

**IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS
DIVISION OF ST. CROIX**

MOHAMMAD HAMED, by his
authorized agent **WALEED HAMED**,

Plaintiff/Counterclaim Defendant,

vs.

FATHI YUSUF and
UNITED CORPORATION,

Defendants/Counterclaimants,

vs.

WALEED HAMED, **WAHEED
HAMED**, **MUFEED HAMED**,
HISHAM HAMED,
and **PLESSEN ENTERPRISES, INC.**,

Counterclaim Defendants.

CIVIL NO. SX-12-CV-370

**ACTION FOR DAMAGES
INJUNCTIVE RELIEF AND
DECLARATORY RELIEF**

JURY TRIAL DEMANDED

PLAINTIFF HAMED'S COMMENTS RE PROPOSED WINDING UP ORDER

At the outset, it should be noted that the Plaintiff, Mohammad Hamed, appreciates this Court's efforts to resolve the issues related to this litigation by submitting its October 7th "*Proposed Order*" for comments. An agreement between the parties on the terms suggested in that proposal would probably be in the best interests of all parties, but based on preliminary discussions with the Master, that seems unlikely. Thus, as directed by the Court, Hamed hereby submits his comments regarding the Court's "*Proposed Order*." Before doing so, one preliminary observation is necessary.

In this regard, there is one important point that explains why Hamed believes the "Proposed Order" must be changed. Section 402 of the *Revised Uniform Partnership Act (RUPA)* and its *Official Comments* make it clear that a Court simply cannot force an

"in-kind" (property) division in the winding-up of a partnership. Instead, the Court *must* apply the so-called "in cash" rule to the disposition of assets such as the St. Thomas lease and the "Plaza Extra" name. The USVI enactment of RUPA Section 402 is 26 V.I.C. §72, which provides:

§72. DISTRIBUTIONS IN KIND. A partner has no right to receive, and may not be required to accept, a distribution in kind.

The *Official Comment* is clear as well:

Section 402 provides that a partner has no right to demand and receive a distribution in kind and **may not be required to take a distribution in kind**. That continues the "in kind" rule of UPA Section 38(l). The new language is suggested by RULPA [Revised Uniform Limited Partnership Act] Section 605.

This section is complemented by **Section 807(a)** which provides that, in winding up the partnership business on dissolution, any surplus after the payment of partnership obligations **must be applied to pay in cash the net amount distributable to each partner**. (Emphasis added.)

The referenced *RUPA* Section 807(a) was enacted as 26 V.I.C. §177, which reiterates the "in cash" rule:

§ 177 Settlement of accounts and contributions among partners

In winding up a partnership's business, the assets of the partnership, including the contributions of the partners required by this section, must be applied to discharge its obligations to creditors, including, to the extent permitted by law, partners who are creditors. ***Any surplus must be applied to pay in cash the net amount distributable to partners*** in accordance with their right to distributions under subsection (b) of this section. (Emphasis added.)

Absent truly extenuating circumstances, courts applying these two sections to a judicial partnership 'winding up' have followed a strict interpretation of the in-cash rule

whenever there is a dispute as to value,¹ although some have found an exception where: (1) there was no disagreement as to the value of real estate,² (2) where there was a distribution of the real estate in equal-sized and equal-value shares,³ (3) where there is another state statute that overrides the RUPA,⁴ or (4) in pre-RUPA cases under UPA where there were there were very unusual circumstances that would prevent a sale.⁵

Yusuf's initial plan essentially followed this "total" liquidation process. However, to keep the stores open, with the employees employed and the tax revenues being

¹ See, e.g., *McCormick v. Brevig*, 322 Mont. 112, 96 P.3d 697 (2004). A family farm was held in partnership by a brother and sister. The sister sued for an accounting, dissolution, and winding up. The trial court ordered the partnership dissolved and wound up, but ordered that the brother could purchase his sister's share according to its appraised value, instead of liquidating the partnership assets by selling the ranch and distributing the proceeds. The state's Supreme Court reversed, interpreting RUPA according to its clear language:

when a partnership's dissolution is court ordered pursuant to § 35–10–624(5), MCA, the partnership assets necessarily must be reduced to cash in order to satisfy the obligations of the partnership and distribute any net surplus in cash to the remaining partners in accordance with their respective interests. By adopting a judicially created alternative to this statutorily mandated requirement, the District Court erred.

² See, e.g., *Horne v. Aune*, 130 Wash. App. 183, 121 P.3d 1227 (2005) ("*Absent a valid dispute concerning the value of the partnership property, he has no legal right, under the winding-up statute, to force the public sale of partnership assets*").

³ See, e.g., *Weiss v. Weiss*, 2008 WY 30, 178 P.3d 1091, 1098 (Wyo. 2008).

⁴ See, e.g., *Stull v. Fox*, CV11-7493-R, 2012 WL 1229768 (C.D. Cal. Apr. 11, 2012) ("*another California statute expressly provides that partition is an available remedy in any proceeding related to the dissolution of a partnership*").

⁵ See, e.g., *Nicholes v. Hunt*, 273 Or. 255, 541 P.2d 820 (1975) (buy out permissible means of winding up, under UPA, where compelled liquidation would result in significant economic waste).

generated, Hamed proposed a somewhat modified plan that accepted this same sort of liquidation yet (1) allowed the West store to remain open,⁶ and (2) allowed the St. Thomas store to remain open by Hamed agreeing to take on 100% of the leasehold *liabilities* and paying cash for the store's assets (inventory and equipment). Under this scenario, the RUPA provisions were all satisfied, so that Hamed's plan complied with the referenced RUPA provisions.⁷

With these two general comments in mind, the Plaintiff respectfully submits the following specific comments for the Court's consideration.

1. Statutorily, Yusuf Cannot be the Liquidating Partner

Hamed has raised two *statutory* objections to Fathi Yusuf acting as the liquidating partner. First, Hamed believes that Fathi Yusuf is statutorily *prohibited* from acting as the liquidating partner, as stated in Hamed's previous filings. As noted at page 3 of Plaintiff's opposition to the proposed Yusuf Plan (April 30, 2014):

First, pursuant to 26 V.I.C. § 74(b)(2), a partner *cannot* participate in the winding up of the partnership if the partner "has an interest adverse to the partnership." In this regard, Yusuf has a significant interest in United Corporation that has asserted a highly inflated claim for rent (in excess of \$6 million) from the Partnership for the Plaza East store in Sion Farm where United is the landlord.

⁶ Hamed could do this because the new tenant at that location, KAC357, Inc., was willing to operate the store by guaranteeing to the Court that it would employ the existing employees and buy the inventory and equipment at their value.

⁷ Yusuf's second, belated liquidation proposal that it be given all three stores completely violates the *RUPA* provisions against "in-kind" distributions noted above. In addition, Yusuf's change in position regarding his interest in operating the St. Thomas store renders Hamed's initial proposal for this store contrary to *RUPA*, as will be discussed herein -- as the lease at that location is an asset that must be put to bid. Once Yusuf no longer wanted to abandon this store as a partnership asset, as he initially proposed, this leasehold interest was recognizable as a partnership asset that has to be sold by the Court.

The referenced §74(b)(2) is quite specific and *does not allow the Court discretion to alter the prohibition*. A partner's duty of loyalty requires him:

(2) to refrain from dealing with the partnership in the conduct or winding up of the partnership business as or on behalf of a party having an interest adverse to the partnership

This mandate is not diminished by *subsection 74(e)* which allows a partner to pursue his OWN normal interests with regard to the partnership.

(e) A partner does not violate a duty or obligation under this [Act] or under the partnership agreement merely because the partner's conduct furthers *the partner's own interest*. (Emphasis added.)

The rent claim is not Yusuf's "own interest" – these claims are the hostile interests of the major external claimant against the partnership—United Corporation—which seeks millions from the partnership in contested amounts. Yusuf has acted directly and repeatedly to assert United's claims and rights in this very litigation—going so far as to suggest that United's exorbitant rent claims against the partnership in the millions of dollars should be handled as an aspect of the intra-partner accounting. It is impossible to think of a situation where this prohibition under § 74(b)(2) would ever apply if not here, as Fathi Yusuf champions United's hostile claims to extensive partnership lands, funds and opportunities.⁸

Nor can the Court's proposed remedy of having the Master "supervise" Yusuf alleviate this *mandatory prohibition*. Regardless of oversight, RUPA makes it clear that

⁸ United, which is majority-owned and controlled by Yusuf and his wife, has several such conflicts: (1) it claims several million dollars in excessive rent, (2) it owns property on which the East Supermarket is partially located that the partnership bought and (3) United holds other property held in St. Thomas which it admits was bought with Plaza Extra funds.

a liquidating partner has conflicts that are *inherently* antithetical to the partnership if he also represents a hostile claimant and makes it clear he sides with that claimant. Yusuf represents a VERY hostile claimant. Moreover, his lawyers *represent* him AND that claimant. The only way to alleviate this is to either (1) make Hamed the liquidating partner or (2) order the Master to exercise the full authority under 26 V.I.C. § 173(a) which allows judicial supervision as one alternative to having a liquidating partner:

- (a) After dissolution, a partner who has not wrongfully dissociated may participate in winding up the partnership's business, ***but on application of any partner, partner's legal representative, or transferee, the Superior Court, for good cause shown, may order judicial supervision of the winding up.*** (Emphasis added.)

In short, the Master, not Yusuf, should oversee the liquidation of the partnership.

Alternatively, Hamed has moved for a determination that Fathi Yusuf was a wrongfully dissociating partner, relying on 26 V.I.C. § 171. This issue is still pending. It is clear that the absolute denial of the other partner's interest in the partnership is not only a wrongful act, but one that dissociates him from the partnership. See *Essay v. Essay*, 175 Neb. 689, 693 (Neb. 1963). The Court cannot overlook this. By statute, a dissociated partner cannot serve as the dissolution partner. In this case, Yusuf tried to convert all of Hamed's partnership interest by seizing all of its assets--including Hamed's approximately \$20 million of \$40 million held in cash by the U.S. Marshal, by unilaterally removing \$2.7 million from partnership accounts leading to this litigation,⁹ calling the police to have the Hameds thrown out of the stores while this litigation was pending and *then denying the existence of the partnership at length*, only acquiescing to

⁹ Indeed, it is undisputed that Yusuf used partnership funds to pay his kids' unrelated income taxes.

the partnership's existence after losing his appeal of this Court's Order finding that it was likely a partnership existed. Yusuf should not now be rewarded for this conduct by being made the liquidating partner.

In line with this objection, this Court proposes the Master's review and supervision. Thus, the Master has been given power of "supervision" of the Plan. At the very least, if this Court still determines that Yusuf can be the Liquidating Partner despite Hamed's objections, it must be made very clear that supervision means that ***all acts of the liquidating partner are subject to prior notification and approval of the Master—not just "after the fact" review.***¹⁰

2. The Division of the Three Stores

The East and West stores have no leases with the owners of the properties where the stores are located, making them month-to-month tenancies that cannot be assigned. Thus, the Court's proposed liquidation order fully complies with *RUPA* by liquidating their contents by having each partner buy the equipment and inventory in the physical stores that they each control through other corporate interests.¹¹

However, now that Yusuf has changed his mind from his initial plan and has expressed an interest in operating the St. Thomas/Tutu store, this asset has to be

¹⁰ It is *critically* important that Yusuf not obtain unilateral signatory power on any account. If Hamed is to be removed from such authority—the Master must be the sole signor on any checks. Otherwise, Yusuf could loot all of the funds if not restrained, as he has attempted in the past.

¹¹ The Court's proposed liquidation order fully complies with *RUPA* by liquidating the contents by having each partner buy the equipment and inventory at a *mutually agreed fair value* in the physical stores where each has a lease through other corporate interests.

similarly liquidated by selling its remaining leasehold interest and its other assets.¹² Under the "in cash" rule, the STT lease is an asset of the partnership that cannot simply be given to a party "in kind" without compensation.

A bidding process between the partners for the STT store can be accomplished in a day, and will not cause any delay in the Plan. The inventory and fixtures may be purchased with that sale so the employees can remain employed and the store can remain open.¹³

3. "Plaza Extra" Name

Similarly, the "Plaza Extra" name brand is an extremely valuable asset and represents the goodwill of the partnership. Next to the stores and bank accounts, it is the Partnership's most valuable asset. Millions have been spent promoting it in advertising on radio and in newspapers. It cannot be given away to Yusuf in-kind without an equal cash value being paid to Hamed. Hamed suggests it should be dealt with in one of two ways:

1. *By agreement* the name for any store be transferred with each store (e.g., "Plaza Extra West", "Plaza Extra East" and "Plaza Extra Tutu Park") but without either partner being able to use it at any other location; or
2. The entire name must be put up for bid

¹² Those assets would include the lawsuit against the landlord, inventory and equipment.

¹³ The lease can be assigned with the Landlord's consent, which cannot be unreasonably withheld, so that assignment can be easily achieved. Indeed, the landlord has indicated a willingness to give the Hamed's a new lease is they are the successful bidders, while Yusuf can arguably continue to use the existing lease in United's name if he is the successful bidder.

Again, Hamed will pay a substantial sum for this name and brand if not assigned to each store by the Court. If Yusuf wishes to pay for this name and brand instead, then the parties can bid-in amounts until one side relents.

4. The East Store Realty

The East store was rebuilt after a fire, a part of which is on new land which Yusuf admits was purchased with partnership funds, designated as Plot 4-H as per the attached drawing. See **Exhibit 1**. Thus, this plot is a partnership asset and cannot be summarily given to Yusuf.¹⁴ The division set forth in the "Proposed Order" is not possible without allowing a bidding process for this acre.¹⁵

5. Yusuf's Counsel/Accounting Experts can receive no Extra Payments

The Court's final Order needs to clarify that Yusuf's litigation counsel and expert witnesses (such as his accounting firm) cannot not be paid at all from Plaza Extra funds.¹⁶ Beyond the ethical conflict—which would strictly prohibit this dual representation as counsel already represents the major claimant, United—if additional legal work or accounting work is necessary, it should be dealt with solely by unaligned

¹⁴ 26 V.I.C. § 24(c) provides "[p]roperty is presumed to be partnership property if purchased with partnership assets, even if not acquired in the name of the partnership or of one or more partners with an indication in the instrument transferring title to the property of the person's capacity as a partner or of the existence of a partnership."

¹⁵ While Yusuf does not dispute that the property was purchased with Plaza Extra funds, he suggests he has a \$100,000 claim for improvements he made after this purchase. Fathi Yusuf's claim of \$100,000 towards improvements (which is disputed) has to be settled as an accounting claim as part of that process (to the extent he can prove he made this alleged payment.)

¹⁶ As above, this is why the statute does not allow a partner with adverse claims to be the liquidating partner, as Hamed may be asked to fund Defendants' litigation claims against him.

counsel and accountants responsive to the Master, not to a litigating party. Plaintiff asks that the final Order be *very clear* in this regard, which he believes Yusuf will agree to based on conversations to date.

6. The Present Accounting of Plaza (Plan Ex. B) Should be Deemed Preliminary

The Court has not specifically referred to *Plan Exhibit B*—the “balance sheet” or present partnership accounting. It is undisputed that this balance sheet (a copy of which is attached here as **Exhibit 2** for the Court's convenience) was done by Yusuf and Controllers strictly under his control.¹⁷ As the Court knows, Yusuf held control of this system away from Hamed for more than two years and Hamed made it very clear in his own filings regarding dissolution that accounting needed to be verified, stating on page 10:

1. Current Financial Profile of Partnership.

. . . the balance sheet for the Plaza Extra Stores attached as Exhibit B, which information is being submitted without prejudice to Hamed's further review of this information.

For example, as noted by the question marks placed on **Exhibit 2**, most of the account balances are outdated. Likewise, Hamed is unclear as to what the more than \$7 million in “buildings” and “leasehold improvements” refers to, as indeed there is no such “real” value since the partnership has no leases other than the St. Thomas store. Similarly, there appear to be large intercompany accounts to Yusuf, Plessen and other entities. In short, the attached accounting and partnerships books must be reviewed and verified

¹⁷ These are the same Yusuf-hired/controlled Controllers who, *inter alia*, supported Yusuf's initial claim that there was no partnership and have continued with such biased conduct throughout this litigation. Indeed, Hamed was provided access to the critical accounting records only after a court order was entered in this litigation to enforce the PI. More recently, one Controller, John Gaffney, removed Wally Hamed from the payroll at Yusuf's direction in direct violation of the Preliminary Injunction.

before being adopted as final, so the final 'wind-up' order must reflect the fact that the accounting is preliminary, subject to final review by the Master in the wind-up process.

As such, Hamed requests that his accountant be allowed to review the books and accounting from January 2012 to present—and submit his findings to the Master. Indeed, Fathi Yusuf has repeatedly admitted that he was in charge of the office and all accounting functions. As the Master will learn, reliable books have only been attempted since an order from the District Court in the criminal case requiring such an accounting to be done.¹⁸

7. Cash on hand to buy assets

Finally, Hamed proposes that the following language be added to the “Wind-Up Order”, which it believes Yusuf will agree with based on conversations to date:

This Plan is conditioned upon the ability of Hamed and Yusuf to use their 50% interest in Available Cash and Encumbered Cash to purchase the non-liquid Partnership Assets. While the bid-in process may continue, actual payment of the funds shall be subject to the approval of the Court and, to the extent necessary, the District Court.

8. Conclusion

To assist this Court, the Plaintiff has attached what he believes the Court has preliminarily ordered in its October 7th Order, which is the initial Order submitted by Yusuf with the Court's changes then inserted. See **Exhibit 3**. Hamed's proposed

¹⁸ In fact, since Yusuf has failed to correctly keep the books, it creates a presumption against him with regard to all of the financial records. *See, e.g., ARC LifeMed, Inc. v. AMC-Tennessee, Inc.*, 183 S.W.3d 1 (Tenn. Ct. App 2005) (All doubts and obscurities created by a managing partner's own negligent failure to keep adequate records are to be resolved against him in an action for an accounting); *Frett v. Benjamin*, 187 F.2d 898, 901-902 (3d Cir. (USVI) 1951) (in accounting actions, if the books are too inaccurate to use, the Court proceeds “with best evidence available” with a presumption against the partner who kept the books.)

revised Order is then redlined and attached as **Exhibit 4**. Either order can be submitted in word if requested by the Court. For the reasons set forth herein, it is respectfully submitted that the order attached as **Exhibit 4** be approved.

Dated: October 21, 2014



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CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of October, 2014, I served a copy of the foregoing by email, as agreed by the parties, on:

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PLOT 4H

EXHIBIT
1

United Plaza Shopping Center Store Square Footage's
 Plot Nos. 4-C, 4-D & 4-H, Estate Zion Farm, Queen's Qtr
 Island of St. Croix, United States Virgin Islands
 made at the request of Paul M. Hill, Esq.

Date: September 25, 2014
 Scale: 1" = 30'
 Reference: PFD No. 2348
 NAD Datum: NAD 83 Grid North
 Vert. Datum: N/A
 Field: CANTONMENT
 Note: Field Verified Control

Surveyed and Mapped by the office of:
St. Croix Survey & Engineering, LLC
 72 Flag Drive, Gillies Bay Station
 Christened, St. Croix, USVI 00620
 Tel./Fax: 340-773-5577
 Email: sbourry@gmail.com

Blumberg No. 5208
 St. Croix Survey & Engineering, LLC
 P.F. Value as of 7/2

Plaza Extra Supermarkets
Balance Sheet
As of January 31, 2014 and Last Year End

ASSETS		<u>Current Period</u>	<u>Last Year End</u>
Current Assets			
10000	Cash - Petty	\$ 31,726.00	\$ 31,726.00
10100	Cash - Registers	33,870.00	33,870.00
10200	Cash - Safe	146,520.20	168,220.20
10300	Cash in Bank - Operating	(2,212,795.52)	(970,814.23)
10350	Cash in Bank - Payroll	15,712.17	15,693.98
10400	Cash in Bank - CC Deposit	1,096,301.95	932,533.54
10500	Cash in Bank - Telecheck	7,967,789.80	7,703,852.94
10900	Cash Clearing - Transfers	0.00	106,910.23
11000	Accounts Receivable - Trade	57,323.37	43,129.55
12000	Inventory	9,553,982.57	9,553,982.57
13100	Prepaid Insurance	226,946.88	278,216.83
13300	Due from Cashiers - Shortages	0.00	(2,719.72)
13400	Due from Employees - Loans	60,638.60	73,497.47
14000	Due from (to) Yusuf	(117,644.33)	(117,644.33)
14100	Due from (to) Plaza East	(458,954.70)	(550,471.77)
14300	Due from (to) Plaza West	405,655.79	476,080.46
14400	Due from (to) Plaza STT	53,298.91	53,298.91
14500	Due from (to) Shopping Ctr	67,251.73	65,688.31
15100	Marketable Securities - BPPR	37,767,429.03	37,767,429.03
15150	Unrealized (Gain) Loss - BPPR	(2,324,369.86)	(2,324,369.86)
15200	Marketable Securities - ML	336,378.45	336,378.45
	Total Current Assets	52,707,061.04	53,674,488.56
Property and Equipment			
16000	Buildings	3,478,103.00	3,478,103.00
16100	Leasehold Improvements	4,214,919.00	4,214,919.00
16200	Fixtures & Store Equipment	1,317,052.21	1,317,052.21
16400	Security Equipment	304,241.60	304,241.60
16500	Vehicles & Transport Equipment	57,050.50	57,050.50
16900	Accum Depreciation	(10,695,527.03)	(10,677,827.03)
	Total Property and Equipment	4,735,819.28	4,753,519.28
Other Assets			
17000	Land	330,000.00	330,000.00
19000	Deposits	57,963.40	57,963.40
19200	Due from (to) Peter's Farm	1,527,708.00	1,527,708.00
19300	Due from (to) Plessen	5,109,018.00	5,109,018.00
19400	Due from (to) Sixteen Plus	87,004.26	87,004.26
	Total Other Assets	7,111,693.66	7,111,693.66
	Total Assets	\$ 64,554,573.98	\$ 65,539,701.50

Unaudited - For Management Purposes Only



Plaza Extra Supermarkets
Balance Sheet
As of January 31, 2014 and Last Year End

		<u>Current Period</u>	<u>Last Year End</u>
LIABILITIES AND CAPITAL			
Current Liabilities			
20000	Accounts Payable - Trade	\$ 3,269,786.86	\$ 5,026,839.62
21000	VI Income Tax W/H & Payable	24,521.07	47,944.73
21100	FICA / Medicare Payable	20,449.67	29,520.57
21200	Accrued FUTA Payable	2,765.34	3,544.84
21300	Accrued VI Unemp Tax Payable	7,989.20	40,429.11
21500	Garnishments W/H & Payable	1,174.50	541.98
21700	AFLAC W/H & Payable	2,489.84	2,489.84
21800	CIGNA W/H & Payable	21,715.29	(73,907.68)
21900	MASA-W/H & Payable	694.41	1,205.41
23000	Accrued Expenses Due United	5,442,894.19	5,383,894.19
23100	Accrued Gross Rcpts Tx Payable	411,786.49	303,485.32
25000	Deferred Income	0.00	(804.56)
	Total Current Liabilities	9,206,266.86	10,765,183.37
Long-Term Liabilities			
	Total Long-Term Liabilities	0.00	0.00
	Total Liabilities	9,206,266.86	10,765,183.37
Capital			
33000	Dividend Distrib's (Pr Draws)	0.00	(8,486,132.00)
39000	Retained Earnings	54,774,518.13	61,840,197.87
	Net Income	573,788.99	1,420,452.26
	Total Capital	55,348,307.12	54,774,518.13
	Total Liabilities & Capital	\$ 64,554,573.98	\$ 65,539,701.50

Unaudited - For Management Purposes Only

PLAZA EXTRA SUPERMARKETS

**DRAFT OF PRESENT STATUS
(10/15/2014)**

**OF PLAN FOR
MASTER'S SUPERVISION OF
WINDING UP THE
PARTNERSHIP**

This Plan provides for the winding up of the Partnership, as defined below. This is a liquidating plan and does not contemplate the continuation of the Partnership's business except as may be required for the orderly winding up of the Partnership.

Section 1. DEFINITIONS

1.1 "Act" means the Uniform Partnership Act, V. I. Code Ann. Tit. 26, §§ 1-274.

1.2 "Available Cash" means the aggregate amount of all unencumbered cash and securities held by the Partnership including cash realized from any Litigation Recovery or any Liquidation Proceeds.

1.3 "Case" means Civil No. SX-12-CV-370 pending in the Court.

1.4 "Claim" means

(a) any right to payment from the Partnership whether or not such right is reduced to judgment, liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives use to a right of payment from the Partnership whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

1.5 "Claimant" means the holder of a Claim.

1.6 "Claims Reserve Account" means one or more interest-bearing bank account(s), money market or securities account(s) to be established and held in trust by



the Master for the purpose of holding the Available Cash until distributed in accordance with the Plan and any interest, dividends or other income earned upon the investment of such Claims Reserve Account.

The Claims Reserve Account will be further funded from time to time by the Liquidating Partner with:

- (i) any Liquidation Proceeds realized, plus
- (ii) any Litigation Recovery realized, minus
- (iii) any amounts necessary to pay Wind Up Expenses.

1.7 "Court" means the Superior Court of the Virgin Islands in which the Case is pending.

1.8 "Criminal Case" means Case No. 1:05-CR-00015-RLF-GWB pending in the District Court.

1.9 "Debt" means liability on a Claim.

1.10 "Disputed Claim" means any Claim or portion of a Claim as to which an objection to the allowance thereof has been interposed, which objection has not been withdrawn or determined by Final Order.

1.11 "District Court" means the District Court of the Virgin Islands, in which the Criminal Case is pending.

1.12 "Effective Date" means ten business days following entry of an Order by the Court approving this Plan.

1.13 "Encumbered Cash" means all of the cash and securities encumbered by a restraining order issued by the District Court in the Criminal Case.

1.14 "Final Order" means an order or judgment of the Court or District Court:

- (i) which has not been reversed, stayed, modified or amended;

(ii) as to which the time to or the right to appeal or seek reconsideration, review, rehearing or certiorari has expired or has been waived; and

(iii) as to which no appeal or motion for reconsideration, review, rehearing, or certiorari is pending.

1.15 "Hamed" means Mohammad Hamed.

1.16 "Hamed Sons" means Waleed Hamed, Waheed Hamed, Mufeed Hamed, and Hisham Hamed.

1.17 "Liquidating Expenses Account" means one or more checking accounts to be utilized by the Liquidating Partner for Wind Up Expenses based upon the Wind Up Budget and to satisfy Debts of the Partnership.

1.18 "Liquidating Partner" means Yusuf.

1.19 "Liquidation Proceeds" means any cash or other consideration paid to or realized by the Partnership or the Liquidating Partner, as applicable, upon the sale, transfer, assignment or other distribution of the Partnership Assets.

1.20. "Litigation" means the interest of the Partnership or the Liquidating Partner, as applicable, in any and all claims, rights and causes of action that have been or may be commenced by the Partnership or the Liquidating Partner including, without limitation, any action:

(i) to avoid and recover any transfers of property determined to be avoidable pursuant to VI. Code Ann. tit. 28, §§ 171-212 or other applicable law;

(ii) for the turnover of property to the Partnership or Liquidating Partner, as applicable;

(iii) for the recovery of property or payment of money that belongs to or can be asserted by the Partnership or the Liquidating Partner, as applicable; and

(iv) for compensation for damages incurred by the Partnership.

1.21 "Litigation Recovery" means any cash or other property received by the Partnership or the Liquidating Partner, as applicable, from all or any portion of the Litigation including, but not limited to, awards of damages, attorneys' fees and expenses, interest and punitive damages, whether recovered by way of settlement, execution on judgment or otherwise.

1.22 "Master" means the person appointed by the Court to serve as master in the Case, Judge Edgar Ross.

1.23 "Partnership" means the association of Yusuf and Hamed carried on as co-owners of the business of the Plaza Extra Stores.

1.24 "Partners" means Yusuf and Hamed.

1.25 "Partnership Assets" means any and all property, assets, rights or interest of the Partnership whether tangible or intangible, and any Liquidation Proceeds realized therefrom, including without limitation, all Available Cash, Encumbered Cash, Litigation, and any Litigation Recovery.

1.26 "Plan" means this Plan For Winding Up Partnership including exhibits as it may be amended, modified or supplemented from time to time.

1.27 "Plaza Extra - East" means the supermarket located at Sion Farm, St. Croix.

1.28 "Plaza Extra - Tutu Park" means the supermarket located at Tutu Park, St. Thomas.

1.29 "Plaza Extra - West" means the supermarket located at Estate Plessen (Grove Place), St. Croix.

1.30. "Plaza Extra Stores" means Plaza Extra- East, Plaza Extra -Tutu Park, and Plaza Extra - West.

1.31 "Termination Date" means six months following the Effective Date, when the Liquidating Partner contemplates completing the winding up of the Partnership.

1.32 "United" means United Corporation.

1.33 "Wind Up Budget" means the budget established to satisfy the anticipated Wind Up Expenses and to satisfy the Debts set forth in Exhibit A hereto.

1.34 "Wind Up Expenses" means the costs and expenses incurred by the Liquidating Partner for the purpose of: . .

(i) operating the Plaza Extra Stores during the period required to liquidate the Partnership Assets;

(ii) prosecuting or otherwise attempting to collect or realize upon the Litigation;

(iii) assembling and selling any of the Partnership Assets or otherwise incurred in connection with generating the Liquidation Proceeds;

(iv) resolving Disputed Claims and effectuating distributions to Creditors under the Plan; or

(v) otherwise implementing the Plan and winding up the Partnership.

1.35 "Yusuf Sons" means Maher, Nejeih and Yusuf Yusuf.

Section 2. APPOINTMENT OF MASTER

Judge Edgar Ross was appointed Master to oversee and act as the judicial supervision of the wind up efforts of the Liquidating Partner.

Section 3: LIQUIDATING PARTNER

Yusuf shall be the Liquidating Partner with the exclusive right and obligation to wind up the partnership pursuant to this Plan under the supervision of the Master. No person other than the Liquidating Partner may act on behalf of the Partnership, represent the Partnership in any official capacity or participate in management or control of the

Partnership, for purposes of winding up its business or otherwise. The Liquidation Partner's rights and obligations relative to the winding up, subject to the review and **supervision of the Master**, shall be deemed to have commenced as of April 25, 2013, the date of the issuance of the Preliminary Injunction.

Section 4. POWERS OF LIQUIDATING PARTNER

See Prior paragraph. [The Liquidation Partner's rights and obligations relative to the winding up [are] subject to the review and **supervision of the Master**

The Liquidating Partner shall use his best efforts to complete the winding up of the Partnership on or before the Termination Date.

Section 5. DUTIES OF LIQUIDATING PARTNER

The Liquidating Partner shall devote such time as is reasonably necessary to wind up and liquidate the Partnership in the manner provided herein and as required by the Act.

The Liquidating Partner shall be required to report on a bi-monthly basis to Hamed and the Master as to the status of all wind up efforts. In addition, the Liquidating Partner shall prepare and file all required federal and territorial tax returns and shall pay all just Partnership Debts. The Liquidating Partner shall provide a Partnership accounting. Any

Liquidation Proceeds and Litigation Recovery shall be placed into the Claim Reserve Account from which all Partnership Debts shall first be paid. Following payment of all Partnership Debts, any remaining funds shall continue to be held in the Claims Reserve Account pending distribution pursuant to agreement of the Partners or order of the Court following a full accounting and reconciliation of the Partners' capital accounts and earlier distributions.

Section 6. SALARIES, WITHDRAWALS

As compensation for serving as Liquidating Partner, Yusuf shall continue to receive the salary Yusuf is currently receiving as shown on the Wind Up Budget. This compensation will be considered an expense of winding up the Partnership's business. For at least one hundred twenty (120) days following the Effective Date, the Hamed Sons and Yusuf Sons shall continue to receive their current salaries in return for assisting the Liquidation Partner in the wind up of the Partnership. Thereafter, the Liquidating Partner shall have the right to terminate their services upon fourteen (14) days notice as the Partnership business operations decline and their services are no longer needed. The Hamed Sons and Yusuf Sons shall be terminated at the same time.

Section 7. CRIMINAL CASE AND ENCUMBERED CASH

There exists a plea agreement ("Plea Agreement") entered by United in the Criminal Case. Nothing in this Plan or the Partnership wind up efforts shall undermine or impair United's Plea Agreement. The President of United' shall meet with the U.S. Department of Justice to see what impact, if any, the implementation of the Plan and wind up of the Partnership may have on United's compliance with the Plea Agreement.

The Encumbered Cash shall be deposited into the Claims Reserve Account immediately after it is no longer encumbered by the restraining order entered in the Criminal Case and, thereafter, held for distribution in accordance with this Plan.

Section 8: Plan of Liquidation and Winding Up

1) Plaza Extra-East

Yusuf will purchase from the Partnership the following elements of the existing business operation known as Plaza Extra-East: the inventory at landed cost and the equipment and leasehold improvements at their depreciated value, as mutually determined by the Partners. In the event the Partners cannot agree, such value shall be determined by a qualified appraiser selected by the Master. Upon payment for such inventory, equipment and leasehold improvements, Yusuf will assume full ownership and control and may continue to operate the business Plaza Extra-East without any further involvement of Hamed or the Hamed sons, and free and clear of any claims or interest of Hamed.

2) Plaza Extra-Tutu Park

Yusuf will purchase from the Partnership the following elements of the existing business operation known as Plaza Extra-Tutu Park: the inventory at landed cost and the equipment and leasehold improvements at their depreciated value, as mutually determined by the Partners. In the event the Partners cannot agree, such value shall be determined by a qualified appraiser selected by the Master. Yusuf will reimburse the Partnership for 50% of the reasonable costs and attorneys' fees incurred to date in the Tutu Park litigation. Upon payment for such inventory, equipment, leasehold improvements and attorneys' fees, Yusuf will assume full ownership and control and may

continue to operate the business Plaza Extra-Tutu Park without any further involvement of Hamed or the Hamed sons, and free and clear of any claims or interests of Hamed.

3) Plaza Extra-West

Hamed will purchase from the Partnership the following elements of the existing business operation known as Plaza Extra-West: inventory at landed cost and the equipment and leasehold improvements at their depreciated value, as mutually determined by the Partners. In the event the Partners cannot agree, such value shall be determined by a qualified appraiser selected by the Master. Upon payment for such inventory, equipment and leasehold improvements, Hamed will assume full ownership and control and may continue to operate Plaza Extra-West without any further involvement of Yusuf, Yusufs sons or United and free and clear of any claims or interests of Yusuf or United.

4) Stock of Associated Grocers

The stock of Associated Grocers held in the name of United shall be split 50/50 between Hamed and Yusuf, with United retaining in its name Yusuf's 50% share, and 50% of such stock being reissued in Hamed's name or his designee's name.

5) Plaza Extra Name

Yusuf shall own and have the right to use the trade name "Plaza Extra" in the operation of Yusuf's Plaza Extra stores. Hamed will operate Plaza Extra-West under the trade name "Plaza West."

Steps to Be Taken for the Orderly Liquidation of the Partnership

Step 1: Budget for Wind Up Efforts

The Liquidating Partner proposes the Wind Up Budget (Exhibit A) for the Wind Up Expenses. Such expenses include but are not limited to, those incurred in the liquidation process, costs for the continued operations of Plaza Extra Stores during the wind up, costs for the professional services of the Master, costs relating to pending litigation in which Plaza Extra and/or United d/b/a/ Plaza Extra Stores is named as a party, and the rent to be paid to the landlords of Plaza Extra-East and Plaza Extra-Tutu Park.

Step 2: Setting Aside Reserves

The sum of Ten Million Five Hundred Thousand Dollars (\$10,500,000) shall be set aside in a Liquidating Expenses Account to cover the Wind Up Expenses as set out in the Wind Up Budget with a small surplus to cover any miscellaneous or extraordinary Wind Up expenses that may occur at the conclusion of the liquidation process. Such Account shall be held in trust by the Liquidating Partner under the supervision of the Master. The Liquidating Partner shall submit to Hamed and the Master each month a reconciliation of actual expenditures against the projected expenses set forth in Exhibit A. Unless the Partners agree or the Master orders otherwise, the Liquidating Partner shall not exceed the funds deposited in the Liquidated Expenses Account.

Step 3: Continued Employment of Employees

Yusuf and Hamed, and their respective successors, shall attempt to keep all employees of the Plaza Extra Stores fully employed. Although approval of this plan should avoid any need to comply with the provisions of the Virgin Islands Plant Closing Act, to the extent necessary, Yusuf and Hamed, and their respective successors, shall comply with the PCA for any affected employees of the Plaza Extra Stores as a result of the winding up and closure of the Partnership business. Any severance payments due to the employees determined in accordance with the PCA shall be paid by the Master out of the Claims Reserve Account.

Step 4: Liquidation of Partnership Assets

The Liquidating Partner shall promptly confer with the Master and Hamed to inventory all non-Plaza Extra Stores Partnership assets, and to agree to and implement a plan to liquidate such assets, which shall result in the maximum recoverable payment for the Partnership.

Step 5: Other Pending Litigation

The pending litigation against United set forth in Exhibit C arises out of the operation of the Plaza Extra Stores. As part of the wind up of the Partnership, the Liquidating Partner shall undertake to resolve those claims in Exhibit C, and to the extent any claims arise in the future relating to the operation of a Plaza Extra Store during the liquidation process, within the available insurance coverage for such claims. Any litigation

expenses not covered by the insurance shall be charged against the Claims Reserve Account.

Step 6: Distribution Plan

Upon conclusion of the Liquidation Process, the funds remaining in the Liquidation Expenses Account, if any, shall be deposited into the Claims Reserve Account. Within 45 days after the Liquidating Partner completes the liquidation of the Partnership Assets, Hamed and Yusuf shall each submit to the Master a proposed accounting and distribution plan for the funds remaining in the Claim Reserve Account. Thereafter, the Master shall make a report and recommendation of distribution for the Court for its final determination. Nothing herein shall prevent the Partners from agreeing to distribution of Partnership assets between themselves rather than liquidating assets by sale and distributing proceeds.

Step 7: Additional Measures to Be Taken

a) Should the funds deposited into the Liquidating Expenses Account prove to be insufficient, the Master shall transfer from the Claims Reserve Account sufficient funds required to complete the wind up and liquidation of the Partnership, determined in the Master's discretion.

b) All funds realized from the sale of the non-cash Partnership Assets shall be deposited into the Claims Reserve Account under the exclusive control of the Master.

c) All bank accounts utilized in the operation of the Partnership business shall be consolidated into the Claims Reserve Account.

d) All brokerage and investment accounts set forth in Exhibit D shall be turned over to the Master as part of the Claims Reserve Account.

e) Any Partnership Assets remaining after the completion of the liquidation process shall be divided equally between Hamed and Yusuf under the supervision of the Master.

INDEX OF EXHIBITS

Exhibit A: Wind Up Budget

Exhibit B: Plaza Extra Supermarkets Balance Sheet

Exhibit C: Pending Litigation Against United

Exhibit D: List of Brokerage and Investment Accounts

EXHIBIT A

Plaza Extra Supermarkets
Liquidation Budget

	6 Month Liquidation Period					
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Operating Expenses						
Advertising & Promotion	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	0.00
Auto Expenses	250.00	250.00	250.00	200.00	200.00	0.00
Bad Debts Expense	0.00	0.00	0.00	0.00	0.00	10,000.00
Bank Charges	5,000.00	5,000.00	5,000.00	4,000.00	3,000.00	2,000.00
Cash Short (Over)	1,000.00	800.00	600.00	400.00	200.00	0.00
Charitable Contributions	500.00	0.00	0.00	0.00	0.00	0.00
Computer Supplies & Expense	3,000.00	2,500.00	2,000.00	1,500.00	1,000.00	0.00
Contract Labor Expense	5,000.00	3,000.00	2,000.00	1,000.00	500.00	500.00
Depreciation Expense	18,500.00	18,500.00	18,500.00	18,500.00	18,500.00	18,500.00
Insurance - Emp Health	23,000.00	23,000.00	23,000.00	23,000.00	20,000.00	15,000.00
Insurance - Gen Liability	27,000.00	27,000.00	27,000.00	27,000.00	27,000.00	27,000.00
Insurance - Property	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00
Insurance - Workers' Comp	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	0.00
Professional Fees	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Merchant Fees - MC/Visa/Amex	65,000.00	60,000.00	50,000.00	40,000.00	30,000.00	5,000.00
Merchant Fees - Telecheck	2,000.00	2,000.00	2,000.00	1,000.00	750.00	500.00
NSF Checks Expense	500.00	500.00	500.00	500.00	0.00	0.00
Office Supplies & Expense	5,000.00	4,000.00	3,000.00	2,000.00	1,000.00	0.00
Postage & Overnight Delivery	500.00	500.00	500.00	500.00	500.00	500.00
Rent Expense - Tutu Park	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Rent Expense - Sion Farm *	59,000.00	59,000.00	59,000.00	59,000.00	59,000.00	59,000.00
Repairs & Maintenance Expense	40,000.00	30,000.00	20,000.00	10,000.00	2,000.00	0.00
Security Expense	6,000.00	5,000.00	4,000.00	3,000.00	2,000.00	0.00
Court Appointed Master	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Taxes - Gross Receipts	367,000.00	245,000.00	163,000.00	82,000.00	41,000.00	0.00
Taxes - Empr FICA & Medicare	78,000.00	65,000.00	59,000.00	46,000.00	34,000.00	5,000.00
Taxes - Empr FUTA Expense	6,000.00	5,000.00	4,000.00	3,000.00	2,000.00	1,000.00
Taxes - Empr VI Unemp	10,000.00	9,000.00	8,000.00	6,000.00	4,000.00	1,000.00
Taxes - Licenses	500.00	500.00	500.00	500.00	500.00	0.00
Taxes - Property	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	0.00
Telephone Expense	4,500.00	4,000.00	4,000.00	4,000.00	3,000.00	2,000.00
Trash Removal	7,000.00	7,000.00	7,000.00	5,000.00	5,000.00	3,000.00
Travel & Hotels Expense	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Utilities - Electric	425,000.00	425,000.00	425,000.00	425,000.00	375,000.00	300,000.00
Utilities - Gas & Diesel	2,500.00	2,500.00	2,500.00	1,000.00	500.00	500.00
Utilities - Water	3,000.00	3,000.00	2,000.00	1,000.00	500.00	500.00
Wages - Liquidating Partner	27,500.00	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00
Wages - Officer Salaries	27,500.00	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00
Wages - Managers	185,000.00	176,000.00	176,000.00	150,000.00	150,000.00	150,000.00
Wages - Other	831,000.00	665,000.00	600,000.00	450,000.00	300,000.00	50,000.00
Total Operating Expenses	2,367,250.00	2,023,550.00	1,843,850.00	1,540,600.00	1,256,650.00	793,000.00
Cumulative Total	2,367,250.00	4,390,800.00	6,234,650.00	7,775,250.00	9,031,900.00	9,824,900.00

*This proposed budget is without prejudice to United Corporation's claim for increased rent effective January 1, 2012.

Forecast

EXHIBIT B

Plaza Extra Supermarkets
Balance Sheet
As of January 31, 2014 and Last Year End

ASSETS	<u>Current Period</u>	<u>Last Year End</u>
Current Assets		
10000 Cash - Petty	\$ 31,726.00	\$ 31,726.00
10100 Cash - Registers	33,870.00	33,870.00
10200 Cash - Safe	146,520.20	168,220.20
10300 Cash in Bank - Operating	(2,212,795.52)	(970,814.23)
10350 Cash in Bank - Payroll	15,712.17	15,693.98
10400 Cash in Bank - CC Deposit	1,096,301.95	932,533.54
10500 Cash in Bank - Telecheck	7,967,789.80	7,703,852.94
10900 Cash Clearing - Transfers	0.00	106,910.23
11000 Accounts Receivable - Trade	57,323.37	43,129.55
12000 Inventory	9,553,982.57	9,553,982.57
13100 Prepaid Insurance	226,946.88	278,216.83
13300 Due from Cashiers - Shortages	0.00	(2,719.72)
13400 Due from Employees - Loans	60,638.60	73,497.47
14000 Due from (to) Yusuf	(117,644.33)	(117,644.33)
14100 Due from (to) Plaza East	(458,954.70)	(590,471.77)
14300 Due from (to) Plaza West	405,655.79	476,080.46
14400 Due from (to) Plaza STT	53,298.91	53,298.91
14500 Due from (to) Shopping Ctr	67,251.73	65,688.31
15100 Marketable Securities - BPPR	37,767,429.03	37,767,429.03
15150 Unrealized (Gain) Loss - BPPR	(2,324,369.86)	(2,324,369.86)
15200 Marketable Securities - ML	336,378.45	336,378.45
	<hr/>	<hr/>
Total Current Assets	52,707,061.04	53,674,488.56
Property and Equipment		
16000 Buildings	3,478,103.00	3,478,103.00
16100 Leasehold Improvements	4,214,919.00	4,214,919.00
16200 Fixtures & Store Equipment	7,377,032.21	7,377,032.21
16400 Security Equipment	304,241.60	304,241.60
16500 Vehicles & Transport Equipment	57,050.50	57,050.50
16900 Accum Depreciation	(10,695,527.03)	(10,677,827.03)
	<hr/>	<hr/>
Total Property and Equipment	4,735,819.28	4,753,519.28
Other Assets		
17000 Land	330,000.00	330,000.00
19000 Deposits	57,963.40	57,963.40
19200 Due from (to) Peter's Farm	1,527,708.00	1,527,708.00
19300 Due from (to) Plessen	5,109,018.00	5,109,018.00
19400 Due from (to) Sixteen Plus	87,004.26	87,004.26
	<hr/>	<hr/>
Total Other Assets	7,111,693.66	7,111,693.66
	<hr/>	<hr/>
Total Assets	\$ 64,554,573.98	\$ 65,539,701.50

Unaudited - For Management Purposes Only

Plaza Extra Supermarkets
Balance Sheet
As of January 31, 2014 and Last Year End

		<u>Current Period</u>	<u>Last Year End</u>
LIABILITIES AND CAPITAL			
Current Liabilities			
20000	Accounts Payable - Trade	\$ 3,269,786.86	\$ 5,026,839.62
21000	VI Income Tax W/H & Payable	24,521.07	47,944.73
21100	FICA / Medicare Payable	20,449.67	29,520.57
21200	Accrued FUTA Payable	2,765.34	3,544.84
21300	Accrued VI Unemp Tax Payable	7,989.20	40,429.11
21500	Garnishments W/H & Payable	1,174.50	541.98
21700	AFLAC W/H & Payable	2,489.84	2,489.84
21800	CIGNA W/H & Payable	21,715.29	(73,907.68)
21900	MASA-W/H & Payable	694.41	1,205.41
23000	Accrued Expenses Due United	5,442,894.19	5,383,894.19
23100	Accrued Gross Repts Tx Payable	411,786.49	303,485.32
25000	Deferred Income	0.00	(804.56)
	Total Current Liabilities	9,206,266.86	10,765,183.37
Long-Term Liabilities			
	Total Long-Term Liabilities	0.00	0.00
	Total Liabilities	9,206,266.86	10,765,183.37
Capital			
33000	Dividend Distrib's (Ptr Draws)	0.00	(8,486,132.00)
39000	Retained Earnings	54,774,518.13	61,840,197.87
	Net Income	573,788.99	1,420,452.26
	Total Capital	55,348,307.12	54,774,518.13
	Total Liabilities & Capital	\$ 64,554,573.98	\$ 65,539,701.50

Unaudited - For Management Purposes Only

14 APR -7 P5:01

SUPERIOR COURT
THE VIRGIN ISLANDS
ST. CROIX - V.I.

EXHIBIT C

EXHIBIT C

PENDING LITIGATION AGAINST UNITED

MATTER	STATUS/CASE NUMBER
1. Carol Daniel v. United Corporation d/b/a Plaza Extra	No suit filed
2. Edwards, Sonia v. United Corporation d/b/a Extra	No suit filed
3. Fell, Isaline v. United Corporation d/b/a Plaza Extra	
4. Harley, George v. United Corporation d/b/a Plaza Extra	No suit filed
5. Harris v. United Corporation d/b/a Plaza Extra	No suit filed
6. Hartzog, Amanda individually and as Next of Friend of Jahmil Perez, a minor v. United Corporation d/b/a Plaza Extra	Case No. 95/2004 Superior Court of the Virgin Islands Division of St. Croix
7. Issac, Laverne v. United Corporation d/b/a Plaza Extra	Superior Court of the Virgin Islands Division of St. Thomas and St. John
8. Javois, Kyshama and Ferdinand Javois as parents of Kai Javois, a minor v. United Corporation	No suit filed
9. Melendez, Carlos, Jr. v. V.I. Asphalt Products Corporation (VIAPCO) and Mike Yusuf	
10. Philip, Nelda P. v. United Corporation d/b/a Plaza Extra	
11. Samuel, Velma v. United Corporation d/b/a Plaza Extra	Case No. ST-12-CV-457 Superior Court of the Virgin Islands Division of St. Thomas and St. John
12. Santiago, Jacqueline v. United Corporation d/b/a Plaza Extra	Superior Court of the Virgin Islands Division of St. Croix

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MATTER	STATUS/CASE NUMBER
13. Santiago, Jacqueline v. United Corporation d/b/a Plaza Extra (DOL Appeal Case)	Superior Court of the Virgin Islands Division of St. Croix
14. United Corporation d/b/a Plaza Extra v. Tutu Park Limited (Light Poles)	Civil No. 97/1997 District Court of the St. Thomas and St. John
15. United Corporation d/b/a Plaza Extra v. Tutu Park Limited and P.I.D. Inc.	Civil No. 361/2001 Superior Court of the Virgin Island Division of St. Thomas and St. John
16. Williams, Edith v. United Corporation d/b/a Plaza Extra	Case No. 478/2000 Territorial Court, Division of St. Croix

EXHIBIT D

Exhibit D

LIST OF BROKERAGE AND INVESTMENT ACCOUNTS

1. Popular Securities Accounts United Corp. d/b/a Plaza Extra
(Denoted on Exhibit B - Balance Sheet as #15100)

Value as of 12/31/13: \$37,767,429.06

2. Merrill Lynch Cash Reserve Account
(Denoted on Exhibit B - Balance Sheet as #15200)

Value as of 12/31/13: \$336,378.45

PLAZA EXTRA SUPERMARKETS

REDLINE OF

PROPOSED HAMED PLAN
(10/21/2014)

TO

DRAFT OF PRESENT STATUS
(10/467/2014)
OF THE COURT'S PLAN FOR
MASTER'S SUPERVISION OF
WINDING UP THE
PARTNERSHIP

This Plan provides for the winding up of the Partnership, as defined below. This is a liquidating plan and does not contemplate the continuation of the Partnership's business except as may be required for the orderly winding up of the Partnership.

Section 1. DEFINITIONS

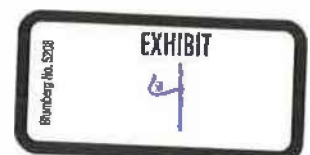
1.1 "Act" means the Uniform Partnership Act, V. I. Code Ann. Tit. 26, §§ 1-274.

1.2 "Available Cash" means the aggregate amount of all unencumbered cash and securities held by the Partnership including cash realized from any Litigation Recovery or any Liquidation Proceeds.

1.3 "Case" means Civil No. SX-12-CV-370 pending in the Court.

1.4 "Claim" means

(a) any right to payment from the Partnership whether or not such right is reduced to judgment, liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives use to a right of payment from the Partnership whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.



1.5 "Claimant" means the holder of a Claim.

1.6 "Claims Reserve Account" means one or more interest-bearing bank account(s), money market or securities account(s) to be established and held in trust by the Master for the purpose of holding the Available Cash until distributed in accordance with the Plan and any interest, dividends or other income earned upon the investment of such Claims Reserve Account.

The Claims Reserve Account will be further funded from time to time by the ~~Liquidating Partner~~ Master with:

- (i) any Liquidation Proceeds realized, plus
- (ii) any Litigation Recovery realized, minus
- (iii) any amounts necessary to pay Wind Up Expenses.

1.7 "Court" means the Superior Court of the Virgin Islands in which the Case is pending.

1.8 "Criminal Case" means Case No. 1:05-CR-00015-RLF-GWB pending in the District Court.

1.9 "Debt" means liability on a Claim.

1.10 "Disputed Claim" means any Claim or portion of a Claim as to which an objection to the allowance thereof has been interposed, which objection has not been withdrawn or determined by Final Order.

1.11 "District Court" means the District Court of the Virgin Islands, in which the Criminal Case is pending.

1.12 "Effective Date" means ten business days following entry of an Order by the Court approving this Plan.

1.13 "Encumbered Cash" means all of the cash and securities encumbered by a

restraining order issued by the District Court in the Criminal Case.

1.14 "Final Order" means an order or judgment of the Court or District Court:

- (i) which has not been reversed, stayed, modified or amended;
- (ii) as to which the time to or the right to appeal or seek reconsideration, review, rehearing or certiorari has expired or has been waived; and
- (iii) as to which no appeal or motion for reconsideration, review, rehearing, or certiorari is pending.

1.15 "Hamed" means Mohammad Hamed.

1.16 "Hamed Sons" means Waleed Hamed, Waheed Hamed, Mufeed Hamed, and Hisham Hamed.

1.17 "Liquidating Expenses Account" means one or more checking accounts to be utilized by the ~~Liquidating Partner~~Master for Wind Up Expenses based upon the Wind Up Budget and to satisfy Debts of the Partnership.

1.18 "Liquidating Partner" ~~means Yusufis not applicable here.~~

1.19 "Liquidation Proceeds" means any cash or other consideration paid to or realized by the Partnership or the ~~Liquidating Partner~~Master, as applicable, upon the sale, transfer, assignment or other distribution of the Partnership Assets.

1.20. "Litigation" means the interest of the Partnership or the ~~Liquidating Partner~~Master, as applicable, in any and all claims, rights and causes of action that have been or may be commenced by the Partnership or the ~~Liquidating Partner~~Master including, without limitation, any action:

- (i) to avoid and recover any transfers of property determined to be avoidable pursuant to VI. Code Ann. tit. 28, §§ 171-212 or other applicable law;
- (ii) for the turnover of property to the Partnership or ~~Liquidating Partner~~Master, as applicable;
- (iii) for the recovery of property or payment of money that belongs to or can be asserted by the Partnership or the ~~Liquidating Partner~~Master, as applicable;

and

(iv) for compensation for damages incurred by the Partnership.

1.21 "Litigation Recovery" means any cash or other property received by the Partnership or the ~~Liquidating Partner~~ Master, as applicable, from all or any portion of the Litigation including, but not limited to, awards of damages, attorneys' fees and expenses, interest and punitive damages, whether recovered by way of settlement, execution on judgment or otherwise.

1.22 "Master" means the person appointed by the Court to serve as master in the Case, Judge Edgar Ross.

1.23 "Partnership" means the association of Yusuf and Hamed carried on as co-owners of the business of the Plaza Extra Stores.

1.24 "Partners" means Yusuf and Hamed.

1.25 "Partnership Assets" means any and all property, assets, rights or interest of the Partnership whether tangible or intangible, and any Liquidation Proceeds realized therefrom, including without limitation, all Available Cash, Encumbered Cash, Litigation, and any Litigation Recovery.

1.26 "Plan" means this Plan For Winding Up Partnership including exhibits as it may be amended, modified or supplemented from time to time.

1.27 "Plaza Extra - East" means the supermarket located at Sion Farm, St. Croix.

1.28 "Plaza Extra - Tutu Park" means the supermarket located at Tutu Park, St. Thomas.

1.29 "Plaza Extra - West" means the supermarket located at Estate Plessen (Grove Place), St. Croix.

1.30. "Plaza Extra Stores" means Plaza Extra- East, Plaza Extra -Tutu Park, and

Plaza Extra - West.

1.31 "Termination Date" means six months following the Effective Date, when the ~~Liquidating Partner~~Master contemplates completing the winding up of the Partnership.

1.32 "United" means United Corporation.

1.33 "Wind Up Budget" means the budget established to satisfy the anticipated Wind Up Expenses and to satisfy the Debts set forth in Exhibit A hereto.

1.34 "Wind Up Expenses" means the costs and expenses incurred by the ~~Liquidating Partner~~Master for the purpose of: . .

(i) operating the Plaza Extra Stores during the period required to liquidate the Partnership Assets;

(ii) prosecuting or otherwise attempting to collect or realize upon the Litigation;

(iii) assembling and selling any of the Partnership Assets or otherwise incurred in connection with generating the Liquidation Proceeds;

(iv) resolving Disputed Claims and effectuating distributions to Creditors under the Plan; or

(v) otherwise implementing the Plan and winding up the Partnership.

1.35 "Yusuf Sons" means Maher, Nejeah and Yusuf Yusuf.

Section 2. APPOINTMENT OF MASTER

Judge Edgar Ross was appointed Master to oversee and act as the judicial supervision of the wind up efforts ~~of the Liquidating Partner~~.

Section 3: NO LIQUIDATING PARTNER

~~Yusuf shall~~ There is no partner qualified to be the Liquidating Partner. Thus, there shall be no Liquidating Partner with the exclusive right and obligation to wind up the partnership pursuant to this Plan ~~under the supervision of the~~. Pursuant to 26 V.I.C. § 173(a) he Master, ~~No person other than the Liquidating Partner may act on behalf of the~~

~~Partnership, represent~~

~~the Partnership in any official capacity or participate in management or control of the Partnership, for purposes of winding up its business or otherwise. The Liquidation Partner's will exercise all such rights and obligations relative to the winding up, subject to the review duties and supervision of the Master,~~ shall be deemed to have commenced as of April 25, 2013, the date of the issuance of the Preliminary Injunction.

Section 4. ~~POWERS OF LIQUIDATING PARTNER DELETED.~~

~~See Prior paragraph. [The Liquidation Partner's rights and obligations relative to the winding up [are] subject to the review and supervision of the Master~~

~~The Liquidating Partner shall use his best efforts to complete the winding up of the Partnership on or before the Termination Date.~~

~~See Prior paragraph~~

Section 5. ~~DUTIES OF LIQUIDATING PARTNER DELETED.~~

~~The Liquidating Partner shall devote such time as is reasonably necessary to wind up and liquidate the Partnership in the manner provided herein and as required by the Act.~~

~~The Liquidating Partner shall be required to report on a bi-monthly basis to Hamed and the Master as to the status of all wind up efforts. In addition, the Liquidating Partner shall prepare and file all required federal and territorial tax returns and shall pay all just Partnership Debts. The Liquidating Partner shall provide a Partnership accounting. Any Liquidation Proceeds and Litigation Recovery shall be placed into the Claim Reserve Account from which all Partnership Debts shall first be paid. Following payment of all Partnership Debts, any remaining funds shall continue to be held in the Claims Reserve Account pending~~

~~distribution pursuant to agreement of the Partners or order of the Court following a full accounting and reconciliation of the Partners' capital accounts and earlier distributions.~~

See Prior paragraph

Section 6. SALARIES, WITHDRAWALS

~~As compensation for serving as Liquidating Partner, Yusuf shall continue to receive the salary Yusuf is currently receiving as shown on the Wind Up Budget. This compensation will be considered an expense of winding up the Partnership's business.~~ For at least one hundred twenty (120) days following the Effective Date, Fathi Yusuf, the Hamed Sons and Yusuf Sons shall continue to receive their current salaries in return for assisting the Liquidation Partner in the wind up of the Partnership. Thereafter, the Liquidating Partner Master shall have the right to terminate their services upon fourteen (14) days notice as the Partnership business operations decline and their services are no longer needed. The Hamed Sons and Yusuf Sons shall be terminated at the same time.

Section 7. CRIMINAL CASE AND ENCUMBERED CASH

There exists a plea agreement ("Plea Agreement") entered by United in the Criminal Case. Nothing in this Plan or the Partnership wind up efforts shall undermine or impair United's Plea Agreement. The President of United' and the Master shall meet with the U.S. Department of Justice to see what impact, if any, the implementation of the Plan and wind up of the Partnership may have on United's compliance with the Plea Agreement.

The Encumbered Cash shall be deposited into the Claims Reserve Account immediately after it is no longer encumbered by the restraining order entered in the Criminal Case and, thereafter, held for distribution in accordance with this Plan.

Section 8: Plan of Liquidation and Winding Up

In all instances where a bid is ordered, Hamed and Yusuf will be allowed to bid in

amounts equal to their 50% interests in Available Cash and Encumbered Cash to purchase the non-liquid Partnership Assets. The partnership will obtain the Encumbered Cash funds when released by the District Court.

1) Plaza Extra-East

Yusuf will purchase from the Partnership ~~The following elements of the existing business operation known as Plaza Extra-East shall be placed for bid between the two partners: the inventory at landed cost and, the equipment and leasehold improvements at their depreciated value, as mutually determined by the Partners. In the event the Partners cannot agree, such value shall be determined by a qualified appraiser selected by the Master. Upon payment for such inventory, equipment and leasehold improvements, Yusuf will assume full ownership and control and may continue to operate the business Plaza Extra East without any further involvement of Hamed or the Hamed sons, and free and clear of any claims or interest of Hamed.~~

2) Plaza Extra-Tutu Park

Yusuf will purchase from the Partnership ~~The following elements of the existing business operation known as Plaza Extra Tutu Park: shall be placed for bid between the two partners: the remaining lease, the inventory at landed cost and, the equipment and leasehold improvements at their depreciated value, as mutually determined by the Partners. In the event the Partners cannot agree, such value shall be determined by a qualified appraiser selected. Should neither partner bid, it will be sold by the Master. Yusuf will reimburse the at auction on the courthouse steps. Partnership for 50% of the reasonable costs and attorneys' fees incurred to date in the Tutu Park litigation. Upon payment for such inventory, equipment, leasehold~~

~~improvements and attorneys' fees, Yusuf will assume full ownership and control and may continue to operate the business Plaza Extra Tutu Park without any further involvement of Hamed or the Hamed sons, and free and clear of any claims or interests of Hamed.~~

3) Plaza Extra-West

~~Hamed will purchase from the Partnership the The following elements of the existing business operation known as Plaza Extra West: shall be placed for bid between the two partners: the inventory at landed cost and, the equipment and leasehold improvements at their depreciated value, as mutually determined by the Partners. In the event the Partners cannot agree, such value shall be determined by a qualified appraiser selected. Should neither partner bid, it will be sold by the Master. Upon payment for such at auction on the courthouse steps, inventory, equipment and leasehold improvements, Hamed will assume full ownership and control and may continue to operate Plaza Extra West without any further involvement of Yusuf, Yusufs sons or United and free and clear of any claims or interests of Yusuf or United.~~

4) Stock of Associated Grocers

The stock of Associated Grocers held in the name of United shall be split 50/50 between Hamed and Yusuf, with United retaining in its name Yusuf's 50% share, and 50% of such stock being reissued in Hamed's name or his designee's name.

5) Plaza Extra Name

~~Yusuf~~The following shall ~~own and have~~ be placed for bid between the ~~right to use~~two partners: the ~~trade name~~ "Plaza Extra" ~~in the operation of Yusuf's Plaza Extra stores. Hamed~~name and brand. ~~Should neither partner bid, it will operate Plaza Extra West under~~be sold by the Master at auction on the ~~courthouse steps, trade name~~ "Plaza-

West."

Steps to Be Taken for the Orderly Liquidation of the Partnership

Step 1: Budget for Wind Up Efforts

The ~~Liquidating Partner proposes~~Master will not exceed the Wind Up Budget (Exhibit A) for the Wind Up Expenses. Such expenses include but are not limited to, those incurred in the liquidation process, costs for the continued operations of Plaza Extra Stores during the wind up, costs for the professional services of the Master, costs relating to pending litigation in which Plaza Extra and/or United d/b/a/ Plaza Extra Stores is named as a party, and the rent to be paid to the landlords of Plaza Extra-East and Plaza Extra-Tutu Park.

Step 2: Setting Aside Reserves

The sum of Ten Million Five Hundred Thousand Dollars (\$10,500,000) shall be set aside in a Liquidating Expenses Account to cover the Wind Up Expenses as set out in the Wind Up Budget with a small surplus to cover any miscellaneous or extraordinary Wind Up expenses that may occur at the conclusion of the liquidation process. Such Account shall be held in trust by the ~~Liquidating Partner under the supervision of the Master.~~
~~The Master. Liquidating Partner shall submit to Hamed and the Master each month a reconciliation of actual expenditures against the projected expenses set forth in Exhibit A. Unless the Partners agree or the Master orders otherwise, the Liquidating Partner shall not exceed the funds deposited in the Liquidated Expenses Account.~~

Step 3: Continued Employment of Employees

Yusuf and Hamed, and their respective successors, shall attempt to keep all

employees of the Plaza Extra Stores fully employed. Although approval of this plan should avoid any need to comply with the provisions of the Virgin Islands Plant Closing Act, to the extent necessary, Yusuf and Hamed, and their respective successors, shall comply with the PCA for any affected employees of the Plaza Extra Stores as a result of the winding up and closure of the Partnership business. Any severance payments due to the employees determined in accordance with the PCA shall be paid by the Master out of the Claims Reserve Account.

Step 4: ~~Liquidation of Partnership Assets~~DELETED.

~~_____The Liquidating Partner shall promptly confer with the Master and Hamed to inventory all non-Plaza Extra Stores Partnership assets, and to agree to and implement a plan to liquidate such assets, which shall result in the maximum recoverable payment for the Partnership.~~

Step 5: Other Pending Litigation

The pending litigation against United set forth in Exhibit C arises out of the operation of the Plaza Extra Stores. As part of the wind up of the Partnership, the ~~Liquidating Partner~~Master shall undertake to resolve those claims in Exhibit C, and to the extent any claims arise in the future relating to the operation of a Plaza Extra Store during the liquidation process, within the available insurance coverage for such claims. Any litigation expenses not covered by the insurance shall be charged against the Claims Reserve Account.

Step 6: Distribution Plan

Upon conclusion of the Liquidation Process, the funds remaining in the Liquidation

Expenses Account, if any, shall be deposited into the Claims Reserve Account. Within 45 days after the Liquidating Partner Master completes the liquidation of the Partnership Assets, Hamed and Yusuf shall each submit to the Master a proposed accounting and distribution plan for the funds remaining in the Claim Reserve Account. Thereafter, the Master shall make a report and recommendation of distribution for the Court for its final determination.

Nothing herein shall prevent the Partners from agreeing to distribution of Partnership assets between themselves rather than liquidating assets by sale and distributing proceeds.

Step 7: Additional Measures to Be Taken

- a) Should the funds deposited into the Liquidating Expenses Account prove to be insufficient, the Master shall transfer from the Claims Reserve Account sufficient funds required to complete the wind up and liquidation of the Partnership, determined in the Master's discretion.
- b) All funds realized from the sale of the non-cash Partnership Assets shall be deposited into the Claims Reserve Account under the exclusive control of the Master.
- c) All bank accounts utilized in the operation of the Partnership business shall be consolidated into the Claims Reserve Account.
- d) All brokerage and investment accounts set forth in Exhibit D shall be turned over to the Master as part of the Claims Reserve Account.
- e) Any Partnership Assets remaining after the completion of the liquidation process shall be divided equally between Hamed and Yusuf under the supervision of the

Master.

Step 8: Encumbered Funds

This Plan is conditioned upon the ability of Hamed and Yusuf to use their 50% interest in Available Cash and Encumbered Cash to purchase the non-liquid Partnership Assets. While the bid-in process may continue, actual payment of the funds shall be subject to the approval of the Court and, to the extent necessary, the District Court.

INDEX OF EXHIBITS

Exhibit A: Win_d Up Budget

Exhibit B: Plaza Extra Supermarkets Balance Sheet

Exhibit C: Pending Litigation Against United

Exhibit D: List of Brokerage and Investment Accounts