

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11
: :
REPUBLIC METALS REFINING :
CORPORATION, ET AL.,¹ : Case No. 18-13359 (SHL)
: :
: :
Debtors. : Jointly Administered
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**GLOBAL NOTES, RESERVATION OF RIGHTS, AND
STATEMENT OF LIMITATIONS, METHODOGY AND
DISCLAIMER REGARDING DEBTORS' SCHEDULES AND SOFAs**

Republic Metals Refining Corporation¹ (the “Debtors”), as debtors in possession in the above-captioned chapter 11 case (the “Chapter 11 Case”), have filed their Schedules of Assets and Liabilities (the “Schedules”) and Statements of Financial Affairs (the “SOFAs”) with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”). The Debtors, with the assistance of their advisors, prepared the Schedules and SOFAs in accordance with section 521 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 1007 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”).

Scott Avila has signed the Schedules and SOFAs as the Debtors’ Chief Restructuring Officer in this Chapter 11 Case. In reviewing and signing the Schedules and SOFAs, Mr. Avila has necessarily relied upon the efforts, statements, and representations of various third parties involved in the Debtors operations. Mr. Avila has not (and could not have) personally verified the accuracy of each such statement and representation, including statements and representations concerning amounts owed to creditors.

The Debtors are contemporaneously filing these *Global Notes, Reservation of Rights, and Statement of Limitations, Methodology and Disclaimer Regarding the Debtor’s Schedules and SOFAs* (the “Global Notes”) as a supplement to and integral part of its Schedules and SOFAs. These are incorporated by reference into each of the Schedules and SOFAs, and should be reviewed in connection with any review of the Schedules and SOFAs.

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Republic Metals Refining Corporation (“RMRC”), 15 West 47th Street, Suites 206 and 209, New York, NY 10036 (3194), Republic Metals Corporation (“RMC”), 12900 NW 38th Avenue, Miami, FL 33054 (4378), Republic Carbon Company, LLC (“RCC”), 5295 Northwest 163rd Street, Miami Gardens, FL 33014 (5833), Republic High Tech Metals, LLC (“RHTM”), 13001 NW 38 Avenue, Miami, FL 33054 (6102), RMC Diamonds, LLC (“RMCD”), 12900 NW 38th Avenue, Miami, FL 33054 (1507), RMC2, LLC, 12900 NW 38th Avenue, Miami, FL 33054 (4696), J & L Republic LLC (“J&L”), 12900 NW 38th Avenue, Miami, FL 33054 (7604); R & R Metals, LLC (“R&R”), 12900 NW 38th Avenue, Miami, FL 33054 (7848), Republic Metals Trading (Shanghai) Co., Ltd., (“RMTS”) 276 Ningbo Road, Huangpu District, Shanghai, P.R. 200001 China (1639), and Republic Trans Mexico Metals, S.R.L., (“RTMM”) Francisco I. Madero No. 55 Piso 5, Local 409, Centro Joyero Edificio Central, Delegación Cuauhtémoc, Mexico DF 6000 (2942).

The Debtors' Schedules and SOFAs do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"), nor are they intended to be fully reconciled to the financial statements of the Debtors. The Schedules and SOFAs contain unaudited information that is subject to further review and potential adjustment. The Schedules and SOFAs reflect the Debtors' reasonably best efforts to report the assets and liabilities of the Debtors. Moreover, given, among other things, the uncertainty surrounding the collection and ownership of certain assets and the valuation and nature of certain liabilities, to the extent that the Debtors show more assets than liabilities, this is not an admission that the Debtors were solvent at the Petition Date (as defined herein) or at any time prior to the Petition Date. Likewise, to the extent that the Debtors show more liabilities than assets, this is not an admission that the Debtors were insolvent at the Petition Date or any time prior to the Petition Date.

In preparing the Schedules and SOFAs, the Debtors relied on financial data derived from their books and records that were available at the time of such preparation. Although the Debtors have made reasonable efforts to ensure the accuracy and completeness of such financial information, subsequent information or discovery may result in material changes to the Schedules and SOFAs. As a result, inadvertent errors or omissions may exist. The Debtors reserve all rights to amend, supplement, or otherwise modify the Schedules and SOFAs as is necessary or appropriate.

Nothing contained in the Schedules and SOFAs shall constitute a waiver of any of the Debtors' rights or an admission with respect to its Chapter 11 Case, including, without limitation, any issues involving equitable subordination, defenses or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant applicable laws to recover assets or avoid transfers.

Reservation of Rights

In particular, note that the listing of a claim or a contract with the Debtors do not constitute an admission by the Debtors of the legal rights of the claimant, or a waiver of the Debtors' right to disclaim or dispute such claim or contract as attributable to the Debtors. The Debtors reserve the right to remove any contract or claim from the Schedules and SOFAs whether by amending the Schedules and SOFAs or in another appropriate filing. Additionally, the Debtors reserve the right to object to any listed claim on the grounds that, among other things, such claim has already been satisfied. The Debtors reserve the right to dispute or assert offsets or defenses to, any claim reflected on the Schedules as to amount, liability or classification and reserves the right to recharacterize, reclassify, recategorize, or redesignate any claim as "disputed," "contingent" and/or "unliquidated, whether by amending the Schedules and SOFAs or in another appropriate filing.

Listing a claim (i) on Schedule D as "secured," (ii) on Schedule E/F part 1 as "unsecured priority" or (iii) on Schedule E/F part 2 as "unsecured nonpriority," does not constitute a waiver of any of the Debtors' right to recharacterize, reclassify, recategorize, or redesignate such claim. Furthermore, listing a contract on Schedule G as "executory" or "unexpired," does not constitute an admission by the Debtors that such contract or agreement is an executory contract or unexpired lease nor a waiver of the Debtors' right to recharacterize, reclassify or dispute the validity, status or enforceability of any contracts, agreements or leases set forth on Schedule G and to amend or supplement such Schedule, as necessary.

Despite its reasonable efforts to identify all known assets, the Debtors may not have listed all of their causes of action or potential causes of action against third-parties as assets in the Schedules and SOFAs, including causes of actions arising under the provisions of Chapter 5 of the Bankruptcy Code and any other relevant nonbankruptcy laws to recover assets or avoid transfers. The Debtors may also possess contingent and unliquidated claims against affiliated entities for various financial accommodations and similar benefits they have extended from time to time, including contingent and unliquidated claims for contribution, reimbursement and/or indemnification arising from, among other things: (i) letters of credit,

(ii) notes payable and receivable, (iii) surety bonds, (iv) guaranties, and (v) indemnities. The Debtors reserve all of their rights with respect to any cause of action (including avoidance actions), controversy, right of setoff, cross claim, counterclaim, or recoupment, and any claim in connection with any contract, breach of duty imposed by law or in equity, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, fixed or 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, in contract or in tort, in law or in equity, or pursuant to any other theory of law (collectively, “Causes of Action”) it may have, and neither the Global Notes nor the Schedules nor the SOFAs shall be deemed a waiver of any Causes of Action or in any way prejudice or impair the assertion of any such Causes of Action.

Any specific reservation of rights contained elsewhere in the Global Notes does not limit in any respect the foregoing general reservation of rights.

Description of the Chapter 11 Case and “As of” Information Date

On November 2, 2018 (the “Petition Date”) relief under Chapter 11 of the Bankruptcy Code was filed for RMRC, RMC and RCC with an additional petition filed on November 21, 2018 for RHTM, RMCD, RMC2, J&L, R&R, RMTS and RTMM. The Debtors continue to manage and operate their business as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. Although no trustee or examiner has been appointed in this Chapter 11 Case, a motion for an Examiner has been filed by the U.S. Trustee (and objected to by the Debtor, Senior Secured Lenders and Unsecured Creditors Committee). Except as otherwise noted herein, asset and liability information stated in the Schedules and SOFAs is as of the close of business on each Debtors respective Petition Date.

Totals

All totals that are included in the Schedules and SOFAs represent totals of all known and estimated amounts included in the Schedules and SOFAs. To the extent there are unknown, disputed, contingent, unliquidated, or otherwise undetermined amounts, the actual total may be materially different than the listed total. The description of an amount as “unknown,” “disputed,” “contingent,” “unliquidated,” or “undetermined” is not intended to reflect upon the materiality of such amount. Due to numerous unliquidated, contingent and/or disputed claims, summary statistics in the Schedules, SOFAs and Global Notes may significantly understate the Debtors’ liabilities.

Recharacterization

Notwithstanding that the Debtors have made reasonable best efforts to correctly characterize, classify, categorize or designate certain claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and SOFAs, the Debtors nonetheless may have improperly characterized, classified, categorized or designated certain items. Thus, the Debtors reserve all rights to recharacterize, reclassify, recategorize or redesignate items reported in the Schedules and SOFAs at a later time as is necessary or appropriate.

Liabilities

The Debtors allocated liabilities between the prepetition and postpetition periods based on the information and research conducted in connection with the preparation of the Schedules and SOFAs. As additional information becomes available and further research is conducted, the allocation of liabilities between the prepetition and postpetition periods may change. The Debtors reserve all rights to modify, amend or supplement the Schedules and SOFAs as is necessary or appropriate.

The liabilities listed on these Schedules do not reflect any analysis of claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve all rights to dispute or challenge the

validity of any asserted claims under section 503(b)(9) of the Bankruptcy Code or the characterization of the structure of any such transaction or any document or instrument related to such creditor's claim.

Exclusions

The Debtors have excluded certain categories of assets and liabilities from the Schedules and SOFAs such as: goodwill and certain other intangible assets; accrued liabilities including, but not limited to, accrued salaries and employee benefits; tax accruals; accrued accounts payable; and assets with a net book value of zero. Other non-material assets and liabilities may have also been excluded.

Currency

Unless otherwise indicated, all amounts are reflected in U.S. dollars. All non-U.S. currency for foreign subsidiaries have also been converted to U.S. dollars.

Fair Market Value; Book Value

It would be prohibitively expensive, unduly burdensome and an inefficient use of Debtors' resources for the Debtors to obtain current market valuations of all of its assets. Accordingly, unless otherwise indicated, the Schedules and SOFAs reflect net book values for assets as of their respective Petition Dates as reflected in the Debtors' books and records. Amounts ultimately realized may vary from net book value, and such variance may be material. The asset amounts listed do not include material write-downs that may be necessary. Operating cash is presented as bank balances as of the respective Petition Dates. Certain other assets, such as investments in subsidiaries and other intangible assets, are listed as undetermined amounts as of the Petition Dates because the book values may materially differ from fair market values.

Property and Equipment

Property and Equipment has been listed based on estimated June 30, 2018 values adjusted for estimated July 1 through petition date additions, disposals and depreciation. Note that the Debtors have made these estimates as the books have not been closed since March 31, 2018.

Receivables

Certain inventory sent to third parties for processing has been reclassified as receivables. All receivables are estimates and subject to change and risk of collection. Accounts receivable do not include intercompany receivables.

Inventory

The Debtors' inventory values are comprised of finished goods, other saleable inventory (diamonds, consignment), Work in Process, Sweeps (higher grade silver and gold hydroxides) and other inventory. Third party inventory (i.e., materials sent to third party refineries) have been reclassified as Receivables. All inventory is estimated based on current metals prices and subject to reclamation claims filed with the Court. Note: The value of RMC's unprepared low-grade silver hydroxides (~3,500 barrels) is currently unknown and has not been included in the inventory balance.

Leases

Nothing in the Schedules or SOFA (including, without limitation the failure to list leased property or equipment as owned property or equipment) is, or shall be construed as, an admission as to the determination of legal status of any lease (including whether any lease is a true lease or financing arrangement), and the Debtors reserve all of their rights with respect to such issues.

The Debtors lease equipment and facilities under various operating lease agreements. These agreements are carried by the Debtors at a zero-book value. These equipment and facilities leases are reported on the Schedule G. To the extent that there was an amount outstanding under any of these

agreements as of the respective Petition Dates, the amount owed to the applicable lessor has been listed on Schedule E/F part 2 of each Debtor.

Estimates

To prepare and file the Schedules in accordance with the deadline established in this Chapter 11 Case, management was required to make certain estimates and assumptions that affected the reported amounts of these assets and liabilities as of the respective Petition Dates. The Debtors reserve the right to amend the reported amounts of assets and liabilities to reflect changes in those estimates or assumptions.

Fiscal Year

The Debtors' fiscal years end on December 31.

Claims of Third-Party Related Entities

Although the Debtors have made reasonable efforts to properly classify each claim listed in the Schedules as being either disputed or undisputed, liquidated or unliquidated and/or contingent or noncontingent, the Debtors have not been able to fully reconcile all payments made to certain third parties and their related entities on account of the Debtors' obligations to both such entity and its affiliates. Therefore, to the extent that the Debtors have classified claims of a creditor as disputed, unliquidated and/or contingent, all claims of such creditor's affiliates listed in the Schedules shall similarly be considered as disputed, unliquidated and/or contingent, whether or not they are designated as such.

Effect of Payments Made Pursuant to "First Day" Orders on Scheduled Claim Amount

The Bankruptcy Court has authorized the Debtors to pay certain pre-Petition Date claims including those of employees, utilities, insurance programs and taxing authorities. Thus, Schedule E/F part 2 generally does not include prepetition liabilities that have been paid after the Petition Dates. Where the Schedules list creditors and set forth the Debtors' scheduled amount of such claims, such scheduled amounts reflect amounts owed as of the Petition Dates, adjusted for any payments made after the Petition Dates pursuant to the authority granted to the Debtors by the Bankruptcy Court. However, the estimate of claims set forth in the Schedules may not reflect assertions by the Debtors' creditors of a right to have such claims paid or reclassified under the Bankruptcy Code or orders of the Bankruptcy Court.

Intercompany Sales

All intercompany sales among the debtor entities have been included in the total sales. Historically, these sales (and the related purchases) would be eliminated when presenting combined financial statements under GAAP.

Setoffs

The Debtors occasionally incur setoffs from third parties during the ordinary course of business. Setoffs in the ordinary course can result from various routine transactions, including counterparty settlements, pricing discrepancies, and other disputes between the Debtors and third parties. Certain of these constitute normal setoffs consistent with the ordinary course of business in the Debtors' industry. In such instances, such ordinary course setoffs are excluded from the Debtors' responses to Question 13 of the Statements. The Debtors reserve all rights to enforce or challenge, as the case may be, any setoffs that have been or may be asserted.

Intellectual Property Rights

The exclusion of any intellectual property shall not be construed as an admission that such intellectual property rights have been abandoned, terminated, assigned, expired by their terms, or otherwise transferred pursuant to a sale, acquisition, or other transaction.

Global Notes Control

All of the Debtors' Schedules and SOFAs are subject to and qualified by the Global Notes. In the event that the Schedules and SOFAs differ from the Global Notes, *the Global Notes shall control*.

SPECIFIC DISCLOSURES WITH RESPECT TO THE DEBTORS' SCHEDULES

Schedule A/ B, Part 2 – Deposits and Prepayments

The Debtors' characterization of an asset listed in these schedules is not a legal characterization of either a deposit or a prepayment. The Trustee reserve all of his rights to re-categorize and/or recharacterize such asset holdings at a later time as appropriate. Additionally, the amounts set forth on these Items do not include amounts held as retainers by professionals.

Schedule A/B, Part 9 - Real Property

Except where otherwise noted, the Debtors have included the book value of owned real property assets. Further, the Debtors may have listed certain assets as real property when such holdings are in fact in the nature of personal property holdings, or the Debtors may have listed certain assets as personal property assets when such holdings are in fact in the nature of real property holdings. The Debtors reserve all of its rights to re-categorize and/or recharacterize such asset holdings at a later time as appropriate.

Schedule A/B - Personal Property

Assets recorded as negative net payables or other prepayments are representative of credits owed from customers or third parties. Security deposits held by real property lessors, utility companies and various other third parties have also been included on this schedule. In certain instances, the Debtors have included in the SOALs purchased equipment for which payments have been made, but the equipment has not been received.

Other than real property leases reported in Schedule A/B 55, the Debtors have not necessarily set forth executory contracts and unexpired leases as assets in the Schedules and Statements, even though these contracts and leases may have some value to the Debtors' estates. The Debtors' executory contracts and unexpired leases have been set forth in Schedule G.

Schedule D - Creditors Holding Secured Claims

Except as otherwise agreed pursuant an order of the Bankruptcy Court, the Debtors reserve the right to dispute or challenge the validity, perfection or priority of any lien purported to be granted or perfected in any specific asset to a creditor listed on Schedule D. The descriptions provided on Schedule D are intended only as a summary. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. Nothing in any Debtors' Schedule D shall be deemed a modification, interpretation, or waiver of the terms of any such agreements.

Except as specifically stated herein, real property lessors, utility companies and other parties that may hold security deposits have not been listed on Schedule D.

Schedule E / F - Creditors Holding Unsecured Priority and/or Unsecured Non-Priority Claims

Claims listed on the Debtors' Schedule E / F include claims owed to various taxing authorities. However, certain of the claims may be subject to on-going audits or disputes, and the Debtors are

otherwise unable to determine with certainty the amount of many, if not all, of the taxing authority claims. Therefore, the Debtors have listed such claims as undetermined in amount, pending final resolution of ongoing audits or disputes.

The unsecured non-priority claims of individual creditors for among other things, products, goods or services are listed as either the lower of the amounts invoiced by the creditor or the estimated amounts reflected on the Debtors' books and records and may not reflect credits or allowances due from such creditors to the Debtors. The claims listed on Schedule E / F arose or were incurred on various dates. In certain instances, the date on which a claim arose may be subject to dispute. While commercially reasonable efforts have been made, determining the date upon which each claim in Schedule E / F was incurred or arose would be unduly burdensome and cost prohibitive and, therefore, the Debtors do not list respective dates for the claims listed on Schedule E / F.

To the extent that litigation involving the Debtors has been identified, information regarding that litigation is contained in Schedule E / F. Schedule E / F contains information regarding pending litigation involving the Debtors.

Schedule G - Unexpired Leases and Executory Contracts

The contracts, agreements and leases listed on the Schedule G may have expired or may have been modified, amended or supplemented from time to time by various amendments, restatements, waivers, estoppels, certificates, letters, memoranda or other documents, instruments and agreements that may not be listed on Schedule G, despite the Debtors' use of reasonable efforts to identify such documents. In some cases, the same supplier or provider appears multiple times on Schedule G. This multiple listing is intended to reflect distinct agreements between the Debtors and such supplier or provider. Due to the volume of the Debtors' portfolio of contracts and leases, all documents entitled "lease" or "contract" have been included on Schedule G. Certain of the real property leases listed on Schedule G may contain renewal options, guarantees of payments, options to purchase, rights of first refusal, rights to lease additional space and other miscellaneous rights. Such rights, powers, duties and obligations are not separately set forth on Schedule G or Schedule B.

In addition, the Debtors may have entered into various other types of agreements in the ordinary course of business, such as subordination, nondisturbance and attornment agreements, supplemental agreements, amendments/letter agreements, title agreements and confidentiality agreements. Such documents may not be set forth on Schedule G. Certain of the executory contracts may not have been memorialized and may be subject to dispute. Each unexpired lease listed in Schedule G may include one or more ancillary documents, including but not limited to any underlying assignment and assumption agreements, amendments, supplements, full and partial assignments, renewals and partial releases. Executory contracts that are oral in nature, if any, have not been included on Schedule G.

To the extent the Court determines a particular contract is executory, the Debtors will amend Schedule G to add that contract.

Schedule H – Codebtors

For purposes of Schedule H, the Debtors that are either the principal obligors or guarantors under the prepetition debt facilities are listed as Co-Debtors on Schedule H. The Debtors may not have identified certain guarantees associated with the Debtors' executory contracts, unexpired leases, secured financings, debt instruments, and other such agreements. In the ordinary course of their businesses, the Debtors may be involved in pending or threatened litigation. These matters may involve multiple plaintiffs and defendants, some or all of whom may assert cross-Claims and counter-Claims against other parties. Because the Debtors have

treated all such Claims as contingent, disputed, or unliquidated, such Claims have not been set forth individually on Schedule H. Litigation matters can be found on each Debtor's Schedule E/F part 2 and Statement 7, as applicable.

SPECIFIC DISCLOSURES WITH RESPECT TO THE DEBTORS' SOFAs

SOFAs Item 3 – 90 Day Payments

The dates set forth in the "Date of Payment" column relate to one of the following: (a) the date of a wire transfer; (b) the date of an "ACH" payment; or (c) the check date.

Statement 3 includes any disbursement or other transfer made by the Debtors within 90 days before the Petition Date except for those made to insiders (which payments appear in response to Statement question 4), and employees.

SOFAs Item 4 – Insider Payments

Except as may be otherwise indicated in the Schedules and SOFAs, the Debtors have included payments made during the one-year period preceding the Petition Dates to person deemed an "insider," as that term is defined in section 101(31) of the Bankruptcy Code.

Persons listed as "insiders" have been included for informational purposes only. The Debtors do not take any position with respect to (a) such person's influence over the control of the Debtors, (b) the management responsibilities or functions of such individuals, (c) the decision-making or corporate authority of such person, or (d) whether such person could successfully argue that he or she is not an "insider" under applicable law.

At the time of the filing the Debtors' SOFA, the Debtors were unable to itemize insider transfers to other Debtors currently administered in these Chapter 11 Cases (*i.e.* intercompany transfers) this will be supplemented once identified.

Statement 4 accounts for a respective Debtor's intercompany transactions, as well as other transfers to insiders as applicable. With respect to individuals, the amounts listed reflect the universe of payments and transfers to such individuals including compensation, bonus (if any), expense reimbursement, relocation reimbursement, and/or severance. Amounts paid on behalf of such employee for certain life and disability coverage, which coverage is provided to all of the Debtors' employees, has not been included.

SOFAs Item 7 – Litigation

Despite reasonable efforts, the Debtors may not have identified and/or set forth all of their causes of action (filed or potential) against third parties as assets in their Schedules and SOFAs. The Debtors reserve all rights with respect to any causes of action and nothing in the Global Notes or the Schedules and SOFAs shall be deemed a waiver of any such causes of action.

SOFAs Item 10 – Losses from Fire, Theft or Other Casualty

The Debtors may have occasionally incurred losses for a variety of reasons, including theft and property damage. The Debtors, however, may not have records of all such losses to the extent such losses do not have a material impact on the Debtors' business or are not reported for insurance purposes.

SOFAs Item 11 – Payments Related to Bankruptcy

Out of an abundance of caution, the Debtors have included payments to all professionals who have rendered any advice related the Debtors' bankruptcy proceedings in Statement 11. However, it is possible that the disclosed fees also relate to other, non-bankruptcy related services, and may include services rendered to other parties.

SOFAs Item 26 – Books Records and Financial Statements

From time to time, the Debtors provided financial statements in the ordinary course of business to certain parties for business, statutory, credit, financing and other reasons. Recipients have included regulatory agencies, financial institutions, investment banks, customers, vendors, debtholders and their legal and financial advisors. Additionally, certain financial statements may have been provided to other parties as requested.

General Disclaimer

The Debtors have prepared the Statement and Schedules based on the information reflected in the Debtors' books and records. However, inasmuch as the Debtors' books and records have not been audited, the Debtors cannot warrant the absolute accuracy of these documents. The Debtors have made a diligent effort to complete these documents accurately and completely. To the extent additional information becomes available, the Debtors will amend and supplement the Statement and Schedules.

* * * * *

Fill in this information to identify the case:

Debtor name: RMC Diamonds, LLC

United States Bankruptcy Court for the: Southern District of New York

Case number (if known): 18-13639

☐ Check if this is an amended filing

Official Form 207

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy 04/16

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Part 1: Income

1. Gross revenue from business

☐ None

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year		Sources of revenue (Check all that apply)	Gross revenue (before deductions and exclusions)
From the beginning of the fiscal year to filing date:	From 1/1/2018 to 11/21/2018	☒ Operating a business ☐ Other: _____	\$0.00
For prior year:	From 1/1/2017 to 12/31/2017	☒ Operating a business ☐ Other: _____	\$0.00
For the year before that:	From 1/1/2016 to 12/31/2016	☒ Operating a business ☐ Other: _____	\$0.00

2. Non-business revenue

Include revenue regardless of whether that revenue is taxable. *Non-business income* may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

☒ None

		Description of sources of revenue	Gross revenue from each source (before deductions and exclusions)
From the beginning of the fiscal year to filing date:	From _____ to _____	_____	\$ _____
	From _____ to _____	_____	\$ _____
	From _____ to _____	_____	\$ _____

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 2: List Certain Transfers Made Before Filing for Bankruptcy****3. Certain payments or transfers to creditors within 90 days before filing this case**

List payments or transfers—including expense reimbursements—to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

☒ None

Creditor's name and address	Dates	Total amount or value	Reasons for payment or transfer <i>Check all that apply</i>
3.1. _____ _____ _____	_____	\$ _____	☐ Secured debt ☐ Unsecured loan repayments ☐ Suppliers or vendors ☐ Services ☐ Other _____

4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$6,425.00. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. *Insiders* include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

☒ None

Insider's name and address	Dates	Total amount or value	Reasons for payment or transfer
4.1. _____ _____ _____	_____	\$ _____	_____
Relationship to debtor _____			

5. Repossessions, foreclosures, and returns

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

☒ None

Creditor's name and address	Description of the property	Date	Value of property
5.1. _____ _____ _____	_____	_____	\$ _____

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

6. Setoffs

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

☒ None

Creditor's name and address	Description of the action creditor took	Date action was taken	Amount
6.1. _____ _____ _____ _____	_____ _____ Last 4 digits of account number: XXXX-_____	_____ _____	\$ _____

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Part 3: Legal Actions or Assignments

7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

☒ None

Case title	Nature of case	Court or agency's name and address	Status of case
7.1. _____	_____	_____	☐ Pending
Case number	_____	_____	☐ On appeal
_____	_____	_____	☐ Concluded

8. Assignments and receivership

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

☒ None

Custodian's name and address	Description of the property	Value
8.1. _____	_____	\$ _____
_____	Case title	Court name and address
_____	_____	_____
_____	Case number	_____
_____	_____	_____
_____	Date of order or assignment	_____
_____	_____	_____

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 4: Certain Gifts and Charitable Contributions**

9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000.

☒ None

Recipient's name and address	Description of the gifts or contributions	Dates given	Value
9.1. _____ _____ _____	_____	_____	\$ _____
Recipient's relationship to debtor _____			

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 5: Certain Losses****10. All losses from fire, theft, or other casualty within 1 year before filing this case.**☒ None

Description of the property lost and how the loss occurred	Amount of payments received for the loss	Date of loss	Value of property lost
	If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received. List unpaid claims on Official Form 106A/B (<i>Schedule A/B: Assets – Real and Personal Property</i>).		
10.1. _____	\$ _____	_____	\$ _____

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 6: Certain Payments or Transfers****11. Payments related to bankruptcy**

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

☒ None

Who was paid or who received the transfer?	If not money, describe any property transferred	Dates	Total amount or value
11.1. _____ Address _____ _____ _____ Email or website address _____ Who made the payment, if not debtor? _____ _____ _____			\$ _____

12. Self-settled trusts of which the debtor is a beneficiary

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device.
Do not include transfers already listed on this statement.

☒ None

Name of trust or device	Describe any property transferred	Dates transfers were made	Total amount or value
12.1. _____ Trustee _____ _____ _____ _____			\$ _____

13. Transfers not already listed on this statement

List any transfers of money or other property—by sale, trade, or any other means—made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

☒ None

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Who received transfer?	Description of property transferred or payments received or debts paid in exchange	Date transfer was made	Total amount or value
13.1. _____	_____	_____	\$ _____
Address			

Relationship to debtor			

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Part 7: Previous Locations

14. Previous addresses

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

☒ Does not apply

	Address	Dates of occupancy
14.1.		From To

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 8: Healthcare Bankruptcies****15. Healthcare bankruptcies**

Is the debtor primarily engaged in offering services and facilities for:

- diagnosing or treating injury, deformity, or disease, or
- providing any surgical, psychiatric, drug treatment, or obstetric care?

☒ No. Go to Part 9.☐ Yes. Fill in the information below.

Facility name and address	Nature of the business operation, including type of services the debtor provides	If debtor provides meals and housing, number of patients in debtor's care
15.1. _____ _____ _____ _____	Location where patient records are maintained (if different from facility address). If electronic, identify any service provider _____ _____ _____ _____	How are records kept? Check all that apply: ☐ Electronically ☐ Paper

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Part 9: Personally Identifiable Information

16. Does the debtor collect and retain personally identifiable information of customers?

☒ No

☐ Yes. State the nature of the information collected and retained. _____

Does the debtor have a privacy policy about that information?

☐ No

☐ Yes

17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b) or other pension or profit-sharing plan made available by the debtor as an employee benefit?

☒ None. Go to Part 10.

☐ Yes. Fill in the information below.

17.1. Does the debtor serve as plan administrator?

☐ No

☐ Yes. Fill in below.

Name of plan

Employer identification number of the plan

EIN: ____-____-____

Has the plan been terminated?

☐ No

☐ No

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units****18. Closed financial accounts**

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?

Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

☒ None

	Financial institution name and address	Last 4 digits of account number	Type of account	Date account was closed, sold, moved, or transferred	Last balance before closing or transfer
18.1.	_____	XXX-_____	☐ Checking	_____	\$_____
	_____		☐ Savings		
	_____		☐ Money market		
	_____		☐ Brokerage		
			☐ Other _____		

19. Safe deposit boxes

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

☒ None

	Depository institution name and address	Name and address of anyone with access to it	Description of the contents	Does debtor still have it?
19.1.	_____	_____	_____	☐ No
	_____	_____		☐ Yes
	_____	_____		

20. Off-premises storage

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

☒ None

	Depository institution name and address	Name and address of anyone with access to it	Description of the contents	Does debtor still have it?
20.1.	_____	_____	_____	☐ No
	_____	_____		☐ Yes
	_____	_____		

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own

21. Property held for another

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

☒ None

	Owner's name and address	Location of the property	Description of the property	Value
21.1.				\$

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 12: Details About Environmental Information**

For the purpose of Part 12, the following definitions apply:

- *Environmental law* means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).
- *Site* means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.
- *Hazardous material* means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.

Report all notices, releases, and proceedings known, regardless of when they occurred.**22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law?** Include settlements and orders.☒ No☐ Yes. Provide details below.

	Case title	Court or agency name and address	Nature of the case	Status of case
22.1.				☐ Pending
	Case number			☐ On appeal
				☐ Concluded

23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?☒ No☐ Yes. Provide details below.

	Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
23.1.				

24. Has the debtor notified any governmental unit of any release of hazardous material?☒ No☐ Yes. Provide details below.

	Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
24.1.				

Debtor **RMC Diamonds, LLC**Case number (if known) **18-13639****Part 13: Details About the Debtor's Business or Connections to Any Business****25. Other businesses in which the debtor has or has had an interest**

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

☒ None

Business name and address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.
25.1. _____ _____ _____ _____	_____	EIN: ____ - ____ - ____ Dates business existed From _____ To _____

26. Books, records, and financial statements

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

☐ None

Name and address	Dates of service
26a.1. DAVID COMITE 12900 NW 38TH AVENUE OPA LOCKA FL 33054	From 4/1998 To Present

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

☐ None

Name and address	Dates of service
26b.1. MARIA I. MACHADO, P.A. 901 PONCE DE LEON BLVD SUITE 500 CORAL GABLES FL 33134	From 1980 To Present
Name and address	Dates of service
26b.2. EISNER AMPER LLP 111 WOOD AVENUE SOUTH ISELIN NJ 08830	From 2016 To Present

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

☐ None

Name and address	If any books of account and records are unavailable, explain why
26c.1. DAVID COMITE 12900 NW 38TH AVENUE OPA LOCKA FL 33054	_____
Name and address	If any books of account and records are unavailable, explain why
26c.2. EISNER AMPER LLP 111 WOOD AVENUE SOUTH ISELIN NJ 08830	_____

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Name and address

If any books of account and records are unavailable, explain why

26c.3. MARIA I. MACHADO, P.A.
901 PONCE DE LEON BLVD
SUITE 500
CORAL GABLES FL 33134

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

☒ None

Name and address

26d.1. _____

27. Inventories

Have any inventories of the debtor's property been taken within 2 years before filing this case?

☒ No

☐ Yes. Give the details about the two most recent inventories.

Name of the person who supervised the taking of the inventory

Date of inventory

The dollar amount and basis (cost, market, or other basis) of each inventory

27.1. _____ \$ _____

Name and address of the person who has possession of inventory records

28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

	Name and address	Position	Nature of any interest	% of interest, if any
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28.1.	DAVID COMITE 12900 NW 38 AVENUE OPA LOCKA FL 33054	OFFICER	N/A	N/A
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	Name and address	Position	Nature of any interest	% of interest, if any
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28.2.	JASON RUBIN 12900 NW 38 AVENUE OPA LOCKA FL 33054	OFFICER	N/A	N/A
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	Name and address	Position	Nature of any interest	% of interest, if any
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28.3.	LINDSEY RUBIN 12900 NW 38 AVENUE OPA LOCKA FL 33054	OFFICER	N/A	N/A
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Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

	Name and address	Position	Nature of any interest	% of interest, if any
28.4.	REPUBLIC METALS CORPORATION 12900 NW 38TH AVE MIAMI FL 33054	MANAGING MEMBER	MEMBERSHIP INTEREST	100.00%
	Name and address	Position	Nature of any interest	% of interest, if any
28.5.	ROSE RUBIN 12900 NW 38 AVENUE OPA LOCKA FL 33054	OFFICER	N/A	N/A
	Name and address	Position	Nature of any interest	% of interest, if any
28.6.	SCOTT AVILA 12900 NW 38 AVENUE OPA LOCKA FL 33054	OFFICER	N/A	N/A

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

☒ No

☐ Yes. Identify below.

	Name and address	Position	Nature of any interest	Period during which position or interest was held
29.1.	_____	_____	_____	From _____ To _____

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

☒ No

☐ Yes. Identify below

	Name and address of recipient	Amount of money or value of property	Description of property	Dates	Reason for providing the value
30.1.	_____	\$ _____	_____	_____	_____

	Relationship to debtor				

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

☐ No

☒ Yes. Identify below

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Name of the parent corporation

Employer Identification number of the parent corporation

31.1. REPUBLIC METALS CORPORATION

EIN: 59-2024378

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

☒ No

☐ Yes. Identify below

Name of the pension fund

Employer Identification number of the pension fund

32.1. _____

EIN: ____-____-____

Debtor **RMC Diamonds, LLC**

Case number (if known) **18-13639**

Part 14: Signature and Declaration

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

1/18/2019
MM/DD/YYYY



x

Signature of individual signing on behalf of the debtor

Printed name Scott Avila

Position or relationship to debtor Chief Restructuring Officer

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy* (Official Form 207) attached?

☒ No

☐ Yes