IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE	§	**Chapter 11**
ABC DENTISTRY, P.A., *et al.*,[1]	§	**Case No. 16-34221**
DEBTORS.	§	**Jointly Administered**

NOTICE OF FILING OF REDLINES OF SECOND AMENDED PLAN AND SECOND AMENDED DISCLOSURE STATEMENT AND SETTING OF DISCLOSURE STATEMENT HEARING DATE AND OBJECTION DEADLINE

PLEASE TAKE NOTICE that on June 25, 2017, ABC Dentistry, P.A. and its affiliated debtors, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the "Debtors") filed the *First Amended Joint Chapter 11 Plan of Reorganization of Debtors ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C. and ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A. and Iraj S. Jabbary, DDS* [Dkt. No. 245] (the "Amended Plan") and the *First Amended Disclosure Statement Under 11 U.S.C. § 1125 and Bankruptcy Rule 3016 in Support of Joint Chapter 11 Plan of Reorganization of Debtors ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C. and ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A. and Iraj S. Jabbary, DDS* [Dkt. No. 246] (the "Amended Disclosure Statement").

PLEASE TAKE FURTHER NOTICE that, contemporaneously herewith, the Debtors have filed the *Second Amended Joint Chapter 11 Plan of Reorganization of Debtors ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C. and ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A. and Iraj S. Jabbary, DDS* [Dkt. No. 312] (as may be amended, modified, or supplemented, the "Amended Plan") and the *Second Amended Disclosure Statement Under 11 U.S.C. § 1125 and Bankruptcy Rule 3016 in Support of Joint Chapter 11 Plan of Reorganization of Debtors ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C. and ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A. and Iraj S. Jabbary, DDS* [Dkt. No. 311] (as may be amended, modified, or supplemented, the "Second Amended Disclosure Statement").

PLEASE TAKE FURTHER NOTICE that attached hereto as Exhibit A is a redline reflecting the changes between the Amended Plan and the Second Amended Plan and that attached hereto as Exhibit B is a redline reflecting the changes between the Amended Disclosure Statement and the Second Amended Disclosure Statement.

[1] The Debtors in these chapter 11 cases are: ABC Dentistry, P.A.; ABC Dentistry Old Spanish Trail, P.L.L.C.; and ABC Dentistry West Orem, P.L.L.C.

PLEASE TAKE FURTHER NOTICE that a hearing has been set for November 7, 2017, at 1:30 p.m. (Central Time) before the Honorable Marvin Isgur, United States Bankruptcy Judge, Courtroom 404, 515 Rusk Street, Houston, Texas (the "Bankruptcy Court") to consider approval of the proposed Second Amended Disclosure Statement (such hearing, the "Disclosure Statement Hearing").

PLEASE TAKE FURTHER NOTICE that copies of the Second Amended Disclosure Statement, with Second Amended Plan for the Debtors attached as an exhibit, may be obtained without charge (a) at the website maintained by the Debtors' noticing agent, at http://www.bmcgroup.com/restructuring/clients.aspx or (b) by contacting BMC Group, Inc. at: BMC Group, Inc., 3732 West 120th Street, Hawthorne, California 90250, Attn: ABC Dentistry. You may also call (888) 909-0100. In addition, all documents filed in these cases may also be viewed (a) during regular business hours (9:00 a.m. to 5:00 p.m. Central Time weekdays, except legal holidays) at the U.S. Bankruptcy Court for the Southern District of Texas, 515 Rusk Street, Houston, Texas and (b) electronically on the PACER system at https://ecf.txsb.uscourts.gov.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Disclosure Statement must (a) be in writing; (b) conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court; (c) set forth the name of the objector and the nature and amount of any claims or interests held or asserted by the objector against the Debtors' estates; and (d) state the specific grounds for the objection. The objection must be filed with the Clerk of the Bankruptcy Court (at the address above) together with proof of service thereof, and served upon Counsel to the Debtors: Omar J. Alaniz, Baker Botts L.L.P., 2001 Ross Avenue, Suite 700, Dallas, Texas 75201 or by email at omar.alaniz@bakerbotts.com; and (b) all other parties requesting notice via U.S. Mail so as to be actually received on or before Friday, November 3, 2017 at 4:00 p.m. (Central Time). UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE, SUCH OBJECTION MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

PLEASE TAKE FURTHER NOTICE that the time fixed for the Disclosure Statement Hearing may be rescheduled, as determined by the Bankruptcy Court. Notice of the rescheduled date or dates, if any, will only be provided by an announcement at the Disclosure Statement Hearing, or any adjourned Disclosure Statement Hearing.

Date: October 6, 2017

Respectfully submitted,

BAKER BOTTS L.L.P.

/s/ Chad L. Barton

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COUNSEL TO DEBTORS-IN-POSSESSION

CERTIFICATE OF SERVICE

I certify that on October 6, 2017, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ *Chad L. Barton*
One of Counsel

Exhibit A

Redline to Amended Plan

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	
ABC DENTISTRY, P.A., *et al.*,[1]	§	**CHAPTER 11**
DEBTORS.	§	**CASE NO. 16-34221 Jointly Administered**
	§ §	

~~**IN RE:**~~ ~~**ABC DENTISTRY, P.A., *et al.*,**~~[1] ~~**DEBTORS.**~~	~~§ § § § § §~~	~~**CHAPTER 11**~~ ~~**CASE NO. 16-34221 Jointly Administered**~~

~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ABC DENTISTRY, P.A., ABC DENTISTRY WEST OREM, P.L.L.C., ABC DENTISTRY OLD SPANISH TRAIL, P.L.L.C., ABC DENTISTRY HILLCROFT, P.L.L.C., ABC DENTISTRY PASADENA, P.A., AND IRAJ S. JABBARY, DDS

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ATTORNEYS FOR DEBTORS

[1] **The Debtors in these chapter 11 cases are: ABC Dentistry, P.A.; ABC Dentistry West Orem, P.L.L.C.; and ABC Dentistry Old Spanish Trail, P.L.L.C.**

~~[1] The Debtors in these chapter 11 cases are: ABC Dentistry, P.A.; ABC Dentistry West Orem, P.L.L.C.; and ABC Dentistry Old Spanish Trail, P.L.L.C.~~

TABLE OF CONTENTS

ARTICLE I. DEFINITIONS 1

1.1 **Definitions** 1

1.2 **Interpretation** ~~9~~10

1.3 **Application of Definitions and Rules of Construction Contained in the Bankruptcy Code** ~~9~~10

1.4 **Other Terms** ~~9~~10

ARTICLE II. ADMINISTRATIVE AND PRIORITY CLAIMS ~~9~~11

2.1 **Administrative Claims Bar Date** ~~9~~11

2.2 **Payment of General Administrative Claims** ~~10~~11

2.3 **Payment of Priority Tax Claims** ~~10~~11

2.4 **Payment of United States Trustee Fees** ~~10~~12

2.5 **Payment to Professionals** ~~10~~12

ARTICLE III. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS ~~11~~12

3.1 **Deemed Substantive Consolidation and Use of Sub-classification** ~~11~~12

3.2 **Class 1. Other Priority Claims** ~~12~~13

3.3 **Class 2. Secured Tax Claims** ~~12~~13

3.4 **Class 3. First Bank Secured Claim** ~~13~~14

3.5 **Class 4. General Unsecured Claims** ~~13~~14

3.6 **Class 5. Convenience Claims** ~~13~~15

3.7 **Class 6. Rohi ~~Litigation~~Personal Claims** ~~14~~15

3.8 **Class 7. Rohi Qui Tam Claims** 15

3.9 **Class 8. State of Texas OIG Claims** 16

3.10 **Class 9. Interests** ~~14~~16

3.11 ~~3.9~~**Confirmation Pursuant to Sections 1129(a) and 1129(b) of the Bankruptcy Code**

14 16

ARTICLE IV. VOTING OF CLAIMS AND INTERESTS 15 16

ARTICLE V. MEANS FOR EXECUTION OF PLAN 15 17
5.1 **Vesting of Property of the Estates in Reorganized Debtors** 15 17
5.2 **Rohi Settlement** 15 17
5.3 **Continuation of Business Operations** 15 17
5.4 **Dissolution of ABC Density, P.A** 15 18
5.5 **Source of Funds for Payments Under the Plan** 15 18
5.6 **Directors and Officers of Reorganized Debtor** 15 18
5.7 **Agreements, Instruments and Documents** 16 18
5.8 **Further Authorization** 16 18

ARTICLE VI. PLAN DISBURSEMENTS 16 18
6.1 **Disbursing Agent** 16 18
6.2 **Exclusive Rights and Duties of the Disbursing Agent** 16 18
6.3 **Powers of the Disbursing Agent** 16 19
6.4 **Presumption of Disbursing Agent's Authority** 17 19
6.5 **Limitation on Disbursing Agent's Liability** 17 19
6.6 **Delivery of Distributions** 18 20
6.7 **Time Bar for Cash Payments** 18 20
6.8 **Unclaimed Property** 18 20
6.9 **Minimum Payment** 18 21
6.10 **Fractional Dollars** 18 21
6.11 **Distribution Dates** 18 21
6.12 **Orders Respecting Claims Distribution** 19 21

ARTICLE VII. CLAIMS ALLOWANCE 19 21
7.1 **Allowance of Claims under the Plan** 19 21
7.2 **Objection Deadline** 19 21
7.3 **Prosecution of Objections** 19 21

ARTICLE VIII. EXECUTORY CONTRACTS AND LEASES 19 22
8.1 **Assumption of Certain Executory Contracts** 19 22
8.2 **Rejection Damages Bar Date** 20 22

ARTICLE IX. MODIFICATION OR REVOCATION OF THE PLAN 20 22
9.1 **Plan Modifications** 20 22
9.2 **Certain Technical Amendments** 20 22
9.3 **Revocation of Plan** 20

ARTICLE X. CONDITIONS PRECEDENT 21 23
10.1 **Conditions to Confirmation** 21 23
10.2 **Waiver and Nonfulfillment of Conditions to Confirmation** 21 23
10.3 **Confirmation Order Provisions for Pre-Effective Date Actions** 21 23
10.4 **Conditions to the Effective Date** 21 23

ARTICLE XI. JURISDICTION OF THE BANKRUPTCY COURT 21 24
11.1 **Retention of Jurisdiction** 21 24
11.2 **Failure of the Bankruptcy Court to Exercise Jurisdiction** 23 26

ARTICLE XII. EFFECT OF CONFIRMATION 23 26
12.1 **Binding Effect** 23 26
12.2 **Satisfaction of Claims and Interests** 24 26
12.3 **Vesting of Property** 24 26
12.4 **Discharge** 24 26
12.5 **Exculpation** 25 27
12.6 **Injunction** 25 27
12.7 **Preservation of Setoff Rights** 26 28
12.8 **Releases by the Debtors** 26 28
12.9 **Releases of the ABC Defendants by the State of Texas** 29
12.10 ~~12.9~~**Lawsuits** 26 29
12.11 ~~12.10~~**Insurance** 27 29
12.12 ~~12.11~~**U.S. Trustee Fees** 27 29
12.13 ~~12.12~~**Term of Stays** 27 29

ARTICLE XIII. MISCELLANEOUS PROVISIONS 27 29
13.1 **Corporate Authority** 27 29
13.2 **Documentation** 27 30
13.3 **Integration Clause** 27 30
13.4 **Primacy of the Plan and Confirmation Order** 28 30
13.5 **Severability** 28 30
13.6 **No Admission** 28 30
13.7 **Bankruptcy Restrictions** 28 30
13.8 **Governing Law** 28 31
13.9 **Closing of Case** 28 31
13.10 **Successors and Assigns** 28 31
13.11 **Notices** 28 31
13.12 **Validity and Enforceability** 29 31
13.13 **Plan Supplement** 29 31
13.14 **Post-Effective Date Service** 29 32

JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ABC DENTISTRY, P.A., ABC DENTISTRY WEST OREM, P.L.L.C., ABC DENTISTRY OLD SPANISH TRAIL, P.L.L.C., ABC DENTISTRY HILLCROFT, P.L.L.C., ABC DENTISTRY PASADENA, P.A., AND IRAJ S. JABBARY, DDS

In accordance with 11 U.S.C. §§ 1121 and 1106, ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C., ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A., and Iraj S. Jabbary, DDS file this ~~first~~second amended joint plan of reorganization (the "Plan") as follows:

ARTICLE I.

DEFINITIONS

1.1 **Definitions**. For purposes of this Plan, the following terms and definitions shall have the following meanings unless the context clearly indicates otherwise:

1.1.1 "ABCD" shall mean ABC Dentistry, P.A.

1.1.2 "ABC Defendants" shall mean the Debtors, Jabbary, and the Non-Debtor Affiliates.

1.1.3 "Administrative Claim" shall mean any Claim that is defined in ~~Section~~section 503(b) of the Bankruptcy Code as being an "administrative expense" within the meaning of such section.

1.1.4 "Affiliate" has the meaning set forth in section 101(2) of the Bankruptcy Code.

1.1.5 "Allowed Claim" shall mean a Claim (a) in respect of which a proof of claim or application has been filed with the Court within the applicable period of limitations fixed by Bankruptcy Rule 3001 or, by order of this Court, or (b) scheduled in the list of creditors prepared and filed with the Bankruptcy Court pursuant to Bankruptcy Rule 1007(b) and not listed as disputed, contingent or liquidated as to amount, in either case as to which no objection to the allowance thereof has been interposed within any applicable period of limitations fixed by Bankruptcy Rule 3001 or an order of the Bankruptcy Court, or as to which any such objection has been determined by an order or judgment, which includes an order estimating such claim under 11 U.S.C. § 502(c), which is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending.

1.1.6 "Allowed Interest" shall mean the 100% Interests held by Jabbary in each of the Debtors.

1.1.7 "Avoidance Actions" shall mean those causes of action provided for under ~~Sections~~sections 547 through 551 of the Bankruptcy Code, causes of action under applicable non-bankruptcy law for voidable transfers or similar legal theories, such as the Uniform Fraudulent Transfer Act or Uniform Fraudulent Conveyance Act, as enacted.

"Ballot" means the ballots accompanying the Disclosure Statement upon which certain Holders of Impaired Claims entitled to vote shall, among other things, indicate their acceptance or rejection of the Plan in accordance with the Plan and the procedures governing the solicitation process, and which must be actually received on or before the Voting Deadline.

1.1.8 "Bankruptcy Code" shall mean title 11 of the United States Code, as amended from time to time.

1.1.9 "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Southern District of Texas, Houston Division, in which the Debtors' Chapter 11 Cases are pending, and any Court having competent jurisdiction and authorities to issue final orders related to the Chapter 11 Cases or hear appeals or certiorari proceedings therefrom.

1.1.10 "Bankruptcy Estate" shall mean the estate of a Debtor created under section 541 of the Bankruptcy Code.

1.1.11 "Bankruptcy-Related Action" means any act taken or omitted to be taken in connection with, or arising from or relating in any way to, the Chapter 11 Cases, including but not limited to, (a) the management and operation of the Debtors' businesses and the discharge of their duties under the Bankruptcy Code during the pendency of these Chapter 11 Cases; (b) implementation of any of the transactions provided for, or contemplated in, this Plan or the Plan Supplement; (c) any action taken in the negotiation, formulation, development, proposal, solicitation, disclosure, Confirmation, or implementation of the Plan or Plan Supplement; (d) formulating, negotiating, preparing, disseminating, implementing, administering, confirming and/or effecting the Disclosure Statement and the Plan, any Plan Supplement, and any related contract, instrument, release or other agreement or document created or entered into in connection therewith (including the solicitation of votes for the Plan and other actions taken in furtherance of Confirmation and Consummation of the Plan); (e) the administration of this Plan or the assets and property to be distributed pursuant to this Plan; (f) any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the bankruptcy restructuring of the Debtors; and (g) the preparation and filing of the Chapter 11 Cases.

1.1.12 "Bankruptcy Rules" shall mean the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as amended from time to time, applicable to the Chapter 11 Cases, and any Local Rules of the Bankruptcy Court.

1.1.13 "Bar Date" shall mean the deadline established by the Bankruptcy Court by which applicable entities and governmental units must file proofs of claims and interests, including those deadlines set by the Bankruptcy Court at docket numbers 98, 177, and 191.

"Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (within the meaning of Bankruptcy Rule 9006(a)).

1.1.14 "Cash" shall mean legal tender of the United States of America and its

equivalents including, without limitation, checks and wire transfers.

1.1.15 "Cause of Action" means any action, claim, right, litigation, proceeding, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, recoupment, counterclaim, cross-claim, power, privilege, license and franchise of any kind or character whatsoever, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, whether scheduled in the Schedules or not scheduled in the Schedules, whether arising under the Bankruptcy Code or other applicable law, in contract or in tort, in law or in equity or pursuant to any other theory of law. Causes of Action also include: (a) any right of setoff, counterclaim or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or interests; (c) any claim pursuant to section 362 of the Bankruptcy Code;
(d) any Avoidance Action; (e) any claim or defense, including fraud, mistake, duress and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (f) any claim based on non-bankruptcy law, including but not limited to, any state law fraudulent transfer or creditors' rights claim; and (g) any claim of any Entity related to or arising under Chapter 36 of the Texas Human Resources Code, including, but not limited to, any right to assert any such claim as a "qui tam" plaintiff.

1.1.16 "Chapter 11 Cases" shall mean, with respect to a Debtor, such Debtor's case under chapter 11 of the Bankruptcy Code commenced on the Petition Date in the Bankruptcy Court, jointly administered with all other Debtors' cases under chapter 11 of the Bankruptcy Code, and styled *In re ABC Dentistry, P.A.*, case no. 16-34221.

1.1.17 "Claim" shall mean any "claim," as defined in section 101(5) of the Bankruptcy Code, including any right to payment, or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, against Debtor in existence on or before the ~~Filing~~Petition Date, whether or not such right to payment or right to equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, secured or unsecured.

1.1.18 "Class" shall mean any class into which Allowed Claims or Allowed Interests are classified pursuant to Article 3.

1.1.19 "Clerk" shall mean the Clerk of Court for the United States Bankruptcy Court for the Southern District of Texas.

1.1.20 "Compensation and Benefits Programs" means all contracts, plans, policies, agreements, programs and other arrangements (and all amendments and modifications thereto) for compensation or benefits, in each case in place as of the Effective Date, applicable to the Debtors' employees who served in such capacity at any time, including all savings plans, retirement plans, health care plans, travel benefits, vacation benefits, welfare benefits, disability plans, severance benefit plans, incentive or retention plans and life, accidental death and dismemberment insurance plans, that are not

rejected or terminated prior to the Effective Date; or (b) as of the Effective Date, the subject of a pending motion to reject or terminate.

1.1.21 "Confirmation" means the entry of the Confirmation Order on the docket of the Chapter 11 Cases.

1.1.22 "Confirmation Date" shall mean the date upon which the Confirmation Order is entered by the Clerk of the Bankruptcy Court.

1.1.23 "Confirmation Hearing" shall mean the hearing held by the Bankruptcy Court to consider confirmation of the Plan.

1.1.24 "Confirmation Objection Deadline" shall mean the date and time set by the Bankruptcy Court by which objections to confirmation of the Plan must be filed.

1.1.25 "Confirmation Order" shall mean the Final Order of the Bankruptcy Court determining that the Plan meets the requirements of Chapter 11 of the Bankruptcy Code.

1.1.26 "Consummation" means the occurrence of the Effective Date.

1.1.27 "Convenience Class Claim" shall mean an Allowed Claim, (a) the amount of which (prior to any subdivision or assignment thereof after the Petition Date) is not more than $5,000, or (b) the Holder of which irrevocably elected prior to the Confirmation Date to reduce the amount thereof to $5,000 and to have such Allowed Claim included in the Convenience Class by indicating such election on the form utilized for purposes of acceptance or rejection of the Plan.

1.1.28 "Creditor" shall mean the Holder of a "Claim."

1.1.29 "Debtors" shall mean, collectively, ABC Dentistry, P.A., ABC West Orem, P.L.L.C., and ABC Dentistry Old Spanish Trail, P.L.L.C., and each a "Debtor."

1.1.30 "DIP Claim" shall mean a claim arising from any borrowings of the Debtors pursuant to the Bankruptcy Court's order entered on December 15, 2017, docket number 140. The DIP Claim shall be treated as an "Intercompany Claim" under Class ~~5~~4 of this Plan.

1.1.31 "Disbursing Agent" shall mean ~~the applicable Reorganized Debtor or any party designated by any Reorganized Debtor to act as disbursing agent~~Jabbary or a designee of Jabbary that is employed by any of the Plan Proponents.

1.1.32 "Disclosure Statement" shall mean the written document filed by the Debtors in accordance with ~~Section~~section 1125(b) of the Bankruptcy Code containing information sufficient to enable a hypothetical reasonable investor typical of holders of Claims or Interests of the relevant Class to make an informed judgment about this Plan.

"Disputed Claim" shall mean that portion (including, where appropriate, the whole) of any Claim that (a) is listed in the Debtors' schedules of liabilities as disputed, contingent, or unliquidated; (b) is listed in the Debtors' schedules of liabilities and as to which a proof of claim has been filed with

the Bankruptcy Court, to the extent the proof of claim exceeds the scheduled amount; (c) is not listed in a Debtors' schedules of liabilities, but as to which a proof of claim has been filed with the Bankruptcy Court; or (d) as to which an objection to a proof of claim, or request for estimation of such claim, has been filed and has not become an Allowed Claim.

1.1.33 "Distribution" means a distribution of property pursuant to the Plan, to take place as provided for herein.

1.1.34 "Effective Date" shall mean the date upon which the ~~Debtor determines~~Plan Proponents determine in good faith that all conditions to the effectiveness of the Plan set forth in Section 10.4 have been satisfied or waived in accordance with the terms of the Plan and no stay of the Confirmation Order is in effect.

1.1.35 "Effective Date Notice" shall mean the notice that the Reorganized Debtors shall file as soon as practicable following the Effective Date noting the date of the Effective Date.

1.1.36 "Entity" has the meaning set forth in section 101(15) of the Bankruptcy Code.

1.1.37 "Estate" means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

1.1.38 "Exculpated Parties" means each of the following in its capacity as such: (a) the Debtors and the Reorganized Debtors and (b) the Debtors' Professionals.

1.1.39 "Executory Contract(s)" shall mean any pre-petition unexpired lease(s) or executory contract(s) of the Debtor within the meaning of ~~Section~~section 365 of the Bankruptcy Code.

1.1.40 "Final Order" shall mean an Order of the Bankruptcy Court which, not having been stayed, and the time to appeal from which, or to seek review or certiorari or rehearing, has expired and such Order has become conclusive upon all matters adjudicated thereby, and in full force and effect.

1.1.41 "First Bank" shall mean First Bank & Trust East Texas.

1.1.42 "First Bank Liens" means those certain liens on and security interests in certain assets of West Orem, including equipment, accounts, government payments, instruments and chattel paper, granted pursuant to the First Bank Loan Agreement and related loan documents to secure the First Bank Secured Claim.

1.1.43 "First Bank Loan Agreement" means that certain term loan agreement, dated May 27, 2014, between First Bank, as lender, and West Orem, as borrower.

"First Bank Secured Claim" shall mean First Bank's Claim under the First Bank Loan Agreement.

1.1.44 "General Administrative Claim" means an Administrative Claim other than a DIP Claim or a Professional Claim.

1.1.45 "General Unsecured Claim" shall mean a Claim other than an Administrative Claim or Priority Claim that (i) is not secured by a lien, security interest or other charge against or interest in property in which Debtor has an interest or which is not subject to setoff under section 553 of the Bankruptcy Code, (ii) is secured in one of the foregoing manners to the extent the amount of the Claim exceeds the value of the property securing the Claim, (iii) is not an Intercompany Claim; or (iv) is not a ~~Rohi Litigation~~Class 6, 7 or 8 Claim or any other Claim asserted by Rohi. For the avoidance in doubt, General Unsecured Claims shall include Intercompany Claims.

1.1.46 "Governmental Unit" shall have the meaning provided in section 101(27) of the Bankruptcy Code.

1.1.47 "Holder" shall mean the owner or holder of any Claim or Interest.

1.1.48 "Impaired" means, with respect to any Claim or Interest, a Claim or Interest that is in a Class that is "impaired" within the meaning of section 1124 of the Bankruptcy Code.

1.1.49 "Intercompany Claim" means any Claim held by a Debtor against another Debtor or an Affiliate of the Debtor or any Claim held by an Affiliate of a Debtor against a Debtor.

1.1.50 "Interest" shall mean an equity security (as defined in section 101(16) of the Bankruptcy Code) of a Debtor.

1.1.51 "Initial Distribution Date" means the Business Day that is as soon as practicable after the Effective Date when Distributions under the Plan shall commence.

1.1.52 "Initial Plan Payment" shall mean the funds that the Clerk shall be directed to release from the registry of the Bankruptcy Court. The Clerk shall release the funds placed in the registry of the Bankruptcy Court pursuant to the order appearing in docket number 133 as directed by the Bankruptcy Court pursuant to Section 5.2 of this Plan.

1.1.53 "Initial Quarterly Payment Due Date" shall mean the first day of the first full month that follows after 90 days after the Effective Date.

1.1.54 "Insider" shall have that meaning defined by 11 U.S.C. § 101(31).

1.1.55 "Jabbary" means Dr. Iraj S. Jabbary, D.D.S., individually and in his capacity as director of ABCD, sole member of OST and sole member of West Orem.

1.1.56 "Lien" means a lien as defined in section 101(37) of the Bankruptcy Code.

1.1.57 "Non-Debtor Affiliates" shall mean ABC Dentistry Pasadena, P.A. and ABC Dentistry Hillcroft, P.L.L.C.

"Notice Agent" means BMC Group, Inc.

1.1.58 "Ordinary Course General Administrative Claim" means a General Administrative Claim that is a monetary obligation for (a) goods or services incurred by the Debtors in the ordinary course of the Debtors' businesses or (b) Compensation and Benefits Programs.

1.1.59 "OST" shall mean ABC Dentistry Old Spanish Trail, P.L.L.C.

1.1.60 "Other Priority Claim" shall mean any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Claim or Priority Tax Claim.

1.1.61 "Paid In Full" means paid in Cash the Allowed amount of the Holder's Claim without any post-petition interest or any other fees or expenses, including attorneys' fees.

1.1.62 "Petition Date" shall mean August 26, 2016, the date of filing of petitions commencing the Debtors' Chapter 11 Cases.

1.1.63 "Plan" shall have the meaning set forth in the preamble.

1.1.64 "Plan Proponents" shall mean, collectively, ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C., ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A., and Iraj S. Jabbary, DDS, and each a "Plan Proponent."

1.1.65 "Plan Supplement" means the compilation of documents and forms of documents, schedules and exhibits to the Plan, to be filed by Debtors no later than ten (10) calendar days prior to the Voting Deadline, and available on the Notice Agent's website, http://www.bmcgroup.com/restructuring/geninfo.aspx?ClientID=398, and additional documents filed with the Bankruptcy Court prior to the Effective Date as amendments or supplements to the Plan Supplement.

1.1.66 "Priority Claim" shall mean any Claim that is defined in section 507(a)(2)-(8) of the Bankruptcy Code.

1.1.67 "Priority Tax Claim" shall mean means any Claim of a Governmental Unit of the kind specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code

1.1.68 "Professional" means an Entity: (a) employed pursuant to a Bankruptcy Court order in accordance with sections 327 of the Bankruptcy Code and to be compensated for services rendered prior to or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, 331 and 363 of the Bankruptcy Code or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

"Professional Claim" means an Administrative Claim for the compensation of a Professional and the reimbursement of expenses incurred by such Professional during the Chapter 11 Cases.

1.1.69 "Pro Rata" shall mean the proportion that the amount of such Claim bears to the aggregate amount of Claims in its respective Class.

1.1.70 "Quarterly Payment Due Date" means the first day of every three-month period that follows after the Initial Quarterly Payment Due Date. For the avoidance in doubt, if the Initial Quarterly Payment Due Date is ~~October~~December 1, 2017, the next Quarterly Payment Due Date is ~~January~~March 1, 2018 and the next Quarterly Payment Due Date is ~~April~~June 1, 2018 and so forth.

1.1.71 "Quarterly Payments" shall mean the payments that are required to be made to satisfy the ~~Rohi Litigation Claim that~~Class 6, 7, and 8 Claims. Such Quarterly Payments shall be amortized from the ~~Effective~~Initial Plan Payment Date through December 1, 2022. The Debtors' court-approved financial advisor shall calculate the amount of the Quarterly Payments following the ~~Confirmation Date based on the anticipated Effective Date~~Initial Payment Date. The Plan Proponents shall then tender to the Disbursing Agent the Quarterly Payments on the Initial Quarterly Payment Due Date and then subsequently on each Quarterly Payment Due Date until the Rohi Settlement Payment and the State of Texas OIG Settlement Payment, and any interest accrued thereon, are paid in full.

1.1.72 "Reorganized Debtor" shall mean a Debtor after the Effective Date.

1.1.73 "Rohi" shall mean Dr. Saeed Rohi individually and as ex rel State of Texas.

1.1.74 "Rohi Litigation" shall mean the case *Rohi ex rel State of Texas v. Jabbary, et al.*, No 2014-41707 (281st Dist. Ct., Harris County, TX) removed to the Bankruptcy Court on August 26, 2016, and any related proceedings.

1.1.75 "Rohi ~~Litigation Claim~~Personal Claims" shall mean, collectively, all of the Claims and Causes of Action that are the subject of the Rohi Litigation, except for Claims and Causes of Action that Rohi is pursuing as a relator on behalf of the State of Texas.

1.1.76 "Rohi Portion" shall mean the portion of the Rohi Settlement Payment that the Bankruptcy Court determines pursuant to Section 5.2 is payable to Rohi. Such Rohi Portion will include the portion of the Rohi Settlement Payment that is payable to Rohi on account of his Rohi Personal Claims and on account of his Rohi Qui Tam Claims.

1.1.77 "Rohi Settlement" means that certain ~~mediated~~ settlement reached between Rohi, ~~the Debtors, Jabbary,~~ and the ~~Non-Debtor Affiliates~~ABC Defendants, as set forth in the Term Sheet dated July 26, 2017, as modified by the State Release Agreement.

1.1.78 "Rohi Settlement ~~Claim~~Payment" means the treatment resolving the Rohi ~~Litigation Claim in the fixed amount of $3,500,000.~~Personal Claims and the Rohi Qui Tam Claims in the amount of $3,687,038. This amount is an increase from the $3,500,000 settlement amount that was reached between the ABC Defendants and Rohi at the November 16, 2016 mediation.

1.1.79 "Rohi Qui Tam Claims" shall mean Claims and Causes of Action in

the Rohi Litigation that are not Rohi Personal Claims.

1.1.80 "Secured Claim" shall mean a Claim secured by a lien, security interest or other charge against or interest in property in which Debtor has an interest, or which is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value (determined in accordance with section 506(a) of the Bankruptcy Code) of the interest of the holder of such Claim in the Debtors' interest in such property or to the extent of the amount subject to such setoff, as the case may be.

1.1.81 "Secured Tax Claim" shall mean a Secured Claim of a taxing authority secured by a statutory tax lien under federal or state law.

"Security Agreement" shall mean the ~~security agreement~~Promissory Note and Security Agreement entered into by the Plan Proponents on or after seven days succeeding the Effective Date, conforming to the terms of the Rohi Settlement ~~that~~. True and correct copies of the Promissory Note and Security Agreement shall be filed at least ~~5~~five days prior to the Confirmation Hearing. The terms and provisions of the Promissory Note and Security Agreement shall not be altered, amended or otherwise changed by the Plan, any Plan Supplement, the Confirmation Order or any other order entered in the Chapter 11 Cases. The terms and provisions of the Promissory Note and Security Agreement shall not be subject to any discharge, release or exculpation set out or provided in the Plan, any Plan Supplement, the Confirmation Order or any other order entered in the Chapter 11 Cases.

1.1.82 "Semi-Annual Payment Date" means June 15 and December 15; provided, however, if such day is not a Business Day then the Semi-Annual Payment Date shall be the first Business Day thereafter.

1.1.83 "State of Texas" shall mean all Texas state agencies having jurisdiction over Medicaid overpayments, including but not limited to the Civil Medical Fraud Division of the Texas Attorney General's Office, the Texas Health and Human Services Commission and the Texas Health and Human Services Commission, Office of the Inspector General.

1.1.84 "State of Texas OIG Claims" shall mean the those Claims asserted in the June 16, 2017 "Notice of Overpayment."

1.1.85 "State of Texas Portion" shall mean the portion of the Rohi Settlement Payment that the Bankruptcy Court determines pursuant to Section 5.2 is payable to the State of Texas on account of the Rohi Qui Tam Claims.

1.1.86 "State of Texas OIG Settlement Payment" means the treatment resolving the State of Texas OIG Claims in the fixed amount of $312,962. In full satisfaction of the State of Texas OIG Settlement Payment, the State of Texas shall receive: (i) 7.82% of the Initial Plan Payment and (ii) a minimum of 7.82% of each Quarterly Payment until the State of Texas OIG Settlement Payment is paid in full.

1.1.87 "State Release Agreement" shall mean the Settlement Agreement executed by the State of Texas and the ABC Defendants attached to this Plan as Exhibit "A."

1.1.88 "Term Sheet" shall mean the Term Sheet dated November 16, 2016 that evidences the Rohi Settlement, filed at docket number 235.

1.1.89 "TMFPA" shall mean the Texas Medicaid Fraud Prevention Act.

1.1.90 "Unimpaired" means any Claim or Interest that is not Impaired.

1.1.91 "Voting Deadline" means 4:00 p.m. (Central Time) on ~~July 28,~~ November 3, 2017.

1.1.92 "West Orem" shall mean Debtor ABC Dentistry West Orem, P.L.L.C.

1.2 **Interpretation**. Unless otherwise specified, all section, article and exhibit references in the Plan are to the respective sections, articles of or exhibits to the Plan, as the same may be amended, waived or modified from time to time. The headings and table of contents in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions of the Plan. Words denoting the singular number shall include the plural number and vice versa and words denoting one gender shall include the other gender. All exhibits and schedules attached to the Plan are incorporated herein by such attachment.

1.3 **Application of Definitions and Rules of Construction Contained in the Bankruptcy Code**. Words and terms defined in the Bankruptcy Code shall have the same meaning when used in the Plan, unless a different definition is given in the Plan. The rules of construction contained in ~~Section~~section 102 of the Bankruptcy Code shall apply to the construction of the Plan.

1.4 **Other Terms**. The words "herein," "hereof," "hereto," "hereunder" and others of similar import refer to the Plan as a whole and not to any particular section, subsection or clause contained in the Plan. A term used herein that is not defined herein shall have the meaning ascribed to that term, if any, in the Bankruptcy Code.

ARTICLE II.

ADMINISTRATIVE AND PRIORITY CLAIMS

2.1 **Administrative Claims Bar Date**. Any Holder of a General Administrative Claim against any of the Debtors, except for expenses incurred in the ordinary course of operating the Debtors' business and Claims of governmental units as provided in 11 U.S.C. § 503(b)(1)(D), shall file proof of such General Administrative Claim or application for payment of such General Administrative Claim on or within sixty (60) days after the Confirmation Date. If any holder fails to file such a proof of claim or application within 60 days, the Administrative Claim will be forever barred and extinguished and such Holder shall, with respect to any such Administrative Claim be entitled to no distribution on account of such Administrative Claim under the Plan.

To the extent, if any, post-petition taxes have been incurred by Debtor but are not yet due as of the Effective Date, those taxes shall be paid when due under and in accordance with state law.

2.2 **Payment of General Administrative Claims**. Except to the extent that a Holder of an Allowed General Administrative Claim agrees to less favorable treatment, the Holder of each Allowed General Administrative Claim shall receive, in full and final satisfaction, settlement, release and discharge of and in exchange for such Allowed General Administrative Claim, Cash in an amount equal to the full unpaid amount of such Allowed General Administrative Claim on the later of (a) the Effective Date or as soon as reasonably practicable thereafter if such Administrative Claim is Allowed as of the Effective Date, (b) the date on which such Claim is Allowed or as soon as reasonably practicable thereafter, or (c) with respect to Ordinary Course General Administrative Claims, the date such amount is due in accordance with applicable non-bankruptcy law and the terms and conditions of any applicable agreement or instrument.

2.3 **Payment of Priority Tax Claims**. Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to less favorable treatment, the Holder of each Allowed Priority Tax Claim due and payable on or prior to the Effective Date shall receive, in full and final satisfaction, settlement, release and discharge of and in exchange for such Allowed Priority Tax Claim, at the election of the applicable Debtor or Reorganized Debtor, (a) Cash on the Effective Date or as soon as reasonably practicable thereafter in an amount equal to the full unpaid amount of such Allowed Priority Tax Claim; or (b) commencing on the first Semi-Annual Payment Date following the Initial Distribution Date and continuing over a period not exceeding five (5) years from and after the Petition Date, equal semi-annual Cash payments in an aggregate amount equal to the unpaid portion of such Allowed Priority Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the sole option of the Reorganized Debtors, to prepay the entire amount of the unpaid portion of the Allowed Priority Tax Claim in the ordinary course of business. Any Allowed Priority Tax Claim that is not due and payable on or prior to the Effective Date shall be paid in the ordinary course of business after the Effective Date as and when due under applicable non-bankruptcy law.

2.4 **Payment of United States Trustee Fees**. All fees incurred pursuant to 28 U.S.C. § 1930(a)(6) for time periods prior to entry of the Confirmation Order shall be paid by the Debtor on or before the Effective Date. The Reorganized Debtors shall be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6) following the Effective Date.

Payment to Professionals. All final requests for payment of Professional Claims shall be filed and served no later than 60 days after the Effective Date. The deadline for any Entity to ~~objection~~object to a final request for payment of a Professional Claim shall be 21 days after the filing of the request. The Bankruptcy Court shall determine the Allowed amounts of such Professional Claims. The Reorganized Debtors shall pay in full Professional Claims in Cash as soon as reasonably practicable after such Claims are Allowed by order of the Bankruptcy Court. Professional fees incurred for services rendered and costs advanced subsequent to the Effective Date shall be the liability of the Reorganized Debtors.

ARTICLE III.

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

Subject to all other applicable provisions of the Plan (including its distribution provisions), classified Claims and Interests shall receive the treatment set forth below. The Plan

will not provide any distributions on account of a Claim or Interest to the extent that such Claim or Interest has been disallowed, released, withdrawn, waived, settled, or otherwise satisfied or paid as of the Effective Date, including, without limitation, payments by third party guarantors, sureties, or insurers, whether governmental or nongovernmental. The Plan will not provide any distributions on account of a Claim or Interest, the payment of which has been assumed by a third party. Notwithstanding anything to the contrary, no Holder of an Allowed Claim shall, on account of such Allowed Claim, receive a Distribution in excess of the Allowed amount of such Claim.

3.1 Deemed Substantive Consolidation and Use of Sub-classification

The Plan shall serve as a motion by the Debtors seeking entry of a Bankruptcy Court order deeming the substantive consolidation of the Debtors' Estates into a single Estate for certain limited purposes related to the Plan, including voting, confirmation, and Distribution. As a result of the deemed substantive consolidation of the Estates, each Class of Claims and Interests will be treated as against a single consolidated Estate without regard to the separate legal existence of the Debtors. The Plan will not result in the merger or otherwise affect the separate legal existence of each Debtor, other than with respect to voting and Distribution rights under the Plan, and otherwise in satisfying the applicable requirements of Bankruptcy Code section 1129. All Claims filed by the same Creditor against more than one Debtor are eliminated, disallowed, and expunged to the extent that such are duplicative Claims. In the event that the Bankruptcy Court does not authorize substantive consolidation, or if the Bankruptcy Court authorizes the Debtors to consolidate for voting and Distribution purposes fewer than all of the Classes of Claims and Interests sought to be consolidated for these purposes, the Debtors may proceed with separate classifications for any such non-consolidated Classes of Claims and Interests, and such non-consolidated Classes of Claims and Interests will be treated as against each individual non-consolidated Debtor for voting and confirmation purposes. In such event, each Class of Claims and Interests shall be divided in subclasses; one for each of the Debtors, as set forth below.

PA - ABC Dentistry, P.A.; **WO** - ABC Dentistry West Orem, P.L.L.C.; **OST** - ABC Dentistry Old Spanish Trail, L.L.C.

For example, Class 1 - "Other Priority Claims" -- can be divided into three sub-classes for voting purposes: Class 1-PA, Class 1-WO, and Class 1-OST. Class 1-PA relates to Other Priority Claims asserted against ABC Dentistry, P.A., Class 1-WO relates to Other Priority Claims asserted against ABC Dentistry West Orem, P.L.L.C., and so on. A particular Debtor may have no claims asserted against it in a particular Class.

The treatment and distributions for each such subclass will be the same for each Debtor, as provided in this Article III.

3.2 Class 1. Other Priority Claims.

3.2.1 Classification. Class 1 consists of the Other Priority Claims against the Debtors.

3.2.2 Treatment. Class 1 Allowed Other Priority Claims shall be paid in Cash on the later of thirty (30) days after the Effective Date or the date such Claim

becomes an Allowed Other Priority Claim, unless the Holder of such Claim agrees to a different treatment.

3.2.3 Class 1 Claims are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the Holders of Allowed Other Priority Claims are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject this Plan, and the votes of such Holders will not be solicited.

3.3 **Class 2. Secured Tax Claims**.

3.3.1 Classification. Class 2 consists of any Secured Tax Claims against any of the Debtors.

3.3.2 Treatment. Except to the extent that a Holder of an Allowed Secured Tax Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for its Allowed Secured Tax Claims, each holder of an Allowed Secured Tax Claim shall receive, at the option of the applicable Debtor or Reorganized Debtor, either: (i) Cash on the Effective Date or as soon as reasonably practicable thereafter in an amount equal to the full unpaid amount of such Allowed Secured Tax Claim; or (ii) commencing on the first Semi-Annual Payment Date following the Initial Distribution Date and continuing over a period not exceeding five~~(5)~~ (5) years from and after the Petition Date, equal semi-annual Cash payments in an aggregate amount equal to the unpaid portion of such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the sole option of the Reorganized Debtors to prepay the entire amount of the unpaid portion of the Allowed Secured Tax Claim in the ordinary course of business. Any Lien securing an Allowed Secured Tax Claim shall be retained until such time that such Allowed Secured Tax Claim is paid in full.

Class 2 Claims are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the Holders of Allowed Secured Claims of Taxing Authorities are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject this Plan, and the votes of such Holders will not be solicited.

3.4 **Class 3. First Bank Secured Claim**.

3.4.1 Classification. Class 3 consists of the First Bank Secured Claim against West Orem.

3.4.2 Treatment. The maturity date of the First Bank Loan Agreement shall be deemed to be modified from May 27, 2019 to May 27, 2020. West Orem's remaining payments under the First Bank Loan Agreement shall be re-amortized from the Effective Date through May 27, 2020 by the Debtors' financial advisor. All other provisions of the First Bank Loan Agreement shall not be deemed to be affected by this Plan.

3.4.3 Liens. First Bank shall retain the First Bank Liens and all other rights as provided under the First Bank Loan Agreement, related loan documents and/or applicable law, except as provided in Section 3.4.2.

3.4.4 The Class 3 Claims are Impaired and the Holder of the First Bank Secured Claim is entitled to vote on the Plan.

3.5 **Class 4. General Unsecured Claims**.

3.5.1 Classification: Class 4 consists of General Unsecured Claims other than Class 5 Claims.

3.5.2 Treatment: The Holders of Allowed General Unsecured Class 4 Claims shall be Paid In Full as follows: the Holder of such Allowed General Unsecured Claim shall receive (i) 50% of the Allowed amount of such Holder's Claim on the Initial Distribution Date and (ii) the remaining 50% of the Allowed amount of such Holder's Claim on the ~~first~~second Semi-Annual Payment Date following the Initial Distribution Date. Notwithstanding the foregoing, Holders of General Unsecured Claims in Class 4 may elect to be treated as a Class 5 Convenience Claim by making such election on the Ballot for Class 4 General Unsecured Claims.

3.5.3 The Class 4 Claims are Impaired and Holders of General Unsecured Claims are entitled to vote on the Plan.

3.6 **Class 5. Convenience Claims**.

3.6.1 Classification: Class 5 consists of Convenience Class Claims.

3.6.2 Treatment: The Holders of Allowed Convenience Class 5 Claims shall be Paid In Full on the Initial Distribution Date.

Class 5 Claims are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the Holders of Allowed Convenience Class Claims will be Paid in Full and are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject this Plan, and the votes of such Holders will not be solicited.

3.7 **Class 6. Rohi ~~Litigation~~Personal Claims**.

3.7.1 Classification. Class 6 consists of the Rohi ~~Litigation Claim. Rohi is the Holder of the Rohi Litigation Claim unless the Court orders otherwise~~Personal Claims.

3.7.2 Treatment. In full satisfaction of ~~all the Rohi Litigation Claim, the holder of the Rohi Litigation Claim~~Rohi Personal Claims, Rohi shall receive the Rohi ~~Settlement Claim that shall~~Portion in accordance with Section 5.2 of this Plan. ~~(i)accrue interest at a flat rate of 1.5% per annum until paid, and (ii) be paid in full by December 31, 2022. The Clerk of the Court shall release the funds placed in the registry of the Court pursuant to the order appearing in docket number 133 as soon as practical following receipt of the Effective Date Notice. The Plan Proponents shall then tender the Quarterly Payments on the Initial Quarterly Payment Due Date and then subsequently on each Quarterly Payment Due Date until the Rohi Settlement Claim is paid in full. The Plan Proponents shall be permitted to prepay the Rohi Settlement Claim in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.~~

3.7.3 Security. The obligations in Section 3.7.2 herein are secured as more fully described in the Security Agreement.

3.7.4 The Class 6 ~~Claim is~~Claims are Impaired and the Holder of the Class 6 ~~Claim~~Claims is entitled to vote on the Plan. If the Bankruptcy Court approves the Rohi Settlement at the Confirmation Hearing, Rohi will be deemed to have voted to accept the Plan at the Confirmation Hearing, which vote shall be considered a timely acceptance of the Plan; provided that such deemed acceptance is conditioned on the Plan Proponents' proving at the Confirmation Hearing that Rohi is receiving all of the consideration Rohi is entitled to under the Term Sheet.

3.8 **Class 7. ~~Interests~~Rohi Qui Tam Claims**.

3.8.1 Classification. Class 7 consists of the Rohi Qui Tam Claims.

3.8.2 Treatment. In full satisfaction of Rohi Qui Tam Claims, Rohi shall receive the Rohi Portion and the State of Texas shall receive the State of Texas Portion in accordance with Section 5.2 of this Plan.

3.8.3 Security. The obligations in Section 3.8.2 herein are secured as more fully described in the Security Agreement.

3.8.4 The Class 7 Claims are Impaired and the Holder of the Class 7 Claims is entitled to vote on the Plan. If the Bankruptcy Court approves the Rohi Settlement at the Confirmation Hearing, the State of Texas will be deemed to have voted to accept the Plan at the Confirmation Hearing, which vote shall be considered a timely acceptance of the Plan; provided that such deemed acceptance is conditioned on the Plan Proponents' proving at the Confirmation Hearing that the State of Texas is receiving all of the consideration the State of Texas is entitled to under the Rohi Settlement Agreement.

3.9 **Class 8. State of Texas OIG Claims.**

3.9.1 Classification. Class 8 consists of the State of Texas OIG Claims.

3.9.2 Treatment. In full satisfaction of the State of Texas OIG Claim, the State of Texas shall receive the State of Texas OIG Settlement Payment in accordance with Section 5.2 of this Plan.

3.9.3 The Class 8 Claims are Unimpaired. If the Bankruptcy Court approves the Rohi Settlement at the Confirmation Hearing, in accordance with section 1126(f) of the Bankruptcy Code, the Holders of State of Texas OIG Claims will be Paid in Full, in accordance with Section 5.2 of this Plan, and will be conclusively presumed to accept this Plan and will not be entitled to vote to accept or reject this Plan, and the votes of such Holders will not be solicited.

3.10 **Class 9. Interests.**

3.10.1 Classification. Class ~~7~~9 consists of the Interests.

3.10.2 Treatment. The Holders of Class ~~7~~9 Interests shall retain the Interests held on the date of the filing of the Chapter 11 Cases.

3.10.3 The Class 9 Claims are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the Holders of Interests are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject this Plan, and the votes of such Holders will not be solicited.

3.11 **Confirmation Pursuant to Sections 1129(a) and 1129(b) of the Bankruptcy Code**

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for the purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims; provided, however, that in the event no holder of a Claim with respect to a specific voting Class for a Debtor timely submits a Ballot indicating acceptance or rejection of the Plan, such Class (with respect to such Debtor) will be deemed to have accepted the Plan. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests.

ARTICLE IV.

VOTING OF CLAIMS AND INTERESTS

Classes 3, 4, 6, and ~~6~~7 Claims are Impaired and therefore are entitled to vote on this Plan. Accordingly, the acceptances of Class 3, 4, 6, and ~~6~~7 Claims must be solicited. Classes 1, 2, 5, 8, and ~~7~~9 Claims and Interests are Unimpaired under the Plan and therefore not entitled to vote on the Plan.

ARTICLE V.

MEANS FOR EXECUTION OF PLAN

5.1 **Vesting of Property of the Estates in Reorganized Debtors**. On the Effective Date of the Plan, all property of each Debtor and of its Estate shall vest in its respective equivalent Reorganized Debtor free and clear of liens, claims and encumbrances, except as otherwise provided by the terms of the Plan.

5.2 **Rohi Settlement**. The Rohi Settlement is incorporated into this Plan by reference, and this Plan shall be considered a motion of the Plan Proponents for the Bankruptcy Court to approve the Rohi Settlement under Bankruptcy Rule 9019. Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided to Rohi and the State of Texas under this Plan, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims and controversies relating to the Rohi Litigation and the Claims and Causes of Action against all the ABC Defendants that are released or otherwise addressed in the State Release Agreement. Within 7 days after the Effective Date, Rohi shall dismiss adversary proceeding number 16-03193 (Bankr. S.D. Tex.) and any of the pending proceeding against any of the Plan Proponents with prejudice.

Rohi and the State of Texas agree that the Bankruptcy Court shall determine, under applicable non-Title 11 law, the portion of the Rohi Settlement Payment payable to Rohi and the portion of the Rohi Settlement Payment payable to the State of Texas. Rohi and the State of Texas hereby waive any right to appeal the Bankruptcy Court's division of the Rohi Settlement

Payment.

In the Bankruptcy Court's order apportioning the Rohi Settlement Payment, the Bankruptcy Court shall determine the percentage of the Initial Plan Payment that shall be payable to Rohi and the percentage of the Initial Plan Payment that shall be payable to the State of Texas after deducting 7.82% of the Initial Plan Payment that shall be payable to the State of Texas in connection with Section 3.9 of this Plan. The Bankruptcy Court's order shall also determine the percentage of the Quarterly Payments that will be payable to Rohi and the percentage of the Quarterly Payments that shall be payable to the State of Texas after deducting 7.82% of the Quarterly Payments that shall be payable to the State of Texas in connection with Section 3.9 of this Plan

After the Initial Plan Payment is made, the unpaid portion of the Rohi Settlement Payment shall (i) accrue interest at a flat rate of 0.5% per annum until paid, and (ii) be paid in full by December 31, 2022. The Plan Proponents shall be permitted to prepay the Rohi Settlement Payment in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.

5.3 **Continuation of Business Operations**. From and after the Effective Date of the Plan, each Reorganized Debtor shall be authorized to continue its normal business operations. Each Reorganized Debtor shall enter into such transactions as it deems advisable, free of any restriction or limitation imposed under any provision of the Bankruptcy Code, except to the extent otherwise provided in the Plan.

5.4 **Dissolution of ABC Density, P.A**. Upon the Effective Date, ABCD shall be deemed dissolved. Jabbary, as Sole Member of ABCD, shall have the power to wind up the affairs of ABCD under applicable state laws in addition to all the rights, powers, and responsibilities conferred by the Bankruptcy Code and the Plan.

5.5 **Source of Funds for Payments Under the Plan**. The Plan Proponents will commit to fund the Plan in an amount sufficient to make all of the required payments under the Plan.

Directors and Officers of Reorganized Debtor. The directors, officers, or members of each Debtor, including Jabbary, are authorized to continue as directors, officers, or members (as applicable) of the Reorganized Debtors from and after the Effective Date of the Plan.

5.6 **Agreements, Instruments and Documents**. All agreements, instruments, and documents required under the Plan to be executed or implemented, together with such others as may be necessary, useful, or appropriate in order to effectuate the Plan shall be executed on or before the Effective Date or as soon thereafter as is practicable. The Reorganized Debtor shall have a power of attorney, coupled with an interest, to execute and deliver any document to the extent that counterparty to such document fails to execute and deliver any document required to effectuate the Plan following 20 days written notice and request to such counterparty.

5.7 **Further Authorization**. The Reorganized Debtors shall be entitled to seek such orders, judgments, injunctions, and rulings from the Bankruptcy Court, in addition to those specifically listed in the Plan, as may be necessary to carry out the intentions and purposes, and to give full effect to the provisions, of the Plan. The Bankruptcy Court shall retain jurisdiction to

enter such orders, judgments, injunctions and rulings.

ARTICLE VI.

PLAN

DISBURSEMENTS

6.1 **Disbursing Agent**. ~~Each Reorganized Debtor~~Jabbary shall ~~act as~~be deemed to be the Disbursing Agent~~. If~~ as of the ~~a Reorganized Debtor chooses not to act as the Disbursing Agent, then it shall designate a substitute at any time after the Effective Date.~~Effective Date. Jabbary may designate any employee of the Plan Proponents to perform the disbursements that are contemplated by this Plan or perform any of the duties contained in this Article VI. Should Jabbary elect to cease to be affiliated with the Debtors or the Non-Debtor Affiliates, Jabbary must designate a new independent disbursing agent that is not an employee or contractor of the Plan Proponents. Jabbary shall remain the Disbursing Agent until the substitute disbursing agent files a written notice of his or her appointment with the Bankruptcy Court, acknowledging that he or she is bound by the terms of the Plan.

6.2 **Exclusive Rights and Duties of the Disbursing Agent**. The duties of the Disbursing Agent shall be as follows:

6.2.1 Distribution to Holders of Administrative Claims. In accordance with Article 2 of the Plan, the Disbursing Agent shall pay the Administrative Claims first out of Cash on hand generated from operations.

6.2.2 Distributions to Holders of Allowed Claims. The Disbursing Agent shall have the sole right and duty to make the distributions provided for hereunder as set forth in Article 3 of the Plan.

6.2.3 Distribution to Holders of Disputed Claims that Subsequently Become Allowed Claims. Payment to each holder of a Disputed Claim, to the extent it ultimately becomes an Allowed Claim, shall be made in accordance with the provisions of the Plan governing the class of claims to which the disputed claim belongs. Payments shall be made within thirty (30) days after the Disputed Claim becomes an Allowed Claim.

6.3 **Powers of the Disbursing Agent**. The Disbursing Agent shall have full power and authority to do the following:

Make disbursements to Holders of Claims in accordance with Articles 2 and 3 of the Plan.

6.3.1 File all reports required under law, including state and federal tax returns, and pay all taxes incurred by the Estates.

6.3.2 Take any and all actions, including the filing or defense of any civil actions or Claim objections necessary to accomplish the aims of the Plan.

6.3.3 Employ and pay reasonable fees and expenses of such attorneys,

accountants and other professionals, as may be deemed necessary to accomplish the above and for which the Disbursing Agent (i) shall be entitled to reserve sufficient Cash to pay the projected fees and costs to such Professionals on a post-confirmation basis, and

(ii) shall be authorized to purchase insurance with such coverage and limits as are reasonably necessary, including covering liabilities incurred in connection with its service as Disbursing Agent.

6.3.4 Suspend distribution to any Creditor that has not provided the Disbursing Agent with its Federal Tax Identification number or social security number, as the case may be.

6.4 **Presumption of Disbursing Agent's Authority**. In no case shall any party dealing with the Disbursing Agent in any manner whatsoever be obligated to see that the terms of its engagement have been complied with, or be obligated or privileged to inquire into the necessity or expediency of any act of the Disbursing Agent, or to inquire into any other limitation or restriction of the power and authority of the Disbursing Agent, but as to any party dealing with the Disbursing Agent in any manner whatsoever in relation to the assets, the power of the Disbursing Agent to act or otherwise deal with said property shall be absolute except as provided under the terms of the Plan.

6.5 **Limitation on Disbursing Agent's Liability**.

6.5.1 Except gross negligence or willful misconduct, no recourse shall ever be had directly or indirectly against the Disbursing Agent personally or against any employee of the Disbursing Agent by legal or equitable proceedings or by virtue of any statute or otherwise, nor upon any promise, contract, instrument, undertaking, obligation, covenant or agreement whatsoever executed by the Disbursing Agent pursuant to this Plan, or by reason of the creation of any indebtedness by the Disbursing Agent for any purpose authorized by the Plan, it being expressly understood and agreed that all such liabilities, covenants and agreements of the Disbursing Agent or any such employee, whether in writing or otherwise shall be enforceable only against and be satisfied only out of the assets of the Estates and every undertaking, contract, covenant or agreement entered into in writing by the Disbursing Agent shall provide expressly against the personal liability of the Disbursing Agent.

The Disbursing Agent shall not be liable for any act the Disbursing Agent may do or omit to do as Disbursing Agent hereunder while acting in good faith and in the exercise of the best judgment of the Disbursing Agent and the fact that such act or omission was advised, directed or approved by an attorney acting as attorney for the Disbursing Agent, shall be evidence of such good faith and best judgment; nor shall the Disbursing Agent be liable in any event except for gross negligence or willful default or misconduct of the Disbursing Agent.

6.6 **Delivery of Distributions**. Subject to Bankruptcy Rule 9010 and the provisions of the Plan, distributions to a Holder of an Allowed Claim shall be made at the address of such Holder as set forth on the proofs of Claim filed by such Holders (or at the last known addresses of such a Holder if no proof of claim or proof of interest is filed or if the Disbursing Agent has been notified in writing of a change of address), except as provided below. If any Holder's distribution is returned as undeliverable, no further distributions to such Holder shall be made

unless and until the Disbursing Agent is notified of such Holder's then current address, at which time all missed distributions shall be made to such Holder without interest. Amounts in respect of undeliverable distributions shall be returned to the Disbursing Agent until such distributions are claimed.

6.7 **Time Bar for Cash Payments**. Checks issued by the Disbursing Agent in respect of Allowed Claims shall be null and void if not negotiated within six (6) months after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Disbursing Agent by the Holder of the Allowed Claim with respect to which such check originally was issued. Any Claim in respect of such a voided check shall be made on or before the later of (a) the first anniversary of the Effective Date or (b) ninety (90) days after the date of reissuance of such check. After such date, all Claims in respect of void checks shall be discharged and forever barred.

6.8 **Unclaimed Property**. If any Person entitled to receive distributions under the Plan cannot be located within a reasonable period of time after the Effective Date, the distributions such Person would be entitled to receive shall be held by the Disbursing Agent in a segregated account. If the Person entitled to any such distributions is located within six (6) months after the Effective Date, such distributions shall be paid and distributed to such Person. If such Person cannot be located within such period, such distributions shall be returned to the applicable Reorganized Debtor and such Person shall have waived and forfeited its right to such distributions. Nothing contained in this Plan shall require the Disbursing Agent to attempt to locate such Person. It is the obligation of each Person claiming rights under the Plan to keep the Disbursing Agent advised of current address by sending written notice of any changes to the Disbursing Agent.

6.9 **Minimum Payment**. The minimum amount of any distribution shall be $25. If a payment anticipated by the Plan is due in an amount less than $25, then such payments is hereby waived and the funds shall be retained by the applicable Reorganized Debtor.

6.10 **Fractional Dollars**. Any other provision of the Plan notwithstanding, no payments of fractional dollars will be made to any Holder of an Allowed Claim. Whenever any payment of a fraction of a dollar to any holder of an Allowed Claim would otherwise be called for, the actual payment made will reflect a rounding of such fraction to the nearest whole dollar (up or down).

Distribution Dates. Whenever any distribution to be made under the Plan is due on a day other than a Business Day, such distribution will instead be made, without penalty or interest, on the next Business Day. The Bankruptcy Court shall retain power, after the Confirmation Date, to extend distribution dates for cause, upon motion and after notice and a hearing (as defined in section 102 of the Bankruptcy Code) to affected parties.

6.11 **Orders Respecting Claims Distribution**. After confirmation of the Plan, the Bankruptcy Court shall retain jurisdiction to enter orders in aid of consummation of the Plan respecting distributions under the Plan and to resolve any disputes concerning distributions under the Plan.

ARTICLE VII.

CLAIMS ALLOWANCE

7.1 **Allowance of Claims under the Plan**. Allowance is a procedure whereby the Bankruptcy Court determines the amount and enforceability of a Claim against a Debtor, if the parties cannot agree upon such allowance. It is expected that a Debtor and/or the Disbursing Agent will file objections to Claims, if any are deemed necessary, before and after confirmation of the Plan. The Plan merely provides for payment of Allowed Claims, but does not attempt to pre-approve the allowance of any Claims. From and after the Confirmation Date, no Claim may be filed, nor shall any amendment be filed, to increase or assert additional claims not reflected in an already filed Claim. Any such Claim or amendment shall be deemed disallowed and expunged from the Bankruptcy Court's Claims Register.

7.2 **Objection Deadline**. Objections to Claims may be filed at any time until one hundred twenty (120) days after the Effective Date, unless extended by order of the Bankruptcy Court. Objections to Claims shall be filed with the Bankruptcy Court and served upon the Holders of each of the Claims to which objections are made.

7.3 **Prosecution of Objections**. On and after the Effective Date, except as the Bankruptcy Court may otherwise order, the filing, litigation, settlement or withdrawal of all objections to Claim may be made only by the Reorganized Debtor and/or Disbursing Agent.

ARTICLE VIII.

EXECUTORY CONTRACTS AND LEASES

8.1 **Assumption of Certain Executory Contracts**. The Debtor hereby rejects the executory contracts and leases set forth in Exhibit "~~A~~B" to the Plan. All executory contracts not expressly rejected under this Plan or rejected pursuant to an order of the Bankruptcy Court are hereby assumed by the Debtors. For the avoidance in doubt, the Debtors assume the following: all licenses issued to the Debtors by governmental authorities; (ii) all Medicaid provider agreements; (iii) all employment and severance policies, and all compensation and benefits plans, policies and programs of the Debtors applicable to their respective employees, retirees and non-employee directors, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive plans and life and accidental death and dismemberment insurance plans; and (iv) insurance policies to which any Debtor is a party as of the Effective Date. Any objections by a counterparty to an Executory Contract regarding the assumption of the contract or the proposed cure amounts shall be filed by the Plan Objection Deadline and be heard by the Bankruptcy Court at the Confirmation Hearing. Any counterparty that fails to timely object to the cure amount shall be deemed to have assented to such assumption and/or cure amount. Except as specifically provided for herein, the Debtor shall pay all cure amounts in the amount listed on Exhibit "~~B~~C" on or before thirty (30) days after the bar date for Administrative Claims set forth in paragraph 2.1.

8.2 **Rejection Damages Bar Date**. Any Claims arising from rejection of an executory contract or lease must be filed on or before twenty (20) days from the Effective Date. Otherwise, such Claims are forever barred and will not be entitled to share in any distribution under the Plan. Any Claims arising from rejection, if timely filed and allowed, will be treated as Class 4 General Unsecured Claims.

ARTICLE IX.

MODIFICATION OR REVOCATION OF THE PLAN

9.1 **Plan Modifications.** This Plan may be amended, modified or supplemented by the Plan Proponents in the manner provided for by section 1127 of the Bankruptcy Code or as otherwise permitted by law, without resolicitation or additional disclosure pursuant to section 1125 of the Bankruptcy Code, except as otherwise ordered by the Bankruptcy Court. In addition, after the Confirmation Date, so long as such action does not materially and adversely affect the treatment of Holders of Allowed Claims or Allowed Interests pursuant to this Plan, the Plan Proponents may remedy any defect or omission or reconcile any inconsistencies in this Plan or the Confirmation Order with respect to such matters as may be necessary to carry out the purposes of effects of this Plan, and any Holder of a Claim or Interest that has accepted this Plan shall be deemed to have accepted this Plan as amended, modified or supplemented.

9.2 **Certain Technical Amendments.** Prior to the Effective Date, the Plan Proponents may make appropriate technical amendments and modifications to this Plan without further order or approval of the Bankruptcy; provided, that such technical adjustments and modifications do not adversely affect the treatment of Holders of Claims or Interests under this Plan.

~~**Revocation of Plan**. The Plan Proponents reserve the right to revoke or withdraw the Plan prior to the entry of the Confirmation Order and to file subsequent plans of reorganization. If the Plan Proponents revoke or withdraw the Plan, or if the Confirmation Order is not entered or the Effective Date does not occur, then: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption or rejection of executory contracts or leases affected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (c) nothing contained in the Plan shall: (i) constitute a waiver or release of any claims by or Claims against, or any Interests in, any Debtor or any other Entity; (ii) prejudice in any manner the rights of the Plan Proponents or any other Entity; or (iii) constitute an admission of any sort by the Plan Proponents or any other Entity.~~

ARTICLE X.

CONDITIONS PRECEDENT

10.1 **Conditions to Confirmation**. Confirmation of the Plan shall not occur and the Bankruptcy Court shall not enter the Confirmation Order unless all of the requirements of the Bankruptcy Code for confirmation of the Plan with respect to each Debtor shall have been satisfied. In addition, confirmation shall not occur, the Plan shall be null and void and of no force and effect, and the Plan shall be deemed withdrawn unless the Bankruptcy Court shall have entered all orders (which may be orders included within the Confirmation Order) required to implement the Plan.

10.2 **Waiver and Nonfulfillment of Conditions to Confirmation**. Nonfulfillment of any condition to confirmation of the Plan may be waived only by the Plan Proponents. In the event the Plan Proponents determine that the conditions to the Plan's confirmation which they may waive cannot be satisfied and should not, in their discretion, be waived, the Plan Proponents may propose a new plan, may modify this Plan as permitted by law or may request other

appropriate relief.

10.3 **Confirmation Order Provisions for Pre-Effective Date Actions**. The Confirmation Order shall empower and authorize the Debtors to take or cause to be taken, prior to the Effective Date, all actions which are necessary to enable it to implement the provisions of the Plan and satisfy all other conditions precedent to the effectiveness of the Plan.

10.4 **Conditions to the Effective Date**. The following are conditions precedent to the effectiveness of the Plan, subject to the Plan Proponents' right to waive any such conditions:

10.4.1 The Bankruptcy Court shall have entered an order approving the Rohi Settlement, which could be the Confirmation Order;

10.4.2 The Confirmation Order shall have been duly entered and shall be a Final Order and the Plan shall be in form and substance acceptable to the Plan Proponents;

10.4.3 The State of Texas and the ABC Defendants have executed the State Release Agreement in form and substance acceptable to the Plan Proponents and the State;

10.4.4 The Plan Proponents do not withdraw the Plan at any time prior to the Effective Date;

10.4.5 The Bankruptcy Court will have entered an order vacating the March 31, 2016 summary judgment order; and

10.4.6 The Debtors shall have sufficient Cash on hand or otherwise available to make the initial payments and distributions required under the Plan.

ARTICLE XI.

JURISDICTION OF THE BANKRUPTCY COURT

Retention of Jurisdiction. Notwithstanding entry of the Confirmation Order or the Effective Date having occurred, the Bankruptcy Court shall retain exclusive jurisdiction of this case after the Confirmation Date with respect to the following matters:

11.1.1 To allow, disallow, reconsider (subject to section 502(j) of the Bankruptcy Code and the applicable Bankruptcy Rules) Claims and to hear and determine any controversies pertaining thereto;

11.1.2 Decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

11.1.3 Adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

11.1.4 Adjudicate, decide or resolve any and all matters related to Causes of

Action against any of the Debtors pending before the Bankruptcy Court on the Effective Date;

11.1.5 Adjudicate, decide or resolve any Cause of Action asserted against any of the Debtors whether or not such Cause of Action was pending as of the Effective Date;

11.1.6 Adjudicate, decide or resolve any and all matters related to section 1141 of the Bankruptcy Code;

11.1.7 Issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with enforcement of the Plan;

11.1.8 Resolve any cases, controversies, suits, disputes or Causes of Action with respect to the existence, nature and scope of the releases, injunctions, and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

11.1.9 Adjudicate any and all disputes arising from, or relating to, Distributions under the Plan;

11.1.10 To resolve controversies and disputes regarding the interpretation and implementation of the Plan, including entering orders to aid, interpret or enforce the Plan and to protect the Plan Proponents and any other entity having rights under the Plan as may be necessary to implement the Plan;

11.1.11 To hear and determine any and all applications, contested matters, or adversary proceedings arising out of or related to this Plan or this case or as otherwise might be maintainable under the applicable jurisdictional scheme of the Bankruptcy Code prior to or after confirmation and consummation of the Plan whether or not pending on the Confirmation Date;

To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked or vacated;

11.1.12 To liquidate or estimate damages or determine the manner and time for such liquidation or any claim estimation under 11 U.S.C. § 502(c) in connection with any contingent or unliquidated Claim;

11.1.13 To adjudicate all Claims to any lien on any of the Debtors' assets;

11.1.14 To hear and determine matters concerning state, local and federal taxes pursuant to the Bankruptcy Code, including (but not limited to) sections 346, 505 and 1146 thereof and to enter any order pursuant to section 505 of the Bankruptcy Code or otherwise to determine any tax of the Debtors, whether before or after confirmation, including to determine any and all tax effects of the Plan;

11.1.15 To correct any defect, cure any omission, or reconcile any inconsistency in the Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan or to modify the Plan as provided by applicable law;

11.1.16 To determine all questions and disputes regarding title to assets and shares of the Debtors, Reorganized Debtors or of the Estates, as may be necessary to implement the Plan;

11.1.17 To enforce and to determine actions and disputes concerning the releases and injunctions contemplated by the Plan and to require persons holding Claims being released to release Claims in compliance with the Plan;

11.1.18 To interpret and enforce the terms of and obligations set forth in the Rohi Settlement;

11.1.19 To fix the value of collateral in connection with determining Claims;

11.1.20 To enter a final decree closing the case and making such final administrative provisions for the case as may be necessary or appropriate; and

11.1.21 To, even after entry of a final decree, hear any cases enforcing Bankruptcy Code section 525.

11.2 **Failure of the Bankruptcy Court to Exercise Jurisdiction**. If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under or related to the Chapter 11 case, including the matters set forth in Section 11.1 of the Plan, this Article XI shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

ARTICLE XII.

EFFECT OF

CONFIRMATION

12.1 **Binding Effect**. As provided for in ~~Section~~section 1141(d) of the Bankruptcy Code, the provisions of the Plan shall bind the Debtors, any entity acquiring property under the Plan and any Holder of a Claim or Interest, whether or not the Claim or Interest is impaired under the Plan and whether or not such Holder has accepted the Plan, and the United States and any licensing authority. After confirmation, the property dealt with by the Plan shall be free and clear of all Claims and Interests, except to the extent as provided for in the Plan as the case may be.

12.2 **Satisfaction of Claims and Interests**. Holders of Claims and Interests shall receive the distributions provided for in this Plan, if any, in full settlement and satisfaction of all such Claims, and any interest accrued thereon, and all Interests.

12.3 **Vesting of Property**. Except as otherwise expressly provided in the Plan or the Confirmation Order, pursuant to ~~Section~~section 1141(b) of the Bankruptcy Code, upon the Effective Date, all Property and assets of the Estates shall vest in the respective Reorganized Debtors free and clear of all Claims, liens, encumbrances, charges or other interests. Moreover,

all licenses and permits held by each Debtor shall continue be held by its Reorganized Debtor counterpart. Subject to the terms of this Plan, on and after the Effective Date, the Reorganized Debtors may operate their businesses and may use, acquire and dispose of property and prosecute, compromise or settle any Claims (including any Administrative Expense Claims) and causes of action without supervision of or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules other than restrictions expressly imposed by this Plan or the Confirmation Order.

12.4 **Discharge of the Debtors**. **Pursuant to section 1141(d) of the Bankruptcy Code and effective as of the Effective Date, and except as otherwise specifically provided in the Plan: (a) the distributions, rights and treatment that are provided in the Plan shall be in complete satisfaction, discharge and release of all Claims of any nature whatsoever, including any interest accrued on Claims from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, the Debtors, the Reorganized Debtors or any of their assets, properties or Estates, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims, including demands, liabilities and Causes of Action that arose before the Effective Date; (b) the Plan shall bind all holders of Claims, notwithstanding whether any such holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not (i) a Proof of Claim based upon such debt or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (ii) a Claim based upon such debt or right is Allowed; or the holder of such a Claim has accepted the Plan or is entitled to receive a distribution hereunder; and (d) all Entities shall be precluded from ever asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any Claims based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims subject to the Effective Date occurring. Any Entity that does not object to the scope of the discharge in this Section 12.4 by the Confirmation Objection Deadline will be deemed to have waived any right to determine, or otherwise challenge, the dischargeability of any debt against any of the Debtors under 11 U.S.C. § 1141.**

12.5 **Exculpation**. Notwithstanding anything herein to the contrary, the Exculpated Parties shall neither have nor incur any liability to any Entity for any Bankruptcy-Related Action; provided that nothing in the foregoing "Exculpation" shall exculpate any Entity from any liability resulting from any act or omission that is determined by Final Order to have constituted fraud, willful misconduct, gross negligence, or criminal conduct; provided that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan or any other related document, instrument, or agreement.

Notwithstanding anything herein to the contrary, as of the Effective Date, pursuant to section 1125(e) of the Bankruptcy Code, the Plan Proponents, their attorneys, their financial advisors, and other professional advisors, representatives and agents upon appropriate findings of the Bankruptcy Court will be deemed to have solicited acceptance of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, and to have

participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, in the offer, issuance, sale, or purchase of a security, offered or sold under the Plan of a Reorganized Debtor, and shall not be liable to any Entity on account of such solicitation or participation.

In addition to the protections afforded in this Section 12.5 to the Plan Proponents and their professionals, and not in any way reducing or limiting the application of such protections, the Bankruptcy Court retains exclusive jurisdiction over any and all Causes of Action asserted against any Plan Proponent for any Bankruptcy-Related Action that are not otherwise exculpated or enjoined by this Plan.

12.6 **Injunction**. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN OR FOR OBLIGATIONS ISSUED PURSUANT HERETO, ALL ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS, CAUSES OF ACTION OR ARE SUBJECT TO EXCULPATION PURSUANT TO SECTION 12.5 ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS AGAINST, AS APPLICABLE, THE DEBTORS OR THE REORGANIZED DEBTORS: (1) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR PROCEEDING, OF ANY KIND, ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION, INCLUDING UNDER CHAPTER 36 OF THE TEXAS HUMAN RESOURCES CODE; (2) ENFORCING, ATTACHING, COLLECTING OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST SUCH DEBTORS OR REORGANIZED DEBTORS ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION; (3) CREATING, PERFECTING OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST THE DEBTORS OR THE PROPERTY OR ESTATES OF THE DEBTORS ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION; (4) ASSERTING ANY RIGHT OF RECOUPMENT, SETOFF OR SUBROGATION OF ANY KIND AGAINST ANY OBLIGATIONS DUE FROM THE DEBTORS, THE REORGANIZED DEBTORS, OR AGAINST THE PROPERTY OR INTERESTS IN PROPERTY OF THE DEBTORS ON ACCOUNT OF ANY SUCH CLAIM OR CAUSE OF ACTION; AND (5) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION RELEASED, SETTLED, EXCULPATED OR DISCHARGED PURSUANT TO THE PLAN OR CONFIRMATION ORDER. THIS INJUNCTION ALSO PERMITS THE REORGANIZED DEBTOR TO ENFORCE 11 U.S.C. § 525(A) UPON IMPROPER REVOCATION OR RESTRICTION OF LICENSES.

FURTHER, IN CONSIDERATION OF THE ROHI SETTLEMENT, ANY AND ALL ENTITIES ARE HEREBY ENJOINED FROM CONTINUING, PURSUING, OR INITIATING ANY CLAIM OR CAUSE OF ACTION AGAINST ANY OF THE PLAN PROPONENTS RELATED TO ANY OF THE CLAIMS OR CAUSES OF ACTION THAT ARE THE SUBJECT OF THE ROHI LITIGATION.

12.7 **Preservation of Setoff Rights**. In the event that a Debtor has a claim of any nature whatsoever against a Holder of a Claim, the Debtor may, but is not required to setoff against such Claim (and any payments or other distributions to be made in respect of such Claim hereunder), subject to the provisions of ~~Section~~section 553 of the Bankruptcy Code. Neither the

failure to setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors of any claim that any Debtor has against any Holder of a Claim.

12.8 **Releases by the Debtors**. On the Effective Date and pursuant to section 1123(b)(3)(A) of the Bankruptcy Code, the Debtors, and to the maximum extent provided by law, its agents, release and forever discharge all Avoidance Actions (except those related to the claim objection process) and other claims, including acts taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into or any other act taken or entitled to be taken in connection with the Plan or those Chapter 11 Cases against the following, whether known or unknown:

~~12.8.1~~ The Debtors' Professionals, other than claims based on willful misconduct or the release of which is otherwise restricted by the Texas Disciplinary Rules of Professional Conduct.

12.9 **Releases of the ABC Defendants by the State of Texas**. This plan shall fully incorporate the terms of the State Release Agreement.

Lawsuits. In addition to the provisions of Article 5.2 herein, on the Effective Date, all lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of Claims or Causes of Action against any of the Debtors and any guarantor except proofs of claim and/or objections thereto pending in the Bankruptcy Court shall be dismissed as to the Debtors. Such dismissal shall be with prejudice to the assertion of such Claim in any manner other than as prescribed by the Plan. All parties to any such action shall be enjoined by the Bankruptcy Court by the Confirmation Order from taking any action to impede the immediate and unconditional dismissal of such actions. All lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a claim(s) by any of the Debtors or any entity proceeding in the name of or for the benefit of any of the Debtors against a person shall remain in place only with respect to the claim(s) asserted by such Debtor or such other entity, and shall become property of the applicable Reorganized Debtor to prosecute, settle or dismiss as it sees fit.

12.10 **Insurance**. Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtors or Reorganized Debtors in which the Debtors or any of the Debtors' representatives or agents is or was the insured party; the Reorganized Debtors shall become the insured party under any such policies without the need of further documentation other than the Plan and entry of the Confirmation Order. Each insurance company is prohibited from denying, refusing, altering or delaying coverage on any basis regarding or related to the Debtors' bankruptcy, the Plan or any provision within the Plan.

12.11 **U.S. Trustee Fees**. The Debtor shall timely pay post-Effective Date quarterly fees assessed pursuant to 28 U.S.C. § 1930(a)(6) until such time as the Bankruptcy Court enters a final decree closing these Chapter 11 Cases, or enters an order either converting these cases to cases under Chapter 7 or dismisses the Chapter 11 Cases. After confirmation, the Reorganized Debtor shall file with the Bankruptcy Court and shall transmit to the United States Trustee quarterly a true and correct statement of all disbursements made by them in a format prescribed by the United States Trustee.

12.12 **Term of Stays**. Except as otherwise provided in the Plan, the stay provided for in these Chapter 11 Cases pursuant to section 362 of the Bankruptcy Code shall remain in full force and effect until the Effective Date. This Section ~~12.12~~12.13 shall not limit the effect or force of the injunction in Sections 12.6.

ARTICLE XIII.

MISCELLANEOUS

PROVISIONS

13.1 **Corporate Authority**. All actions and transactions contemplated under the Plan shall be authorized upon confirmation of the Plan without the need of formal resolutions, approval, notice or meetings, other than the notice provided by serving this Plan on all known Holders of Claims and Interests and all current officers and directors of the Debtors.

13.2 **Documentation**. The Debtors, all Holders of Claims and Interests and other parties in interest required to execute releases, termination statements, deeds, bills of sale or other documents required by the Plan, shall be ordered and directed to execute such documents as are necessary in order to effectuate the terms of this Plan. The Bankruptcy Court may determine that the failure of any party to execute a required document shall constitute contempt of the Confirmation Order, which shall require such documents to be executed in accordance with the terms of the Plan and the Confirmation Order. On the Effective Date, all documents and instruments contemplated by the Plan not requiring execution and delivery prior to the Confirmation Date shall be executed and delivered by the Debtors and Holders of Claims and Interests, as the case may be.

Integration Clause. This Plan is a complete, whole, and integrated statement of the binding agreement between the Plan Proponents, Holders of Claims and Interests and other parties-in-interest upon the matters herein. Parole evidence shall not be admissible in an action regarding this Plan or any of its provisions.

13.3 **Primacy of the Plan and Confirmation Order**. To the extent of any conflict or inconsistency between the provisions of the Plan on the one hand, and the Confirmation Order on the other hand, the provisions of the Confirmation Order shall govern and control.

13.4 **Severability**. Should the Bankruptcy Court determine that any provision of the Plan is unenforceable either on its face or as applied to any Claim or Interest or transaction or as to any Holder of any Claim or Interest, the Plan Proponents may modify the Plan as provided herein so that such provision shall not be applicable to the Holder of any Claim or Interest. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the resolicitation of any acceptance or rejection of the Plan.

13.5 **No Admission**. Neither the filing of the Plan, nor Disclosure Statement, nor any statement or provision contained herein, nor the taking by the Plan Proponents of any action with respect to the Plan shall (i) be or be deemed to be an admission against interest and (ii) until the Effective Date, be or be deemed to be a waiver of any rights which the Plan Proponents may possess against any other party. In the event that the Effective Date does not occur, neither the

Plan, Disclosure Statement nor any statement contained herein may be used or relied upon in any manner in any suit, action, proceeding or controversy within or outside of the Debtors' Chapter 11 Cases.

13.6 **Bankruptcy Restrictions**. From and after the Effective Date, the Debtors shall no longer be subject to the restrictions and controls provided by the Bankruptcy Code or Bankruptcy Rules (e.g., section 363, section 364, rule 9019), the Bankruptcy Court, or the United States Trustee's guidelines. The Disbursing Agent may, on behalf of the Debtors, compromise Claims and/or controversies post-Effective Date without the need of notice or Bankruptcy Court approval. No monthly operating reports will be filed after the Effective Date; however, the Disbursing Agent shall provide the U.S. Trustee such financial reports as provided above and as the U.S. Trustee may reasonably request until the entry of a final decree.

13.7 **Governing Law**. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or the law of the jurisdiction of organization of any entity, the internal laws of Texas shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan or the Chapter 11 Cases, including the documents executed pursuant to the Plan.

13.8 **Closing of Case**. As soon as the Debtors have either obtained substantial consummation or otherwise performed its obligations under the Plan, the Reorganized Debtors shall seek the entry of an Order of the Bankruptcy Court closing this case.

13.9 **Successors and Assigns**. The rights, benefits and obligations of any entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

Notices. All notices or requests in connection with the Plan shall be in writing and given by mail addressed to**:**

ABC Dentistry, P.A.
1500 Southmore
Avenue
Pasadena, TX 77502
Attn: Iraj S. Jabbary, DDS

with copies by e-mail and mail to:

Omar J. Alaniz
Baker Botts LLP
2001 Ross
Avenue
Dallas, Texas 75201
~~omar.alaniz@bakerbotts.co~~
~~m~~omar.alaniz@bakerbotts.c
om

All notices and requests to any Holder of a Claim or Interest in any Class shall be sent to

such Holder at its last known address or to the last known address of its attorney of record in the Chapter 11 Cases. Any such holder of Claim or Interest may designate in writing any other address for purposes of this ~~section~~Section, which designation will be effective upon receipt by the Debtors.

13.10 **Validity and Enforceability**. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms. Should any provision in this Plan be determined by the Bankruptcy Court or any appellate court to be unenforceable following the Effective Date, such determination shall in no way limit the enforceability and operative effect of any and all other provisions of this Plan.

13.11 **Plan Supplement**. Any and all exhibits or schedules not filed with the Plan shall be contained in a Plan Supplement to be filed no later than ten (10) days prior to the Voting Deadline.

13.12 **Post-Effective Date Service**. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities that have filed renewed requests for service.

ABC DENTISTRY, P.A.
ABC DENTISTRY WEST OREM, P.L.L.C.
ABC DENTISTRY OLD SPANISH TRAIL, P.L.L.C.
ABC DENTISTRY HILLCROFT, P.L.L.C.,
ABC DENTISTRY PASADENA, P.A.
IRAJ S. JABBARY, DDS

By:_____ Iraj S. Jabbary, DDS

PLAN EXHIBIT A

State Release Agreement

(To be supplemented prior to the confirmation hearing)

PLAN EXHIBIT B

EXECUTORY CONTRACTS TO BE REJECTED

(To be supplemented prior to the confirmation hearing)

PLAN EXHIBIT ~~B~~C

CURE AMOUNTS FOR ASSUMED CONTRACTS

(To be supplemented prior to the confirmation hearing)

Document comparison by Workshare Compare on Thursday, October 05, 2017 5:40:06 PM

Input:	
Document 1 ID	file://\\client\c$\users\CBarton\Desktop\First Amended Plan.pdf
Description	First Amended Plan
Document 2 ID	file://\\client\c$\users\CBarton\Desktop\ABC __ Second Amended Plan_Copy for Filing.pdf
Description	ABC __ Second Amended Plan_Copy for Filing
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	476
Deletions	190
Moved from	9
Moved to	9
Style change	0
Format changed	0
Total changes	684

Exhibit B

Redline to Amended Disclosure Statement

THIS PROPOSED DISCLOSURE STATEMENT HAS NOT BEEN APPROVED UNDER SECTION 1125(b) OF THE BANKRUPTCY CODE BY THE BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION FOR USE IN CONNECTION WITH THE SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN OF REORGANIZATION DESCRIBED HEREIN. ACCORDINGLY, THE FILING AND DISSEMINATION OF THIS PROPOSED DISCLOSURE STATEMENT ARE NOT INTENDED AND SHOULD NOT IN ANY WAY BE CONSTRUED AS A SOLICITATION OF VOTES ON THE PLAN, NOR SHOULD THE INFORMATION CONTAINED HEREIN BE RELIED UPON FOR ANY PURPOSE BEFORE A DETERMINATION BY THE BANKRUPTCY COURT THAT THE PROPOSED DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	
ABC DENTISTRY, P.A., *et al.*,[1]	§	**CHAPTER 11**
DEBTORS.	§	**CASE NO. 16-34221 Jointly Administered**
	§ §	

~~**IN RE:**~~ ~~**ABC DENTISTRY, P.A., *et al.*,[1]**~~ ~~**DEBTORS.**~~	~~§ § § § § §~~	~~**CHAPTER 11**~~ ~~**CASE NO. 16-34221 Jointly Administered**~~

[PROPOSED] ~~FIRST~~SECOND AMENDED DISCLOSURE STATEMENT UNDER 11 U.S.C. § 1125 AND BANKRUPTCY RULE 3016 IN SUPPORT OF JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ABC DENTISTRY, P.A., ABC DENTISTRY WEST OREM, P.L.L.C., ABC DENTISTRY OLD SPANISH TRAIL, P.L.L.C.,
ABC DENTISTRY HILLCROFT, P.L.L.C., ABC DENTISTRY PASADENA, P.A. AND IRAJ S. JABBARY, DDS

THIS DISCLOSURE STATEMENT IS SUBMITTED TO ALL HOLDERS OF CLAIMS AND INTEREST OF THE DEBTORS ENTITLED TO VOTE ON THE PLAN OF REORGANIZATION HEREIN DESCRIBED AND CONTAINS INFORMATION THAT MAY AFFECT YOUR DECISION TO ACCEPT OR REJECT THE PLAN OF REORGANIZATION. THIS DISCLOSURE STATEMENT IS INTENDED TO PROVIDE

[1] The Debtors in these chapter 11 cases are: ABC Dentistry, P.A.; ABC Dentistry West Orem, P.L.L.C.; and ABC Dentistry Old Spanish Trail, P.L.L.C.

ADEQUATE INFORMATION AS REQUIRED BY THE BANKRUPTCY CODE AS TO THE PLAN OF REORGANIZATION. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO READ THE DISCLOSURE STATEMENT AND ATTACHMENTS WITH CARE AND IN THEIR ENTIRETY.

[1] ~~The Debtors in these chapter 11 cases are: ABC Dentistry, P.A.; ABC Dentistry West Orem, P.L.L.C.; and ABC Dentistry Old Spanish Trail, P.L.L.C.~~

ON___, THE BANKRUPTCY COURT APPROVED THIS DISCLOSURE STATEMENT AS CONTAINING ADEQUATE INFORMATION UNDER SECTION 1125(b) OF THE BANKRUPTCY CODE. SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN OF REORGANIZATION HEREIN DESCRIBED AND ATTACHED AS EXHIBIT A, IS BEING SOUGHT FROM HOLDERS WHOSE CLAIMS AGAINST OR INTERESTS IN THE DEBTORS ARE IMPAIRED UNDER THE PLAN OF REORGANIZATION. HOLDERS ENTITLED TO VOTE ON THE PLAN OF REORGANIZATION ARE URGED TO VOTE IN FAVOR OF THE PLAN AND TO RETURN THE BALLOT INCLUDED WITH THIS DISCLOSURE STATEMENT UPON COMPLETION IN THE ENVELOPE ADDRESSED TO BAKER BOTTS LLP., ATTENTION: OMAR J. ALANIZ, 2001 ROSS AVENUE, DALLAS, TEXAS 75201, NOT LATER THAN____,-AT _: . _.M. CENTRAL TIME.

DISCLOSURE STATEMENT

ABC Dentistry, P.A. ("ABC Dentistry"), ABC Dentistry West Orem, P.L.L.C. ("West Orem") and ABC Dentistry Old Spanish Trail, P.L.L.C. ("OST"), each a debtor and debtor-in-possession herein (each a "Debtor" and, collectively, the "Debtors"), ABC Dentistry Hillcroft, P.L.L.C. ("Hillcroft") and ABC Dentistry Pasadena, P.A. ("Pasadena" and together with Hillcroft, the "Non-Debtor Affiliates") and Iraj S. Jabbary, DDS ("Jabbary" and together with the Debtors and the Non-Debtor Affiliates, the "Plan Proponents"), submit this ~~first~~second amended Disclosure Statement (the "Disclosure Statement") under section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016 in support of the joint Chapter 11 plan of reorganization of the Debtors to all holders of impaired claims against and interests in the Debtors.

I. INTRODUCTORY STATEMENT

The Plan Proponents submit this Disclosure Statement in support of and in connection with their solicitation of acceptances of the ~~*First*~~*Second Amended Joint Chapter 11 Plan of Reorganization of Debtors ABC Dentistry, P.A., ABC Dentistry West Orem, P.L.L.C. and ABC Dentistry Old Spanish Trail, P.L.L.C., ABC Dentistry Hillcroft, P.L.L.C., ABC Dentistry Pasadena, P.A. and Iraj S. Jabbary, DDS* (the "Plan"). A copy of the Plan is attached as **Exhibit A** for your review. All terms used in this Disclosure Statement but not otherwise defined herein have the meanings given to such terms in the Plan.

Each Debtor filed a voluntary petition under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of Texas, Houston Division, on August 26, 2016. The Plan Proponents have prepared this Disclosure Statement to disclose information which, in its opinion, is material, important and necessary to an evaluation of the Plan. Pursuant to the terms of the United States Bankruptcy Code, this Disclosure Statement must be presented to and approved by the Bankruptcy Court. Such approval only reflects the Bankruptcy Court's judgment that the Disclosure Statement provides the information and notice required by the Bankruptcy Code and does not constitute a judgment by the Bankruptcy Court as to the desirability of the Plan or as to the value or suitability of any consideration offered thereby.

The material herein contained is intended solely for the use of known Holders of Claims and Interests, and may not be relied upon for any purpose other than a determination by them of how to vote on the Plan. As to contested matters, adversary proceedings and other actions or

threatened actions, this Disclosure Statement shall not constitute or be construed as an admission of any fact or liability, stipulation or waiver, but rather as a statement made in settlement negotiations under Rule 408 of the Federal Rules of Evidence. This Disclosure Statement shall not be admissible in any non-bankruptcy proceeding nor shall it be construed as to be advice on the tax, securities or other legal effects of the Plan as to the Holders of Claims and Interests.

To ensure compliance with Treasury department circular 230, each holder of a claim or interest is hereby notified that: (a) any discussion of U.S. Federal Tax issues in this Disclosure Statement is not intended or written to be relied upon, and cannot be relied upon, by any holder for the purpose of avoiding penalties that may be imposed upon a holder under the Tax Code; such discussion is included hereby by the Plan Proponents in connection with the promotion or marketing (within the meaning of Circular 230) by the Debtors of the transactions or matters addressed herein; and (c) each holder should seek advice based upon its particular circumstances from an independent tax advisor.

No representations concerning the Debtors or the Plan are authorized other than those that are set forth in this Disclosure Statement. No other party has been authorized to provide any information concerning the Debtors or their affairs, other than the information contained in this Disclosure Statement, to solicit votes on the Plan. Holders of Claims and Interests should not rely on any information relating to the Debtors, other than that contained in this Disclosure Statement and the exhibits attached hereto. Any representations or inducements made by any person to secure your vote which are other than those contained herein should not be relied upon, and such representations or inducements should be reported to counsel for the Debtors who shall deliver such information to the Bankruptcy Court. Finally, all terms not otherwise defined in this Disclosure Statement shall have the meanings assigned to them under the Plan.

Holders of Claims and Interests should read this Disclosure Statement in its entirety prior to voting on the Plan. No solicitation of votes on the Plan may be made, except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code.

EXCEPT AS SPECIFICALLY NOTED, THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. NEITHER THE PLAN PROPONENTS NOR COUNSEL FOR THE DEBTORS CAN WARRANT NOR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS WITHOUT INACCURACIES. NEITHER THE DEBTORS NOR THEIR COUNSEL HAS VERIFIED THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, ALTHOUGH THEY DO NOT HAVE ACTUAL KNOWLEDGE OF ANY INACCURACIES. THE FACTUAL INFORMATION REGARDING THE DEBTORS, INCLUDING THE ASSETS AND LIABILITIES OF THE DEBTORS, HAS BEEN DERIVED FROM NUMEROUS SOURCES, INCLUDING, BUT NOT LIMITED TO, THE DEBTORS' BOOKS AND RECORDS, SCHEDULES AND DOCUMENTS SPECIFICALLY IDENTIFIED HEREIN.

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

IF THE REQUISITE VOTE IS ACHIEVED FOR EACH OF THE REQUISITE CLASSES

OF IMPAIRED CLAIMS AND INTERESTS, THE PLAN IS SUBSEQUENTLY CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AND INTERESTS (INCLUDING, WITHOUT LIMITATION, THOSE HOLDERS OF CLAIMS AND INTERESTS WHO ARE NOT ENTITLED TO VOTE OR WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN), WILL BE BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY.

II. SUMMARY OF THE CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

The Plan Proponents will seek to confirm a Plan that incorporates the Rohi Settlement and the State Release Agreement. The Rohi Settlement provides that the ~~Holder~~Holders of the Rohi ~~Litigation Claim~~Personal Claims and the Rohi Qui Tam Claims shall receive the Rohi Settlement ~~Claim~~Payment in full satisfaction of the Rohi ~~Litigation Claim~~Personal Claims and the Rohi Qui Tam Claims and that the State of Texas shall receive the State of Texas OIG Settlement Payment in full satisfaction of the State of Texas OIG Claims. All other Holders of General Unsecured Claims shall be Paid In Full. A copy of the Rohi Settlement is attached as **Exhibit B** for your review.

The following table summarizes the classification and treatment of Claims and Interests against each Debtor under the Plan and the estimated distributions to be received by the Holders of Allowed Claims and Interests under the Plan. Amounts assumed for purposes of projected recoveries are estimates only; actual recoveries received under the Plan may differ materially from the projected recoveries.

The summaries in this table are qualified in their entirety by the description of the treatment of such Claims in Article ~~IV~~III of the Plan. All claims and interests against a particular Debtor are placed in classes for each of the Debtors.

Class	Claim or Interest	Treatment of Allowed Claims (Unless Holder Agrees to Different Treatment)	Voting Rights	Projected Plan Recovery
1	Other Priority Claims	Payment in Cash on the later of thirty (30) days after the Effective Date or the date such Claim becomes an Allowed	Unimpaired / Deemed to	100%
		Other Priority Claim.	Accept	
2	Secured Tax Claims	At the option of the applicable Debtor or Reorganized Debtor, either: (i) Cash on the Effective Date or as soon as reasonably	Unimpaired / Deemed to	100%
		practicable thereafter in an amount equal to the full unpaid	Accept	
		amount of such Allowed Secured Tax Claim; or (ii) ~~period~~for ~~not~~a		
		period not exceeding five (5) years from and after the Petition ~~Date, equal~~		
		Date, equal semi-annual Cash payments in an aggregate ~~amount equal to~~		
		amount equal to the unpaid portion of such Allowed Secured ~~Tax Claim,~~		
		Tax Claim, together with interest at the applicable rate under ~~non~~		
		non-bankruptcy law, subject to the sole option of the ~~Reorganized~~		
		Reorganized Debtors to prepay the entire amount of the unpaid		

		portion of		
		portion of the Allowed Secured Tax Claim in the ordinary-course of		
		course of business. Any Lien securing an Allowed Secured Tax Claim		
		Tax Claim shall be retained until paid in full.		
3	First Bank Secured	The maturity date of the First Bank Loan Agreement shall be deemed to be modified from May 27, 2019 to May 27, 2020.	Impaired / Entitled To Vote	100%
	Claim	West Orem's remaining payments under the First Bank Loan		
		Agreement shall be re-amortized from the Effective Date		
		through May 27, 2020 by the Debtors' financial advisor. All		
		other provisions of the First Bank Loan Agreement shall not		
		be deemed to be affected by the Plan.		
4	General Unsecured	The Holders of Allowed General Unsecured Class 4 Claims shall be Paid In Full as follows: the Holder of such Allowed	Impaired/Entitled to Vote	100%
	Claims	General Unsecured Claim shall receive (i) 50% of the Allowed		
		amount of such Holder's Claim on the Initial Distribution Date		
		and (ii) the remaining 50% of the Allowed amount of such		
		Holder's Claim on the first Semi-Annual Payment Date		
		following the Initial Distribution Date. Notwithstanding the		
		foregoing, Holders of General Unsecured Claims in Class 4		
		may elect to be treated as a Class 5 Convenience Claim by		
		making such election on the Ballot for Class 4 General		

Class Interest	Claim or	Treatment of Allowed Claims (Unless Holder Agrees to Different Treatment)	Voting Rights	Projected Plan Recovery
		following the Initial Distribution Date. Notwithstanding the foregoing, Holders of General Unsecured Claims in Class 4 may elect to be treated as a Class 5 Convenience Claim by making such election on the Ballot for Class 4 General Unsecured Claims.		
5	Convenience Claims	The Holders of Allowed Convenience Class 5 Claims shall be Paid In Full on the Initial Distribution Date.	Unimpaired / Deemed to Accept	100%
6	Rohi ~~Litigation~~Personal Claims	In full satisfaction of ~~all the~~ Rohi ~~Litigation Claim, the holder of the~~Personal Claims, Rohi ~~Litigation Claim shall receive the Rohi Settlement Claim that~~shall receive the Rohi Portion. Rohi and the State of Texas agree that the Bankruptcy Court shall determine, under applicable non-Title 11 law, the portion of the Rohi Settlement Payment payable to Rohi and the portion of the Rohi Settlement Payment payable to the State of Texas. Rohi and the State of Texas hereby waive any right to appeal the Bankruptcy Court's division of the Rohi Settlement Payment. In the Bankruptcy Court's order apportioning the Rohi Settlement Payment, the Bankruptcy Court shall determine the percentage of the Initial Plan Payment that shall be payable to Rohi and the percentage of the Initial Plan Payment that shall be payable to the State of Texas after deducting 7.82% of the Initial Plan Payment that shall be payable to the State of Texas in connection with Section 3.9 of the Plan. The Bankruptcy Court's order shall also determine the percentage of the Quarterly Payments that will be payable to Rohi and the percentage of the Quarterly Payments that shall be payable to the State of Texas after deducting 7.82% of the of the Quarterly Payments that shall be payable to the State of Texas in connection with Section 3.9 of the Plan. After the Initial Plan Payment is made, the unpaid portion of the Rohi Settlement Payment shall (i) accrue interest at a flat rate of ~~1.5~~0.5% per annum until paid, and (ii) be paid in full by December 31, 2022. ~~The Clerk of the Court shall release the funds placed in the registry of the Court pursuant to the order appearing in docket number 133 as soon as practical following receipt of the Effective Date Notice. The Plan Proponents shall then tender the Quarterly Payments on the Initial Quarterly Payment Due Date and then subsequently on each Quarterly Payment Due Date until the Rohi Settlement Claim is paid in full.~~ The Plan Proponents shall be permitted to prepay the Rohi Settlement ~~Claim~~Payment in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.	Impaired/Entitled To Vote	0-9%

Class	Claim or Interest	Treatment of Allowed Claims (Unless Holder Agrees to Different Treatment)	Voting Rights	Projected Plan Recovery
7	Rohi Qui Tam Claims	In full satisfaction of Rohi Qui Tam Claims, the State of Texas Shall Receive the State of Texas Portion. Rohi and the State of Texas agree that the Bankruptcy Court shall determine, under applicable non-Title 11 law, the portion of the Rohi Settlement Payment payable to Rohi and the portion of the Rohi Settlement Payment payable to the State of Texas. Rohi and the State of Texas hereby waive any right to appeal the Bankruptcy Court's division of the Rohi Settlement Payment. In the Bankruptcy Court's order apportioning the Rohi Settlement Payment, the Bankruptcy Court shall determine the percentage of the Initial Plan Payment that shall be payable to Rohi and the percentage of the Initial Plan Payment that shall be payable to the State of Texas after deducting 7.82% of the Initial Plan Payment that shall be payable to the State of Texas in connection with Section 3.9 of the Plan. The Bankruptcy Court's order shall also determine the percentage of the Quarterly Payments that will be payable to Rohi and the percentage of the Quarterly Payments that shall be payable to the State of Texas after deducting 7.82% of the Quarterly Payments that shall be payable to the State of Texas in connection with Section 3.9 of the Plan. After the Initial Plan Payment is made, the unpaid portion of the Rohi Settlement Payment shall (i) accrue interest at a flat rate of 0.5% per annum until paid, and (ii) be paid in full by December 31, 2022. The Plan Proponents shall be permitted to prepay the Rohi Settlement Payment in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.	Impaired/Entitled To Vote	0-9%
8	State of Texas OIG Claims	In full satisfaction of the State of Texas OIG Claims, the State of Texas shall receive the State of Texas OIG Settlement Payment. On account of the State of Texas OIG Settlement Payment, the State of Texas shall receive (i) 7.82 % of the Initial Plan Payment and (ii) a minimum of 7.82% of the Quarterly Payments. After the Initial Plan Payment is made, the unpaid portion of the State of Texas OIG Settlement Payment shall (i) accrue interest at a flat rate of 0.5% per annum until paid, and (ii) be paid in full by December 31, 2022.	Unimpaired / Deemed to Accept	100%
9	Interests	The Holders of Class 9 Interests shall retain the Interests held on the date of the filing of the Chapter 11 Cases.	Unimpaired / Deemed to Accept	100%

7 Interests	The Holders of Class 7 Interests shall retain the Interests held on the date of the filing of the Chapter 11 Cases.	Unimpaired / Deemed to Accept	100%

III. VOTING PROCEDURES

Acceptances of the Plan are being solicited only from those persons who hold Claims or Interests in an impaired class entitled to receive a distribution under the Plan. Any Holder whose Claim or Interest is IMPAIRED under the Plan is entitled to vote, if either (1) the Claim or Interest has been scheduled by the Debtors and such Claim or Interest is not scheduled as disputed, contingent or unliquidated, (2) the Holder has filed a proof of claim or interest on or before the last date set by the Bankruptcy Court for such filings, *provided, however*, any claim or

interest as to which an objection has been filed (and such objection is still pending) is not entitled to vote, unless the Bankruptcy Court temporarily allows the Holder to vote upon motion by the Holder heard and determined by the Bankruptcy Court prior to the date established by the Bankruptcy Court for a hearing to confirm the Plan or (3) the Claim has otherwise been Allowed by order of the Bankruptcy Court. In addition, a Holder's vote may be disregarded if the Bankruptcy Court determines that the Holder's acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

Holders of impaired Claims or Interests who are entitled to vote and fail to do so will not be counted as either accepting or rejecting the Plan. However, in the event no holder of a Claim with respect to a specific voting Class for a Debtor timely submits a Ballot indicating acceptance or rejection of the Plan, such Class (with respect to such Debtor) will be deemed to have accepted the Plan. Nevertheless, if the requisite vote is achieved for your class of impaired Claims and Interest and/or from sufficient other classes of impaired Claims or Interests consistent with the requirements of the Bankruptcy Code to confirm the Plan, you will be bound by the terms of the Plan.

A Ballot to be used for voting to accept or reject the Plan is enclosed with this Disclosure Statement. A Holder must (1) carefully review the Ballot and the instructions thereon, (2) execute the Ballot and (3) return it to the address indicated thereon by the deadline to enable the Ballot to be counted for voting proposes.

THE DEADLINE FOR RETURNING YOUR BALLOT IS_____.M. CENTRAL TIME ON_____, 2017 (THE "VOTING DEADLINE").

After completion of the Ballot, Holders should return the executed Ballot in the self-addressed envelope to:

ABC DENTISTRY, P.A.
c/o OMAR J. ALANIZ
BAKER BOTTS LLP 2001
ROSS AVENUE DALLAS,
TX 75201

VOTING INFORMATION AND INSTRUCTION FOR COMPLETING THE BALLOT:

FOR YOUR VOTE TO BE COUNTED YOU MUST COMPLETE THE BALLOT, INDICATE ACCEPTANCE OR REJECTION OF THE PLAN IN THE BOXES INDICATED ON THE BALLOT AND SIGN AND RETURN THE BALLOT TO THE ADDRESS SET FORTH ON THE PRE-ADDRESSED ENVELOPE. IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED.

IF YOU HOLD CLAIMS OR INTERESTS IN MORE THAN ONE CLASS UNDER THE PLAN, YOU MAY RECEIVE MORE THAN ONE BALLOT. EACH BALLOT YOU RECEIVE VOTES ONLY YOUR CLAIMS OR INTERESTS FOR THAT CLASS. PLEASE COMPLETE AND RETURN EACH BALLOT YOU RECEIVE. YOU MUST VOTE ALL OF YOUR CLAIMS WITHIN A SINGE CLASS UNDER THE PLAN TO EITHER ACCEPT OR REJECT THE PLAN. ACCORDINGLY, A BALLOT (OR

MULTIPLE BALLOTS WITH RESPECT TO MULTIPLE CLAIMS OR INTERESTS WITHIN A SINGLE CLASS) THAT PARTIALLY REJECTS AND PARTIALLY ACCEPTS THE PLAN WILL NOT BE COUNTED.

THE BALLOT IS FOR VOTING PURPOSES ONLY AND DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED A PROOF OF CLAIM OR INTEREST OR AN ASSERTION OF A CLAIM OR INTEREST.

IV. VOTING CLASSES

A class is "impaired" if the legal, equitable or contractual rights attaching to the claims or interest of that class are modified under a plan. Modification for purposes of determining impairment however, does not include curing defaults and reinstating maturity or cash payment in full. Classes of claims or interests that are not "impaired" under a plan are conclusively presumed to have accepted the plan and are thus not entitled to vote. Classes of claims or interests receiving no distribution under a plan are conclusively presumed to have rejected the plan and thus are not entitled to vote.

Under ~~Section~~section 1124 of the Bankruptcy Code, a class of claims or interests is impaired under a plan, **unless**, with respect to each claim or interest of such class, the plan:

1. Leaves unaltered the legal, equitable, and contractual rights of the holder of such claim or interest; or

2. Notwithstanding any contractual provision or applicable law that entitles the holder of a claim or interest to receive accelerated payment of its claim or interest after the occurrence of a default:

   (a) Cures any such default that occurred before or after the commencement of the case under the Bankruptcy Code, other than a default of a kind specified in ~~Section~~section 365(b)(2) of the Bankruptcy Code;

   (b) Reinstates the maturity of such claim or interest as it existed before the default;

   (c) Compensates the holder of such claim or interest for damages incurred as a result of reasonable reliance on such contractual provision or applicable law; and

   (d) Does not otherwise alter the legal, equitable or contractual rights to which such claim or equity interest entitles the holder of such claim or interest; or

3. Provides that, on the Effective Date the holder of such claim or interest receives, on account of such claim or interest, cash, equal to:

   (a) With respect to a claim, the allowed amount of such claim; or

(b) With respect to an interest, if applicable, the greater of:

(i) Any applicable fixed liquidation preference; or

(ii) Any fixed preference at which the Debtor, under the terms of the security, may redeem the security.

In Article IV of the Plan, the Plan Proponents have identified the impaired classes of Claims and Interests under the Plan. The following Classes are the only Classes entitled to vote to accept or reject the Plan (the "Voting Classes"):

~~Class~~	~~Claim or Interest~~	~~Status~~
~~3~~	~~First Bank Secured Claim~~	~~Impaired/Entitled to Vote~~

Class	Claim or Interest	Status
3	First Bank Secured Claim	Impaired/Entitled to Vote
4	General Unsecured Claims	Impaired/Entitled to Vote
6	Rohi ~~Litigation~~Personal Claims	Impaired/Entitled to Vote
7	Rohi Qui Tam Claims	Impaired/Entitled to Vote

If your Claim or Interest is not included in the Voting Classes, you are not entitled to vote. In the event there are questions regarding whether a person is in an impaired class, the person should assume that his or her Claim or Interest is impaired and vote. If the Claim or Interest is determined to be impaired, the vote will be counted by the Bankruptcy Court. If you hold an Administrative Claim or Unimpaired Claim, the Plan Proponents are not soliciting your vote.

If your Claim is included in the Voting Classes, you should read your Ballot and carefully follow the instructions included in the Ballot. Please use only the Ballot that accompanies the Disclosure Statement or the Ballot that the Plan Proponents otherwise provide to you.

Votes Required for Acceptance by a Class

Under the Bankruptcy Code, acceptance of a plan of reorganization by a class of claims or interests is determined by calculating the amount and, if a class of claims, the number, of claims and interests voting to accept, as a percentage of the allowed claims or interests, as applicable, that have voted. Acceptance by a class of claims requires an affirmative vote of (i) at least two-thirds in dollar amount of the total allowed claims that have voted and (ii) more than one-half in number of the total allowed claims that have voted. Acceptance by a class of Interests requires an affirmative vote of at least two-thirds in amount of the total interests that have voted. **Your vote on the Plan is important**. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan votes to accept such plan, unless the plan is being confirmed under the "cram down" provisions of section 1129(b) of the Bankruptcy Code (as discussed further in Section XIII.E of this Disclosure Statement), in which case at least one Class that is impaired must vote to accept.

V. NATURE AND HISTORY OF BUSINESS

A. General Information

1. History of The Debtors

ABC Dentistry, West Orem and OST are part of a family of six clinics doing business as ABC Dental in the Houston area. In addition to West Orem and OST, the Non-Debtor Affiliates each operate a dental clinic. ABC Dentistry was founded by Jabbary in December 1995.

Jabbary is the director of ABC Dentistry, the sole member of West Orem and the sole member of OST. He is also the director of Pasadena and the sole member of Hillcroft. He owns 100% of the equity interests in each of the Debtors and the Non-Debtor Affiliates.

2. Business Operations

The clinics provide a variety of dental and orthodontic services to their patients. The substantial majority of the Debtors' patients are children who are on Medicaid assistance — meaning that, for a family of four in Texas, their annual household income is no more than $33,534 per year. The Debtors provide services to nearly 25,000 patients per year. In addition to providing dental and orthodontic services, the Debtors also provide dental health educational programs and other charitable services for their local communities.

The Debtors employ approximately 40 people. Additionally, eighteen dentists, employed as independent contractors, rotate to provide services to the Debtors' patients and the patients of four other affiliated clinics, though six dentists are the primary health care providers to the Debtors' patients.

The Debtors generate revenue from patient payments for their services or, in the case of eligible patients, Medicaid reimbursements from the Texas state government. In 2016, the Debtors received approximately $895,926 from patients and $5,089,208 from the ~~state~~State of Texas.

B. Debtors' Assets and Pre-Petition Liabilities

As of the Petition Date, the Debtors' principal assets consisted of cash, security deposits, accounts, receivable, office furnishings and leasehold improvements. ~~The following table summarizes the value of these assets as of March 31, 2017:~~

~~Cash~~	~~$37,382.15~~
~~Security Deposits~~	~~$16,296.00~~
~~Accounts Receivable~~	~~$275,014.98~~
~~Office Furnishings/Improvements~~	~~$138,421.54~~
~~Non-Debtor Affiliate Intercompany Notes~~	~~$239,741.39~~
~~TOTAL~~	~~**$706,856.06**~~

1. Accounts Receivable

The Debtors primary source of revenue is from payment for services provided to its customers. As of the Petition Date, as set forth in the Debtors' schedules, the Debtors had

accounts receivable outstanding from non-debtors in the aggregate amount of $384,056.86. The Debtors have continued to collect and create accounts receivable since the filing of the petition under Chapter 11. ~~As of March 31, 2017, accounts receivable from non-debtors were approximately $275,014.98, and cash was $37,382.15.~~

2. Security Deposits and Office Furnishings/Improvements

The Debtors lease various real property for use in their business and, in most cases, are required under the leases to provide a security deposit or prepaid rent to their landlords. As of the Petition Date, the Debtors had outstanding prepaid amounts of $19,330.50 in the aggregate.

The Debtors have various office furnishings and leasehold improvements valued collectively at $138,421.54. The valuation of these assets is the net book value (i.e. cost less depreciation) derived from Debtors' books and records. The office furnishings are in good condition and are maintained well from the perspective of preventive maintenance.

3. Non-Debtor Affiliate Intercompany Notes

The Debtors and their Non-Debtor Affiliates engage in various business and financial transactions together that at times result in one indebted to the other. In order to document these transactions, the affiliates issue intercompany notes. As of the Petition Date, West Orem held intercompany notes from Non-Debtor Affiliates in an aggregate amount of $212,141.39, while OST held such notes in an aggregate amount of $72,600.00. West Orem also held an intercompany note from OST in the amount of 46,446.98.

C. Liabilities.

1. Overview of Liabilities

The Debtors' secured indebtedness consists of a single claim totaling approximately $232,265.19. That secured claim arises from a secured lending facility with First Bank & Trust East Texas. Only one of the Debtors (West Orem) is a party to that facility and it is secured by a lien on certain of West Orem's assets. The Debtors have no other secured debt.

As of the Petition Date, the Debtors had general unsecured obligations of approximately $370,754.21, including $205,944.26 owed to Non-Debtor Affiliates and $46,446.98 owed to other Debtors. The non-affiliate obligations are owed to approximately 50 trade creditors who have provided various goods and services to the Debtors.

In addition to the amount above, as discussed more fully herein, the Debtors, along with the other Plan Proponents, are defendants in litigation brought by Rohi. Rohi filed proofs of claim against ABC Dentistry, West Orem and OST in the respective amounts of $38,649,929.59, $30,668,193.35 and $10,712,821.26, which claims the Debtors have disputed in litigation. However, pursuant to a settlement agreement being negotiated between the parties, the Plan Proponents, Rohi, and ~~Rohi~~the State of Texas have agreed in principle to settle the Rohi ~~Litigation Claim for $3,500,000,~~Personal Claims and the Rohi Qui Tam Claims for $3,687,038, plus interest, pending resolution of remaining disputes.

Further, in addition to the amounts described above, and as discussed more fully herein, certain of the ABC Defendants were served a "Notice of Overpayment" by the Texas Health &

Human Services Commission's Office of the Inspector General asserting claims in the amount of $312,962. Pursuant to a settlement agreement being negotiated between the parties, the Plan Proponents and the State of Texas have agreed in principle to settle such claims for $312,962, as provided in Section 3.9 of the Plan.

~~Additionally, as of March 31, 2017, there are approximately $135,057.88 in~~The Debtors' only known administrative expenses consist of post-petition liabilities ~~owed~~, which will be paid in the ordinary course of business~~. No further administrative expenses are known other than~~, and accrued, unpaid professional fees. The Debtors believe that they have sufficient funds to satisfy ordinary course post-petition payables and attorneys' fees. Based on the foregoing, the Plan Proponents believe that they will have sufficient funds to pay all administrative expense claims which will come due on the Effective Date.

a. *Priority Claims (Class 1)*: Scheduled Priority Claims were $14,505 related to amounts owed to certain employee benefit providers. In addition to the scheduled priority claims, the IRS filed a priority claim against each of the Debtors: $0.00 against ABC Dentistry; $0.00 against OST; and $300.00 against West Orem. The Plan Proponents are unaware of the existence of any other priority claims.

Secured Tax Claims (Class 2): There were no Scheduled Secured Tax Claims. However, Harris County filed a secured tax claim against ABC Dentistry in the amount of $12,792.13 and against West Orem in the amount of $3,927.58. Harris County also filed a secured tax claim against OST for an undetermined amount. The Debtors are unaware of the existence of any other secured tax claims.

b. *First Bank Secured Claim (Class 3)*: First Bank holds a secured claim against West Orem in the amount of $232,265.19 in connection with a secured loan facility. The Plan Proponents are unaware of the existence of any other secured claims.

c. *General Unsecured Claims (Class 4)*: The scheduled unsecured claims (excluding the claims of Rohi) were $155,863.72. Additional unsecured proofs of claim have been filed in the amount of $29,602.23. The Plan Proponents are unaware of the existence of any other unsecured claims.

d. *Convenience Claims (Class 5)*: The schedule convenience claims were $24,999.07. The Plan Proponents are unaware of the existence of any other convenience claims.

e. *Rohi ~~Litigation~~Personal Claims (Class 6)*: Rohi has asserted a claim against (i) ABC Dentistry Old Spanish Trail, P.L.L.C. in the amount of $10,712,821.26; (ii) ABC Dentistry West Orem, P.L.L.C. in the amount of $30,668,193.35; and (iii) ABC Dentistry, P.A. in the amount of $38,649,929.59. The State of Texas has also filed proofs of claims against each of the Debtors for an unliquidated amount, but such claims are duplicative of the proofs of claim that Rohi filed. ~~The Debtors will object to the proofs of claim of the State of Texas. Under the Plan, Rohi and the Debtors have agreed to allow the Rohi Litigation Claim~~Pursuant to a settlement agreement being negotiated between the parties, the Plan Proponents, Rohi, and the State of Texas have agreed in principle to allow, under the Plan, the Class 6 Rohi Personal Claims and the Class 7 Rohi Qui Tam Claims (described below) in the aggregate amount of $3,687,038, plus interest, subject to various conditions

precedent, including Bankruptcy Court approval of the Rohi Settlement and confirmation of the Plan. If these conditions precedent are satisfied, the State of Texas and Rohi will share in the proceeds of the Class 6 and Class 7 Claims and the State of Texas's proofs of claim will be withdrawn.

f. *Rohi Qui Tam Claims (Class 7)*: Rohi has asserted a claim against (i) ABC Dentistry Old Spanish Trail, P.L.L.C. in the amount of $10,712,821.26; (ii) ABC Dentistry West Orem, P.L.L.C. in the amount of $30,668,193.35; and (iii) ABC Dentistry, P.A. in the amount of $38,649,929.59. The State of Texas has also filed proofs of claims against each of the Debtors for an unliquidated amount, but such claims are duplicative of the proofs of claim that Rohi filed. Pursuant to a settlement agreement being negotiated between the parties, the Plan Proponents, Rohi, and the State of Texas have agreed in principle to allow, under the Plan, the Class 6 Rohi Personal Claims and Class 7 Rohi Qui Tam Claims in the aggregate amount of $3,687,038, plus interest, subject to various conditions precedent, including Bankruptcy Court approval of the Rohi Settlement and confirmation of the Plan. If these conditions precedent are satisfied, the State of Texas and Rohi will share in the proceeds of the Class 6 and Class 7 Claims and the State of Texas's proofs of claim will be withdrawn.

g. ~~$3,500,000,~~*State of Texas OIG Claims (Class 8)*: The State of Texas has asserted a claim against the ABC Defendants in the amount of $312,962. Pursuant to a settlement agreement being negotiated between the parties, the Plan Proponents and the State of Texas have agreed in principle to allow, under the Plan, the State of Texas OIG Claims in the aggregate amount of $312,962, plus interest, subject to various conditions precedent, including Bankruptcy Court approval of the Rohi Settlement and confirmation of the Plan.

2. Events Leading to Bankruptcy

Prior to the initiation of the Rohi Litigation described below, the Debtors were profitable and had no significant financial issues. Rohi is a former employee of the Debtors. After his separation, in July 2014, Rohi brought suit against Plan Proponents. Dr. Rohi asserted personal causes of action for breach of contract, promissory estoppel, and retaliatory discharge (the "Employment Claims"). Rohi also brought claims as a relator (a) under Texas Human Resources Code chapters 32 and 36, for providing medically unnecessary and improperly provided services (the "Unnecessary Services Claims") and for improperly identifying the provider group as the service provider, rather than each distinct individual who provided a service to the patient, in submitting Medicare claims (the "Provider Information Claims" and together with the Unnecessary Services Claims, the "Act Claims"), and (b) under the Texas Occupations Code, for utilizing an improper compensation system (collectively, the "Compensation System Claims").

At the outset of Rohi's action, the case was sealed and stayed until the state of Texas declined to intervene in February 2015. The Plan Proponents submitted answers denying all allegations in March 2015. Rohi then engaged in aggressive discovery with respect to the Provider Information Claims, and thereafter sought partial summary judgment on the Provider Information Claims. Settlement negotiations ensued and on September 28, 2015, Rohi, the Plan Proponents and a representative from the Office of the Texas Attorney General agreed to the terms of a global

settlement and a litigation stand-down pending the state's approval of the proposed settlement.

The settlement never became effective, however, because the state never took action to approve or reject the proposed settlement. Litigation then resumed in March 2016 when Dr. Rohi renewed his motion for partial summary judgment on the Provider Information Claims. The Plan Proponents moved to dismiss the case, a motion which the state court denied. The Plan Proponents appealed but, notwithstanding an automatic stay pending appeal pursuant to Tex. Civ. Prac. and Rem. Code § 51.014(b), the court granted partial summary judgment against the Plan Proponents on the Provider Information Claims and set the issue of damages for further consideration (now subject to a pending mandamus challenge).

The partial summary judgment decision exposed the Plan Proponents to an immediate and existential threat. If a judgment on the Provider Information Claims is entered—even one for nominal damages—the Debtors could have their licenses to participate in the Medicaid program immediately suspended pursuant to Tex. Hum. Res. Code § 36.005(b-1). Inability to receive payment for services rendered to Medicaid patients alone would result in such diminished cash flow that the Debtors would be unable to pay for basic expenses such as employee wages and would therefore be unable to continue as going concerns. In addition, Rohi argued that, among other penalties, the state court was required to impose a $5,500 penalty for each of the 4,368 Medicaid reimbursement claims subject to the lawsuit, for a total penalty of over $24 million, without any consideration of whether there was wrongful intent, actual harm to the state or the possibility of mitigating circumstances. The Plan Proponent would be unable to pay such an enormous judgment, regardless of whether they kept their Medicaid license.

Rather than await a potential judgment and the dire consequences attendant thereto—firing employees, default on meritorious obligations to trade creditors, and cessation of dental services to needy children—the Debtors filed the chapter 11 petitions and removed the state court case to preserve the value of the Debtors' businesses and to ensure that all stakeholders in the Debtors are treated equitably.

3. Significant Events During Bankruptcy

a. *Voluntary Petition filing*

On the Petition Date, each Debtor filed a voluntary reorganization case under Chapter 11 of the Bankruptcy Code. The cases are jointly administered under Case No. 16-34221 in the United States Bankruptcy Court for the Southern District of Texas.

The Debtors continue to operate their business and manage their affairs as debtors-in-possession since the Petition Date, but have not made any extraordinary disposition or acquisition of assets since that date.

b. *Administration*

On the Petition Date, the Debtors filed a number of "first day" motions, including the following: *Wages and Benefits Motion:* The Debtors filed a motion seeking authority to (i) pay prepetition wages, salaries, and other compensation; (ii) pay prepetition payroll taxes and benefits and continue benefit programs in the ordinary course; and (iii) direct banks to honor checks for payment of prepetition Payment and Program Obligations. The Debtors estimated that approximately $19,000 had accrued and was outstanding on account of their employees and related

obligations. The Bankruptcy Court granted the motion on an interim basis September 6, 2016.

Utilities Motion: The Debtors filed a motion seeking an order (i) prohibiting utility providers from altering, refusing, or discontinuing services on account of prepetition amounts outstanding or on account of any perceived inadequacy of the Debtors' proposed adequate assurance; (ii) determining that its utility providers have been provided with adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code; (iii) approving the Debtors' proposed offer of adequate assurance and procedures governing utility providers' requests for additional or different adequate assurance; and (iv) determining that the Debtors are not required to provide any additional adequate assurance beyond what they proposed. The Bankruptcy Court granted the motion on an interim basis August 31, 2016.

Cash Collateral Motion: Debtor West Orem filed a motion seeking authority to use its cash, whether or not such cash is cash collateral, and a finding that the interests of First Bank & Trust East Texas, its secured lender, are adequately protected. West Orem is the borrower under a loan agreement with First Bank & Trust East Texas secured by various collateral including West Orem's cash and cash equivalents. The Bankruptcy Court granted the motion on an interim basis August 31, 2016, and on a final basis on October 4, 2016.

c. *Rohi Litigation Adversary Proceeding and Mediation*

Prior to the bankruptcy, Rohi sued the Plan Proponents (together with Rohi, the "Parties") in Texas state court in Houston alleging a variety of claims. On August 26, 2016, the Debtors removed the litigation to this Bankruptcy Court, initiating adversary proceeding No. 16-03193 (the "Adversary Proceeding"). Rohi responded by filing a motion asking the Bankruptcy Court to remand the matter to Texas state court and/or abstain from hearing the matter. The Debtors objected to the motion and filed a motion to estimate Rohi's claims.

On October 19, 2016, the Bankruptcy Court (i) abated the Adversary Proceeding and the Debtors' motion to estimate claims until November 28, 2016 and (ii) ordered the Parties to mediation before Barbara Radnofsky.

Following mediation, the Parties reached an agreement in principle (subject to Bankruptcy Court approval) resolving the claims in the Adversary Proceeding, which represented the largest contingent claims against the Debtors. ~~The Plan incorporates the mediated resolution.~~

On November 30, 2016, in light of the agreement in principle, the Bankruptcy Court entered the agreed order, indefinitely abating the Adversary Proceeding.

Subsequently, the State of Texas made it known that it would not provide the negotiated releases anticipated by the Parties under the terms of the agreement in principle without an amendment to such agreement.

On June 27, 2017, the Bankruptcy Court ordered the Parties and the State of Texas to a second mediation before Barbara Radnofsky.

Following the second mediation, in the Debtors' view, the Parties and the State of Texas greatly narrowed their issues in dispute. The second mediation has served as a foundation from which the parties are working towards a global resolution of the claims asserted in the Adversary

Proceeding, as well as additional claims asserted by the State of Texas in its June 16, 2017 "Notice of Overpayment."

d. *Case Management Going Forward*

1. *Creditors Committee*

The United States Trustee is responsible for soliciting a committee of creditors holding unsecured claims pursuant to 11 U.S.C. §1102(a)(1). No committee has been appointed or formed in this case.

2. *Plan Exclusivity*

The Bankruptcy Code provides debtors with an exclusive period within which debtors may propose a plan of reorganization, which initially lasts 120 days, and to solicit votes on a plan. On December 19, 2016, the Debtors filed a motion seeking to extend their exclusivity period for filing a plan until February 26, 2017 and for soliciting acceptances until May 1, 2017. The Bankruptcy Court approved the motion on December 23, 2016. On January 25, 2017, the Debtors filed a second motion seeking to extend their exclusivity period for filing a plan to May 15, 2017 and for soliciting acceptances of the plan until July 14, 2017 in order to extend the Debtors' exclusivity period beyond the government deadline applicable to certain Texas state agencies having jurisdiction over Medicaid overpayments to file a proof of claim. The Bankruptcy Court approved the motion on February 16, 2017. On July 6, 2017, the Debtors filed a third motion seeking to extend their exclusivity period for soliciting acceptances until September 15, 2017 in order to extend the Debtors' exclusivity period beyond the date of the second court ordered mediation. The Bankruptcy Court approved the motion on July 10, 2017. On September 7, 2017 the Debtors made an oral motion for an extension of exclusivity in order to allow the Debtors to solicit acceptances of the Plan, which incorporates terms discussed at the second mediation. On September 7, 2017, the Bankruptcy Court approved the Debtors' oral motion and extended the Debtors' exclusive period for soliciting acceptances through November 3, 2017.

3. *Assumption and Rejection*

The Bankruptcy Code allows the Debtors to assume or reject any pending lease agreements or executory contracts that exist on the Petition Date. Additionally, the law provides that the Debtors can assign their interests in lease agreements and executory contracts provided they cure all defaults and provide adequate assurance that the assignee will comply with the terms of the lease or contract. Executory contract and lease assumption and rejection are treated in the Plan. Any contract or lease not specifically rejected in the Plan, or by prior court order, is deemed accepted.

VI. DESCRIPTION OF PLAN

SUMMARY OF THE PLAN OF REORGANIZATION

THIS SECTION PROVIDES A SUMMARY OF THE STRUCTURE AND IMPLEMENTATION OF THE PLAN AND THE CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN, WHICH ACCOMPANIES THIS

DISCLOSURE STATEMENT, AND TO THE EXHIBITS ATTACHED THERETO. 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 AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN, AND REFERENCE IS MADE TO THE PLAN AND TO SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENTS OF SUCH TERMS AND PROVISIONS. THE PLAN ITSELF AND THE DOCUMENTS REFERRED TO THEREIN WILL CONTROL THE TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN AND WILL, UPON THE EFFECTIVE DATE, BE BINDING UPON HOLDERS OF CLAIMS AND INTERESTS, THE REORGANIZED DEBTORS AND OTHER PARTIES IN INTEREST. IN THE EVENT OF ANY CONFLICT BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN OR ANY OTHER OPERATIVE DOCUMENT, THE TERMS OF THE PLAN AND/OR SUCH OTHER OPERATIVE DOCUMENT WILL CONTROL.

A. Overall Structure of the Plan

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor is authorized to reorganize its business for the benefit of its creditors and shareholders. Upon the filing of a petition for relief under Chapter 11, ~~Section~~section 362 of the Bankruptcy Code provides for an automatic stay of substantially all acts and proceedings against the debtor and its property, including all attempts to collect claims or enforce liens that arose prior to the commencement of the Chapter 11 case.

The consummation of a plan of reorganization is the principal objective of a Chapter 11 case. A plan of reorganization sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan of reorganization by the Bankruptcy Court makes the plan binding upon the debtor, any issuer of securities under the plan, any person acquiring property under the plan and any creditor of, or equity security holder in the debtor, whether or not such creditor or equity security holder (i) is impaired under or has accepted the plan or (ii) receives or retains any property under the plan. Subject to certain limited exceptions, and other than as provided in the plan itself or the confirmation order, the confirmation order discharges the debtor from any debt that arose prior to the date of confirmation of the plan and substitutes for such debt the obligations specified under the confirmed plan.

The Plan should be read carefully and independently of this Disclosure Statement. The following analysis of the Plan is intended to provide a context for understanding the remainder of this Disclosure Statement and to assist in an understanding of the Plan and the proposed treatment of the Claims and Interests.

The Plan Proponents will seek to confirm a Plan that incorporates the Rohi Settlement and the State Release Agreement. The Rohi Settlement provides that the ~~Holder~~Holders of the Rohi ~~Litigation Claim~~Personal Claims and the Rohi Qui Tam Claims shall receive the Rohi Settlement ~~Claim~~Payment in full satisfaction of the Rohi Personal Claims and the Rohi Qui Tam Claims and that the State of Texas shall receive the State of Texas OIG Settlement Payment in full satisfaction of the State of Texas OIG Claim. All other Holders of General Unsecured Claims shall be Paid In Full.

B. Administrative Expenses and Priority Claims and Timing of Payment

The Holders of Administrative Claims and Priority Claims are treated as generally described below.

Payment of General Administrative Claims. Except to the extent that a Holder of an Allowed General Administrative Claim agrees to less favorable treatment, the Holder of each Allowed General Administrative Claim shall receive, in full and final satisfaction, settlement, release and discharge of and in exchange for such Allowed General Administrative Claim, Cash in an amount equal to the full unpaid amount of such Allowed General Administrative Claim on the later of (a) the Effective Date or as soon as reasonably practicable thereafter if such Administrative Claim is Allowed as of the Effective Date, (b) the date on which such Claim is Allowed or as soon as reasonably practicable thereafter, or (c) with respect to Ordinary Course General Administrative Claims, the date such amount is due in accordance with applicable non-bankruptcy law and the terms and conditions of any applicable agreement or instrument.

Payment of Priority Tax Claims. Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to less favorable treatment, the Holder of each Allowed Priority Tax Claim due and payable on or prior to the Effective Date shall receive, in full and final satisfaction, settlement, release and discharge of and in exchange for such Allowed Priority Tax Claim, at the election of the applicable Debtor or Reorganized Debtor, (a) Cash on the Effective Date or as soon as reasonably practicable thereafter in an amount equal to the full unpaid amount of such Allowed Priority Tax Claim; or (b) commencing on the first Semi-Annual Payment Date following the Initial Distribution Date and continuing over a period not exceeding five (5) years from and after the Petition Date, equal semi-annual Cash payments in an aggregate amount equal to the unpaid portion of such Allowed Priority Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the sole option of the Reorganized Debtors, to prepay the entire amount of the unpaid portion of the Allowed Priority Tax Claim in the ordinary course of business. Any Allowed Priority Tax Claim that is not due and payable on or prior to the Effective Date shall be paid in the ordinary course of business after the Effective Date as and when due under applicable non-bankruptcy law.

Payment of United States Trustee Fees. All fees incurred pursuant to 28 U.S.C. § 1930(a)(6) for time periods prior to entry of the Confirmation Order shall be paid by the Debtor on or before the Effective Date. The Reorganized Debtors shall be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6) following the Effective Date.

Payment to Professionals. All final requests for payment of Professional Claims shall be filed and served no later than 60 days after the Effective Date. The deadline for any Entity to objection to a final request for payment of a Professional Claim shall be 21 days after the filing of the request. The Bankruptcy Court shall determine the Allowed amounts of such Professional Claims. The Reorganized Debtors shall pay in full Professional Claims in Cash as soon as reasonably practicable after such Claims are Allowed by order of the Bankruptcy Court. Professional fees incurred for services rendered and costs advanced subsequent to the Effective Date shall be the liability of the Reorganized Debtors.

C. Classification and Treatment of Claims and Interests

Deemed Substantive Consolidation and Use of Sub-classification

The Plan shall serve as a motion by the Debtors seeking entry of a Bankruptcy Court order deeming the substantive consolidation of the Debtors' Estates into a single Estate for certain limited purposes related to the Plan, including voting, confirmation, and Distribution. As a result of the deemed substantive consolidation of the Estates, each Class of Claims and Interests will be treated as against a single consolidated Estate without regard to the separate legal existence of the Debtors. The Plan will not result in the merger or otherwise affect the separate legal existence of each Debtor, other than with respect to voting and Distribution rights under the Plan, and otherwise in satisfying the applicable requirements of Bankruptcy Code section 1129. All Claims filed by the same Creditor against more than one Debtor are eliminated, disallowed, and expunged to the extent that such are duplicative Claims. In the event that the Bankruptcy Court does not authorize substantive consolidation, or if the Bankruptcy Court authorizes the Debtors to consolidate for voting and Distribution purposes fewer than all of the Classes of Claims and Interests sought to be consolidated for these purposes, the Debtors may proceed with separate classifications for any such non-consolidated Classes of Claims and Interests, and such non-consolidated Classes of Claims and Interests will be treated as against each individual non-consolidated Debtor for voting and confirmation purposes. In such event, each Class of Claims and Interests shall be divided in subclasses; one for each of the Debtors, as set forth below.

PA - ABC Dentistry, P.A.;

WO - ABC Dentistry West Orem, P.L.L.C.;

OST - ABC Dentistry Old Spanish Trail, L.L.C.;

For example, Class 1 - "Other Priority Claims" -- can be divided into three sub-classes for voting purposes: Class 1-PA, Class 1-WO, and Class 1-OST. Class 1-PA relates to Other Priority Claims asserted against ABC Dentistry, P.A., Class 1-WO relates to Other Priority Claims asserted against ABC Dentistry West Orem, P.L.L.C., and so on. A particular Debtor may have no claims asserted against it in a particular Class.

The Classes of Claims and Interests created under the Plan, the treatment of those Classes under the Plan and the other property to be distributed under the Plan, are generally described below:

Class 1. Other Priority Claims.

Class 1 consists of the Other Priority Claims against the Debtors. The Class 1 claims are unimpaired.

Treatment. Class 1 Allowed Other Priority Claims shall be paid in Cash on the later of thirty (30) days after the Effective Date or the date such Claim becomes an Allowed Other Priority Claim, unless the Holder of such Claim agrees to a different treatment.

Class 2. Secured Tax Claims.

Class 2 consists of any Secured Tax Claims against any of the Debtors. The Class 2

Claims are unimpaired.

Treatment. Except to the extent that a Holder of an Allowed Secured Tax Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for its Allowed Secured Tax Claims, each holder of an Allowed Secured Tax Claim shall receive, at the option of the applicable Debtor or Reorganized Debtor, either: (i) Cash on the Effective Date or as soon as reasonably practicable thereafter in an amount equal to the full unpaid amount of such Allowed Secured Tax Claim; or (ii) commencing on the first Semi-Annual Payment Date following the Initial Distribution Date and continuing over a period not exceeding five (5) years from and after the Petition Date, equal semi-annual Cash payments in an aggregate amount equal to the unpaid portion of such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the sole option of the Reorganized Debtors to prepay the entire amount of the unpaid portion of the Allowed Secured Tax Claim in the ordinary course of business. Any Lien securing an Allowed Secured Tax Claim shall be retained until such time that such Allowed Secured Tax Claim is paid in full.

Class 3. First Bank Secured Claim

Class 3 consists of the First Bank Secured Claim against West Orem. The Class 3 Claims are impaired.

Treatment. The maturity date of the First Bank Loan Agreement shall be deemed to be modified from May 27, 2019 to May 27, 2020. West Orem's remaining payments under the First Bank Loan Agreement shall be re-amortized from the Effective Date through May 27, 2020 by the Debtors' financial advisor. All other provisions of the First Bank Loan Agreement shall not be deemed to be affected by the Plan.

Class 4. General Unsecured Claims.

Class 4 consists of General Unsecured Claims other than Class 5 Convenience Claims. The Class 4 claims are Impaired.

Treatment. The Holders of Allowed General Unsecured Class 4 Claims shall be Paid In Full as follows: the Holder of such Allowed General Unsecured Claim shall receive ~~(i)~~ (i) 50% of the Allowed amount of such Holder's Claim on the Initial Distribution Date and~~(ii)~~ (ii) the remaining 50% of the Allowed amount of such Holder's Claim on the first Semi- Annual Payment Date following the Initial Distribution Date. Notwithstanding the foregoing, Holders of General Unsecured Claims in Class 4 may elect to be treated as a Class 5 Convenience Claim by making such election on the Ballot for Class 4 General Unsecured Claims.

Class 5. Convenience Claims.

Class 5 consists of Convenience Claims. The Class 5 Claims are unimpaired.

Treatment. The Holders of Allowed Convenience Class 5 Claims shall be Paid In Full on the Initial Distribution Date.

Class 6. Allowed Rohi ~~Litigation~~Personal Claims.

Class 6 consists of Rohi ~~Litigation~~Personal Claims. Rohi is the Holder of the Rohi

~~Litigation Claim~~Personal Claims unless the Bankruptcy Court orders otherwise. The Class 6 Claims are impaired.

Treatment. In full satisfaction of all the Rohi ~~Litigation Claim, the holder of the~~Personal Claims, Rohi ~~Litigation Claim shall receive the Rohi Settlement Claim that~~shall receive the Rohi Portion. Rohi and the State of Texas agree that the Bankruptcy Court shall determine, under applicable non-Title 11 law, the portion of the Rohi Settlement Payment payable to Rohi and the portion of the Rohi Settlement Payment payable to the State of Texas. Rohi and the State of Texas hereby waive any right to appeal the Bankruptcy Court's division of the Rohi Settlement Payment.

In the Bankruptcy Court's order apportioning the Rohi Settlement Payment, the Bankruptcy Court shall determine the percentage of the Initial Plan Payment that shall be payable to Rohi and the percentage of the Initial Plan Payment that shall be payable to the State of Texas after deducting 7.82% of the Initial Plan Payment that shall be payable to the State of Texas in connection with Section 3.9 of the Plan. The Bankruptcy Court's order shall also determine the percentage of the Quarterly Payments that will be payable to Rohi and the percentage of the Quarterly Payments that shall be payable to the State of Texas after deducting 7.82% of the Quarterly Payments that shall be payable to the State of Texas in connection with Section 3.9 of the Plan.

After the Initial Plan Payment is made, the unpaid portion of the Rohi Settlement Payment shall (i) accrue interest at a flat rate of ~~1.5~~0.5% per annum until paid, and (ii) be paid in full by December 31, 2022. ~~The Clerk of the Court shall release the funds placed in the registry of the Court pursuant to the order appearing in docket number 133 as soon as practical following receipt of the Effective Date Notice. The Plan Proponents shall then tender the Quarterly Payments on the Initial Quarterly Payment Due Date and then subsequently on each Quarterly Payment Due Date until the Rohi Settlement Claim is paid in full.~~ The Plan Proponents shall be permitted to prepay the Rohi Settlement ~~Claim~~Payment in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.

Class 7. ~~Interests~~Allowed Rohi Qui Tam Claims.

Class 7 consists of Rohi Qui Tam Claims. The Class 7 Claims are impaired.

Treatment. In full satisfaction of all the Rohi Qui Tam Claims, Rohi shall receive the Rohi Portion and the State of Texas shall receive the State of Texas Portion. Rohi and the State of Texas agree that the Bankruptcy Court shall determine, under applicable non-Title 11 law, the portion of the Rohi Settlement Payment payable to Rohi and the portion of the Rohi Settlement Payment payable to the State of Texas. Rohi and the State of Texas hereby waive any right to appeal the Bankruptcy Court's division of the Rohi Settlement Payment.

In the Bankruptcy Court's order apportioning the Rohi Settlement Payment, the Bankruptcy Court shall determine the percentage of the Initial Plan Payment that shall be payable to Rohi and the percentage of the Initial Plan Payment that shall be payable to the State of Texas after deducting 7.82% of the Initial Plan Payment that shall be payable to the State of Texas in connection with Section 3.9 of the Plan. The Bankruptcy Court's order shall also determine the percentage of the Quarterly Payments that will be payable

to Rohi and the percentage of the Quarterly Payments that shall be payable to the State of Texas after deducting 7.82% of the Quarterly Payments that shall be payable to the State of Texas in connection with Section 3.9 of the Plan.

After the Initial Plan Payment is made, the unpaid portion of the Rohi Settlement Payment shall (i) accrue interest at a flat rate of 0.5% per annum until paid, and (ii) be paid in full by December 31, 2022. The Plan Proponents shall be permitted to prepay the Rohi Settlement Payment in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.

Class 8. Allowed State of Texas OIG Claims.

Class 8 consists of the State of Texas OIG Claims. The State of Texas is the Holder of the State of Texas OIG Claims. The Class 8 Claims are unimpaired.

Treatment. In full satisfaction of all the State of Texas OIG Claims, the State of Texas shall receive the State of Texas OIG Settlement Payment. On account of the State of Texas OIG Settlement Payment, the State of Texas shall receive (i) 7.82 % of the Initial Plan Payment and (ii) a minimum of 7.82% of the Quarterly Payments. After the Initial Plan Payment is made, the unpaid portion of the State of Texas OIG Settlement Payment shall (i) accrue interest at a flat rate of 0.5% per annum until paid, and (ii) be paid in full by December 31, 2022.

Class 9. Interests.

Class ~~7~~9 consists of Interests. The Class ~~7~~9 Interests are ~~impaired~~unimpaired.

Treatment. The Holders of Class ~~7~~9 Interests shall retain the Interests held on the date of the filing of the Chapter 11 Cases.

D. Means for Execution of Plan

1. Vesting of Property of the Estates in Reorganized Debtors. On the Effective Date of the Plan, all property of each Debtor and of its Estate shall vest in its respective equivalent Reorganized Debtor free and clear of liens, claims and encumbrances, except as otherwise provided by the terms of the Plan.

2. Rohi Settlement. The Rohi Settlement is incorporated into this Plan by reference, and this Plan shall be considered a motion of the Plan Proponents for the Bankruptcy Court to approve the Rohi Settlement under Bankruptcy Rule 9019. Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided to Rohi and the State of Texas under this Plan, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims and controversies relating to the Rohi Litigation and the Claims and Causes of Action against all of the ABC Defendants that are released or otherwise addressed in the State Release Agreement. Within 7 days after the Effective Date, Rohi shall dismiss adversary proceeding number 16-03193 (Bankr. S.D. Tex.) and any of the pending proceeding against any of the Plan Proponents with prejudice.

Rohi and the State of Texas agree that the Bankruptcy Court shall determine, under applicable non-Title 11 law, the portion of the Rohi Settlement Payment payable to Rohi and the

portion of the Rohi Settlement Payment payable to the State of Texas. Rohi and the State of Texas hereby waive any right to appeal the Bankruptcy Court's division of the Rohi Settlement Payment.

In the Bankruptcy Court's order apportioning the Rohi Settlement Payment, the Bankruptcy Court shall determine the percentage of the Initial Plan Payment that shall be payable to Rohi and the percentage of the Initial Plan Payment that shall be payable to the State of Texas after deducting 7.82% of the Initial Plan Payment that shall be payable to the State of Texas in connection with Section 3.9 of this Plan. The Bankruptcy Court's order shall also determine the percentage of the Quarterly Payments that will be payable to Rohi and the percentage of the Quarterly Payments that shall be payable to the State of Texas after deducting 7.82% of the Quarterly Payments that shall be payable to the State of Texas in connection with Section 3.9 of this Plan

After the Initial Plan Payment is made, the unpaid portion of the Rohi Settlement Payment shall (i) accrue interest at a flat rate of 0.5% per annum until paid, and (ii) be paid in full by December 31, 2022. The Plan Proponents shall be permitted to prepay the Rohi Settlement Payment in full at any time prior to December 31, 2022 without paying a penalty or any amount on account of interest that would have otherwise accrued but for the prepayment.

3. Continuation of Business Operations. From and after the Effective Date of the Plan, each Reorganized Debtor shall be authorized to continue its normal business operations. Each Reorganized Debtor shall enter into such transactions as it deems advisable, free of any restriction or limitation imposed under any provision of the Bankruptcy Code, except to the extent otherwise provided in the Plan.

4. Dissolution of ABC Density, P.A. Upon the Effective Date, ABCD shall be deemed dissolved. Jabbary, as Sole Member of ABCD, shall have the power to wind up the affairs of ABCD under applicable state laws in addition to all the rights, powers, and responsibilities conferred by the Bankruptcy Code and the Plan.

5. Source of funds for Payments Under the Plan. The Plan Proponents will commit to fund the Plan in an amount sufficient to make all of the required payments under the Plan.

Directors and Officers of Reorganized Debtors. The directors, officers, or members of each Debtor, including Jabbary, are authorized to continue as directors, officers, or members (as applicable) of the Reorganized Debtors from and after the Effective Date of the Plan.

6. Agreements, Instruments and Documents. All agreements, instruments, and documents required under the Plan to be executed or implemented, together with such others as may be necessary, useful, or appropriate in order to effectuate the Plan shall be executed on or before the Effective Date or as soon thereafter as is practicable. The Reorganized Debtor shall have a power of attorney, coupled with an interest, to execute and deliver any document to the extent that counterparty to such document fails to execute and deliver any document required to effectuate the Plan following 20 days written notice and request to such counterparty.Further Authorization. The Reorganized Debtors shall be entitled to seek such orders, judgments, injunctions, and rulings from the Bankruptcy Court, in addition to those specifically listed in the Plan, as may be necessary to carry out the intentions and purposes, and to give full effect to the

provisions, of the Plan. The Bankruptcy Court shall retain jurisdiction to enter such orders, judgments, injunctions and rulings.

VII. OTHER PROVISIONS OF PLAN

A. Assumption and Rejection of Executory Contracts.

The Debtors shall reject the executory contracts and leases set forth in Exhibit "~~A~~B" to the Plan. All executory contracts not expressly rejected under the Plan or rejected pursuant to an order of the Bankruptcy Court shall be assumed by the Debtors. For the avoidance in doubt, the Debtors shall assume the following: (i) all licenses issued to the Debtors by governmental authorities; (ii) all Medicaid provider agreements; (iii) all employment and severance policies, and all compensation and benefits plans, policies and programs of the Debtors applicable to their respective employees, retirees and non-employee directors, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive plans and life and accidental death and dismemberment insurance plans; and

(iv) insurance policies to which any Debtor is a party as of the Effective Date.

Any objections by a counterparty to an Executory Contract regarding the assumption of the contract or the proposed cure amounts shall be filed by the Plan Objection Deadline and be heard by the Bankruptcy Court at the Confirmation Hearing. Any counterparty that fails to timely object to the cure amount shall be deemed to have assented to such assumption and/or cure amount. Except as specifically provided for in the Plan, the Debtor shall pay all cure amounts in the amount listed on Exhibit "~~B~~C" to the Plan on or before thirty (30) days after the bar date for Administrative Claims set forth in paragraph 2.1 of the Plan.

B. Rejection Damages Bar Date

Any Claims arising from rejection of an executory contract or lease must be filed on or before twenty (20) days from the Effective Date. Otherwise, such Claims are forever barred and will not be entitled to share in any distribution under the Plan. Any Claims arising from rejection, if timely filed and allowed, will be treated as Class 4 General Unsecured Claims.

C. Disbursing Agent.

~~Each Reorganized Debtor shall act as the Disbursing Agent or shall designate a substitute to act as Disbursing Agent at any time after the Effective Date~~Jabbary shall be deemed to be the Disbursing Agent as of the Effective Date. Jabbary may designate any employee of the Plan Proponents to perform the disbursements that are contemplated by the Plan or perform any of the duties contained in Article VI of the Plan. Should Jabbary elect to cease to be affiliated with the Debtors or the Non-Debtor Affiliates, Jabbary must designate a new independent disbursing agent that is not an employee or contractor of the Plan Proponents. Jabbary shall remain the Disbursing Agent until the substitute disbursing agent files a written notice of his or her appointment with the Bankruptcy Court, acknowledging that he or she is bound by the terms of the Plan. The rights, powers and duties of the Disbursing Agent and the procedures for making distributions under the Plan are set forth in Article VI of the Plan.

D. Conditions to Confirmation.

Confirmation of the Plan shall not occur and the Bankruptcy Court shall not enter the

Confirmation Order unless all of the requirements of the Bankruptcy Code for confirmation of the Plan with respect to each Debtor shall have been satisfied. In addition, confirmation shall not occur, the Plan shall be null and void and of no force and effect, and the Plan shall be deemed withdrawn unless the Bankruptcy Court shall have entered all orders (which may be orders included within the Confirmation Order) required to implement the Plan.

E. Confirmation Order Provisions for Pre-Effective Date Actions.

The Confirmation Order shall empower and authorize the Debtors to take or cause to be taken, prior to the Effective Date, all actions which are necessary to enable it to implement the provisions of the Plan and satisfy all other conditions precedent to the effectiveness of the Plan.

F. Conditions to the Effective Date.

The following are conditions precedent to the effectiveness of the Plan, subject to the Plan Proponents' right to waive any such conditions:

1. The Bankruptcy Court shall have entered an order approving the Rohi Settlement, which could be the Confirmation Order;

2. The Confirmation Order shall have been duly entered and shall be a Final Order and the Plan shall be in form and substance acceptable to the Plan Proponents;

3. The State of Texas and the ABC Defendants have executed the State Release Agreement in form and substance acceptable to the Plan Proponents;

4. The Plan Proponents do not withdraw the Plan at any time prior to the Effective Date;

5. The Bankruptcy Court will have entered an order vacating the March 31, 2016 summary judgment order; and

~~4.~~The Debtors shall have sufficient Cash on hand or otherwise available to make the initial payments and distributions required under the Plan.

G. Binding Effect.

As provided for in ~~Section~~section 1141(d) of the Bankruptcy Code, the provisions of the Plan shall bind the Debtors, any entity acquiring property under the Plan and any Holder of a Claim or Interest, whether or not the Claim or Interest is impaired under the Plan and whether or not such Holder has accepted the Plan, and the United States and any licensing authority. After confirmation, the property dealt with by the Plan shall be free and clear of all Claims and Interests, except to the extent as provided for in the Plan as the case may be.

H. Satisfaction of Claims and Interests.

Holders of Claims and Interests shall receive the distributions provided for in this Plan, if any, in full settlement and satisfaction of all such Claims, and any interest accrued thereon, and all Interests.

I. Vesting of Property.

Except as otherwise expressly provided in the Plan or the Confirmation Order, pursuant to ~~Section~~section 1141(b) of the Bankruptcy Code, upon the Effective Date, all Property and assets of the Estates shall vest in the respective Reorganized Debtors free and clear of all Claims, liens, encumbrances, charges or other interests. Moreover, all licenses and permits held by each Debtor shall continue be held by its Reorganized Debtor counterpart. Subject to the terms of this Plan, on and after the Effective Date, the Reorganized Debtors may operate their businesses and may use, acquire and dispose of property and prosecute, compromise or settle any Claims (including any Administrative Expense Claims) and causes of action without supervision of or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules other than restrictions expressly imposed by this Plan or the Confirmation Order.

J. Discharge of the Debtors.

Pursuant to section 1141(d) of the Bankruptcy Code and effective as of the Effective Date, and except as otherwise specifically provided in the Plan: (a) the distributions, rights and treatment that are provided in the Plan shall be in complete satisfaction, discharge and release of all Claims of any nature whatsoever, including any interest accrued on Claims from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, the Debtors, the Reorganized Debtors or any of their assets, properties or Estates, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims, including demands, liabilities and Causes of Action that arose before the Effective Date; (b) the Plan shall bind all holders of Claims, notwithstanding whether any such holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not (i) a Proof of Claim based upon such debt or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (ii) a Claim based upon such debt or right is Allowed; or (iii) the holder of such a Claim has accepted the Plan or is entitled to receive a distribution hereunder; and (d) all Entities shall be precluded from ever asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any Claims based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims subject to the Effective Date occurring. Any Entity that does not object to the scope of the discharge in ~~this~~ Section 12.4 of the Plan by the Confirmation Objection Deadline will be deemed to have waived any right to determine, or otherwise challenge, the dischargeability of any debt against any of the Debtors under 11 U.S.C. § 1141.

K. Exculpation.

Notwithstanding anything herein to the contrary, the Exculpated Parties shall neither have nor incur any liability to any Entity for any Bankruptcy-Related Action; provided that nothing in the foregoing "Exculpation" shall exculpate any Entity from any liability resulting from any act or omission that is determined by Final Order to have constituted fraud, willful misconduct, gross negligence, or criminal conduct; provided that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in

connection with, the Plan or any other related document, instrument, or agreement.

Notwithstanding anything herein to the contrary, as of the Effective Date, pursuant to section 1125(e) of the Bankruptcy Code, the Plan Proponents, their attorneys, their financial advisors, and other professional advisors, representatives and agents upon appropriate findings of the Bankruptcy Court will be deemed to have solicited acceptance of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, and to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, in the offer, issuance, sale, or purchase of a security, offered or sold under the Plan of a Reorganized Debtor, and shall not be liable to any Entity on account of such solicitation or participation.

In addition to the protections afforded in ~~this~~ Section 12.5 of the Plan to the Plan Proponents and their professionals, and not in any way reducing or limiting the application of such protections, the Bankruptcy Court retains exclusive jurisdiction over any and all Causes of Action asserted against any Plan Proponent for any Bankruptcy-Related Action that are not otherwise exculpated or enjoined by this Plan.

L. Injunction.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN OR FOR OBLIGATIONS ISSUED PURSUANT HERETO, ALL ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS, CAUSES OF ACTION OR ARE SUBJECT TO EXCULPATION PURSUANT TO SECTION 12.5 OF THE PLAN ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS AGAINST, AS APPLICABLE, THE DEBTORS OR THE REORGANIZED DEBTORS: (1) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR PROCEEDING, OF ANY KIND, ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION, INCLUDING UNDER CHAPTER 36 OF THE TEXAS HUMAN RESOURCES CODE; (2) ENFORCING, ATTACHING, COLLECTING OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST SUCH DEBTORS OR REORGANIZED DEBTORS ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION; (3) CREATING, PERFECTING OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST THE DEBTORS OR THE PROPERTY OR ESTATES OF THE DEBTORS ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION; (4) ASSERTING ANY RIGHT OF RECOUPMENT, SETOFF OR SUBROGATION OF ANY KIND AGAINST ANY OBLIGATIONS DUE FROM THE DEBTORS, THE REORGANIZED DEBTORS, OR AGAINST THE PROPERTY OR INTERESTS IN PROPERTY OF THE DEBTORS ON ACCOUNT OF ANY SUCH CLAIM OR CAUSE OF ACTION; AND (5) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR CAUSES OF ACTION RELEASED, SETTLED, EXCULPATED OR DISCHARGED PURSUANT TO THE PLAN OR CONFIRMATION ORDER. THIS INJUNCTION ALSO PERMITS THE REORGANIZED DEBTOR TO ENFORCE 11 U.S.C. § 525(A) UPON IMPROPER REVOCATION OR RESTRICTION OF LICENSES.

FURTHER, IN CONSIDERATION OF THE ROHI SETTLEMENT, ANY AND

ALL ENTITIES ARE HEREBY ENJOINED FROM CONTINUING, PURSUING, OR INITIATING ANY CLAIM OR CAUSE OF ACTION AGAINST ANY OF THE PLAN PROPONENTS RELATED TO ANY OF THE CLAIMS OR CAUSES OF ACTION THAT ARE THE SUBJECT OF THE ROHI LITIGATION.

M. Preservation of Setoff Rights.

In the event that a Debtor has a claim of any nature whatsoever against a Holder of a Claim, the Debtor may, but is not required to setoff against such Claim (and any payments or other distributions to be made in respect of such Claim hereunder), subject to the provisions of ~~Section~~section 553 of the Bankruptcy Code. Neither the failure to setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors of any claim that any Debtor has against any Holder of a Claim.

N. Releases by the Debtors.

On the Effective Date and pursuant to section 1123(b)(3)(A) of the Bankruptcy Code, the Debtors, and to the maximum extent provided by law, its agents, release and forever discharge all Avoidance Actions (except those related to the claim objection process) and other claims, including acts taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into or any other act taken or entitled to be taken in connection with the Plan or those Chapter 11 Cases against the following, whether known or unknown:

~~5.~~The Debtors' Professionals, other than claims based on willful misconduct or the release of which is otherwise restricted by the Texas Disciplinary Rules of Professional Conduct.

O. Lawsuits.

In addition to the provisions of Article 5.2 ~~herein~~of the Plan, on the Effective Date, all lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of Claims or Causes of Action against any of the Debtors and any guarantor except proofs of claim and/or objections thereto pending in the Bankruptcy Court shall be dismissed as to the Debtors. Such dismissal shall be with prejudice to the assertion of such Claim in any manner other than as prescribed by the Plan. All parties to any such action shall be enjoined by the Bankruptcy Court by the Confirmation Order from taking any action to impede the immediate and unconditional dismissal of such actions. All lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a claim(s) by any of the Debtors or any entity proceeding in the name of or for the benefit of any of the Debtors against a person shall remain in place only with respect to the claim(s) asserted by such Debtor or such other entity, and shall become property of the applicable Reorganized Debtor to prosecute, settle or dismiss as it sees fit.

P. Insurance.

Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtors or Reorganized Debtors in which the Debtors or any of the Debtors' representatives

or agents is or was the insured party; the Reorganized Debtors shall become the insured party under any such policies without the need of further documentation other than the Plan and entry of the Confirmation Order. Each insurance company is prohibited from denying, refusing, altering or delaying coverage on any basis regarding or related to the Debtors' bankruptcy, the Plan or any provision within the Plan.

Q. U.S. Trustee Fees.

The Debtor shall timely pay post-Effective Date quarterly fees assessed pursuant to 28 U.S.C. § 1930(a)(6) until such time as the Bankruptcy Court enters a final decree closing these Chapter 11 Cases, or enters an order either converting these cases to cases under Chapter 7 or dismisses the Chapter 11 Cases. After confirmation, the Reorganized Debtor shall file with the Bankruptcy Court and shall transmit to the United States Trustee quarterly a true and correct statement of all disbursements made by them in a format prescribed by the United States Trustee.

R. Allowance of Claims Under the Plan.

Allowance is a procedure whereby the Bankruptcy Court determines the amount and enforceability of a Claim against a Debtor, if the parties cannot agree upon such allowance. It is expected that a Debtor and/or the Disbursing Agent will file objections to Claims, if any are deemed necessary, before and after confirmation of the Plan. The Plan merely provides for payment of Allowed Claims, but does not attempt to pre-approve the allowance of any Claims.

S. Claims Objection Deadline.

Objections to Claims may be filed at any time until one hundred twenty (120) days after the Effective Date, unless extended by order of the Bankruptcy Court. Objections to Claims shall be filed with the Bankruptcy Court and served upon the Holders of each of the Claims to which objections are made.

T. Prosecution of Claims Objections.

On and after the Effective Date, except as the Bankruptcy Court may otherwise order, the filing, litigation, settlement or withdrawal of all objections to Claim may be made only by the Reorganized Debtor and/or Disbursing Agent.

U. Directors and Officers of the Debtor

Jabbary is the sole officer and director or manager of each of the Debtors. Jabbary shall continue to hold those roles with the Reorganized Debtors from and after the Effective Date of the Plan.

V. Management Compensation

As of the Effective Date, Jabbary shall continue to receive salaries as follows: $50,000 per month from West Orem and $20,000 per month from OST. The foregoing salaries shall be paid in two installments: once on the 15th of the month and second at the end of the month. The Reorganized Debtors reserve the right increase these salaries in accordance with their usual and customary practices.

VIII. RISKS POSED TO HOLDERS OF CLAIMS AND INTERESTS

Holders of Claims and Interests should read and consider carefully the risk factors set forth below, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated herein by reference) prior to voting to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks involved in connection with the Plan and its implementation.

Rohi's Objection to the Disclosure Statement and Other Matters Related to Settlement

On June 9, 2017, Rohi filed the *Objections to and Motion to Strike Plan Proponents' Proposed Disclosure Statement* [Dkt. No. 227] (the "Rohi Objection"). In the Rohi Objection, Rohi alleged the Plan Proponents are in violation of the term sheet, dated November 16, 2016 (the "Term Sheet") because, at that time, the Debtors' proposed ~~Plan contains~~plan of reorganization contained a contingency plan, namely the New Value Plan. Rohi asserted that this is a default under the Term Sheet.

The Plan Proponents do not believe that the inclusion of the New Value Plan as a back- up, contingency plan was a default under the Term Sheet. Nevertheless, the ~~Plan Proponents filed the First Amended Plan to remove the~~ New Value Plan is not included in the Plan.

The agreement governing the Rohi Settlement contains certain terms regarding, among other things, the form of the Plan, the treatment and satisfaction of the Rohi ~~Litigation Claim~~Personal Claims, the Rohi Qui Tam Claims, and the State of Texas OIG Claims, and encumbrance of the Plan Proponents' assets to secure their obligations under the agreement. To the extent the Plan Proponents default on any of these terms, Rohi may notice the Plan Proponents, who then have 10 days to cure the default. ~~Rohi may seek to enforce remedies if Rohi alleges that such alleged defaults were not cured.~~ The parties' failure to perform their obligations under the Rohi Settlement could result in protracted Chapter 11 Cases, conversion of the cases to Chapter 7, or appointment of a Chapter 11 Trustee, which could make the Plan unsustainable and could significantly and detrimentally impact relationships with vendors, suppliers, employees and major customers.

The State of Texas Objection to the Disclosure Statement

On June 12, 2017, the State of Texas filed the *Objection of the Civil Medicaid Fraud Division of the Texas Attorney General's Office and the Texas Health and Human Services Commission, Office of the Inspector General to the Debtors' Disclosure Statement* [Dkt. No. 228] (the "State of Texas Objection"). In the State of Texas Objection, the State of Texas asserted that the Plan was unconfirmable as proposed because the Plan provided for non-consensual third party releases in contravention of Fifth Circuit precedent. The Plan Proponents have since amended the Plan and removed the third party releases. However, the Plan incorporates the State Release Agreement, which provides for a consensual release of certain third-party claims asserted by the State of Texas.

Risk of Non-Confirmation or Delay of the Plan.

For the Debtors to emerge successfully from the Chapter 11 Cases as a viable enterprise, the Debtors, like any other Chapter 11 debtor, must obtain approval of the Plan from its creditors

and confirmation of the Plan through the Bankruptcy Court and then successfully implement the Plan. The foregoing process requires the Debtors to (i) meet certain statutory requirements with respect to the adequacy of this Disclosure Statement, (ii) solicit and obtain creditor acceptances of the Plan and (iii) fulfill other statutory conditions with respect to the confirmation of the Plan.

Although the Debtors believe that the Plan satisfies all of the 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 to the Plan will not be required for Confirmation, or that such modifications would not necessitate the re-solicitation of votes to accept the Plan as modified. Additionally, by its terms, the Plan will not become effective unless, among other things, the conditions precedent described in this Disclosure Statement have been satisfied or waived.

Risk of Non-Occurrence of the Effective Date.

There can be no assurance that the conditions to the Effective Date contained in the Plan will ever occur. The impact that a prolonging of the Chapter 11 Cases may have on the Company's operations cannot be accurately predicted or quantified. The continuation of the Chapter 11 Cases, particularly if the Plan is not approved, confirmed or implemented within the time frame currently contemplated, could adversely affect operations, result in increased professional fees and similar expenses, further weaken the Company's liquidity position and, ultimately, jeopardize the Debtors' exit from chapter 11 and ability to continue as a going concern.

The Debtors Have No Duty to Update.

The statements contained in this Disclosure Statement are made by the Plan Proponents 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. Although the Plan Proponents may subsequently update the information in this Disclosure Statement, they have no affirmative duty to do so unless otherwise ordered to do so by the Bankruptcy Court.

No Representations Made Outside this Disclosure Statement Are Authorized.

The information contained in this Disclosure Statement is for purposes of soliciting acceptances of the Plan and may not be relied upon for any other purpose. Except as otherwise provided herein or in the Plan, no representations relating to the Debtors, the Chapter 11 Cases or the Plan are authorized by the Bankruptcy Court, the Bankruptcy Code or otherwise. Any representations or inducements made to secure your acceptance or rejection of the Plan, other than as contained in or included with this Disclosure Statement, should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to the counsel to the Debtors and, if applicable, the U.S. Trustee.

The Information Herein Was Provided by the Debtors and Relied upon by Their Advisors.

Counsel to and other advisors retained by the Plan Proponents have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Plan Proponents have performed certain limited due diligence in connection with the preparation of this Disclosure

Statement, they have not independently verified the information contained herein.

While the Plan Proponents have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Plan Proponents nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. The financial information contained in this Disclosure Statement has not been audited unless explicitly stated otherwise. In preparing this Disclosure Statement, the Plan Proponents relied on financial data derived from the Debtors' books and records that was available at the time of such preparation. Although the Plan Proponents have used their reasonable business judgment to ensure the accuracy of the financial information provided in this Disclosure Statement, and while the Plan Proponents believe that such financial information fairly reflects the financial condition of the Debtors, the Plan Proponents are unable to warrant or represent that the financial information contained herein and attached hereto is without inaccuracies.

No Legal or Tax Advice Is Provided to You by this Disclosure Statement.

This Disclosure Statement is not legal advice to you. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each Holder of a Claim or an Interest should consult his or her own legal counsel and accountant with regard to any legal, tax and other matters concerning his or her Claim or Interest. 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.

No Admissions Are Made by this Disclosure Statement.

The information and statements contained in this Disclosure Statement will neither constitute an admission of any fact or liability by any Entity (including, without limitation, the Plan Proponents) nor be deemed evidence of the tax or other legal effects of the Plan on the Debtors, the Reorganized Debtors, holders of Allowed Claims or Interests or any other parties in interest. Except as otherwise provided in the Plan, the vote by a holder of an Allowed Claim or Interest for or against the Plan does not constitute a waiver or release of any Claims or rights of the Debtors or the Reorganized Debtors (or any party in interest, as the case may be) to object to that holder's Allowed Claim or Interest, or recover any preferential, fraudulent or other voidable transfer or assets, regardless of whether any Claims or Causes of Action of the Debtors or their respective Estates are specifically or generally identified herein.

In addition, no reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Interest is, or is not, identified in this Disclosure Statement. The Debtors or the Reorganized Debtors may seek to investigate, file and prosecute objections to Claims and Interests and may object to Claims after the Confirmation or Effective Date of the Plan irrespective of whether this Disclosure Statement identifies such claims or objections to Claims or Interests.

IX. ALTERNATIVES

Although the Disclosure Statement is intended to provide information to assist creditors in making a judgment on whether to vote for or against the Plan, and although creditors are not being offered through that vote an opportunity to express an opinion concerning alternatives to

the Plan, a brief discussion of alternatives to the Plan may be useful.

If the Plan is not confirmed, the Rohi Settlement could be cancelled and the Debtors would likely be unable to continue their business in the face of the liability associated with the litigation. Moreover, if a judgment were to be entered in the Rohi Litigation on the Provider Information Claims, the Debtors could lose their Texas Medicaid license, depriving them of their primary source of revenue. Consequently, the alternatives to the Plan include conversion to a Chapter 7 or dismissal of the proceedings and a winding down of the businesses without bankruptcy protection. The Plan Proponents, of course, believe the proposed Plan to be in the best interests of creditors. The Plan Proponents assess the alternatives as follows:

A. Conversion to Chapter 7

The first alternative would be to convert the Chapter 11 case to a Chapter 7 liquidating bankruptcy to liquidate the business.

In a Chapter 7 liquidation, the Bankruptcy Court will appoint a trustee to liquidate the Debtor's assets for the benefit of its creditors. The costs associated with a trustee would then be added to the additional tier of administrative expenses entitled to priority over general unsecured claims upon conversion. Such administrative expenses include the Trustee's commissions, as well as fees for professionals retained by the Trustee to assist in the liquidation. The Trustee's commissions are based on disbursements to creditors. The Trustee receives 25% of the first $5,000, 10% of the next $45,000, 5% of the next $950,000 and 3% on all amount disbursed in excess of $1 million.

A discussion of the effects that a Chapter 7 liquidation would have on the recoveries of holders of Claims and Interests is set forth in the Liquidation Analysis annexed as **Exhibit C** to this Disclosure Statement (the "Liquidation Analysis"). The Liquidation Analysis compares the projected recoveries that would result from the liquidation of the Debtors in a hypothetical case under chapter 7 of the Bankruptcy Code with the estimated distributions to holders of Allowed Claims and Interests under the Plan. The Liquidation Analysis is based on the value of the Debtors' assets and liabilities as of a certain date and incorporates various estimates and assumptions, including a hypothetical conversion to a chapter 7 liquidation as of a certain date. Further, the Liquidation Analysis is subject to potentially material changes, including with respect to economic and business conditions and legal rulings. Therefore, the actual liquidation value of the Debtors could vary materially from the estimate provided in the Liquidation Analysis.

The Liquidation Analysis indicates, and the Plan Proponents believe, that the Plan provides a greater recovery for holders of Allowed Claims and Interests than would be achieved in a liquidation under chapter 7 of the Bankruptcy Code. In liquidation, there would be additional administrative expenses and Claims against the Debtors, including, significantly, a much larger Claim related to the Rohi Litigation. Creditors would likely receive a much smaller distribution, if any, and not receive any distribution until the assets were fully liquidated by the Chapter 7 Trustee, a process that would likely take several months and possibly years.

The Plan Proponents believe that liquidation under Chapter 7 of the Bankruptcy Code would result in smaller distributions being made to Holders of Claims and Interests than those provided for in the Plan.

B. Dismissal

Dismissal of the Chapter 11 Cases would likely result in the Debtors defending the Rohi Litigation and potentially other lawsuits. If the Rohi Litigation resulted in a judgment, the Debtors would likely lose their Texas Medicaid license, foreclosing their ability to carry on as a going concern. Additionally, First Bank, West Orem's secured creditor, could foreclose on its collateral assets. Under this scenario, there may be minimal assets available to pay other creditors and the unsecured creditors would likely receive little or no payment on their claims.

C. No Assurance of Either

There are other possibilities which are less likely, such as a competing plan proposed by a different party. The Debtors have attempted to set forth the reasonable alternatives to the proposed Plan. However, the Debtors must caution holders of Claims and Interests that a vote must be for or against the Plan. The vote on the Plan does not include a vote on alternatives to the Plan. There is no assurance what course the proceedings will take if the Plan fails acceptance.

X. CERTAIN FEDERAL INCOME TAX CONSEQUENCES

A. Tax Consequences to Creditors

1. *General*

The tax consequence to any particular creditor may vary depending on their own circumstances and each creditor should consult with their own tax professional for advice regarding the impact of the Plan on them prior to voting to accept or reject the Plan.

2. *Unsecured Claims*

Holders of unsecured Claims in Classes 4, ~~5~~5, 6, 7 and ~~6~~8 will receive distributions from the Debtors. These Holders should either be treated as (i) recognizing ordinary income in an amount equal to cash received and recognizing a loss in an amount equal to the tax basis in the Claim or

(ii) recognizing a loss equal to the difference between the amount of cash received and their tax basis in their Claim.

A Holder's tax basis in a Claim should generally equal the amount included in income as a result of the provision of goods or services to the Debtors, except to the extent that a bad debt loss had previously been claimed. The gain or loss with respect to the Claim should be ordinary to the extent that it arose in the ordinary course of trade or business for services rendered or from the sale of inventory to the Debtors.

DUE TO THE COMPLEX NATURE OF APPLICABLE TAX LAWS, HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR TAX PROFESSIONAL CONCERNING COMPLIANCE WITH AND THE AFFECT OF BOTH STATE AND FEDERAL TAX LAWS APPLICABLE TO THEM BEFORE THEY CAST A BALLOT TO ACCEPT OR REJECT THE PLAN.

THE ACCOUNTANTS, ATTORNEYS, AND THE MANAGEMENT OF THE PLAN PROPONENTS MAKE NO REPRESENTATIONS HEREIN CONCERNING THE IMPACT OF THE TAX LAW ON ANY INDIVIDUAL TREATED UNDER THE PLAN.

XI. PREFERENCES AND FRAUDULENT TRANSFERS

Under the Bankruptcy Code and Texas state law, a bankruptcy estate may sue to recover assets (or their value) that were transferred by "voidable transfers", which includes assets transferred:

in fraud of creditors,

(A) in constructive fraud of creditors – because the asset was transferred without sufficient consideration while the debtor was insolvent,

(B) as a preferential transfer - a payment before bankruptcy outside the ordinary course that allows a creditor to receive more than it would receive in liquidation, or

(C) as an unauthorized post-bankruptcy transfer by the debtor outside of the ordinary course.

Because the Plan Proponents do not believe that any transfers are voidable under ~~Sections~~sections 544, 547, 548, 550, or similar provision of the Bankruptcy Code, the Plan contemplates a release of all Avoidance Actions.

If the Plan is not confirmed and a liquidating trustee or Chapter 7 trustee is appointed, it is possible that the trustee's analysis will differ from that of the Plan Proponents and that avoidance actions will be commenced against creditors of the Estates, insiders, or others.

XII. CONFIRMATION PROCEDURES

A. Confirmation Hearing and Objections

The Debtors anticipate filing a motion that will, among other things, request that the Bankruptcy Court schedule a hearing at which the Bankruptcy Court will consider confirmation of the Plan (the "Confirmation Hearing"). Notice of the Confirmation Hearing will be provided to holders of Claims and Interests or their agents or representatives (the "Notice of Confirmation Hearing"). Objections to the confirmation of the Plan must be filed with the Bankruptcy Court by the date set forth in the Notice of Confirmation Hearing and will be governed by Bankruptcy Rules 3020(b) and 9014 and the local rules of the Bankruptcy Court. UNLESS AN OBJECTION IS TIMELY FILED AND SERVED, IT MAY NOT BE CONSIDERED BY THE COURT.

B. Standards for Confirmation

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a plan are that the plan is (i) accepted by all impaired classes of Claims and Interests or, if rejected by an impaired class, that the plan "does not discriminate unfairly" and is "fair and equitable" as to such class, (ii) feasible and (iii) in the "best interests" of creditors and equity interest holders that are impaired under the plan.

The following requirements must be satisfied pursuant to section 1129(a) of the Bankruptcy Code before a bankruptcy court may confirm a plan of reorganization. The Plan fully complies with the statutory requirements for Confirmation listed below.

The Plan complies with the applicable provisions of the Bankruptcy Code.

i. The Plan Proponents have complied with the applicable provisions of the Bankruptcy Code.

ii. The Plan has been proposed in good faith and not by any means forbidden by law.

iii. Any payment made or to be made by the Debtors (or any other Plan Proponent) for services or for costs and expenses in or in connection with the Chapter 11 Cases, in connection with the Plan and incident to the Chapter 11 Cases is subject to the approval of the Bankruptcy Court as reasonable.

iv. The Plan Proponents have disclosed the identity and affiliations of any individual proposed to serve, after the Effective Date, as a director or officer of the Reorganized Debtors, and the appointment to, or continuance in, such office of such individual is consistent with the interests of Holders of Claims or Interests and with public policies.

~~vi.~~

v. The Plan Proponents have disclosed the identity of any Insider (as defined in section 101(31) of the Bankruptcy Code) that will be employed or retained by the Reorganized Debtors and the nature of any compensation for such Insider.

vi. Any governmental regulatory commission with jurisdiction, after confirmation of the Plan, over the rates of the Debtors has approved any rate change provided for in the Plan or such rate change is expressly conditioned on such approval.

vii. With respect to each Holder within an Impaired Class of Claims or Interests, each such Holder (a) has accepted the Plan or (b) will receive or retain under the Plan on account of such Claim or Interest 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 were liquidated under chapter 7 of the Bankruptcy Code on such date.

viii. With respect to each Class of Claims or Interests, such Class (a) has accepted the Plan or (b) is unimpaired under the Plan (subject to the "cram-down" provisions discussed below).

ix. The Plan provides for treatment of Claims, as applicable, in accordance with the provisions of section 507(a) of the Bankruptcy Code.

If a Class of Claims or Interests is Impaired under the Plan, at least one Class of Claims or Interests

that is Impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any Insider.

x. Confirmation is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Reorganized Debtors, or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan.

xi. All fees payable under 28 U.S.C. § 1930 have been paid or the Plan provides for the payment of all such fees on the Effective Date.

C. Best Interests Test/Liquidation Analysis

As described above, section 1129(a)(7) of the Bankruptcy Code requires that each holder of an Impaired Claim or Interest either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. To assist holders in determining whether the Plan meets this requirement, the Debtors have prepared an unaudited Liquidation Analysis, which is attached hereto as **Exhibit C**. As discussed above and in more detail in the Liquidation Analysis, the distributions to all Impaired classes of Claims and Interests will exceed any likely recovery under chapter 7 of the Bankruptcy Code. Therefore, the Debtors believe that the Plan satisfies the best interests test of Bankruptcy Code section 1129(a)(7).

D. Feasibility

The Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan of reorganization is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Plan Proponents have analyzed the Debtors' ability to meet their obligations under the Plan. As part of this analysis, the Plan Proponents have prepared projections, which, together with the assumptions on which they are based, are attached hereto as **Exhibit D** (the "Financial Projections").

The Financial Projections assume that the Plan will be implemented in accordance with its stated terms. The Plan Proponents are unaware of any circumstances as of the date of this Disclosure Statement that would require the re-forecasting of the Financial Projections due to a material change in the Debtors' prospects. The Financial Projections are based on forecasts of key economic variables and may be significantly impacted by, among other factors, changes in the competitive environment, regulatory changes and/or a variety of other factors, including the factors listed in this Disclosure Statement and in the projections. Accordingly, the estimates and assumptions underlying the Financial Projections are inherently uncertain and are subject to significant business, economic and competitive uncertainties. Therefore, such Financial Projections, estimates and assumptions are not necessarily indicative of current values or future performance, which may be significantly less or more favorable than set forth herein. The Financial Projections should be read in conjunction with the assumptions, qualifications and explanations set forth in this Disclosure Statement and other financial information.

Based on such Financial Projections, the Plan Proponents believe that they will be able to make all

payments required under the Plan. Therefore, the Plan Proponents believe that Confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization.

E. Confirmation without Acceptance of All Impaired Classes

Under Bankruptcy Code section 1129(b), the Bankruptcy Court may confirm a plan of reorganization over the rejection or deemed rejection of the plan of reorganization by a class of claims or interests if the plan of reorganization "does not discriminate unfairly" and is "fair and equitable" with respect to such class.

One or more of the Voting Classes may vote to reject the Plan. However, the Plan does not unfairly discriminate against any of the Voting Classes and is fair and equitable to the Claims in those Voting Classes.

No Unfair Discrimination

This test applies to Classes of Claims or Interests that are of equal priority and are receiving different treatment under the Plan. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair." The Plan Proponents do not believe the Plan discriminates unfairly against any Impaired Class of Claims or Interests. The Plan Proponents believe the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for nonconsensual confirmation.

Fair and Equitable Test

This test applies to Classes of different priority and status (e.g., secured versus unsecured) and includes the general requirement that no Class of Claims or Interests receive more than 100% of the amount of the allowed Claims or Interests in such Class. As to the dissenting Class, the test sets different standards depending on the type of Claims or Interests of the Debtors in such Class. In order to demonstrate that a plan is fair and equitable, the plan proponent must demonstrate:

i. ~~xiv.~~Secured Creditors: Each holder of a secured claim: (1) retains its liens on the property, to the extent of the allowed amount of its secured claim, and receives deferred cash payments having a value, as of the effective date of the chapter 11 plan, of at least the allowed amount of such claim; (2) has the right to credit bid the amount of its claim if its property is sold and retains its liens on the proceeds of the sale; or (3) receives the "indubitable equivalent" of its allowed secured claim.

ii. ~~xv.~~Unsecured Creditors: Either (1) each holder of an impaired unsecured claim receives or retains under the chapter 11 plan property of a value equal to the amount of its Allowed Claim or (2) the holders of claims and interests that are junior to the claims of the non-accepting class will not receive any property under the chapter 11 plan.

~~xvi.~~Equity Interests: Either (1) each holder of an impaired interest will receive or retain under the chapter 11 plan property of a value equal to the greatest of the fixed liquidation preference to which such holder is entitled, the fixed redemption price to which such holder is entitled or the value of the interest or (2) the holders of interests that are junior to the non-accepting class will not

receive or retain any property under the chapter 11 plan.

The Plan Proponents believe the Plan satisfies the "fair and equitable" requirement because, as to such Classes, with the exception of ~~Class 6,~~Classes 6 and 7, all Classes are being paid in full and the Holder of the ~~Class~~Classes 6 and 7 Claims ~~has~~have agreed to vote in favor of the Plan pursuant to the Rohi Settlement. The Plan Proponents believe that the Plan meets the "fair and equitable" test and does not discriminate unfairly with respect to secured class of creditors or interest holders.

XIII. CONCLUSION

The information provided in this Disclosure Statement is intended to assist you in voting on the Plan. If the Plan is confirmed, you will be bound by its terms. Accordingly, you are urged to make such further inquiries as you may deem appropriate and then cast an informed vote on the Plan.

Respectfully submitted this ~~25~~[●]th day of ~~June~~[●], 2017.

ABC DENTISTRY, P.A.
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ATTORNEYS FOR PLAN PROPONENTS

EXHIBIT A TO THE DISCLOSURE STATEMENT

The Plan

EXHIBIT B TO THE DISCLOSURE STATEMENT

Rohi Settlement Agreement

(To be supplemented prior to the confirmation hearing)

EXHIBIT C TO THE DISCLOSURE STATEMENT

Liquidation Analysis

EXHIBIT D TO THE DISCLOSURE STATEMENT

Financial Projections

Document comparison by Workshare Compare on Thursday, October 05, 2017 5:43:56 PM

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Split/Merged cell	
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Deletions	157
Moved from	3
Moved to	3
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Format changed	0
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