4B Ballot”) a copy of which is attached hereto as Exhibit 7; and
- i. a prepaid, pre-addressed return envelope (a “Return Envelope”), a copy is not attached hereto.

3. On March 18, 2013, I caused true and correct copies of the above documents to be served by first class mail as follows:

- a. the Disclosure Statement and Plan CD-Rom, Confirmation Hearing Notice, Class 2A Ballot, and a Return Envelope were served on the holders of the Class 2A Claims listed on Exhibit 8 attached hereto;
- b. the Disclosure Statement and Plan CD-Rom, Confirmation Hearing Notice, Class 2B Ballot, and a Return Envelope were served on the holders of the Class 2B Claims listed on Exhibit 9 attached hereto;
- c. the Committee Letter, Disclosure Statement and Plan CD-Rom, Confirmation Hearing Notice, Class 4A Ballot, and a Return Envelope were served on the holders of the Class 4A Claims listed on Exhibit 10 attached hereto;
- d. the Committee Letter, Disclosure Statement and Plan CD-Rom, Confirmation Hearing Notice, Class 4B Ballot, and a Return Envelope were served on the holders of the Class 4B Claims listed on Exhibit 11 attached hereto;
- e. the Disclosure Statement and Plan CD-Rom, Confirmation Hearing Notice, and Notice of Non-Voting Status were served on the parties listed on Exhibit 12 attached hereto;
- f. the Disclosure Statement and Plan CD-Rom and the Confirmation Hearing Notice were served on the parties listed on Exhibit 13 and Exhibit 14 attached hereto;
- g. the Disclosure Statement and Plan CD-Rom and the Confirmation Hearing Notice were served on the 2002 / Master Service List parties listed on Exhibit 15 attached hereto; and
- h. the Confirmation Hearing Notice was served on the parties listed on Exhibit 16 attached hereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.



Stephenie Kjontvedt

SUBSCRIBED AND SWORN TO BEFORE ME

this  day of March 2013.

Notary Public



Exhibit 1

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

**DISCLOSURE STATEMENT FOR MODIFIED FIRST AMENDED
PLANS OF REORGANIZATION PURSUANT TO CHAPTER 11 OF
THE BANKRUPTCY CODE PROPOSED BY THE DEBTORS**

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¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtors' federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) and (2) Daytop Village, Inc. (1438). The location of the Debtors' headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

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DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE MODIFIED FIRST AMENDED CHAPTER 11 PLANS OF REORGANIZATION OF DAYTOP VILLAGE FOUNDATION INCORPORATED AND DAYTOP VILLAGE, INC. (COLLECTIVELY, THE “**PLAN**”) AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO PERSON MAY GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT REGARDING THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN.

ALL CREDITORS SHOULD READ THIS DISCLOSURE STATEMENT AND ALL EXHIBITS HERETO, INCLUDING THE PLAN, BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE DISCLOSURE STATEMENT AND THE PLAN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN. THE TRANSMISSION OF THIS DISCLOSURE STATEMENT SHALL NOT CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION STATED SINCE THE DATE HEREOF. AFTER THE DATE HEREOF, THERE CAN BE NO ASSURANCE THAT (A) THE INFORMATION AND REPRESENTATIONS CONTAINED HEREIN WILL BE MATERIALLY ACCURATE, AND (B) THIS DISCLOSURE STATEMENT CONTAINS ALL MATERIAL INFORMATION.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE, AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT HAS NEITHER BEEN APPROVED NOR DISAPPROVED BY THE SEC, NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. THIS DISCLOSURE STATEMENT WAS PREPARED TO PROVIDE HOLDERS OF CLAIMS AGAINST THE DEBTORS WITH “*ADEQUATE INFORMATION*” (AS DEFINED IN THE BANKRUPTCY CODE) SO THAT THEY CAN MAKE AN INFORMED JUDGMENT ABOUT THE PLAN. PERSONS OR ENTITIES TRADING IN, OR OTHERWISE PURCHASING, SELLING, OR TRANSFERRING, SECURITIES OF THE DEBTORS SHOULD NOT RELY UPON THIS DISCLOSURE STATEMENT FOR SUCH PURPOSES AND SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH THEY WERE PREPARED.

THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, AS A STIPULATION OR AS A WAIVER, BUT, RATHER, AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN

ANY NON-BANKRUPTCY PROCEEDING INVOLVING THE DEBTORS OR ANY OTHER PARTY, NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES, OR OTHER LEGAL EFFECTS OF THE PLAN ON HOLDERS OF CLAIMS AGAINST THE DEBTORS.

I.

INTRODUCTION

A. Overview

On April 5, 2012, Daytop Village Foundation Incorporated (“**Foundation**”) and Daytop Village, Inc. (“**DVI**”) (collectively, “**Daytop**” or the “**Debtors**”²) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York.

This Disclosure Statement is submitted pursuant to section 1125 of the Bankruptcy Code for the solicitation of votes on the Plan filed concurrently with this Disclosure Statement. The Plan is submitted herewith.

This Disclosure Statement describes certain aspects of the Plan, the Debtors’ operations, history and significant events that occurred during the Debtors’ chapter 11 cases (the “**Chapter 11 Cases**”), the process relating to confirmation of the Plan by the Bankruptcy Court, and related matters. This introduction is intended solely as a summary of the Plan and is qualified in its entirety by the Plan and the other portions of this Disclosure Statement. If there is any inconsistency between the Plan (including the exhibits and schedules attached thereto and any supplements to the Plan) and the descriptions in the Disclosure Statement, the terms of the Plan (and the exhibits and schedules attached thereto and any supplements to the Plan) will control.

Capitalized terms used in this Disclosure Statement and not otherwise defined herein shall have the definitions ascribed to such terms in the Plan.

For a description of the Plan as it relates to Holders of Claims against the Debtors, please see Section VI below (“Summary of the Plan”).

As discussed further below in Section III, the Plan generally provides for the reorganization of DVI and Foundation. Although the Debtors’ cases have been jointly administered pursuant to an order of the Bankruptcy Court, the Debtors will not be seeking to substantively consolidate their respective estates. Thus, the Plan constitutes two distinct chapter 11 plans, one for each of the Debtors. However, because some of the procedural provisions of the Plan are the same for each Debtor, and to save the Debtors’ estates the costs of the duplicative efforts that would be involved in drafting and soliciting approval of two separate chapter 11 plans and disclosure statements, the Debtors are submitting a single Plan and Disclosure Statement for both Debtors. Accordingly, the Plan generally applies to both of the Debtors, except where otherwise indicated.

² For purposes of simplicity, the terms “Daytop” and the “Debtors” are used herein interchangeably. Such indiscriminate use shall not, however, constitute an admission by the either Foundation or DVI that, among other things, their businesses, assets and liabilities are not in all respects separate and distinct, or that their estates should be substantively consolidated, with respect to which the Debtors believe there to be no legal or factual basis of any kind that would support such an extraordinary remedy.

FOR A COMPLETE UNDERSTANDING OF THE PLAN, YOU SHOULD READ THE DISCLOSURE STATEMENT, THE PLAN, AND THE EXHIBITS THERETO IN THEIR ENTIRETY.

This Disclosure Statement, the Plan and any documents attached or referred to in the Disclosure Statement and the Plan are the only materials that Creditors should use to determine whether to vote to accept or reject the Plan. A ballot (the “Ballot”) for accepting or rejecting the Plan is being submitted to Holders of Claims that the Debtors believe are entitled to vote to accept or reject the Plan.

The last day to vote to accept or reject the Plan is April 15, 2013 (the “Voting Deadline”). To be counted, your Ballot must actually be received by the Voting Agent (identified below) by 4:00 p.m. (prevailing Eastern Time) on the Voting Deadline. Any Ballots received after the Voting Deadline will not be counted. Claimants must return their Ballots to the Voting Agent in accordance with the Voting Instructions that accompany the Ballots. Ballots will not be accepted if sent by facsimile, e-mail or other electronic means.

March 13, 2013 is the “Voting Record Date,” which is the date on which the identity of Holders of Claims against the Debtors will be determined for the purpose of establishing an entitlement, if any, to receive certain notices and vote on the Plan.

By the Disclosure Statement Approval Order dated March 13, 2013, the Bankruptcy Court approved this Disclosure Statement for dissemination to Holders of Claims against the Debtors. Approval of this Disclosure Statement by the Bankruptcy Court does not constitute a determination by the Bankruptcy Court as to the fairness or merits of the Plan. The Debtors believe that approval of the Plan maximizes the recovery to Creditors.

The Debtors strongly urge Creditors to vote to accept the Plan by completing and returning their Ballots so that they will be received on or before the Voting Deadline: April 15, 2013, at 4:00 p.m., prevailing Eastern Time.

**B. Qualification Concerning Summaries Contained
in this Disclosure Statement**

This Disclosure Statement contains summaries of certain provisions of the Plan, certain statutory provisions, certain documents related to the Plan, certain events in the Chapter 11 Cases, and certain financial information. Although the Debtors believe that the summaries of the Plan and related document summaries contained herein are fair and accurate, such summaries are qualified to the extent that they do not set forth the entire text of such documents, statutory provisions or financial information. All of the exhibits to the Plan and this Disclosure Statement and other pleadings and orders relating to the Debtors’ chapter 11 cases are available for inspection during regular business hours (9:00 a.m. to 4:00 p.m. weekdays, except legal holidays) at the Office of the Clerk of the Court, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408, or online at www.nysb.uscourts.gov. A PACER password is required to access case information,

which can be obtained at www.pacer.psc.uscourts.gov, or by calling 1-800-676-6856. These documents are also available free of charge at <http://dm.epiq11.com/DVF>.

C. Source of Information Contained in this Disclosure Statement

Factual information contained in this Disclosure Statement has been provided from numerous sources, including (1) the Debtors' books and records, (2) the Debtors' counsel, Chief Restructuring Officer and other professionals and management, and (3) pleadings filed with the Bankruptcy Court. The Debtors are unable to warrant or represent that the information contained herein, including the financial information, is without any inaccuracy or omission.

D. Reliance on Disclosure Statement

This Disclosure Statement may not be relied on for any purpose other than to determine whether to vote to accept or reject the Plan, and nothing stated herein shall constitute an admission of any fact or liability by any party, or be admissible in any proceeding involving any Debtor or any other party other than proceedings to approve this Disclosure Statement and confirm the Plan, or be deemed evidence of the tax or other legal effects of the Plan on any Debtor or Holders of Claims. Holders of Claims entitled to vote should read this Disclosure Statement and the Plan carefully and in their entirety and may wish to consult with counsel prior to voting on the Plan.

E. No Duty to Update

The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

F. Representations and Inducements Not Included in this Disclosure Statement

No representations concerning or related to any Debtor, the Debtors' Chapter 11 Cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. You should not rely on any representations or inducements made to secure your acceptance or rejection of the Plan not contained in this Disclosure Statement.

Further, the various other agreements or forms referred to herein are exhibits hereto and/or to the Plan and are incorporated herein by reference. The summary of certain provisions of these documents is qualified in its entirety by reference thereto. The descriptions of these documents and the copies of these documents included as exhibits hereto and/or to the Plan have been included to provide information regarding the terms of these documents. These documents contain representations and warranties made by and to the parties thereto as of specific dates. The representations and warranties of each party set forth in each document have been made solely for the benefit of the other party to such document. In addition, such representations and

warranties (1) may have been qualified by confidential disclosures made to the other party in connection with such document, (2) may be subject to a materiality standard which may differ from what may be viewed as material by other readers, (3) were made only as of the date of such documents or such other date as is specified therein and (4) may have been included in such documents for the purpose of allocating risk between or among the parties thereto rather than establishing matters as facts.

G. Authorization of Information Contained in this Disclosure Statement

For the purposes of this Disclosure Statement and the confirmation of the Plan, no representations or other statements concerning any Debtor, the Debtors' Chapter 11 Cases, or the Plan, including, but not limited to, representations and statements regarding asset valuation, are authorized by any Debtor, other than those expressly set forth in this Disclosure Statement.

H. SEC Review

This Disclosure Statement has not been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC"), nor has the SEC passed upon the accuracy or adequacy of the statements contained herein.

I. Legal or Tax Advice

The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each Creditor should consult his, her, or its own legal counsel and accountant as to legal, tax and other matters concerning his, her, or its Claim.

This Disclosure Statement is not legal advice to you. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

J. Forward-Looking Statements

This Disclosure Statement contains forward-looking statements with respect to the Plan.

Forward-looking statements include:

- descriptions of plans and litigation;
- projections of income tax and other contingent liabilities, and other financial items; and
- any descriptions of assumptions underlying or relating to any of the foregoing.

Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements often include words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "target," "can," "could," "may," "should," "will," "would" or similar expressions. Forward-looking statements

should not be unduly relied upon. They indicate the Debtors' expectations about the future and are not guarantees. Forward-looking statements speak only as of the date they are made and the Debtors have no obligation to update them to reflect changes that occur after the date they are made. There are several factors, many beyond the Debtors' control, which could cause results to differ significantly from expectations. For examples of such factors refer to Section VII below ("Certain Factors to be Considered").

II.

PLAN VOTING INSTRUCTIONS AND PROCEDURES

A. Notice to Holders of Claims

This Disclosure Statement is being transmitted to Holders of certain Claims against the Debtors. The primary purpose of this Disclosure Statement is to provide those parties voting on the Plan with adequate information to make a reasonably informed decision with respect to the Plan before voting to accept or to reject the Plan.

On March 13, 2013, following a hearing on the Disclosure Statement (the "**Disclosure Statement Hearing**"), the Bankruptcy Court entered the Disclosure Statement Approval Order approving this Disclosure Statement, finding that it contains information of a kind and in sufficient detail to enable the Holders of Claims against the Debtors that are entitled to vote to make an informed judgment about the Plan. THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT CONSTITUTES NEITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN, NOR AN ENDORSEMENT OF THE PLAN BY THE BANKRUPTCY COURT.

IF CONFIRMED BY THE BANKRUPTCY COURT, THE PLAN WILL BIND ALL HOLDERS OF CLAIMS AGAINST EACH OF THE DEBTORS, WHETHER OR NOT THEY ARE ENTITLED TO VOTE OR DID VOTE ON THE PLAN AND WHETHER OR NOT THEY RECEIVE OR RETAIN ANY DISTRIBUTIONS OF PROPERTY UNDER THE PLAN. THUS, YOU ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT CAREFULLY. IN PARTICULAR, HOLDERS OF IMPAIRED CLAIMS WHO ARE ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ANY EXHIBITS HERETO, THE PLAN, AND ANY EXHIBITS TO THE PLAN CAREFULLY AND IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR TO REJECT THE PLAN.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING OR CONTAINS OR MAY CONTAIN ESTIMATES, ASSUMPTIONS AND PROJECTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL FUTURE RESULTS.

Except as otherwise specifically and expressly stated herein, this Disclosure Statement does not reflect any events that may occur after the date hereof and that may have a material impact on the information contained in this Disclosure Statement. Further, the Debtors do not anticipate that any amendments or supplements to this Disclosure Statement will be distributed to reflect such occurrences. Accordingly, the delivery of this Disclosure Statement shall not

under any circumstance imply that the information herein is correct or complete as of any time after the date hereof.

B. Solicitation Package

In addition to approving this Disclosure Statement, the Bankruptcy Court approved certain voting procedures, scheduled the Confirmation Hearing at which the Bankruptcy Court will consider confirmation of the Plan, and approved the form of notice regarding the Confirmation Hearing (the “**Confirmation Hearing Notice**”). Accompanying this Disclosure Statement are copies of (1) the Plan; (2) the Confirmation Hearing Notice, which provides notice of, among other things, the time for submitting Ballots to accept or reject the Plan, the date, time and place of the hearing to consider confirmation of the Plan and related matters, and the time for filing objections to confirmation of the Plan; and (3) for Creditors whose Claims are classified in Classes 2 or 4, one or more Ballots to be used in voting to accept or to reject the Plan. If you did not receive a Ballot and believe that you should have, please contact the Voting Agent identified below in the next subsection.

C. Voting Procedures, Ballots and Voting Deadline

If you are entitled to vote to accept or reject the Plan, a Ballot is enclosed for the purpose of voting on the Plan. After carefully reviewing the Plan, this Disclosure Statement, and the detailed instructions accompanying your Ballot, please (1) indicate your acceptance or rejection of the Plan by checking the appropriate boxes and providing requested information on the enclosed Ballot and (2) complete and sign your **original** Ballot (copies will not be accepted) and return it in the envelope provided to the Voting Agent (defined below) so that it is **RECEIVED** by the Voting Deadline (as defined below). **No ballot will be accepted if it is sent by facsimile, e-mail or other electronic means.**

Each Ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded Ballot or Ballots sent to you with this Disclosure Statement. If you believe you received the wrong Ballot, please contact the Voting Agent.

FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE PROPERLY COMPLETED AS SET FORTH ABOVE AND IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ACCOMPANYING THE BALLOT AND RECEIVED NO LATER THAN THE VOTING DEADLINE, April 15, 2013, AT 4:00 P.M., PREVAILING EASTERN TIME, BY THE VOTING AGENT, EPIQ BANKRUPTCY SOLUTIONS, LLC, AT THE FOLLOWING ADDRESS:

Via Post office:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight delivery or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

Any Ballot that is executed and returned but does not indicate an acceptance or rejection of the Plan will not be counted.

DO NOT RETURN ANY DEBT INSTRUMENTS WITH YOUR BALLOT.

If you have any questions about the procedure for voting your Impaired Claim or with respect to the packet of materials that you have received, please contact the Voting Agent at (646) 282-2500.

If you wish to obtain, at your own expense (unless otherwise specifically required by Bankruptcy Rule 3017(d)), an additional copy of the Plan, this Disclosure Statement, or any exhibits to such documents, please contact the Voting Agent.

**D. Confirmation Hearing and Deadline for
Objections to Confirmation**

The Bankruptcy Court has scheduled the Confirmation Hearing for **April 25, 2013, at 1:00 p.m. (prevailing Eastern Time)**, or as soon thereafter as counsel may be heard, before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, in the United States Bankruptcy Court, Room 621, One Bowling Green, New York, New York 10004. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan must be filed with the Clerk of the Bankruptcy Court, in accordance with the electronic filing requirements as set forth online at www.nysb.uscourts.gov, with a copy to the Chambers of Judge Chapman, and served so that they are **RECEIVED** on or before **April 15, 2013 at 4:00 p.m. (prevailing Eastern Time)** by:

Lowenstein Sandler LLP
1251 Avenue of the Americas
New York, New York 10020
Facsimile: (212) 262-7402
Attn: Norman N. Kinel, Esq.
Attn: Thomas A. Pitta, Esq.
Counsel for the Debtors

**Office of the United States Trustee for the
District of New York**
33 Whitehall Street
21st Floor
New York, NY 10004
Facsimile: (212) 668-2255
Attn: Susan D. Golden, Esq.

**Robinson Brog Leinwand Greene Genovese
& Gluck P.C.**
875 Third Avenue, 9th Floor
New York, New York 10022
Phone: 212-603-6300
Facsimile: 212-956-2164
Attn: Robert R. Leinwand, Esq.

Attn: Fred B. Ringel, Esq.
*Counsel for the Official Committee of
Unsecured Creditors*

The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing.

III.

OVERVIEW OF THE PLAN

The purpose of the Plan is to effectuate a reorganization of the Debtors, maximize the available recovery to creditors, and make distributions in respect of any Allowed Claims against the Debtors' Estates. The Plan will preserve the Debtors' business operations and going concern value, will be funded by way of the Debtors' cash on hand, revenues from ordinary course operations, and proceeds of strategic asset sales. **There will be no substantive consolidation of the Debtors' Estates under the Plan.** However, as described in greater detail below, in order to achieve a consensual resolution of assertions by (i) the Committee that the estates of DVI and Foundation should be substantively consolidated and (ii) the Prepetition Lenders regarding their entitlement to specified recoveries under the Plan, the Debtors have reached a settlement and compromise with the Committee and the Prepetition Lenders pursuant to which, in part, (i) Holders of Allowed General Unsecured Claims against DVI will receive a greater and enhanced recovery than the Debtors believe they would otherwise be entitled and (ii) the Prepetition Lenders will receive a new Prepetition Lender Term Note (with the terms and conditions as specified in the Plan) in consideration for the sharing and/or releasing of a portion of the Prepetition Lenders' collateral or the proceeds thereof (in particular, with respect to the Springwood Property), which will facilitate an enhanced and more certain recovery for Allowed General Unsecured Claims against DVI. The Debtors believe that by doing so they will have avoided the uncertainty and expense of potentially protracted litigation which would prolong the Chapter 11 Cases and threaten the Debtors' long-term prospects for reorganization.

On the Effective Date, the Debtors will transfer and assign to each of the Reorganized Debtors substantially all property and assets of each respective Debtor. Pursuant to the Plan, the Reorganized Debtors will pay all Allowed Priority Claims, Allowed Administrative Claims and Statutory Fees in full that have not previously been paid by the Debtors, unless otherwise agreed to by the Holder of such Claims. All Holders of (i) Prepetition Lender Secured Claims will receive the Prepetition Lender Term Note, (ii) Prepetition Lender Secured Claims against Foundation will receive (in addition to the Prepetition Lender Term Note) from Reorganized Foundation the Brooklyn Net Proceeds (which proceeds shall reduce the amounts outstanding under the Prepetition Lender Term Note); and (iii) Allowed Other Secured Claims will receive either the collateral securing such Allowed Other Secured Claim or reinstatement and cure of its agreement with Foundation and/or DVI, as applicable. Each Holder of (i) an Allowed General Unsecured Claims against DVI shall receive its Pro Rata Share of (a) the DVI Creditors Secured Note Payments, (b) if the Required Mandatory Prepayment is not received by the Prepetition Lenders prior to the Springwood Sale, the DVI Creditors Secured Note Mandatory Prepayments (which DVI Creditors Secured Note Mandatory Prepayments shall reduce the amounts outstanding under the DVI Creditors Secured Note), (c) if the Springwood Lien Release occurs

prior to the Springwood Sale, the Springwood Net Proceeds (which Springwood Net Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), and (d) the Additional DVI Creditors Secured Note Real Estate Proceeds if the Springwood Lien Release does not occur within twenty-four (24) months of the Effective Date (which Additional DVI Creditors Secured Note Real Estate Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), provided however, that the Reorganized Debtors shall retain a portion of the DVI Creditors Secured Note Prepayment Amounts, as applicable, equal to the Excess Principal Payments, if any, provided further however, that the Reorganized Debtors obligation to remit the Additional DVI Creditors Secured Note Real Estate Proceeds shall be fully satisfied at such time as the DVI Creditors Secured Note Prepayment Amounts total \$2,500,000; and (ii) Allowed General Unsecured Claims against Foundation at its sole and absolute discretion to be made pursuant to the Election Notice, shall elect to receive either (a) deferred cash payments of a value, as of the Effective Date under the Plan, equal to 100% the Allowed Amount of such Claim, in the form of twenty (20) equal quarterly payments aggregating 100% of the Allowed Amount of such Claim, together with interest thereon at the rate of 3% per annum, payable on the first day of the calendar quarter following the first anniversary of the Effective Date of the Plan and on the first day of each of the following nineteen (19) calendar quarters (the “**DVF Quarterly Payment Option**”) or (b) payment in full in Cash of 25% its Claim not later than sixty (60) days following the Effective Date, in full and final satisfaction of such Claim (the “**Lump Sum Option**”). If any holder of an allowed general unsecured claim against Foundation fails to make an election with respect to its choice of treatment, such holder shall be deemed to have elected the Lump Sum Option. In the event that the aggregate to be paid by the Debtors in connection with the Lump Sum Option exceeds \$50,000, then all creditors who have elected the Lump Sum Option shall receive their pro rata share of \$50,000, with the balance of their Claim to be treated as if the claimant had elected the DVF Quarterly Payment Option.

All Intercompany Claims shall be unaffected by the Plan or Confirmation thereof, but Holders of Allowed Intercompany Claims (i) shall not receive any distributions under the Plan and (ii) shall not receive any payments in respect of such Intercompany Claims until the DVI Creditors Secured Note is paid in full.

The following table divides the Claims against the Debtors into five (5) separate Classes, further divides certain Classes into sub-Classes, and summarizes the treatment for each Class. The table also identifies which Classes are entitled to vote on the Plan. Finally, the table indicates an estimated recovery for each Class, expressed as a percentage of the estimated, aggregate Allowed Claims in such Class. Certain unclassified Claims, including Administrative Claims and Priority Tax Claims, will be paid in full in Cash to the extent such Claims are Allowed Claims. The recoveries described in the following table represent the Debtors’ best estimates based on the information available at this time, and certain significant assumptions described throughout this Disclosure Statement. Unless otherwise specified, the information in the following table is based on calculations as of February 5, 2013.

CLASS	DESCRIPTION	TREATMENT	ENTITLED TO VOTE	ESTIMATED ALLOWED AMOUNTS (\$)	ESTIMATED RECOVERY (%)
Not classified	Administrative Claims	Unimpaired; payment in full, in Cash, of the allowed amount of such Claim (or as otherwise agreed).	No.	\$2 million - \$3.5 million, exclusive of Professional Fees ³	100%
Not classified	Priority Tax Claims	Unimpaired; payment in full, in Cash, to the extent and in the manners allowed by §1129 of the Bankruptcy Code (or as otherwise agreed).	No.	\$0 - \$2,000,000 ⁴	100%
Not classified	Statutory Fees	The Debtors shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717, on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' businesses, until the entry of a Final Order or decree concluding the Debtors' Bankruptcy Cases, dismissal of the Bankruptcy Cases, or conversion of the Bankruptcy Cases to chapter 7.	No.	Undetermined	100%
1A	Priority Non-Tax Claims against DVI	Unimpaired; payment in full, in Cash, of the allowed amount of such Claim (or as otherwise agreed).	No.	\$0 - \$800,000	100%
1B	Priority Non-Tax Claims against Foundation	Unimpaired; payment in full, in Cash, of the allowed amount of such Claim (or as otherwise agreed).	No.	\$0 - \$10,000	100%
2A	Prepetition Lender Secured Claims against DVI	Impaired; will receive Prepetition Lender Term Note.	Yes	As Set Forth in Section IV.B.2. below	100%
2B	Prepetition Lender Secured Claims against Foundation	Impaired; will receive (i) Prepetition Lender Term Note and (ii) the Brooklyn Net Proceeds, which proceeds shall reduce the amounts outstanding under the Prepetition Lender Term Note if such Brooklyn Net Proceeds are received after the Effective Date.	Yes	As Set Forth in Section IV.B.2. below	100%
3A	Other Secured Claims against DVI	Unimpaired; return of collateral or reinstatement.	No.	\$4,000,000 - \$5,000,000	100%
3B	Other Secured Claims against Foundation	Unimpaired; return of collateral or reinstatement.	No.	\$400,000 - \$500,000	100%

³ The Administrative Claims range is only an estimate based, in part, on filed Administrative Claims and is (i) inclusive of claims owed to the Prepetition Lenders pursuant to the Final DIP Order, but (ii) exclusive of Professional Fees, which cannot be estimated at this time. Furthermore, the Proponents cannot state at this time what the total amount of Allowed Administrative Claims will aggregate on the Effective Date because the Administrative Claims Bar Date has not yet passed and the Debtors have been paying undisputed Administrative Claims in amounts permitted by order of the Bankruptcy Court in the ordinary course of the Debtors' business.

⁴ While several Claims have been filed by various taxing authorities giving rise to the estimated allowed amounts range of \$0 - \$2,000,000 for Priority Tax Claims, the Debtors do not believe such Claims (to the extent valid) to be entitled to priority under the relevant Bankruptcy Code section(s). The Debtors intend to file a motion to reclassify these claims as General Unsecured Claims prior to the Confirmation Hearing.

CLASS	DESCRIPTION	TREATMENT	ENTITLED TO VOTE	ESTIMATED ALLOWED AMOUNTS (\$)	ESTIMATED RECOVERY (%)
4A	General Unsecured Claims against DVI	Impaired; will receive Pro Rata Share of (i) the DVI Creditors Secured Note Payments, (ii) if the Required Mandatory Prepayment is not received by the Prepetition Lenders prior to the Springwood Sale, the DVI Creditors Secured Note Mandatory Prepayments (which DVI Creditors Secured Note Mandatory Prepayments shall reduce the amounts outstanding under the DVI Creditors Secured Note), (iii) if the Springwood Lien Release occurs prior to the Springwood Sale, the Springwood Net Proceeds (which Springwood Net Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), and (iv) the Additional DVI Creditors Secured Note Real Estate Proceeds if the Springwood Lien Release does not occur within twenty-four (24) months of the Effective Date (which Additional DVI Creditors Secured Note Real Estate Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), <u>provided however</u> , that the Reorganized Debtors shall retain a portion of the DVI Creditors Secured Note Prepayment Amounts, as applicable, equal to the Excess Principal Payments, if any, <u>provided further, however</u> , that the Reorganized Debtors obligation to remit the Additional DVI Creditors Secured Note Real Estate Proceeds shall be fully satisfied at such time as the DVI Creditors Secured Note Prepayment Amounts total \$2,500,000.	Yes.	\$16,000,000 - \$20,000,000	17.5% - 21.8% (higher recovery possible if Net Proceeds from sale of Springwood Property exceed \$3.5 million)
4B	General Unsecured Claims against Foundation	Impaired; will elect to receive at its sole and absolute discretion pursuant to the Election Notice, <u>either</u> the (i) DVF Quarterly Payment Option <u>or</u> (ii) Lump Sum Option. Any Non-Electing Class 4B Holder shall be deemed to have elected the Lump Sum Option. In the event that the aggregate to be paid by the Debtors in connection with the Lump Sum Option exceeds \$50,000, then all creditors who have elected the Lump Sum Option shall receive their pro rata share of \$50,000, with the balance of their claim to be treated as if the claimant had elected the DVF Quarterly Payment Option.	Yes.	\$135,000 – \$650,000	100%

CLASS	DESCRIPTION	TREATMENT	ENTITLED TO VOTE	ESTIMATED ALLOWED AMOUNTS (\$)	ESTIMATED RECOVERY (%)
5A	Intercompany Claims against DVI	Impaired; Holders of Allowed Intercompany Claims against DVI shall be unaffected by the Plan or Confirmation thereof, but Holders of Allowed Intercompany Claims against DVI (i) shall not receive any distributions under the Plan and (ii) shall not receive any payments in respect of such Intercompany Claims from DVI until the DVI Creditors Secured Note is paid in full.	No.	\$23,401,955.92	0%
5B	Intercompany Claims against Foundation	Impaired; Holders of Allowed Intercompany Claims against Foundation shall be unaffected by the Plan or Confirmation thereof, but Holders of Allowed Intercompany Claims against Foundation (i) shall not receive any distributions under the Plan and (ii) shall not receive any payments in respect of such Intercompany Claims from Foundation until the DVI Creditors Secured Note is paid in full.	No.	N/A	0%

ALTHOUGH THE DEBTORS BELIEVE FROM THEIR REVIEW OF THE CLAIMS THAT THEIR ESTIMATION OF CLAIMS AND RECOVERIES IS REASONABLE, THERE IS NO ASSURANCE THAT THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN EACH CLASS WILL NOT MATERIALLY EXCEED THE ESTIMATED AGGREGATE AMOUNTS SHOWN HEREIN. THE DEBTORS ARE CONTINUING THEIR INVESTIGATION OF THE CLAIMS AND HAVE NOT MADE A FINAL DETERMINATION OF ALL THE CLAIMS THAT MAY BE OBJECTED TO. THE ACTUAL RECOVERIES UNDER THE PLAN WILL BE DEPENDENT UPON A VARIETY OF FACTORS INCLUDING, BUT NOT LIMITED TO, WHETHER, AND IN WHAT AMOUNT, CONTINGENT CLAIMS, IF ANY, AGAINST EITHER OF THE DEBTORS BECOME NON-CONTINGENT AND FIXED AND WHETHER, AND TO WHAT EXTENT DISPUTED CLAIMS, IF ANY, ARE RESOLVED IN FAVOR OF THE ESTATES, RATHER THAN THE CLAIMANTS. ACCORDINGLY, NO REPRESENTATION CAN BE OR IS BEING MADE WITH RESPECT TO WHETHER EACH ESTIMATED RECOVERY SHOWN IN THE TABLE ABOVE WILL BE REALIZED BY THE HOLDER OF AN ALLOWED CLAIM IN ANY PARTICULAR CLASS.

IV.

HISTORY OF THE DEBTORS AND COMMENCEMENT OF THE CASES

A. Overview of Prepetition Operations

1. Debtors' Business

In 1963, Father William O'Brien and Dr. Alexander Bassin founded the Daytop Lodge, a substance abuse treatment facility, in Staten Island. This first rehabilitation facility was designed for 22 male probationers from the Brooklyn corrections system. The basics of the treatment program were group therapy sessions, role modeling, job assignments and a hierarchy of peers.

As residents progressed, they received more responsible duties, and earned more privileges. Those coming after them could see that others like themselves were gaining respect, and that life without drugs was possible. These basic elements have remained as the therapeutic community evolved to meet the changing populations and needs of its clients.

In late 1964, Daytop incorporated as Daytop Village, a not-for-profit corporation under New York State Law. Daytop was by then a full-fledged therapeutic community, whose residents included men and women, comprised of arrestees as well as voluntary referrals. As Daytop's success in drug treatment became known, the need for treatment centers grew. Father O'Brien and the Board of Trustees found space in Sullivan County, New York, and the first residential facility, Daytop Swan Lake, opened in June 1966.

Over the ensuing years, it became evident that there were many casual drug users who could respond to treatment in an outpatient center. Daytop's first outpatient facility opened in Mount Vernon, Westchester County in 1968 and served residents of the community. Daytop expanded with more residential facilities, and more outpatient centers throughout the New York area.

Foundation was incorporated as a not-for-profit corporation under New York State Law during March 1967. Foundation serves primarily as a real estate holding company. It owns or leases substantially all of the Debtors' real property and leases those properties to DVI. Foundation has also historically conducted charitable fund-raising activities to support DVI's activities. Foundation has no employees and conducts no business operations.

Daytop's mission is to provide treatment for individuals and families leading to a healthy, drug-free life through services that are individual, comprehensive and multidisciplinary without regard to race, religion, nationality or socio-economic status. Daytop seeks to offer a full continuum of care to every substance abusing adolescent and adult in New York, either directly or through affiliation with other healthcare providers. Daytop continually assesses, redesigns and improves itself in order to provide treatment based on proven concepts of the therapeutic community and contemporary treatment modalities.

Today, Daytop is the third largest substance abuse agency operating in the State of New York. It provides compassionate, family-oriented substance abuse treatment for adults and adolescents. Through their residential facilities and outreach clinics in New York, Daytop offers individual treatment plans by providing professional counseling, medical, social and spiritual attention.

The Debtors currently employ approximately 380 employees and 29 consultants. Approximately 336 of the Debtors' employees are full-time salaried employees, while the remainder of the Debtors' employees are temporary or hourly employees. The Debtors' monthly payroll is currently approximately \$1.3 million.

The Debtors' operations are overseen and funded in part by the New York State Office of Alcoholism and Substance Abuse Services ("OASAS"). OASAS is an agency of the New York State government established to plan, develop and regulate the state's system of chemical dependence and gambling treatment agencies. OASAS licenses, funds, and supervises chemical dependence treatment programs, including the Debtors' programs and facilities. OASAS

inspects and monitors the programs to guarantee quality of care and to ensure compliance with state and national standards.

OASAS provides critical subsidies that fund much of the Debtors' operations. During the fiscal year ended June 30, 2011, OASAS provided over \$14 million in funding for the Debtors, which constituted approximately 35% of the Debtors' total revenues.

In addition to OASAS, the Debtors rely heavily on other forms of government funding, including state block grants, Medicaid reimbursements and Human Resources Administration ("**HRA**") funding.

During fiscal 2011, the Debtors received over \$22 million in payments for services from welfare and other forms of public assistance, accounting for approximately 54% of total revenues. Other government funding accounted for an additional 6% of 2011 revenues, while private pay, including private health insurance and cash payment by patients, comprised only 3% of total revenues. An additional 2% of the Debtors' revenue is derived from other sources, including contributions.

2. Daytop Provides Critical Services to Its Patients and the Community-At-Large

Daytop provides service to its clients regardless of their ability to pay for their care. Daytop's clients are almost universally unable to pay for Daytop's services themselves, so they would be turned away by most for-profit rehabilitation centers. In certain of Daytop's locations, there is no viable replacement for Daytop's services available to Daytop's current clients.

B. Capital Structure

1. Summary of the Debtors' Prepetition Capital Structure

The Debtors maintained a complex prepetition capital structure consisting of various layers of secured debt. As of the Petition Date, the Debtors had approximately (i) \$32,786,655⁵ of outstanding secured indebtedness owing to the Prepetition Agent (defined below) and/or the Prepetition Lenders (defined below) under certain prepetition credit facilities; and (ii) \$3,628,735 of outstanding secured indebtedness owing to the Dormitory Authority of the State of New York ("**DASNY**") in respect of certain loans provided from DASNY⁶ to the Debtors related to DASNY bond offerings.⁷

⁵ This amount does not include \$326,882 in principal outstanding motor vehicle and equipment loan debt owed by Foundation to HVB as of the Petition Date, which amount has not been paid down post-petition.

⁶ OASAS acts on behalf of DASNY, as agent, under these loan agreements.

⁷ On February 25, 1998, First National Bank of Jeffersonville ("**FNB**J") apparently made a loan to Foundation (the "**FNB**J Loan"). A mortgage on a portion of the Debtors' property at 4504/4505 Route 55, Swan Lake, NY 12783 (the "**Swan Lake Property**") was granted to FBNJ on account of the FNBJ Loan (the "**FNB**J Lien"). As of the Petition Date, the outstanding principal balance of the FNBJ Loan was approximately \$64,500. The FNBJ Loan matured on December 25, 2012.

2. Prepetition Credit Facilities

The Debtors are parties to certain prepetition credit facilities (the “**Prepetition Facilities**”, and together with all documents with respect to such facilities, including but not limited to all amendments, notes, security agreements, mortgages, and forbearances thereto, referred to herein collectively the “**Prepetition Credit Documents**”) with Signature Bank (“**Signature**”) and/or Hudson Valley Bank (“**HVB**”, and together with Signature, the “**Prepetition Lenders**” or the “**Lenders**”).⁸ The total outstanding debt owed to the Prepetition Lenders (as of the Petition Date) was approximately \$32,786,655⁹ and related to the following Prepetition Facilities, each as summarized and described below:

	<u>DATE</u>	<u>BANK</u>	<u>PRINCIPAL BALANCE</u> (approximate as of the Petition Date)	<u>DEBTOR INDEBTED/GUARANTOR</u>	<u>PRINCIPAL BALANCE</u> (approximate as of 12/31/2012)
1.	June 9, 2005	Hudson Valley Bank	\$1,625,281	Foundation only (no guarantor)	\$1,624,305
2.	March 2, 2006	Signature Bank	\$2,606,839	Foundation (guaranteed by DVI)	\$2,606,839
3.	July 12, 2006	Hudson Valley Bank	\$1,332,559	Foundation only (no guarantor)	\$1,332,559
4.	January 24, 2007	Prepetition Lenders	\$19,920,381	<u>Foundation</u> : \$13,921,048 (guaranteed by DVI) <u>DVI</u> : \$5,999,333 (guaranteed by Foundation)	<u>Foundation</u> : \$4,914,697 (guaranteed by DVI); partially satisfied via proceeds of sale of Headquarters building <u>DVI</u> : Satisfied via proceeds of sale of Headquarters building
5.	July 31, 2008	Prepetition Lenders	\$2,548,127	Foundation (guaranteed by DVI)	\$2,510,325
6.	February 23, 2011	Prepetition Lenders	\$1,797,929	Foundation (guaranteed by DVI)	\$1,797,929
7.	October 31, 2011	Prepetition Lenders	\$2,824,967	Foundation (guaranteed by DVI)	Satisfied via proceeds of sale of Headquarters building
8.	July 25, 2012	Prepetition Lenders	N/A	Foundation (guaranteed by DVI)	\$257,892 (created following termination of HQ landlord letter of credit)

⁸ Signature served as agent on behalf of the Prepetition Lenders (the “**Prepetition Agent**”) with respect to the various Prepetition Facilities entered into between the Debtors and the Prepetition Lenders in January 2007, July 2008, February 2011, and October 2011, respectively.

⁹ As discussed below, this amount has been paid down post-petition from a portion of the proceeds from the 40th Street Sale to approximately \$15,044,546 as of December 31, 2012.

June 2005 HVB Loans

Pursuant to certain mortgage loans entered into between HVB and Foundation, dated as of June 9, 2005, as amended, Foundation (as of the Petition Date) was indebted to HVB in the approximate amount of \$1,625,281. This amount was secured by (i) a first-priority mortgage on Foundation's outpatient facility located at 2614-18 Halperin Avenue, Bronx, New York 10461 (the "**Bronx Facility**"); (ii) second-priority mortgages on Foundation's outpatient facilities located at 620 Route 303, Blauvelt, New York 10913 (the "**Rockland Facility**") and 2075 New York Avenue, Huntington Station, New York 11746 (the "**Suffolk Facility**"); and (iii) a third-priority mortgage on Foundation's residential facility located at 4504/4505 Route 55, Swan Lake, New York 12783 (the "**Swan Lake Facility**").

March 2006 Signature Facility

Pursuant to a certain credit facility entered into between Signature and Foundation, dated as of March 2, 2006, as amended (the "**March 2006 Financing**"), Foundation (as of the Petition Date) was indebted to Signature in the approximate amount of \$2,606,839. This amount was secured by a first-priority mortgage on Foundation's residential facility located at 316 Beach 65th Street, Far Rockaway, New York 11692 (the "**Far Rockaway Facility**"). As additional security, Signature reserved the right to apply amounts in any Foundation accounts held by Signature against outstanding liabilities of Foundation to Signature under the March 2006 Financing and any future facility held by Signature, whether individually or as part of a syndicate. Further, the March 2006 Financing was guaranteed by DVI. As security for DVI's guaranty, Signature was granted a security interest in any DVI accounts held by Signature against outstanding liabilities of DVI to Signature under the March 2006 Financing guaranty and any obligations of DVI owed to Signature.

July 2006 HVB Facility

Pursuant to a certain credit facility entered into between HVB and Foundation, dated as of July 12, 2006, as amended (the "**July 2006 Financing**"), Foundation (as of the Petition Date) was indebted to HVB in the approximate amount of \$1,332,559. This amount was secured by a (i) first-priority mortgage on Foundation's outpatient facility located at 246 North Central Park Avenue, Hartsdale, New York 10530 (the "**Westchester Facility**"); (ii) third-priority mortgages on the Rockland and Suffolk Facilities; and (iii) a fourth-priority mortgage on the Swan Lake Facility. Foundation's obligations under the July 2006 Financing were also secured, in part, by a security agreement pursuant to which Foundation pledged to HVB a security interest in all of Foundation's accounts, inventory, equipment, general intangibles, deposit accounts, claims and other personal property and proceeds.

January 2007 Credit Facility

Pursuant to a certain credit facility entered into between, *inter alia*, the Prepetition Agent, Foundation and DVI, dated as of January 24, 2007, as amended (the "**January 2007 Financing**"), the Debtors (as of the Petition Date) were indebted to the Prepetition Lenders in the approximate amount of \$19,920,381 comprised of: (i) a term loan provided to Foundation (the "**2007 Term Loan**") with an outstanding balance of approximately \$13,771,048; (ii) two

revolving lines of credit provided to DVI (the “**2007 Revolving Loans**”) with an outstanding balance of approximately \$5,999,333; and (iii) an additional term loan provided to Foundation under a December 13, 2007 amendment to the January 2007 Financing with an outstanding balance of approximately \$150,000 (the “**Additional 2007 Term Loan**”).¹⁰ DVI provided guaranties of the 2007 Term Loan and the Additional 2007 Term Loan, and Foundation provided a guaranty of the 2007 Revolving Loans.¹¹

Foundation’s obligations under the 2007 Term Loan were secured by first-priority mortgages granted to the Prepetition Agent on Foundation’s (a) headquarter office building located at 54-56 West 40th Street, New York, New York 10018 (the “**Headquarters**”);¹² (b) outpatient facility located at 1915 Forest Avenue, Staten Island, New York 10303 (the “**Staten Island Facility**”); (c) outpatient facility located at 401 State Street, Brooklyn, New York 11217 (the “**Brooklyn Facility**”); and (d) residential facility located at 437 Parksville Road, Parksville, New York 12768 (the “**Parksville Facility**”). Foundation’s obligations under the Additional 2007 Term Loan were secured by a fourth-priority mortgage granted to the Prepetition Agent on Foundation’s Headquarters.

To secure DVI’s (i) obligations under the 2007 Revolving Loans and (ii) guaranties of the 2007 Term Loan and the Additional 2007 Term Loan, DVI granted to the Prepetition Agent a security interest in all of DVI’s accounts, inventory, equipment, general intangibles, deposit accounts, claims and other personal property and proceeds. Foundation’s obligations under its guaranty of the 2007 Revolving Loans were secured by second and third-priority mortgages granted to the Prepetition Agent on the Headquarters and the Staten Island, Brooklyn and Parksville Facilities.

July 2008 Line of Credit Financing

Pursuant to a certain credit facility entered into between, *inter alia*, the Prepetition Agent and Foundation dated as of July 31, 2008, as amended (the “**July 2008 Financing**”), the Debtors (as of the Petition Date) were indebted to the Prepetition Lenders in the approximate amount of \$2,548,127. This amount was (i) secured by first-priority mortgages granted to the Prepetition

¹⁰ This Additional 2007 Term Loan was apparently funded on March 21, 2008.

¹¹ Three non-debtor affiliates, Daytop Village, Inc. (California), The Daytop Preparatory School and Daytop International, Inc. also guaranteed the January 2007 Financing. During fiscal year 2008, Daytop Village Inc. (California) ceased operating and this entity no longer exists.

¹² As discussed below, the Headquarters (also known as the 40th Street Building) was sold by Foundation during the pendency of the Chapter 11 Cases. Accordingly, the Prepetition Lenders’ liens on the Headquarters building, following the closing of the sale, have attached to the 40th Street Net Proceeds from the sale, which proceeds are currently held in an attorney trust account by Debtors’ counsel. Additionally, following the closing of the 40th Street Sale (defined below), the Prepetition Lenders received the Paydown Amount (defined below), resulting in the Debtors having repaid the 2007 Revolving Loans, the Additional 2007 Term Loan and the October 2011 Financing (defined below, the 2007 Revolving Loans, the Additional 2007 Term Loan and the October 2011 Financing are collectively referred to as the “**Repaid Facilities**”). Accordingly, the mortgages securing the Repaid Facilities were released by the Prepetition Lenders.

Lenders on the Rockland and Suffolk Facilities; (ii) secured by a second-priority mortgage granted to the Prepetition Lenders on the Swan Lake Facility; and (iii) guaranteed by DVI.¹³

To secure DVI's guaranty obligations under the July 2008 Financing, DVI granted to the Prepetition Agent a security interest in all of DVI's accounts, inventory, equipment, general intangibles, deposit accounts, claims and other personal property and proceeds otherwise subject to a security interest of the Prepetition Lenders.

February 2011 Bridge Loan Facility

Pursuant to a certain credit facility entered into between, *inter alia*, the Prepetition Agent and Foundation dated as of February 23, 2011, as amended (the "**February 2011 Financing**"), the Debtors (as of the Petition Date) were indebted to the Prepetition Lenders in the approximate amount of \$1,797,929. This amount was (i) secured by a first-priority mortgage granted to the Prepetition Agent on Foundation's residential facility located at 44 Springwood Drive, Rhinebeck, New York 12572 (the "**Springwood Facility**") and (ii) guaranteed by DVI.¹⁴ To secure Foundation's and DVI's obligations under the February 2011 Financing, Foundation and DVI granted to the Prepetition Agent a security interest in all of Foundation's and DVI's respective accounts, inventory, equipment, general intangibles, deposit accounts, claims and other personal property and proceeds.

October 2011 Bridge Loan Facility

Pursuant to a certain credit facility entered into between, *inter alia*, the Prepetition Agent and Foundation dated as of October 31, 2011, as amended (the "**October 2011 Financing**"), the Debtors (as of the Petition Date) were indebted to the Prepetition Lenders in the approximate amount of \$2,824,967. This amount was (i) secured by a second-priority mortgage granted to the Prepetition Agent on the Springwood Facility, fourth-priority mortgages granted to the Prepetition Agent on the Parkville, Brooklyn and Staten Island Facilities and a fifth-priority mortgage granted to the Prepetition Agent on the Headquarters and (ii) guaranteed by DVI.¹⁵ To secure Foundation's and DVI's obligations under the October 2011 Financing, Foundation and DVI granted to the Prepetition Agent a security interest in all of Foundation's and DVI's respective accounts, inventory, equipment, general intangibles, deposit accounts, claims and other personal property and proceeds.

The maturity date of the March 2006, January 2007, July 2008 and October 2011 Financings was March 28, 2012 and the maturity date of the February 2011 Financing was March 26, 2012. The Debtors and the Prepetition Lenders were negotiating for an extension to these dates, but failed to reach any agreement prior the Petition Date.

¹³ Two non-debtor affiliates, The Daytop Preparatory School and Daytop International, Inc. also guaranteed the July 2008 Financing.

¹⁴ Two non-debtor affiliates, The Daytop Preparatory School and Daytop International, Inc. also guaranteed the February 2011 Financing.

¹⁵ Two non-debtor affiliates, The Daytop Preparatory School and Daytop International, Inc. also guaranteed the October 2011 Financing.

As more fully set forth in certain of the Prepetition Credit Documents, prior to the Petition Date, the Debtors granted security interests in and liens to the Prepetition Lenders (the “**Prepetition Liens**”) on (i) substantially all of the personal property assets of the Debtors, including without limitation, all of the Debtors’ respective accounts, inventory, equipment, general intangibles, deposit accounts, claims and other personal property and proceeds and (ii) various of the real property facilities (the “**Facilities**”) owned by Foundation.¹⁶

3. The DASNY Obligations

DASNY, through its predecessor, the New York State Medical Care Facilities Finance Agency, issued various series of public bonds (the “**Bonds**”) to Daytop. Pursuant to five loan agreements (collectively, the “**DASNY Bond Obligations**”) dated as of (i) April 29, 1996; (ii) June 18, 1999; (iii) December 18, 2008; (iv) June 24, 2009; and (v) July 16, 2010, entered into between DASNY (acting by its agent, OASAS) and the Debtors, a portion of the proceeds of the Bonds were loaned to the Debtors for purposes of financing building construction and/or improvements to certain of the Debtors’ facilities. As of October 31, 2012, the Debtors were indebted to DASNY under the DASNY Bond Obligations in the approximate principal amount of \$3,595,957.

The DASNY Bond Obligations were secured by (i) mortgages granted to OASAS/DASNY (the “**DASNY/OASAS Mortgages**”) on (a) Foundation’s residential facilities located at 15, 88, 214/216, and 248 Fox Hollow Road, Rhinebeck, New York 12572 (the “**Rhinebeck West Property**”); (b) Foundation’s residential facility located at 55 Ramble Hill Lane Millbrook, New York 12545 (the “**Millbrook Facility**”) and (c) Foundation’s residential facility located at 4504/4505 Route 55, Swan Lake, New York 12783 (the “**Swan Lake Facility**”); and (ii) fixture filings with respect to any and all collateral currently or subsequently in existence or used in connection with the Rhinebeck West Property, the Millbrook Facility and/or the Swan Lake Facility.

The Debtors do not make payments with respect to the DASNY Bond Obligations. Each of the Bonds self-amortizes over a period of years as long as the Debtors comply with the terms of the DASNY Bond Obligations.

Each of the DASNY Bond Obligations contains language prohibiting the granting of additional liens on the properties subject to the DASNY/OASAS Mortgages without the consent of OASAS.

4. The Retirement Plan

Daytop sponsors and maintains the Daytop Village, Inc. Retirement Plan (the “**Retirement Plan**”), a defined contribution plan. The Retirement Plan was established as of July 1, 1993, and was originally designed as a Money Purchase Pension Plan. A Money Purchase Pension Plan is a type of defined contribution plan that, for purposes of minimum

¹⁶ Details of the relative priority of liens encumbering the respective Facilities as of the Petition Date and as of December 31, 2012 are set forth in the *Debtors’ Motion for Entry Order (I) Authorizing Additional Use of Cash Collateral, (II) Granting Adequate Protection, and (III) Modifying the Automatic Stay* [Docket No. 535] (the “**Supplemental Cash Collateral Motion**”), available at <http://dm.epiq11.com/DVF/Document/GetDocument/2200022>.

funding requirements, is treated like a defined benefit plan. The employer's annual contribution is determined by a specific formula, usually involving a percentage of compensation of covered employees or a flat dollar amount. The Retirement Plan received a favorable determination as to its tax qualified status under the Internal Revenue Code from the Internal Revenue Service on July 7, 2011. The Retirement Plan was "frozen" (*i.e.*, future benefit accruals were eliminated) by an amendment dated December 15, 2010. The effect of this amendment is that no employer contributions to the Retirement Plan are required to be made by Daytop for the plan year ending on June 30, 2011, or subsequent to that date. Prior to the elimination of benefit accruals, the Retirement Plan's contribution formula provided for annual contributions in an amount equal to (1) 5% of the compensation of each eligible participant who had less than 5 years of service; (2) 6% of the compensation of each eligible participant who had at least 5 years of service, but less than 10 years of service; (3) 9% of the compensation of each eligible participant who had at least 10, but less than 15 years of service; (4) 12% of the compensation of each eligible participant who had at least 15, but less than 20 years of service; (5) 15% of the compensation of each eligible participant who had 20 or more years of service, or who was an officer holding the office of Senior Vice President or above with 10 years of consecutive service in any capacity with Daytop. The Retirement Plan also provided for an additional contribution for all eligible participants who were a member of the Daytop Village Supplemental Plan as of June 30, 1999, equal to the percent they received under that plan for the year ended June 30, 1999. Under the terms of the Retirement Plan, Daytop reserved the right to reduce, suspend or discontinue contributions for any reason at any time. On June 27, 2011, the Retirement Plan was amended and restated to provide for discretionary profit sharing contributions in lieu of the required employer contributions under the money purchase plan formulae.

As a consequence of the severe cash crisis resulting from various challenges, including those relating to the Lenders (discussed more fully below), for the plan years ending on June 30, 2008, 2009 and 2010, respectively, Daytop failed to make certain contributions, resulting in total delinquent contributions to the Retirement Plan in an amount equal to approximately \$4,676,694 (plus accrued pre-petition interest, the "**Pension Contribution Amount**"). Commencing in August, 2010, the Internal Revenue Service conducted a compliance check to ascertain whether excise taxes should have been reported and paid on the delinquent Retirement Plan contributions. The compliance check was subsequently closed in December 2011, and it was determined that due to amendments to the Internal Revenue Code by the Pension Protection Act of 2006, the imposition of the excise tax and corresponding reporting requirements had been eliminated.

The Pension Contribution Amount is an obligation of only Debtor DVI and is owed solely to the Retirement Plan. Thus, the Retirement Plan, rather than individual participants in the Retirement Plan, is the creditor with respect to the outstanding Pension Contribution Amount and for purposes of voting on the Plan.

C. Events Leading to Chapter 11 Filing

From fiscal 2006 through fiscal 2011,¹⁷ the Debtors incurred cumulative operating losses of approximately \$28.25 million. The operating losses were largely attributable to a significant

¹⁷ The Debtors' fiscal year ends on June 30.

decline in Daytop's residential patient census (*i.e.*, the number of in-patient residents at the Debtors' residential facilities, which is the leading generator of the Debtors' revenues), together with an oversized expense structure. In particular, the residential census declined from a high of approximately 1100 in 2006 to 724 in October 2010, when the Debtors retained new management.

As Daytop's operating losses increased to a total of \$16 million from fiscal 2006 to 2008, the Lenders extended \$16 million of new credit to Daytop, primarily to cover those operating losses. During this same three-year period, the Debtors' bank and trade debt increased from \$25 million to \$39 million and its annual debt service obligation increased from \$1.7 million to \$3 million, above Daytop's ability to pay by any historical measure.

By the end of 2008, as real estate values plummeted and Daytop's performance continued to decline, the Lenders stopped lending to Daytop. Over the next two years, the Debtors managed their cash by, among other things, suspending payments to their pension plan and "stretching" their trade payables from an average aging of 90 days to nearly 150 days. The Debtors' liquidity and operating reserves, however, were hopelessly mismatched to their growing liabilities. As a result, by mid-2010, Daytop found itself with \$10.4 million in current liabilities related to pension and trade payables, without access to any operating reserves or credit capacity to protect against default.

Faced with this cash crisis, the Debtors decided to enter into a contract (the "**Prepetition Sale Agreement**") with 54 West 40th Realty LLC ("**Allied**") to sell their Headquarters building owned by Foundation and located at 54 West 40th Street in Manhattan (the "**40th Street Building**"). The closing date of the Prepetition Sale Agreement was originally scheduled to occur on or about March 26, 2012, which date was extended as a result of a brief forbearance by the Lenders following the retention by the Debtors of a restructuring advisor to facilitate discussions concerning the Debtors' urgent need for usage of the sale proceeds. Absent a timely closing, the Debtors were faced with an acceleration of all of their obligations to the Lenders and, potentially, a complete inability to access cash to operate their businesses. However, the Debtors were unable to reach agreement with the Lenders with respect to the disposition of the proceeds of the Sale Agreement.

Accordingly, on April 5, 2012, each of the Debtors filed a petition with the Bankruptcy Court under chapter 11 of the Bankruptcy Code to provide the Debtors with the opportunity to preserve and maximize the value of their assets for the benefit of all stakeholders, de-leverage their balance sheet through select asset sales, restructure their long and short-term debt obligations, and ultimately emerge from chapter 11 with the necessary operational changes to continue to provide the high level of critical services to the community that they have throughout their history.

V.

THE CHAPTER 11 CASES

A. Continuation of Business; Stay of Litigation and Enforcement of Creditors' Rights

Since the Petition Date, the Debtors continued to operate as debtors in possession subject to the supervision of the Bankruptcy Court. Although the Debtors are authorized to operate in the ordinary course of business, transactions out of the ordinary course of business have required Bankruptcy Court approval.

An immediate effect of the Debtors' filing their voluntary chapter 11 petitions was the imposition of the automatic stay under the Bankruptcy Code, which, with limited exceptions, enjoins the commencement or continuation of all collection efforts by Creditors, the enforcement of liens against property of the Debtors and the continuation of litigation against the Debtors. The automatic stay of an act against property of the Debtors' Estates remains in effect, unless modified by the Bankruptcy Court, until such property no longer is property of the Debtors' Estates; the stay of all other acts encompassed by the automatic stay continues until the earlier of the time the Debtors' chapter 11 cases are closed or dismissed.

B. Parties in Interest and Advisors

Described below are the primary parties that have played significant roles in the Debtors' Chapter 11 Cases to date.

1. The Bankruptcy Court

The Debtors' Chapter 11 Cases were filed in the United States Bankruptcy Court for the Southern District of New York, located in New York, New York. The Honorable Shelley C. Chapman, United States Bankruptcy Judge, is presiding over the Debtors' Chapter 11 Cases.

2. Advisors to the Debtors

a. Bankruptcy and Special Counsel

The Debtors sought authority to retain Lowenstein Sandler P.C. ("**Lowenstein**")¹⁸ as bankruptcy counsel for the Debtors' and Garfunkel Wild, P.C. ("**Garfunkel**") as special healthcare counsel. The orders approving the retention of Lowenstein and Garfunkel were entered by the Bankruptcy Court on May 17, 2012 and August 17, 2012, respectively.

b. Crisis Manager/Chief Restructuring Officer

The Debtors sought authority to retain Marotta Gund Budd & Dzera, LLC ("**MGBD**") as crisis managers and appointed Stephen Marotta of MGBD as Chief Restructuring Officer, and Neil Peritz of MGBD as Assistant Chief Restructuring Officer. The order approving the

¹⁸ The law practice of Lowenstein Sandler PC is now being conducted by Lowenstein Sandler LLP in all of its offices, effective as of January 1, 2013.

retention of MGBD and the appointment of the Chief Restructuring Office and Assistant Chief Restructuring Officer was entered by the Bankruptcy Court on May 17, 2012.

c. Independent Auditors and Accountants

Because of the Debtors' critical need to complete an audit for their fiscal year ending as of June 30, 2011, the Debtors sought authority to retain O'Connor Davies, LLP ("**O'Connor**") as independent auditors and accountants for the Debtors. The order approving the retention of O'Connor was entered by the Bankruptcy Court on July 2, 2012.

d. Ordinary Course and Other Professionals

On September 4, 2012, the Debtors sought authority to continue to employ (or retain) certain professionals to assist them on a day-to-day basis to provide services relating to labor and employment, tort litigation, and corporate services, subject to monthly caps on compensation. On September 21, 2012, the Court entered an Order authorizing the Debtors to retain each of the following as ordinary course professionals: John Novak, Esq. (corporate legal services); Hardin, Kundla, McKeon & Poletto, P.A. (tort litigation legal services); and Fugazy & Rooney LLP (labor and employment legal services).

Additionally, in connection with an anticipated contested hearing regarding the Debtors' requested use of the Prepetition Lenders' cash collateral, the Debtors sought and received authority to retain GA Keen Realty Advisors, LLC ("**GA Keen**") as special real estate advisors for the Debtors. The order approving the retention of GA Keen was entered by the Bankruptcy Court on May 18, 2012.

Further, (i) Foundation sought and received Bankruptcy Court approval to retain Massey Knakal Realty of Manhattan LLC ("**MKR**") as real estate broker to market certain real property owned by Foundation¹⁹ and (ii) the Debtors sought and received approval to enter into a security consulting agreement with Global Risk & Investigative Diligence, LLC ("**GRID**"), pursuant to which GRID has evaluated the security and incident management capabilities with respect to Daytop's various client treatment facilities, and provided recommendations to Daytop regarding same.

3. The Creditors' Committee and Its Advisors

On April 17, 2012, the United States Trustee, pursuant to its authority under section 1102 of the Bankruptcy Code, appointed the Committee to serve in the Debtors' Chapter 11 Cases. The Committee was appointed to represent the interests of, and to serve as a fiduciary for, the Debtors' unsecured creditors.

¹⁹ To date, no such real property sales have closed, although as discussed further below, on January 30, 2013, Foundation entered into a contract for the sale of the Brooklyn Property to 401 State LLC (the "**Brooklyn Purchaser**") (which is the subject of a pending motion filed on February 1, 2013 seeking approval of sale and bidding procedures), and the Debtors are negotiating the sale of several additional properties, which sales may or may not occur prior to the Effective Date.

The members of the Committee are as follows:

Morgan Fuel & Heating Co., Inc., d/b/a “Bottini Fuel”
Millin Associates LLC (“Millin”)
Chem Rx Pharmacy Services, LLC
Bendiner & Schlesinger Inc.
K.J.L. Realty Company

Since the Committee’s formation, the Debtors have consulted with the Committee concerning the administration of the Chapter 11 Cases and all significant issues that have arisen in the Chapter 11 Cases. The Debtors have kept the Committee informed with respect to their operations and have sought the concurrence of the Committee for actions and transactions outside the ordinary course of the Debtors’ business, including, without limitation (and all as discussed further below), authorization to use cash collateral and procure debtor-in-possession financing, the sale process with respect to the 40th Street Building, issues related to the Patient Care Ombudsman, and the Debtors’ business plan.

The Committee retained Robinson Brog Leinwand Greene Genovese & Gluck P.C. (“Robinson”) as its legal counsel and Alvarez & Marsal Healthcare Industry Group LLC (“A&M”) as its financial advisor. Orders approving the retention of Robinson and A&M were entered by the Bankruptcy Court on May 17, 2012 and May 31, 2012, respectively.

4. The Patient Care Ombudsman and His Counsel

On June 1, 2012, the United States Trustee appointed Eric Huebscher as Patient Care Ombudsman (the “PCO”) in these Chapter 11 Cases in accordance with section 333(a)(2) of the Bankruptcy Code. The PCO’s role is to monitor the quality of the Debtors’ patient care and to represent the interests of the Debtors’ patients. The PCO formally reports his findings to the Bankruptcy Court every 60 days.

Following his appointment, on June 13, 2012, the PCO filed an application seeking authorization to retain Baker & Hostetler LLP (“Baker”) as his counsel. Both the Debtors and the Committee prepared and prosecuted objections to the retention by the PCO of Baker. Following discussions between the PCO, the Debtors and the Committee regarding total fees and expenses chargeable for services rendered in the aggregate by the PCO and Baker for the period June 1, 2012 through December 31, 2012, an order approving the retention of Baker was entered on July 30, 2012. This order limited the scope of the Baker retention, and provided for a fee cap covering both the PCO and Baker.²⁰

On July 16, 2012, the PCO filed a notice indicating that he would be filing his first written report (the “First Report”), and on August 7, 2012, the First Report was filed with the Bankruptcy Court.

²⁰ The total fees and expenses chargeable to the Debtors’ estates for services rendered in the aggregate by the PCO and Baker Hostetler for the period from June 1, 2012 through December 31, 2012 was capped at \$253,500.00, subject to modification by (a) further Order of the Court on appropriate application by the PCO for good cause shown, or (b) written agreement of the Debtors, the Committee and the PCO.

On September 14, 2012, the PCO filed a notice indicating that he would be filing his second written report (the “**Second Report**”), and on October 1, 2012, the Second Report was filed with the Bankruptcy Court.

On November 16, 2012, the PCO filed a notice indicating that he would be filing his third written report (the “**Third Report**”), and on November 30, 2012, the Third Report was filed with the Bankruptcy Court.

On January 17, 2013, the PCO filed a notice indicating that he would be filing his fourth written report (the “**Fourth Report**,” and together with the First Report, Second Report, and Third Report, the “**PCO Reports**”), and on February 5, 2013, the Fourth Report was filed with the Bankruptcy Court.

The Debtors have disagreed with information and conclusions contained in the PCO Reports and voiced their concerns to the PCO with respect to the PCO Reports when provided with drafts of such reports. Although the PCO Reports as filed were revised in part based on comments provided by the Debtors, the Debtors continue to disagree with many aspects of the PCO Reports. Nevertheless, the Debtors have worked with and will continue to cooperate with the PCO regarding his role in monitoring and reporting with respect to the care of Daytop’s clients.

5. The Examiner Appointment

At a hearing held before the Bankruptcy Court on February 7, 2013, the Bankruptcy Court expressed certain concerns regarding the PCO’s Fourth Report. Thereafter, on February 11, 2013, the Bankruptcy Court ordered the United States Trustee, pursuant to section 1104(d) of the Bankruptcy Code, to appoint an examiner (the “**Examiner**”) to conduct an investigation (the “**Investigation**”) regarding the preparation of the PCO Reports, including, without limitation, (i) the actions taken by the Debtors and by the PCO in connection with the preparation of such reports, and (ii) the accuracy and veracity of the information contained in the Fourth PCO Report. The Bankruptcy Court further ordered the Examiner to prepare and file a preliminary report (the “**Examiner’s Report**”) no later than March 20, 2013 (unless such deadline is further extended by the Bankruptcy Court) and limited the Examiner’s (and his or her professional’s) fees and expenses to \$50,000 (unless any such greater amount is approved by the Court).

On February 14, 2013, the United States Trustee appointed The Honorable Barbara S. Jones, a retired Judge of the United States District Court for the Southern District of New York and currently a partner at the law firm of Zuckerman Spaeder LLP, as the Examiner. The Examiner’s Investigation is ongoing.

The Debtors do not anticipate that any findings contained in the Examiner’s Report will affect the feasibility or confirmation of the Plan.

C. First and Second Day Orders

On the Petition Date, the Debtors filed numerous “first day” motions seeking various relief intended to ensure a seamless transition between the Debtors’ prepetition and postpetition business operations and to facilitate the smooth administration of the Chapter 11 Cases. The

relief requested in these orders, among other things, allowed the Debtors to continue certain normal business activities that may not be specifically authorized under the Bankruptcy Code or as to which the Bankruptcy Code may have otherwise required additional Bankruptcy Court approval. Substantially all of the relief requested in the Debtors' "first day" motions was granted by the Bankruptcy Court. These motions and orders are available for review and download free of charge at the Debtors' case information website maintained by the Debtors' claims and noticing agent, Epiq Bankruptcy Solutions, LLC ("**Epiq**") (located at www.dm.epiq11.com/dvf).

The orders entered pursuant to the Debtors' "first day" motions authorized the Debtors to, among other things:

- jointly administer the Debtors' Chapter 11 Cases solely for procedural purposes;
- establish certain notice, case management and administrative procedures;
- obtain an extension of the time to file the Debtors' schedules and statements of financial affairs and file a consolidated list of creditors;
- retain Epiq as the Debtors' noticing and claims agent;
- continue use of existing cash management system, bank accounts and business forms;
- immediately pay the following prepetition amounts: (i) certain employee wages, compensation and employee benefits, and (ii) prepetition insurance obligations;
- continue and renew their insurance programs and insurance premium financing arrangements;
- establish an orderly, regular process for the monthly compensation and reimbursement of estate professionals;
- establish procedures pursuant to which utilities are prohibited from discontinuing service except in certain circumstances; and
- reject a non-residential real property lease with Bonafide Estates, Inc.

D. Debtor-in-Possession Financing and Cash Collateral

On the Petition Date, the Debtors filed a motion seeking authority to use cash collateral generated from their operations and to obtain a priming debtor-in-possession credit facility with Island Funding LLC (the "**Island Facility**"). Pursuant to the proposed Island Facility, the

Debtors would obtain access to \$5 million of financing to fund their activities during the Chapter 11 Cases. At the conclusion of the Debtors' "first day" hearing held in these Chapter 11 Cases on April 9, 2012, the Bankruptcy Court approved the Island Facility on an interim basis and permitted the Debtors to immediately borrow \$1.5 million thereunder.

During the Final Hearing to consider approval of the Island Facility, the Bankruptcy Court expressed concern regarding the cost to the Debtors of the Island Facility. As a result, the Debtors entered into negotiations with the Prepetition Lenders regarding the terms of a debtor-in-possession facility on terms more favorable for the estates than the Island Facility.

As a result of these negotiations, the Debtors and the Prepetition Lenders agreed upon the terms of a credit facility (the "**Prepetition Lenders DIP Facility**") that provided the Debtors up to \$5 million of additional liquidity over and above the \$1.5 million Island Facility. The Prepetition Lenders DIP Facility also incorporated a settlement with respect to a partial disposition of the funds to be received from the sale of the 40th Street Building (discussed below, the "**40th Street Sale**"). Pursuant to the terms of the Prepetition Lenders DIP Facility, the Prepetition Lenders agreed to permit the Debtors access to \$1.5 million of the sale proceeds as working capital after the repayment of the Island Facility and the Prepetition Lenders DIP Facility and the payment of \$13.5 million towards the prepetition claims of the Prepetition Lenders (the "**Paydown Amount**"). The Bankruptcy Court entered an order (the "**Final DIP Order**") approving the Prepetition Lenders DIP Facility on April 24, 2012.

In connection with the closing of the sale of the 40th Street Building (discussed below), Allied requested that the Debtors facilitate the transfer of the mortgage on the 40th Street Building held by Signature in order to reduce the mortgage recording tax payable upon the transfer. The Debtors agreed to this accommodation as well as an increase in the Paydown Amount from \$13.5 million to \$18 million, in exchange for which the Prepetition Lenders agreed to convert the Prepetition Lenders DIP Facility to a revolving line of credit at a reduced interest rate. This agreement, which amended the terms of the Final DIP Order, was memorialized in a stipulation and agreed order modifying the Final DIP Order, which was approved by the Bankruptcy Court on July 2, 2012 (the "**DIP Amendment Order**"). Pursuant to the Prepetition Lenders DIP Facility (as amended by the DIP Amendment Order), the Debtors (as of December 31, 2012) were indebted to the Prepetition Lenders in the approximate principal amount of \$3.5 million, and all Prepetition Lenders DIP Obligations (as defined and amended in the Final DIP Order and DIP Amendment Order, respectively) were due to be repaid by the Debtors on March 31, 2013 (the "**DIP Due Date**").

The Prepetition Lenders' receipt of the \$18 million Paydown Amount resulted in the Debtors having repaid (i) in full the 2007 Revolving Loans, the Additional 2007 Term Loan and the October 2011 Financing (the 2007 Revolving Loans, the Additional 2007 Term Loan and the October 2011 Financing are collectively referred to herein as the "**Repaid Facilities**"); and (ii) in part the 2007 Term Loan.²¹ Accordingly, the mortgages securing the Repaid Facilities (*i.e.* the

²¹ \$8,850,669 of the \$13,765,366 outstanding under the 2007 Term Loan (as of June 30, 2012) was paid down from the Paydown Amount. Of the remainder of the Paydown Amount, \$150,000 was used to repay the Additional 2007 Term Loan, \$2,999,999 was used to repay the October 2011 Financing, and \$5,999,333 was used to repay the 2007 Revolving Loans.

facilities fully paid off) were released by the Prepetition Lenders in connection with the 40th Street Sale.

With respect to the mortgages securing the 2007 Term Loan (which was partially paid down in connection with the receipt of the Paydown Amount), the Lenders released the first priority mortgages granted under the January 2007 Financing in the Staten Island, Brooklyn, and Parksville Facilities, and the Lenders were granted substitute first priority mortgages (the “**2012 Substitute Mortgage**”) in the Staten Island, Brooklyn, and Parksville Facilities for the approximate remaining principal balance of \$4.9 million outstanding under the 2007 Term Loan.

Following the closing of the sale of the 40th Street Building, approximately \$7.9 million of the 40th Street Net Proceeds was held in an attorney trust account by Debtors’ counsel. As a result of (a) the severe losses the Debtors sustained due to the effects of Hurricane Sandy (“**Sandy**”), including (i) significant damage to one of the Debtors’ facilities and loss of power to many of the other facilities, (ii) a large decline in revenue due to a reduction in client census as a result of Sandy, (iii) significant additional costs incurred in providing care to the Debtors’ clients both during and after Sandy, including moving patients to other facilities and preparing damaged or shut down facilities for reopening, and (b) the lengthier than hoped for time that the Debtors have remained in chapter 11, on January 25, 2013, the Debtors filed the Supplemental Cash Collateral Motion for authority to withdraw \$2 million of the 40th Street Net Proceeds for use as working capital.

In response to the filing of the Supplemental Cash Collateral Motion, on February 5, 2013, Signature Bank filed a response indicating that it would consent to the relief requested in the Supplemental Cash Collateral Motion provided that the Debtors agreed to a \$2,000,000 pay-down of the amounts outstanding under the Prepetition Lenders DIP Facility (the “**DIP Paydown**”). The Debtors agreed to the DIP Paydown provided that the Prepetition Lenders consented to an extension of the DIP Due Date through May 31, 2013. Accordingly, on February 7, 2013, the Bankruptcy Court entered an order approving the Supplemental Cash Collateral Motion. Pursuant to this order, the DIP Due Date was extended to May 31, 2013 and the Debtors were granted authority to (i) withdraw \$2 million of the 40th Street Net Proceeds for use as working capital; and (ii) proceed with the DIP Paydown, both of which have occurred.

E. Sale of 40th Street Building

As noted above, on the Petition Date, the Debtors were party to a Prepetition Sale Agreement with Allied, pursuant to which Allied had agreed to purchase the 40th Street Building for a purchase price of \$26.5 million. Following the Petition Date, the Debtors evaluated their options with respect to the Prepetition Sale Agreement and the 40th Street Building. The Debtors determined, after consultation with their advisors, that the clearest method for maximizing the value of the 40th Street Building was to proceed with a competitive bidding process.

At the same time, the Debtors continued to negotiate with Allied regarding the possibility of Allied serving as the stalking horse bidder pursuant to a post-petition agreement with an increased purchase price. Ultimately, the Debtors, after negotiating with several parties, concluded that Allied’s greatly improved offer for the purchase of the 40th Street Building, subject to certain negotiated bid protections -- including an agreed-upon claim in respect of the

damages that would have been claimed by Allied had the Prepetition Sale Agreement been rejected -- was the best offer. Accordingly, the Debtors (i) entered into a new sale agreement (the "**Postpetition Sale Agreement**") with Allied, whereby Allied agreed to a new purchase price of \$32 million and (ii) agreed to select Allied as the stalking horse bidder and conduct a competitive bidding process.

Accordingly, on May 8, 2012, the Debtors filed a motion to approve bidding procedures and the selection of Allied as the stalking horse bidder with respect to the 40th Street Building, subject to higher and bidder offers (the "**Sale and Bidding Procedures Motion**"). The Bankruptcy Court entered an order approving the Sale and Bidding Procedures Motion on May 17, 2012 (the "**Sale and Bidding Procedures Order**").

The Debtors coordinated a process to solicit additional parties interested in acquiring the 40th Street Building, including extensive word-of-mouth marketing and advertisements in a prominent New York real estate publication and The New York Times. After this further marketing effort following entry of the Sale and Bidding Procedures Order, Allied was the only party to submit a binding offer for the property and was selected as the successful bidder. On June 22, 2012, the Debtors obtained Bankruptcy Court approval of the Postpetition Sale Agreement and authorization to proceed with the sale of the 40th Street Building to Allied. The sale of the 40th Street Building to Allied closed on July 2, 2012 and resulted in the Debtors receiving \$5.5 million more in sale proceeds than would have been realized had the Debtors consummated the sale under the Prepetition Sale Agreement.

F. Automatic Stay Related Issues

During the Chapter 11 Cases, the Debtors have dealt with various issues related to the enforcement of the automatic stay. The Debtors have (i) responded and/or negotiated with respect to motions filed by third parties to lift the automatic stay and (ii) entered into negotiations and/or stipulations (subsequently approved by the Bankruptcy Court) with certain parties in order to facilitate the resolution of disputes affecting the Debtors and their assets.

1. New York State Department of Health Medicaid Offsets

The Debtors engaged in extensive discussions, correspondence and negotiations with the Office of the Attorney General of the State of New York (the "**OAG**") concerning certain offsets taken by the New York State Department of Health from the Debtors' post-petition Medicaid funding (the "**Medicaid Offsets**"). The Medicaid Offsets, which totaled nearly \$300,000, placed a meaningful burden on the Debtors' cash flow. The Debtors communicated regularly with the OAG to cause the (a) cessation of the Medicaid Offsets and (b) payment to the Debtors of the amounts previously offset. As a result of these discussions, the Medicaid Offsets were reversed and paid to the Debtors during June 2012, without the need for any litigation in this regard.

2. Empire Blue Cross/Blue Shield

Following the Petition Date, Empire Blue Cross/Blue Shield ("**Empire**") failed to honor numerous health insurance claims made by the Debtors' employees on account of the Debtors' alleged failure to make timely premium payments. Empire also sent the Debtors notices of non-

renewal of their employee health insurance policies, which the Debtors believed constituted a violation of the automatic stay.

The Debtors engaged in extensive discussions and negotiations with Empire in an effort to resolve the issues. When these efforts proved unsuccessful, the Debtors drafted and prosecuted a motion to enforce the automatic stay and an order to show cause, which was entered by the Court on June 12, 2012. Ultimately, these efforts resulted in a stipulation and agreed order (the “**Empire Stipulation**”) entered into between the Debtors and Empire resolving the dispute, whereby the Debtors obtained (a) sufficient time to obtain replacement health care coverage for their employees and (b) clarity with respect to timing of payment of premiums going forward. The Empire Stipulation was approved by the Bankruptcy Court on June 14, 2012.

3. Health Business Solutions’ Motion for Permissive Abstention

The Debtors retained Health Business Solutions (“**HBS**”) during 2010 to perform the Debtors’ billing functions. Due to HBS’s consistently poor performance, the Debtors determined to terminate HBS for cause and replaced it with Millin. HBS disputes the Debtors’ position and allegations and contends that the termination was without cause. Litigation commenced by HBS in the Federal District Court for the Southern District of New York prior to the Petition Date arising out of their termination has been stayed since the Petition Date (the “**HBS Litigation**”). On June 14, 2012, HBS filed a motion for permissive abstention to allow the HBS Litigation to proceed in the District Court (the “**HBS Motion**”).

On July 10, 2012, the Debtors filed an objection to the HBS Motion, arguing that no factual or legal basis existed for the relief sought in the HBS Motion. On July 30, 2012, the Bankruptcy Court sustained the Debtors’ objection and denied the HBS Motion, without prejudice. Accordingly, to date, the HBS Litigation remains stayed.

4. 104 West 40th Street

As of the Petition Date the Debtors leased two (2) floors from 104 West 40th Street Property Investors I, LLC (the “**Landlord**”) at 104 West 40th Street New York, New York (the “**HQ Lease**”). Following the Petition Date, the Landlord asserted a right under the HQ Lease to (a) pay its prepetition claims from the letter of credit securing the HQ Lease (the “**LC**”) prior to the expiration of the LC; (b) cause the Debtors to renew the LC; and (c) cause the Debtors to “refill” the LC following the draw by the Landlord. Following extensive negotiations between the Debtors and the landlord, the parties reached an agreement and entered into a stipulation that permitted the Landlord to make the draw but did not require the Debtors to renew or refill the LC, resulting in approximately \$160,000 in additional liquidity for the Debtors. The Bankruptcy Court entered an order approving this stipulation regarding the LC on July 17, 2012.

On August 21, 2012, the Landlord filed a motion (the “**HQ Motion**”) seeking to compel the Debtors to timely perform their post-petition obligations under the Lease and remove a post-petition mechanics’ lien in the amount of \$80,176.20 (the “**Macro Lien**”) filed by Macro Consultants, LLC (the “**Contractor**”), a party that performed work pre-petition with respect to the Debtors’ office space at 104 West 40th Street leased pursuant to the HQ Lease. Following negotiations, the Debtors, the Landlord and the Contractor agreed to a stipulation and order (the

“HQ Stipulation”) resolving the HQ Motion pursuant to which the Contractor agreed to satisfaction of the Macro Lien for \$75,000 and the Debtors agreed to reimburse \$3,500 of the Landlord’s fees relating to the discharge of the Macro Lien. On October 22, 2012, the Debtors filed the HQ Stipulation for approval by the Bankruptcy Code. On October 24, 2012, the Committee filed a limited objection to the HQ Stipulation. On October 29, 2012, the Debtors filed a reply in response to the Committee’s limited objection to the HQ Stipulation, and on November 7, 2012, the Landlord filed a response to the Committee’s limited objection to the HQ Stipulation. Following negotiations between and among the Debtors, the Committee, the Landlord and the Contractor, the parties agreed to file a revised HQ Stipulation resolving the HQ Motion, and on December 6, 2012, the Bankruptcy Court entered an order approving the HQ Stipulation.

Additionally, after exploring various other alternatives (such as relocating the Debtors’ Headquarters to (x) smaller rental space in Manhattan or an outer borough, and (y) other premises already owned by Foundation), the Debtors entered into negotiations with the Landlord concerning an amendment to the HQ Lease to address the Debtors’ desire to reduce the space leased pursuant thereto in order to (a) more closely correlate to the Debtors’ needs following a downsizing of the Debtors’ administrative personnel and (b) reduce its rental obligations. As a result of those negotiations, the Debtors, the Landlord and an entity with whom the Landlord had contracted for the sale of the building agreed to an amendment of the HQ Lease (the **“Lease Amendment”**) to, among other things, (x) permit the Debtors to give back one of the two floors that they were leasing as of January 15, 2013, (y) reduce the rent by one-half, without penalty, and (z) provide for the waiver of any claims in the Chapter 11 Cases by the Landlord.

On October 13, 2012, the Debtors filed a motion to assume the HQ Lease as amended pursuant to the Lease Amendment (the **“HQ Lease Assumption Motion”**). On October 24, 2012, the Committee filed an objection to the HQ Lease Assumption Motion. On October 29, 2012, the Debtors’ filed a reply in support of the HQ Lease Assumption Motion.

Following negotiations between and among the Debtors, the Landlord and the Committee, the parties agreed to a revised proposed order approving the HQ Lease Assumption Motion, and on January 3, 2013, the Bankruptcy Court entered the HQ Lease Assumption Order approving the assumption of the HQ Lease, as amended, by the Debtors. Within the earlier of (i) five (5) days after the Effective Date or (ii) April 30, 2013, the Debtors are obligated to refill the HQ Lease Letter of Credit. As a result of the Lease Amendment, the Debtors’ annual rent for their Headquarters was reduced from \$1,259,496.00 to \$629,748.00 per year for the remainder of the first five (5) years of the remaining term of the HQ Lease and from \$1,409,436.00 to \$704,718.00 for the final five (5) years of the remaining ten year term of the HQ Lease, resulting in an aggregate saving to the Debtors of \$6,672,330.00.

5. First National Bank of Jeffersonville’s Motion for Stay Relief

On September 13, 2012, FNBJ filed a motion (the **“FNBJ Motion”**) seeking stay relief as to the FNBJ Lien. FNBJ alleged that the FNBJ Lien was oversecured and that the Debtors had failed to make any post-petition payments on account of the FNBJ Loan. Following the filing of the FNBJ Motion, the Debtors and FNBJ commenced discussions regarding a refinancing of the FNBJ Loan. The Debtors anticipate entering into an agreement with FNBJ to

extend and refinance the FNBJ Loan. Pursuant to the Plan, the FNBJ Loan will be treated as a Class 3B Claim and will be reinstated.

6. Ford Motor Credit Company LLC Motion for Stay Relief

On February 14, 2013, Ford Motor Credit Company LLC (“**Ford**”) filed a motion (the “**Ford Motion**”) seeking stay relief to pursue insurance proceeds related to the destruction of a certain motor vehicle owned by Daytop and in which Ford held a purchase money security interest (the “**Ford Collateral**”). The Ford Collateral purportedly secured a retail installment loan entered into by the Debtors on July 28, 2008. However, the Ford Collateral was destroyed during Hurricane Sandy. The Debtors anticipate entering into a stipulation with Ford to resolve the Ford Motion.

7. Personal Injury Stipulations

During the Chapter 11 Cases, the Debtors entered into certain stipulations (subsequently approved by the Bankruptcy Court) with certain litigants in order to facilitate the resolution of prepetition disputes without materially affecting the Debtors and their assets. These stipulations were entered into with certain individual plaintiffs to modify the automatic stay to allow them to proceed with prepetition state court litigation in order to attempt to recover funds only against available liability insurance proceeds, if any. These stipulations, and the date approved by the Bankruptcy Court, are set forth below:

- So Ordered Stipulation and Agreed Order Between the Debtors, Trevor Vaughn and Shante Vaughn to (I) Settle Personal Injury Claim Pursuant to Terms of Executed Release; (II) Grant Relief from the Automatic Stay, to the Extent Necessary, to Allow Payment from Insurance Policy; and (III) Resolve Proof of Claim (approved on 9/21/2012);
- So Ordered Stipulation and Agreed Order Resolving Motion of Laura McMorrough for Relief From the Automatic Stay (approved on 9/21/2012);
- So Ordered Stipulation and Agreed Order Resolving Motion of Edward Shindnes by Guardian Ad Litem Margarita Shindnes for Relief from the Automatic Stay (approved on 9/21/2012); and
- So Ordered Stipulation and Agreed Order Resolving Motion of Douglas Bell for Relief from the Automatic Stay (approved on 11/9/2012).

G. The Debtors’ Business Plan

The Debtors, together with their advisors, spent significant time developing their business plan to emerge from the Chapter 11 Cases (the “**Business Plan**”). In concert with formulating the Business Plan, the Debtors engaged in active discussions with OASAS concerning the future of certain of the Debtors’ operations, including which facilities the Debtors will continue to

operate and whether to consolidate or close certain facilities. The Debtors have also had ongoing discussions with OASAS with respect to efforts to re-open and increase census at certain of their facilities. The successful implementation by the Debtors of the Business Plan will, as discussed below, ensure the feasibility of the Plan.

On November 15, 2012, following months of active discussions with OASAS, OASAS notified Daytop that those aspects of the Business Plan that required OASAS action were approved, including authorizing Daytop to (i) relocate patients and staff from the OASAS-certified intensive residential program located at the Debtors' Parksville Facility to the OASAS-certified intensive residential program located at the Debtors' Swan Lake Facility; (ii) sell the Far Rockaway Facility; and (iii) re-open the Millbrook Facility and operate it as a 65-bed short term intensive residential program, subject to OASAS and Daytop agreeing to a budget for program operations.

These approvals were a significant milestone in the Chapter 11 Cases, as they solidified the Debtors' ability to implement necessary restructuring initiatives required for the Debtors to successfully emerge from these Chapter 11 Cases.

H. Proposed Sale of Brooklyn Property

Pursuant to the Business Plan, the Debtors have determined to, *inter alia*, sell the Brooklyn Property owned by Foundation and currently leased by Foundation to DVI, which is used as an outpatient facility (the "**Brooklyn Facility**"), in a further step in the de-leveraging of their respective balance sheets. The Brooklyn Facility is much larger than is required for the purpose for which it is being used and the Debtors intend to find and relocate the Brooklyn Facility to an alternate site on a rental basis of a size that is more commensurate with their needs.

As noted above, the Debtors determined in late July 2012 to retain and employ MKR as real estate broker to DVF to assist with the marketing and sale process with respect to, *inter alia*, the Brooklyn Property. MKR has extensively marketed the Brooklyn Property. MKR received numerous calls from parties interested in purchasing the Brooklyn Property and conducted nearly 70 tours of and received over 30 offers for the Brooklyn Property. Two (2) parties subsequently entered into extensive negotiations with the Debtors to serve as a potential stalking horse bidder (the "**Stalking Horse Bidder**"). In light of the current operations of the Brooklyn Facility at the Brooklyn Property, the Debtors required that any potential purchaser agree to permit the leaseback of the Brooklyn Property to DVI for a minimum of nine (9) months following the closing of the sale of the Brooklyn Property (the "**Leaseback**") while the Debtors seek a suitable replacement rental location for the Brooklyn Facility.

Ultimately, the Debtors concluded that the offer of the Brooklyn Purchaser for the purchase of the Brooklyn Property (including the Leaseback agreement terms incorporated in the Brooklyn Sale Agreement) in exchange for \$4.2 million was the best purchase offer they had received and the Debtors accordingly selected the Brooklyn Purchaser as the Stalking Horse Bidder and on January 30, 2013 entered into a sale agreement (the "**Brooklyn Sale Agreement**") with the Brooklyn Purchaser. The Brooklyn Sale Agreement is subject to higher and better offers. Accordingly, on February 1, 2013, the Debtors filed a *Motion for Entry of Orders (A)(I) Scheduling Hearing to Consider Sale of Certain Non-Residential Real Property Free and Clear of Liens, Claims and Encumbrances Pursuant to Section 363 of the Bankruptcy Code; (II)*

Approving the Form and Manner of Notice of Hearing; (III) Establishing Bidding and Auction Procedures, Bid Protections and Deadlines for Objections; and (B) Approving Sale After Sale Hearing and Granting Related Relief (Case No. 12-11436, Docket No. 549) (the “**Brooklyn Auction and Sale Motion**”).

On February 15, 2013, the Bankruptcy Court entered an order (the “**Brooklyn Sale Procedures Order**”) approving the auction and bidding procedures requested in the Brooklyn Auction and Sale Motion. Pursuant to the Brooklyn Sale Procedures Order, (i) the deadline for submitting bids for the Brooklyn Property was February 26, 2013 at 4:00 p.m. (prevailing Eastern Time) (the “**Bid Deadline**”); and (ii) if qualified bids (other than Brooklyn Purchaser’s bid pursuant to the Brooklyn Sale Agreement) were received by the Debtors, an auction (the “**Brooklyn Auction**”) would have been conducted by the Debtors in respect of the Brooklyn Property pursuant to the terms and conditions set forth in the Brooklyn Sale Procedures Order. However, no qualified bids were received by the Debtors prior to the Bid Deadline and the Brooklyn Auction was therefore cancelled.

Accordingly, the Debtors sought approval of the Brooklyn Sale Agreement at a sale hearing on March 5, 2013. Following such hearing, the Court approved the Brooklyn Sale Agreement and sale of the Brooklyn Property to the Brooklyn Purchaser (the “**Brooklyn Sale**”) pursuant to an order entered on March 5, 2013. The Debtors anticipate the closing of the Brooklyn Sale to take place during April, 2013.

I. Exclusivity Extensions

Section 1121(b) of the Bankruptcy Code establishes an initial period of 120 days after the Bankruptcy Court enters an order for relief under Chapter 11 of the Bankruptcy Code, during which only the debtor may file a plan of reorganization. If the debtor files such a plan within that initial 120-day period, section 1121(c)(3) of the Bankruptcy Code extends the exclusivity period by an additional 60 days to permit the debtor to seek acceptances of such plan. Section 1121(d) of the Bankruptcy Code also permits the Bankruptcy Court to extend these exclusivity periods, within certain limitations, “for cause.” Without further order of the Bankruptcy Court, the Debtors’ initial exclusive period to file a plan would have expired on August 3, 2012. However, by an order entered on July 17, 2012, the Bankruptcy Court extended the Debtors’ exclusive period within which to file a plan of reorganization through and including November 1, 2012 and the Debtors’ exclusive period within which to seek acceptance of such plan through and including December 31, 2012.

To permit the Debtors to continue negotiating with the Committee, the Lenders and OASAS regarding the terms of a consensual plan of reorganization, on October 12, 2012, the Debtors filed their second motion to extend their exclusive periods for an additional 60 days (the “**Second Exclusivity Motion**”). On October 24, 2012, the Committee filed an objection to the Second Exclusivity Motion. On October 29, 2012, the Debtors filed a reply in support of the Second Exclusivity Motion. In light of Hurricane Sandy and the postponement of the October 31, 2012 omnibus hearing in this Bankruptcy cases, on October 30, 2012, the Bankruptcy Court entered a Bridge Order extending the exclusive periods until the Court ruled on the Second Exclusivity Motion. Following additional discussions between the Debtors and the Committee, the parties agreed to a further extension of the Debtors’ exclusive periods within which to file a plan or plans of reorganization through and including January 10, 2013 and the Debtors’

exclusive periods within which to seek acceptance of such plan or plans through and including March 15, 2013 (the “**Second Exclusivity Extension**”).

On December 12, 2012, the Bankruptcy Court entered an order granting the Second Exclusivity Extension.

J. Debtors’ Settlements with Committee and Prepetition Lenders Regarding (i) Proposed Recovery for Holders of Allowed General Unsecured Claims Against DVI and Foundation and (ii) Prepetition Lender Secured Claims

DVI’s unsecured creditors hold the majority of the unsecured debt in these Chapter 11 Cases, yet the majority of assets owned by the Debtors are held by Foundation, an entity the Debtors believe was and remains solvent. The Debtors further believed that, in light of the limited assets held and/or owned by DVI, Holders of Allowed General Unsecured Claims against DVI would be legally entitled to **no** or only a very limited recovery under the Plan.

The Committee took the position from the outset of the Chapter 11 Cases that they would seek to commence litigation in order to have the Bankruptcy Court enter an order substantively consolidating the Debtors’ Estates. As discussed below (Section VI.B.2), the Debtors believe that no factual basis exists for the Debtors’ Estates to be substantively consolidated (and indeed, the Plan does **not** provide for any such consolidation). Despite the Debtors’ position, the Debtors and Committee engaged in months of lengthy, complex and good faith negotiations (i) for purposes of achieving a consensual resolution of the issues related to substantive consolidation of the Estates of DVI and Foundation and the recovery for Holders of Allowed General Unsecured Claims against DVI and (ii) to avoid the uncertainty and expense of potentially complicated and protracted substantive consolidation litigation that would prolong these Chapter 11 Cases and threaten the Debtors’ long-term prospects for reorganization. Moreover, although the Debtors believed that as a legal matter absent substantive consolidation DVI’s unsecured creditors would be entitled to no or a very limited recovery, the Debtors also felt it appropriate to provide for as reasonable a recovery as possible for all of DVI’s unsecured creditors under the circumstances. Accordingly, following these negotiations and significant concessions from both sides, the Debtors and Committee in January 2013 reached a settlement and compromise and entered into a term sheet (as revised and amended pursuant to a revised term sheet dated as of March 11, 2013, the “**Debtors/Committee Settlement**”), pursuant to which, in part, Holders of Allowed General Unsecured Claims against DVI will receive a much greater and enhanced recovery than would otherwise be possible.

The original Debtors/Committee Settlement was predicated upon the Prepetition Lenders agreeing to release their pre-petition liens on the Springwood Property, which property was to be marketed to be sold and used to paydown the DVI Creditors Secured Note. While the Prepetition Lenders would not agree to an outright release of their lien on the Springwood Property, they ultimately agreed to certain sharing and lien release provisions discussed further below, and on March 11, 2013, the Debtors, Prepetition Lenders and Committee entered into a term sheet (the “**Prepetition Lenders Settlement**”), which incorporates certain modified terms of the Debtors/Committee Settlement and resolves all issues with the Prepetition Lenders

regarding the treatment of their claims under the Plan, thereby avoiding any potential “cramdown” litigation with the Prepetition Lenders.

More specifically, pursuant to the Debtors/Committee Settlement and Prepetition Lenders Settlement:²²

- The Debtors will make the DVI Creditors Secured Note Payments to Holders of Allowed General Unsecured Claims against DVI on the DVI Creditors Secured Note, which ten-year note will (a) bear interest at three (3.0%) percent per annum and (b) be issued by DVI on the Effective Date and guaranteed by Foundation in the initial principal amount of \$3.5 million (less any costs relating to the cramdown of Class 4A, if necessary) to a Committee Representative to be appointed by the Committee as a fiduciary for the Holders of Allowed Class 4A General Unsecured Claims against DVI.
- As security for the DVI Creditors Secured Note, the Committee Representative will be granted (as of the Effective Date) the Class 4A Mortgages, which will include second liens on the Springwood Property (junior in priority to the liens of the Prepetition Lenders as of the Effective Date) and additional junior liens (which liens will be subordinate to the Senior Liens of the Prepetition Lenders existing as of the Effective Date) on all of the other Debtors’ owned real estate assets other than the following properties: (i) the Springwood Property; (ii) the Brooklyn Property; and (iii) the DASNY Properties.
- In addition to receiving the DVI Creditors Secured Note Payments, each Holder of an Allowed General Unsecured Claim against DVI will also receive its Pro Rata Share of: (i) if the Required Mandatory Prepayment is not received by the Prepetition Lenders prior to the Springwood Sale, the DVI Creditors Secured Note Mandatory Prepayments (which DVI Creditors Secured Note Mandatory Prepayments shall reduce the amounts outstanding under the DVI Creditors Secured Note), (ii) if the Springwood Lien Release occurs prior to the Springwood Sale, the Springwood Net Proceeds (which Springwood Net Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), and (iii) the Additional DVI Creditors Secured Note Real Estate Proceeds if the Springwood Lien Release does not occur within twenty-four (24) months of the Effective Date (which Additional DVI Creditors Secured Note Real Estate Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), provided however, that the Reorganized Debtors shall retain a portion of the DVI Creditors Secured Note Prepayment Amounts, as applicable, equal to the Excess Principal Payments, if any, provided further, however, that the Reorganized Debtors’ obligation to remit the Additional DVI Creditors Secured

²² The description of the Debtors/Committee Settlement and Prepetition Lenders Settlement herein is qualified in its entirety by the terms of the Plan, which incorporates the entirety of the Debtors/Committee Settlement and Prepetition Lenders Settlement. In the event of a conflict between the terms described herein and the actual terms of the Debtors/Committee Settlement and/or the Prepetition Lenders Settlement as incorporated in the Plan, the Plan shall govern.

Note Real Estate Proceeds shall be fully satisfied at such time as the DVI Creditors Secured Note Prepayment Amounts total \$2,500,000.

- In sum, each Holder of an Allowed General Unsecured Claim against DVI has the possibility (but no certainty or guarantee of any kind) of achieving a greater recovery than its Pro Rata Share of the DVI Creditors Secured Note Payments to the extent the Springwood Net Proceeds obtained from the sale of the Springwood Property exceed \$3.5 million (note that the Springwood Property will be marketed and sold for a period of time after the Effective Date by the Committee Representative, in consultation with the Reorganized Debtors) as follows:
 - Assuming the Required Mandatory Prepayment is received by the Prepetition Lenders prior to the Springwood Sale, the Prepetition Lenders will effectuate the Springwood Lien Release, and Holders of Allowed General Unsecured Claims against DVI shall keep all Springwood Net Proceeds, provided that the Debtors shall be entitled to recover from the Springwood Net Proceeds any previously made Principal Payments on the DVI Creditors Secured Note, such that the total recovery by Class 4A does not exceed the greater of (a) the initial principal amount of the DVI Creditors Secured Note and (b) the Springwood Net Proceeds. The Springwood Net Proceeds, if any, will reduce the amount of the DVI Creditors Secured Note.
 - If the Required Mandatory Prepayment has not been received by the Prepetition Lenders prior to the Springwood Sale (and thus the Springwood Lien Release has not been effectuated), but the Springwood Sale has occurred, the Springwood Sale Proceeds and additional Net Proceeds from the sale of other Sale Properties sales will be shared between the Prepetition Lenders, Holders of Allowed General Unsecured Claims against DVI, and the Reorganized Debtors as further described in the Plan.²³

²³ The sharing arrangement and provisions regarding property sales in the Prepetition Lenders Settlement is implemented throughout the Plan, but is intended to work as follows, and the Plan provisions should be interpreted consistent with the intent set forth as follows: Within thirty-six (36) months from the Effective Date, the Debtors are required to have sold real property other than the Springwood Property and Brooklyn Property (the “**Agreed Sale Properties**”) sufficient to result in Mandatory Prepayments of the Prepetition Lender Term Note in the aggregate amount of at least \$4,000,000 (the “**Agreed Required Prepayment**”). If the Senior Lenders have received the Agreed Required Prepayment before the Springwood Property is sold, then the Senior Lenders shall release their lien and mortgage on the Springwood Property (the “**Agreed Springwood Release**”). If the Springwood Property is sold before the Senior Lenders have received the Agreed Required Prepayment, then (a) the greater of 66% or \$1,665,000 of the Springwood Net Proceeds (or such lesser amount as is required, when combined with previously made Mandatory Prepayments, to total the Agreed Required Prepayment) shall be treated as a Mandatory Prepayment of the Prepetition Lender Term Note and the remaining balance of the Springwood Net Proceeds shall be a mandatory prepayment of the DVI Creditors Secured Note, and (b) upon the sale of the Agreed Sale Properties, from the Net Proceeds of any such sales there shall be a mandatory prepayment of the DVI Creditors Secured Note in an amount equal to the Mandatory Prepayment of the Prepetition Lender Term Note resulting from the sale of the Springwood Property, and the balance shall be a mandatory prepayment of the Prepetition Lender Term Note. At such time as the Prepetition Lenders have received Mandatory Prepayments of

- Each Holder of Allowed General Unsecured Claims against Foundation in its sole and absolute discretion to be made pursuant to the Election Notice, shall elect to receive either the DVF Quarterly Payment Option or the Lump Sum Option. If any Holder of an Allowed General Unsecured Claim against Foundation fails to make an election with respect to its choice of treatment, such holder shall be deemed to have elected the Lump Sum Option. In the event that the aggregate to be paid by the Debtors in connection with the Lump Sum Option exceeds \$50,000, then all creditors who have elected the Lump Sum Option shall receive their pro rata share of \$50,000, with the balance of their Claim to be treated as if the claimant had elected the DVF Quarterly Payment Option.
- The details regarding the proposed sale of the Springwood Property (which property remains subject to the Prepetition Lenders' liens) and the use of the Springwood Property pending any such sale are included in Article IV to the Plan and Section VI below.
- If Class 4A General Unsecured Claims against DVI votes to reject the Plan in accordance with section 1126 of the Bankruptcy Code and the Debtors are required to "cram-down" the Plan as against Class 4A General Unsecured Claims against DVI (the "**DVI Cram-Down**"), then the reasonable attorneys' fees and costs incurred by the Debtors that are attributable to the DVI Cram-Down and which otherwise would not have been incurred shall reduce the amount of the DVI Creditors Secured Note by an equal amount.
- The Reorganized Debtors shall waive the right to recover any preferential transfers from each Holder of (i) an Allowed Class 4A Claim that votes in favor of the Plan, or (ii) a General Unsecured Claim against DVI as of the Voting Record Date, which Claim is later disqualified to vote on the Plan because of a pending objection to such Claim.
- The Prepetition Lenders will receive the Prepetition Lender Term Note.
- In consideration for entry into the Prepetition Lenders Settlement, the Debtors and Prepetition Lenders will grant mutual releases to the Prepetition Lender Releasees and Debtor Releasees, respectively.

Pursuant to Bankruptcy Rule 9019 and section 1123(b)(3)(A) of the Bankruptcy Code, and in consideration for (i) the classification, Distribution and other benefits provided to Holders of (a) Allowed General Unsecured Claims against DVI and Foundation (the "**Unsecured Creditor Benefits**") and (b) Prepetition Lender Secured Claims under the Plan, and (ii) the

the Prepetition Lender Term Note in the aggregate amount of \$5,000,000 resulting from the sales of Agreed Sale Properties, then (x) if the Springwood Lien Release has not occurred within twenty-four (24) months after the Effective Date, 10% of all additional Net Proceeds of the Agreed Sale Properties shall be a mandatory prepayment of the DVI Creditors Secured Note until such time as the Debtors have made payments aggregating \$2,500,000 against the DVI Creditors Secured Note from the sale of the Springwood Property and the Agreed Sale Properties, (y) 10% of all additional Net Proceeds of the Agreed Sale Properties shall be retained by Foundation free and clear of all liens and encumbrances, and (z) the remaining balance of such additional Net Proceeds shall be Mandatory Prepayments of the Prepetition Lender Term Note.

Unsecured Creditor Benefits made possible through the Prepetition Lenders Settlement, these provisions of the Plan shall constitute a good faith compromise and settlement between the Debtors, the Committee, and the Prepetition Lenders and the Debtors therefore believe that the Debtors/Committee Settlement and the Prepetition Lenders Settlement (as and to the extent embodied in the terms of the Plan) should be approved (pursuant to the Confirmation Order) as in the collective best interests of all constituencies in light of the risks of litigation and delay.

K. Letters Regarding Pension Obligations and Proposed Treatment of Pension Claims

Since the Petition Date, the Court has received approximately thirty-four (34) letters (several of which were unsigned or submitted anonymously) written mainly by former employees of DVI (the “**Pension Letters**”). The majority of the Pension Letters (i) assert that certain pension contributions which DVI promised prior to the Petition Date to make to the Retirement Plan were never made; and (ii) request the Court’s assistance in providing for reimbursement in full of the Pension Contribution Amount owed by DVI to the Retirement Plan.

The Bankruptcy Code does not permit the Debtors or the Court to provide for a recovery on the Pension Contribution Amount different than the recovery to be provided to the Holders of other Allowed General Unsecured Claims. The Committee has in an exercise of its fiduciary duties to all unsecured creditors – including the beneficiaries of the Retirement Plan – negotiated the Debtors/Committee Settlement for the benefit of all Holders of Allowed General Unsecured Claims, including the Retirement Plan Claim.

As detailed above, Section IV.B.4., the amount owed to the Retirement Plan is an unsecured, non-priority obligation of only DVI and is owed solely and directly to the Retirement Plan, not to individual participants in the Retirement Plan (such as the authors of many of the Pension Letters).²⁴ The United States Department of Labor (the “**USDOL**”) has filed a proof of claim on behalf of the Retirement Plan asserting an unsecured, non-priority claim against DVI in the amount of \$5,107,495 (the “**Retirement Plan Claim**”). Assuming confirmation of the Plan, the Debtors intend to treat the Retirement Plan Claim as a Class 4A Allowed General Unsecured Claim against DVI. As such, **the Retirement Plan Claim will be entitled to receive the same recovery that all Class 4A Allowed General Unsecured Claims against DVI will receive and any distributions to the holders of claims against the Retirement Plan will be made by the Retirement Plan.** The Class 4A treatment is discussed in Section VI.C.iv.g. below.

²⁴ To the extent that individual participants in the Retirement Plan have filed proofs of claim (either priority, secured or unsecured claims) against the Debtors, such claims are duplicative of the USDOL’s Retirement Plan Claim and the Debtors intend to file a motion seeking the disallowance of such claims. Any holder of individual claims against the Retirement Plan will be provided with adequate and proper notice of any motion to disallow to be filed by the Debtors.

L. Claims Process and Bar Date

1. Schedules and Statements

On May 21, 2012, each of the Debtors filed with the Bankruptcy Court a statement of financial affairs, and schedules of assets, liabilities and executory contracts and unexpired leases (collectively, the “**Schedules**”).

2. Bar Date

By order dated July 23, 2012, the Bankruptcy Court set September 4, 2012 as the general deadline for filing prepetition proofs of claim (including claims under section 503(b)(9) of the Bankruptcy Code) and October 2, 2012 as the deadline for governmental units to file prepetition proofs of claim.

3. Preparation of Claims Estimates and Recoveries

The Debtors have prepared their preliminary estimates of Claims and recoveries by Holders of such Claims based primarily on the following: (a) projections based on anticipated future Claim reconciliations and Claim objections, and (b) other legal and factual analyses unique to particular types of Claims.

The Debtors’ preliminary estimates of Allowed Claims are identified in the chart set forth in Section III above and form the basis of projected recoveries in Classes 1 (Priority Non-Tax Claims), 2 (Prepetition Lender Secured Claims), 3 (Other Secured Claims) 4 (General Unsecured Claims), and 5 (Intercompany Claims). Notwithstanding the Debtors’ efforts in developing their preliminary Claims estimates, the preparation of such estimates is inherently uncertain and no motions have yet been filed seeking to reduce, recharacterize, reclassify or expunge any Claims. Accordingly, there is no assurance that such estimates will accurately predict the actual amount of Allowed Claims in the Debtors’ chapter 11 cases. As a result, the actual amount of Allowed Claims may differ materially from the Debtors’ preliminary Claims estimates contained herein.

4. Omnibus Claim Objection and Settlement Procedures

In anticipation of resolving objections to a portion of the over 500 filed proof of claim against the Debtors, on February 19, 2013, the Debtors filed a motion (the “**Claim Procedures Motion**”) seeking entry of an order establishing procedures for (i) objections by the Debtors to proofs of claim filed in these Chapter 11 Cases; (ii) settling objections to proofs of claim; and (iii) amending the Debtors’ respective schedules of assets and liabilities (the “**Amendment Procedures**”) and granting related relief. The relief sought in the Claims Procedures Motion will provide the Debtors with a mechanism to address amendments to their Schedules and claim objections via omnibus and individualized procedures, and will further provide for settlement procedures based on the settled claims’ dollar ranges to permit the Debtors to settle claims efficiently and cost effectively.

On March 5, 2013, the Court entered an order approving the Claim Procedures Motion.

M. Estimated Value of Debtors' Assets

As of March 8, 2013, the Debtors had approximately \$1.4 million in cash on hand (exclusive of restricted funds).

The Debtors remaining material assets and their estimated values are as follows:

- i. 40th Street Net Proceeds (*i.e.* proceeds from the sale of the 40th Street Building) currently held in an attorney trust account by Debtors' counsel: \$3.9 million;
- ii. Real Property: \$33,955,000 million;²⁵
- iii. Other miscellaneous assets²⁶: \$2.5 million; and
- iv. Causes of Action: The Debtors cannot estimate any proceeds from the pursuit of Causes of Action, or any other actions and Claims due to the Debtors' Estates.

VI.

SUMMARY OF THE PLAN

A. Introduction

This Article provides a summary of the terms and provisions of the Plan, including the classification and treatment of Claims under the Plan and the means for implementation of the Plan. The summary is qualified in its entirety by reference to the Plan, which is submitted herewith. The statements contained in this Disclosure Statement include summaries of the provisions contained in the Plan and in documents referred to therein. The statements contained in this Disclosure Statement do not purport to be precise or complete statements of all the terms of the Plan or the documents referred to therein; reference is made to the Plan and to such documents for the full and complete statements of such terms.

The Plan itself and the documents referred to therein control the actual treatment of Claims against the Debtors under the Plan and will, upon the Effective Date, be binding upon all Holders of Claims against the Debtors, their Estates and other parties in interest.

²⁵ This value (other than with respect to the Brooklyn and Far Rockaway Properties) is based upon appraisals prepared by Cushman & Wakefield, Inc. in February and March 2011 and which were commissioned by the Prepetition Lenders. Given the appreciation in real estate values since that time, the Debtors believe that the actual values may be materially greater than those reflected in the appraisals. The Debtors have used values of \$4.2 million and \$4.0 million for the Brooklyn and Far Rockaway properties, respectively. The \$4.2 million for the Brooklyn Property represents the current purchase price under the executed Brooklyn Purchase Agreement, and the \$4.0 million is an estimate based on current negotiations for the potential sale of the Far Rockaway Property.

²⁶ Other assets include, among other things, equipment and vehicles used in the Debtors' business and excess furniture. Estimated values are based upon book values as of June 30, 2012.

B. Overall Structure of the Plan

1. Classification of Claims

Under the Plan, Claims are divided into five (5) separate Classes, and each Class will contain sub-Classes for each of the Debtors (*i.e.*, there will be two sub-Classes in each Class), with varying treatment proposed for each. Administrative Expense Claims, Priority Tax Claims, Statutory Fees and Priority Non-Tax Claims are not impaired and will not be classified for purposes of voting on the Plan.

The Classes of Claims against the Debtors created under the Plan, the treatment of those Classes under the Plan, the means for implementation of the Plan and the Distributions to be made under the Plan are described in more detail below.

2. No Substantive Consolidation²⁷

The Plan does not provide for substantive consolidation of the Debtors' estates. In general, substantive consolidation is an extraordinary remedy resulting in the pooling of two or more debtors' assets and liabilities so that each of the debtor's liabilities are satisfied from the common pool of assets created by the substantive consolidation. While various other factors may be considered by courts, generally, bankruptcy courts order substantive consolidation of multiple debtors only if it is demonstrated that (i) the operational and financial affairs of the debtors are so entangled that the accurate identification and allocation of assets and liabilities cannot be achieved, or (ii) creditors dealt with the debtors as a single economic unit and did not rely on the separate identity of an individual debtor in extending credit.

During the course of formulating the Plan, the Debtors (through their professionals) considered whether any valid factual and legal basis might exist for the substantive consolidation of the Debtors' Estates. Based on, among others, the following facts, the Debtors believe that no basis exists for the Debtors' Estates to be substantively consolidated:

- The Debtors maintained separate books and records for each Debtor entity, which data can be readily identified and reconciled on a Debtor-by-Debtor basis.
- The Debtors maintained intercompany balances with respect to transactions conducted by and between Debtor entities, recording the same as "payables" or "receivables" depending upon whether the applicable Debtor maintained a positive or negative balance from such transactions.
- The Debtors' operations were structured such that individual Debtor entities served separate purposes and

²⁷ The following discussion regarding the factors which a court might consider in ordering the extraordinary remedy of substantive consolidation generally, or as they may apply specifically to the Debtors is not intended to be comprehensive or to reflect a full factual or legal analysis, or any admission on the part of the Debtors, but rather is for informational purposes only.

functions and, accordingly, had separate bases for existence and different assets and liabilities.

- In addition, historically, creditors of the various Debtors and their non-debtor subsidiaries transacted business with the Debtors in a manner that respected the separateness of such entities.

All of these facts, among others, would preclude the extraordinary remedy of substantive consolidation with respect to the Debtors' Estates.

While the Plan does not provide for Substantive Consolidation, pursuant to the Debtors/Committee Settlement discussed above, Holders of Allowed General Unsecured Claims against DVI will be receiving a far greater recovery than the Debtors believe they are otherwise legally entitled to receive, which will be funded primarily through a contribution by Foundation of real estate assets which are the property of Foundation alone.

C. Classification and Treatment of Claims and Equity Interests under the Plan

1. Classification Generally

Under the Plan, Claims against the Debtors are divided into different Classes. Classification of Claims in the Plan are for all purposes, including voting, Confirmation and Distribution pursuant to the Plan.

A Claim shall be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class and shall be deemed classified in a different Class only to the extent that any portion of such Claim qualifies within the description of such different Class. A Claim is placed in a particular Class only to the extent that such Claim is Allowed in that Class and has not been paid, released or otherwise settled prior to the Effective Date.

Notwithstanding any Distribution provided for in the Plan, no Distribution on account of any Claim is required or permitted unless and until such Claim becomes an Allowed Claim, which might not occur, if at all, until after the Effective Date.

The classification of Claims set forth in the Plan and explained below shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth in the Plan and explained below. Certain of the Debtors may not have Holders of Claims in a particular Class or Classes, and such Classes shall be treated as set forth in Article III.D. of the Plan. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors (*i.e.*, there will be two (2) sub-Classes in each Class).

2. Unclassified Claims Under the Plan

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Priority Tax Claims, and Statutory Fees have not been classified and thus are excluded from the Classes of Claims set forth in Article III of the Plan.

a. Administrative Claims

Except with respect to Administrative Claims that constitute Professional Fees and except to the extent that a Holder of an Allowed Administrative Claim and the applicable Debtor, as applicable, agree to less favorable treatment to such Holder, on, or as soon as reasonably practicable after (i) the Effective Date, if such Administrative Claim is an Allowed Administrative Claim as of the Effective Date, or (ii) the date on which such Administrative Claim becomes an Allowed Administrative Claim or as otherwise determined by the Debtors or Liquidating Trustee, as applicable, each Holder (other than a Professional) of an Allowed Administrative Claim shall receive, in full settlement, satisfaction and release of, and in exchange for, such Allowed Administrative Claim, (a) Cash in an amount equal to the unpaid amount of such Allowed Administrative Claim, or (b) such other treatment as may be agreed upon in writing by such Holder and the Debtors, provided, however, that the Reorganized Debtors shall be authorized to pay Allowed Administrative Claims that arise in the ordinary course of the Reorganized Debtors' business, in full, in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to, such transactions, post-confirmation.

The Debtors cannot estimate at this time what the amount of Allowed Administrative Claims will aggregate on the Effective Date because the Administrative Claims Bar Date (as defined below) has not yet passed and the Debtors have been paying undisputed Administrative Claims in the ordinary course of the Debtors' businesses to the extent permitted by order of the Bankruptcy Court.

The bar date or last date for the filing any Proof of Claim for an Administrative Claim *exclusive of* Professional Fee Claims (which are addressed in Article II.B. of the Plan), that has accrued between the Petition Date and the Effective Date of the Plan shall be thirty (30) days after the Effective Date (the "**Administrative Claims Bar Date**"). Such Administrative Claims must be filed with the Claims Agent as follows:

Via post office:

Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5112
New York, NY 10150-5112

Via overnight delivery or hand-delivery:

Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

A copy of the Administrative Claim must also be sent to counsel for the Debtors at the address listed in Section II.D above. The failure to timely file such an Administrative Claim accruing between the Petition Date and the Effective Date as required by this provision **shall bar the Administrative Claim from being paid** (with the sole exception of any Professional Fee Claim).

b. Professional Fees

Notwithstanding any other provision of the Plan concerning Administrative Claims, any Professional seeking an award by the Bankruptcy Court of an Allowed Administrative Claim on account of Professional Fees incurred from the Petition Date through and including the Effective Date (i) shall, no later than thirty (30) days after the Effective Date, file a final application for allowance of compensation for services rendered and reimbursement of expenses incurred through and including the Effective Date and (ii) shall receive, as soon as reasonably practicable after such claim is Allowed, in full settlement, satisfaction and release of, and in exchange for, such Allowed Administrative Claim, Cash in an amount equal to the unpaid amount of such Allowed Administrative Claim in accordance with the Order relating to or allowing any such Administrative Claim.

c. Priority Tax Claims

On, or as soon as reasonably practicable after (i) the Initial Distribution Date, if such Priority Tax Claim is an Allowed Priority Tax Claim as of the Effective Date, or (ii) the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim against a Debtor shall receive, (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim, (2) Cash in an amount agreed to by such Holder and agreed to and paid by the Debtors, provided that such parties may further agree for the payment of such Allowed Priority Tax Claim to occur at a later date without any further notice to or action, order, or approval of the Bankruptcy Court, or (3) at the sole discretion of the Debtors, Cash in the aggregate amount of such Allowed Priority Tax Claim, payable in installment payments over a period not more than five years from the Petition Date with payment of interest to be determined by the Bankruptcy Court in accordance with section 511 of the Bankruptcy Code and applicable non-bankruptcy law.

d. Statutory Fees

The Debtors shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717, on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' businesses, until the entry of a Final Order or decree concluding the Debtors' Bankruptcy Cases, dismissal of the Bankruptcy Cases, or conversion of the Bankruptcy Cases to chapter 7.

3. Summary of Classes

Pursuant to the Plan, Holders of Claims in Class 1 (Priority Non-Tax Claims) and Class 3 (Other Secured Claims) are unimpaired and, therefore, the Holders of such Claims are "conclusively presumed" to have voted to accept the Plan.

Pursuant to the Plan, Holders of Claims in Class 2 (Prepetition Lender Secured Claims) and Class 4 (General Unsecured Claims) are impaired and entitled to vote to accept or reject the Plan. Holders of Claims in Class 5 (Intercompany Claims) are impaired and are not receiving any recovery and are, therefore, deemed to reject the Plan.

4. Classification and Treatment Under the Plan

a. Class 1A – Priority Non-Tax Claims against DVI (Unimpaired; not entitled to vote)

Class 1A consists of Priority Non-Tax Claims against DVI. On or as soon as practicable after the Effective Date, each Holder of an Allowed Priority Non-Tax Claim against DVI shall receive, in full and final satisfaction of such Claim, payment in full in Cash of its Allowed Priority Non-Tax Claim against DVI (or as otherwise agreed).

b. Class 1B – Priority Non-Tax Claims against Foundation (Unimpaired; not entitled to vote)

Class 1B consists of Priority Non-Tax Claims against Foundation. On or as soon as practicable after the Effective Date, each Holder of an Allowed Priority Non-Tax Claim against Foundation shall receive, in full and final satisfaction of such Claim, payment in full in Cash of its Allowed Priority Non-Tax Claim against Foundation (or as otherwise agreed).

c. Class 2A – Prepetition Lender Secured Claims against DVI (Impaired; entitled to vote)

Class 2A consists of the Prepetition Lender Secured Claims against DVI. Each Holder of a Prepetition Lender Secured Claim against DVI shall be entitled to receive the Prepetition Lender Term Note in full and final satisfaction of such Claim.

d. Class 2B – Prepetition Lender Secured Claims against Foundation (Impaired; entitled to vote)

Class 2B consists of Prepetition Lender Secured Claims against Foundation. Each Holder of a Prepetition Lender Secured Claim against Foundation shall be entitled to receive, in full and final satisfaction of such Claim, (i) the Prepetition Lender Term Note, and (ii) the Brooklyn Net Proceeds, which proceeds shall reduce the amounts outstanding under the Prepetition Lender Term Note.

e. Class 3A – Other Secured Claims Against DVI (Unimpaired; deemed to accept)

Class 3A consists of Other Secured Claims against DVI. Except to the extent that a Holder of an Allowed Other Secured Claim against DVI agrees to a different treatment, on or as soon as practicable after the Effective Date, each Holder of an Allowed Other Secured Claim against DVI shall receive, in full and final satisfaction of such Claim, either (a) the collateral securing such Allowed Other Secured Claim, or (b) reinstatement and cure of its agreement with DVI.

f. Class 3B – Other Secured Claims Against Foundation (Unimpaired; deemed to accept)

Class 3B consists of Other Secured Claims against Foundation. Except to the extent that a Holder of an Allowed Other Secured Claim against Foundation agrees to a different treatment,

on or as soon as practicable after the Effective Date, each Holder of an Allowed Other Secured Claim against Foundation shall receive, in full and final satisfaction of such Claim, either (a) the collateral securing such Allowed Other Secured Claim, or (b) reinstatement and cure of its agreement with Foundation.

g. Class 4A – General Unsecured Claims Against DVI (Impaired; entitled to vote)

Class 4A consists of the Holders of Allowed General Unsecured Claims against DVI. Each Holder of an Allowed General Unsecured Claim against DVI shall receive, in full and final satisfaction, settlement, discharge and release of its Allowed General Unsecured Claim, its Pro Rata Share of: (i) the DVI Creditors Secured Note Payments, (ii) if the Required Mandatory Prepayment is not received by the Prepetition Lenders prior to the Springwood Sale, the DVI Creditors Secured Note Mandatory Prepayments (which DVI Creditors Secured Note Mandatory Prepayments shall reduce the amounts outstanding under the DVI Creditors Secured Note), (iii) if the Springwood Lien Release occurs prior to the Springwood Sale, the Springwood Net Proceeds (which Springwood Net Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), and (iv) the Additional DVI Creditors Secured Note Real Estate Proceeds if the Springwood Lien Release does not occur within twenty-four (24) months of the Effective Date (which Additional DVI Creditors Secured Note Real Estate Proceeds shall reduce the amounts outstanding under the DVI Creditors Secured Note), provided however, that the Reorganized Debtors shall retain a portion of the DVI Creditors Secured Note Prepayment Amounts, as applicable, equal to the Excess Principal Payments, if any, provided further, however, that the Reorganized Debtors obligation to remit the Additional DVI Creditors Secured Note Real Estate Proceeds shall be fully satisfied at such time as the DVI Creditors Secured Note Prepayment Amounts total \$2,500,000.

h. Class 4B – General Unsecured Claims Against Foundation (Impaired; entitled to vote)

Class 4B consists of the Holders of Allowed General Unsecured Claims against Foundation. Each Holder of an Allowed General Unsecured Claim against Foundation, at its sole and absolute discretion to be made pursuant to the Election Notice, shall elect to receive either the (i) DVF Quarterly Payment Option or (ii) Lump Sum Option. Any Non-Electing Class 4B Holder shall be deemed to have elected the Lump Sum Option. In the event that the aggregate to be paid by the Debtors in connection with the Lump Sum Option exceeds \$50,000, then all creditors who have elected the Lump Sum Option shall receive their pro rata share of \$50,000, with the balance of their claim to be treated as if the claimant had elected the DVF Quarterly Payment Option.

i. Class 5A – Intercompany Claims Against DVI (Impaired; not entitled to vote)

Class 5A consists of Intercompany Claims against DVI. All Intercompany Claims against DVI shall be unaffected by the Plan or Confirmation thereof, but Holders of Allowed Intercompany Claims against Foundation (i) shall not receive any distributions under the Plan and (ii) shall not receive any payments in respect of such Intercompany Claims from DVI until the DVI Creditors Secured Note is paid in full.

**j. Class 5B - Intercompany Claims Against Foundation
(Impaired; not entitled to vote)**

Class 5B consists of Intercompany Claims against Foundation. All Intercompany Claims against Foundation shall be unaffected by the Plan or Confirmation thereof, but Holders of Allowed Intercompany Claims against Foundation (i) shall not receive any distributions under the Plan and (ii) shall not receive any payments in respect of such Intercompany Claims from Foundation until the DVI Creditors Secured Note is paid in full.

D. Means for Implementation of the Plan

1. Reorganized Debtors

a. Reorganized Entities Upon Effective Date

The Articles of Incorporation and Bylaws (collectively, the “**Articles**”) of DVI and Foundation shall be unaffected and shall remain in full force and effect from and after the Effective Date. The Articles of DVI and Foundation shall preserve the power of their respective Boards of Trustees set forth therein. Prior to the closing of the Debtors’ Chapter 11 Cases, any amendments to the Reorganized Debtors’ Articles shall be filed with the Bankruptcy Court.

b. Boards of Trustees and Officers of Reorganized DVI and Reorganized Foundation

The respective existing Boards of Trustees and officers of DVI and Foundation shall remain in place as of the Effective Date and shall continue to serve for Reorganized DVI and Reorganized Foundation, subject to all rights of DVI and Foundation to replace members of the boards of officers as is permitted pursuant to the Articles or otherwise; provided, however, that the Chief Executive Officer of DVI and Foundation (the “**CEO**”) as of the Effective Date shall not be a member of the Boards of Trustees at any time during which the outstanding indebtedness under the Prepetition Lender Term Note is not less than \$6,500,000..

c. Chief Restructuring Officer

Until such time as the indebtedness owed pursuant to the Prepetition Lender Term Note is \$6,500,000 or less, DVI shall retain a Chief Restructuring Officer (the “**CRO**”) on a part-time basis and the CEO shall report directly to the CRO. The primary responsibilities of the CRO shall be to (a) monitor and execute the Reorganized Debtors’ business plan, (b) monitor and manage cash forecasting, cash receipts, and disbursements, and (c) together with the Board of Trustees of Foundation, monitor and execute the marketing and sale of the Springwood Property and the Sale Properties and/or the refinancing of the Prepetition Lender Term Note, subject to the Committee Representative’s powers and responsibilities with respect to the marketing and sale of the Springwood Property.

d. Funding of Plan

The Plan will be funded from (a) the Debtors’ cash on hand (including the 40th Street Net Proceeds), (b) revenues from ordinary course operations, including OASAS subsidies, (c) proceeds of strategic asset sales, including the Brooklyn Net Proceeds, (d) charitable

fundraising, (e) proceeds of Causes of Action, and (f) such other sources as the Reorganized Debtors deem appropriate. The Debtors are currently in negotiations with respect to the potential sale of one or more pieces of owned real estate.

e. Vesting of Assets in Reorganized Debtors

On the Effective Date, all of the Debtors' and Estates' Assets (including Causes of Action) shall vest in the Reorganized Debtors free and clear of all Claims, liens, charges or other encumbrances, except as set forth in the Plan. For the avoidance of doubt, each Reorganized Debtor will be vested on the Effective Date with the particular Estate Assets belonging to that Debtor prior to the Effective Date. The 40th Street Net Proceeds currently held in an attorney trust account by Debtors' counsel, Lowenstein Sandler LLP, will be released to the Debtors to fund (a) any necessary payments to be made under the Plan (including, but not limited to, the Allowed Secured Claims owed to the Prepetition Lenders pursuant to the Final DIP Order), and (b) the Reorganized Debtors' working capital needs following the Effective Date. Once the Proceeds Sharing Threshold has been met, Foundation shall retain all Foundation Real Estate Proceeds.

2. Reservation of Rights Regarding Causes of Action

The Debtors and, after the Effective Date, the Reorganized Debtors, reserve the right to pursue any and all Causes of Action not relinquished, released, compromised or settled in the Plan or through any Final Order, and the Debtors hereby reserve the rights of the Debtors and the Reorganized Debtors to pursue, administer, settle, litigate, enforce and liquidate consistent with the terms and conditions of the Plan such Causes of Action. The Reorganized Debtors shall, pursuant to Section 1123 and all applicable law, have the requisite standing to prosecute, pursue, administer, settle, litigate, enforce and liquidate any and all Causes of Action. Notwithstanding anything contained in the Plan or the Disclosure Statement to the contrary, all Causes of Action shall be retained by the Debtors and the Reorganized Debtors against all creditors and parties in interest notwithstanding any allowance of, or treatment provided for such creditors' or parties' in interests' Claims; provided however, that the Reorganized Debtors shall (a) waive the right to recover any preferential transfers from each Holder of (i) an Allowed Class 4A Claim that votes in favor of the Plan, or (ii) a General Unsecured Claim against DVI as of the Voting Record Date, which Claim is later disqualified to vote on the Plan because of a pending objection to such Claim and (b) waive the right to pursue and shall release all claims and causes of action against the Prepetition Lender Releasees as set forth in Article IX. of the Plan.

The Reorganized Debtors shall, pursuant to Section 1123 and all applicable law, have the requisite standing to prosecute, pursue, administer, settle, litigate, enforce and liquidate any and all Causes of Action. Except for Causes of Action against a Person or Entity expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order, the Debtors (before the Effective Date) and the Reorganized Debtors (after the Effective Date), expressly reserve all Causes of Action for later adjudication, including, without limitation, the following actions:

- i. In the Debtors' respective Schedules of Assets and Liabilities ("**SOAL**") and/or Statements of Financial Affairs ("**SOFA**," and together with the SOAL, the "**Schedules**"), each of which is incorporated herein by reference, the Debtors

listed (i) all payments made by the Debtors within ninety (90) days prior to the Petition Date to creditors (SOFA Section 3(b) and/or SOFA Rider 3b attached to SOFA), (ii) all payments made by the Debtors within one (1) year prior to the Petition Date to creditors who are or were insiders of the Debtors (SOFA Section 3(c) and/or SOFA Rider 3c attached to SOFA), (iii) prepetition lawsuits with respect to which the Debtors were parties (SOFA Section 4(a)), and (iv) prepetition leases and contracts to which the Debtors were parties (SOAL Schedule G). SOFA Sections 3(b), 3(c), and 4(a), SOFA Riders 3b and 3c and SOAL Schedule G filed, respectively, for each of the Debtors²⁸ are incorporated herein by reference, and all Persons listed in each of those are collectively the “**Potential Defendant Lists**”. The Schedules can be viewed at the Debtors’ restructuring website at <http://dm.epiq11.com/dvf> or through the website maintained by the United States Bankruptcy Court for the Southern District of New York at www.nysb.uscourts.gov. Except as otherwise barred by an applicable statute of limitations which has not been tolled, either by the commencement of these Chapter 11 cases, by agreement of the parties or otherwise, the rights of the Debtors to pursue Causes of Action related to any of the foregoing, including, without limitation, all Causes of Action for avoidance and recovery pursuant to Section 550 of the Bankruptcy Code of transfers avoidable by reason of Section 544, 545, 547, 548, 549 or 553(b) of the Bankruptcy Code, or otherwise, including, without limitation, from the parties listed on the Potential Defendant Lists and whether or not such Causes of Action have been commenced prior to the Effective Date and whether or not such Persons have been identified on the Schedules as having received a payment made by the Debtors within ninety (90) days prior to the Petition Date or, if such person is an insider of the Debtors, within one (1) year prior to the Petition Date, as well as the rights of the Debtors to pursue Causes of Action related to any other transfer, lawsuit, lease or contract inadvertently omitted from the Schedules, are hereby retained and preserved. Recovery related to any Cause of Action shall not be limited to any amounts set forth in the Schedules;

- ii. Causes of Action for avoidance and recovery pursuant to Section 550 of the Bankruptcy Code of transfers avoidable by reason of Section 544, 545, 547, 548, 549 or 553(b) of the Bankruptcy Code, or otherwise, including, without limitation, from the New York State Department of Labor related to the filing of warrants (tax or otherwise) and/or liens or encumbrances and/or specifications and levies against the Debtors, their estates or Assets, within ninety (90) days prior to the Petition Date;
- iii. Causes of Action arising out of or relating to the sale or sales of any of the Debtors’ Assets or any agreements ancillary thereto, whether such sales occurred prior to the Effective Date or after the Effective Date;

²⁸ SOFA Riders 3b and 3c were only filed on the DVI SOFA.

- iv. Causes of Action to recover accounts receivable or other receivables or rights to payment created or arising in the ordinary course of any of the Debtors' businesses;
- v. Causes of Action against any current or former director, officer, employee or agent of the Debtors arising out of employment related matters;
- vi. Causes of Action against insurance carriers, reinsurance carriers, underwriters or surety bond issuers relating to coverage, indemnity, contribution, reimbursement or other matters;
- vii. Causes of Action, counterclaims and defenses relating to loans, notes, mortgages, bonds or other contractual obligations;
- viii. Causes of Action against local, state, federal, and foreign taxing authorities for refunds of overpayments or other payments and/or for reversal of improperly applied setoffs;
- ix. Causes of Action against utilities, vendors, suppliers of services or goods, or other parties for wrongful or improper termination, suspension of services or supply of goods, or failure to meet other contractual or regulatory obligations;
- x. Causes of Action against vendors, suppliers of goods or services, or other parties for failure to fully perform or to condition performance on additional requirements under contracts with any one or more of the Debtors before the assumption or rejection of the subject contracts;
- xi. Causes of Action of the Debtors arising under section 362 of the Bankruptcy Code;
- xii. Causes of Action for turnover of estate property arising under sections 542 or 543 of the Bankruptcy Code;
- xiii. Equitable subordination Causes of Action arising under section 510 of the Bankruptcy Code or other applicable law; and
- xiv. Causes of Action for unfair competition, interference with contract or potential business advantage, conversion, infringement of intellectual property or other business tort claims, including without limitation, claims or counterclaims against HBS.

3. Dissolution of the Committee

On the Effective Date, the Committee shall be dissolved and the members of the Committee shall be released and discharged from any further authority, duties, responsibilities, liabilities and obligations related to, or arising from, the Chapter 11 Cases, except that the Committee shall have standing and capacity to prepare and prosecute (i) applications for or objections to the payment of fees and reimbursement of expenses incurred by the Committee or any of the estates' Professionals, and (ii) any pending appeals of Confirmation Order.

4. Termination of Patient Care Ombudsman

On the Confirmation Date, the Patient Care Ombudsman shall be terminated and forever discharged from his duties as Patient Care Ombudsman in these Bankruptcy Cases, except that the Patient Care Ombudsman shall have standing and capacity, subject to the fee caps imposed by the Bankruptcy Court on the Patient Care Ombudsman and his counsel, Baker & Hostetler LLP, to prepare and prosecute applications for the payment of fees and reimbursement of expenses incurred by the Patient Care Ombudsman and his counsel.

5. Appointment of Committee Representative

i. On or prior to the Confirmation Hearing, the Committee shall select, and File a notice of designation of, the Committee Representative. The Committee Representative shall serve until all amounts outstanding under the DVI Creditors Secured Note are paid in full (or reduced to zero on account of the Net Proceeds). The Committee Representative shall have the right to file a designation of its successor with the Bankruptcy Court in the event the Committee Representative is unable to serve until the DVI Creditors Secured Note is paid in full.

ii. On the Effective Date, the Debtors shall issue the DVI Creditors Secured Note and the Class 4A Mortgages to the Committee Representative as a fiduciary for the Holders of Allowed Class 4A Claims. The Committee Representative shall enter into any intercreditor or subordination agreement consistent with the Plan required by the Prepetition Lenders in respect of the Class 4A Mortgages and the DVI Creditors Secured Note, in form reasonably satisfactory to the Reorganized Debtors and the Prepetition Lenders, so long as such intercreditor or subordination agreement (a) prohibits the Committee Representative from taking any action under the Class 4A Mortgages and the DVI Unsecured Creditors Secured Note against the Sale Properties and/or the Springwood Property without the consent of the Prepetition Lenders, and (b) does not impair the right of the Committee Representative to receive the DVI Creditors Secured Note Prepayment Amounts (in all respects subject to Article IV.E.6. to the Plan and Section VI.D.5.vi. below) from the sale of each of the Sale Properties and/or the Springwood Property.

iii. On or as soon as practicable after the Effective Date, but in no event later than thirty (30) days after the Effective Date, the Debtors shall deliver to the Committee Representative a current Claims Register for purposes of calculating the amount of or, to the extent there are proceeds of the DVI Creditors Secured Note available for distribution at such time, establishing the Disputed Claims Reserve. The Debtors shall promptly update the Claims Register, at least quarterly, until all objections to Claims have been fully and finally resolved. Payments to Holders of Allowed Class 4A Claims shall be made by the Reorganized Debtors and the Reorganized Debtors shall provide the Committee Representative with proof of such distributions.

iv. To the extent the Plan requires the Reorganized Debtors to obtain the consent of the Committee following the Effective Date, the Committee Representative shall be the only person authorized to provide such consent.

v. Commencing on the Effective Date, and annually thereafter until the DVI Creditors Secured Note is paid in full, the Debtors shall pay to the Committee Representative the

Committee Representative Compensation, which shall be used by the Committee Representative as compensation for the Committee Representative and to retain and compensate counsel or any other professionals, persons or entities to assist the Committee Representative with the discharge of its duties. Payments of Committee Representative Compensation shall not reduce the amounts due under or the balance of the DVI Creditors Secured Note. Committee Representative Payment Deductions may be deducted from the DVI Creditors Secured Note Payments, but other than in the event of a default in the obligation of the Debtors or the Reorganized Debtors to make the DVI Creditors Secured Note Payments, the Committee Representative shall have no further claim against the Debtors or the Reorganized Debtors in respect of any fees, expenses, attorneys' fees or otherwise. Notwithstanding any Committee Representative Payment Deductions, the full amount of each DVI Creditors Secured Note Payment shall be credited against the Debtors' obligations under the DVI Creditors Secured Note and shall therefore serve to reduce the amount payable under the DVI Creditors Secured Note.

vi. All DVI Creditors Secured Note Prepayment Amounts, less the Excess Principal Payments, if any, which Excess Principal Payments shall be retained by the Reorganized Debtors, shall be distributed to the Holders of Allowed Class 4A Claims at such times as may be reasonably directed by the Committee Representative and shall reduce the amounts outstanding under the DVI Creditors Secured Note. All DVI Creditors Secured Note Prepayment Amounts shall be held by the Reorganized Debtor in an attorney's trust account or other segregated escrow arrangement reasonably satisfactory to the Committee Representative for the benefit of the Committee Representative until distributed to Holders of Allowed Class 4A Claims as soon as practicable thereafter. In the event any of the Sale Properties is sold by the Debtors prior to the Effective Date, the DVI Creditors Secured Note Prepayment Amounts, if any, from any such sale shall be distributed in accordance with the terms of the Plan. DVI Creditors Secured Note Prepayment Amounts shall not constitute property of the Debtors or Reorganized Debtors.

6. The Springwood Property.

i. The Committee Representative, in consultation with the Reorganized Debtors, shall use commercially reasonable efforts to sell the Springwood Property as soon as practicable after the Effective Date. Provided that the Committee Representative has used commercially reasonable efforts to sell the Springwood Property, the Committee Representative shall have the sole right to require Reorganized Foundation to enter into a contract for the sale of the Springwood Property for a period of eighteen (18) months after the Effective Date, after which either the Reorganized Debtors may enter into, or the Committee Representative may require Reorganized Foundation to enter into, a contract for the sale of the Springwood Property, upon reasonable notice thereof to the other party. The Springwood Property shall be sold only for cash payable at closing. The terms of the sale of the Springwood Property, including the price, shall at all times be subject to the consent of the Reorganized Debtors, with such consent not to be unreasonably withheld. The Committee Representative shall select the broker to list, market and show the Springwood Property, provided, however, that the selection of such broker shall at all times be subject to the consent of the Reorganized Debtors, with such consent not to be unreasonably withheld.

ii. The Springwood Property shall be vacant and untenanted and shall be free and clear of all other liens, claims and encumbrances on the Effective Date, provided however,

that the Reorganized Debtors shall be entitled to continue to use the Miller House rent-free for a period ending on the date which is one hundred twenty (120) days after the date the Committee Representative gives the Reorganized Debtors notice of the scheduled closing date for the sale of the Springwood Property, but in all events, not to exceed five (5) years from the Effective Date.

iii. Pending the sale of the Springwood Property:

- The Debtors or Reorganized Debtors shall maintain the Springwood Property in a manner no less favorable than how the Springwood Property was maintained during the Chapter 11 Cases. Routine repairs or maintenance of the Springwood Property reasonably necessary to preserve its sale value shall be made at the Reorganized Debtors' expense;
- The Debtors shall maintain property insurance on the Springwood Property in the amount of \$9,536,234, with a deductible in the amount of \$5,000 and maintain liability insurance in the amount of \$1,000,000 with a deductible in the amount of \$0 (or such other amounts as may be agreed to by the Reorganized Debtors and the Committee Representative), with the Committee Representative being named as an additional Loss Payee;
- The Springwood Property may not be leased without the written consent of the Committee Representative, which consent may be withheld for any reason;
- The Reorganized Debtors shall not (a) refinance or (b) permit any liens or any other encumbrances, other than the Prepetition Lenders Springwood Lien, to be placed on the Springwood Property after the Effective Date; provided, however, that the use of Miller House in accordance with the terms set forth herein shall be permitted and shall not constitute a prohibited lien, encumbrance or an impermissible lease of the Springwood Property;
- The Reorganized Debtors shall provide the Committee Representative, or his designee, with access to the Springwood Property at any time upon reasonable notice; and
- The Committee Representative shall be entitled to obtain an annual engineering inspection of the Springwood Property at the Committee Representative's sole expense to determine the Reorganized Debtors' compliance with their obligation to maintain the Property in the manner set forth above.
- The Debtor shall provide the Committee, at the estate's expense, with a title report on the Springwood Property no later than thirty (30) days prior to the first scheduled date for the Confirmation

Hearing. To the extent the title report show there are encumbrances or other defects of title on the Springwood Property, such encumbrances shall be cleared as a condition to the Effective Date at the Debtors' sole expense.

7. Issuance and Recording of the Class 4A Mortgages and Unsecured Note Coverage Ratio

i. The Class 4A Mortgages shall be granted to the Committee Representative and perfected by virtue of (a) the Confirmation Order and (b) the recordation on, or as soon as reasonably practicable after the Effective Date, of such Class 4A Mortgages in the proper recording office.

ii. Notwithstanding anything contained in the Plan to the contrary, it shall be a default under the DVI Creditors Secured Note if the DVI Creditors Secured Note Coverage Ratio is greater than sixty (60%) percent unless, in the event the DVI Creditors Secured Note Coverage Ratio exceeds 60%, the Reorganized Debtors make a payment to the Committee Representative to be applied to the DVI Creditors Secured Note that reduces the DVI Creditors Secured Note Coverage Ratio below 60%. The Reorganized Debtors shall certify annually to the Committee Representative that the equity value of the properties (based on appraisals obtained as needed based on the following two sentences in this paragraph) pledged as collateral for the Note are sufficient to establish that the DVI Creditors Secured Note Coverage Ratio complies with the requirements of this section. For purpose of calculating the DVI Creditors Secured Note Coverage Ratio, the appraisals referenced in the Rule 1017 Affidavit executed by Michael Dailey on the Petition Date may be used by the Reorganized Debtors for a period of two (2) years following the Effective Date. Thereafter, the Reorganized Debtors shall have the appraisal(s) updated or the Pledged Properties reappraised by an MAI appraiser licensed in the state in which the property is located in connection with its annual certification of the DVI Creditors Secured Note Coverage Ratio if the relevant appraisal(s) is more than thirty-six (36) months old.

8. Prepetition Lender Transactions

i. Until the Prepetition Lender Term Note has been repaid in full, the Reorganized Debtors shall pay the Mandatory Prepayments, if any, to the Prepetition Lenders, which Mandatory Prepayments shall be credited against and reduce the balance of the Prepetition Lender Term Note.

ii. It shall constitute a default under the Prepetition Lender Term Note if the Reorganized Debtors fail to make the Required Mandatory Prepayment within thirty-six (36) months of the Effective Date.

iii. If the Springwood Sale closes prior to the Prepetition Lenders receipt of the Required Mandatory Prepayment, the Prepetition Lenders shall be entitled to receive the Mandatory Senior Lender Springwood Prepayment; provided, however, if the Mandatory Senior Lender Springwood Prepayment and Required Mandatory Prepayment together exceed \$4,000,000, then the Mandatory Senior Lender Springwood Prepayment and the Required Mandatory Prepayment, to the extent in excess of \$4,000,000, shall be (a) treated as and increase

the DVI Creditors Secured Note Mandatory Prepayments and (b) reduce the amounts outstanding under the DVI Creditors Secured Note.

iv. If the Prepetition Lenders receive the Required Mandatory Prepayment prior to the Springwood Sale, the Prepetition Lenders shall take all actions necessary to effectuate the Springwood Lien Release.

v. Any Mandatory Prepayments made during the Prepetition Lender Term Note Initial Amortization Period shall be applied as a credit against any remaining Initial Amortization Payments.

vi. On the Effective Date, Signature shall apply the Prepetition HQ Landlord Letter of Credit Collateral in repayment of the Prepetition HQ Landlord Letter of Credit Reimbursement Obligation, including interest at the contract rate. Signature shall issue a new letter of credit in the amount of approximately \$420,000, which amount shall be cash-collateralized on usual and customary terms at Signature by the Reorganized Debtors, which cash collateral may be provided in whole or part by (a) the remaining balance of the Prepetition HQ Landlord Letter of Credit Collateral and/or (b) the 40th Street Net Proceeds.

vii. On the Effective Date, the Debtors shall issue the Prepetition Lender Term Note to the Prepetition Lenders.

9. Method of Distribution Under Plan

a. Rights and Duties of Reorganized Debtors

i. On the Effective Date, the Reorganized Debtors shall, among other things, be responsible for (i) investigating and, where appropriate, pursuing Causes of Action, (ii) resolving all Disputed Claims and (iii) making all Distributions as provided for in the Plan. Distributions to be made by the Reorganized Debtors may be made by any Person designated or retained by the Reorganized Debtors to serve as Disbursing Agent without the need for any further order of the Bankruptcy Court.

10. Cancellation of Existing Agreements

On the Effective Date, except to the extent otherwise provided in the Plan, all notes, stock, instruments, certificates, and other documents evidencing any Claims shall be canceled, shall be of no further force, whether surrendered for cancellation or otherwise, and the obligations of the Debtors thereunder or in any way related thereto shall be discharged.

11. Exemption from Certain Fees and Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan, including the granting or recordation of the Class 4A Mortgages, the Senior Liens or any liens to be granted upon the issuance of the Prepetition Lender Term Note, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax

or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Any sale of Assets by the Reorganized Debtors after the Confirmation Date of the Plan, including the sales of the Brooklyn Property, the Far Rockaway Property and the Springwood Property, shall be deemed to be a sale pursuant to the Plan and not subject to such tax to the fullest extent permitted by section 1146(a) of the Bankruptcy Code.

E. Provisions Governing Distributions

The manner of payment, timing of distributions, and issues related to (i) undeliverable distributions, (ii) allocation of distributions between principal and interest, and (iii) *de minimis* distributions are described in depth in Article VI. of the Plan.

1. Setoffs

The Debtors or the Reorganized Debtors may, but shall not be required to, set-off against, or recoup from any Claim (whether Secured, Administrative, Priority, Unsecured or other), any claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the Holder of such Claim (including Causes of Action), but neither the failure to do so nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claim the Debtors or the Reorganized Debtors may have against the Holder of such Claim.

2. Compliance with Tax Requirements

In connection with the Plan and all Distributions hereunder, to the extent applicable, the Debtors or the Reorganized Debtors, as applicable, are authorized to take any and all actions that may be necessary or appropriate to comply with all tax withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority, and all Distributions pursuant to the Plan shall be subject to any such withholding and reporting requirements. The Reorganized Debtors shall be authorized to require each Creditor to provide it with an executed Form W-9 or similar tax form as a condition precedent to being sent a Distribution. If a Holder of an Allowed Unsecured Claim does not provide the Reorganized Debtors with an executed Form W-9 or similar form within 45 days of written request, said Creditor shall be deemed to have forfeited their Distribution.

3. Release of Liens

Except as otherwise provided by Article III of the Plan or in any contract, instrument, release or other agreement or document created or assumed in connection with the Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to this Article VI, all mortgages, deeds of trust, liens, pledges or other security interests against the property of the Debtors' Estates shall be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, liens, pledges or other security interests shall revert to the applicable Estate.

4. Subordination

Except as otherwise provided herein, all subordination rights and claims relating to the subordination by the Debtors or the Reorganized Debtors of any Allowed Claim shall remain valid, enforceable and unimpaired in accordance with section 510 of the Bankruptcy Code or otherwise.

Except as otherwise provided herein or ordered by the Bankruptcy Court, each Holder of a Claim shall be deemed to have waived all contractual, legal and equitable subordination rights that they may have, whether arising under general principles of equitable subordination, section 510(c) of the Bankruptcy Code or otherwise, with respect to any and all Distributions to be made under the Plan, and all such contractual, legal or equitable subordination rights that each Holder has individually and collectively with respect to any such Distribution made pursuant this Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined.

F. Procedures for Resolving Disputed Claims

1. Prosecution of Objections to Claims

The Debtors will make reasonable efforts to commence all necessary and appropriate objections to Claims and/or requests for estimation of any Claims prior to the voting deadline established by the Bankruptcy Court with respect to the solicitation of the Plan.

On and after the Effective Date, any pending objections to and/or requests for estimation of any Claims shall vest in the Reorganized Debtors and any additional objections to and/or requests for estimation of any Claims may be interposed and prosecuted only by the Reorganized Debtors, who shall consult with the Committee Representative with respect to any such objections and/or the settlement or resolution thereof. Such objections and requests for estimation shall be served on the respective claimant and filed with the Bankruptcy Court on or before the later of (a) one hundred twenty (120) days after the Effective Date and (b) such other later date as may be fixed by the Bankruptcy Court upon a motion filed by the Reorganized Debtors and served only on the Rule 2002 service list (which motion to extend the objection deadline shall not be deemed a modification of the Plan).

G. Treatment of Executory Contracts and Unexpired Leases

1. Assumption and Rejection of Executory Contracts and Unexpired Leases

a. Any Executory Contracts that are listed as executory contracts or unexpired leases to be assumed in Exhibit A to the Plan, which exhibit will be filed at least ten (10) business days prior to the Confirmation Hearing Date and incorporated therein, or are to be assumed pursuant to the terms hereof, shall be deemed assumed by the Debtors as of immediately prior to the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

b. With respect to any Executory Contracts to be assumed by the Debtors pursuant to Article V.A.1 of the Plan or otherwise, Cure Claims shall be satisfied, pursuant to section 365(b) of the Bankruptcy Code, by payment of the Cure Claims in Cash on the Effective Date or as soon as reasonably practicable thereafter, or on such other terms as the parties to each such Executory Contract may otherwise agree. In the event of a dispute regarding: (1) the amount of any Cure Claim; (2) the ability of the Reorganized Debtors to provide “adequate assurance of future performance” (within the meaning of section 365(b) of the Bankruptcy Code), if applicable, under the Executory Contract to be assumed; or (3) any other matter pertaining to assumption, the Cure Claims shall be paid following the entry of a Final Order resolving the dispute and approving the assumption of such Executory Contracts; provided, however, that the Debtors or the Reorganized Debtors, as the case may be, may settle any dispute regarding the amount of any Cure Claim without any further notice to or action, order, or approval of the Bankruptcy Court.

c. Assumption of any Executory Contract pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract at any time before the effective date of the assumption

d. Any Executory Contract which has not expired by its own terms on or prior to the Effective Date, and which has not been assumed, assumed and assigned, or rejected with the approval of the Bankruptcy Court, or which the Debtors have obtained the authority to reject but have not rejected as of the Effective Date, or which is not the subject of a motion to assume the same pending as of the Effective Date, shall be deemed rejected by the Debtors effective as of the Confirmation Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejection pursuant to sections 365(e) and 1123(b)(2) of the Bankruptcy Code.

2. Rejection Damages Claims

Proofs of all Claims arising out of the rejection of an executory contract or an unexpired lease pursuant to the Plan shall be filed with the Claims Agent and a copy served upon the Reorganized Debtors not later than thirty (30) days after notice of the occurrence of the Confirmation Date has been served. Any such Claims covered by the preceding sentence not filed within such time shall be forever barred from assertion against the Debtors, their Estates, the Reorganized Debtors, and their respective properties and interests.

3. Indemnification Obligations

Any obligations of the Debtors pursuant to their corporate charters and bylaws or agreements, including amendments, entered into any time prior to the Effective Date, to indemnify, reimburse, or limit the liability of any Person or Entity pursuant to the Debtors’ certificates of incorporation, bylaws, policy of providing employee indemnification, applicable state law, or specific agreement in respect of any claims, demands, suits, causes of action, or proceedings against such Person or Entity based upon any act or omission related to such Person or Entity’s service with, for, or on behalf of the Debtors prior to the Effective Date with respect to all present and future actions, suits, and proceedings relating to the Debtors shall continue as

obligations of the Reorganized Debtors, and shall survive confirmation of the Plan and shall be discharged, irrespective of whether any such defense, indemnification, reimbursement, or limitation of liability accrued or is owed in connection with an occurrence before or after the Petition Date, provided, however, that all monetary obligations under Article V.C. of the Plan shall be limited solely to available insurance coverage and neither the Reorganized Debtors nor any of their Assets shall be liable for any such obligations assuming the Person or Entity seeking such indemnification timely filed a Proof of Claim. Any Claim based on the Debtors' obligations set forth in Article V of the Plan shall not be a Disputed Claim or subject to any objection in either case by reason of section 502(e)(1)(B) of the Bankruptcy Code. This provision for indemnification obligations shall not apply to or cover any Claims, suits or actions against a Covered Person that result in a final order determining that such Person or Entity is liable for fraud, willful misconduct, gross negligence, bad faith, self-dealing or breach of the duty of loyalty; any such Claim, suit or action shall be deemed discharged pursuant hereto.

4. HQ Lease

Notwithstanding anything to the contrary herein or on Exhibit A to the Plan, the HQ Lease was assumed by Foundation as of the date of the HQ Lease Assumption Order, which assumption shall remain in effect before and after the Effective Date and the HQ Lease shall not be rejected or deemed rejected by operation of the Plan or Confirmation Order. In addition, nothing herein shall be deemed to alter or modify the HQ Lease Assumption Order, the HQ Lease Amendment or the Debtors' obligation to post the HQ Lease Letter of Credit pursuant to the terms of the HQ Lease Assumption Order and HQ Lease Amendment, the obligations of which shall expressly survive confirmation of the Plan.

H. Condition Precedent to Confirmation

The Plan shall not be confirmed, and the Confirmation Date shall not be deemed to occur, unless and until the Confirmation Order, in form and substance satisfactory to the Debtors, has been entered on the docket maintained by the Clerk of the Bankruptcy Court.

1. Conditions Precedent to the Effective Date

The Effective Date shall not occur and the Plan shall not become effective unless and until the following conditions have been satisfied in full or waived by the Debtors in writing:

a. the Confirmation Order, in form and substance satisfactory to the Debtors, shall be entered by the Bankruptcy Court, shall become a Final Order, shall be in full force and effect and shall not be subject to a stay or an injunction which would prohibit the transactions under the Plan;

b. the Confirmation Order shall, among other things, provide that all transfers of property by the Debtors (a) to the Reorganized Debtors (i) are or shall be legal, valid, and effective transfers of property, (ii) vest or shall vest the Reorganized Debtors with good title to such property free and clear of all liens, charges, claims, encumbrances or interests, except as expressly provided in the Plan or Confirmation Order, (iii) do not and shall not constitute voidable transfers under the Bankruptcy Code or under applicable non-bankruptcy law, (iv) shall be exempt from any stamp or other similar tax (which exemption shall also apply to the transfers

by the Reorganized Debtors) and (v) do not and shall not subject the Reorganized Debtors or Holders of Claims to any liability by reason of such transfer under the Bankruptcy Code or under applicable non-bankruptcy law, including, without limitation, any laws affecting successor or transferee liability and (b) to Holders of Claims under the Plan are for good consideration and value;

c. the final version of the Plan and any supplemental documents and exhibits contained therein shall have been Filed in a form and substance satisfactory to the Debtors;

d. all actions and transfers and all agreements, instruments, or other documents necessary to implement the terms and provisions of the Plan, including all transfers to the Reorganized Debtors, shall have been effected or executed and delivered, as applicable, in form and substance satisfactory to the Debtors;

e. all governmental and regulatory approvals required or necessary for confirmation of the Plan, if any, shall have been obtained;

f. all authorizations, consents, and regulatory approvals, if any, required by the Debtors in connection with the consummation of the Plan shall have been obtained and not revoked;

g. all defects of title or encumbrances against the Springwood Property shall have been cleared as of record in accordance with Article IV.E.6.d.vii of the Plan;

h. the Prepetition Lender Term Note and DVI Creditors Secured Note and all necessary documents relating thereto (including all documents regarding the granting of liens and mortgages with respect to the Prepetition Lender Term Note and DVI Creditors Secured Note, as applicable) shall have been issued and executed; and

i. all amounts owed to the Prepetition Lenders pursuant to the Final DIP Order shall have been paid and fully satisfied.

2. Waiver of Conditions

Any of the conditions to Confirmation of the Plan and/or to the Effective Date set forth in Articles VIII.A. and VIII.B. of the Plan, other than entry of the Confirmation Order in form and substance satisfactory to the Debtors, may be waived with the express written consent of the Debtors without leave or order of the Bankruptcy Court, and without any formal action; except that the condition set forth in Article VIII.B.7 of the Plan may only be waived with express written consent from the Committee.

3. Satisfaction of Conditions

Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action. If the Debtors determine that one of the conditions precedent set forth in Articles VIII.A. and VIII.B. of the Plan cannot be satisfied and the occurrence of such condition is not waived or cannot be waived, then the Debtors shall file a notice of the failure of the Effective Date with the Bankruptcy Court.

4. Effect of Nonoccurrence of Conditions

If each of the conditions to occurrence of the Effective Date set forth in Article VIII.B of the Plan has not been satisfied or duly waived on or before the first Business Day that is one hundred and eighty (180) days after the Confirmation Date, or such later date as shall be determined by the Debtors, the Confirmation Order may be vacated by the Bankruptcy Court. If the Confirmation Order is so vacated, the Plan shall be null and void in all respects, and nothing contained in the Plan shall constitute a waiver or release of any Claims against any of the Debtors or release of any claims or interests by the Debtors or the Estates.

I. Settlement, Injunction and Related Provisions

1. Discharge and Injunction

Except as otherwise expressly provided by the Plan or the Confirmation Order, Confirmation of the Plan shall discharge the Debtors and the Reorganized Debtors from all Claims or other debts that arose at any time before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not: (a) a proof of claim based on such debt is filed or deemed filed under Section 501 of the Bankruptcy Code; (b) a Claim based on such debt is Allowed under section 502 of the Bankruptcy Code; or (c) the holder of a Claim has accepted the Plan.

Except as otherwise set forth in the Plan or Confirmation Order, to the fullest extent permitted by law, Confirmation of the Plan shall act as an injunction against the commencement or continuation of any action, employment of process, or act to collect, offset, or recover a Claim against the Debtors, the Debtors' Assets or properties, or the Reorganized Debtors. Except as otherwise expressly provided in the Plan or the Confirmation Order, all Persons who have held, hold, or may hold Claims or other debt or liability against any of the Debtors, the Debtors' Assets or properties shall be permanently enjoined, on and after the Effective Date and to the full extent provided under section 524(a) of the Bankruptcy Code, from (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim against the Debtors, and the Debtors' Assets and property, (b) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against any of the Debtors, Debtors' Assets or properties on account of any such Claim, and (c) creating, perfecting, or enforcing any encumbrance of any kind against any of the Debtors' Assets or properties on account of any such Claim. The foregoing injunction shall apply to the Reorganized Debtors and follow the Debtors' Assets or properties upon any transfer including, without limitation, to the Reorganized Debtors.

2. Preservation of Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action (including but not limited to the Causes of Action specifically enumerated above, Section VI.D.2.), whether arising before or after the Petition Date or the Confirmation Date, including (but not limited to) any actions specifically enumerated in the Plan, in any supplemental

documents, or herein (and any exhibits or attachments thereto), and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors' beneficiaries. No Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against them. Except with respect to Causes of Action as to which the Debtors have released any Entity on or prior to the Effective Date, the Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication.

3. Exculpation and Reliance

To the fullest extent permissible by law under section 1125(e) of the Bankruptcy Code, the Exculpated Parties shall neither have, nor incur, any liability to any Entity (including any holder of a Claim or Interest or any other Entity) for any act taken or omitted to be taken, forbearance from action, decision, or exercise of discretion taken at any time after the Petition Date in connection with, relating to, or arising out of, the Bankruptcy Cases, formulating, negotiating, soliciting, preparing, disseminating, implementing, confirming, or effecting the Plan, the Consummation of the Plan, the Disclosure Statement, the administration of the Plan or the property to be distributed under the Plan or related to the issuance, distribution, and/or sale of any security, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan through and including the Effective Date; provided, however, that the foregoing (i) shall not affect the liability of any Person that otherwise would result from any such act or omission to the extent such act or omission is determined by a Final Order to have constituted fraud, willful misconduct, gross negligence, bad faith, self-dealing or breach of duty of loyalty; and (ii) shall not limit the liability of professionals of the Debtors, Reorganized Debtors, or the Committee to their respective clients pursuant to N.Y. Comp. Codes R. & Regs. tit. 22 § 1200.8, Rule 1.8(h)(1) (2009). The Exculpated Parties may reasonably rely upon the opinions of their respective counsel, accountants, and other experts and professionals and such reliance, if reasonable, shall conclusively establish good faith and the absence of gross negligence or willful misconduct; provided, however, that a determination that such reliance is unreasonable shall not, by itself, constitute a determination or finding of bad faith, gross negligence or willful misconduct. The Exculpated Parties shall have all of the benefits and protections afforded under Section 1125(e) of the Bankruptcy Code and applicable law.

4. Injunction Related to Exculpation

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action or liabilities exculpated pursuant to Article IX.C. of the Plan.

5. Releases Relating to Prepetition Lenders

In consideration of the agreements reflected in the Prepetition Lenders Term Sheet, on the Effective Date, (a) the Prepetition Lenders shall release and discharge the Debtor Releasees from and against any and all claims, obligations, suits, judgments, debts, damages, rights, causes of action and liabilities that are based in whole or part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date and relating in any way to the Debtors, the Chapter 11 Cases or the Plan, provided, however, that no Debtor Releasee shall be released or discharged from its obligations under the Plan or the Confirmation Order; and (b) the Debtors on their own behalf and on behalf of their estates shall release and discharge the Prepetition Lender Releasees from and against any and all claims, obligations, suits, judgments, debts, damages, rights, causes of action and liabilities that are based in whole or part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date and relating in any way to the Debtors, the Chapter 11 Cases or the Plan, including without limitation Avoidance Actions, provided, however, that no Prepetition Lender Releasee shall be released or discharged from its obligations under the Plan or the Confirmation Order.

J. Retention of Jurisdiction

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain jurisdiction over all matters arising in, arising under or related to the Bankruptcy Cases to the extent legally permissible, including, without limitation, jurisdiction as to the enumerated matters set forth in Article X of the Plan.

K. Post-Confirmation Status Reports

Upon the Effective Date, the Reorganized Debtors will be relieved from the duty to make the reports required by Bankruptcy Rules 2015 and 2015.3. Notwithstanding the foregoing, the Reorganized Debtors will file and serve post-confirmation reports at such times and for such period as required pursuant to Local Bankruptcy Rule 3021-1 and the United States Trustee's Chapter 11 Operating Guidelines. The post-confirmation reports will include a report detailing the Reorganized Debtors' disbursements.

VII.

CERTAIN FACTORS TO BE CONSIDERED

ALL HOLDERS OF IMPAIRED CLAIMS SHOULD READ AND CAREFULLY CONSIDER THE FACTORS SET FORTH BELOW AS WELL AS THE OTHER INFORMATION SET FORTH OR OTHERWISE REFERENCED IN THIS DISCLOSURE STATEMENT PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN.

A. Financial Information; Disclaimer

Although the Debtors have used their best efforts to ensure the accuracy of the financial information provided in this Disclosure Statement, the financial information contained in this

Disclosure Statement has not been audited and is based upon an analysis of data available to the Debtors at the time of the preparation of the Plan and Disclosure Statement. While the Debtors expect that such financial information fairly reflects the financial condition of the Debtors, the Debtors are unable to warrant or represent that the information contained herein and attached hereto is without inaccuracies.

B. Failure to Confirm Plan

Even if the Impaired Classes accept or could be deemed to have accepted the Plan, the Plan may not be confirmed by the Bankruptcy Court. Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things, (1) that the confirmation of the Plan not be followed by liquidation or a need for further financial reorganization, unless, as is the case here, the Plan provides for such liquidation or reorganization, (2) that the value of distributions to dissenting holders not be less than the value of distributions to such holders if the Debtors were liquidated under chapter 7 of the Bankruptcy Code, and (3) that the Plan and the Debtors, as proponents of the Plan, otherwise comply with the applicable provisions of the Bankruptcy Code. Although the Debtors believe that the Plan will meet all applicable tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

C. Nonconsensual Confirmation

Pursuant to the “cramdown” provisions of section 1129(b) of the Bankruptcy Code, the Bankruptcy Court can confirm the Plan notwithstanding the non-acceptance of the Plan by an Impaired Class of Claims if at least one other Impaired Class has accepted the Plan (with such acceptance being determined without including the acceptance of any insider (as defined in section 101(31) of the Bankruptcy Code) in such Class) and, as to each Impaired Class which has not accepted the Plan, the Bankruptcy Court determines that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to Impaired Classes. In accordance with section 1129(a)(8) of the Bankruptcy Code, the Debtors intend to request confirmation of the Plan in accordance with section 1129(b) of the Bankruptcy Code.

Although the Debtors believe that the Plan satisfies the requirements of section 1129(b), there is no guaranty that the Bankruptcy Court will reach that conclusion. Moreover, although the Debtors encourage all Creditors in an impaired Class to vote in favor of the Plan and the Debtors believe that they are likely to have at least one impaired Class vote in favor of the Plan, there is no guaranty that this will occur. If no impaired Class votes in favor of the Plan, the Plan cannot be confirmed as written.

D. Delays of Confirmation or Effective Date

Any delays of either confirmation or effectiveness of the Plan could result in, among other things, increased administrative costs, including Professional Fee Claims. These negative effects of delays of either confirmation or effectiveness of the Plan could endanger the ultimate approval of the Plan by the Bankruptcy Court.

E. Certain Bankruptcy Considerations

Although the Debtors believe that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modifications of the Plan will not be required for confirmation or that such modifications would not necessitate the re-solicitation of votes. In addition, although the Debtors believe that the Effective Date will occur during calendar year 2013, there can be no assurance as to such timing.

F. Certain Tax Considerations

There are a number of material United States federal income tax considerations, risks and uncertainties associated with consummation of the Plan. Interested parties should read carefully the discussion set forth in Section VIII of this Disclosure Statement (“Certain United States Federal Income Tax Consequences of the Plan”) for a discussion of the material United States federal income tax consequences and risks for Holders of Claims resulting from the transactions occurring in connection with the Plan.

G. No Duty to Update

The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

H. Claims Could Be More Than Projected, Assets Could Be Less Than Projected

The Allowed amount of Claims in each Class could be greater than projected, which in turn, could cause the amount of Distributions to Creditors to be reduced substantially. Likewise, the amount of Cash available to be used for Distributions could be less than projected, which could cause the Reorganized Debtors to be unable to make the Distributions provided for under the Plan.

I. No Legal Or Tax Advice Is Provided To You By This Disclosure Statement

The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each Claim or Equity Interest Holder should consult his, her, or its own legal counsel and accountant as to legal, tax, and other matters concerning his, her, or its Claim or Equity Interest.

This Disclosure Statement is not legal advice to you. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

VIII.

CERTAIN UNITED STATES FEDERAL INCOME TAX
CONSEQUENCES OF THE PLAN

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. ALL HOLDERS OF CLAIMS AGAINST THE DEBTORS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE PLAN AND THE OWNERSHIP AND DISPOSITION OF PROCEEDS FROM CLAIMS INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL OR FOREIGN (NON-US) TAX LAWS AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

The following discussion addresses certain United States federal income tax consequences of the consummation of the Plan. This discussion is based upon the United States Tax Code, as amended, existing and proposed regulations thereunder, current administrative rulings, and judicial decisions as in effect on the date hereof, all of which are subject to change, possibly retroactively. No rulings or determinations by the IRS have been obtained or sought by the Debtors with respect to the Plan. An opinion of counsel has not been obtained with respect to the tax aspects of the Plan. This discussion does not purport to address the federal income tax consequences of the Plan to particular classes of taxpayers (such as foreign persons, S corporations, mutual funds, small business investment companies, regulated investment companies, broker-dealers, insurance companies, tax-exempt organizations and financial institutions) or the state, local or foreign income and other tax consequences of the Plan.

IRS CIRCULAR 230 NOTICE: TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, HOLDERS OF CLAIMS AGAINST THE DEBTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS DISCLOSURE STATEMENT IS NOT INTENDED TO OR WRITTEN TO BE USED, AND CANNOT BE USED, BY SUCH HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE PLAN; AND (C) SUCH HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

**A. Federal Income Tax Consequences to Holders of
Claims and Interests**

A Holder of an Allowed Claim will generally recognize ordinary income to the extent that the amount of cash or property received (or to be received) under the Plan is attributable to interest that accrued on a Claim but was not previously paid by the Debtors or included in income by the Holder of the Allowed Claim. A Holder of an Allowed Claim will generally recognize gain or loss equal to the difference between the Holder's adjusted basis in its claim and the amount realized by the Holder upon consummation of the Plan that is not attributable to accrued but unpaid interest. The amount realized will equal the sum of cash and the fair market value of other consideration received (or to be received).

The character of any gain or loss that is recognized will depend upon a number of factors, including the status of the Holder, the nature of the Claim in its hands, whether the Claim was purchased at a discount, whether and to what extent the Holder has previously claimed a bad

debt deduction with respect to the Claim, and the Holder's holding period of the Claim. If the Claim in the Holder's hands is a capital asset, the gain or loss realized will generally be characterized as a capital gain or loss. Such gain or loss will constitute long-term capital gain or loss if the Holder held such Claim for longer than one year or short-term capital gain or loss if the Holder held such Claim for one year or less. If the Holder realizes a capital loss, the Holder's deduction of the loss may be subject to limitation.

A Holder of an Allowed Claim who receives, in respect of its claim, an amount that is less than its tax basis in such claim or equity interest may be entitled to a bad debt deduction under section 166(a) of the Tax Code or a worthless securities deduction under section 165(g) of the Tax Code. The rules governing the character, timing, and amount of these deductions depend upon the facts and circumstances of the Holder, the obligor, and the instrument with respect to which a deduction is claimed. Accordingly, Holders are urged to consult their tax advisors with respect to their ability to take such a deduction if either: (1) the Holder is a corporation; or (2) the Claim constituted (a) a debt created or acquired (as the case may be) in connection with a trade or business of the Holder or (b) a debt the loss from the worthlessness of which is incurred in the Holder's trade or business. A Holder that has previously recognized a loss or deduction in respect of its claim or equity interest may be required to include in its gross income (as ordinary income) any amounts received under the Plan to the extent such amounts exceed the Holder's adjusted basis in such Claim.

Holders of Claims who were not previously required to include any accrued but unpaid interest in their gross income on a Claim may be treated as receiving taxable interest income to the extent any consideration they receive under the Plan is allocable to such interest. Holders previously required to include in their gross income any accrued but unpaid interest on a Claim may be entitled to recognize a deductible loss to the extent such interest is not satisfied under the Plan. Under the Plan, to the extent that any Allowed Claim entitled to a Distribution is comprised of indebtedness and accrued but unpaid interest thereon, such Distribution shall, for federal income tax purposes, be allocated to the principal amount of the Claim first and then, to the extent the Distribution exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

A Holder of a Claim constituting any installment obligation for tax purposes may be required to currently recognize any gain remaining with respect to such obligation if, pursuant to the Plan, the obligation is considered to be satisfied at other than its face value, distributed, transmitted, sold or otherwise disposed of within the meaning of section 453B of the Tax Code.

Whether the Holder of Claims will recognize a loss, a deduction for worthless securities or any other tax treatment will depend upon facts and circumstances that are specific to the nature of the Holder and its Claims. Accordingly, Holders of Claims should consult their own tax advisors.

Under backup withholding rules, a Holder of an Allowed Claim may be subject to backup withholding with respect to payments made pursuant to the Plan unless such Holder (i) is a corporation or is otherwise exempt from backup withholding and, when required, demonstrates this fact or (ii) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding because of failure to report all dividend and interest income. Any amount

withheld under these rules will be credited against the Holder's federal income tax liability. Holders of Claims may be required to establish an exemption from backup withholding or to make arrangements with regard to payment thereof.

IX.

PROCESS OF VOTING AND CONFIRMATION

The following is a brief summary regarding the voting procedures and the requirements for confirmation of the Plan. Holders of Claims are encouraged to review the relevant provisions of the Bankruptcy Code or to consult their own attorneys. Additional information regarding voting procedures is set forth in the Notice accompanying this Disclosure Statement.

A. Voting Instructions

This Disclosure Statement, accompanied by a Ballot to be used for voting on the Plan, is being distributed to Holders of Allowed Claims in Classes 2a, 2b, 4a, and 4b. Only such Holders of Allowed Claims are entitled to vote to accept or reject the Plan, and may do so by completing the Ballot and returning it to the Voting Agent:

Via Post office:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight delivery or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

In light of the benefits to be attained under the Plan by the Holders in each Impaired Class of Claims, **the Debtors recommend that Holders of Claims in the Impaired Classes vote to accept the Plan and return the Ballot prior to the Voting Deadline referred to below.**

BALLOTS MUST BE RECEIVED BY THE VOTING AGENT ON OR BEFORE THE VOTING DEADLINE OF April 15, 2013 AT 4:00 P.M. (PREVAILING EASTERN TIME). ANY BALLOTS RECEIVED AFTER THE FOREGOING TIME MAY NOT BE COUNTED. ANY BALLOT WHICH IS EXECUTED BY THE HOLDER OF AN ALLOWED CLAIM BUT WHICH DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN SHALL NOT BE COUNTED AS AN ACCEPTANCE OR REJECTION OF THE PLAN. A BALLOT TRANSMITTED TO THE VOTING AGENT BY FACSIMILE, EMAIL OR OTHER ELECTRONIC METHOD WILL NOT BE COUNTED.

Except to the extent permitted by the Bankruptcy Court, Ballots received after the Voting Deadline will not be accepted or counted by the Debtors in connection with the Debtors' request for confirmation of the Plan. The Debtors expressly reserve the right to amend, at any time and from time to time, the terms of the Plan (subject to compliance with the requirements of section 1127 of the Bankruptcy Code). If the Debtors make a material change to the terms of the Plan or waive a material condition thereof, they can only do so with Bankruptcy Court approval which may require the Debtors to disseminate additional solicitation materials and extend the Voting Deadline.

If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other Person or Entity acting in a fiduciary or representative capacity, such person must so indicate and, unless otherwise determined by the Debtors, must submit evidence satisfactory to the Debtors of such person's authority.

Except as ordered by the Bankruptcy Court, unless the Ballot being furnished is timely submitted on or prior to the Voting Deadline, the Debtors may, in their discretion, reject such Ballot as invalid and decline to recognize such Ballot in connection with confirmation of the Plan by the Bankruptcy Court.

In the event that a Claim is disputed or a designation is requested under section 1126(e) of the Bankruptcy Code, any vote cast to accept or reject the Plan with respect to such Claim **will not be counted** for purposes of determining whether the Plan has been accepted or rejected, unless the Bankruptcy Court orders otherwise.

The method of delivery of Ballots to be delivered to the Voting Agent is at the election and risk of each Holder of a Claim. Except as otherwise provided herein, such delivery will be deemed made only when actually received by the Voting Agent. Instead of effecting delivery by mail, it is recommended that such Holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery.

Any Holder of Impaired Claims that has delivered a valid Ballot may withdraw its vote solely in accordance with Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

Subject to an order of the Bankruptcy Court, the Debtors reserve the absolute right to reject any and all Ballots not proper in form and the acceptance of which would, in the opinion of the Debtors or their counsel, not be in accordance with the provisions of the Bankruptcy Code, Bankruptcy Rules and applicable case law. Subject to an order of the Bankruptcy Court, the Debtors further reserve the right to waive any defects or irregularities or conditions of delivery as to any particular Ballot. Unless ordered by the Bankruptcy Court, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or the Bankruptcy Court) determine. Neither the Debtors, nor any other Person or Entity, will be under any duty to provide notification of defects or irregularities with respect to the delivery of Ballots and neither the Debtors, nor any other Person or Entity, will incur any liability for failure to provide such notice. Unless ordered by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots as to which any irregularities have not theretofore been cured or waived will not be counted.

B. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires that the Bankruptcy Court, after notice, hold a hearing on confirmation of a plan. Section 1128(b) of the Bankruptcy Code provides that any party-in-interest may object to confirmation of such plan.

The Confirmation Hearing in respect of the Plan has been scheduled for April 25, 2013 at 1:00 p.m. (prevailing Eastern Time), or as soon thereafter as counsel may be heard, before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of New York, Room 621, One Bowling Green, New York, New York 10004. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for any announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

Objections to confirmation of the Plan must be filed and served on or before April 15, 2013 at 4:00 p.m. (prevailing Eastern Time) in accordance with the Notice accompanying this Disclosure Statement. UNLESS OBJECTIONS TO CONFIRMATION OF THE PLAN ARE TIMELY SERVED AND FILED IN COMPLIANCE WITH THE DISCLOSURE STATEMENT APPROVAL ORDER, THEY WILL NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

C. Statutory Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court shall determine whether the requirements of section 1129 of the Bankruptcy Code have been satisfied. If so, the Bankruptcy Court shall enter the Confirmation Order. The Debtors believe that the Plan satisfies or will satisfy the applicable requirements, as follows:

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or to be made under the Plan for services or for costs and expenses in or in connection with the Debtors' chapter 11 cases has been disclosed to the Bankruptcy Court and any such payment made before the confirmation of the Plan is reasonable or if such payment is to be fixed after the confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court.
- With respect to each Class of Impaired Claims, either each Holder of a Claim in such Class had accepted the Plan or each such Holder

will receive or retain under the Plan on account of such Claim property of a value as of the Effective Date of the Plan that is not less than the amount that such Holder would receive or retain if the Debtors were liquidated on such date under chapter 7 of the Bankruptcy Code.

- Each Class of Claims that is entitled to vote on the Plan has either accepted the Plan or is not impaired under the Plan.
- Except to the extent that the Holder of a particular Claim agrees to a different treatment of such Claim, the Plan provides that Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Non-Tax Priority Claims, and Allowed Secured Claims²⁹ will be paid in full on the Effective Date or as soon thereafter as practicable.
- At least one Class of Impaired Claims (not including any acceptance of the Plan by any Insider (as defined in section 101(31) of the Bankruptcy Code) holding a Claim in such Class) has accepted the Plan.
- Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan.
- The Debtors have no retiree benefits within the meaning of section 1129(a)(13) of the Bankruptcy Code.
- All fees of the type described in 28 U.S.C. § 1930, including the fees of the United States Trustee, will be paid as of the Effective Date.

The Debtors believe that (1) the Plan satisfies or will satisfy all of the statutory requirements of chapter 11 of the Bankruptcy Code; (2) they have complied or will have complied with all of the requirements of chapter 11 of the Bankruptcy Code; and (3) the Plan has been proposed in good faith.

Best Interests of Creditors Test

Before the Plan may be confirmed, the Bankruptcy Court must find (with certain exceptions) that the Plan provides, with respect to each Class, that each Holder of a Claim in such Class either (a) has accepted the Plan or (b) will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the amount that such Holder would receive or retain if the Debtors liquidated under chapter 7 of the Bankruptcy Code.

²⁹ Except to the extent the Debtors elect to return the collateral securing such Claim.

In chapter 7 liquidation cases, unsecured creditors and equity interest holders of a debtor are paid from available assets generally in the following order, with no lower class receiving any payments until all amounts due to senior classes have been paid fully or payment has been provided for:

- Secured creditors (to the extent of the value of their collateral).
- Administrative creditors.
- Priority creditors.
- Unsecured creditors.
- Debt expressly subordinated by its terms or by order of the Bankruptcy Court.
- Equity interest holders.

In order to determine whether the Plan satisfies the “best interests” test, it is first necessary to determine the amount of proceeds Holders in each Impaired Class of Claims would receive in the context of a chapter 7 liquidation. To establish this amount, the Bankruptcy Court must determine the dollar amount that would be generated from the liquidation of the Debtors’ assets and properties in a Chapter 7 liquidation case. The amount that would be available for satisfaction of Allowed Claims against each of the Debtors would consist of the proceeds resulting from the disposition of each of the Debtors’ assets, augmented by the cash held by the Debtors at the commencement of the Chapter 7 case. Such amount would be reduced by the amount of any Claim secured by the Debtors’ assets, the costs and expenses of the liquidation, including costs incurred during the chapter 11 case and allowed under chapter 7 of the Bankruptcy Code (such as professionals’ fees and expenses), the fees payable to a chapter 7 trustee, as well as those which might be payable to attorneys, financial advisors, appraisers, accountants and other professionals that such trustee may engage to assist in the liquidation, and such additional Administrative Claims and Priority Non-Tax Claims that may result from the termination of the Debtors’ business.

The costs incurred as a result of the liquidation under chapter 7 would become Administrative Claims with the highest priority against the proceeds of liquidation. Moreover, claims entitled to administrative priority may arise by reason of any breach or rejection of any executory contracts entered into by the Debtors during the pendency of the Chapter 11 Cases.

After satisfying Administrative Claims arising in the course of the chapter 7 liquidation, the proceeds of the liquidation would then be payable to satisfy any unpaid expenses incurred during the time the Bankruptcy Cases were pending under chapter 11, including compensation for attorneys, financial advisors, appraisers, accountants and other professionals retained by the Debtors and the Committee. Only after these expenses are paid would general creditor claims be taken into consideration.

After careful review of the estimated recoveries in the proposed Plan scenario and a chapter 7 liquidation scenario, the Debtors have concluded that the recoveries to Creditors will

be maximized by making distributions pursuant to the Plan. Attached hereto as **Exhibit B** is a liquidation analysis (unaudited) that demonstrates that Creditors will receive a greater distribution under the Plan than they would in a chapter 7 liquidation.³⁰

The Debtors believe that the Debtors' Estates have value that would not be fully realized by Creditors in a chapter 7 liquidation primarily because, among other reasons, (i) General Unsecured Creditors of DVI would likely receive nothing in a liquidation scenario; (ii) while General Unsecured Creditors of Foundation might receive payment in full of their claims in a liquidation under chapter 7, a liquidation of Foundation's real estate holdings for full value will require a significant investment of time and capital and could lead to potential litigation (absent the Debtors/Committee Settlement) regarding whether all Allowed General Unsecured Creditors Claims should be permitted to recover from the Estates of both Foundation and DVI, to the extent a Court were to find substantive consolidation were appropriate (notwithstanding that the Debtors do not believe any such substantive consolidation would be appropriate); (iii) additional administrative expenses would be incurred in a chapter 7 liquidation, including those of a chapter 7 trustee charging statutory fees of up to 3% of disbursements, any costs of the chapter 7 trustee's professionals becoming familiar with the facts and circumstances of these cases and the costs of maintaining the Debtors' properties without generating any revenue therefrom; (iv) potentially significantly decreased recoveries from the sale of certain assets; and (v) the additional delay in distributions that would occur if the Debtors' Chapter 11 Cases were converted to a case under chapter 7.

D. Plan Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successors to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan. The Plan provides for the reorganization of the Debtors and Distribution of certain Assets to Creditors, with other Creditors (including Creditors holding Allowed Secured Claims, and Allowed General Unsecured Claims) being paid certain percentages over time from future earnings and cash flow of the Debtors.

The ability to make distributions described in the Plan depends on future earnings or operations of the Reorganized Debtors, the capability of which is demonstrated based on the forecast attached hereto as **Exhibit C**.³¹ Accordingly, the Debtors believe that the Plan is feasible and meets the requirements of section 1129(a)(11) of the Bankruptcy Code.

³⁰ Exhibit B hereto was filed prior to the Disclosure Statement Hearing, and is incorporated herein. *See Notice of Filing of Exhibits B and C to Disclosure Statement for First Amended Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors*, dated March 1, 2013 (Case No. 12-11436, Docket No. 616), and Schedule 1 attached thereto.

³¹ Exhibit C hereto was filed prior to the Disclosure Statement Hearing, and is incorporated herein. *See Notice of Filing of Exhibits B and C to Disclosure Statement for First Amended Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors*, dated March 1, 2013 (Case No. 12-11436, Docket No. 616), and Schedule 2 attached thereto.

**E. Section 1129(b): Unfair Discrimination and the
“Fair and Equitable” Test**

The Debtors will request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code, and they have reserved the right to modify the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification. The Bankruptcy Court may confirm the Plan over the rejection or deemed rejection of the Plan by an Impaired Class of Claims or Equity Interests if the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to such Class.

1. No Unfair Discrimination

The “unfair discrimination” test applies to Impaired Classes of Claims or Equity Interests that are of equal priority and are receiving disparate treatment under the Plan. The test does not require that the treatment of such Classes be the same or equivalent, but only that the treatment be “fair.” Here, the Plan does not discriminate unfairly and satisfies the “unfair discrimination” test.

While Creditors Holding General Unsecured Claims against Foundation are being provided different treatment than Creditors Holding General Unsecured Claims against DVI, that is on account of their being separate and distinct legal entities, the non-substantive consolidation of the Plans for DVI and Foundation and the different Assets owned by DVI and Foundation. In light of the likely solvency of Foundation, the Creditors thereof will receive payment in full of their Claims over time (*i.e.* the DVF Quarterly Payment Option) or the Lump Sum option in order to satisfy the “Best Interests of Creditors” test under section 1129(a)(7) of the Bankruptcy Code. General Unsecured Creditors of DVI will be entitled to their Pro Rate Share of the (i) the DVI Creditors Secured Note Payments and (ii) the Springwood Net Proceeds, provided however, that the Debtors shall be entitled to retain a portion of the Springwood Net Proceeds equal to the Excess Principal Payments.

2. Fair and Equitable Test: “Cramdown”

The Bankruptcy Code provides a non-exclusive definition of the phrase “fair and equitable.” The Bankruptcy Code establishes “cramdown” tests for dissenting classes of secured creditors, unsecured creditors and equity holders. As to each dissenting class, the test prescribes different standards, depending on the type of claims or equity interests in such class:

Secured Creditors. With respect to each class of secured claims that rejects the plan, the plan must provide (i)(a) that each holder of a Secured Claim in the rejecting class retain the liens securing those claims, whether the property subject to those liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such secured claim and (b) that the Secured Creditor receives on account of its secured claim deferred cash payments having a value, as of the effective date of the plan, of at least the value of the allowed amount of such secured claim; (ii) for the sale of any property that is subject to the liens securing the claims included in the rejecting class, free and clear of such liens, with such liens to attach to the proceeds of the sale, and the treatment of such liens on proceeds under clause (i) or (iii) of this subparagraph; or (iii) for the realization by the Secured Creditor of the “indubitable equivalent” of its Secured Claim.

Unsecured Creditors. With respect to each Impaired Class of unsecured Claims that rejects the plan, the plan must provide (A) that each holder of a claim in the rejecting class will receive or retain on account of that claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (B) that no holder of a claim or interest that is junior to the claims of such rejecting class will receive or retain under the plan any property on account of such junior claim or interest.

Equity Interests. With respect to each Impaired Class of equity interests that rejects the plan, the plan must provide (I) that each holder of an equity interest included in the rejecting class receive or retain on account of that equity interest property that has a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such equity interest; or (II) that no holder of an equity interest that is junior to the equity interests of such rejecting class will receive or retain under the plan any property on account of such junior interest.

The Debtors believe that the Plan may be confirmed pursuant to the above-described “cramdown” provisions, over the dissent of certain Classes of Claims in view of the treatment proposed for such Classes. The Debtors believe that the treatment under the Plan of the Holders of Classes 2 and 4 will satisfy the “fair and equitable” test. Additionally, as noted above, the Debtors do not believe that the Plan unfairly discriminates against any dissenting Class.

Finally, because the Debtors do not have any equity interests, no holder of a claim or interest that is junior to the claims of any rejecting class will receive or retain under the Plan any property on account of such junior claim or interest.

X.

**ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF
THE PLAN**

A. Liquidation Under Chapter 7

If no chapter 11 plan can be confirmed, the Debtors’ Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code in order to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in lower distributions being made to creditors than those provided for in the Plan for the reasons set forth in Section IX.C above under the section “Best Interests of Creditors Test” and the liquidation analysis attached hereto as Exhibit “B”.

B. Alternative Plan of Reorganization

The Debtors, with the assistance of their professionals, have considered their options and have concluded that the Plan offers the best and highest recoveries for Creditors. The Debtors have concluded that the Plan provides greater potential recoveries for Creditors than any feasible alternative.

RECOMMENDATION

In the opinion of the Debtors, the Plan is preferable to the alternatives described herein. It provides for larger distribution to the Holders than would otherwise result in liquidation under chapter 7 of the Bankruptcy Code. In addition, any alternative other than confirmation of the Plan could result in extensive delays and increased administrative expenses resulting in smaller distributions to the Holders of Claims. **Accordingly, the Debtors recommend that Holders of Claims entitled to vote to accept or reject the Plan support confirmation of the Plan and vote to accept the Plan.**

Dated: March 13, 2013

Daytop Village, Inc.

By: /s/ Stephen Marotta

Name: Stephen Marotta

Title: Chief Restructuring Officer

Daytop Village Foundation Incorporated

By: /s/ Stephen Marotta

Name: Stephen Marotta

Title: Chief Restructuring Officer

Respectfully submitted,

LOWENSTEIN SANDLER LLP

/s/ Norman N. Kinel

Norman N. Kinel

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*Counsel to the Debtors and
Debtors-in-Possession*

Exhibit A

[Intentionally Omitted]

Exhibit B

Liquidation Analysis

LIQUIDATION ANALYSIS**Daytop Village Foundation, Inc. (“DVF”) and Daytop Village, Inc. (“DVI”)**

The following analysis (the “Liquidation Analysis”) was prepared, at the request of the Debtors, by Marotta Gund Budd & Dzera, LLC (“MGBD”) and members of the Debtors’ management team. In assembling this analysis, the scope of MGBD’s work did not encompass an examination in accordance with standards promulgated by the American Institute of Certified Public Accountants (the “AICPA”) of the information on which this analysis was based. MGBD has not audited or otherwise verified the source data contained herein and does not provide or imply assurances as to the accuracy of the detailed financial and other information on which the analysis is based. Our procedures were not sufficient to enable us to provide assurances as to the completeness or accuracy of all such information, and accordingly, we do not express an opinion or any other form of assurance thereon. Had MGBD performed such an examination, certain matters might have come to our attention that would have caused us to reach different findings and observations than presented herein. MGBD has no responsibility to update the information contained herein.

OVERVIEW

Section 1129(a)(7) of the Bankruptcy Code requires that each holder of an impaired Allowed Claim¹ or Interest either (i) accepts the Plan or (ii) receives or retains under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on the Effective Date of the Plan. The Liquidation Analysis was prepared to determine the dollar amount that would be generated from a hypothetical liquidation of the assets of the Debtors in the context of a chapter 7 liquidation in which a chapter 7 trustee is appointed and charged with reducing to cash any and all assets of the Debtors. The trustee would be required to either (i) sell the assets owned by the Debtors and their non-Debtor affiliates as going-concerns or (ii) shut down the Debtors’ businesses and sell the individual assets of the Debtors and their non-Debtor subsidiaries. Accordingly, this assumption has been employed where applicable in preparing this Liquidation Analysis. THERE EXISTS A RISK THAT IF THE DEBTORS WERE TO CONVERT THEIR CASES TO CHAPTER 7, THE TRUSTEE WOULD: (I) BE UNABLE TO LIQUIDATE THE ASSETS AS GOING CONCERNS BECAUSE OF PROVISIONS OF THE BANKRUPTCY CODE THAT LIMIT THE ABILITY OF A CHAPTER 7 TRUSTEE TO OPERATE, AND THEREFORE, LIQUIDATE THE ASSETS AS GOING CONCERNS; OR (II) NOT ELECT TO LIQUIDATE THE ASSETS AS GOING CONCERNS AND WOULD INSTEAD SELL THE INDIVIDUAL ASSETS OF THE DEBTORS.

This Liquidation Analysis presents the Debtors’ determination of hypothetical proceeds that would be generated from the liquidation of the assets of the Debtors in the context of chapter 7 cases assuming that the Debtors would have access to cash collateral. The gross amount of cash available from the liquidation would be the proceeds from the disposition of the Debtors’ assets and cash held by the Debtors at the time of the commencement of the hypothetical chapter 7 case. Such amount is reduced by the amount of any claims secured by such assets, the costs and expenses of the liquidation, and such additional valid administrative expenses and priority claims that may result from the termination of the Debtors’ business. Any remaining net cash would be allocated to creditors and stockholders in strict priority in accordance with section 726 of the Bankruptcy Code.

¹ Unless otherwise defined, each capitalized term used in this Liquidation Analysis shall have the meaning ascribed to such term in the Plan.

Subject to the qualifications, assumptions and schedule herein, this Liquidation Analysis estimates gross proceeds, less wind-down costs of approximately \$25.2 - \$25.7 million for DVF. DVI is considered administratively insolvent. The estimated amount due the first lien holders is approximately \$22.4MM. Based on the net proceeds available for distributions after wind-down and other costs, there will be insufficient proceeds available to pay the unsecured creditors for DVI. Estimated proceeds available to pay the unsecured creditors of DVF after wind-down costs range from \$0.1 - \$.5 million. The assumptions and schedules supporting these results are set forth herein.

SIGNIFICANT UNCERTAINTIES

In addition to the General Assumptions and the Notes to the Liquidation Analysis (as such terms are defined below) that are set forth herein, there are significant areas of uncertainty that exist with respect to this Liquidation Analysis.

1. The Liquidation Analysis assumes that the liquidation of the Debtors would commence and be substantially complete within 6 to 8 months. The wind-down cash flows during the liquidation period have been estimated by the Debtors' management and any deviation from this assumed period could have a material impact on the wind-down cash flows, the amount of chapter 7 administrative claims, proceeds from asset sales, and the ultimate recovery to the creditors of the Debtors' estates.
2. In any liquidation, there is a general risk of unanticipated events, which could have a significant impact on the projected cash receipts and disbursements. These events include: changes in the general economic condition; changes in the market value of the assets of the Debtors and problems with current and/or former employees.
3. THE LIQUIDATION ANALYSIS IS AN ESTIMATE OF THE PROCEEDS THAT MAY BE GENERATED AS A RESULT OF A HYPOTHETICAL CHAPTER 7 LIQUIDATION OF THE ASSETS OF THE DEBTORS. Underlying this Liquidation Analysis are a number of estimates and assumptions that are inherently subject to significant economic, competitive and operational uncertainties and contingencies beyond the control of the Debtors or a chapter 7 trustee. In addition, various liquidation decisions upon which certain assumptions are based are subject to change. Therefore, there can be no assurance that the assumptions and estimates employed in determining the liquidation values of the assets of the Debtors will result in an accurate estimate of the proceeds that would be realized were the Debtors to undergo an actual liquidation. The actual amounts of claims against the estates could vary significantly from the estimate set forth herein, depending on the claims asserted during the pendency of the chapter 7 case. For example, the Debtors have assumed that wind-down costs and related professional fees will be paid prior to secured claims. Accordingly, the actual liquidation value of the Debtors is speculative in nature and could vary materially from the estimates provided herein.

The following general assumptions (the "General Assumptions") were utilized in formulating this liquidation analysis along with the detailed assumptions incorporated in the notes to the Liquidation Analysis.

GENERAL ASSUMPTIONS

1. **Preparation.** This Liquidation Analysis was prepared in accordance with section 1129(a)(7)(A)(ii) of the Bankruptcy Code to determine whether the Plan is in the best interest of each holder of a claim or interest.
2. **Disclaimer.** This Liquidation Analysis is based upon a number of estimates and assumptions that, although developed and considered reasonable by management, are inherently subject to significant economic, business, governmental regulation, competitive uncertainties, and contingencies beyond the control of the Debtors or their management. This Liquidation Analysis is 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 Debtors were, in fact, to undergo such a liquidation and actual results could vary materially and adversely from those contained herein.
3. **Liquidation Strategy.** Under section 704 of the Bankruptcy Code, a chapter 7 trustee must, among other duties, collect and convert the property of the Debtors' estates to cash and close the estate as expeditiously as is compatible with the best interests of the parties in interest. Solely for purposes of preparing this Liquidation Analysis, it is assumed that the Debtors would voluntarily convert the pending chapter 11 cases to chapter 7 liquidations. Daytop Village would discharge all patients by transferring them to other facilities, if available. An estimated time line has been determined by Debtor's management that it would take up to 6 months to transfer all its residential patients from the facilities while providing patient care such as counseling, food and medications.
4. **Nature and Timing of the Liquidation Process.** This Liquidation Analysis is estimated using the projected April 30, 2013 Balance Sheets of the debtors. The Liquidation Analysis assumes the liquidation of substantially all of the assets of the Debtors net of selling outlays. The assets of the Debtors would be sold over eight months. The Debtors' management believes that it is unlikely that the actual sale period would be shorter than assumed. Because the majority of the assets reside in real property, the liquidation process may last longer and costs could run higher than estimated.

For purposes of the Liquidation Analysis, it was assumed that the chapter 11 cases convert to chapter 7 liquidations on or about April 30, 2013, and operations begin winding down as of that date. The only internal wind-down costs from continuing operations will be residential and out-patient facilities as well as corporate overhead. These costs are based on a rate of an estimated run rate expenses during the length of the chapter 7 wind-down period.

5. **Estimated Liquidation Proceeds.** All assets are assumed to be sold in a straight liquidation to the highest bidder net of selling costs during the applicable wind-down period. The following list identifies facts considered by the Debtors in estimating the proceeds that might be received from the liquidation sales:
 - a. Real Estate Appraisals
 - b. Asset location and local market demand;
 - c. Recently transacted sales of similar assets;
 - d. Management's experience and expertise in estimating asset resale values;
 - e. The historical cost of non-real estate assets;
 - f. Analysis of liabilities and obligations relating to particular assets; and
 - g. Current industry trends including general availability of similar assets.

6. **Distressed Sale.** This Liquidation Analysis was prepared assuming a distressed sale scenario. Given the valuation uncertainty of real property within the rehabilitation industry that currently exists, management has made its best estimates of the values realizable by the Debtors for their assets in a liquidation process.

7. **Certain Tax Matters.** This Liquidation Analysis does not include estimates for the tax consequences that may be triggered upon a chapter 7 liquidation since both DVI and DVF are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

8. **Additional Liabilities.** The Debtors believe that in addition to the expenses that would be incurred in a chapter 11 reorganization, there would be certain actual expenses and liabilities for which payment would be required in a chapter 7 liquidation before distributions could be made to priority or general unsecured creditors, including: (a) administrative claims from rejection damage claims from postpetition contracts, the fees and expenses of a trustee (including counsel, financial advisors and accountants), retention and severance payments to employees required to effectuate the wind-down process and other liabilities (including retirement, vacation pay, and other employee-related administrative costs and liabilities) that would be funded from continuing operations if the Debtors were reorganized as a going concern; and (b) certain administrative costs.

9. **Distributions.** Under chapter 7 liquidation, all secured claims are required to be satisfied from the proceeds of the collateral securing such claims before any such proceeds would be distributed to any other creditors. It is assumed that all assets available for sale are subject to the first-priority liens granted under the Credit Facility. To the extent proceeds remain after satisfaction of all secured claims, proceeds would be distributed to holders of claims in the following priority: (i) chapter 7 priority unsecured claims; (ii) chapter 7 general unsecured claims; (iii) chapter 11 administrative claims; (iv) chapter 11 priority claims; ; and finally (v) chapter 11 general unsecured claims.

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Chapter 7 Liquidation Analysis
Daytop Village, Inc.
(in \$000s)

Gross Liquidation Proceeds						
Asset Category	Book Value as of April 30 2013	Estimated Recoveries				Note Reference
		Lower		Higher		
		Value	Rate	Value	Rate	
CURRENT ASSETS						
Cash and Cash Equivalents	\$942	\$942	100%	\$942	100%	A
Restricted Cash	1,089	0	0%	0	0%	A
Accounts Receivable	2,975	1,488	50%	1,785	60%	C
Prepaid Expenses	356	0	0%	0	0%	D
Total Assets	5,362	2,430	45%	2,727	51%	
Total Gross Proceeds from Liquidation	\$5,362	\$2,430	45%	\$2,727	51%	

Liquidation Costs						
Chapter 7 Administrative Costs	Range of Recovery					
	Lower		Higher			
Residential Wind-Down Costs	2,000					
Outreach Wind-Down Costs	700					
Corporate Wind-Down Costs	3,500					
Total Wind-Down Costs	6,200	2,430	39%	2,727	44%	G
NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION AFTER CHAPTER 7 WIND-DOWN COSTS						
		-		-		
Wind-Down Costs Exceeding Gross Proceeds to be Assumed by DVF		(3,770)		(3,473)		
Trustee Fees at 3%		-		-		
Professional Fees						
Balance Available for Distribution for Creditors		(3,770)		(3,473)		

Distribution of Proceeds				
Distributions	Claim Amount	Range of Recovery		
		Lower		Higher

Since no proceeds are available for distribution, all chapter 7 fees, chapter 11 administrative costs and wind-down costs are assumed to be paid by DVF. However, there is a substantial risk that these funds would not be made available, leaving DVI unable to satisfy administrative claims.

Prepetition Unsecured Claims						
Third Party	20,000	0	0%	0	0%	
Due to Affiliates	23,192	0	0%	0	0%	

Pg 99 of 181
Chapter 7 Liquidation Analysis
Daytop Village Foundation, Inc.
(in \$000s)

Gross Liquidation Proceeds						
Asset Category	Book Value as of April 30 2013	Estimated Recoveries				Note Reference
		Lower		Higher		
		Value	Rate	Value	Rate	
CURRENT ASSETS						
Cash and Cash Equivalents	\$200	\$200	100%	\$200	100%	A
Restricted Cash	3,928	3,928	100%	3,928	100%	B
Due from Affiliates	23,192	0	0%	0	0%	C
Total Current Assets	27,320	4,128	15%	4,128	15%	
PROPERTY AND EQUIPMENT						
Real Property and Improvements	\$9,516	25,950	273%	25,950	273%	
Machinery & Equipment	694	139	20%	208	30%	
Furniture, Fixtures & Office Equipment	397	79	20%	119	30%	
Leasehold Improvements	734	0	0%	0	0%	
Vehicles	128	26	20%	38	30%	
Total Property and Equipment	11,469	26,194	228%	26,316	229%	E
OTHER ASSETS	159	0	0%	0	0%	F
Total Gross Proceeds from Liquidation	\$38,948	\$30,322	78%	\$30,444	78%	
Liquidation Costs						
Excess DVI Wind-Down Costs to be assumed by DVF		3,770	100%	3,473	100%	G
Trustee Fees at 3%		113	100%	104	100%	H
Professional Fees	1,200	1,200	100%	1,200	100%	J
Balance Available for Distribution for Creditors		\$25,239		\$25,667		
Distribution of Proceeds						
Distributions	Claim Amount	Range of Recovery				
		Lower		Higher		
Post Petition Debtor In Financing	1,500					
Senior Debt Facilities	17,400					
DASNY Bonds	3,473					
Total Secured Debt Facilities	22,373	22,373	100%	22,373	100%	J
Amount Available for Post Petition Chapter 11 Accounts Payable and Accrued Expenses		2,866		3,294		
Combined Chapter 11 Accounts Payable and Accrued Expenses		2,743	100%	2,743	100%	K
Net Estimated Proceeds Available for Distribution		123		551		
Prepetition Unsecured Claims	650	123	19%	551	85%	
Remaining Balance		\$ -		\$ -		

NOTES TO LIQUIDATION ANALYSIS

Note A: Cash. The projected unrestricted cash balances are assumed to be fully collectible, providing the chapter 7 trustee with full access to 100% of the Debtors' unrestricted cash.

Note B: Restricted Cash. Restricted DVF cash includes monies held in escrow of approximately \$3.9MM related to sale of the Company's former headquarters. The DVI restricted cash consisting of funds designated for patient care would be paid to the patients or the underlying funding sources and not available for distribution.

Note C: Accounts Receivable & Due From Affiliates. DVI receivables represent outstanding amounts for patient care with government agencies and other third party payers for cost reimbursement contracts and performance based contracts that the Debtors would expect to collect. This analysis assumes collection rates to range from 50% to 60% in a liquidation. During a wind-down process, it may be difficult to negotiate with certain agencies and such agencies may dispute past billings and refuse payment. Amounts due DVF from DVI are assumed to have no recovery as DVI is administratively insolvent.

Note D: Prepaid Expenses. Prepaid Expenses include prepaid insurance, prepaid rent, prepaid programming and miscellaneous other. No recovery was provided for in this liquidation analysis for prepaid expenses.

Note E: Property and Equipment. This Liquidation Analysis assumes that the real estate assets of DVF are valued at estimated sales prices, if ascertainable. Equipment, vehicles, furniture and fixtures recovery rates range between 20% and 30% of net book value. Leasehold improvements provided for no recovery since those assets are included in the recovery of real property.

Note F: Other Assets. Other Assets include DVF deferred financing costs and are assumed to have a 0% recovery.

Note G: Support to Manage Company Wind Down. This Liquidation Analysis assumes a wind-down of the Debtors' operations during an 8 month period during which operations will continue on a reduced level. A reduced level of corporate overhead associated with liquidation activities will be required during this period including, but not limited to: (i) collection of accounts receivable and accounting; (ii) negotiation of the sale of other tangible and intangible assets; and (iv) the resolution of all employee-related issues. A provision has been made within the operations budget for a severance plan of approximately \$500,000.

Note H: Trustee Fees: Estimated at 3% of disbursements in accordance with the Bankruptcy Code.

Note I: Professional Fees: Professional fees are estimated based on an 8 month wind down of operations to oversee the sale of the remaining assets including real estate holdings of DVF.

Note J: Prepetition First Lien Debt. DVF'S senior credit facility claims are estimated to be \$22.4 million that consist of remaining balances of the debtor in possession financing, senior debt obligations including accrued interest and DASNY bonds.

Note K: Post Petition Accounts Payable and Accrued Expenses. Post petition unsecured liabilities are assumed to be paid in full.

Exhibit C

Forecast

	DVI P&L Statement For the Year Ended 06/30/13	DVI P&L Statement For the Year Ended 06/30/14	DVI P&L Statement For the Year Ended 06/30/15
Revenues	\$ 28,984,668	\$ 33,664,155	\$ 33,436,913
Salaries, Consultants and Fringe Benefits	21,262,445	21,173,894	21,374,106
Billing, contracted labor and consultants	1,491,185	950,640	950,640
Rent	1,753,381	1,740,413	1,920,413
Facility and Patient Supplies	2,157,857	2,191,948	2,263,598
Utilities	1,718,225	1,497,333	1,530,558
Insurance	1,606,505	1,543,667	1,477,000
Other	3,234,363	3,151,265	3,080,731
Total Expenses	<u>33,223,961</u>	<u>32,249,160</u>	<u>32,597,046</u>
Surplus/(Deficit) from Operations	(4,239,292)	1,414,996	839,867
Interest Expense	-	-	70,371
Amortization and Depreciation	-	-	-
(Gain) Loss on Sale of Assets	-	-	-
Restructuring Fees	2,175,000	120,000	90,000
Total Other	<u>2,175,000</u>	<u>120,000</u>	<u>160,371</u>
Surplus/(Deficit)	<u>\$ (6,414,292)</u>	<u>\$ 1,294,996</u>	<u>\$ 679,496</u>

	DVF P&L Statement For the Year Ended 06/30/13	DVF P&L Statement For the Year Ended 06/30/14	DVF P&L Statement For the Year Ended 06/30/15
Revenues	\$ 17,500	\$ 13,000	\$ 12,500
Salaries, Consultants and Fringe Benefits	140,069	142,870	145,728
Billing, contracted labor and consultants	-	-	-
Rent	-	-	-
Facility and Patient Supplies	-	-	-
Utilities	-	-	-
Insurance	3,000	3,000	3,000
Other	65,000	65,000	65,000
Total Expenses	208,069	210,870	213,728
Surplus/(Deficit) from Operations	(190,569)	(197,870)	(201,228)
Interest Expense	1,443,366	524,897	456,286
Amortization and Depreciation	2,087,578	1,773,739	1,644,000
(Gain) Loss on Sale of Assets	(35,084,115)	(3,434,260)	-
Restructuring Fees	2,175,000	120,000	90,000
Total Other	(29,378,171)	(1,015,624)	2,190,286
Surplus/(Deficit)	\$ 29,187,601	\$ 817,754	\$ (2,391,514)

	Combined P&L Statement For the Year Ended 06/30/13	Combined P&L Statement For the Year Ended 06/30/14	Combined P&L Statement For the Year Ended 06/30/15
Revenues	\$ 29,002,168	\$ 33,677,155	\$ 33,449,413
Salaries, Consultants and Fringe Benefits	21,402,514	21,316,764	21,519,834
Billing, contracted labor and consultants	1,491,185	950,640	950,640
Rent	1,753,381	1,740,413	1,920,413
Facility and Patient Supplies	2,157,857	2,191,948	2,263,598
Utilities	1,718,225	1,497,333	1,530,558
Insurance	1,609,505	1,546,667	1,480,000
Other	3,299,363	3,216,265	3,145,731
Total Expenses	<u>33,432,030</u>	<u>32,460,030</u>	<u>32,810,774</u>
Surplus/(Deficit) from Operations	(4,429,861)	1,217,126	638,639
Interest Expense	1,443,366	524,897	526,657
Amortization and Depreciation	2,087,578	1,773,739	1,644,000
(Gain) Loss on Sale of Assets	(35,084,115)	(3,434,260)	-
Restructuring Fees	4,350,000	240,000	180,000
Total Other	<u>(27,203,171)</u>	<u>(895,624)</u>	<u>2,350,657</u>
Surplus/(Deficit)	<u>\$ 22,773,309</u>	<u>\$ 2,112,749</u>	<u>\$ (1,712,018)</u>

Daytop Village and Daytop Foundation, Inc.
Combined Balance Sheet

	As of 4/30/2013	As of 5/31/2013	As of 6/30/2013	As of 6/30/2014	As of 6/30/2015
Assets					
Current Assets					
Cash and Cash Equivalents	\$ 1,142,353	\$ 2,341,271	\$ 1,961,280	\$ 2,293,209	\$ 1,802,606
Restricted Cash	5,017,370	1,088,915	1,088,915	1,088,915	1,088,915
Accounts Receivable	2,975,111	3,019,475	3,063,839	3,066,839	3,069,839
Prepaid Expenses	355,536	226,668	97,799	97,799	97,799
Total Current Assets	9,490,370	6,676,329	6,211,834	6,546,762	6,059,160
Deferred Financing Costs, net	158,872	145,872	132,872	3,133	3,133
Property Plant and Equipment, net	13,671,797	13,506,463	13,411,130	10,526,390	9,382,390
Total Assets	\$ 23,321,039	\$ 20,328,665	\$ 19,755,836	\$ 17,076,286	\$ 15,444,683
Liabilities and Net Assets					
Current Liabilities					
Accounts Payable and Accrued Expenses	\$ 2,493,901	\$ 2,460,657	\$ 2,634,553	\$ 2,995,613	\$ 3,356,669
DIP Loans	1,516,372	-	-	-	-
Deferred Revenues	1,076,490	567,644	-	-	-
Deferred Rent Liability	890,192	892,466	894,740	922,026	949,312
Funds held for clients	256,214	256,214	256,214	256,214	256,214
Unsecured Facility	-	4,111,510	4,111,510	4,130,109	4,001,625
Senior Secured Facility	-	12,765,868	12,827,037	7,627,792	7,448,349
Secured DASNY Bonds	-	3,543,965	3,543,965	3,543,965	3,543,965
Total Current Liabilities	6,233,168	24,598,323	24,268,019	19,475,719	19,556,135
Secured Senior Lenders	16,965,392	-	-	-	-
Secured DASNY Bonds	3,543,965	-	-	-	-
Unsecured	40,122,879	-	-	-	-
	60,632,236	-	-	-	-
Total Liabilities	66,865,404	24,598,323	24,268,019	19,475,719	19,556,135
Net Deficit					
Unrestricted	(43,479,431)	(4,204,723)	(4,447,249)	(2,334,499)	(4,046,517)
Restricted	(64,934)	(64,934)	(64,934)	(64,934)	(64,934)
Total Net Deficit	(43,544,365)	(4,269,657)	(4,512,183)	(2,399,434)	(4,111,451)
Total Liabilities and Net Deficit	\$ 23,321,039	\$ 20,328,665	\$ 19,755,836	\$ 17,076,286	\$ 15,444,683

Daytop
Statements of Cash Flows

	<u>For the Year Ended</u> <u>6/30/2013</u>	<u>For the Year Ended</u> <u>6/30/2014</u>	<u>For the Year Ended</u> <u>6/30/2015</u>
Cash Flows from Operating Activities			
Change in net assets	\$ 22,773,309	\$ 2,112,752	\$ (1,712,019)
Adjustments to reconcile change in net assets to net cash from operating activities			
Proceeds from sale of real estate	34,463,796	5,175,000	-
Gain on sale of real Estate	(34,979,115)	(3,434,260)	-
Depreciation and Amortization Expense	2,087,578	1,773,739	1,644,000
Changes in operating assets and liabilities			
Accounts receivable	201,982	(3,000)	(3,000)
Prepaid expenses and other assets	233,412	-	-
Accounts payable and accrued expenses	(1,639,002)	(1,800)	(1,800)
Unsecured liabilities subject to compromise	(35,593,093)	18,600	(128,484)
Accrued salaries	(801,294)	362,857	362,857
Deferred Revenues	(822,066)	-	-
PIK Interest on Term Loans	1,727,217		
Deposits	(1,500,000)	-	-
Other Assets	149,715		
Deferred Rent Liability	1,080,313	27,286	27,286
Net Cash provided (used in) in Operating Activities	<u>(12,617,247)</u>	<u>6,031,174</u>	<u>188,840</u>
Cash Flows from Investing Activities			
Cash held for clients	(53,246)	-	-
Restricted Cash	3,145	-	-
Capital Improvements	(416,667)	(500,000)	(500,000)
Net cash provided for (used in) Investing Activities	<u>(466,767)</u>	<u>(500,000)</u>	<u>(500,000)</u>
Cash Flows from Financing Activities			
Net Borrowings/(repayments) on the DIP Loans	(5,000,000)	-	-
Repayments on lines of credit	(5,999,334)	-	-
Payment on Term Loans	(16,075,666)	(5,199,245)	(179,443)
Change in due to/from affiliates, net	39,021,826	-	-
Net Cash provided by (used in) Financing Activities	<u>11,946,826</u>	<u>(5,199,245)</u>	<u>(179,443)</u>
Net Change in Cash and Cash Equivalents	<u>(1,137,188)</u>	<u>331,929</u>	<u>(490,603)</u>
Cash and Cash Equivalents			
Beginning of Month	3,098,468	1,961,280	2,293,209
End of Month	<u>\$ 1,961,280</u>	<u>\$ 2,293,209</u>	<u>\$ 1,802,606</u>

Exhibit 2

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF
DAYTOP VILLAGE FOUNDATION INCORPORATED, *ET AL.*,
C/O ROBINSON BROG LEINWAND GREENE GENOVESE & GLUCK P.C.
875 THIRD AVENUE, 9TH FLOOR
NEW YORK, NEW YORK 10022**

March 14, 2013

**TO ALL GENERAL UNSECURED CREDITORS OF DAYTOP VILLAGE
FOUNDATION INCORPORATED AND DAYTOP VILLAGE, INC. (HOLDERS OF
CLAIMS IN CLASSES 4A AND 4B):**

RE: Support of Chapter 11 Plan of Reorganization of Daytop Village
Foundation Incorporated, *et al.*, Case No. 12-11436 (SCC) by the
Official Committee of Unsecured Creditors

Dear General Unsecured Creditor:

The Official Committee of Unsecured Creditors (the “Committee”) of Daytop Village Foundation Incorporated (“Foundation”), and Daytop Village, Inc. (“DVI”, and together with Foundation, the “Debtors”), writes regarding the enclosed Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors (the “Plan”). **The Committee believes that the Plan is fair and reasonable and provides general unsecured creditors with the best possible recovery under the circumstances of these cases. Accordingly, the Committee recommends that all general unsecured creditors vote to accept the Plan.**

On April 5, 2012 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York. On April 17, 2012, the United States Trustee for the Southern District of New York appointed the Committee to represent the interests of all unsecured creditors in the Debtors’ Chapter 11 cases. The Committee retained Robinson Brog Leinwand Greene Genovese & Gluck P.C. as its counsel and Alvarez & Marsal Healthcare Industry Group, LLC as its financial advisors.

The Committee has played an active role in these cases in an effort to maximize recoveries for all unsecured creditors. The Plan is the result of intense and extensive good faith and arm’s length negotiations among the Committee, the Debtors, the Senior Secured Bank Lenders and other key parties. As part of the negotiated treatment of unsecured creditors, the Committee has agreed to support the Plan and recommend that the general unsecured creditors vote to accept the Plan.

SUMMARY OF THE PLAN AND DISTRIBUTIONS

While the Debtors’ cases are being jointly administered, there has not been a substantive consolidation of the Debtors’ estates, and accordingly the Plan constitutes two distinct Chapter 11 Plans—one for each of the Debtors. The following summaries of the distributions proposed

for each class are provided for your convenience, but the Committee recommends that each creditor carefully read and review in their entirety the Plan and the Disclosure Statement. The treatment provisions for Classes 4A and 4B are set forth in Article III.B.7 and III.B.8 of the Plan. Summary information regarding recoveries for Classes 4A and 4B are set forth on Page 10 of the Disclosure Statement.

DVI Unsecured Creditors (Class 4A)

Each holder of an Allowed Unsecured Claim against DVI will receive its Pro Rata Share of a 10-year, secured \$3,500,000 note (the “Note”) issued by DVI and guaranteed by Foundation. The Note will be collateralized by mortgages on all of the Debtors’ real property other than properties with liens held by DASNY. DVI creditors (via a representative to be appointed by the Committee) will also receive other rights under the Plan, including the right to sell Foundation’s Springwood Property for its benefit. To the extent the Springwood Property sells for more than \$3,500,000, DVI creditors will be entitled to their *pro rata* share of such higher amount, subject to certain sharing provisions regarding the proceeds from any sale set forth in the Plan. The Debtors’ Disclosure Statement estimates Allowed Class 4A Claims to be in the range of \$16,000,000 – 20,000,000 resulting in an estimated recovery of 17.5% - 21.8%. However, the Plan also provides that, in the event Class 4A votes to reject the Plan, the Note amount will be reduced by the amount of the additional costs incurred by the Debtors in “cramming down” the Plan over the votes of Class 4A. As we believe the Plan is in the best interests of Class 4A creditors and it is beneficial to avoid the reduction in the Note by the “cram down” costs, we urge creditors to vote in favor of the Plan. If DVI were liquidated, the Debtors’ liquidation analysis estimates that DVI creditors would receive no distribution.

Foundation Unsecured Creditors (Class 4B)

Each holder of an Allowed Claim against Foundation has the option to elect to recover either (i) 100% of its claim with interest at 3% over a 5-year period, or (ii) a Lump Sum Payment of 25% of its claim no later than sixty (60) days after the Effective Date, provided that the Debtors will only pay up to \$50,000 in Lump Sum Payments, and if additional creditors elect the Lump Sum Payment, they will share in the \$50,000 *pro rata* and receive the remainder of their claims as if they had not made the Lump Sum Payment election. The Debtors Disclosure Statement estimates Allowed Claims against Foundation to be in the range of \$135,000 - \$650,000 and the Estimated Recovery for Unsecured Foundation Creditors to be 100%.

Voting and Recommendation

For the purpose of voting on the Plan, the Debtors have provided you with a ballot, which should be completed by you in accordance with the instructions included herein. For your vote to be counted, you must return your original signed ballot so that it is **received** by the Debtors’ Claims Agent **no later than 4:00 p.m. (prevailing Eastern Time) on April 15, 2013**. The Claims Agent will not accept ballots sent by facsimile or email. **Ballots must be sent by overnight mail, first class mail or delivered by hand to the following addresses:**

Via First Class Mail:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight courier or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

The Bankruptcy Court will hold a hearing on **April 25, 2013 at 1:00 p.m., prevailing Eastern Time**, to determine whether to approve the Plan. Under the Bankruptcy Code, for the Plan to be approved consensually, at least 1/2 in number of voting creditors and 2/3 in amount of claims in each voting class must vote to accept the Plan. If a voting class of creditors votes to reject the Plan, the Plan may still be confirmed if (a) at least one class of impaired creditors votes to accept the Plan and (b) the Debtors can establish that the Plan is fair and equitable.

The committee supports the plan and recommends that all holders of general unsecured claims in classes 4a and 4b vote to accept the plan. The Committee's decision to support the Plan was made after considering a myriad of factors, and after extensive discussions and negotiations with the Debtors and the Senior Secured Bank Lenders. Notwithstanding our recommendations, each creditor must make its own independent determination as to whether the plan is acceptable to that creditor and should consult with its own legal and/or financial advisors.

THE COMMITTEE, AS WELL AS THE DEBTORS AND THE COMMITTEES' FINANCIAL ADVISORS BELIEVE THAT THE TREATMENT IN THE PLAN AFFORDS THE BEST POSSIBLE RETURNS FOR UNSECURED CREDITORS IN THESE CASES.

**THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
OF DAYTOP VILLAGE FOUNDATION INCORPORATED, *ET AL.*, DEBTORS
By:**

**Robinson Brog Leinwand Greene Genovese & Gluck P.C.
Robert R. Leinwand, Esq.
Fred B. Ringel, Esq.
875 THIRD AVENUE, 9TH FLOOR
NEW YORK, NEW YORK 10022**

Exhibit 3

LOWENSTEIN SANDLER LLP

Norman N. Kinel

Thomas A. Pitta

Philip J. Gross

1251 Avenue of the Americas, 18th Floor

New York, New York 10020

(212) 262-6700 (Telephone)

(212) 262-7402 (Facsimile)

Counsel to the Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

**NOTICE OF NON-VOTING STATUS UNDER PLANS OF REORGANIZATION
OF THE DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. By Order dated March 13, 2013 (the “**Disclosure Statement Approval Order**”), the United States Bankruptcy Court for the Southern District of New York (the “**Court**”) approved the Disclosure Statement for Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (including all exhibits thereto, the “**Disclosure Statement**”) (the Modified First Amended Plans of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 as may be amended, modified, or supplemented in accordance with its terms, the “**Plan**”), as containing adequate information within the meaning of section 1125 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “**Bankruptcy Code**”).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) and (2) Daytop Village, Inc. (1438) (collectively, the “**Debtors**”). The location of the Debtors’ headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

2. Among other things, the Disclosure Statement Approval Order (a) established certain procedures (the “**Solicitation Procedures**”) for the solicitation and tabulation of votes to accept or reject the Plan; (b) approved the contents of the proposed solicitation package to be distributed to the Debtors’ creditors and other parties-in-interest who are entitled to vote on the Plan (collectively, the “**Solicitation Package**”); and (c) scheduled a hearing on confirmation of the Plan (the “**Confirmation Hearing**”) and approved certain related notice procedures.

3. Pursuant to the Disclosure Statement Approval Order and Bankruptcy Rule 3017(d), the Debtors: (a) are required to provide Solicitation Packages to all creditors entitled to vote on the Plan; and (b) are not required to provide Solicitation Packages to holders of claims or interests in classes under the Plan that are conclusively presumed to either accept or reject the Plan (collectively, the “**Non-Voting Classes**”). Under the terms of the Plan, Claims against the Debtors in Classes 1A, 1B, 3A, and 3B are not impaired and therefore pursuant to section 1126(f) of the Bankruptcy Code are conclusively presumed to have accepted the Plan and are not entitled to vote on the Plan. Accordingly, under the terms of the Plan, you are **NOT** entitled to vote on the Plan on account of your Claim(s) against the Debtors in Classes 1A, 1B, 3A, and/or 3B, as applicable.

4. Pursuant to the Solicitation Procedures, you are receiving this Notice in lieu of a Solicitation Package. Should you wish to obtain a copy of either the Disclosure Statement or the Plan, copies of either document (including any exhibits thereto) are available at no charge via the internet at <http://dm.epiq11.com/DVF>. Copies of either the Disclosure Statement or the Plan are also available upon a written request made to the Debtors at Daytop Ballot Processing at Epiq Bankruptcy Solutions, LLC, FDR Station, P.O. Box 5014, New York, New York 10150-5014 or by overnight mail or hand delivery to Daytop Ballot Processing at Epiq Bankruptcy Solutions, LLC, 757 Third Avenue, 3rd Floor, New York, New York 10017.

5. If you wish to challenge the Debtors’ classification of your Claim, you must file a motion, pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure (a “**Rule 3018(a) Motion**”), for an order temporarily allowing your Claim in a different classification or amount for purposes of voting to accept or reject the Plan. All Rule 3018(a) Motions must be filed on or before the fifth (5th) day after the later of (i) the date of service of this Notice and (ii) the date of service of an objection, if any, to such claim, with any such objections to be filed and served by the Debtors or Committee at least ten (10) days before the April 15, 2013 deadline for the submission of ballots to accept or reject the Plan. In accordance with Rule 3018 of the Federal Rules of Bankruptcy Procedure, as to any creditor filing a Rule 3018(a) Motion, such creditor’s vote will not be counted unless temporarily allowed by the Court, after notice and a hearing, prior to or at the Confirmation Hearing (as defined below). Rule 3018(a) Motions that are not timely filed and served in the manner set forth above may not be considered.

6. On April 25, 2013 at 1:00 p.m. (prevailing Eastern Time) or as soon thereafter as counsel may be heard, a hearing will be held before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, Room 621, New York, New York 10004-1408 to consider confirmation of the Plan, including all exhibits thereto and as amended,

modified or supplemented from time to time, and for such other and further relief as may be just and proper (the “**Confirmation Hearing**”).

7. The Confirmation Hearing may be adjourned from time to time by the Court without further notice. Additionally, the Plan may be modified in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and other applicable law, without further notice, prior to or as a result of the Confirmation Hearing.

8. Objections, if any, to confirmation of the Plan must (a) be in writing, (b) state the name and address of the objecting party and the nature of the claim or interest of such party, (c) state with particularity the basis and nature of any objection, and (d) be filed with the Court, together with proof of service, and served upon (i) Counsel to the Debtors, Lowenstein Sandler LLP, 1251 Avenue of the Americas, New York, New York 10020 (Attn: Norman N. Kinel, Esq.); and (ii) the Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Susan D. Golden, Esq.), (iii) counsel to the Committee, Robinson Brog Leinwand Greene Genovese & Gluck P.C., Attn: Robert R. Leinwand, Esq. and Fred B. Ringel, Esq., 875 Third Avenue, 9th Floor, New York, New York 10022-0123; (iv) counsel to the Debtors’ secured creditors, Signature Bank, c/o Hahn & Hessen LLP, Attn: Joshua I. Divack, Esq. and Robert J. Malatak, Esq., 488 Madison Avenue, New York, New York 10022 and Hudson Valley Bank, c/o Wilson, Elser, Moskowitz, Edelman & Dicker LLP, Attn: Mark G. Ledwin, Esq., 3 Gannett Drive, White Plains, New York 10604-3407; (v) Dormitory Authority of the State of New York and New York State Office of Alcoholism and Substance Abuse Services, c/o Office of the Attorney General, Attn: Enid Nagler Stuart, Assistant Attorney General, Litigation Bureau, 120 Broadway, 24th Floor. New York, New York 10271; and (vi) those parties who have filed a notice of appearance and request for service of pleadings in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002 in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002; in each case **so as to be actually received on or before April 15, 2013 at 4:00 p.m. (prevailing Eastern time)**. **UNLESS AN OBJECTION IS TIMELY FILED AND SERVED AS PROVIDED HEREIN, IT MAY NOT BE CONSIDERED AT THE CONFIRMATION HEARING.**

Dated: March 14, 2013
New York, New York

LOWENSTEIN SANDLER LLP

/s/ Norman N. Kinel

Norman N. Kinel

Thomas A. Pitta

Philip J. Gross

1251 Avenue of the Americas, 18th Floor

New York, New York 10020

(212) 262-6700 (Telephone)

(212) 262-7402 (Facsimile)

*Counsel to the Debtors and
Debtors-in-Possession*

Exhibit 4

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

**BALLOT FOR ACCEPTING OR REJECTING PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

**BALLOT FOR VOTING CLAIMS IN CLASS 2A (PREPETITION LENDER SECURED
CLAIMS AGAINST DAYTOP VILLAGE, INC.)**

The above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) filed the Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Plan**”). The Plan is submitted with the Disclosure Statement for Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Disclosure Statement**”). If you are, as of March 13, 2013, the holder of Prepetition Lender Secured Claims (as that term is defined in the Plan) against **Daytop Village, Inc.**, please use this Ballot to cast your vote to accept or reject the Plan. The Bankruptcy Court has approved the Disclosure Statement, which provides information to assist you in deciding how to vote on the Plan. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. The Disclosure Statement and Plan may be examined by accessing the website <http://dm.epiq11.com/DVF>. In addition you may obtain a copy of the Disclosure Statement by contacting the Debtors’ Voting Agent, Epiq Bankruptcy Solutions, LLC at (646) 282-2500.

**PLEASE BE ADVISED THAT THE VOTING AGENT IS NOT AUTHORIZED TO, AND
WILL NOT, PROVIDE LEGAL ADVICE.**

IMPORTANT

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your claim or

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) and (2) Daytop Village, Inc. (1438). The location of the Debtors’ headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

claims under the Plan. Your claim in respect of your Prepetition Lender Secured Claims against Daytop Village, Inc. has been placed in Class 2A under the Plan.

If you hold claims in more than one class, you will receive a ballot for each class in which you are entitled to vote.

VOTING DEADLINE: April 15, 2013 at 4:00 p.m. prevailing Eastern Time

If your ballot is not received by the Debtors' Voting Agent, Epiq Bankruptcy Solutions, LLC, on or before the Voting Deadline and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

Ballots will not be accepted by facsimile transmission, email or any other electronic method.

If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote.

This Ballot is *not* a letter of transmittal and may not be used for any purpose other than to cast votes to accept or reject the Plan.

HOW TO VOTE

1. COMPLETE ITEMS 1, 2, AND 3.
2. REVIEW THE CERTIFICATIONS CONTAINED IN ITEM 3.
3. **SIGN THE BALLOT.**
4. RETURN THE BALLOT IN THE ENCLOSED PRE-ADDRESSED ENVELOPE.
5. YOU MUST VOTE ALL YOUR PREPETITION LENDER SECURED CLAIMS AGAINST DAYTOP VILLAGE, INC. *EITHER TO ACCEPT OR TO REJECT THE PLAN AND MAY NOT SPLIT YOUR VOTE.*
6. ANY BALLOT RECEIVED THAT DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN OR THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED.

This Ballot shall not constitute or be deemed a proof of claim or equity interest or an assertion of a claim or equity interest.

YOUR VOTE MUST BE RECEIVED BY THE VOTING AGENT, Epiq Bankruptcy Solutions, LLC BY April 15, 2013 AT 4:00 P.M. PREVAILING EASTERN TIME, OR YOUR VOTE WILL NOT BE COUNTED.

RETURN THIS BALLOT TO THE VOTING AGENT:

Via U.S. Post Office:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight delivery or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR COPIES OF THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT, EPIQ BANKRUPTCY SOLUTIONS, LLC AT (646) 282-2500.

Item 1. Principal Amount of Prepetition Lender Secured Claims Voted. The undersigned certifies that as of March 13, 2013, the undersigned was the holder of Class 2A Prepetition Lender Secured Claims against Daytop Village, Inc. in the following aggregate unpaid amount.

Line 1 (Prepetition Lender Secured Claims against Daytop Village, Inc.)
\$ _____

Item 2. Vote. The holder of the Class 2A Prepetition Lender Secured Claims against Daytop Village, Inc. identified in Item 1 votes as follows (check one box only—if you do not check a box your vote will not be counted):

☐ to **Accept** the Plan. OR ☐ to **Reject** the Plan.

Item 3. Certification. By returning this Ballot, the holder of the Prepetition Lender Secured Claims against Daytop Village, Inc. identified in Item 1 certifies that (a) it has full power and authority to vote to accept or reject the Plan with respect to the Class 2A Prepetition Lender Secured Claims against Daytop Village, Inc. listed in Item 1, (b) it was the holder (or an authorized signatory for such holder) of Class 2A Prepetition Lender Secured Claims against Daytop Village, Inc. described in Item 1 on March 13, 2013, as against the Debtor indicated above, (c) all Ballots to vote Class 2A Prepetition Lender Secured Claims against Daytop Village, Inc. submitted by the holder indicate the same vote to accept or reject the Plan that the holder has indicated on this Ballot, and (d) it has received or waives the right to receive a copy of the Disclosure Statement (including the exhibits thereto) and understands that the solicitation of votes for the Plan is subject to all the terms and conditions set forth in the Disclosure Statement.

Name: _____
(Print or Type)

Signature: _____

Print Name: _____

Title: _____

Street Address: _____

City, State, Zip
Code: _____

Telephone
Number/Email
Address: _____

Date Completed: _____

Exhibit 5

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

**BALLOT FOR ACCEPTING OR REJECTING PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

**BALLOT FOR VOTING CLAIMS IN CLASS 2B (PREPETITION LENDER SECURED
CLAIMS AGAINST DAYTOP VILLAGE FOUNDATION INCORPORATED)**

The above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) filed the Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Plan**”). The Plan is submitted with the Disclosure Statement for Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Disclosure Statement**”). If you are, as of March 13, 2013, the holder of Prepetition Secured Lender Secured (as that term is defined in the Plan) against **Daytop Village Foundation Incorporated**, please use this Ballot to cast your vote to accept or reject the Plan. The Bankruptcy Court has approved the Disclosure Statement, which provides information to assist you in deciding how to vote on the Plan. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. The Disclosure Statement and Plan may be examined by accessing the website <http://dm.epiq11.com/DVF>. In addition you may obtain a copy of the Disclosure Statement by contacting the Debtors’ Voting Agent, Epiq Bankruptcy Solutions, LLC at (646) 282-2500.

PLEASE BE ADVISED THAT THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

IMPORTANT

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your claim or claims

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) and (2) Daytop Village, Inc. (1438). The location of the Debtors’ headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

under the Plan. Your claim in respect of your Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated has been placed in Class 2B under the Plan.

If you hold claims in more than one class, you will receive a ballot for each class in which you are entitled to vote.

VOTING DEADLINE: April 15, 2013 at 4:00 p.m. prevailing Eastern Time

If your ballot is not received by the Debtors' Voting Agent, Epiq Bankruptcy Solutions, LLC, on or before the Voting Deadline and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

Ballots will not be accepted by facsimile transmission, email or any other electronic method.

If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote.

This Ballot is *not* a letter of transmittal and may not be used for any purpose other than to cast votes to accept or reject the Plan.

HOW TO VOTE

1. COMPLETE ITEMS 1, 2, AND 3.
2. REVIEW THE CERTIFICATIONS CONTAINED IN ITEM 3.
3. **SIGN THE BALLOT.**
4. RETURN THE BALLOT IN THE ENCLOSED PRE-ADDRESSED ENVELOPE.
5. YOU MUST VOTE ALL YOUR PREPETITION LENDER SECURED CLAIMS AGAINST DAYTOP VILLAGE FOUNDATION INCORPORATED *EITHER* TO ACCEPT *OR* TO REJECT THE PLAN AND MAY NOT SPLIT YOUR VOTE.
6. ANY BALLOT RECEIVED THAT DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN OR THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED.

This Ballot shall not constitute or be deemed a proof of claim or equity interest or an assertion of a claim or equity interest.

YOUR VOTE MUST BE RECEIVED BY THE VOTING AGENT, Epiq Bankruptcy Solutions, LLC BY April 15, 2013 AT 4:00 P.M. PREVAILING EASTERN TIME, OR YOUR VOTE WILL NOT BE COUNTED.

RETURN THIS BALLOT TO THE VOTING AGENT:

Via U.S. Post Office:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight delivery or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR COPIES OF THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT, EPIQ BANKRUPTCY SOLUTIONS, LLC AT (646) 282-2500.

Item 1. Principal Amount of Prepetition Lender Secured Claims Voted. The undersigned certifies that as of March 13, 2013, the undersigned was the holder of Class 2B Prepetition Secured Lender Claims against Daytop Village Foundation Incorporated in the following aggregate unpaid amount.

Line 1 (Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated) \$_____

Item 2. Vote. The holder of the Class 2B Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated identified in Item 1 votes as follows (check one box only—if you do not check a box your vote will not be counted):

☐ to **Accept** the Plan. OR ☐ to **Reject** the Plan.

Item 3. Certification. By returning this Ballot, the holder of the Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated identified in Item 1 certifies that (a) it has full power and authority to vote to accept or reject the Plan with respect to the Class 2B Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated listed in Item 1, (b) it was the holder (or an authorized signatory for such holder) of Class 2B Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated described in Item 1 on March 13, 2013, as against the Debtor indicated above, (c) all Ballots to vote Class 2B Prepetition Lender Secured Claims against Daytop Village Foundation Incorporated submitted by the holder indicate the same vote to accept or reject the Plan that the holder has indicated on this Ballot, and (d) it has received or waives the right to receive a copy of the Disclosure Statement (including the exhibits thereto) and understands that the solicitation of votes for the Plan is subject to all the terms and conditions set forth in the Disclosure Statement.

Name: _____
(Print or Type)

Signature: _____

Print Name: _____

Title: _____

Street Address: _____

City, State, Zip: _____

Telephone
Number/Email
Address: _____

Date Completed: _____

Exhibit 6

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

**BALLOT FOR ACCEPTING OR REJECTING PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

**BALLOT FOR VOTING CLAIMS IN CLASS 4A (GENERAL UNSECURED CLAIMS
AGAINST DAYTOP VILLAGE, INC.)**

The above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) filed the Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Plan**”). The Plan is submitted with the Disclosure Statement for Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013, dated January 10, 2013 (as the same has been or may be amended, the “**Disclosure Statement**”). If you are, as of March 13, 2013, the holder of General Unsecured Claims (as that term is defined in the Plan) against **Daytop Village, Inc.**, please use this Ballot to cast your vote to accept or reject the Plan. The Bankruptcy Court has approved the Disclosure Statement, which provides information to assist you in deciding how to vote on the Plan. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. The Disclosure Statement and Plan may be examined by accessing the website <http://dm.epiq11.com/DVF>. In addition you may obtain a copy of the Disclosure Statement by contacting the Debtors’ Voting Agent, Epiq Bankruptcy Solutions, LLC at (646) 282-2500.

PLEASE BE ADVISED THAT THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

IMPORTANT

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your claim or

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) and (2) Daytop Village, Inc. (1438). The location of the Debtors’ headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

claims under the Plan. Your claim in respect of your General Unsecured Claims against Daytop Village, Inc. has been placed in Class 4A under the Plan.

If you hold claims in more than one class, you will receive a ballot for each class in which you are entitled to vote.

VOTING DEADLINE: April 15, 2013 at 4:00 p.m. prevailing Eastern Time

If your ballot is not received by the Debtors' Voting Agent, Epiq Bankruptcy Solutions, LLC, on or before the Voting Deadline and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

Ballots will not be accepted by facsimile transmission, email or any other electronic method.

If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote.

This Ballot is *not* a letter of transmittal and may not be used for any purpose other than to cast votes to accept or reject the Plan.

HOW TO VOTE

1. COMPLETE ITEMS 1, 2, AND 3.
2. REVIEW THE CERTIFICATIONS CONTAINED IN ITEM 3.
3. **SIGN THE BALLOT.**
4. RETURN THE BALLOT IN THE ENCLOSED PRE-ADDRESSED ENVELOPE.
5. YOU MUST VOTE ALL YOUR GENERAL UNSECURED CLAIMS AGAINST DAYTOP VILLAGE, INC. *EITHER TO ACCEPT OR TO REJECT THE PLAN AND MAY NOT SPLIT YOUR VOTE.*
6. ANY BALLOT RECEIVED THAT DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN OR THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED.

This Ballot shall not constitute or be deemed a proof of claim or equity interest or an assertion of a claim or equity interest.

YOUR VOTE MUST BE RECEIVED BY THE VOTING AGENT, Epiq Bankruptcy Solutions, LLC BY April 15, 2013 AT 4:00 P.M. PREVAILING EASTERN TIME, OR YOUR VOTE WILL NOT BE COUNTED.

RETURN THIS BALLOT TO THE VOTING AGENT:

Via U.S. Post Office:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight delivery or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR COPIES OF THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT, EPIQ BANKRUPTCY SOLUTIONS, LLC AT (646) 282-2500.

Item 1. Principal Amount of General Unsecured Claims Voted. The undersigned certifies that as of March 13, 2013, the undersigned was the holder of Class 4A General Unsecured Claims against Daytop Village, Inc. in the following aggregate unpaid amount.

Line 1 (General Unsecured Claims against Daytop Village, Inc.) \$_____

Item 2. Vote. The holder of the Class 4A General Unsecured Claims against Daytop Village, Inc. identified in Item 1 votes as follows (check one box only—if you do not check a box your vote will not be counted):

☐ to **Accept** the Plan. OR ☐ to **Reject** the Plan.

Item 3. Certification. By returning this Ballot, the holder of the General Unsecured Claims against Daytop Village, Inc. identified in Item 1 certifies that (a) it has full power and authority to vote to accept or reject the Plan with respect to the Class 4A General Unsecured Claims against Daytop Village, Inc. listed in Item 1, (b) it was the holder (or an authorized signatory for such holder) of Class 4A General Unsecured Claims against Daytop Village, Inc. described in Item 1 on March 13, 2013, as against the Debtor(s) indicated above, (c) all Ballots to vote Class 4A General Unsecured Claims against Daytop Village, Inc. submitted by the holder indicate the same vote to accept or reject the Plan that the holder has indicated on this Ballot, and (d) it has received or waives the right to receive a copy of the Disclosure Statement (including the exhibits thereto) and understands that the solicitation of votes for the Plan is subject to all the terms and conditions set forth in the Disclosure Statement.

Name: _____
(Print or Type)

Signature: _____

Print Name: _____

Title: _____

Street Address: _____

City, State, Zip
Code: _____

Telephone
Number/Email
Address: _____

Date Completed: _____

Exhibit 7

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Daytop Village Foundation Incorporated, *et al.*,¹

Debtors.

Chapter 11

Case No. 12-11436 (SCC)

(Jointly Administered)

**BALLOT FOR ACCEPTING OR REJECTING PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

**BALLOT FOR VOTING CLAIMS IN CLASS 4B (GENERAL UNSECURED CLAIMS
AGAINST DAYTOP VILLAGE FOUNDATION INCORPORATED)**

The above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) filed the Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Plan**”). The Plan is submitted with the Disclosure Statement for Modified First Amended Plans of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors, dated March 13, 2013 (as the same has been or may be amended, the “**Disclosure Statement**”). If you are, as of March 13, 2013, the holder of General Unsecured Claims (as that term is defined in the Plan) against **Daytop Village Foundation Incorporated**, please use this Ballot to cast your vote to accept or reject the Plan. The Bankruptcy Court has approved the Disclosure Statement, which provides information to assist you in deciding how to vote on the Plan. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. The Disclosure Statement and Plan may be examined by accessing the website <http://dm.epiq11.com/DVF>. In addition you may obtain a copy of the Disclosure Statement by contacting the Debtors’ Voting Agent, Epiq Bankruptcy Solutions, LLC at (646) 282-2400.

PLEASE BE ADVISED THAT THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

IMPORTANT

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your claim or

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Daytop Village Foundation Incorporated (6772) (“**Foundation**”) and (2) Daytop Village, Inc. (1438) (“**DVI**”) (collectively, the “**Company**” or the “**Debtors**”). The location of the Debtors’ headquarters is 104 West 40th Street, 3rd Floor, New York, New York 10018.

claims under the Plan. Your claim in respect of your General Unsecured Claims against Daytop Village Foundation Incorporated has been placed in Class 4B under the Plan.

If you hold claims in more than one class, you will receive a ballot for each class in which you are entitled to vote.

VOTING DEADLINE: April 15, 2013 at 4:00 p.m. prevailing Eastern Time

If your ballot is not received by the Debtors' Voting Agent, Epiq Bankruptcy Solutions, LLC, on or before the Voting Deadline and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

Ballots will not be accepted by facsimile transmission, email or any other electronic method.

If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote.

This Ballot is *not* a letter of transmittal and may not be used for any purpose other than to cast votes to accept or reject the Plan.

HOW TO VOTE

1. COMPLETE ITEMS 1, 2, 3, AND 4.
2. REVIEW THE CERTIFICATIONS CONTAINED IN ITEM 4.
3. **SIGN THE BALLOT.**
4. RETURN THE BALLOT IN THE ENCLOSED PRE-ADDRESSED ENVELOPE.
5. YOU MUST VOTE ALL YOUR GENERAL UNSECURED CLAIMS AGAINST DAYTOP VILLAGE FOUNDATION INCORPORATED *EITHER* TO ACCEPT *OR* TO REJECT THE PLAN AND MAY NOT SPLIT YOUR VOTE.
6. ANY BALLOT RECEIVED THAT DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN OR THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED.

This Ballot shall not constitute or be deemed a proof of claim or equity interest or an assertion of a claim or equity interest.

YOUR VOTE MUST BE RECEIVED BY THE VOTING AGENT, Epiq Bankruptcy Solutions, LLC BY April 15, 2013 AT 4:00 P.M. PREVAILING EASTERN TIME, OR YOUR VOTE WILL NOT BE COUNTED.

RETURN THIS BALLOT TO THE VOTING AGENT:

Via U.S. Post Office:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
FDR Station, P.O. Box 5014
New York, NY 10150-5014

Via overnight delivery or hand-delivery:

Daytop Ballot Processing
c/o Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR COPIES OF THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT, EPIQ BANKRUPTCY SOLUTIONS, LLC AT (646) 282-2500.

Item 1. Principal Amount of General Unsecured Claims Voted. The undersigned certifies that as of March 13, 2013, the undersigned was the holder of Class 4B General Unsecured Claims against Daytop Village Foundation Incorporated in the following aggregate unpaid amount.

Line 1 (General Unsecured Claims against Daytop Village Foundation Incorporated)
\$ _____

Item 2. Vote. The holder of the Class 4B General Unsecured Claims against Daytop Village Foundation Incorporated identified in Item 1 votes as follows (check one box only—if you do not check a box your vote will not be counted):

☐ to **Accept** the Plan. OR ☐ to **Reject** the Plan.

Item 3. Election Notice. As detailed in Article III.B.8 of the Plan, Holders of Class 4B General Unsecured Claims against Daytop Village Foundation Incorporated identified in Item 1 have the option of electing one of the following possible treatments under the Plan: **either** (i) deferred cash payments of a value, as of the Effective Date under the Plan, equal to 100% of the Allowed Amount of such Claim, in the form of twenty (20) equal quarterly payments aggregating 100% of the Allowed Amount of such Claim, together with interest thereon at the rate of 3% per annum, payable on the first day of the calendar quarter following the first anniversary of the Effective Date of the Plan and on the first day of each of the following nineteen (19) calendar quarters (the “**Class 4B 100% Deferred Payment Option**”) **or** (ii) no later than the 60th calendar date following the Effective Date under the Plan, in full and final satisfaction of such Claim, payment in full in Cash of 25% of the Allowed Amount of such Claim (the “**Class 4B Cash Payment Option**”).

Accordingly, as a Holder of Class 4B General Unsecured Claims against Daytop Village Foundation Incorporated, please **elect which option you choose** and please **check one box only**—if you do not check a box, you will be deemed to have elected the Class 4B Cash Payment Option:

☐ the Class 4B 100% Deferred Payment Option **OR**

☐ the Class 4B Cash Payment Option

Item 4. Certification. By returning this Ballot, the holder of the General Unsecured Claims against Daytop Village, Inc. identified in Item 1 certifies that (a) it has full power and authority to vote to accept or reject the Plan with respect to the Class 4A General Unsecured Claims against Daytop Village, Inc. listed in Item 1, (b) it was the holder (or an authorized signatory for such holder) of Class 4A General Unsecured Claims against Daytop Village, Inc. described in Item 1 on March 13, 2013, as against the Debtor indicated above, (c) all Ballots to vote Class 4A General Unsecured Claims against Daytop Village, Inc. submitted by the holder indicate the same vote to accept or reject the Plan that the holder has indicated on this Ballot, and (d) it has received or waives the

right to receive a copy of the Disclosure Statement (including the exhibits thereto) and understands that the solicitation of votes for the Plan is subject to all the terms and conditions set forth in the Disclosure Statement.

Name: _____
(Print or Type)

Signature: _____

Print Name: _____

Title: _____

Street Address: _____

City, State, Zip
Code: _____

Telephone
Number/Email
Address: _____

Date Completed: _____

Exhibit 8

Claim Name	Address Information
HUDSON VALLEY BANK	ATTN: MARK G. LEDWIN, ESQ. WILSON ELSE MOSKOWITZ EDELMAN DICKER 3 GANNETT DRIVE WEST HARRISON NY 10604
SIGNATURE BANK	SALVATORE TRIFILETTI THOMAS KASULKA 565 FIFTH AVENUE, 12TH FLOOR NEW YORK NY 10017

Total Creditor count 2

Exhibit 9

Claim Name	Address Information
HUDSON VALLEY BANK	ATTN: MARK G. LEDWIN, ESQ. WILSON ELSE MOSKOWITZ EDELMAN DICKER 3 GANNETT DRIVE WEST HARRISON NY 10604
SIGNATURE BANK	SALVATORE TRIFILETTI THOMAS KASULKA 565 FIFTH AVENUE, 12TH FLOOR NEW YORK NY 10017

Total Creditor count 2

Exhibit 10

Claim Name	Address Information
104 W. 40TH STREET PROPERTY INV. I, LLC	C/O COLE, SCHOTZ, MEISEL, FORMAN & LEO. ATTN: JILL B. BIENSTOCK, ESQ. & LEO V. 900 THIRD AVENUE, 16TH FLOOR NEW YORK NY 10022
3M COMPANY	ERIC KOMOROUSKI, CREDIT ANALYST 3M CENTER, 224-5N-41 SAINT PAUL MN 55144
3M HEALTH INFO SYSTEM	ATTN: CINDY BATES 575 WEST MURRAY BOULEVARD MURRAY UT 84123-4611
811 ATLANTIC CORP.	ATTN: SHAMIM MAHMUD 811 ATLANTIC AVENUE BROOKLYN NY 11238
A & C HEATING SERVICES	PATTY FERGESON 111 CLAY STREET HOPEWELL JUNCTION NY 11222
A & M COMMUNICATIONS	ATTN: ARTHUR COOPERSMITH P.O. BOX 731 SOUTH FALLSBURG NY 12779
AAA OFFICE WORLD	ATTN: MICHAEL RUBB 48 SPENCER STREET BROOKLYN NY 11205
ABALINE SUPPLY INCORPORATED	ATTN: CHAYA JEREMIAS 600 MARKLEY STREET PORT READING NJ 07064
ABC SERVICES	ATTN: THOMAS KEPMASTER 48 SOUTH SERVICE, ROAD MELVILLE NY 11747
ACADEMY CHAIR RENTING CO. INC.	82-33 QUEENS BLVD. ELMHURST NY 11373
ACCOMTEPS DIV. OF ROBERT HALF INTRN.	ATTN: KAREN LIMA PO BOX 5024 SAN RAMON CA 94583-9128
ACE AMERICAN INSURANCE CO. & POSS. ET AL	C/O KAREL S. KARPE, ESQ. KARPELAW, 44 WALL STREET, 12TH FLOOR NEW YORK NY 10005
ACME AMERICAN REPAIRS	99 SCOTT AVENUE BROOKLYN NY 11237
ACOSTA, SUSAN	104 EAST 40TH STREET, 4TH FLOOR NEW YORK NY 10018
ADP SCREENING & SELECTIONS	SERVICES 36307 TREASURY CENTER CHICAGO IL 60694-6300
ADP, INC.	1851 NORTH RESLER DRIVE EL PASO TX 79912
ADVANCED CHEMICAL SYSTEM	AND SUPPLIES, INC. 28-30 COUNTY ROUTE. 78 MIDDLETOWN NY 10940
AFA PROTECTIVE SYSTEMS, INC	JAY BOIARSKY 155 MICHAEL DRIVE SYOSSET NY 11791
AFFORDABLE SALES	F/K/A AFFORDABLE ENTERPRISES 969 E NEW YORK AVE BROOKLYN NY 11212
AFLAC NEW YORK	ATTN: TAMIKA OXFORD 22 CORPORATE WOODS BOULEVARD ALBANY NY 12211
AGWAY HACKETT FARM & SUPPLY	ATTN: STEPHANY 2297 SALT POINT TURNPIKE CLINTON CORNERS NY 12514
AHMED, KHURRA	78 QUEEN ANN ROAD SOUTH HACKENSACK NJ 07606
AIRTEK MECHANICAL CONTRACTING, INC.	SHAWN MCMICHAEL 59 ACKERT HOOK ROAD RHINEBECK NY 12572
AJL GENERAL CONTRACTORS INC	ATTN: ANTHONY 21 WALDO AVENUE WHITE PLAINS NY 10606
AKA PEST CONTROL, INC.	ATTN: RICHARD A. HARWIN 121 W. 27TH STREET, STE 502 NEW YORK NY 10001
ALBANY TANK SERVICES INC	ATTN: DALE P.O. BOX 331 RAVENA NY 12143
ALEXANDER-PERULLI, ELIZABETH	104 EAST 40TH STREET, 4TH FLOOR NEW YORK NY 10018
ALFRED KARMAN	ATTN: ALFRED KARMAN ARCHITECH NEW YORK NY 10012
ALL BRAND CHECKWRITER CO.	GLEN EDELSTEIN 40 EXCHANGE PLACE NEW YORK NY 10005-1112
ALL VOICE COMMUNICATIONS	RICHARD PRESS ALPHA COMMUNICATIONS NEW YORK NY 01001
ALL WATER & WASTE WATER SERVICES. LLC	PETER RATHJEN 297 TURKEY HILL RD RED HOOK NY 12571
ALL WATER & WASTE WATER SVCS. LLC	PETER RATHJEN 297 TURKEY HILL RD. RED HOOK NY 12571
ALLIED FIRE CONTROL SERVICES INC	47-25 34TH STREET LONG ISLAND CITY NY 11101-9085
AMBROSE, MARK	365 BRIDGE STREET APT. 3C BROOKLYN NY 11201
AMERICAN HOTEL REGISTER CO.	ATTN: MARY KAY PALLAS 16458 COLLECTIONS CENTER DR. CHICAGO IL 60693
AMERICAN PIPE & TANK LINING CO.	11-42 46TH ROAD LONG ISLAND CITY NY 11101
AMERICAN PRINTING & OFFICE SUPPLIES	PATRICIA TABATZNIK 867 FLATBUSH ROAD KINGSTON NY 12401
AMERIKEY	P.O. BOX 297103 BROOKLYN NY 11229
AMHAC (ALL MAKES HEATING & A/C)	RAMON 365 WHITE PLAINS ROAD EASTCHESTER NY 10709
APPROVED STORAGE & WASTE HAULING, INC	ATTN: JOANNE 110 EDISON AVE MOUNT VERNON NY 10550
AR PHOENIX RESOURCES	ATTN: SABRINA PRADO 79 PINE ST. #246 NEW YORK NY 10005
ASAP OF NYS	ONE COLUMBIA PLACE ALBANY NY 12207
AT&T	P.O. BOX 9001307 LOUISVILLE KY 40290
ATTANASIO, ANGELA	104 WEST 40TH STREET, 4TH FLOOR NEW YORK NY 10018
AUDIA MOTOR SALES, INC.	3692 ROUTE 44 MILLBROOK NY 12545
AUSTIN, PATRICA	104 EAST 40TH STREET, 4TH FLOOR NEW YORK NY 10018
AUTOMATED TIME CONCEPTS INC	ATTN: THOMAS MAWN 36 RAILROAD AVENUE GLEN HEAD NY 11545

Claim Name	Address Information
AVAYA, INC.	C/O RMS BANKRUPTCY RECOVERY SERVICES PO BOX 5126 TIMONIUM MD 21094
AVERIL, ANTHONY	138-70 ELDER AVENUE, APT. 4M FLUSHING NY 11355
BAKER, KIM HOY	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
BARRACUDA NETWORKS, INC.	MINDY LYS DEPT. LA 22762 PASADENA CA 91185-2762
BARTON ASSOCIATES, INC.	ATTN: ROBERT 10 DEARBORN ROAD PEABODY MA 01960
BENCHMARK ANALYTICS	CHARLOTTE 4777 SAUCON CREEK RD. CENTER VALLEY PA 18034-9004
BENDINER & SCHLESINGER	BROOKLYN ARMY TERMINAL BUILDING B, UNIT 8D 140 58TH STREET BROOKLYN NY 11220
BERRY, SANDRA	150 EAST 72ND STREET, APT. 3S NEW YORK NY 10021
BOB BARKER COMPANY, INC.	P.O. BOX 890885 CHARLOTTE NC 28289-0885
BOICE BROTHERS DAIRY INC.	ATTN: LINDA 36 O'NEIL STREET KINGSTON NY 12401
BONAFIDE ESTATES, INC.	PRYOR CASHMAN LLP ATTN: SETH H. LIEBERMAN, ESQ 7 TIMES SQUARE NEW YORK NY 10036-6569
BOVO, KENNETH C., ARCHITECT	53 ROAD 'A' PO BOX 368 CRAGSMOOR NY 12420
BRANDL'S TOWING	BOB BRANDL 18 COMMERCE STREET POUGHKEEPSIE NY 12603
BREY KRAUSE MFG CO.	1209 WEST LEHIGH STREET BETHLEHEM PA 18018
BRIGGS & STRATTON	5375 N MAIN STREET MUNNSVILLE NY 13409
BRIGHT CARPET WORKROOM	WOLF 212-47 JAMACIA AVENUE QUEENS VILLAGE NY 11428
BROOKLYN FAN & BLOWER SALES	ATTN: RICHARD 177 NORTH 7TH STREET BROOKLYN NY 11211
BROOKLYN UNION GAS COMPANY, THE	NATIONAL GRID NEW YORK ATTN: MR. E. NEGRON - 13TH FLOOR ONE METROTECH CENTER BROOKLYN NY 11201-3850
BROTHERS HARDWARE LLC	TOM 26 W 38TH STREET NEW YORK NY 10018
BROVOT, LORETTA	THE LAW OFFICES OF NEAL BRICKMAN, P.C. 317 MADISON AVENUE, SUITE 21 NEW YORK NY 10017
BROWN, SAHIB	121 CHARLES STREET LINDEN NJ 07036
BROWNING, CHARLES	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
BUCHANAN, RETA	53 NELSHORE DRIVE MONTICELLO NY 12701
BUFFALO HOSPITAL SUPPLY CO., INC	GROSS, SHUMAN, BRIZDLE & GILFILLAN, P.C. (JOHN K. ROTTARIS, ESQ.) 465 MAIN STREET, SUITE 600 BUFFALO NY 14203
BURKE SUPPLY A DIVISION OF IMPERIAL BAG	& PAPER LLC 59 HOOK ROAD BAYONNE NJ 07002
BURKE SUPPLY SYSTEMS	ATTN: KATHY AMTHOR 59 HOOK ROAD BAYONNE NJ 07002
BURNHAM NATIONWIDE	BURNHAM CTR 4TH FL 111 WASHINGTON STREET CHICAGO IL 60602
C.I.A. SECURITY	2 SUMMIT COURT FISHKILL NY 12524
C.T. GLASS INC.	51 ELIZABETH STREET RED HOOK NY 12571
CABBAGESTALK, YVONNE	CHINYERE OKORONKWO, ESQ. LAW OFFICE OF CHINYERE OKORONKWO 40 EAST 94TH STREET NEW YORK NY 10128
CABBAGESTALK, YVONNE	217 CUMBERLAND STREET APT #1 BROOKLYN NY 11205
CALCULATED FIRE PROTECTION	ATTN: NANCY 2510 ROUTE 44 SALT POINT NY 12578
CAMPANELLA FENCE	DEBBY 289 ROUTE 6 MAHOPAC NY 10541
CANON FINANCIAL SERVICES, INC.	C/O PLATZER, SWERGOLD, ET AL. ATTN: SHERRI D. LYDELL, ESQ. (1259-428) 1065 AVENUE OF THE AMERICAS, 18TH FLOOR NEW YORK NY 10018
CAPITAL SUPPLY CO.	620 12TH AVENUE NEW YORK NY 10036-1004
CAPUTI, CHRISTIAN	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
CARLO MINUTO CARTING CO. INC.	P.O. BOX 234 WEST NYACK NY 10994
CARPEN'S INC.	ATTN: FAEIDA 175-07 JAMAICA AVENUE JAMAICA NY 11432
CASALE, GEORGE N.	22 ORANGE AVE PO BOX 832 GOSHEN NY 10924
CASTILLO, LINDA	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
CASTLE OIL CORPORATION	ATTN: MICHAEL M. MEADVIN, SENIOR VP 440 MAMARONECK AVENUE, SUITE 440 HARRISON NY 10528-2424
CATSKILL-DELAWARE PUBLICATIONS INC	ATTN: DAN HUST P.O. BOX 308 HARRISON NY 12723
CENTENNIAL ELEVATOR INDUSTRIES, INC.	ATTN: ANDREW PAGANO 24-35 47TH STREET ASTORIA NY 11103

Claim Name	Address Information
CENTRAL OFFICE ALARM COMPANY	ATTN: JOE COLLINS 140 S. COLUMBUS AVENUE MT. VERNON NY 10550
CENTRAL HUDSON GAS & ELECTRIC	56610723001/MEADOW RUN 284 SOUTH AVENUE POUGHKEEPSIE NY 12601-4839
CENTURY LINK	P.O. BOX 52187 PHOENIX AZ 85072
CHARLES B. MERRILL OFFICE PROD.	ATTN: BARRETT MERRILL 190 SOUTH ROBINSON AVENUE NEWBURGH NY 12550
CHEM RX	ATTN: MICHAEL SCHILDT 750 PARK PLACE LONG BEACH NY 11561
CHRISTINE COX & ASSOCIATES	P.O. BOX 132 WEST SHOKAN NY 12494
CIT TECHNOLOGY FIN. SERV. INC.	CUSTOMER SERVICE 21146 NETWORK PLACE CHICAGO IL 60673
CIVIC RESEARCH INSTITUTE	4478 U.S. ROUTE 27 KINGSTON NJ 08528
CLASSIC AUTO BODY	JOHN 8300 RT 9 RED HOOK NY 12571
COCHRANE, TIMOTHY J.	23 HARBOR LANE BROOKLYN NY 11209
COMMERCIAL INDUSTRIES LLC	ATTN: JERRY SULLIVAN 135 N WOODLEY AVENUE REISTERSTOWN MD 21136
COMMUNICATIONS ANALYSIS	SYSTEMS & SERVICE 17 SMULL PLACE PORT WASHINGTON NY 11050
COMPUTER SECURITY PRODUCTS, INC.	P.O. BOX 7549 NASHUA NH 03060
CON EDISON	9860000000/40THST. STEAM JAF BUILDING NEW YORK NY 10116-1701
CONKLIN SERVICES & CONSTRUCTION, INC	94 STEWART AVENUE NEWBURGH NY 12550
CONSOLIDATED TECHNOLOGIES INC.	CUSTOMER SERVICE 10 MIDLAND AVENUE 2ND FL PORT CHESTER NY 10573
COPERNICUS GROUP IRB	ONE TRIANGLE DRIVE, SUITE 100 RESEARCH TRIANGLE PARK NC 27709
COPY FAX	CUSTOMER SERVICE 1110 SAGINAW STREET SCRANTON PA 18505
CORPORATE COFFEE SYSTEMS	CUSTOMER SERVICE 745 SUMMA AVENUE WESTBURY NY 11590
COSCO ENTERPRISES INC.	ATTN: PAT 1930 TROUTMAN STREET RIDGEWOOD NY 11385
COSMIC FISCHER LOCKS AND DOORS, INC.	CUSTOMER SERVICE 646 9TH AVENUE NEW YORK NY 10036
COVENTRY MOTORS	ATTN: PETER 160A WEST HILLS ROAD HUNTINGTON STATION NY 11746
COX, JUDY	129-34 154TH STREET JAMAICA NY 11434
CRESCITELLI, SAL	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
CRYSTAL CLEAR MECHANICAL	19 INDUSTRY STREET POUGHKEEPSIE NY 12603
CRYSTAL ROCK LLC	ACCOUNT # 35900042 P.O. BOX 10028 WATERBURY CT 06725-0028
CSC	P.O. BOX 13397 PHILADELPHIA PA 19101
CT CORPORATION SYSTEM	111 EIGHTH AVE NEW YORK NY 10011
CTB MCGRAW HILL	P.O BOX 7247-7020 PHILADELPHIA PA 19170-7020
D & J DISTRIBUTORS	86 SMITH AVENUE KINGSTON NY 12401
DAILEY, MICHAEL C., JR.	200 HENDERSON ROAD FAIRFIELD CT 06824
DARBY DENTAL SUPPLY	P O BOX 26582 NEW YORK NY 10087
DARLING INTERNATIONAL INC	CUSTOMER SERVICE P.O . BOX 552210 DETROIT MI 48255-2210
DAWOOD, AUREA V, PROPOSED ADMIN. OF	ESTATE OF ALVIN PACHECO TORRES ERIC BAUM, ESQ.-SIMON EISENBERG&BAUM,LLP 24 UNION SQUARE EAST, 5TH FLOOR NEW YORK NY 10003
DAYTOP MENDHAM NJ	80 WEST MAIN STREET MENDHAM NJ 07095
DAYTOP VILLAGE FOUNDATION	INCORPORATED 140 WEST 40TH STREET,4TH FLOOR NEW YORK NY 10018
DEER PARK DIRECT	CUSTOMER SERVICE P.O. BOX 856192 LOUISVILLE KY 40285-6192
DELL MARKETING, L.P.	ONE DELL WAY RR1, MS 52 ROUND ROCK TX 78682
DEMING, CARL	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
DEPAOLA, GRACE	558 PARK STREET MONTCLAIR NJ 07043
DEPARTMENT OF THE TREASURY - IRS	INTERNAL REVENUE SERVICE PO BOX 7346 PHILADELPHIA PA 19101-7346
DEROSA, LIBERATO	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
DESENA, ROBERT	125 SOUTH OHIOVILLE, APT. 11 NEW PALTZ NY 12561
DIGITAL RIVER EDUCATION SERVICES, INC.	25481 NETWORK PLACE CHICAGO IL 60673-1254
DISH NETWORK	MILLBROOK DEPT 0063 PALATINE IL 60055-0063
DOOZER SOFTWARE, INC	D/B/A THE CODING CENTER TWO CHASE CORPORATE DRIVE, SUITE 105 BIRMINGHAM AL 35244
DOWSER, LLC	CUST#: 1018/BRKSIDE/STN.COTT. P.O. BOX 36158 NEWARK NJ 07188-0001

Claim Name	Address Information
DUFEK & ASSOCIATES	778 NEW YORK AVE HUNTINGTON NY 11743
DUMOR CONSTRUCTION	CUSTOMER SERVICE 42 GRANT AVENUE BAYSHORE NY 11706
DUTCHESS COMMUNITY COLLEGE	ATTN: CHERYL VERDILE 53 PENDELL ROAD POUGHKEEPSIE NY 12601
DUTCHESS COUNTY SOCIAL SERVICES	60 MARKET STREET POUGHKEEPSIE NY 12601
DUTCHESS PLUMBING	28 RESEVOIR ROAD STRAATSBURG NY 12580
DUTCHESS RESTAURANT EQUIPMENT CO., INC.	CUSTOMER SERVICE 795 DUTCHESS TURNPIKE HOPEWELL JUNCTION NY 12603
E-Z WASH OF POUGHKEEPSIE	12 PAMELA ROAD HOPEWELL JUNCTION NY 12533
E-Z PASS	12424940/CENTR. OPS CUSTOMER SERVICE CENTER ALBANY NY 12212
EARTHCARE	C/O WIND RIVER ENVIRONMENTAL 99 MAPLE GRANGE VERNON NJ 07462
EASTERN STATE AUTO CENTER	210-230 WEST NYACK RD WEST NYACK NY 10994
EASYSTREET CLEANING	1 SUSIE BLVD POUGHKEEPSIE NY 12603
ECOLAB	P.O. BOX 905327 CHARLOTTE NC 28290-5327
ECOLAB PEST ELIM. DIV	P.O. BOX 6007 GRAND FORKS ND 58206-6007
EDWARD R. CARROLL HEATING	21 TOMS WAY TIVOLI NY 12583
ELKA MPS	ATTN: HOLLY FLYNN 67-73 COUNTY HIGHWAY 108 MIDDLETOWN NY 10940
EMCOR SERVICES	24-37 46TH STREET LONG ISLAND CITY NY 11103
EMPIRE WASTE REMOVAL CORP.	P.O. BOX 381 COMMACK NY 11725
ENVIRONMENTAL SERVICES, INC.	40 ZORN BLVD. YAPHANK NY 11980
ESSEE FLOOR COVERING CORP.	3531 BROADWAY NEW YORK NY 10031-5627
EXECUSEARCH GROUP, INC., THE	GEORGE PIERACCINI, CFO 675 THIRD AVE - 5FL NEW YORK NY 10017
EXTOL INTERNATIONAL	529 TERRY REILEY WAY POTTSVILLE PA 17901
FAIR HARBOR CAPITAL, LLC	TRANSFEROR: STAT SUPPLY INC ANSONIA FINANCE STATION PO BOX 237037 NEW YORK NY 10023
FALLSBURG GAS SERVICE	P.O. BOX 2005 SOUTH FALLSBURG NY 12779
FCI FURNITURE CONSULTANTS	2 CHANGEBRIDGE ROAD SUITE 202 MONTVILLE NJ 07045
FEDEX TECHCONNECT, INC.	AS ASSIGNEE OF FEDERAL EXPRESS CORP,ETAL ATTN: REVENUE RECOVERY/BANKRUPTCY 3965 AIRWAYS BLVD. MODULE G, 3RD FLOOR MEMPHIS TN 38116
FERGUSON COHEN LLP	25 FIELD POINT ROAD GREENWICH CT 06890
FEROLITE ELECTRIC INC.	194 CREEK ROAD PLEASANT VALLEY NY 12569
FIRECO EQUIPMENT CO., INC	6 WARREN DRIVE VERNON NJ 07462
FITZPATRICK, THOMAS	ATTORNEY AT LAW ATTORNEY AT LAW NEW YORK NY 10110-3398
FLEET PUMP & SERVICE GROUP INC	C/O THE DELORIO LAW GROUP, PLLC 800 WESTCHESTER AVENUE SUITE S-608 RYE BROOK NY 10573
FLOWTECH, LLC	PO BOX 304 FLOURTOWN PA 19031
FLUE TECH, INC.	463 LIVINGSTON ST SUITE 102 NORWOOD NJ 07648
FORREST GREEN	3845 ROUTE 82 MILLBROOK NY 12545-9629
FRANK SUPPLY CORPORATION	230 SHERIDAN BOULEVARD INWOOD NY 11096
FRANKLEN GLASS CORP.	WESTBURY ADD. 79 NEW YORK AVENUE WESTBURY NY 11590
FRED M. SCHILDWACHTER & SONS, INC.	ATT: PAUL GAROFALO 1400 FERRIS PLACE BRONX NY 10461
FRENCH, DAWN	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
FRONTIER COMMUNICATIONS	BANKRUPTCY DEPT 19 JOHN ST MIDDLETOWN NY 10940
FUGAZY & ROONEY LLP	KRISTIN BIANCAMANO 126 GLEN STREET GLEN COVE NY 11542
FUND E-Z DEVELOPMENT CORP.	106 CORPORATE PARK DRIVE WHITE PLAINS, NY 10604
GADSON, YVONNE	C/O KLAFTER OLSENA & LESSER 2 INTERNATIONAL DRIVE SUITE 350 RYE BROOK NY 10573
GELORMINO, ANTHONY	104 WEST 40TH STREET, 4TH FL NEW YORK NY 10018
GENERAL ELECTRIC CAPITAL CORPORATION	GE CAPITAL 1010 THOMAS EDISON BLVD, SW CEDAR RAPIDS IA 52404
GLOBAL EQUIPMENT COMPANY	GLOBAL INDUSTRIAL P.O. BOX 905713 HOPEWELL JUNCTION NC 28290
GLOBAL RECOVERY SERVICES	P. O. BOX 105795 ATLANTA GA 30348-9864
GOPHER	NW5634 MINNEAPOLIS MN 55485-5634
GORDON FIRE EQUIPMENT LLC	3199 RT 9W HIGHLAND NY 12528

Claim Name	Address Information
GRANITE STATE INSURANCE COMPANY, ET AL	CHARTIS INC. MICHELLE A. LEVITT, AUTHORIZED REPRES. 180 MAIDEN LANE NEW YORK NY 10038
GREAT AMERICA LEASING CORP.	CUSTOMER SERVICE P.O. BOX 660831 DALLAS TX 75266
GREEN KEY	475 PARK AVE SOUTH NEW YORK NY 10016
GREEN, ASHLEE	PO BOX 122 WHITE SULPHUR SPRINGS NY 12787
GREENAN BUSINESS PRODUCTS, INC.	60 WEST 38TH STREET NEW YORK NY 10018
GREENAN BUSINESS PRODUCTS, INC.	60 WEST 38TH STREET 4TH FLOOR NEW YORK NY 10018
H . BECKER	5 ROLLING WAY NEW CITY NY 10956
H&L ELECTRIC INC.	41-11 28TH STREET LONG ISLAND CITY NY 11101
H. ISAACSON, INC.	ATTN: RICHIE KRAUSE 53 SHERRARD STREET ROSLYN HEIGHTS NY 11577
H. O PENN MACHINERY CO.	P.O. BOX 5307 POUGHKEEPSIE NY 12602-5307
HAASS, WILLIAM	104 EAST 40TH STREET, 4TH FLOOR NEW YORK NY 10018
HARTFORD STEAM BOILER INSPECTION	P.O. BOX 21045 CHICAGO IL 60673-1210
HAZELDEN	P.O. BOX 266 CENTER CITY MN 55012-0266
HAZLEWOOD, ARTHUR I.	467 CROWN ST BROOKLYN NY 11225
HEALTH BUSINESS SOLUTIONS, LLC	10620 GRIFFIN ROAD SUITE 204 COOPER CITY FL 33713
HEALTHFIRST CORPORATION	DEPT CH 14330 PALATINE IL 60055-4330
HEINCHON MARCUS DIST.	3 SUGAR HOLLOW ROAD DANBURY CT 06810
HELMKE INDUSTRIES	513 ROUTE 303 ORANGEBURG NY 10962
HENRY SCHEIN INC.	BOX 371952 PITTSBURGH PA 15250-7952
HERMAN'S LANDSCAPING, INC.	1264 DUTCHESS TURNPIKE POUGHKEEPSIE NY 12603
HERZOG SUPPLY COMPANY, INC.	MATTHEWS & GRIECO PO BOX 3127 KINGSTON NY 12402
HEWLETT-PACKARD COMPANY	ANGIE ROJAS 5555 WINDWARD PKWY ALPHARETTA GA 30004
HILLCO CORP PLUMBING & BUILDING SUPPLY	148-02 HILLSIDE AVE JAMAICA NY 11435
HOME DEPOT CREDIT SERVICES	P .O . BOX 9055 DES MOINES IA 50368-9055
HONEY DIPPERS SEPTIC SERVICES	P.O. BOX 230 PORT JERVIS NY 12771
HOSPICARE, INC	5 ONTARIO STREET LIBERTY NY 12754
HOUSE OF TIRES	3146 HEMPSTEAD TPKE LEVITTOWN, NY 11756
HUDZIG, LEO	241 RIDGE ROAD WATCHUNG NJ 07069
IBM	7100 HIGHLANDS PKWY SMYRNA GA 30082
IBM CREDIT LLC	C/O IBM CORPORATION ATTN: BANKRUPTCY COORDINATOR 1360 RENE-LEVESQUE W. MONTREAL QC H3G 2W6 CANADA
ILINC WEB & VIDEO CONFERENCIN	2999 NORTH 44TH STREET SUITE 650 PHOENIX AZ 85018
INDEPENDENT COMPUTER MAINTENANCE	SHERRY 1037 ROUTE 46 EAST CLIFTON NJ 07013
INGENIX	P.O. BOX 27116 SALT LAKE CITY UT 84127-0116
INTER COUNTY SALES	11 BOULDER LANE GOLDENS BRIDGE NY 10526
J. ALPERIN CO. INC.	2170 JEROME AVENUE BRONX NY 10453
J.C. PENNEY	P.O. BOX 530936 ATLANTA GA 30353
JACK LOCONSOLO & CO., INC.	2660 CONEY ISLAND AVE BROOKLYN NY 11223-5504
JACOBS & BARBONE, P.A.	ARTHUR J. MURRAY, ESQUIRE 1125 PACIFIC AVENUE ATLANTIC CITY NJ 08401
JKS PRINTING	188 BEACH 116TH STREET ROCKAWAY PARK NY 11694
JOHN N. LUCAS & SON	ATTN: JOHN LUCAS 113 N. CLINTON STREET POUGHKEEPSIE NY 12601
JONES SEPTIC SERVICES	269 CREAM STREET POUGHKEEPSIE NY 12601
JOSE ANTONIO LEAL LANDSCAPING	GARDEN ATTN: JOSE ANTONIO LEAL 2240 MOTT AVE FAR ROCKAWAY NY 11691
JOSE ANTONIO LEAL LANDSCAPING	& GARDENING 2240 MOTT AVENUE, #3F FAR ROCKAWAY NY 11691
JOSEPH MARINARO	STAFF TRAVEL P.O. BOX 368 PARKSVILLE NY 12768
KABACK SERVICE, INC.	CUSTOMER SERVICE 45 WEST 25TH STREET 10TH FLOOR NEW YORK NY 10010
KAUFMAN BERGEEST & RYAN, LLP	120 BROADWAY NEW YORK NY 10271
KEIL EQUIPMENT CO.	ATTN: KIM KEIL 7536 NORTH BROADWAY RED HOOK NY 12571

Claim Name	Address Information
KELLER GLASS SPECIALTY INC	ATTN: DEBBIE KELLER 5036 STATE ROUTE 52 JEFFERSONVILLE NY 12748
KELLY, ANN	140 WEST 40TH STREET,4TH FLOOR NEW YORK NY 10018
KEY EQUIPMENT FINANCE	A/C# 590036359-3 MUY04984 PAYMENT PROCESSING CLEVELAND OH 44194
KJL REALTY CO.	P.O. BOX 350062 JAMAICA NY 11435
KOHLER LUMBER & BUILDING MATERIALS	ERICK KUVENIK P.O. BOX 637 JEFFERSONVILLE NY 12748
KRISTT COMPANY	LES KRISTT PO BOX 548 MONTICELLO NY 12701
LANDOLT, JENNIFER	150 MYRTLE AVENUE #306 BROOKLYN NY 11201
LAYMEN GLOBAL, LLC.	298 FERWOOD AVE EDISON NJ 08837
LEAF	P. O. BOX 644006 CINCINNATI OH 45264
LESI-NY CORPORATION	ROLLOFFCONTAINERS 1099 WALL STREET WEST LYNDHURST NJ 07071-3617
LIBERTY CHIMNEY LIGHTING PROTECTION	P.O. BOX 196 MONTICELLO NY 12701
LIBERTY PEST CONTROL & ENVIRONMENTAL	MANAGEMENT 2629 ROUTE 302 MIDDLETOWN NY 10941
LIBERTY TRADING POST INC.	JUDE INGAPO 1966 ROUTE 52 LIBERTY NY 12754
LIFELOC TECHNOLOGIES INC.	ATTN: UNIT 4 12441 W. 49TH AVENUE WHEAT RIDGE CO 80033
LIPPINCOTT, WILLIAMS & WILKINS	CUSTOMER SERVICE WOLTERS KLUWER HEALTH HAGERSTOWN MD 21741-1610
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	SUBURBAN PEST CONTROL OF NY INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	WEXLER PLUMBING & HEATING, INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	ISE OFFICE PLUS ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	BELL FIRE EXTINGUISHER ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	SHRED-IT ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	ROTO-ROOTER ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	ALLIED PRINTING RESOURCES ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	DUTCHESS COUNTY OVEN & MIXER ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	MIDATLANTIC TELECOM INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	ACCESS STAFFING, LLC ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	CHANNEL DRIVE SERVICE STATION ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	GLOBAL EMPLOYMENT SERVICES, INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	DUSO CHEMICAL COMPANY. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	NEW DEAL PRINTING CORP. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	PYROSIGNAL & SUPPRESSION INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	SCIENTIFIC FIRE PREVENTION CO. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	DRUG DETECTION DEVICES LTD. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	ATLANTIC TOMMORROWS OFFICE ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE	DRS GROUP ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601

Claim Name	Address Information
OF	DRS GROUP ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	HILL'S PEST MANAGEMENT LLC ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	HARTSDALE AUTOMOTIVE ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	MOUNTAIN RESTAURANT SUPPLY ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	SMITH ENVIRONMENTAL LABORATORY ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	RELIABLE AUTO COLLISION & REPAIRS ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	FERENS ELEVATOR COMPANY ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	DUTCHESS DODGE INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	STATEWIDE FIREPROOF DOOR CO. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	PORCO ENERGY CORP. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	BETTER CARTING SERVICE INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	EMPIRE FORKLIFT, INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	UHY ADVISORS LLP, CPA ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	MENAGH & ASSOCIATES PLLC ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	AJS STANDARD INC. AKA AJS STANDARD HEAT ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LOEB & TROPER LLP	OASAS AUDITORS 655 THIRD AVENUE NEW YORK NY 10017
LONG ISLAND LIGHTING COMPANY	D/B/A LIPA SUZANNE BRIENZA, ESQ. 15 PARK DRIVE MELVILLE NY 11747
LONG, MICHAEL R	537 76 STREET BROOKLYN NY 11209
M & G CARTING LLC	303 5TH AVENUE NEW YORK NY 10016
MACRO CONSULTANTS LLC	1040 AVE OF AMERICAS, 9TH FLOOR NEW YORK NY 10018
MAPLEWOOD AUTO SERVICE	ATTN: TONY POLI P.O. BOX 1089 MONTICELLO NY 12701
MARINARO, VIVIEN	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
MARJAM SUPPLY COMPANY	885 CONKLIN STREET FARMINGDALE NY 11735
MASUNE FIRST AID & SAFETY	500 FILMORE AVE TONAWANDA NY 14150
MATTHIES SERVICE	35 MATTHIES WAY RHINEBECK NY 12572
MCDONALD, TIMOTHY	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
MCGLADREY & PULLEN, LLP	F/K/A RSM MCGLADREY, INC. 5155 PAYSHERE CIRCLE CHICAGO IL 60674
MCGRW COMMUNICATIONS, INC.	521 FIFTH AVENUE NEW YORK NY 10175
MCGRW-HILL COMPANIES, THE	P.O BOX 7247-7020 PHILADELPHIA PA 19170-7020
MED WORLD ACQUISITION CORP	C/O OMNICARE, INC. 100 E. RIVERCENTER BLVD. COVINGTON KY 41011
MEINEKE CAR CARE CENTER	2097 FOREST AVE STATEN ISLAND NY 10303
MELTZER, LIPPE,GOLDSTEIN & BREITSTONE,	ATTN: LARRY R. MARTINEZ 190 WILLOS AVENUE MINEOLA NY 11501
MENENDEZ, ANGELA	89A FAIRMONT AVENUE KINGSTON NY 12401
MESHNICK, KAREN	6 VOLINO DRIVE POUGHKEEPSIE NY 12603
METRO BUILDING SUPPLY CO.	703 BEACH 20TH STREET FAR ROCKAWAY NY 11691
METROPOLITAN LIFE INSURANCE COMPANY	P.O. BOX 360229 PITTSBURGH PA 15251-6229
METROPOLITAN TELECOMMUNICATION	METTEL # 737331 P.O. BOX 9660 MANCHESTER NH 03108-9660

Claim Name	Address Information
MICROWIZE TECHNOLOGY, INC.	1 KALISA WAY PARAMUS NJ 07652
MID - VALLEY OFFICE PRODUCTS, INC	P.O. BOX 2307 KINGSTON NY 12402
MIG SYSTEMS	60 E. 42ND STREET, STE 2137 NEW YORK NY 10165
MILLER, DEBORAH G.	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
MILLER, JENNA	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
MILLIN ASSOCIATES	ATTN: SOL WEISS, CEO 521 CHESTNUT STREET CEDARHURST NY 11516
MJR ELEVATOR CONSULTING GROUP, INC.	11 PENN PLAZA 5TH FLOOR NEW YORK NY 10001
MORGAN HEATING &FUEL CO,DBA BOTTINI FUEL	C/O PACHULSKI STANG ZIEHL & JONES LLP ATTN: ILAN D. SCHARF 780 THIRD AVENUE, 36 FLOOR NEW YORK NY 10017
MRS BAKING DISTRIBUTION CORP.	ATTN: ACCOUNTS REC. 18-25 127TH STREET COLLEGE POINT NY 11356
MURRAY ENGINEERING PC	307 SEVENTH AVENUE NEW YORK NY 10001
NAT KAGAN MEAT & POULTRY INC.	ATTN: GEORGE CUBILLAS, PRESIDENT 8 GREEN AVENUE P.O. BOX 326 WOODRIDGE NY 12789
NATIONAL GRID	30116-75961/STATENISLAND P.O. BOX 11741 NEWARK NJ 07101-4741
NEW ENGLAND FINANCIAL	7350 CAMPUS DRIVE, SUITE 300 COLORADO SPINGS CO 80920
NEW YORK CITY WATER BOARD	DEPT. OF ENVIRIONMENTAL PROTECTION 59-17 JUNCTION BOULEVARD 8TH FLOOR FLUSHING NY 11373
NEW YORK STATE DEPARTMENT OF HEALTH	C/O OFFICE OF THE ATTORNEY GENERAL ATTN: ENID NAGLER STUART 120 BROADWAY-24TH FLOOR NEW YORK NY 10271
NEW YORK STATE INSURANCE FUND	199 CHURCH STREET BINGHAMTON NY 13902-5262
NG SLATER	42 WEST 38TH STREET NEW YORK NY 10018
NOONAN, CHRISTIAN	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
NORTHEAST BLIZZARD CONTROL	JEREMY JOYCE 100 FOX HOLLOW ROAD RHINEBECK NY 12572
NORTHERN DUTCHESS PARAMEDICS	P.O. BOX 672 RHINEBECK NY 12572
NORTHGATE ELECTRIC	63 DEPOT RD. HUNTINGTON STA. NY 11746
NOTIFYMD	ATTN: KIM HOPPER 318 SEABOARD LANE, SUITE 310 FRANKLIN TN 37067
NOUVEAU ELEVATOR INDUSTRIES	C/O CHESNEY & NICHOLAS, LLP 2305 GRAND AVENUE BALDWIN NY 11510
NOVAK JR., JOHN J.	425 KINGS HIGHWAY EAST FAIRFIELD CT 06825
NUMARA SOFTWARE, INC	P.O. BOX 933754 ATLANTA GA 31193-3754
NYC FIRE DEPARTMENT	CHURCH STREET STATION NEW YORK NY 10008-0840
NYC STAR AUTO INC.	ATTN: SUNY 519 WEST 47TH STREET NEW YORK NY 10036
NYC TRANSIT AUTHORITY	1915 FOREST AVENUE STATEN ISLAND NY 10303
NYS DEPARTMENT OF LABOR	BUILDING 12 W.A. HARRIMAN CAMPUS ALBANY NY 12240
NYS DEPT. OF ENVIRONMENTAL	CONSERVATIOREGULATORY FEE UNIT 625 BROADWAY, 10TH FLOOR ALBANY NY 12233-5013
NYS DEPT. OF TRANSPORTATION	UCR APPLICATIONS DEPT. OFFICE OF MODAL SAFETY & SECURITY ALBANY NY 12232-0879
NYS OFFICE OF ALCOHOLISM AND SUBSTANCE	ABUSE SERVICES ROBERT A. KENT, GENERAL COUNSEL 1450 WESTERN AVENUE ALBANY NY 12203
NYS OFFICE OF CHILDREN	AND FAMILY SERVICES STATE CENTRAL REGISTER ALBANY NY 12572
NYSEG	S/L 1001-0583-325 P.O. BOX 11745 NEWARK NJ 07101-4745
NYSSCPA	P.O. BOX 34701 NEWARK NJ 07189-4701
O'CONNOR DAVIES MUNNS & DOBBINS,LLP	RAY JONES, PARTNER ONE GRAND CENTRAL PLAZA NEW YORK NY 10165
OFFICE DEPOT	ATTN: JEREMY SCHWARTZ 1250 BROADWAY SUITE 3400 NEW YORK NY 10001
OFFICETEAM DIV. OF ROBERT HALF INT'L.	ATTN: KAREN LIMA PO BOX 5024 SAN RAMON CA 94583-9128
ORANGE & ROCKLAND UTILITIES	71597 32007 P.O. BOX 1005 SP VALLEY NY 10977
P L S CHECK CASHERS	ATTN. TREASURY CHICAGO IL 60607
P.N. FIRE & BURGLAR COMPANY	311 NORTH STREET MONTICELLO NY 12701
PAETEC/WINDSTREAM	ATTN: SETH ISKOVITZ 2700 WESTCHESTER AVENUE SUITE 421 PURCHASE NY 10577
PAIGE COMPANY, THE	PO BOX 443 1 PAUL KOHNER PLACE ELMWOOD PARK NJ 07407
PARK SURGICAL CO.	ATTN: GRACE 5001 NEW UTRECHT AVE BROOKLYN NY 11219
PARKER. ANNETTA	140 WEST 40TH STREET,4TH FLOOR NEW YORK NY 10018

Claim Name	Address Information
PATTERSON DENTAL SUPPLY INC.	ATTN: EVELYN GONZALEZ 40A COMMERCE WAY HOPEWELL JUNCTION NJ 07512
PELEGRINO, FRANK	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
PENCILS PLUS, INC.	P.O. BOX 816 LOCUST VALLEY NY 11560-1016
PERFORMANCE/AFI FOODSERVICE DISTRIBUTORS	ATTN: JOHN MCEVOY 1 IKEA DRIVE ELIZABETH NJ 07207
PERSONNEL CONCEPTS	P.O. BOX 5750 CAROL STREAM IL 60197-5750
PETER F. REILLY STORAGE INC	P.O. BOX 401 A NEW YORK NY 10024-5001
PIRACLE	556 CONFLUENCE AVE MURRAY UT 84107
PITNEY BOWES GLOBAL FINANCIAL	SERVICES P.O. BOX 371887 PITTSBURGH PA 15250-7887
PITNEY BOWES INC	P.O. BOX 371896 PITTSBURGH PA 15250-7896
PITTA & GIBLIN LLP	ATTN: VINCENT F. PITTA 120 BROADWAY 28TH FL. NEW YORK NY 10271
POOL DOCTOR	ATTN: JIM 326 BEHR ROAD JEFFERSONVILLE NY 12748
POSWAREHOUSE	7000 N MOPAC EXPWY, 2ND FLOOR AUSTIN TX 78731
POUGHKEEPSIE JOURNAL	ATTN: J.BRINKER ATT: JOANN BRINKERHOFF POUGHKEEPSIE NY 12601
PRIDE LANDSCAPING, INC.	3 CURTIS LANE YONKERS NY 10710
PRIDEAUX, DOUG	325 WESTERVELLE AVENUE STATEN ISLAND NY 10301
PRINTER CONNECTION	616 HENRIETTA CREEK, SUITE 300 ROANOKE TX 76262
PRO DATA COMPUTER	2809 SOUTH 160TH STREET OMAHA NE 68130
PROGRESSIVE BUSINESS PUBLICATIONS	370 TECHNOLOGY DRIVE MALVERN PA 19355
PROTECTIVE POWER SYSTEMS	AND CONTROLS 259 NORTH GRAND AVENUE POUGHKEEPSIE NY 12603
PUBLIC GOODS POOL	MR. JEROME ALAIMO DIRECTOR SYRACUSE NY 13221-4757
QUALIFIED FIRE INSPECTION CORPORATION	29 BRUCE LANE EAST NORTHPORT NY 11731
QUALITY BUILDING SERVICES CORP.	801 2ND AVENUE NEW YORK NY 10017
QUALITY FOAM & SLEEP PRODUCTS	C/O MEYERS, SAXON & COLE 3620 QUENTIN ROAD BROOKLYN NY 11234
QUALITY RESTAURANT REPAIR SERVICE, INC	134 N. MONTGOMERY ST. WALDEN NY 12586
RABB, RUTH	480 PARK AVENUE, APT 4G NEW YORK NY 10022-1742
RADIO TECH	85-1 AIRPARK DRIVE RONKONKOMA NY 11779
RAPID PUMP & METER SERVICE CO,INC	ATTN: RICHARD TAYLOR 285 STRAIGHT STREET PATERSON NJ 07509
RAPID PUMP & METER SERVICE CO,INC	PO BOX AY (MAILING ADDRESS) 285 STRAIGHT STREET (PHYSICAL) PATERSON NJ 07509
RAYMOND S. DEAN, INC.	408 LOCUST STREET MT. VERNON NY 10552-2605
REARDON BRIGGS LAWN & GARDEN	P.O. BOX A MILLBROOK NY 12545
RED HOOK ELECTRIC SUPPLY CO.	67 EAST MARKET STREET RED HOOK NY 12571
REDWOOD TOXICOLOGY LAB INC.	3650 WESTWIND BLVD SANTA ROSA CA 95403
REGIONAL FOOD BANK	965 ALBANY SHAKER ROAD LATHAM, NY 12110
RIVERSIDE CLAIMS LLC	TRANSFEROR: ATLANTIC OFFICE CLEANING SVC POST OFFICE BOX 626 PLANETARIUM STATION NEW YORK NY 10024-0540
RIVERSIDE CLAIMS LLC	TRANSFEROR: TREATMENT COMMUNITIES OF POST OFFICE BOX 626 PLANETARIUM STATION NEW YORK NY 10024-0540
ROBERT GREEN CHEVY	P.O. BOX 8002 ROCK HILL NY 12775
ROCHE'S GARAGE INC.	4587 STATE ROUTE 17B CALICOON NY 12723
ROCHMAN, TODD	2127 ROUTE 44 PLEASANT VALLEY NY 12569
ROCKLAND COUNTY DEPT. OF	SOCIAL SERVICES P.O. BOX 307 SANATORIUM ROAD, BLDG. L POMONA NY 10970
ROLLING V BUS CORP.	P.O. BOX 110 SOUTH FALLSBURGH, NY 12779
ROLLINS, KAREN	2922 GRAND CONCOURSE #210 BRONX NY 10458
ROSARIO, GEORGE	110-01 62 DRIVE FOREST HILLS NY 11375
ROSS ELECTRIC CONSTRUCTION	431 TWIN BRIDGE ROAD FERNDAL NY 12734
ROTARY SUPPLY CORP	180 OSER AVENUE HAUPPAUGE NY 11788
ROTORPRO	9 AMSTERDAM AVENUE MEDFORD NY 11763
ROYAL CARTING SERVICE CO.	P.O. BOX 1209 HOPEWELL JUNCTION NY 12533
RUBENSTEIN ASSOCIATES, INC.	1345 AVENUE OF THE AMERICAS NEW YORK NY 10105-0109

Claim Name	Address Information
RUSS AUTOMOTIVE INC.	519 WEST 47TH STREET NEW YORK NY 10036
S.M.P. PUMP & TANK, INC.	285 OLD ROUTE 17 MONTICELLO NY 12701
SAUNDERS, ROB	P.O. BOX 1133 BRONX NY 10462
SCHEMAN AND GRANT INC.	545 EIGHTH AVENUE NEW YORK NY 10018
SCHMIDT'S WHOLESALE, INC.	P.O. BOX 5100 MONTICELLO NY 12701
SECUR-ALL AGENCY	1 DUPONT STREET PLAINVIEW NY 11803
SEIDMAN, STEVEN F., M.D., J.D.	420 E. 54TH ST APT. 10H NEW YORK NY 10022
SENTRY ALARMS	40 CHENANGO STREET BINGHAMTON NY 13901
SERVICE DIRECTIONS INC	ATTN: MIKE 219 RIVERDALE AVENUE YONKERS NY 10705
SHEA, LAUREN	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
SHERMAN'S SERVICE CENTER	ATTN: GARY 1179 ROUTE 52 LOCH SHELDRAKE NY 12759
SHI	SHI INTERNATIONAL CORP DALLAS TX 75395-2121
SHORE PHARMACEUTICAL PROVIDERS, INC.	C/O OMNICARE, INC. 100 E. RIVERCENTER BLVD. COVINGTON KY 41011
SIMPLEXGRINNELL	ATTN: BANKRUPTCY 50 TECHNOLOGY DRIVE WESTMINSTER MA 01441
SKY ADVERTISING	14 EAST 33RD STREET NEW YORK NY 10016
SOLIS, HILDA L., SECRETARY OF LABOR	U.S. DEPARTMENT OF LABOR-EMPLOYEE BENEFITS SECURITY ADMINISTRATION 33 WHITEHALL STREET-SUITE 1200 NEW YORK NY 10004
SOLUTIONS 4 SURE	P.O. BOX 416444 BOSTON MA 02241
SOUND TELEPHONE CORP.	P.O. BOX 1241 HOPEWELL JUNCTION NY 12533
SPACESMITH	ATTN: JANE SMITH 315 HUDSON STREET NEW YORK NY 10013
SPENCER PRINTING, INC.	216 WILLOW AVE HONESDALE PA 18431
SPORT SUPPLY GROUP, INC.	ATTN: ERIC CORBELL P.O. BOX 660176 DALLAS TX 75266-0176
STAR GAS PRODUCTS	33 FULTON STREET POUGHKEEPSIE NY 12601
STERDT, PHILIP	6 BIRD LANE POUGHKEEPSIE NY 12603
STERLING & STERLING, INC.	135 CROSSWAYS PARK DRIVE WOODBURY NY 11797
STUHLMILLER, JULIA	104 EAST 40TH STREET,4TH FLOOR NEW YORK NY 10018
SULLIVAN COUNTY SEPTIC SERVICE, INC	P.O. BOX 187 WHITE LAKE NY 12786
SULLIVAN FIRE PROTECTION	P. O. BOX V FALLSBURG NY 12779
SULLIVAN FIRECO INC	314 W. LAKE STREET LIBERTY NY 12754
SUMMIT RESTAURANT REPAIRS INC.	160 EAST SECOND STREET MINEOLA NY 11501
SUN WALLPAPER & PAINT, INC.	47 OVERROCKER ROAD POUGHKEEPSIE NY 12603
SUPERIOR GROUP INC.	9 MEADOW STREET BAYONNE NJ 07002
SWANSTON, MINERVA	93 SHUART ROAD MONSEY NY 10952
SWIM KING	P.O. BOX 2081 KINGSTON NY 12402
SYSAID TECHNOLOGIES LTD	ONE HAYARDEN STREET P.O. BOX 1142 AIRPORT CITY, ISRAEL 70100 70100
SYSCO ALBANY, LLC	ATTN: JORDAN BAILEY HAYNES AND BOONE, LLP 2323 VICTORY AVENUE, SUITE 700 DALLAS TX 75219
TECHNICAL ELEVATOR TESTING, INC.	9 JUPITER ROAD HIGHLAND MILLS NY 10930
TELENET NY INC.	115 NORTH RICHMOND AVE MASSAPEQUA NY 11758-3439
TEQUIPMENT, INC.	95 TOLEDO STREET FARMINGDALE NY 11735
THE AMERICAN INSTITUTE OF ARCHITECTS	P.O. BOX 64185 BALTIMORE MD 21264-4185
THE DECK AND PATIO CO.	189 BROADWAY HUNTINGTON STATION NY 11746
THERAPEUTIC COMMUNITIES	ASSOCIATION OF NY, INC. 117-11 MYRTLE AVE RICHMOND HILL NY 11418
THOMPSON PENSION EMPLOYEE PLANS, INC.	420 LEXINGTON AVENUE SUITE 2816 NEW YORK NY 10170
TIME WARNER CABLE OF NYC	EXECUTIVE OFFICES P.O. BOX 9227 UNIONDALE NY 11555-9227
TIMES HERALD-RECORD	P.O. BOX 7024 CHICOPEE MA 01021-7024
TOBIN & COMPANY CERTIFIED PUBLIC	ACCOUNTANTS, PC 2001 PALMER AVENUE SUITE 205 LARCHMONT NY 10538
TOWN OF GREENBURGH	CONSOLIDATED WATER DISTRICT ELMSFORD NY 10523
TOWN OF RHINEBECK TAX COLLECTOR	P.O. BOX 1374 BUFFALO NY 14240-1374

Claim Name	Address Information
TRADING POST	1966 ROUTE 52 LIBERTY NY 12754
TRITECH COMMUNICATIONS, INC.	625 LOCUST STREET GARDEN CITY NY 11530
TUTTLE MEDICAL AGENCY	295 MADISON AVENUE, 14TH FL NEW YORK NY 10017
ULSTER ELECTRIC SUPPLY CO	9-19 CORNELL STREET KINGSTON NY 12401
UNITED WATER NEW YORK	P.O. BOX 371385 PITTSBURGH PA 15250-7385
UNITEDHEALTHCARE INSURANCE CO	OPTUM CODING SOLUTIONS / INGENIX RACHEL A. SMITH, UHC, CDM 185 ASYLUM STREET - 3RD FL HARTFORD CT 06103
VAN WYCK CHECK CASHING	271 WALT WHITMAN ROAD HUNTINGTON STATION NY 11746
VARIAN INC.	P.O. BOX 93752 CHICAGO IL 60673
VAUGHN, TREVOR & SHANTE	MANUEL MOSES, ESQ. 236 WEST 26TH STREET, SUITE 303 NEW YORK NY 10001
VEITH ENTERPRISES, INC.	DAVID A. SEARS, ESQ. 1 CIVIC CENTER PLAZA, SUITE 302 POUGHKEEPSIE NY 12601
VERIZON	212 XOO 9714 P.O. BOX 15124 ALBANY NY 12212-5124
VERIZON WIRELESS	P.O. BOX 408 NEWARK NJ 07101
VERIZON WIRELESS	PO BOX 3397 BLOOMINGTON IL 61702
VILLAGE OF LIBERTY W.D.	167 NORTH MAIN STREET LIBERTY NY 12754
W.D. KUHN ENTERPRISES, INC.	D/B/A STAT CONSTRUCTION CO. DAVID A. SEARS, ESQ. 1 CIVIC CENTER PLAZA, SUITE 302 POUGHKEEPSIE NY 12601
WARWICK VALLEY AUTO BODY	69-73 MAIN ST. WARWICK NY 10990
WASTE MANAGEMENT INC (BEACHLAKE)	PARKSVILLE & SWAN LAKE P.O. BOX 13648 PHILADELPHIA PA 19101-3648
WB MASON COMPANY INC.	CINDEE DONOVAN P.O. BOX 55840 BOSTON MA 02205-5840
WEEKS LERMAN GROUP LLC, THE	58-38 PAGE PLACE MASPETH NY 11378
WELLS FARGO FINANCIAL LEASING, INC.	MAC F4031-050 800 WALNUT STREET DES MOINES IA 50309
WELSH SANITATION SERVICE	P.O. BOX 1209 HOPEWELL JUNCTION NY 12533
WEST GROUP (PAYMENT CENTER)	P.O. BOX 6292 CAROL STREAM IL 60197-6292
WEST SIDE AUTO AND TOWING LLC	308 WEST MARKET STREET RED HOOK NY 12571
WESTCOT, SUSAN HALL	104 W. 40TH STREET, 4TH FLOOR NEW YORK NY 10018
WHITE PLAINS LINEN	4 JOHN WALSH BLVD PEEKSKILL NY 10566-5324
WIL TECH SYSTEM, INC.	149 NEW HYDE PARK ROAD FRANKLYN SQUARE NY 11010
WILLIAMS LUMBER AND HOME CTR#1	6760 ROUTE 9 RHINEBECK NY 12572
WILLNER, MARCIA	104 EAST 40TH STREET, 4TH FLOOR NEW YORK NY 10018
WOLTERSKLUWER HEALTH	P.O. BOX 1610 HAGERSTOWN MD 21741
WORLD WIDE MAINTENANCE	7 GORHAM COURT JACKSON NJ 08527
WORLD FED. OF THERAPEUTIC	COMMUNITIES 54 WEST 40TH STREET NEW YORK NY 10018
XEROX CORPORATION	ATTN: VANESSA ADAMS 1301 RIDGEVIEW DRIVE-450 LEWISVILLE TX 75057
YAUN COMPANY	240 CHESTNUT STREET LIBERTY NY 12754
ZAGULSKI, ROBERT	225 COUNTRY CLUB DRIVE MANHASSET NY 11030

Total Creditor count 474

Exhibit 11

Claim Name	Address Information
104 W. 40TH STREET PROPERTY INV. I, LLC	C/O COLE, SCHOTZ, MEISEL, FORMAN & LEO. ATTN: JILL B. BIENSTOCK, ESQ. & LEO V. 900 THIRD AVENUE, 16TH FLOOR NEW YORK NY 10022
500 EIGHTH AVENUE LIMITED LIABILITY CO	C/O PICK + ZABICKI LLP 365 LEXINGTON AVE 12TH FL NEW YORK NY 10017
ACE AMERICAN INSURANCE CO. & POSS. ET AL	C/O KAREL S. KARPE, ESQ. KARPELAW, 44 WALL STREET, 12TH FLOOR NEW YORK NY 10005
AFFORDABLE SALES	F/K/A AFFORDABLE ENTERPRISES 969 E NEW YORK AVE BROOKLYN NY 11212
AIRTEK MECHANICAL CONTRACTING, INC.	SHAWN MCMICHAEL 59 ACKERT HOOK ROAD RHINEBECK NY 12572
ALL WATER & WASTE WATER SERVICES. LLC	PETER RATHJEN 297 TURKEY HILL RD RED HOOK NY 12571
ALL WATER & WASTE WATER SVCS. LLC	PETER RATHJEN 297 TURKEY HILL RD. RED HOOK NY 12571
BELKIN BURDEN WENIG &	GOLDMAN, LLP 270 MADISON AVENUE NEW YORK NY 10016
BONAFIDE ESTATES, INC.	PRYOR CASHMAN LLP ATTN: SETH H. LIEBERMAN, ESQ 7 TIMES SQUARE NEW YORK NY 10036-6569
BRIGGS & STRATTON POWER PRODUCTS GRP.LLC	PO BOX 702 MILWAUKEE WI 53201-9459
CABBAGESTALK, YVONNE	CHINYERE OKORONKWO, ESQ. LAW OFFICE OF CHINYERE OKORONKWO 40 EAST 94TH STREET NEW YORK NY 10128
CABBAGESTALK, YVONNE	217 CUMBERLAND STREET APT #1 BROOKLYN NY 11205
CENTENNIAL ELEVATOR INDUSTRIES, INC.	24-35 47TH STREET ASTORIA NY 11103
CENTRAL HUDSON GAS AND ELECTRIC	284 SOUTH AVENUE POUGHKEEPSIE NY 12601-4839
CIT COMMUNICATIONS FINANCE CORPORATION	C/O WELTMAN, WEINBERG & REIS 175 S. THIRD STREET, STE 900 COLUMBUS OH 43215
COMMERCIAL INSTRUMENTS & ALARM SYSTEMS,	INC. 2 SUMMIT COURT - SUITE 306 FISHKILL NY 12524
CONSOLIDATED TECHNOLOGIES INC.	ATTN: ANTHONY CAVALLUZZI 10 MIDLAND AVENUE PORT CHESTER NY 10573
COPY FAX	CUSTOMER SERVICE 1110 SAGINAW STREET SCRANTON PA 18505
COVELLO, JAMIE K.	161 WEST 54TH ST. APT. 402 NEW YORK NY 10019
CRYSTAL CLEAR MECHANICAL	19 INDUSTRY STREET POUGHKEEPSIE NY 12603
DAILEY, MICHAEL C., JR.	200 HENDERSON ROAD FAIRFIELD CT 06824
DAWOOD, AUREA V, PROPOSED ADMIN. OF	ESTATE OF ALVIN PACHECO TORRES ERIC BAUM, ESQ.-SIMON EISENBERG&BAUM,LLP 24 UNION SQUARE EAST, 5TH FLOOR NEW YORK NY 10003
DAYTOP VILLAGE OF NJ, INC	ATTN: LAURA TAVERNA 80 WEST MAIN ST MENDHAM NJ 07945
DEBRA GABRIEL, TAX COLLECTOR	P.O. BOX 561 WHITE LAKE NY 12786
DEL TUFO, ROBERT J.	SKADDEN ARPS SLATE MEAGHER & FLOM 4 TIMES SQUARE NEW YORK NY 10031
DEPARTMENT OF THE TREASURY - IRS	INTERNAL REVENUE SERVICE PO BOX 7346 PHILADELPHIA PA 19101-7346
DOWSER, LLC	CUST#: 1018/BRKSIDE/STN.COTT. P.O. BOX 36158 NEWARK NJ 07188-0001
EMANUELE, JORDAN	INFANT BY MOTHER AMY SMITH-EMANUELE MIRMAN, MARKOVITS & LANDAU 291 BROADWAY 6TH FL NEW YORK NY 10007
EMPIRE HEALTHCHOICE ASSURANCE, INC.	EMPIRE BLUE CROSS BLUE SHIELD ATTN: LOUIS L. BENZA, ESQ. ONE LIBERTY PLAZA, 14TH FL. NEW YORK NY 10006
EXECUSEARCH GROUP, INC., THE	GEORGE PIERACCINI, CFO 675 THIRD AVE - 5FL NEW YORK NY 10017
FAIR HARBOR CAPITAL, LLC	TRANSFEROR: STAT PLUMBING SUPPLY, INC. ANSONIA FINANCE STATION PO BOX 237037 NEW YORK NY 10023
FITZPATRICK, THOMAS	500 FIFTH AVENUE NEW YORK NY 10110
FLEET PUMP & SERVICE GROUP INC	C/O THE DELORIO LAW GROUP, PLLC 800 WESTCHESTER AVENUE SUITE S-608 RYE BROOK NY 10573
FLUE TECH, INC.	463 LIVINGSTON ST SUITE 102 NORWOOD NJ 07648
FUGAZY & ROONEY, LLP	PAUL P. ROONEY, ESQ. 437 MADISON AVENUE, 35TH FLOOR NEW YORK NY 10022
GRANITE STATE INSURANCE COMPANY, ET AL	CHARTIS INC. MICHELLE A. LEVITT, AUTHORIZED REPRES. 180 MAIDEN LANE NEW YORK NY 10038
GREATAMERICA LEASING CORPORATION	PEGGY UPTON, LITIGATION SPECIALIST PO BOX 609 CEDAR RAPIDS IA 52406
GREEN, ASHLEE	PO BOX 122 WHITE SULPHUR SPRINGS NY 12787
GREENBERG TRAURIG, LLP	ATTN: KRISTEN LONERGAN, ESQ. METLIFE BUILDING 200 PARK AVENUE NEW YORK NY 10166

Claim Name	Address Information
HEINCHON MARCUS DISTRIBUTORS	4 EAGLE RAOD DANBURY CT 06810
HELMKE INDUSTRIES, INC.	513 ROUTE 303 ORANGEBURG NY 10962
HERMAN'S LANDSCAPING, INC.	1264 DUTCHESS TURNPIKE POUGHKEEPSIE NY 12603
HILLCO CORP.	C/O MEYERS, SAXON & COLE 3620 QUENTIN ROAD BROOKLYN NY 11234
IELMONI, LOUIS J.	12 PAMELA RD HOPEWELL JUNCTION NY 12533
JKS PRINTING	188 BEACH 116TH STREET ROCKAWAY PARK NY 11694
JONES SEPTIC SERVICES	269 CREAM STREET POUGHKEEPSIE NY 12601
KAPLAN, EUGENE NEAL	430 EAST 57TH STREET NEW YORK NY 10022
KELLER GLASS SPECIALTY INC	ATTN: DEBBIE KELLER 5036 STATE ROUTE 52 JEFFERSONVILLE NY 12748
KEYSPAN GAS EAST CORP DBA NATIONAL GRID	SUZANNE BRIENZA, ESQ. 15 PARK DRIVE MELVILLE NY 11747
KRISTT COMPANY	LES KRISTT PO BOX 548 MONTICELLO NY 12701
LAURIE DUTCHER, TAX COLLECTOR	120 NORTH MAIN STREET LIBERTY NY 12754
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	LORNAN LITHO INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	HOWARD L. ZIMMERMAN ARCHITECTS, P.C. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	CGATLANTIC ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	SANKY COMMUNICATIONS, INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	MARSH8 SYNDICATE LLC ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
LIQUIDITY SOLUTIONS, INC. AS ASSIGNEE OF	COMPUSTALL SERVICE, INC. ONE UNIVERSITY PLAZA STE 312 HACKENSACK NJ 07601
MCGRAW-HILL COMPANIES, THE	148 PRINCETON-HIGHSTOWN ROAD N-2 HIGHTSTOWN NJ 08520
MELTZER LIPPE GOLDSTEIN & BREITSTONE LLP	190 WILLIS AVENUE MINEOLA NY 11501
MERRICK, ETAN M.	APARTMENT 14A 65 EAST 96TH STREET NEW YORK NY 10128
MICROWIZE TECHNOLOGY, INC.	1 KALISA WAY SUITE 104 PARAMUS NJ 07652
MORGAN HEATING &FUEL CO,DBA BOTTINI FUEL	C/O PACHULSKI STANG ZIEHL & JONES LLP ATTN: ILAN D. SCHARF 780 THIRD AVENUE, 36 FLOOR NEW YORK NY 10017
NAT KAGAN MEAT & POULTRY INC.	ATTN: GEORGE CUBILLAS, PRESIDENT 8 GREEN AVENUE P.O. BOX 326 WOODRIDGE NY 12789
NORRIS, HARRIET	355 EAST 72 ST APT. 20E NEW YORK NY 10021
NORTHEAST BLIZZARD CONTROL	ATTN: JEREMY JOYCE 100 FOX HOLLOW ROAD RHINEBECK NY 12572
NOUVEAU ELEVATOR INDUSTRIES INC.	C/O CHESNEY & NICHOLAS, LLP 2305 GRAND AVENUE BALDWIN NY 11510
NYS OFFICE OF ALCOHOLISM AND SUBSTANCE	ABUSE SERVICES ROBERT A. KENT, GENERAL COUNSEL 1450 WESTERN AVENUE ALBANY NY 12203
OFFICE DEPOT	6600 N. MILITARY TRAIL -S401F BOCA RATON FL 33496
P.N. FIRE & BURGLAR COMPANY	311 NORTH STREET MONTICELLO NY 12701
PAIGE COMPANY, THE	PO BOX 443 1 PAUL KOHNER PLACE ELMWOOD PARK NJ 07407
PITNEY BOWES GLOBAL FINANCIAL SERVICES	PITNEY BOWES INC. ATTN: RECOVERY DEPT. 27 WATerview DRIVE SHELTON CT 06484-4361
PITNEY BOWES INCORPORATED	ATTN: BANKRUPTCY DEPT. 4901 BELFORT RD, STE 120 JACKSONVILLE FL 32256
QUALIFIED FIRE INSPECTION CORP	29 BRUCE LANE EAST NORTHPORT NY 11731
QWEST COMMUNICATIONS COMPANY, LLC	D/B/A CENTURYLINK QCC ATTN: BANKRUPTCY 1801 CALIFORNIA ST RM 900 DENVER CO 80202-2658
RAYMOND S. DEAN, INC.	408 LOCUST STREET MT. VERNON NY 10552-2605
RIVERSIDE CLAIMS LLC	AS ASSIGNEE FOR TREATMENT COMM. OF AMERI PLANETARIUM STATION PO BOX 626 NEW YORK NY 10024
RIVERSIDE CLAIMS LLC	AS ASSIGNEE FOR ATLANTIC OFFICE CLEANING PLANETARIUM STATION PO BOX 626 NEW

Claim Name	Address Information
RIVERSIDE CLAIMS LLC	YORK NY 10024
ROLLING V BUS CORP.	PHIL VALLONE PO BOX 110 SOUTH FALLSBURG, NY 12779
ROLLINS, KAREN	2922 GRAND CONCOURSE #210 BRONX NY 10458
ROTARY SUPPLY CORPORATION	180 OSER AVENUE, SUITE 700 HAUPPAUGE NY 11788
ROTO-ROOTER SERVICE COMPANY	525 WAVERLY AVE MAMARONECK NY 10543
TECH DEPOT	OFFICE DEPOT 6600 N. MILITARY TRAIL -S401F BOCA RATON FL 33496
TELENET NY, INC.	115 N. RICHMOND AVE. MASSAPEQUA NY 11758
THOMPSON PENSION EMPLOYEE PLANS, INC.	420 LEXINGTON AVENUE SUITE 2816 NEW YORK NY 10170
TOBIN & COMPANY CERTIFIED PUBLIC	ACCOUNTANTS, PC 2001 PALMER AVENUE SUITE 205 LARCHMONT NY 10538
TOWN OF RHINEBECK	TAX COLLECTOR 80 E. MARKET ST. RHINEBECK NY 12572
TUROFF, JAY L.	334 KELL AVE STATEN ISLAND NY 10314
WASTE MANAGEMENT	WASTE MANAGEMENT - RMC 2625 W. GRANDVIEW RD. STE. 150 PHOENIX AZ 85023

Total Creditor count 88

Exhibit 12

Claim Name	Address Information
ACOSTA, SUSAN	45 CHUCK HILL RD SAUGERTIES NY 12477
BABUDRI-LOSEE, MICHELLE	4 PRINCETON ST RED HOOK NY 12571
BARBELLA, ELLEN	1600 GRAND AV B3 BALDWIN NY 11510
BOICE BROTHERS DAIRY INC.	36 O'NEIL STREET KINGSTON NY 12401
BRADLEY, JAMES	1111 HOLLYHOCK WAY THE VILLAGES FL 32163
BROVOT, LORETTA	42 DAVIES AVE DUMONT NJ 07628
BURGRAVE, DIANE	220 BEACH 117 STREET ROCKAWAY PARK NY 11694
CATOE, KENNETH	245 BLUE MOUNTAIN LAKE EAST STROUDSBURG PA 18301
CATOE, SHAKEIM	245 BLUE MOUNTAIN LAKE EAST STROUDSBURG PA 18301
CIT TECHNOLOGY FINANCING SERVICES, INC	C/O WELTMAN, WEINBERG & REIS 175 S. THIRD STREET, STE 900 COLUMBUS OH 43215
CLARISSA, VORTSMAN	963 W. FINGERBOARD RD. STATEN ISLAND NY 10304
COMMISSION OF LABOR	ATTN: KENNETH HARNETT STATE OFFICE BUILDING 12 ROOM 185A ALBANY NY 12240
CONFORTE, STEPHEN	7003-12 AVE BROOKLYN NY 11228
COOK, LOUISE	1444 RUGBY ROAD SCHENECTADY NY 12308
DAVIS, GENEVA	925 E. 56TH STREET, APT 1B BROOKLYN NY 11234
DEGNAN, SHARON	100 EAST PALISADE AVE. APT A51 ENGLEWOOD NJ 07631
DEL GIORNO, JON ROBERT	10 BAY STREET LOADING, ALT 8A STATEN ISLAND NY 10301
DEL VALLE, EILEEN	2210 BROOKHAVEN AVE #2G FAR ROCKAWAY NY 11691
DEMING, CARLETON E.	104 CALVERT AVENUE RONKONKOMA NY 11779
DEVONISH, FRITZ	200 W. 139TH ST NEW YORK NY 10015
DIAZ, HADASSAH	40 MONROE STREET FD12 NEW YORK NY 10002
DILLON, KEVIN R.	105-00 SHORE FRONT PARKWAY APT. 5N ROCKAWAY PARK NY 11694-2709
DIONYSIUS, CHARLES	718 ROUTE 308 RHINEBECK NY 12572
DONLON, THERESA	212C BEACH 117TH STREET ROCKAWAY PARK NY 11694
DORMITORY AUTHORITY	ATTN: DEBBIE PADEN 515 BROADWAY ALBANY NY 12207
DOYLE, NOREEN A.	127-12 CRONSTON AVE BELLE HARBOR NY 11694
DREVENY, PATRICIA A.	C/O ZILIC 216 N. CHANDLER GRIGGSVILLE IL 62340
DRISCOLL, PATRICIA	439 BEACH 125 STREET BELLE HARBOR NY 11694
ELDON, ETHAN C.	3 MARCO LANE HUNTINGTON NY 11743
FABARA, ZELMIRA	31-42 68TH STREET 2ND FL. WOODSIDE NY 11377
FERRARO, STEVEN	APT 1C 7914 ROCKAWAY BEACH BLVD ROCKAWAY BEACH NY 11693
FEUZ, MARIA E.	27 RICHARD ROAD HYDE PARK NY 12538
FIRST NATIONAL BANK OF JEFFERSONVILLE	M.L. ZAGER, P.C. PO BOX 948/543 BROADWAY MONTICELLO NY 12701
FORD MOTOR CREDIT	P.O. BOX 220564 PITTSBURGH PA 15257-2564
FORD MOTOR CREDIT COMPANY, LLC	PO BOX 6275 DEARBORN MI 48121
FRANKLIN, BENJAMIN L.	558 BEACH 67TH STREET ARVERNE NY 11692
FULTON, ADOLPH	1440 WOOD ROAD. APT MD BRONX NY 10462
GAETA, LISA BONGIORNO	157-27 99 STREET HOWARD BEACH NY 11414
GAMBINO, ROSEMARY A.	220 WEST BROADWAY #402 LONG BEACH NY 11561
GATTULLO, ROBERT A.	629 KAPPOCK STREET BRONX NY 10463
GILLENS, RITA	171 THIRD ST. APT 2 ELIZABETH NJ 07206
GREEN, DARLENE	52 WILDWOOD DRIVE WAPPINGERS FALLS NY 12590
GREEN, DARLENE M.	52 WILDWOOD DRIVE WAPPINGERS FALLS NY 12590
HABER, MINDY	8 BROWN ROAD PLEASANT VALLEY NY 12569
HARTFORD LIFE	PLAN #5954 1 GRIFFIN ROAD NORTH WINDSOR CT 06095
HEANUE, BRIAN	10 ROCKY LANE GARRISON NY 10524
HENNINGSSEN, NANCY	219 BEACH 91ST ROCKAWAY BEACH NY 11693
HUDSON TRANSIT SHORTLINE BUS CO	ATTN: MARIE VITALE 160 SOUTH ROUTE 17 NORTH PARAMUS NJ 07652
KARELLAS, CHRIS	20-40 20TH STR. APT. 2C ASTORIA NY 11105

Claim Name	Address Information
KERR, NOREEN T.	127-12 CRONSTON AVE BELLE HARBOR NY 11694
KLEINERT, IRENE N.	PO BOX 2131 NEW YORK NY 10163
LEHMAN, LINDA	7 WALTON COURT EAST BRUNSWICK NJ 08816
MADDEN, BRIAN	111-23 76TH ROAD APT. E2 FOREST HILLS NY 11375
MARGETIS, CAROL	478 VALLEY BROOK AVE, #4 LYNDHURST NJ 07071
MAZALTOV, ALBERT	14440 77TH RD APT 1C FLUSHING NY 11367
MILEY, ROLAND	PO BOX 57 LAKE KATRINE NY 12449
MOKARRY, LINDA	309 JOYS LANE HURLEY NY 12443
MOSCATO, PAULA	2700 HENRY HUDSON PARKWAY, 5G BRONX NY 10463
MULE, CHRISTINA	81 MULBERRY CIRCLE STATEN ISLAND NY 10314
MURRAY, JENNIFER	51 W. 13TH ROAD BROAD CHANNEL NY 11693
NAZARIO, CHERYL	310 DECKER AVE STATEN ISLAND NY 10302
NAZARIO, CHERYL	P.O. BOX 20242 STATEN ISLAND NY 10302
NAZARIO, CHERYL	310 DECKER AVE STEN ISLAND NY 10302
NEW JERSEY DEPARTMENT OF LABOR AND	WORKFORCE DEVELOPMENT DIVISION OF EMPLOYER ACCOUNTS PO BOX 379 TRENTON NJ 08625-0379
NEW YORK CITY WATER BOARD	DEPARTMENT OF ENVIRONMENTAL PROTECTION 59-17 JUNCTION BLVD., BANKRUPTCY UNIT 13TH FLOOR FLUSHING NY 11373-5108
O'BRIEN, MONSIGNOR WILLIAM	91 SECOR ROAD SCARSDALE NY 10583
O'BRIEN, WILLIAM	91 SECOR ROAD SCARSDALE NY 10583
PALMER, SUSAN	70-25 YELLOWSTONE BLVD. APT. #95 FOREST HILLS NY 11375
PERULLI, LARRY	226 HEATHER LANE KINGSTON NY 12401
POWELL, WILBERT R.	PO BOX 42 FERNDALE NY 12734
RATHJEN, LENORE A.	297 TURKEY HILL RD RED HOOK NY 12571
RATHJEN, PETER C.	297 TURKEY HILL RD RED HOOK NY 12571
REZZONICO, EDWARD	P.O. BOX 20347 STATEN ISLAND NY 10302
RITE CHECK CASHING	715 EAST 138TH STREET BRONX NY 10454
ROBINSON, GWENDOLYN	115B MERSEREAU AVE STATEN ISLAND NY 10303
RODRIGUEZ, ILUMINADO	637 EAST 230 STREET APT #2 BRONX NY 10466
ROSARIO, EVELYN	429 ETNA ST. BROOKLYN NY 11208-1831
RUIZ, RICHARD	2376 7TH AVE NEW YORK NY 10030
SANTIAGO, MARY R.	2021 SEAGIRT BLVD - APT 6G FAR ROCKAWAY NY 116911
SCHEWE, DAVID	1450 FIRST AVENUE APT 2FN NEW YORK NY 10021
SCHULMAN, MICHAEL	90 UNION STREET - 1J NEW ROCHELLE NY 10805
SCOTT, SHARON C.	101-16 86TH AVE #APT A1 RICHMOND HILL NY 11418
SHER-DEL TRANSFER & RELOCATION	SERVICES, INC. 247 METROPOLITAN AVENUE BROOKLYN NY 11211
SIELAFF, KATHLEEN A.	182 ADIRONDACK DRIVE SELDEN NY 11784
SMITH, CHERIE A.	203 BEACH 28TH ST. #3 FAR ROCKAWAY NY 11691
SOTO, REINALDO	87-12 ROCKAWAY BH, BLVD 2F# ROCKAWAY NY 11693
SPROSS, SUZANNE	894 RTE. 308 RHINEBECK NY 12572
STATE OF NEW YORK - DEPARTMENT OF LABOR	UNEMPLOYMENT INSURANCE DIVISION GOV. W. AVERELL HARRIMAN STATE OFFICE BUILDING CAMPUS, BUILDING 12, ROOM 256 ALBANY NY 12240
STATE OF NEW YORK, DEPARTMENT OF LABOR	UNEMPLOYMENT INSURANCE DIVISION GOVERNOR W. AVERELL HARRIMAN STATE OFFICE BUILDING CAMPUS. BLDG. 12, RM 256 ALBANY NY 12240
STRAUSS, CAROL	11 HORIZON HILL DRIVE POUGHKEEPSIE NY 12603
SULLIVAN COUNTY TREASURER	100-NORTH STREET MONTICELLO NY 12701
SZCWCZUK, WILLIAM	81 MULBERRY CIRCLE STATEN ISLAND NY 10314
SZEWCZUK, WILLIAM	81 MULBERRY CIRCLE STATEN ISLAND NY 10314
SZUREK, KAREN	40 WEST 67TH STREET #5D NEW YORK NY 10023
TEDALDI, KIM	10 LOTHROP LANE TIVOLI NY 12583

Claim Name	Address Information
THOMPSON - MONEY PURCHASE	PENSION PLAN ATTN: TOM CLAIN MET-LIFE 277 PARK AVENUE 41ST FLOOR NEW YORK NY 10017
TORRES, WILLIAM	850 AMSTERDAM AVE #13F NEW YORK NY 10025
TOWN OF THOMPSON WATER & SEWER	4052 RTE. 42-TOWN HALL MONTICELLLO NY 12701
US FOODS, INC. F/K/A U.S. FOODSERVICEINC	MELISSA W. RAND, ESQ. SAUL EWING LLP 1500 MARKET STREET, 38TH FLOOR PHILADELPHIA PA 19019
USDOL WAGE AND HOUR	140 GRAND ST., SUITE 304 WHITE PLAINS NY 10601
VALENTIN, DORIS	509 WOOD AVENUE ROSELLE NJ 07203
VANDENDOLDER, WILLIAM	500 WASHINGTON AVE APT 3B KINGSTON NY 12401
WAHL'S WELDING SUPPLY	255 HUST RD. JEFFERSONVILLE NY 12748
WILLNER, MARCIA	222 E. 24TH ST #4B NEW YORK NY 10010
WILSON, SHIRLEY	253-07 148 DRIVE ROSEDALE NY 11422

Total Creditor count 105

Exhibit 13

Claim Name	Address Information
104 WEST 40TH STREET PROPERTY	INVESTORS I, LLC C/O SAVANNA REAL ESTATE FUND 10 EAST 53RD STREET, 37TH FL NEW YORK NY 10022
500 EIGHTH AVENUE LLC	C/O WALTER & SAMUELS, INC. 419 PARK AVENUE SOUTH, 15TH FL NEW YORK NY 10016
ACE AMERICAN INSURANCE CO.	1 BEAVER VALLEY RD. WILMINGTON DE 19803
AETNA	P.O. BOX 981106 EL PASO TX 79998-1106
AFA PROTECTIVE SERVICES, INC.	ATTN: JAY BOIARSKY 155 MICHAEL DRIVE SYOSSET NY 11791
AFFINITY HEALTH PLAN	ATTN: ALBA BADIA 2500 HALSEY STREET BRONX NY 10461
AFLAC	REMITTANCE PROCESSING SERVICES 1932 WYNNTON ROAD COLUMBUS GA 31993-8600
AJL GENERAL CONTRACTORS, INC.	21 WALDO AVENUE WHITE PLAINS NY 10606
AJS STANDARD HEAT	128-07 18TH AVENUE COLLEGE POINT NY 11356
AKA PEST CONTROL, INC.	121 WEST 27TH STREET SUITE 502 NEW YORK NY 10001
ALBANY TANK SERVICES, INC.	P.O. BOX 331 RAVENA NY 12143
ALBERT MAZALTOV	144 - 40 77TH RD. FLUSHING NY 11367
ALFRED KARMAN, ARCHITECT	63 GREENE STREET NEW YORK NY 10012
ALL WATER & WASTEWATER SERVICE	297 TURKEY HILL ROAD ATTN PETER RATHJEN RED HOOK NY 12571
ALL WATER & WASTEWATER SERVICE	ATTN: PETER RATHJEN 297 TURKEY HILL ROAD RED HOOK NY 12571
AMATO, MICHELLE L	619 PLEASANTVALE RD #4 TIVOLI NY 12583
AMBROSE M.D P.C, MARK	365 BRIDGE STREET APT. 3C BROOKLYN NY 11201
AMERIGROUP COMMUNITY CARE	4425 CORPORATION LANE VIRGINIA BEACH VA 23462
AMHAC - ALL MAKES HEATING	& A/C CORP. 365 WHITE PLAINS ROAD EASTCHESTER NY 10709
AMIDA CARE	ATTN: F.M. POPE 248 W. 35TH STREET, 7TH FLOOR NEW YORK NY 10001
ANGELL, KAREL	647 TOMPKINS AVENUE STATEN ISLAND NY 10305
ARNETTA BARKER	984 JEFFERSON AVENUE #2 FL BROOKLYN NY 11221
ATLANTIC OFFICE CLEANING SERVICES	111-06 LIBERTY AVENUE RICHMOND HILL NY 11419
ATLAS-ACON ELECTRIC SERVICE CORP	283 HUDSON STREET NEW YORK NY 10013
BAYNON, DIANE	206 RIVER ROAD CALLICOON NY 12723
BEACON HEALTH STRATEGIES	500 UNICORN PARK DRIVE WOBURN MA 01801
BELSITO, DONALD	31 SUNRISE PARK WOODBOURNE NY 12788-5302
BERNARDO, CONRADO C.	41 AMITY PLACE STATEN ISLAND NY 10303
BETTER CARTING	32 RUSSELL STREET WHITE PLAINS NY 10606
BONAFIDE ESTATES, INC.	630 FIFTH AVENUE NEW YORK NY 10111
BORG MD, LISA	504 EAST 63RD STREET 13P NEW YORK NY 10021
BRANDES MD, LOUIS	101 GEDNEY STREET APT. 4T NYACK NY 10960
CALCULATED FIRE PROTECTION CO., INC. (CF	SYCAMORE SQUARE, SUITE 2 2510 ROUTE 44 SALT POINT NY 12578
CARLETON DEMING	104 CALVERT AVENUE RONKONKOMA NY 11779
CAROL MARGETIS	478 VALLEYBROOK AVE., #4 LYNDHURST NJ 07071
CAROL STRAUSS	11 HORIZON HILL DRIVE POUGHKEEPSIE NY 12603
CARR M.D., JEFFREY S.	133 HERITAGE HILLS UNIT B SOMERS NY 10589
CATSKILL MARTIAL ARTS ACADEMY	31 SUNRISE PARK WOODBOURNE NY 12788-5302
CENTENNIAL ELEVATOR INDUSTRIES	24-35 47TH STREET ASTORIA NY 11103-1009
CENTENNIAL ELEVATOR INDUSTRIES INC.	24-35 47TH STREET ASTORIA NY 11103-1009
CENTRAL OFFICE ALARM COMPANY	140 SOUTH COLUMBUS AVENUE MOUNT VERNON NY 10550
CGATLANTIC INCORPORATED	90 SECOND STREET MINEOLA NY 11501-3008
CINTRON, EDWIN	22 EAST 112TH STREET NEW YORK NY 10029
COMPASS GROUP USA D/B/A	CANTEEN VENDING SERVICES ATTN: ANDREW BITTLEMAN 6500 NEW HORIZONS BOULEVARD AMITYVILLE NY 11701
COMPCARE	3405 W. DR. MARTIN LUTHER KING JR. BLVD, SUITE 101 TAMPA FL 33607
CRUSE-HILL, JULIANN	15-2 KNOLLWOOD LANE POK NY 12603
CULLIGAN, WILLIAM D.	235 GREGORY ROAD MONTICELLO NY 12701

Claim Name	Address Information
CUSHMAN & WAKEFIELD	ATTN: GLENN TOLCHIN 1290 AVENUE OF THE AMERICAS NEW YORK NY 10104
CUTI, JAY V	4 CHERRY LANE HUNTINGTON NY 11743
D'ADDATO, MAURO	5 BLYDENBURGH COURT NORTHPORT NY 11768
DADA, KHURRAM F	110-21 64TH ROAD FOREST HILLS NY 11375
DAILEY JR., MICHAEL C.	200 HENDERSON ROAD FAIRFIELD CT 06824
DARRELL, LENA	85-36 248TH STREET BELLEROSE NY 11426
DAVIS, GORDON	110-11 68TH AVENUE FOREST HILLS NY 11375
DAYTOP VILLAGE FOUNDATION	INCORPORATED 104 WEST 40TH STREET,4TH FLOOR NEW YORK NY 10018
DAYTOP VILLAGE, INC.	140 WEST 40TH STREET,4TH FLOOR NEW YORK NY 10018
DELLOSSO, JOHN	441 ALBANY COURT WEST NEW YORK NJ 07093
DEROMA, THOMAS M	118 MCFARLANE ROAD WAPPINGER FALLS NY 12590
DEVONISH, JACQUELINE	200 W 139TH STREET NEW YORK NY 10030
DIANA BURGRAVE	220 BEACH 117TH STREET ROCKAWAY PARK NY 11694
DUTCHESS PLUMBING & HEATING	28 RESERVOIR ROAD STAALSBURG NY 12589
DWORKIN, GREGG	2367 8TH AVENUE APT 1D NEW YORK NY 10027
EAST-TEK SECURITY SYSTEMS	TOOK OVER A.&M. COMM. P.O. BOX 372 PINE BUSH NY 12566
EMBLEM HEALTH	55 WATER STREET NEW YORK NY 10041
EMCOR SERVICES	24-37 46TH STREET ASTORIA NY 11103
EMCOR SERVICES, NEW YORK/NEW JERSEY INC.	24-35 47TH STREET ASTORIA NY 11103
EMCOR SERVICES, NY/NJ, INC.	24-37 36TH STREET ASTORIA NY 11103
EMCOR SERVICES, NY/NJ, INC.	24-35 47TH STREET ASTORIA NY 11103
EMPIRE BC/BS	P.O. BOX 1407 CHURCH STREET STATION NEW YORK NY 10008-1407
EMPIRE BLUE CROSS/BLUE SHIELD	1 LIBERTY PLZ STE 1300 NEW YORK NY 10006-1419
EMPIRE BLUE CROSS/BLUE SHIELD	15 METROTECH CENTER SOUTH, 6TH FLOOR BROOKLYN NY 11201
EMPIRE WASTE REMOVAL	P.O. BOX 381 COMMACK NY 11725
ERMA V. DEMERCADO	498 SCHENCK AVENUE BROOKLYN NY 11207
EVELYN ROSARIO	429 ETNA STREET BROOKLYN NY 11208-1831
FAM CONSULTING INC.	ATTN: FRANK MCCORRY PH.D. 1341 WALTER ROAD YORKTOWN HEIGHTS NY 10598
FARRELL WELDING & FABRICATION	1121-39 LINCOLN AVENUE HOLLBROOK NY 11741
FARRELL, JANE M.	25 VILLAGE CT KINGSTON NY 12401
FELDSINE, JANICE	76 HOFFMAN ROAD PINE PLAINS NY 12567
FERENS ELEVATOR COMPANY	ATTN: DANIEL LUFFMAN P.O. BOX 788 RED HOOK NY 12571
FERENS ELEVATOR COMPANY	P.O. BOX 788 HIGHLAND NY 12571
FINISH LINE CONSTRUCTION	5 BRANDIS AVE STATEN ISLAND NY 10312-2005
FINN M.D., DAVID W	10 BAY STREET LANDING A1C STATEN ISLAND NY 10301
FORCINITO LLC, JOSEPH C.	174 MAYFAIR AVENUE FLORAL PARK NY 11001
FORREST GREEN LANDSCAPING, INC.	3845 ROUTE 82 MILLBROOK NY 12545
FRAKES, RICHARD	8735 BAY PARKWAY B-25 BROOKLYN NY 11214
GERARDO FERNANDEZ	P.O. BOX 29 FERNDAL NY 12734
GERMAN, LORRAINE	28 METROPOLITAN OVAL 4E BRONX NY 10462
GIRDLESTONE, ELLEN	1979 ROUTE 44 PLEASANT VALLEY NY 12569
GUINEY, PETER	150 BEACH 121 STREET ROCKAWAY PARK NY 11694
GUSMAN, MIKHAIL	79 TAMARACK ROAD P.O. BOX 340 GREENFIELD PARK NY 12435
HADASSAH DIAZ, LMSW, CASAC	40 MONROE STREET APT. FD 12 NEW YORK NY 10002
HALL, DANIEL	487 VANDERBILT AVE #2R STATEN ISLAND NY 10304-3520
HEALTH INSURANCE PLAN OF GREATER NEW YOR	7 WEST 34TH STREET NEW YORK NY 10001
HEALTHFIRST PHSP, INC.	THOMAS BELLO 100 CHURCH STREET NEW YORK NY 10007

Claim Name	Address Information
HELMKE INDUSTRIES, INC.	513 ROUTE 303 ORANGEBURG NY 10962-1303
HERREN, CHRISTOPHER A.	14 BUCKWHEAT AVENUE PORTSMOUTH RI 02871
HINTON, WARREN	4 LOUISE DRIVE NEW WINDSOR NY 12553
HOGAN, DANIEL	2480 RT 9D WAPPINGER FALLS NY 12590
HOOVER-SAM, JACQUELINE C.	102 COOLIDGE AVENUE NORTH AMITYVILLE NY 11701
IESI NY CORPORATION	1099 WALL STREET LYNDHURST NJ 07071
INSTI-DENT PLLC	C/O MARK HYMAN DDS 232 HILL ROAD GOSHEN NY 10940
INTERNAL REVENUE SERVICE	10 METROTECH CENTER BROOKLYN NY 11201
INTERNAL REVENUE SERVICE	10 RICHMOND TER. STATEN ISLAND NY 10301
INTERNAL REVENUE SERVICE	110 W. 44TH STREET NEW YORK NY 10036
INTERNAL REVENUE SERVICE	1200 WATERS PLACE BRONX NY 10461
INTERNAL REVENUE SERVICE	2283 THIRD AVENUE NEW YORK NY 10035
INTERNAL REVENUE SERVICE	290 BROADWAY NEW YORK NY 10007
INTERNAL REVENUE SERVICE	33 MAIDEN LN #14 NEW YORK NY 10038
INTERNAL REVENUE SERVICE	59-17 JUNCTION BLVD. CORONA NY 11368
INTERNAL REVENUE SERVICE	625 FULTON STREET BROOKLYN NY 11201
JOHN, JEAN	76 CONFEDERATION PLACE STATEN ISLAND NY 10303
JUDI NEIL, CASAC	15148 WOODBURY ROAD BROOKSVILLE FL 34604
KAREN SZUREK	40 WEST 67 ST. NEW YORK NY 10023
KARIMI, RUTH	15 ROGERS STREET # 1 KINGSTON NY 12401
KATHLEEN A. SIELAFF	182 ADIRONDACK DRIVE SELDEN NY 11784
KJL REALTY COMPANY	ATTN: PETER KULKA P.O. BOX 350062 JAMAICA NY 11435
LEXINGTON INSURANCE COMPANY	100 SUMMER STREET BOSTON MA 02110
LINDA LEHMAN	7 WALTON COURT EAST BRUNSWICK NJ 08816
LISA BONGIORNO GAETA	157-27 99TH STREET HOWARD BEACH NY 11414
LIU, LUCY	66 FRANKFORT STREET APT 3C NEW YORK NY 10038
LOEWENSTEIN, IRINA	7830 68TH ROAD MIDDLE VILLAGE NY 11379
LOUISE NOLL	PO BOX 154 SWAN LAKE NY 12783
LOWRY, MAUREEN T.	221 HAPEMAN HILL ROAD RED HOOK NY 12571
LUKOFF DPM PC, ARTHUR S	11 LAKE DRIVE ELLENVILLE NY 12428
M&M AUTOMOTIVE CENTER, INC.	187-131 MILL STREET LIBERTY NY 12754
MACRO CONSULTANTS, LLC	1040 AVENUE OF THE AMERICAS NEW YORK NY 10018
MADDEN, BRIAN	P.O BOX 1783 NEW YORK NY 10150
MAGELLAN	148 EAST AVENUE NORWALK CT 06851
MALIA PUKA O KALANI CATHOLIC CHURCH	ST. MARY GATE OF HEAVEN ATTN: REV. JOSEPH H. HENNEN 326 DESHA AVENUE HILO HI 96720
MANAGED HEALHT NETWORK	2370 KERNER BLVD. SAN RAFAEL CA 94901
MATTHIES SERVICE	35 MATTHIES WAY RHINEBECK NY 12572-2316
MCALLEY, CHRISTOPHER	1333A NORTH AVENUE NEW ROCHELLE NY 10804
MCCABE, MARGARET	627 CLAPP HILL ROAD LAGRANGEVILLE NY 12540
MENDEZ, ROSA A	78-51 79TH PLACE 2ND FLOOR GLENDALE NY 11385
METLIFE DENTAL - METROPOLITAN	LIFE INSURANCE CO. P.O. BOX 360229 PITTSBURGH PA 15251-6229
METRO PLUS HEALTH PLAN	ATTN: SALONE HOWARD 160 WATER STREET NEW YORK NY 10038
MICHELLE BABUDRI-LOSEE	4 PRINCETON ST. RED HOOK NY 12477
MIGLIACCIO, MATTHEW	P.O. BOX 694 PHILLIPSPORT NY 12769
MODICA, LISA J	9823 FLATLANDS AVENUE BROOKLYN NY 11236
MORALES, ANGEL	14 SOUNDVIEW AVENUE #29 WHITE PLAINS NY 10606
MULTI PLAN	115 FIFTH AVENUE NEW YORK NY 10003
NEW HAMPSHIRE INSURANCE CO.	175 WATER STREET 18TH FLOOR NEW YORK NY 10038

Claim Name	Address Information
NEW YORK CITY DEPARTMENT OF FINANCE	TAX LIEN UNIT PO BOX 1069 MAPLEWOOD NJ 07040
NEW YORK CITY WATER BOARD	DEPARTMENT OF ENVIRONMENTAL PROTECTION CUSTOMER SERVICE DIVISION 59-17 JUNCTION BLVD, 8TH FLOOR FLUSHING NY 11373
NEW YORK STATE DEPARTMENT OF LABOR	INSOLVENCY UNIT STATE OFFICE BUILDING CAMPUS BUILDING #12, ROOM #256 ALBANY NY 12240
NISSAN OF MANHATTAN	646 11TH AVENUE NEW YORK NY 10036
NOREEN KERR	127 - 12 CRONSTON AVENUE ROCKAWAY PARK NY 11694
NOUVEAU ELEVATOR INDUSTRIES, INC.	74 CALYER STREET BROOKLYN NY 11222
NYC DEPARTMENT OF FINANCE	66 JOHN STREET, ROOM 104 NEW YORK NY 10038
NYS CATHOLIC HEALTH PLAN, INC	.D/B/A FIDELIS CARE NEW YORK GREATER METROPLITAN REG OFFICE 95-25 QUEENS BLVD. REGO PARK NY 11374
NYS DOH/AIDS INSTITUTE	ATTN: MEGAN K. TESDRIERO AIDS INSTITUTE CORNING TOWER EMPIRE STATE PLAZA ALBANY NY 12237
NYS DOH/AIDS INSTITUTE	ATTN: MARGIE M. SCULLY AIDS INSTITUTE CORNING TOWER EMPIRE STATE PLAZA ALBANY NY 12237
NYS WORKERS COMPENSATION	199 CHURCH STREET NEW YORK NY 10007-1173
O'DONOHUE, DEBORAH A	21 WATER STREET P.O. BOX 465 WURTSBORO NY 12790
OHANESIAN, SUSAN	8200A BULLS FERRY ROAD NORTH BERGEN NJ 07047
OLIVERO, MARIA	63 MURRAY AVENUE GOSHEN NY 10924
OXFORD	48 MONROE TURNPIKE TRUMBULL CT 06611
P.N. FIRE & BURGLAR CO.	31 NORTH STREET MONTICELLO NY 12701
PATRICIA A. DRISCOLL	439 BEACH 125 ST. ROCKAWAY PARK NY 11694
PRITCHARD, JENNY	2 SOUTH HINTERLAND DRIVE RHINEBECK NY 12572
PYROSIGNAL & SUPPRESSION INC.	40-32 216TH STREET BAYSIDE NY 11361
QUALITY BUILDING SERVICES (QBS)	801 SECOND AVENUE NEW YORK NY 10017
RAPID PUMP & METER SERVICE CO., INC.	285 STRAIGHT STREET PATERSON NJ 07509
REYES, NANCY M.	165 FOSTER AVENUE VALLEY STREAM NY 11580
ROHRS M.D., CHARLES C.	P.O BOX 83 PETERSBURGH NY 12138
ROJAS, JUAN	733 MICHIGAN AVENUE BELLPORT NY 11713
ROLLIN DAIRY CORP.	GEORGE CAMBELL 1320 MOTOR PARKWAY ISLANDIA NY 11749
ROOFING AND SHEET METAL	CONTRACTORS ATTN: RAYMOND S. DEAN 408 LOCUST STREET MOUNT VERNON NY 10552-2605
ROSEMARY GAMBINO	220 WEST BROADWAY #402 LONG BEACH NY 11561
RSUI INDEMNITY CO.	945 EAST PACES FERRY ROAD SUITE 1800 ATLANTA GA 30326
RSUI INDEMNITY COMPANY	945 EAST PACES FERRY ROAD SUITE 1800 ATLANTA GA 30326-1160
RUSSELL, ROSEMARY	1306 VILLAGE DRIVE BREWSTER NY 10509
SCIENTIFIC FIRE PREVENTION CO.	627 UNION AVENUE P.O. BOX 119060 BROOKLYN NY 11211-9060
SCIENTIFIC FIRE PREVENTION CO.	627 UNION AVENUE BROOKLYN NY 11211-9060
SECUR-ALL	ONE DUPONT STREET SUITE 209 PLAINVIEW NY 11503
SHIRLEY WILSON	253-07 148 DRIVE ROSEDALE NY 11422
SIMPLEX GRINNELL LP	4 COMMERCE DR S # 3 HARRIMAN NY 10926-3101
SPACESMITH	315 HUDSON ST FL 9 NEW YORK NY 10013-1036
STATE OF NEW YORK - DEPARTMENT OF LABOR	UNEMPLOYMENT INSURANCE DIVISION GOV. W. AVERELL HARRIMAN STATE OFFICE BUILDING CAMPUS, BUILDING 12, ROOM 256 ALBANY NY 12240
STATE OF NEW YORK, DEPARTMENT OF LABOR	UNEMPLOYMENT INSURANCE DIVISION GOVERNOR W. AVERELL HARRIMAN STATE OFFICE BUILDING CAMPUS. BLDG. 12, RM 256 ALBANY NY 12240
STEPHENS, MAURICE	119-18 202 STREET ST ALBANS NY 11412
SUBURBAN ENVIRONMENTAL CLEANING	60 RUNYON AVE YONKERS NY 10710-5317
SUBURBAN ENVIRONMENTAL CLEANING	375 MCLEAN AVENUE YONKERS NY 10705
SULLIVAN FIRE PROTECTION CORP.	P.O. BOX 2021 16 RAILROAD PLAZA SOUTH FALLSBURG NY 12779
SUSAN ACOSTA, CASAC, LCSW	45 CHUCK HILL ROAD SAUGERTIES NY 12477

Claim Name	Address Information
TAINTOR MD, NICHOLAS	245 NORTH EIGHTH STREET BROOKLYN NY 12211
TCHUINTE, CHRISTIEN K	305 HURLEY AVENUE KINGSTON NY 12401
TECHNICAL ELEVATOR TESTING	1434 110TH ST STE 304 COLLEGE POINT NY 11356-1448
TECHNICAL ELEVATOR TESTING, INC.	1434 110TH ST STE 304 COLLEGE POINT NY 11356-1448
THE DECK & PATIO COMPANY	199 BROADWAY HUNTINGTON STATION NY 11746
THOMSON, KRISTIN A	15 ABINGDON SQUARE #61 NEW YORK NY 10014
TRAVELERS CASUALTY & SURETY	OF AMERICA ONE TOWER SQUARE HARTFORD CT 06183
TRAVELERS CASUALTY & SURETY OF AMERICA	ONE TOWER SHARE HARTFORD CT 06183
TRITECH COMMUNICATIONS, INC.	625 LOCUST STREET, SUITE 300 GARDEN CITY NY 11530
TUN MD, HLA	61-14 229TH STREET OAKLAND GARDENS NY 11364
U.S. DEPT. OF LABOR	EMPLOYEE BENEFITS SECURITY ADMIN. ATTN: JONATHAN KAY, REGIONAL DIRECTOR 33 WHITEHALL STREET, SUITE 1200 NEW YORK NY 10004
U.S. PROBATION OFFICE AND U.S.	PRETRIAL SERVICES,USDC SOUTHER ATTN: KEVIN R. MULCAHY 500 PEARL STREET NEW YORK NY 10007
UNITED BEHAVIORIAL HEALTH	425 MARKET STREET 14TH FLOOR SAN FRANCISCO CA 94105
UNUM	P.O. BOX 406927 ATLANTA GA 30384-6927
VACCARO, ANNETTE	11 SPYGLASS LANE STAATSBURG NY 12580
VALUE OPTIONS	P.O. BOX 1830 LATHAM NY 12110
VANDERMEER-WYNKOOP, ELISABETH	175 ADAMS STREET 17G BROOKLYN HEIGHTS NY 11201
VENTOLA, ROY	3900 BAILEY AVE APT FD BRONX NY 10463
VIZZINI, DAVID	86 WAYNE STREET HAUPPAUGE NY 11788
WAXMAN, CAROL	108 HALL ROAD GRAHAMSVILLE NY 12740
WELLCARE, INC.	P.O. BOX 31420 TAMPA FL 33631-3402
WILLIAM FLOYD UNION FREE SCHOOL DISTRICT	ATTN: JANET GILMORE 240 MASTIC BEACH ROAD MASTIC BEACH NY 11951
WILSON, JULAINE	627 OSBORN STREET BROOKLYN NY 11212
YVONNE CABBAGESTALK	217 CUMBERLAND STREET APRT. #1 BROOKLYN NY 11205

Total Creditor count 209

Exhibit 14

Claim Name	Address Information
104 W. 40TH STREET PROPERTY INV. I, LLC	104 W. 40TH STREET PROPERTY INV. I, LLC CHRISTOPHER SCHLANK, AUTH. SIGNATORY SAVANNA REAL ESTATE FUND 10 E. 53RD STREET, 37TH FL., NEW YORK NY 10022
AIRTEK MECHANICAL CONTRACTING, INC.	AIR-TEK MECHANICAL CONTRACTING INC. RUSSELL A SCHINDLER, ESQ., ATTORNEY 245 WALL ST. KINGSTON NY 12401
AUSTIN, SCOTT	ELLIOT B. PASIK, ATTORNEY LAW OFFICES OF GERALD P. GROSS, P.C. 366 PEARSALL AVENUE, SUITE 5 CEDARHURST NY 11516
BRADLEY, JAMES	45 SHAKER LANE HYDE PARK NY 12538
COVELLO, JAMIE K.	CUSHMAN & WAKEFIELD JAMIE K. COVELLO, EXECUTIVE DIRECTOR 1290 AVENUE OF THE AMERICAS 7TH FL NEW YORK NY 10104
DEPARTMENT OF THE TREASURY - IRS	SANDRA FELIU, BANKRUPTCY SPECIALIST INTERNAL REVENUE SERVICE 290 BROADWAY NEW YORK NY 10007
ECOLAB PEST ELIM. DIV	ECOLAB PEST ELIMINATION TAMMY HICKEL, ADMIN SERVICE MANAGER 3535 S 31ST ST GRAND FORKS ND 58206
EMPIRE HEALTHCHOICE ASSURANCE, INC.	MORRISON COHEN LLP ATTN: ROBERT K. DAKIS, ESQ. 909 THIRD AVENUE NEW YORK NY 10022
FORREST GREEN	FORREST GREEN LANDSCAPING INC. JAMES FOREST TAMPKINS 538 MIRO CIRCLE NOKOMIS FL 34275-4032
HEALTH BUSINESS SOLUTIONS, LLC	HINSHAW & CULBERTSON LLP CONCEPCION MONTOYA, ATTORNEY 780 THIRD AVENUE, 4TH FLOOR NEW YORK NY 10017
OFFICE DEPOT	45 SHAKER LANE HYDE PARK NY 12538
P.N. FIRE & BURGLAR COMPANY	ATTN: STEVEN L KAUFMAN 31 NORTH STREET MONTICELLO NY 12701
SIGNATURE BANK	JOHN P. AMATO, ESQ. JOSHUA I. DIVACK, ESQ. HAHN & HESSEN LLP 488 MADISON AVENUE NEW YORK NY 10022
THOMPSON - MONEY PURCHASE	DAYTOP VILLAGE FOUN. INC. ERMA DEMERCADO, EXEC. ASST. 498 SCHENCK AVENUE BROOKLYN NY 11207
WB MASON CO INC	WB MASON CO INC 59 CENTRE ST BROCKTON MA 02303

Total Creditor count 15

Exhibit 15

Claim Name	Address Information
ATTORNEY GENERAL OF THE STATE OF NEW YORK	ATTN: ERIC T. SCHNEIDERMAN & ENID NAGLER STUART (COUNSEL TO DORMITORY AUTHORITY OF STATE OF NY) 120 BROADWAY - 24TH FLOOR NEW YORK NY 10271
BAKER & HOSTETLER LLP	ATTN: MARC HIRSCHFELD (COUNSEL FOR ERIC M. HUESBSCHER, THE PATIENT CARE OMBUDSMAN) 45 ROCKEFELLER PLAZA NEW YORK NY 10111
BAKER & HOSTETLER LLP	ATTN: MARC SKAPOF (COUNSEL FOR ERIC M. HUESBSCHER, THE PATIENT CARE OMBUDSMAN) 45 ROCKEFELLER PLAZA NEW YORK NY 10111
BAKER & HOSTETLER LLP	ATTN: GEORGE KLIDONAS, ESQ. (COUNSEL FOR ERIC M. HUESBSCHER, THE PATIENT CARE OMBUDSMAN) 45 ROCKEFELLER PLAZA NEW YORK NY 10111
BANK OF AMERICA MERRILL	BANK OF AMERICA N.A. JULIA M. RABKIN - VP/SR CLIENT MANAGER 100 FEDERAL STREET BOSTON MA 02110
BELKIN BURDEN WENIG & GOLDMAN, LLP	ATTN: JOSHUA G. LOSARDO, ESQ. 270 MADISON AVENUE NEW YORK NY 10016
BENDINER & SCHLESINGER, INC.	ATTN: PETER STEIN, EXECUTIVE VICE PRESIDENT (OFFICIAL COMMITTEE OF UNSECURED CREDITORS) 140 58TH STREET BROOKLYN NY 11220
BOND, SCHOENECK & KING, PLLC	ATTN: CAMILLE W. HILL, ESQ. (COUNSEL TO WILLIAM FLOYD UNION FREE SCHOOL DISTRICT) ONE LINCOLN CENTER, 18TH FLOOR SYRACUSE NY 13202
CHEM RX PHARMACY SERVICES, LLC	ATTN: MICHAEL S. SCHILDR, CREDIT MANAGER (OFFICIAL COMMITTEE OF UNSECURED CREDITORS) 750 PARK PLACE LONG BEACH NY 11561
CHESNEY & NICHOLAS, LLP	ATTN: CHERYLL L. CORIGLIANO, ESQ. (COUNSEL FOR CENTENNIAL ELEVATOR INDUSTRIES, INC.) 2305 GRAND AVENUE BALDWIN NY 11510
CHESNEY & NICHOLAS, LLP	ATTN: CHERYLL L. CORIGLIANO, ESQ. (COUNSEL FOR NOUVEAU ELEVATOR INDUSTRIES, INC.) 2305 GRAND AVENUE BALDWIN NY 11510
COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A.	ATTN: LEO V. LEYVA, ESQ. (COUNSEL FOR 104 WEST 40TH STREET PROPERTY INV I) 900 THIRD AVENUE, 16TH FLOOR NEW YORK NY 10022
COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A.	ATTN: JILL B. BIENSTOCK, ESQ. (COUNSEL FOR 104 WEST 40TH STREET PROPERTY INVS I) 900 THIRD AVENUE, 16TH FLOOR NEW YORK NY 10022
DORMITORY AUTHORITY OF THE STATE OF NEW YORK	515 BROADWAY ALBANY NY 12207-2964
EMPIRE BLUE CROSS BLUE SHIELD	ATTN: LOUIS L. BENZA, ESQ. (COUNSEL FOR EMPIRE HEALTHCHOICE ASSURANCE, INC. D/B/A EMPIRE BLUE CROSS BLUE SHIELD) ONE LIBERTY PLAZA, 14TH FL. NEW YORK NY 10006
FARRELL FRITZ, P.C.	ATTN: PATRICK COLLINS (COUNSEL FOR MED WORLD ACQUISITION CORP. AND SHORE PHARMACEUTICAL PROVIDERS, INC.) 1320 RXR PLAZA UNIONDALE NY 11556-1320
FIRST NATIONAL BANK OF JEFFERSONVILLE	4866 STATE ROUTE 52 P.O. BOX 398 JEFFERSONVILLE NY 12748
GROSS, SHUMAN, BRIZDLE & GILFILLAN, P.C.	ATTN: JOHN K. ROTTARIS, ESQ. (COUNSEL FOR BUFFALO HOSPITAL SUPPLY CO., INC.) 465 MAIN STREET, SUITE 600 BUFFALO NY 14203
HAHN & HESSEN LLP	ATTN: JOHN P AMATO, JOSHUA I. DIVACK & ROBERT J. MALATAK (COUNSEL FOR SIGNATURE BANK) 488 MADISON AVENUE NEW YORK NY 10022
HINSHAW & CULBERTSON LLP	ATTN: MICHAEL D. SEESE, ESQ. (COUNSEL FOR HEALTH BUSINESS SOLUTIONS, LLC) ONE EAST BROWARD BOULEVARD, SUITE 1010 FORT LAUDERDALE FL 33301
INTERNAL REVENUE SERVICE (IRS)	ATTN: INSOLVENCY SECTION P.O. BOX 7346 PHILADELPHIA PA 19101-7346
INTERNAL REVENUE SERVICE (IRS)	DEPARTMENT OF THE TREASURY ATTN: INSOLVENCY UNIT 1500 PENNSYLVANIA AVE NW WASHINGTON DC 20220
INTERNAL REVENUE SERVICE (IRS)	SERVICE CENTER KANSAS CITY MO 64999-0202
K.J.L. REALTY COMPANY	ATTN: PETER KULKA, VICE PRESIDENT (OFFICIAL COMMITTEE TO UNSECURED CREDITORS) 147-17 JAMAICA AVENUE JAMAICA NY 11435
KARPPELAW	ATTN: KAREL S. KARPE (COUNSEL FOR ACE AMERICAN INSURANCE COMPANY AND POSSIBLY OTHER MEMBERS OF THE ACE GROUP OF COS) 44 WALL STREET, 12TH FLOOR NEW YORK NY 10005
LOWENSTEIN SANDLER LLP	ATTN: NORMAN N. KINNEL, THOMAS A PITTA (COUNSEL TO THE DEBTORS) 1251 AVENUE OF THE AMERICAS, 18TH FLOOR NEW YORK NY 10020
MANUEL MOSES, ESQ.	(COUNSEL FOR TREVOR VAUGHN AND SHANTE VAUGHN) 236 WEST 26TH STREET, SUITE 303 NEW YORK NY 10001
MILLIN ASSOCIATES, INC.	ATTN: SHLOMO WEISS, CEO (OFFICIAL COMMITTEE OF UNSECURED CREDITORS) 521

Claim Name	Address Information
MILLIN ASSOCIATES, INC.	CHESTNUT STREET CEDARHURST NY 11516
MORGAN FUEL & HEATING CO.,INC D/B/A "BOTTINI FUEL"	ATTN: MARK J. BOTTINI, SECRETARY (OFFICIAL COMMITTEE OF UNSECURED CREDITORS) 2785 WEST MAIN STREET WAPPINGERS FALLS NY 12590
MORRISON COHEN LLP	ATTN: ROBERT K. DAKIS, ESQ. (COUNSEL FOR EMPIRE HEALTHCHOICE ASSURANCE, INC. D/B/A/ EMPIRE BLUE CROSS BLUE SHIELD) 909 THIRD AVENUE NEW YORK NY 10022
NEW YORK STATE OFFICE OF ALCOHOLISM AND	SUBSTANCE ABUSE SERVICES ATTN: SARA OSBORNE, ESQ. & MARK S. BOSS, ESQ. 1450 WESTERN AVENUE ALBANY NY 12203-3526
OFFICE OF ALCOHOLISM & SUBSTANCE ABUSE SERVICES	ATTN: RICHARD OLM, AUDIT MANAGER 1450 WESTERN AVENUE ALBANY NY 12203-3526
OFFICE OF THE UNITED STATES TRUSTEE	SOUTHERN DISTRICT OF NEW YORK ATTN: SUSAN GOLDEN, ESQ. 33 WHITEHALL STREET 21ST FLOOR NEW YORK NY 10004
OFFICE OF THE US TRUSTEE	TRACY HOPE DAVIS, ESQ. ELISABETTA G. GASPARINI, ESQ. ANDREA B. SCHWARTZ, ESQ. CADMAN PLAZA EAST STE 4529 BROOKLYN NY 11201
PACHULSKI STANGE ZIEHL & JONES LLP	ATTN: IILAN D. SCHARF, ESQ. (COUNSEL FOR MORGAN HEATING & FUEL CO., INC. D/B/A BOTTINI FUEL) 780 THIRD AVENUE, 36TH FLOOR NEW YORK NY 10017
PICK & ZABICKI LLP	ATTN: DOUGLAS J. PICK & ERIC C. ZABICKI, ESQS. (COUNSEL FOR WALTER & SAMUELS, INC.) 369 LEXINGTON AVENUE, 12TH FLOOR NEW YORK NY 10017
PLATZER, SWERGOLD, KARLIN, LEVIN, GOLDBERG &	JASLOW, LLP ATTN: SHERRI D. LYDELL & TERESA SADUTTO-CARLEY (COUNSEL FOR CANON FINANCIAL SERVICES, INC.) 1065 AVENUE OF THE AMERICAS, 18TH FLOOR NEW YORK NY 10018
PRYOR CASHMAN LLP	ATTN: SETH H. LIEBERMAN (COUNSEL TO BONAFIDE ESTATES, INC.) 7 TIMES SQUARE NEW YORK NY 10036-6569
ROBINSON BROG LEINWAND GREENE GENOVESE & GLUCK	ATTN: ROBERT L. LEINWAND (COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS) 875 THIRD AVE., 9TH FLOOR NEW YORK NY 10022
SAUL EWING LLP	ATTN: JEFFREY C. HAMPTON (COUNSEL FOR US FOODS, INC.) CENTRE SQUARE WEST 1500 MARKET STREET, 38TH FLOOR PHILADELPHIA PA 19102
SAUL EWING LLP	ATTN: MELISSA W. RAND, ESQ. (COUNSEL FOR US FOODS, INC.) CENTRE SQUARE WEST 1500 MARKET STREET, 38TH FLOOR PHILADELPHIA PA 19102
SECURITIES & EXCHANGE COMMISSION (SEC)	ATTN: ANDREW N VOLLMER, ACTING GENERAL COUNSEL 100 F STREET NE WASHINGTON DC 20549
TARTER KRINSKY & DROGIN LLP	ATTN: SCOTT S. MARKOWITZ, ESQ. (COUNSEL TO 104 WEST 40TH ST PROP INVESTORS I,LLC) 1350 BROADWAY, 11TH FLOOR NEW YORK NY 10018
UNITED STATES ATTORNEY FOR THE	SOUTHERN DISTRICT OF NEW YORK ATTN: TAX & BANKRUPTCY UNIT 86 CHAMBERS STREET, THIRD FLOOR NEW YORK NY 10007
UNITED STATES ATTORNEY GENERAL	UNITED STATES DEPARTMENT OF JUSTICE ATTN: ERIC H HOLDER JR. ATTORNEY GENERAL 950 PENNSYLVANIA AVE NW WASHINGTON DC 20530
UNITED STATES ATTORNEY'S OFFICE	ATTN: CLAIMS UNIT - ROOM 417 ONE ST ANDREWS PLAZA NEW YORK NY 10007
WILSON, ELSEY, MOSKOWITZ, EDELMAN & DICKER LLP	ATTN: DAVID L. TILLEM, ESQ. (COUNSEL FOR HUDSON VALLEY BANK) 3 GANNETT DRIVE WEST HARRISON NY 10604-3407
WILSON, ELSEY, MOSKOWITZ, EDELMAN & DICKER LLP	ATTN: MARK G. LEDWIN, ESQ. (COUNSEL FOR HUDSON VALLEY BANK) 3 GANNETT DRIVE WHITE PLAINS NY 10604-3407
WOLLMUTH MAHER & DEUTSCH LLP	ATTN: PAUL R. DEFILIPPO, ESQ. (COUNSEL TO THE DIP LENDER) 500 FIFTH AVENUE NEW YORK NY 10110

Total Creditor count 49

Exhibit 16

Claim Name	Address Information
104 W. 40TH STREET PROPERTY INVESTORS	ATTN: JOHN FITZSIMMONS REAL ESTATE MANAGER 104 WEST 40TH STREET NEW YORK NY 10018
54 WEST 40TH REALTY LLC	C/O PAUL WEISS RIFKEN ATTN: ALLEN WIEDER, ESQ. 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019-6064
A & M UNIVERSAL TELEPHONES SYSTEMS	P.O. BOX 98 MOUNTAINDALE NY 12763
ACE AMERICAN INSURANCE CO.	SUSAN WARHURST INTERNATIONAL ADVANTAGE 1 BEAVER VALLEY ROAD WILMINGTON DE 19803
ADP SCREENING & SELECTION SERVICES, INC.	36307 TREASURY CENTER CHICAGO IL 60694
ADP, INC.	ATTN: ANGELA GUERRA P.O. BOX 9001006 LOUISVILLE KY 40290-1006
ADP, INC.	ATTN: ANGELICA GUERRA, SR., ACCT SPECIALIST 1851 NORTH RESLER DRIVE EL PASO TX 79912
ADVANTAGE BUILDING SERVICE LLC	3025 W 1200 SOUTH P.O. BOX 307 BUNKER HILL IN 46914
AFI FOODSERVICE	MITNICK & MALZBERG, PC P.O. BOX 429 FRENCHTOWN NJ 08825
AFLAC	TAMIKA OXFORD REMITTANCE PROCESSING SERVICES 1932 WYNNTON ROAD COLUMBUS GA 31999
AJS STANDARD	75 ROCKYLN AVENUE LYNBROOK NY 11563
AK MEDICAL SERVICES INC	P.O BOX 199 LINCOLNDALE NY 10540
ALL FINISH FLOOR SANDING	94 HILLTOP ROAD RHINEBECK NY 12572
ALL POSTERS.COM, INC	FILE # 30957 SAN FRANCISCO CA 94160
AMBUSH ALARM & ELECTRONICS	2307 CONEY ISLAND AVENUE BROOKLYN NY 11223
AMERICAN EXPRESS	3787-509926-01009 P.O. BOX 360001 FT LAUDERDALE FL 33336
AMINOV, DANIL	102-35 62ND DRIVE FOREST HILLS NY 11375
AROOSE, ADAM	C/O J. DAVID LOVE, ESQ. 28 WEST 48TH STREET SUITE 711 NEW YORK NY 10036
ATLAS-ACON ELECTRIC SERVICE	CORPORATION 280 HUDSON STREET NEW YORK NY 10013
AUSTIN, SCOTT	C/O LAW OFFICES OF GERALD P. GROSS, P.C. 366 PEARSALL AVENUE, SUITE 5 CEDARHURST NY 11516
B&H PHOTO, INC	420 NINTH AVENUE NEW YORK NY 10001
BANK OF AMERICA MERRILL LYNCH	BANK OF AMERICA N.A. ATTN: JULIA RABKIN, V.PRES/SR.CLIENT MGR 100 FEDERAL STREET BOSTON MA 02110
BELL, DOUGLAS	C/O MAINETTI MAINETTI&O'CONNOR 130 N. FRONT STREET P.O. BOX 3058 KINGSTON NY 12402
BELL, DOUGLAS	MAINETTI, MAINETTI & O'CONNOR, PC 130 NORTH FRONT ST. KINGSTON NY 12401
BENDINER & SCHLESINGER, INC.	BROOKLYN ARMY TERMINAL BUILDING B, UNIT 8D 140 58TH STREET BROOKLYN NY 11220
BONAFIDE ESTATES, INC.	630 FIFTH AVENUE, SUITE 3165 NEW YORK NY 10111
BONAFIDE ESTATES, INC.	ATTN: ALLEN LOCKER 630 FIFTH AVENUE SUITE 3165 NEW YORK NY 10111
BORG, LISA	504 EAST 63RD STREET APT. 13P NEW YORK NY 10021
BOSCH, MICHAEL	1 BROWN DRIVE TINTON FALLS NJ 07724
BOTTINI FUEL	ATTN: MARK BOTTINI OR ROSA MCSWEGAN 2785 MAIN STREET P.O. BOX 1640 WAPPINGERS FALLS NY 12590-1576
BOTTINI FUEL	ATTN: ROSA MCSWEGAN 2785 WEST MAIN STREET WAPPINGERS FALL NY 12590
BOTTINI FUEL	ATTN: ROSA MCSWEGAN PO BOX 1640 WAPPINGERS FALL NY 12590
BRANDES, LOUIS	101 GEDNEY STREET APT. 4T NYACK NY 10960
BRANDL'S TOWING	ATTN: ROBERT 18 COMMERCE STREET POUGHKEEPSIE NY 12603
BRIGGS PAVING, INC.	211 VAN WAGNER RD POUGHKEEPSIE NY 12603
BROADWAY PREMIUM FUNDING	P.O. BOX 66468 CHICAGO IL 60666-0468
BROADWAY PREMIUM FUNDING	C/O FIRST INSURANCE FUNDING CORP. 450 SKOKIE BLVD, SUITE 1000 NORTHBROOK IL 60062
BROADWAY PREMIUM FUNDING CORP.	ATTN: SUSAN WARHURST, SR. ACCT. EXECUTIVE 135 CROSSWAYS PARK DRIVE WOODBURY NY 11797
BROVOT, LORETTA	C/O NEAL BRICKMAN 317 MADISON AVE 21ST FLOOR NEW YORK NY 10017

Claim Name	Address Information
BRYANT PARK RESTORATION CORP.	60 E 42ND ST STE 700 NEW YORK NY 10165-0702
BSN SPORTS	P.O. BOX 7726 DALLAS TX 75209
BUNCH & SONS CONSTRUCTION LLC	P.O.BOX 554 ACCORD NY 12404
BUNT M.D., GREGORY C.	104 W. 40TH STREET FOURTH FLOOR NEW YORK NY 10018
BURKE SUPPLY CO. INC.	ATTN: KATHY AMTHOR 59 HOOK ROAD BAYONNE NJ 07002
BURKE SUPPLY SYSTEMS	ATTN: KATHY AMTHOR FRIED, SR. ACCT. MANAGER 59 HOOK ROAD BAYONNE NJ 07002
C & J JEWELRY CO.	100 DUPONT DRIVE PROVIDENCE RI 02907-3104
CABBAGESTALK, YVONNE	C/O CHINYERE OKORONKWO 40 EAST 94TH STREET NEW YORK NY 10128
CABBAGESTALK, YVONNE	C/O CHINYERE OKORONKWO, ESQ. LAW OFFICE OF CHINYERE OKORONKWO 40 E. 94TH ST. NEW YORK NY 10128
CALCULATED FIRE PROTECTION CO., INC.	2510 ROUTE 44 SUITE 2 SALT POINT NY 12578
CARR, JEFFREY	133 HERITAGE HILLS UNIT B SOMERS NY 10589
CASALE, GEORGE N.	PO BOX 832 GOSHEN NY 10924-0832
CENTRAL PARKING SYSTEM	9-19 WEST 35TH STREET NEW YORK NY 10018
CENTRAL HARDWARE & ELECTRIC CORPORATION	55 WEST 39TH STREET NEW YORK NY 10018
CENTURY LINK	F/K/A QUEST 20 E. THOMAS RD. 16TH FLOOR PHOENIX AZ 85012
CENTURY LINK	F/K/A QUEST PO BOX 52187 PHOENIX AZ 85072
CHEM RX	ATTN: JODY SILVA FALK, VICE PRESIDENT 750 PARK PLACE LONG BEACH NY 11561
CLOVE VALLEY LAWN & LANDSCAPE	163 HIGHVIEW ROAD DOVER PLAINS NY 12522
COFFEE DISTRIBUTION CORP	200 BROADWAY P.O. BOX 766 GARDEN CITY PARK NY 11040-0604
CON EDISON	ATTN: ANTHONY SAGER JAF BUILDING P.O. BOX 1701 NEW YORK NY 10016-1701
CON EDISON	JAF BUILDING PO BOX 1701 NEW YORK NY 10116-1701
CORLEY, JOANNE	1407-78 ST APT C1 BROOKLYN NY 11228
COVELLO, JAMIE K.	140 W. 86TH STREET APT 7A NEW YORK NY 10024
CREATIVE CONCEPTS	280 DAVENPORT AVE NEW ROCHELLE NY 10805
CRUICKSHANK, CINDY	315 8TH AVENUE NEW YORK NY 10001-4878
CUTI, JAY	4 CHERRY LANE HUNTINGTON NY 11743
D & R LAWN & LANDSCAPE	5914 STATE ROUTE 55 LIBERTY NY 12754
D'ADDATO, MAURO	5 BLYDENBURGH CT NORTHPORT NY 11768
DAILEY, MICHAEL C.	CHIEF EXECUTIVE OFFICE 104 W. 40TH STREET FOURTH FLOOR NEW YORK NY 10018
DANIL AMINOV	C/O ELLIOT IFRAIMOFF & ASSOCIATES, P.C. ATTN: ELLIOT N. IFRAIMOFF, ESQ. 118-35 QUEENS BLVD., SUITE 1250 FOREST HILLS NY 11375
DAYTOP PREPARATORY SCHOOL.	ATTN: NANCY SANTIAGO 104 WEST 40TH STREET NEW YORK NY 10018
DAYTOP VILLAGE INC. RETIREMENT	PLAN 104 WEST 40TH STREET, 4TH FLOO NEW YORK NY 10018
DAYTOP VILLAGE, INC. PENSION PLAN	ATTN: NICK VERTUCCI 104 W. 40TH STREET, 4TH FLOOR NEW YORK NY 10018
DEL TUFO, ROBERT J.	3 OBER ROAD PRINCETON NJ 08540
DELGIORNO, JON R.	10 BAY STREET LANDING SUITE A8A STATEN ISLAND NY 10301
DELLOSSO, JOHN	441 ALBANY CT WEST NEW YORK NJ 07093
DEPARTMENT OF THE TREASURY	INTERNAL REVENUE SERVICE CENTER OGDEN UT 84201
DOOZER SOFTWARE, INC.	ATTN: TODD WILLIS TWO CHASE CORPORATE DRIVE SUITE 105 BIRMINGHAM AL 35244
DUN & BRADSTREET, INC	SUITE 1617 CHICAGO IL 60675
DUTCHESS METAL SUPPLY CORP	26 HATFIELD LANE POUGHKEEPSIE NY 12603-6241
DUTCHESS OVERHEAD DOORS INC	40 ARLINGTON AVENUE POUGHKEEPSIE NY 12603
DUTCHESS COUNTY	COMMISSIONER OF FINANCE 22 MARKET STREET POUGHKEEPSIE NY 12601
DUTCHESS DOOR AND HARDWARE INC	4 COMMERCE STREET EXTENSION POUGHKEEPSIE NY 12603
EDWARD SHINDNES	C/O VLASAC & SHMARUK ATTN: BORIS SHMARUK, ESQ. 467 MIDDLESEX AVENUE METUCHEN NJ 08840
ELDON, ETHAN C.	3 MARGO LANE HUNTINGTON NY 11743
ELKA MPS	67-73 COUNTY HIGHWAY 108 MIDDLETOWN NY 10940
EMPIRE BLUE CROSS/BLUE SHIELD	JENNIFER A. HORAN 1 LIBERTY PLAZA NEW YORK NY 10006

Claim Name	Address Information
ERTS PLUMBING	21 JORDON AVENUE LIBERTY NY 12754
EVERDAY APPAREL & AWARDS INC.	366 BROADWAY MONTICELLO NY 12701
EXECU-SEARCH GROUP, INC.	ATTN: GLENN BERNSTEIN, PRESIDENT 675 THIRD AVENUE 5TH FLOOR NEW YORK NY 10017-5731
EXECUTIVE RISK SPECIALTY	C/O CHUBB GROUP OF INSURANCE COMPANIES ATTN: UNDERWRITING 82 HOPMEADOW STREET SIMSBURY CT 06070-7683
FALLSBURG	19 RAILROAD PLAZA SOUTH FALLSBURG NY 12779
FALLSBURG	PO BOX 2005 SOUTH FALLSBURG NY 12779
FAM CONSULTING INC.	1195 ST MARKS AVE BROOKLYN NY 11213-2433
FED EX	P.O. BOX 1140 MEMPHIS TN 38101-1140
FED EX	PO BOX 371461 PITTSBURGH PA 15250-7461
FEDERAL PUMP CORP	1144 UTICA AVENUE BROOKLYN NY 11203-5392
FEDERAL PROGRAM CONSULTING, INC.	421 CANAL ST STE 201 NEW SMYRNA FL 32168-7059
FINN, DAVID	11 BAY STREET LANDING A1C STATEN ISLAND NY 10302
FIRE PROOF DOOR CO., INC	131 THIRD STREET BROOKLYN NY 11231
FIRST NATIONAL BANK OF JEFFERSONVILLE	4866 STATE ROUTE 52 P.O. BOX 398 JEFFERSONVILLE NY 12748
FIRST UNUM LIFE INSURANCE COMPANY	PREMIUMS P O BOX 406927 ATLANTA GA 30384-6927
FLAGHOUSE, INC.	ATTN: FRANK RUGGIERO 601 FLAGHOUSE DRIVE HASBROUCK HEIGHTS NJ 07604
FLEET COMPUTING	P.O. BOX 1600 ALAMOGORDO NM 88311
FLEET METAL PRODUCTS	105-04 101ST AVENUE OZONE PARK NY 11416
FORCINITO, JOSEPH C.	174 MAYFAIR AVE FLORAL PARK NY 11001
FRONTIER	P.O. BOX 20550 ROCHESTER NY 14602-0550
FRONTIER COMMUNICATIONS	180 S. CLINTON AVE./FRONTIER CTR ROCHESTER NY 14646
FRONTIER COMMUNICATIONS	PO BOX 830030 BALTIMORE MD 21283
FUGAZY & ROONEY LLP	ATTN: KRISTIN BIANCAMANO & AMANDA FUGAZY 126 GLENN STREET GLEN COVE NY 11542
FULTON WELL DRILLING & WATER PUMPS	456 OLD TAYLOR ROAD JEFFERSONVILLE NY 12748
FURNITURE CONSULTANTS, INC.	2 CHANGBRIDGE ROAD MONTVILLE NJ 07045
GARCIA, JOSE ANTONIO LEAL	230 DOUGHTY BLVD INWOOD NY 11096
GREEN KEY RESOURCES LLC	ATTN: MERYL SCHOEN 475 PARK AVENUE SOUTH 7TH FLOOR NEW YORK NY 10016
GREENBURG TRAURIG, LLC	ATTN: KRISTEN J. LONERGAN, ESQ. METLIFE BUILDING 200 PARK AVENUE NEW YORK NY 10166
GREENBURGH RECEIVER OF TAXES	GENERAL POST OFFICE NEW YORK NY 10087-0564
GRIFFIN, COOGAN, BLOSE & SULZER, P.C.	51 PONDFIELD ROAD BRONXVILLE NY 10708
GRIMALDI, JOHN P.	25 TUDOR CITY PLACE SUITE 511 NEW YORK NY 10017
GUSMAN, MIKAIL	79 TAMARACK ROAD P.O. BOX 340 GREENFIELD PARK NY 12435
HACH COMPANY	2207 COLLECTIONS CENTER DRIVE CHICAGO IL 60693
HAHN & HESSEN LLP	JOHN AMATO, JOSHUA DIVACK, ROBERT MALATAK (COUNSEL FOR SIGNATURE BANK) 488 MADISON AVENUE NEW YORK NY 10022
HARCOURT ACHIEVE (STECK VAUGHN)	P.O. BOX 7247-0354 PHILADELPHIA PA 19170-0354
HART REPRO	242 WEST 36TH STREET NEW YORK NY 10018
HAZLEWOOD D.D.S., ARTHUR I.	467 CROWN STREET BROOKLYN NY 11225
HEALTH FIRST CORP	22316 70TH AVE. W. UNIT A MOUNTLAKE TERRACE WA 98043-2184
HENDERSON, MICHAEL	111-42 198TH ST SAINT ALBANS NY 11412
HERRICK, FEINSTEIN LLP	2 PARK AVENUE NEW YORK NY 10016
HOBART SALES & SERVICE	3 NEW ROAD NEWBURGH NY 12550
HOBSON WINDOW, INC.	P.O. BOX 68 RHINEBECK NY 12572
HUDSON VALLEY ASSOCIATES INDUS. SUPPLY	1830 SOUTH ROAD - UNIT 24 WAPPINGERS FALLS NY 12590
HUDSON VALLEY BANK	C/O WILSON ELSEY LLP 3 GANNETT DRIVE WHITE PLAINS NY 10604-3407
HUDSON VALLEY BANK	C/O WILSON ELSEY LLP 3 GANNETT DRIVE WHITE PLAINS NY 10604
HUDSON VALLEY BANK	ATTN: LYNN BAGLIEBTER SENIOR VICE PRESIDENT 21 SCARSDALE ROAD YONKERS NY 10707

Claim Name	Address Information
I. COHEN	60 OCEANA DRIVE WEST BROOKLYN NY 11235
IBM (INTERNATIONAL BUSINESS MACHINES)	P.O. BOX 643600 PITTSBURGH PA 15264-3600
IKON OFFICE SOLUTIONS	855 WINDING BROOK DRIVE GLASTONBURY CT 06033
INDIAN LAKE HOMEOWNERS ASSOCIATION	P.O. BOX 242 FERNDALE NY 12734
INDIAN LAKE WATER	120 N. MAIN ST LIBERTY NY 12754
INSTN-DENTAL	232 HILL ROAD GOSHEN NY 10940
ISENBERGER, NANCY L.	25 TUDOR CITY PLACE, APT. 1005 NEW YORK NY 10017
ITW FOOD EQUIPMENT, GROUP LLC	11-02 35TH AVENUE LONG ISLAND CITY NY 11106
IVCI LLC	601 OLD WILLETS PATH HAUPPAUGE NY 11788
J&J AUTOMOTIVE INC.	6787 ROUTE 9 RHINEBECK, NY 12572
J.S. ANAGNOS EXCAVATING CONTRACTOR	4 ALBIE ROAD RED HOOK NY 12571
JACOBS ELECTRIC CORP.	5 WITS END SPRING VALLEY NY 10977
KENNETH C BOVO	ARCHITECT 53RD A CRAGSMOOR NY 12420
KERRY O'CONNOR, KERRY	C/O JACOB D. FUCHSBERG 500 FIFTH AVENUE 45TH FLOOR NEW YORK NY 10110
KJBL ELECTRONICS, INC	PO BOX 99 ROSCOE NY 12776-0099
KJL	PO BOX 350062 JAMAICA NY 11435
KLAFTER OLSEN & LESSER LLP	ATTN: FRAN RUDICH 2 INTERNATIONAL DRIVE SUITE 350 RYE BROOK NY 10573
KNICKERBOCKER PARTITION CORP	193 HANSE AVE FREEPORT NY 11520
LEXINGTON INSURANCE COMPANY	SUSAN WARHURST 100 SUMMER STREET BOSTON MA 02110
LEXISNEXIS MATTHEW BENDER	1275 BROADWAY ALBANY NY 12204
LIBERTY COLLISION CENTER	188 LAKE STREET LIBERTY NY 12754
LIBERTY HOME GARDEN & PET INC	2 ONTARIO STREET LIBERTY NY 12754
LIBERTY IRON WORKS	12 ASTHALTER ROAD LIBERTY NY 12754-2616
LIBERTY LUMBER CO., INC	129 MILL STREET LIBERTY NY 12754
LICHTMAN, DR. ROBERT	PANELIST-TRAVELREIM. 114 EAST GRAND STREET MOUNT VERNON NY 10552
LIQUIDITY SOLUTIONS, INC.	TRANSFEROR: DUTCHESS DODGE INC ONE UNIVERSITY PLAZA SUITE 312 HACKENSACK NJ 07601
LONG ISLAND POWER AUTHORITY	333 EARLE OVINGTON BOULEVARD, SUITE 403 ACCT NO. 0613-501-06/FRC/006-28-3480-3 UNIONDALE NY 11553
LONG ISLAND POWER AUTHORITY	333 EARLE OVINGTON BOULEVARD SUITE 403 UNIONDALE NY 11553
LONG ISLAND POWER AUTHORITY	PO BOX 888 HICKSVILLE NY 11802-0888
LONG, MICHAEL R.	537 76TH STREET BROOKLYN NY 11209
LORNAN LITHO INC	130 RT 31 N PENNINGTON NJ 08534
LOWES COMPANIES	P.O. BOX 281791 ATLANTA GA 30384-1791
LRP PUBLICATIONS	DEPT.170 747 DRESHER ROAD HORSHAM PA 19044-0980
LUHRS ACE HOME CENTER	475 RT6 AND 209 MILFORD PA 18337
LUKOFF, ARTHUR	11 LAKE DRIVE ELLENVILLE NY 12428
LUZON OIL COMPANY	P.O. BOX 1070 WOODRIDGE NY 12789
LV CONSTRUCTION SERVICES	21-54 45TH AVENUE LONG ISLAND CITY NY 11101
M & A HEALTHCARE BUSINESS CONSULTANTS	345 EAST 93 STREET NEW YORK NY 10128
M & M AUTOMOTIVE CENTER, INC.	131 MILL STREET LIBERTY NY 12754
M & S DISTRIBUTING CO	P.O. BOX 32571 BALTIMORE MD 21282-2571
MAC'S FARM & GARDEN	68 FIREHOUSE LANE RED HOOK NY 12571
MACRO CONSULTANT LLC	1040 AVE OF AMERICAS, 9TH FL NEW YORK NY 10018
MAGE ELECTRICAL CONTRACTORS	41-11 28TH STREET LONG ISLAND CITY NY 11101
MAGIC TOUCH CLEANING & MAINTENANCE	6068 METROPOLITAN AVENUE RIDGEWOOD NY 11385
MAHL COMMUNICATIONS, INC.	P.O. BOX 98 MOUNTAINDALE NY 12763
MAJESTIC AUTO INC.	7311 SOUTH BROADWAY RED HOOK NY 12571
MALDONADO, ADOLPHO	C/O BERNSTEIN & BERNSTEIN, LLP 19 W 44TH STREET SUITE 1500 NEW YORK NY 10036

Claim Name	Address Information
MALONE, NADINE	12 TIMBER RIDGE DRIVE OYSTER BAY NY 11771
MARKERTEK VIDEO SUPPLY	812 KINGS HIGHWAY PO 397 SAUGERTIES NY 12477
MATTHIES SERVICES	35 MATTHIES WAY RHINEBECK NY 12572
MCGOEY, HAUSER & EDSALL CONSULTING	ENGINEERS P.C. 111 WHEATFIELD DRIVE MILFORD PA 18337
MCGOEY, HAUSER & EDSALL CONSULTING	ENGINEERS P.C. 33 AIRPORT CENTER DRIVE, SUITE 202 NEW WINDSOR NY 12553
MCGRAW COMMUNICATIONS	521 FIFTH AVENUE, 14TH FLOOR NEW YORK NY 10175
MCMORROUGH, LAURA	C/O STEVEN P. FLAUMENHAFT 93 MAIN STREET SUITE 2-A WEST SAYVILLE NY 11796
MENSCH MILL & LUMBER CORP	35-20 COLLEGE POINT BLVD FLUSHING NY 11354
MERRICK, ETAN	65 EAST 96TH STREET, APT 14A NEW YORK NY 10128
METLIFE DENTAL	ALEXANDRA A. ROZGA AND LORE SOLANO METROPOLITAN LIFE INSURANCE CO. P.O. BOX 360229 PITTSBURGH PA 15250-6002
METROPOLITAN LUMBER AND HARDWARE	617 11TH AVENUE NEW YORK NY 10036
METROPOLITAN MOTIVATIONAL INTERVIEWING	38 KIM LANE HACKETTSTOWN NJ 07840
METTEL	55 WATER STREET, 31ST FLOOR NEW YORK NY 10041
MEYER CONTRACTING CORP	12 CHARLES ST. PLEASANT VALLEY NY 12569
MICHAEL A. DALBO, LAND SURVEYOR, P.C.	10 CRUM ELBOW ROAD HYDE PARK NY 12538
MID - HUDSON FIRE PROTECTION INC	PO BOX 776 BEACON NY 12508-0776
MILLIN ASSOCIATES, INC.	ATTN: SOL WEISS, CEO 521 CHESTNUT STREET CEDARHURST NY 11516
MJF ARCHITECTURE PC	50 SAWMILL RD UNIT 14330 DANSBURY CT 06810-5206
MJR ELEVATOR CONSULTING GROUP LLC	127 UNION AVE MIDDLESEX NJ 08846
MOHAMMAD, AUREA ROMAN	C/O SIMON EISENBERG & BAUM,LLP 24 UNION SQUARE EAST SUITE 5TH FLOOR NEW YORK NY 10003
MOHAWK FINISHING PRODUCTS	P.O BOX 22000 HICKORY NC 28603-0220
MONSTER ,INC.	PO BOX 34649 NEWARK NJ 07189-4649
MOORE FIRE EXTINGUISHER	P.O. BOX 1511 NEW YORK NY 12084
MOORE WALLACE - AN RR DONNELLEY CO./UAL	P.O. BOX 13663 NEWARK NJ 07188-0663
MOPAC	P.O. BOX 64652 SOUDERTON PA 18964-0652
MORGAN LINEN SERVICE	33 NORTH STREET SAUGERTIES NY 12477
MORIGGIA INC.	150 SOUTH MAIN STREET LIBERTY NY 12754
MOUNTAIN AIR REFRIGERATION	52 MITTEER RD HURLEYVILLE NY 12747-5429
N.G. SLATER CORP.	ATTN: RICK LEIPZIG 42 WEST 38TH STREET NEW YORK NY 10018
NATIONAL GRID	ONE METROTECH CENTER BROOKLYN NY 11201
NATIONAL SAFETY COUNCIL	200 SALINA MEADOWS PKWY SYRACUSE, NY 13212
NEW ENGLAND WHOLESALE HARDWOODS	PO BOX 534 PINE PLAINS NY 12567
NEW YORK LAW JOURNAL	P.O. BOX 18183 NEWARK NJ 07191-8183
NEW YORK BURGLAR & FIRE ALARM ASS.	234 HUDSON AVE PMB#9401 ALBANY NY 12210
NEW YORK DEPARTMENT OF HEALTH	ATTN: KIMILEE SALISBURY EMPIRE STATE PLAZA; CORNING TOWER RM 1717 ALBANY NY 12237-0016
NEW YORK RURAL WATER ASSOC.	BOX 487 CLAVERACK NY 12513
NEW YORK STATE DEPT. OF	TAXATION AND FINANCE BUILDING 9 - ROOM 449 W.A. HARRIMAN CAMPUS ALBANY NY 12227
NEW YORK STATE DEPT. OF LABOR	UNEMPLOYMENT INSURANCE DIV. P.O. BOX 4301 BINGHAMTON NY 13902
NEW YORK STATE DEPT. OF LABOR	ATTN: EVAN J. SEYBOTH, UI ACCTS EXAMINER BUILDING 12 W.A. HARRIMAN CAMPUS ALBANY NY 12240
NEW YORK STATE THRUWAY AUTHORITY	VIOLATION PROCESSING CENTER STATEN ISLAND NY 10314-9003
NISSAN MOTOR ACCEPTANCE CORP	6716 GRADE LN STE 910 LOUISVILLE KY 40213-3439
NORRIS, HARRIET M.	355 EAST 72ND STREET NEW YORK NY 10022
NORTHEAST FINE WOODS &FLOOR COVERING	7 WEST MARKET STREET RED HOOK NY 12571
NORTHEAST GLASS TINTING, LLC	10 GARDEN STREET RED HOOK NY 12571
NORTHEASTPETROLEUM TECHNOLOGIES	2940 CURRY ROAD SCHENECTADY NY 12303

Claim Name	Address Information
NORTHERN DUTCHESS HARDWOODS	7 WEST MARKET STREET RED HOOK NY 12571
NY LABOR LAW POSTER SERVICE	911 CENTRAL AVE ALBANY NY 12206
NYS OFFICE OF TEMPORARY AND	DISABILITY ASSISTANCE 40 NORTH PEARL STREET ALBANY NY 12243
NYS WORKERS' COMPENSATION	PAUL GRUBER 199 CHURCH STREET NEW YORK NY 10007
NYSEG	18 LINK DR. BINGHAMTON NY 13904
NYSEG	PO BOX 11745 NEWARK NJ 07101-4745
O'CONNOR, KERRY N	C/O JACOB D. FUCHSBERG 500 FIFTH AVENUE 45TH FLOOR NEW YORK NY 10110
OCEAN GARDENS NURSING FACILITY	64-11 BEACH CHANNEL DRIVE ARVERNE NY 11692
OFFICE OF ALCOHOLISM &	SUBSTANCE ABUSE SERVICES ATTN: RICHARD OLM, AUDIT MANAGER 1450 WESTERN AVENUE ALBANY NY 12203-3526
OHANESIAN LCSW ACSQ CASAC, SUSAN	8200A BULLS FERRY ROAD APT. 3 NORTH BERGEN NJ 07047
ONE SOURCE SUPPLIES	11 MILTON STREET BROOKLYN NY 11222
ORANGE AND ROCKLAND	390 W. ROUTE 59 SPRING VALLEY NY 10977
P . J . GALLAGHER	404 EAST CHESTER STREET KINGSTON NY 12401
P.J. KENEDY & SONS	PO BOX 404192 ATLANTA GA 30384-4192
PAETEC	600 WILLOWBROOK PARK FAIRPORT NY 14450
PAPER DIRECT INC	P.O. BOX 2933 COLORADO SPRINGS CO 80901-2933
PAPER PRESENTATION	23 WEST 18TH STREET NEW YORK NY 10011
PAR (PSYCHOLOGICAL ASSESSMENT RESOURCES)	16204 N. FLORIDA AVE LUTZ FL 33549
PARADISE MATTRESS CO.	1209 DEKALB AVENUE BROOKLYN NY 11221
PARTY TIME	DIV. OF ACADEMY CHAIR RENTING CO., INC. 82-33 QUEENS BOULEVARD ELMHURST NY 11373
PARTY TIME/ACADEMY CHAIR RENTING CO., INC	ATTN: BLANCHE 82-33 QUEENS BOULEVARD ELMHURST NY 11373
PELHAM PLUMBING & HEATING CORP	2253 LIGHT ST BRONX NY 10406
PELIGRO SPORTS	2200 AMSTERDAM AVE NEW YORK NY 10032
PERFECTION LEARNING CORP	1000 NORTH SECOND AVENUE LOGAN IA 51546
PERFORMANCE/AFI FOODSERVICE	DISTRIBUTION ATTN: JOHN MCEVOY 1 IKEA DRIVE ELIZABETH NJ 07207
PERFORMANCE/AFI FOODSERVICE DISTRIBUTORS	ONE IKEA DIRVE CN 6070 ELIZABETH NJ 07207
PHILADELPHIA SECURITY PRODUCTS INC.	5 POULSON AVE ESSINGTON PA 19029
PHYSICIAN'S DESK REFERENCE	P.O. BOX 10689 DES MOINES IA 50336-0690
PHYSICIANS' RECIPROCAL INSURER	ATTN: DR JAMES HARRIS 1800 NORTHERN BOULEVARD ROSLYN NY 11576
PINE PLAINS TRACTOR & EQUIPMENT INC.	P.O. BOX 344 PINES PLAINS NY 12567
PINE RIDGE CONSTRUCTION	P.O. BOX 1072 HOPEWELL JUNCTION NY 12533
PITTA, VINCENT F.	124 OVERLOOK TERRACE STATEN ISLAND NY 10305
PNM ELEVATOR CORP	36-07 193RD STREET (3RD FLR) FLUSHING NY 11358
POCKETEC	21947 PLUMMER STREET CHATSWORTH CA 91311
POLY TEMP CLIMATE CONTROL	21 N. PEARL STREET PORT CHESTER NY 10573
POUGHKEEPSIE PLUMBING	P.O. BOX 8000 (DEPT 211) BUFFALO NY 14267
PRACTICING LAW INSTITUTE	810 SEVENTH AVE NEW YORK NY 10019
PRECAST CONCRETE SALES CO.	123 RTE 303 PO BOX 516 VALLEY COTTAGE NY 10989
PRECISION ENGRAVING	10 PRINCE STREET MONTICELLO NY 12701
PRECISION PAVING & CONTRACTING INC	33 TENNYSON DRIVE NANUET NY 10954
PREFERRED PRODUCE & FOOD SERVICE INC	PO BOX 3626 SCRANTON PA 18505
PREMIUM FINANCING SPECIALISTS CORP	24722 NETWORK PLACE CHICAGO IL 60673-2472
PROFESSIONAL BOILER MAINTENANCE, INC	5023 23RD ST LONG IS CITY NY 11101-4501
PROGRESSIVE TECHNOLOGIES	P. O. BOX 643600 PITTSBURGH PA 15264-3600
PROGRESSIVE AUTO BODY	3471 ROUTE 55 WHITE LAKE NY 12786
PROGRESSIVE TECHNOLOGY GROUP INC	160 LONG BEACH ROAD ISLAND PARK NY 11558

Claim Name	Address Information
PROMOS LLC	513 W. MT. PLEASANT AVE., ST. 208 LIVINGSTON NJ 07039
PSS PUMP SERVICE & SUPPLY OF TROY, INC	3 MONROE STREET TROY NY 12180-5334
PUMP SERVICE AND SUPPLY OF TROY, INC	3 MONROE STREET TROY NY 12180-5334
Q.U.E.S.T. INC.	1376 ROUTE 9 WAPPINGERS FALLS NY 12590
QUAD GRAPHICS	P.O. BOX 98668 CHICAGO IL 60693
QUALITY CONSORTIUM OF S.C.	C/O ELAINE ECONOMOPOULOS SMITHTOWN NY 11787
QUALITY FOAM, INC.	137 GARDNER AVE. BROOKLYN NY 11237
QUANTUM PRINTING CO.	460 W. 34TH.ST 2ND FL. NEW YORK NY 10001
QWEST BUSINESS SERVICE	PO BOX 856169 LOUISVILLE KY 40285-6169
R & M EQUIPMENT CO.	PO BOX 937 ROYERSFORD PA 19468
RABB, RUTH	480 PARK AVENUE, APT 4G NEW YORK NY 10022
RADIOLOGY PROFESSIONAL SERVICES	AT ST. VINCENTS NEW YORK NY 10087
RAY'S AUTO REPAIR	105 EAST ANN STREET MILFORD PA 18337
RAY'S ELECTRONIC SERVICE	27 ROUTE 52 EAST LIBERTY NY 12754
RAYS ENTERPRISES	P.O. BOX 252 NANUET NY 10954
REARDON BRIGGS CO., INC.	LAWN & GARDEN SHOP PO BOX A MILLBROOK NY 12545
REARDON BRIGGS CO., INC.	HARDWARE STORE PO BOX A MILLBROOK NY 12545
REGENTS RESEARCH FUND	NYS EDUCATION DEPT. ALBANY NY 12234
REGIONAL HELP WANTED.COM, INC.	PO BOX 674054 DETROIT MI 48267-4054
RELIABLE COMMERCIAL KITCHEN	232 BEGLEY ROAD #2 WINDHAM NY 12496
RIVERDALE AUTO BODY	310 WEST 240TH STREET BRONX NY 10463
RJL SYSTEMS	33955 HARPER AVE CLINTON TWP MI 48035
ROBERT HALF TECHNOLOGY	12400 COLLECTION CENTER DRIVE CHICAGO IL 60693
ROCCO & SON IRON WORKS INC	3453 DELAVALL AVE BRONX NY 10475
ROHRS, CHARLES	P.O BOX 83 PETERSBURGH NY 12138
ROMA HOOD & KITCHEN CLEANING, LLC	PO BOX 1097 MONTICELLO NY 12701
ROSS ELECTRIC	431 TWIN BRIDGE ROAD FERNDALE NY 12734
ROSS-RICHTER CO. LLC	89 SADDLE HILL RD STAMFORD CT 06903
ROTONDOS EXCAVATING & PAVING CORP	141 FAIRWEATHER RD SWAN LAKE NY 12783
RSUI INDEMNITY CO.	SUSAN WARHURST 945 EAST PLACES SUITE 1800 ATLANTA GA 30326
RUGE'S CHRYSLER DODGE JEEP	6882 ROUTE 9 RHINEBECK NY 12572
S & J SHEET METAL SUPPLY, INC.	526 EAST 1345TH. STREET BRONX NY 10454
S&S VACUUM & APPLIANCE INC.	420 VIOLET AVE POUGHKEEPSIE NY 12601-1042
SAFELITE GLASS CORP.	P.O. BOX 633197 CINCINNATI OH 45263-3197
SAFETY WORKS INC	180 EAST PROSPECT AVENUE MAMARONECK NY 10543
SALIK CONSTRUCTION CO.	2239 BENSON AVE BROOKLYN NY 11214
SCHIMPF'S FARMS	13 PARROT RD W. NYACK NY 10994
SECUR-ALL	JEFF BALDWIN ONE DUPONT STREET SUITE 209 PLAINVIEW NY 11503
SECURITY SUPPLY - KINGSTON	1074 MORTON BLVD KINGSTON NY 12401
SECURITY LINK (AMERI-TECH)	P.O. BOX 9001076 LOUISVILLE KY 40290-1076
SECURITY SUPPLY CORP.	196 MAPLE AVENUE SELKIRK NY 12158
SEIDMAN, STEVEN F.	420 EAST 54TH STREET APT. 10 NEW YORK NY 10022
SEVEN TRENT WATER PURIFICATION	P.O. BOX 7777-W2090 PHILADELPHIA PA 19175-2090
SHARON PRODUCTS	612 HUNGRY HARBOR ROAD NORTH WOODMERE NY 11581
SHEPARD BROS INC.	20 EASTERN BOULEVARD CANANDAIGUA NY 14424
SHERWIN WILLIAMS CO.	619 WEST 46TH STREET NEW YORK NY 10036
SHESHUNOFF INFORMATIONS SERVICES	P.O. BOX 671407 DALLAS TX 75267-1407
SID HARVEY INDUSTRY	605 LOCUST STREET GARDEN CITY NY 11530
SIGMA AUTO SERVICE, INC.	169 3RD AVE BROOKLYN NY 11217

Claim Name	Address Information
SIGNATURE BANK	THOMAS KASULKA SALVATORE TRIFILETTI 565 FIFTH AVENUE, 12TH FLOOR NEW YORK NY 10017
SIGNATURE BANK	ATTN: THOMAS H. KASULKA GROUP DIRECTOR - SENIOR VICE PRESIDENT 565 FIFTH AVENUE NEW YORK NY 10017
SIMPLEXGRINNELL DIV 202	4 COMMERCE DR S # 3 HARRIMAN NY 10926-3101
SIWANOWY COUNTRY CLUB	PONDFIELD ROAD BRONXVILLE NY 10708-0745
SOUND CITY	58 WEST 45TH STREET NEW YORK NY 10036
SPACESMITH	ATTN: MICHEL FRANCK 315 HUDSON STREET NEW YORK NY 10013
SPINNENWEBER SUPPLY CO.	190 BROADWAY PORT EWEN NY 12466-0567
SPORT SUPPLY GROUP, INC.	P.O. BOX 660176 DALLAS TX 75266-0176
SPRINT	P.O. BOX 4181 CAROL STREAM IL 60197-4181
SQUARE DEAL GLASS SHOP	114-12 101ST AVENUE RICHMOND HILL NY 11419
SRI FIRE SPRINKLER	181 N ROAD BUILDING 3 HIGHLAND NY 12528
STANDARD GLASS OF POUGHKEEPSIE	1916 NEW HACKENSACK RD POUGHKEEPSIE NY 12603
STAR GAS	35 FULTON STREET POUGHKEEPSIE NY 12601
STARGATE TECHNOLOGY	LEARNING CENTERS INC BRONX NY 10544
STATE OF CALIFORNIA	FRANCHISE TAX BOARD P.O. BOX 942857 SACRAMENTO CA 94257-0511
STATE OF NEW YORK, DEPARTMENT OF LABOR	UNEMPLOYMENT INSURANCE DIVISION GOV. W. AVERELL HARRIMAN STATE OFFICE BUILDING 12, ROOM 256 ALBANY NY 12240
STECK- VAUGHN (HARCOURT INC)	P.O. BOX 0841 CAROL STREAM IL 60132-0841
STEELE PEST CONTROL	P.O. BOX 238 BLOOMINGTON NY 12411
STERLING OFFICE PRODUCTS, INC.	21-21 41ST AVENUE LONG ISLAND CITY NY 11101
STERLING SUPPLY	1351 WESTWOOD BLVD#124 LOS ANGELES CA 90024
STEVE'S MUSIC CENTER	PO BOX 760 ROCK HILL NY 12775-0760
STITCH AUTHORITY	5684 MERRICK ROAD MASSAPEQUA NY 11758
STONE DESIGN WORKS	300 LAKE SHORE DRIVE BREWSTER NY 10509
STONELEDGE SCAFFOLDING CORP.	1749 GRAND CONCOURSE BRONX NY 10453
STS TIRE & AUTO CENTER	1122 SOMERSET STREET NEW BRUNSWICK NJ 08901
STUART DEAN CO.	P.O. BOX 10369 NEWARK NJ 07193-0369
SULLIVAN CONCRETE INC	420 BERNAS ROAD COCHECTON NY 12726
SUPERIOR LANDSCAPING & DESIGN	4385 ARTHUR KILL ROAD STATEN ISLAND NY 10309
SYSCO ALBANY, LLC	ATTN: RAY SCHIFFER, CEO & MARY ROGERS, VICE PRES. ONE LIEBICH LANE HALFMOON NY 12605
SYSTEM MANAGEMENT GROUP	3601 HEMPSTEAD TURNPIKE, STE 309 LEVITTOWN NY 11756
TAINTOR, NICOLAS	245 NORTH EIGHTH STREET BROOKLYN NY 12211
TARA SWEENEY	C/O JACOBS & BARBONE ATTN: ARTHUR J. MURRAY, ESQ. 1125 PACIFIC AVENUE ATLANTIC CITY NJ 08401
TAYLOR'S BACKFLOW TESTING	425 DIVINE CORNERS LOCH SHELDRAKE NY 12759
TAYLOR, JAMES	667 EAST 187TH STREET APT. 1 BRONX NY 10458
TBR EXCAVATING	P.O. BOX 340 FERNDAL NY 12734
TEXAS HEALTH AND HUMAN SERVICES COMM.	KEVIN RAYMOND PO BOX 13247 AUSTIN TX 78711-3247
THE CREEK	ONE HORSE HOLLOW ROAD LOCUST VALLEY NY 11560
THE DISH DOCTOR	1765 ROUTE 199 STANFORDVILLE NY 12581
THE LEAHY COMPANY INC.	53 SOUTH MOGER AVENUE MOUNT KISCO NY 10549-2211
THE MILNES CO.	12 FREAR HILL RD TUNKHANNOCK PA 18657
THERAPEUTIC COMMUNITIES OF	AMERICA ATTN: PAT BEAUCHMEN 1601 CONNECTICUT AVENUE WASHINGTON DC 20009
THOMPSON PENSION EMPLOYEE PLANS, INC.	420 LEXINGTON AVENUE NEW YORK NY 10170
TIGER DIRECT, INC	C/O SYX SERVICES MIAMI FL 33144
TOBIN, MICHAEL J.	26 SANDY POINT DRIVE BRICK NJ 08732
TOWN OF RHINEBECK	MILDRED R. HASKINS, TAX COLLECTOR 80 EAST MARKET STREET RHINEBECK NY 12572

Claim Name	Address Information
TOWN OF RHINEBECK	TAX COLLETOR 80 E. MARKET ST. RHINEBECK NY 12572
TRIBORO MAINTENANCE CORPORATION	955 E. 163RD STREET BRONX NY 10459
TRIUMPH AUTO GLASS	351 BROADWAY MONTICELLO NY 12701
TUN, HAL	61-14 229TH STREET OAKLAND GARDENS NY 11364
TVR COMMUNICATIONS	55-02 BROADWAY WOODSIDE NY 11377
U.S. FOODSERVICE, INC.	ATTN; STEVEN DONNELLY, DIVISION PRESIDENT 9399 WEST HIGGINS ROAD,SUITE 500 DES PLAINES IL 60018
UNITED ELECTRIC POWER	P.O. BOX 190 HICKSVILLE NY 11802-0190
UNITED RENTALS (NORTH AMERICA), INC	PO BOX 19633A NEWARK NJ 07195
UNITED STAFFING SYSTEMS	130 WILLIAM ST FL 6 NEW YORK NY 10038-5068
UNITED STEEL PRODUCTS, INC.	33-40 127TH PLACE FLUSHING NY 11368
UNITEX TEXTILE RENTAL	155 S. TERRACE AVE MT. VERNON NY 10550
UNIVERSAL UNIFORMS	366 E. BROADWAY MONTICELLO NY 12701
UNIVERSAL CONSTRUCTION OF DK INC.	61 CHESHIRE RD. BETHPAGE NY 11714
UNIVERSAL WHOLESALE DISTRIBUTOR	490 HADDON AVENUE COLLINGSWOOD NJ 08108
UNUM	LESLIE GERMAINE P.O. BOX 406927 ATLANTA GA 30384-6927
VALLEY SEAMLESS GUTTERS	18 SCHOOLHOUSE ROAD STAATSBURG NY 12580
VALLEY STREAM CHEVROLET	709 W MERRICK ROAD VALLEY STREAM NY 11580
VALLEY VETERINARY HOSPITAL	42 NORTH AVE PLEASANT VALLEY NY 12569
VAN KLEECK'S TIRE	PO BOX 617 LAKE KATRINE NY 12449-0617
VANDERMEER-WYNKOOP, ELIZABETH	175 ADAMS STREET 17G BROOKLYN HEIGHTS NY 11201
VERIZON ADVANCE DATA	P.O. BOX 1100 ALBANY NY 12250-0001
VERIZON WIRELESS	540 BROAD ST. NEWARK NJ 07102
VERTUCCI, NICK	104 W. 40TH STREET FOURTH FLOOR NEW YORK NY 10018
VILLAGE OF LIBERTY	1567 NORTH MAIN STREET LIBERTY NY 12754
VILLAGE OF LIBERTY WATER WORKS	GREHER LAW OFFICES, P.C. 1161 LITTLE BRITAIN ROAD, SUITE B NEW WINDSOR NY 12553
VILLAGE OFFICE SUPPLY	258 DR. MARTIN LUTHER KING DR. NORWALK CT 06854
VIRCO INC	P. O. BOX 200854 DALLAS TX 75320-0854
VOUGHN, TREVOR & SHANTE	C/O MANUEL MOSES 236 WEST 26TH STREET SUITE 303 NEW YORK NY 10001
WALTER & SAMUELS, INC.	ATTN: ELAINE APONTE 500 EIGHT AVENUE BUFFALO NY 14267
WASTE MANAGEMENT OF KINGSTON	264 OLD FLATBUSH ROAD KINGSTON NY 12401
WB MASON CO INC	PO BOX 55840 BOSTON MA 02205-5840
WEBSense INC	P.O. BOX 200143 PITTSBURGH PA 15251-0143
WECHSLER POOL & SUPPLY	ATT: DAWN STEVENS MONTICELLO NY 12701
WEEKS LERMAN GROUP	58-38 PAGE PLACE MASPETH NY 11378
WELLS FARGO FINANCIAL LEASING	P.O. BOX 6434 CAROL STREAM IL 60197
WEST SEA PUBLISHING	149 D ALLEN BLVD FARMINGDALE NY 11735
WESTCHESTER WINDOW WORK, INC	11 VIRGINIA RD WHITE PLAINS NY 10603
WESTSIDE WINDOWS	697 MCDONALD AVE BROOKLYN NY 11218
WHOLESALE KNOWLEDGE	1320 ROUTR 9 CHAMPLAIN NY 12919
WILLIAMS FENCE CO.	426 BROADWAY ULSTER PARK NY 12487-5102
WILLIAMS PRINTING	806 PENNSYLVANIA AVE MATA,ORAS PA 18336
WILSON, ELSE, MOSKOWITZ, EDELMAN DICKER	ATTN: DAVID L. TILLEM, ESQ. (COUNSEL FOR HUDSON VALLEY BANK) 3 GANNETT DRIVE WEST HARRISON NY 10604-3407
WILTECH SYSTEMS	ATTN: KENNY 149 NEW HYDE PARK ROAD FRANKLIN SQUARE NY 11010
YVONNE CABBAGESTALK	C/O CHINYERE OKORONKWO 40 EAST 94TH STREET NEW YORK NY 10128
ZAYTOO CARWASH CORP	D/B/A NY CAR WASH BROOKLYN NY 11217
ZENITH SERVICE STATION	P.O. 247 FERNDAL NY 42734-024
ZONES	1102 15TH ST. SW SUITE 102 AUBURN WA 98001

Claim Name**Address Information**

Total Creditor count 411
