

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF NORTH CAROLINA  
FAYETTEVILLE DIVISION**

In re:

COHARIE HOG FARM, INC.,

Debtor.

Chapter 11

Case No. 09-09737-8-JRL

**PLAN OF REORGANIZATION OF  
COHARIE HOG FARM, INC.**

**PROPOSED BY COHARIE HOG FARM, INC.**

Dated: July 14, 2010

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## INTRODUCTION

Reference is made to the Disclosure Statement for a discussion of, among other things, the Debtor's history, businesses, historical financial information and properties, and for a summary of the Plan. All creditors entitled to vote on the Plan should review the Disclosure Statement before voting to accept or reject the Plan. In addition, there are documents that may be referenced in the Plan or the Disclosure Statement that will be available for review. No solicitation materials, other than the Disclosure Statement and related materials transmitted therewith and approved by the Bankruptcy Court, have been authorized by the Bankruptcy Court for use in soliciting acceptances or rejections of the Plan.

The Debtor reserves its respective rights to seek confirmation of a different plan of reorganization if this Plan is not confirmed (this reservation of rights also includes any amendments of the Debtor's schedules). The Debtor reserves the right to alter, amend, modify, revoke or withdraw the Plan as set forth herein. In the event this Plan is not confirmed, its filing shall not be deemed to have been a waiver of the Debtor's exclusive periods in which to file a Plan and solicit acceptances thereof.

**PURSUANT TO SECTION 1125 OF THE CODE, NOTHING CONTAINED IN THIS PLAN SHOULD BE CONSTRUED AS CONSTITUTING A SOLICITATION OF ACCEPTANCES OF THIS PLAN UNTIL SUCH TIME AS THE DEBTOR'S DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT AND DISTRIBUTED, WITH APPROPRIATE BALLOTS, TO ALL HOLDERS OF IMPAIRED CLAIMS AGAINST, AND INTERESTS IN THE DEBTOR, THAT MAY BE ENTITLED TO VOTE ON THE PLAN. THE DEBTOR RESERVES THE RIGHT TO FILE AMENDMENTS AND/OR MODIFICATIONS TO THE PLAN AND DISCLOSURE STATEMENT FROM TIME TO TIME UNTIL A DISCLOSURE STATEMENT AND PLAN PROPOSED BY THE DEBTOR IS APPROVED BY THE BANKRUPTCY COURT.**

**AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTUAL, THREATENED OR POTENTIAL ACTIONS, THIS PLAN AND THE DISCLOSURE STATEMENT SHALL NOT BE DEEMED OR CONSTRUED AS AN ADMISSION, STIPULATION OR WAIVER OF ANY RIGHTS OR CLAIMS OF THE DEBTOR.**

**NO REPRESENTATIONS ARE MADE OR INTENDED REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE PLAN TO ANY HOLDER OF A CLAIM OR INTEREST. HOLDERS OF CLAIMS OR INTEREST ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO TAX CONSEQUENCES OF THE PLAN AND THE TREATMENT OF DISTRIBUTIONS MADE UNDER THE PLAN.**

## ARTICLE I

### DEFINITIONS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

1.1 **Scope of Definitions.** For purposes of the Plan, all capitalized terms not otherwise defined shall have the meaning ascribed to them in Article I of the Plan, except as expressly provided or unless the context clearly requires otherwise. Any term used in initially capitalized form in the Plan that is not defined herein but that is used in the Code shall have the meaning ascribed to such term in the Code.

#### 1.2 **Definitions.**

1. **Administrative Claim** means (a) the actual or necessary costs and expenses of preserving or liquidating the Estate within the purview and context of this Plan; (b) any actual and necessary expenses of implementing and consummating the Plan, specifically including professional fees incurred after confirmation; (c) all fees and charges assessed against the Estate pursuant to section 1930 of title 28 of the United States Code; and Fee Claims.

2. **Allowed or Allowed Claim** means or refers to, as dictated by the context in which the definition is used, a Claim to the extent (i) such Claim is scheduled, including any amendments to the Schedules, by a Debtor pursuant to the Code and Bankruptcy Rules in a liquidated amount and not listed as contingent, unliquidated, zero, undetermined or disputed and is not removed from the Schedules by an amendment to such Schedules by a Debtor; or (ii) (A) a proof of such Claim has been timely filed, or deemed timely filed with the Bankruptcy Court pursuant to the Code, the Bankruptcy Rules and/or any applicable Final Orders of the Bankruptcy Court, or late filed with leave of the Bankruptcy Court, and (B) either (x) is not objected to within the period fixed by the Code, the Bankruptcy Rules and/or applicable orders of the Bankruptcy Court, including, without limitation the Confirmation Order and this Plan; or (y) has otherwise been allowed by a Final Order.

An Allowed Claim: (i) includes a previously Disputed Claim to the extent such Disputed Claim becomes Allowed when the context so requires; and (ii) shall be net of any valid setoff amount based on a valid offset right.

Unless otherwise expressly provided herein, in the Confirmation Order or in another Final Order of the Bankruptcy Court, the term "Allowed Claim" shall not, for the purposes of computation of Distributions under the Plan include (i) interest, penalties, late charges or fees accruing from and after the Petition Date, pursuant to section 1123(a)(4) of the Code; (ii) any non-compensatory penalties, fines, punitive damages, exemplary damages, multiple damages, or any other claims or obligations that do not compensate for actual losses incurred; or (iii) any other amounts not allowable under the Code or applicable law, including, without limitation, any Claim subject to disallowance, in whole or part, in accordance with Section 502(d) of the Code.

3. **Allowed Amount** means an amount equal to that portion (including, when appropriate, the whole) of a Claim that is an Allowed Claim and not a Disputed Claim or Disallowed Claim.

4. **Amended Schedule Bar Date Order** means the Bankruptcy Court's Order Establishing Amended Schedule Bar Date and Approving Bar Date Notice, dated April 4, 2010 which established the bar date for certain Unsecured Claims as the date which is 30 days after the Notice of Amended Schedule Bar Date, or May 15, 2010.

5. **Assets** means all property in which the Estate has an interest, within the meaning of Code section 541, as of the Effective Date.

6. **Avoidance Actions** mean any and all claims, rights, defenses or other Causes of Action of any Debtor or its Estate arising under any section of chapter 5 of the Code or other applicable law, including, without limitation, sections 502, 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551 and 553 of the Code or under similar or related state or federal statutes and common law, including fraudulent transfer laws and principles of equitable subordination, whether or not litigation has been commenced to prosecute such Causes of Action as of the Effective Date or such actions are described in the Disclosure Statement or the Debtor's Schedules and Statement of Financial Affairs, all as may be amended or supplemented.

7. **Ballot** means the ballot distributed to each eligible Holder of an Impaired Claim by the Debtor, on which ballot such Holder may, inter alia, vote for or against the Plan.

8. **Ballot Deadline** means the date and time set by the Bankruptcy Court by which the Balloting Agent must receive all Ballots.

9. **Bankruptcy Code or "Code"** means title 11 of the United States Code, as now in effect as to these Chapter 11 Cases or as hereafter amended.

10. **Bankruptcy Court** means the United States Bankruptcy Court for the Eastern District of North Carolina, having jurisdiction over the Chapter 11 Case and, to the extent of any withdrawal of the reference made pursuant to section 157 of title 28 of the United States Code, the United States District Court for the Eastern District of North Carolina.

11. **Bankruptcy Rules** means the Federal Rules of Bankruptcy Procedure and the local rules and general orders of the Bankruptcy Court, as now in effect or hereafter amended.

12. **Bar Date Order** means the Bankruptcy Court's Order Establishing Bar Dates For Filing Proofs Of Claim And Approving Form And Manner Of Notice Thereof, dated November 9, 2009, which established the bar date for certain Unsecured Claims as March 9, 2010.

13. **BB&T** means Branch Bank and Trust Company.



14. **BB&T Claim** means all Claims of BB&T against the Debtor.
15. **BB&T Loan Documents** means all notes, loan agreements and related documents between BB&T and the Debtor.
16. **Business Day** means any day except a Saturday, Sunday, “legal holiday” as such term is defined in Bankruptcy Rule 9006(a) and any other day on which commercial banks in North Carolina are authorized or required to remain closed.
17. **Cash** means legal tender of the United States of America or equivalents thereof which may be conveyed by check or wire transfer.
18. **Causes of Action** mean any and all actions, proceedings, accounts, controversies, agreements, promises, claims, and rights of each Debtor and its Estate including, without limitation, rights to payment or claims, defenses, offsets, recoupments, actions in law or equity or other causes of action, choses in action, suits, damages, rights to legal or equitable remedies, judgments, third-party claims, counterclaims and cross claims, including, without limitation all Avoidance Actions, and all possible actions whether or not described in the Disclosure Statement as amended or supplemented, the Debtor's Schedules and Statement of Financial Affairs as amended, any exhibits or schedules to the Plan or Disclosure Statement as amended or supplemented and whether arising under the Code or federal, state, or common law, including, without limitation, such matters which constitute property of any Estate within the meaning of section 541 of the Code, but all regardless of whether any of the foregoing matters are subject to pending litigation or proceedings at the Effective Date or are brought after such dates.
19. **Chapter 11 Case** means the chapter 11 case of the Debtor pending before the Bankruptcy Court.
20. **Claim** shall have the meaning ascribed to such term in section 101(5) of the Code.
21. **Claims Objection Deadline** means the later of: (i) the close of business on the 60th day following the Effective Date or (ii) sixty (60) days after the filing of any Claim, including any rejection Claim; provided, however, that the deadline may be extended upon a showing of cause pursuant to an ex-parte motion or motion upon limited notice as applicable, by the Debtor, and provided further, that any Claim filed after the applicable Claims Bar Date shall automatically be treated as a Disputed Claim under the Plan.
22. **Class** means a category of Holders of Claims or Interests as described in the Plan.
23. **Confirmation Date** means the date the Bankruptcy Court enters the Confirmation Order on its docket.
24. **Confirmation Hearing** means the hearing or hearings pursuant to which the Bankruptcy Court enters the Confirmation Order.

25. **Confirmation Order** means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Code.

26. **Debtor** means Coharie Hog Farm, Inc.

27. **Disallowed or Disallowed Claim** means or refers to, as dictated by the context in which the definition is used, a Claim or any portion thereof that (i) has been disallowed or expunged by an order of the Bankruptcy Court; (ii) is scheduled as zero or as contingent, disputed or unliquidated and as to which no proof of Claim has been timely filed pursuant to the Bar Date Order or the Amended Schedule Bar Date Order (the "Bar Date Orders") or deemed timely filed with the Bankruptcy Court pursuant to either the Code or any order of the Bankruptcy Court; or (iii) is not scheduled by the Debtor in the Schedules of Assets and Liabilities and as to which no Proof of Claim or request for payment has been timely filed pursuant to the Bar Date Orders, this Plan or the Confirmation Order or is not deemed timely filed with the Bankruptcy Court pursuant to either the Code or any order of the Bankruptcy Court.

28. **Disclosure Statement** means the Disclosure Statement that relates to this Plan, as such Disclosure Statement may be amended, modified, or supplemented (and all exhibits and schedules annexed thereto or referred to therein), and is approved by the Bankruptcy Court under section 1125 of the Code and Rule 3018 of the Federal Rules of Bankruptcy Procedure.

29. **Disputed or Disputed Claim** means or refers to, as dictated by the context in which the definition is used, that portion (including, when appropriate, the whole) of a Claim that is neither an Allowed Claim nor a Disallowed Claim. For the purposes of the Plan, a Claim shall be considered a Disputed Claim (a) before the time that an objection has been or may be filed if: (i) the amount or classification of the Claim specified in the relevant proof or request for payment of the Claim exceeds the amount or is different from the classification of any corresponding Claim scheduled by the Debtor in its Schedules of Assets and Liabilities; (ii) any corresponding Claim scheduled by the Debtor has been scheduled as disputed, contingent or unliquidated; or (iii) no corresponding Claim has been scheduled by the Debtor in its Schedules of Assets and Liabilities; (b) if such Claim is the subject of an objection not yet resolved by a Final Order; or (c) if an Avoidance Action asserted against the Holder of such Claim has not been resolved by a Final Order.

30. **Distribution Address** means (i) the address indicated on a properly filed proof of Claim as of the Confirmation Date; or (ii) if no proof of Claim has been filed, then the address set forth in the relevant Schedule of Assets and Liabilities for that Person as of the Confirmation Date; or (iii) a notice of change of address is filed with the Bankruptcy Court. A Holder of a Claim may designate a Distribution Address different than provided in (i) or (ii) above after the closing of the Chapter 11 Cases by notifying the Debtor of the new Distribution Address in writing and provided sufficient proof that it is entitled to receive Distributions at a new address. Any change of Distribution Address must be provided to the necessary parties by either registered or certified mail or some similar verifiable notification process in order to be effective. Such notification shall be effective only upon receipt and verification.

31. **Distribution(s)** means the distributions made in accordance with this Plan.

32. **Effective Date** means the tenth (10th) day following the Confirmation Date or, if the effectiveness of the Confirmation Order has been stayed, the vacatur of such stay.

33. **Equity Interest(s)** means the rights of each Holder of any equity, including common stock, issued by the Debtor.

34. **Estate** means the estate of the Debtor created in its Chapter 11 Case pursuant to section 541 of the Code.

35. **Estimation Order** means an order of the Bankruptcy Court, pursuant to Bankruptcy Rule 3018, estimating for voting, Distribution or other proper purposes under the Code the Disputed Amount of a Disputed Claim.

36. **Fee Claim** means any allowances, costs, or fees of the Debtor, counsel for the Debtor, Chief Restructuring Officer and/or accountants for the Debtor subject to Bankruptcy Court approval.

37. **Fee Order** means the Bankruptcy Court's Order Establishing Procedure for Periodic Allowances dated January 26, 2010, in the Chapter 11 Case, as may have been amended or supplemented from time to time.

38. **Feed Mill** means the real property, improvements and equipment that make up the Debtor's feed mill and operations located in Turkey, North Carolina

39. **Final Order** means an order or judgment entered on the docket of the Bankruptcy Court, or any other court of competent jurisdiction, that has not been reversed, stayed, modified, or amended, and as to which: (i) the time to appeal or seek review has expired and no timely filed appeal or petition for review, rehearing, remand or certiorari is pending; or (ii) any appeal taken or petition for certiorari filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or other rules governing procedure in cases before the Bankruptcy Court, may be filed with respect to such order shall not cause such order not to be a Final Order.

40. **Final Cash Collateral Order** means the Bankruptcy Court's Final Order Authorizing Debtor-in-Possession to Use Cash Collateral, dated January 21, 2010, as amended or modified or hereafter amended.

41. **Holder** means a person or entity possessing a Claim or Interest by reason of legal or beneficial ownership of such Claim or Interest and means the person or entity reflected on the books and records of the Debtor as the owner of a Claim or Interest, the assignee of such a person to the extent satisfactory evidence of such assignment has been provided to the Debtor and filed with the Bankruptcy Court.

42. **Impaired** shall have the meaning ascribed to such term in section 1124 of the Code.

43. **Interest** means an Equity Interest in the Debtor, including outstanding shares of common stock or right to convert into such an equity interest or acquire any equity interest in the Debtor.

44. **Lien** has the meaning ascribed to such term in section 101(37) of the Code including, but not limited to, liens, escrows, charges, pledges, encumbrances, rights of offset, and/or security interests of any other kind that encumber any Assets and unexpired leases that the Debtor elects to treat as secured financings in accordance with applicable law.

45. **Petition Date** means November 6, 2009 for the Debtor.

46. **Plan** means this Plan of Reorganization, dated as of the date set forth on the first page hereof, for the Debtor, together with any amendments or modifications hereto filed by the Debtor (such amendments or modifications only being effective if approved by order of the Bankruptcy Court to the extent such approval is necessary).

47. **Plan Supplement** means any additional documents provided as part of or in support of the Plan.

48. **Priority Non-Tax Claim** means a Claim entitled to priority pursuant to section 507(a) of the Code, other than: (i) an Administrative Claim; (ii) a Priority Tax Claim; and (iii) a Fee Claim.

49. **Priority Tax Claim** means a Claim for taxes entitled to priority pursuant to section 507(a)(8) of the Code.

50. **Ratable, Ratably, Ratable Share or Pro Rata** means, at any time, the proportion that the Allowed Amount of a Claim in a particular Class bears to the aggregate face amount of all Claims in such Class, unless the Plan otherwise provides.

51. **Schedule of Assets and Liabilities** means the Debtor's Schedule of Assets and Liabilities filed with the Bankruptcy Court pursuant to sections 521(1) and 1106(a)(2) of the Code, as amended, supplemented or modified.

52. **Secured Claim** means an Allowed Claim to the extent it is secured by a Lien or subject to setoff under section 553 of the Code, as provided in section 506 of the Code.

53. **Statement of Financial Affairs** means, collectively, the Statement of Financial Affairs, as amended, supplemented or modified, of the Debtor filed with the Bankruptcy Court pursuant to sections 521(1) and 1106(a)(2) of the Code.

54. **Transfer** means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including but not limited to any sale, assignment, lease, transfer, encumbrance, Lien, exchange, mortgage, pledge, hypothecation or other disposition, or the creation of a security interest, in whole or in part.

55. **Unclaimed Property** means any Cash or other distributable property unclaimed for a period of ninety (90) days after it has been delivered (or attempted to be delivered) in accordance with the Plan to the Holder entitled thereto in respect of such Holder's Allowed Claim. Unclaimed Property shall, without limitation, include: (i) checks (and the funds represented thereby) mailed to a Distribution Address and returned as undeliverable

without a proper forwarding address; (ii) funds for uncashed checks; and (iii) checks (and the funds represented thereby) not mailed or delivered because no Distribution Address to mail or deliver such property was available, notwithstanding efforts by the Debtor to locate such address which were commercially reasonable under the circumstances. Distributions of Cash that otherwise would be payable under the Plan to a Holder but for Section 6.7 of the Plan that never, collectively, exceed ten dollars (\$10.00) and for which a request is not made within the one (1) year deadline shall become Unclaimed Property.

56. **Unimpaired** shall have the meaning ascribed to such term in section 1124 of the Code.

57. **United States Bankruptcy Administrator** means the Office of the United States Bankruptcy Administrator for the Eastern District of North Carolina.

58. **Unsecured Claim** means a Claim to the extent it is not entitled to priority under the Code and is not an Allowed Secured Claim.

59. **Voting Class(es)** means, in the singular or plural form, one or more, as dictated by the context in which the definition is used, of the Classes entitled to vote on this Plan.

### 1.3 **Rules of Interpretation, Computation of Time and Governing Law.**

(a) **Rules of Interpretation.** For purposes of the Plan, unless otherwise provided herein: (i) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural; (ii) each pronoun stated in the masculine, feminine or neuter includes the masculine, feminine and neuter; (iii) any reference in the Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (iv) any reference in the Plan to an existing document or an exhibit filed or to be filed means such document, schedule or exhibit, as it may have been or may be amended, modified or supplemented; (v) unless otherwise specified, all references in the Plan to articles, sections, clauses and exhibits are references to articles, sections, clauses and exhibits of or to the Plan; (vi) the words “herein”, “hereunder” and “hereto” and other words of similar import refer to this Plan in its entirety rather than to a particular portion of the Plan; (vii) captions and headings to articles and sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (viii) any reference to an entity as a Holder of a Claim or Interest includes that entity’s successors, assigns and affiliates; (ix) the rules of construction set forth in section 102 of the Code shall apply to the extent such rules are not inconsistent with any other provision in this Section; and (x) any term used herein that is not defined herein shall have the meaning ascribed to any such term used in the Code and/or the Bankruptcy Rules, if used therein.

(b) **Computation of Time.** In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

(c) **Exhibits and Schedules.** All exhibits or schedules to the Plan and any Plan Supplement are incorporated herein by reference and are a part of the Plan as if set forth

in full herein and, to the extent not annexed hereto, such exhibits or schedules shall be filed with the Bankruptcy Court as authorized by the Court.

1.4 **Governing Law.** Except to the extent that the Code or Bankruptcy Rules are applicable, and subject to the provisions of any contract, instrument, release or other agreement or document entered into in connection with the Plan, the rights and obligations of all parties affected by the Plan shall be governed by, and construed and enforced in accordance with the laws of the State of North Carolina.

## ARTICLE II

### METHOD OF CLASSIFICATION OF CLAIMS AND INTERESTS AND GENERAL PROVISIONS

2.1 **General Rules of Classification.** A Claim or Interest shall be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class or Subclass to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. A Claim or Interest is in a particular Class only to the extent that such Claim or Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Confirmation Date.

2.2 **Holders of Claims Entitled to Vote.** Each Holder of an Allowed Claim, or a Claim that has been temporarily allowed for voting purposes by order under Bankruptcy Rule 3018(a), in an Impaired Class shall be entitled to vote to accept or reject the Plan of the Debtors as provided in such Order.

2.3 **Non-Consensual Confirmation.** To the extent necessary, the Debtor hereby requests that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Code. Subject to section 1127 of the Code, the Debtor reserves the right to modify the Plan to the extent that confirmation pursuant to section 1129(b) of the Code requires modification.

2.4 **Special Provision Regarding Unimpaired Claims.** Except as otherwise provided in the Plan, nothing herein shall affect the rights and defenses, both legal and equitable, of the Debtor, as the case may be, with respect to any Unimpaired Claims, including, but not limited to, all rights with respect to legal and equitable defenses to setoffs or recoupments against Unimpaired Claims.

2.5 **Bar Dates for Administrative Claims.** All parties seeking payment of an Administrative Claim must file with the Bankruptcy Court and serve upon the Debtor a request for payment of such Administrative Claim prior to the applicable deadline set forth below; provided, however, that parties seeking payment of post-petition ordinary course trade obligations, post-petition payroll obligations incurred in the ordinary course of the Debtor's post-petition business and amounts arising under agreements approved by the Bankruptcy Court or the Plan need not file such a request.



With respect to Administrative Claims (other than Fee Claims), a Holder of such Administrative Claim must file with the Bankruptcy Court and serve on the Debtor a request for payment of such Claim so as to be received on or before 4:00 p.m. (Eastern Time) on the date that is the first business day **thirty (30) days after the Effective Date**, unless otherwise agreed to by the Debtor, without further approval by the Bankruptcy Court. **Failure to comply with these deadlines shall forever bar the holder of an Administrative Claim from seeking payment thereof.**

**Any Holder of an Administrative Claim that does not assert such Claim in accordance with this Section shall have its Claim deemed Disallowed under this Plan and be forever barred from asserting such Claim against the Debtor, the Estate or its Assets. Any such Claim and the Holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim.**

**2.6 Bar Dates for Unsecured Claims.** The general bar date for Unsecured Claims was established as March 9, 2010 by the Bar Date Order.

Pursuant to the Amended Schedule Bar Date Order, all proofs of Claim for those certain Unsecured Claims held by creditors whose Claims were amended or added by the Debtor in its amended schedules were required to be filed within 30 days after the date of Notice of Amended Schedule Bar Date, which was May 15, 2010.

**Any Holder of an Unsecured Claim that fails to file such a timely proof of Claim to the extent required by the Bar Date Order or the Amended Schedule Bar Date Order, as applicable to each Holder of an Unsecured Claim, the applicable Code sections or Rules, or other orders of the Bankruptcy Court with the Court on or before such time shall have their Claim be deemed a Disputed Claim against the Debtor, the Estate or its Assets or alternatively, shall be deemed to have such Claim Allowed in an amount that was listed in the Schedules of Assets and Liabilities, as may be amended, filed by the Debtor in the amount scheduled so long as the Claim was not scheduled as disputed, contingent or unliquidated. Pursuant to the terms of the Bar Date Order, the Amended Schedule Bar Date Order, the Plan and the Confirmation Order, any such Claim and the Holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim other than to seek to have such Claim determined to be an Allowed Claim in the Bankruptcy Court. Any Claim that is a Disputed Claim solely because it was filed after the applicable Bar Date shall be Allowed or Disallowed by an order of the Bankruptcy Court or by a stipulation between the Holder of such Claim and the Debtor.**

**2.7 Less Favorable Treatment.** Any other provision of the Plan notwithstanding, the Holder of an Allowed Claim may agree with the Debtor to receive other, less favorable treatment, than that provided in the Plan.

**2.8 Corrective Actions.** The Debtor is authorized to take such actions as necessary and appropriate to carry out the Plan, including, but not limited to, the correction of mistakes or other inadvertent actions in making Distributions or transfers under the Plan. The Debtor

may seek return of such transfers to the extent of any errors, notwithstanding that the transfer would otherwise be irrevocable under the Plan.

### ARTICLE III

#### NATURE OF PLAN

3.1 This Plan of Reorganization provides for the continued orderly liquidation of all of the Debtor's Assets, for the treatment and payment of Claims, and for the Distribution of resulting Asset liquidation proceeds.

### ARTICLE IV

#### CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

##### 4.1 Class 1 (Administrative Claims):

Classification: Class 1 consists of Administrative Claims, including Fee Claims.

Treatment: All Allowed Administrative Claims shall be paid in Cash in full within ten (10) days after the Effective Date or upon entry of an order of the Bankruptcy Court, whichever is later, except that Fee Claims shall be paid in Cash in full upon entry of an order of the Bankruptcy Court allowing the same.

Voting: Class 1 is Unimpaired and Holders of Allowed Class 1 Claims are not entitled to vote.

##### 4.2 Class 2 (Priority Claims):

Classification: Class 2 consists of Claims entitled to priority under Section 507(a) including:

Class 2(a) Priority Non-Tax Claims, which the Debtor estimates will total approximately \$147,000; and

Class 2(b) Priority Tax Claims, which the Debtor estimates will total approximately \$16,000.

Treatment: Subject to the terms herein and unless otherwise agreed by the Holder of an Allowed Class 2(a) Priority Non Tax Claim or Allowed Class 2(b) Priority Tax Claim (in which event such other agreement shall govern), Allowed Class 2(a) and Allowed Class 2(b) Claims shall be paid in Cash in full within ten (10) days after the Effective Date or the date on which such Class 2(a) Priority Non-Tax Claim or Class 2(b) Priority Tax Claim becomes an Allowed Priority Non-Tax Claim or an Allowed Priority Tax Claim.

Voting: Class 2 is Unimpaired and Holders of Allowed Class 2 Claims are not entitled to vote.



4.3 **Class 3 (BB&T Claim):**

Classification: Class 3 shall consist of the Secured Claim of BB&T in the approximate amount of \$6,740,000 which is secured by the Feed Mill located in Turkey, North Carolina and the publicly traded securities pledged by D. M. Faircloth, Coharie Hog Farm Partnership and Buffalo Investment Company.

Treatment: The Debtor attempted to sell the Feed Mill at public auction on May 20, 2010. The auction of the Feed Mill was not "absolute," but rather subject to the approval of the Debtor and BB&T in the event the highest bid would not generate sufficient proceeds to pay the BB&T Claim in full. At the auction, the highest bid on the Feed Mill was \$3,500,000 until D. M. Faircloth bid \$6,700,000. The Feed Mill is currently being marketed by Mr. Faircloth and the Debtor and if a third party sale of the Feed Mill cannot be arranged, D. M. Faircloth has agreed to purchase, either directly or through an entity controlled by him, the Feed Mill for the outstanding balance of the BB&T loans, including principal and any unpaid interests, costs fees and attorneys' fees. The sale of the Feed Mill and payment in full of BB&T will occur on or before September 2, 2010.

The closing of the sale of the Feed Mill may take place prior to Confirmation of the Plan, but until the Feed Mill is sold, and BB&T's Class 3 Secured Claim is paid in full, the BB&T Loan Documents shall remain in full force and effect.

Voting: Class 3 is Impaired, and BB&T is entitled to vote.

4.4 **Class 4 (Unsecured Claims):**

Classification: Class 4 consists of the Unsecured Claims that are not Priority Non-Tax Claims or Priority Tax Claims.

Treatment: The Debtor or its Bankruptcy Counsel will make a partial pro rata Distribution to Holders of Allowed Unsecured Claims on or before January 1, 2011 (the "First Distribution Date"), following payment to or escrow of sufficient funds to pay Classes 1 and 2 in full (the "First Distribution Date"). If the Debtor is continuing its liquidation efforts on the First Distribution Date, including pursuit of Causes of Action, including Avoidance Actions, the Debtor will retain sufficient funds to cover the costs and expenses. When all funds are collected and Claims objections finalized, the Debtor will make a final pro rata Distribution, said distribution being anticipated no later than June 1, 2011.

The Unsecured Claim of D. M. Faircloth in the scheduled amount of \$2,121,344 will be subordinated to all other Allowed Unsecured Claims.

No payment shall be made on Claims numbered 222 and 223 filed by Anne B. Faircloth and Buffalo Investments, LLC, respectively.

Voting: Class 4 is Impaired and the Holders of Unsecured Claims are entitled to vote.

4.5 **Class 5 (Equity Interests):**

Classification: Class 5 consists of the Holders or Equity Interests in the Debtor.

Treatment: This Class will receive no payment and will be extinguished.

Voting: Class 5 is Impaired, but Holders of Class 5 Claims are not entitled to vote because they will receive no consideration under the Plan and are deemed to have rejected the Plan.

**ARTICLE V IMPLEMENTATION**

In addition to the provisions set forth elsewhere in the Plan, the following shall constitute the means of execution and implementation of the Plan.

5.1 **Assets of the Estate.**

(a) **Vesting of Assets.** On the Effective Date, pursuant to section 1141(b) of the Code and as otherwise provided in the Plan, (i) the Assets and property of the Debtor shall vest or re-vest in the Debtor for use, sale and Distribution in accordance with the Plan; and (ii) the Distributions required to be made by the Plan shall be made by the Debtor.

As of the Effective Date, all Assets vested or re-vested, and all Assets dealt with by the Plan, shall be free and clear of all Claims, Liens, and interests except as otherwise specifically provided in the Plan and/or the Confirmation Order.

(b) **Retention of Rights, Causes of Actions and Defenses.** Except as expressly provided for in the Plan or the Confirmation Order, any and all Causes of Action, of any kind or nature whatsoever, against parties arising before the Effective Date, whether known or unknown, asserted or unasserted, matured or unmatured and regardless of whether the existence of same has been disclosed, including Avoidance Actions, shall survive the Effective Date of the Plan and shall be preserved for the benefit of the Debtor and its creditors, and shall be enforceable by the parties set forth herein in the name of the Debtor or otherwise. The primary responsibility for the prosecution and settlement of such Causes of Action, including Avoidance Actions, shall be vested in the Debtor. The Debtor may, in its sole discretion, pursue those Causes of Action, including Avoidance Actions, as appropriate, in accordance with their business judgment, of what is in the best interests, and for the benefit of the Debtor, the Creditors, the Estate and its Assets.

Subject to the foregoing proviso, the Debtor shall retain all rights to pursue, settle or abandon such Causes of Action that have vested in it pursuant to section 1123(b)(3) of the Code in accordance with the Plan and the Confirmation Order. All Causes of Action, including Avoidance Actions, are reserved and preserved to the extent set forth in the Plan. Confirmation of this Plan shall not be deemed res judicata or waiver or the basis for estoppel or create any defense as to the prosecution to judgment on the merits of any and all claims by the Debtor, Causes of Action, including without limitation, the Avoidance Actions by the Debtor, whether

an action to prosecute such claims of the Debtor or Causes of Action are filed prior to or after confirmation of the Plan.

All Avoidance Actions that are pending at the Confirmation Date are specifically preserved and reserved and shall continue in the same status as existed on the Confirmation Date subject to further order of the Court.

## 5.2 Distributions.

(a) **Funding of Distributions.** The Distributions to be made to Classes 1, 2 and 4 pursuant to the Plan shall be made from the proceeds of liquidation of the Debtor's unsecured Assets, those Assets released from the Liens of Secured Creditors by orders of this Court entered in the Chapter 11 Case, and from the collection of Avoidance Actions or other Causes of Action. Class 3 shall be paid in full from the proceeds of the sale of the Feed Mill and/or payment by D. M. Faircloth.

(b) **Responsibility for Distributions.** The Debtor, or its Bankruptcy Counsel, shall be solely responsible for making the Cash Distributions and all other payments and Distributions under the Plan required to be made after the Effective Date, including, without limitation, the payment of Allowed Administrative Claims, Allowed Priority Non-Tax Claims, Allowed Priority Tax Claims, BB&T's Secured Claims and Allowed Unsecured Claims.

## 5.3 Post-Confirmation Debtor.

(a) **Continued Corporate Existence.** The Debtor shall continue to exist after the Effective Date in accordance with the laws of North Carolina and pursuant to the articles of incorporation and bylaws in effect prior to the Effective Date until all Disbursements are made under the Plan, at which time the Debtor will file final tax returns and be dissolved.

(b) **Management.** Upon the Effective Date, the affairs of the Debtor shall become the general responsibility of Ms. Anne B. Faircloth, majority shareholder and Vice-President. William P. Dunlap, the Debtor's Controller and Secretary, will assist Ms. Faircloth and continue to be compensated at his approved weekly rate through September 3, 2010 and, to the extent his services are still needed, at the rate of \$47.00 per hour thereafter. No other shareholder, officer, member of the board of directors or former employees shall be compensated without further order of the Bankruptcy Court.

Bankruptcy Counsel for the Debtor and other court-approved professionals that render services at the request of management after the Effective Date will continue to follow the protocol of the Fee Order pending the entry of a Final Decree.

(c) **Corporate Action and Other Documents and Actions.** The execution and delivery of any contract, instrument, release, document or agreement, and any other matter provided for under the Plan involving the corporate action to be taken by or required of the Debtor shall be deemed to have occurred and be effective as provided herein, and shall be

authorized and approved in all respects upon approval by the officers, boards of directors or shareholders of the Debtor.

## ARTICLE VI

### GENERAL PROVISIONS REGARDING TREATMENT OF CLAIMS AND INTERESTS AND DISTRIBUTIONS UNDER THE PLAN

6.1 **Transmittal of Distributions and Notices.** Any property or notice that an entity is or becomes entitled to receive pursuant to the Plan may be delivered by regular mail, postage prepaid, in an envelope addressed to that entity's Distribution Address. Property distributed in accordance with this Section shall be deemed delivered to such entity regardless of whether such property is actually received by that entity.

6.2 **Unclaimed Distributions.** Unclaimed Property shall be forfeited by the Holder entitled thereto and shall be Ratably distributed to the other Holders of Allowed Class 4 Claims at the time of the next subsequent Distribution. Neither a Claim nor the Unclaimed Property distributed on account of such Claim shall escheat to any federal, state or local government or other entity by reason of the failure of its Holder to claim a Distribution in respect of such Claim.

6.3 **Allocation of Plan Distributions Between Principal and Interest.** To the extent that any Allowed Claim entitled to a Distribution under the Plan is comprised of principal indebtedness and accrued but unpaid interest thereon, such Distribution shall, for federal income tax purposes, be allocated to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest to the extent any interest is Allowed by Final Order.

6.4 **Method of Cash Distributions.** Any Cash payment to be made pursuant to the Plan will be in U.S. dollars and may be made, at the sole discretion of the Debtor, by draft, check, wire transfer, or as otherwise required or provided in any relevant agreement or applicable law. Any payment or Distribution due on a day other than a Business Day shall be made, without interest, on the next Business Day.

## ARTICLE VII

### EXECUTORY CONTRACTS AND UNEXPIRED LEASES

7.1 **Assumption or Rejection of Executory Contracts and Unexpired Leases.** On the Effective Date, and to the extent permitted by applicable law, the Debtor shall reject all executory contracts and unexpired leases; provided, however, that any and all executory contracts or unexpired leases which were or are the subject of separate motions filed pursuant to section 365 of the Code by the Debtor before or on the Confirmation Date shall not be deemed assumed or rejected by the Confirmation Order but shall be treated as so ordered by

the Bankruptcy Court in an order entered pursuant to the motion. The Confirmation Order shall constitute an order of the Court approving such treatment and any assumption and assignments and rejections pursuant to the Code and this Plan. Contracts or leases entered into after the Petition Date by the Debtor will be performed by the Debtor in the ordinary course of its business. The listing of a contract or lease on any schedule filed with the Court will not constitute an admission by the Debtor or any other party that such contracts or leases are executory contracts or unexpired leases as set forth in the Code.

**7.2 Bar Date for Rejection Damages.** If the rejection of any executory contract or unexpired lease under the Plan gives rise to a Claim, such Claim, to the extent that it is timely filed and is an Allowed Claim, shall be classified in Class 4; provided, however, that the Claim arising from such rejection shall be forever barred and shall not be enforceable against the Debtor, the Estate or its Assets, their successors or properties, unless a proof of such Claim is filed and served on the Debtor **within thirty (30) days after the Effective Date. Failure to comply with this deadline shall forever bar the Holder of such a Claim from seeking payment thereof.**

## ARTICLE VIII

### DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS AND ACTIONS

#### 8.1 Objections to Claims.

The Debtor shall have the responsibility for reviewing and objecting to the allowance of any Claim filed in the Chapter 11 Case as set forth below. If the Debtor has objected to Claims prior to the Effective Date, it may continue to prosecute such objections.

Subject to the foregoing, after the Effective Date the Debtor may object to Claims and shall have until the Claims Objection Deadline to file objections to Claims. Subject to Section 8.4 below, all objections shall be litigated to a Final Order or settled with Bankruptcy Court approval. Notwithstanding the foregoing, nothing in this Plan shall be interpreted to operate as a waiver or release of (a) any right that any party in interest may have to object to any Claim prior to the Effective Date; or (b) any pending objection to Claims pending as of the Effective Date, regardless of whether such objection was brought by the Debtor or any other party in interest.

Objections to Claims shall not be subject to any defense, including, without limitation, res judicata, estoppel or any other defense because of the confirmation of the Plan and all such objection rights are expressly preserved and reserved by the Plan for the Debtor and its Estate.

**8.2 Estimation of Claims.** The Debtor may, at any time, request that the Bankruptcy Court enter an Estimation Order pursuant to section 502(c) of the Code, fixing the value of, any Disputed Claim or portion thereof for purposes of voting or Reserves, regardless of whether the Debtor has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Disputed Claim at any time during litigation concerning any objection to any Disputed

Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court enters an Estimation Order estimating any Disputed Claim for Distribution purposes, the amount of such estimation, unless otherwise provided in such Order, will constitute a maximum limitation on the Allowed Amount of such Claim that may later be determined by the Bankruptcy Court. The Debtor may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and are not necessarily exclusive of one another. Claims may be estimated and thereafter resolved by any mechanism permitted under the Code or the Plan.

**8.3 Amendments to Claims.** After the Confirmation Date, a Claim may not be filed or amended to increase the amount of a Lien or priority demanded unless otherwise provided by the Bankruptcy Court. Unless otherwise provided herein, any new or amended Claim filed after the Confirmation Date shall be disregarded and deemed Disallowed in full and expunged without need for objection, unless the Holder of such Claim has obtained prior Bankruptcy Court authorization for the filing.

**8.4 Authority to Settle Disputed Claims and Causes of Action.** From and after the Effective Date so long as the Chapter 11 Case remains open, the Debtor shall be authorized to settle or compromise any Disputed Claim with a Disputed Amount of \$10,000.00 or less without approval of the Bankruptcy Court and any Cause of Action for claimed damages of \$10,000.00 or less without notice or the approval of the Bankruptcy Court, provided that such settlement or compromise is evidenced by a writing signed by a duly authorized representative of the Debtor.

**8.5 Recourse.** In the event any Disallowed Claim is reconsidered and becomes an Allowed Claim or any Disputed Claim is Allowed in an amount in excess of the funds in the Disputed Claim Reserve funded for such Claim, the Holder of such Claim shall have no recourse to or against the Debtor, the Estate or its Assets or any of their respective officers, directors, employees, professionals or agents, or any of their respective officers, directors, members, professionals, employees, or agents, or their successors or assigns, or the Holder of any other Claim, or any of their respective property for any deficiencies. However, nothing in the Plan shall modify any right of a Holder of a Claim under section 502(j) of the Code. Thus, the Bankruptcy Court's entry of an Estimation Order or allowance order shall limit the distribution to be made on individual disputed claims, regardless of the amount finally allowed on account of such claims.

## ARTICLE IX

### EFFECTS OF PLAN CONFIRMATION

**9.1 Discharge.** Except as otherwise provided in the Plan or the Confirmation Order, as of the Effective Date, the Debtor shall be discharged from, and the Confirmation Order shall operate as a permanent injunction against, the commencement or continuation of any action, the employment of any process, or any act to collect, recover, offset or recoup, right to sue, on account of any Claim, from or against the Debtor, its Estate or its Assets and any and



all successors in interest, any direct or indirect transferee of any property or any direct or indirect successor in interest, and all successors' liability in respect thereof shall be extinguished completely, and the Debtor and all successors in interest (including, without limitation, any direct or indirect transferee of any property or any direct or indirect successor in interest) shall be released and discharged from any Claim or Interest of a kind specified in section 502(g), 502(h) and 502(i) of the Code, whether or not a proof of such Claim is filed or deemed filed under section 501 of the Code, such Claim is allowed under section 502 of the Code, or the Holder of such Claim or Interest has accepted the Plan. All Holders of Claims, shall be precluded and enjoined, from and after the Confirmation Date, from asserting against the Debtor, its Estate or any successors or assigns in interest or any of its respective Assets or property, any Claim, existing prior to the Confirmation Date, whether or not such Holder has filed a proof of Claim and whether or not the facts or legal basis therefore were known or existed prior to the Confirmation Date.

In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, as of the Effective Date, the Confirmation Order will be a judicial determination of a discharge of all Claims against the Debtor, pursuant to sections 524 and 1141 of the Code, and such discharge will void any judgment obtained against the Debtor or its successors at any time and shall act as res judicata or collateral estoppel as against third parties, but not as to the Debtor, its Estate or any and all successors in interest.

Except as otherwise provided in the Plan or the Confirmation Order, the rights afforded in the Plan and the payments and Distributions to be made thereunder, shall completely satisfy all existing Claims and all Equity Interests, of any kind, nature, or description whatsoever against or in the Debtor or any of its respective Assets to the fullest extent permitted by section 1141 of the Code.

**9.2 Retention of Causes of Action/Reservation of Rights.** Except as expressly provided for in the Plan (including Section 5.1(b)) or the Confirmation Order, any and all Causes of Action, of any kind or nature whatsoever, against parties arising before the Effective Date, including, without limitation, those possible Causes of Action set forth in the Schedules, Statement of Financial Affairs, the Disclosure Statement and any exhibit or schedule thereto as may be amended or supplemented, whether known or unknown, asserted or unasserted, matured or unmatured and regardless of whether the existence of same has been disclosed, including Avoidance Actions, shall survive confirmation of the Plan and shall be preserved for the benefit of the Debtor and its Estate and shall be enforceable by the Debtor.

Neither the Plan nor Confirmation of the Plan or the Confirmation Order shall act to cause any release, waiver, estoppel or in any way impair or diminish the enforcement of any Cause of Action, Avoidance Action, any rights or claims, including, any right of setoff or recoupment of the Debtor or the Estate, whether pending on the Confirmation Date or brought after the Effective Date.

Except as otherwise expressly provided in the Plan, nothing herein shall, or shall be deemed to affect or impair any of the Debtor's or the Estate's respective rights and defenses, both legal and equitable, with respect to any Claims, including, without limitation,

all rights with respect to legal and equitable defenses to alleged rights of setoff or recoupment. All Causes of Action, including Avoidance Actions, are reserved and preserved to the extent set forth in the Plan, including, without limitation, this Section and Section 5.1(b) of the Plan. **ALL SUCH CAUSES OF ACTION SHALL SURVIVE CONFIRMATION AND THE COMMENCEMENT OR PROSECUTION OF SUCH CAUSES OF ACTION SHALL NOT BE BARRED OR LIMITED BY ANY ESTOPPEL, WHETHER EQUITABLE, JUDICIAL OR OTHERWISE OR BY RES JUDICATA.**

Confirmation of this Plan shall not be deemed res judicata or waiver or the basis for estoppel or create any other defense as to the adjudication of any claim, Claims and objections to Claims by the Debtor on the merits at a later date after Confirmation or the Effective Date of the Plan.

**9.3 Term of Injunctions or Stays.** Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Case pursuant to sections 105 or 362 of the Code or otherwise in effect on the Confirmation Date shall remain in full force and effect until the Effective Date after which the permanent injunctions of the Plan and the Code will be given full force and effect.

**9.4 Exculpation.** From and after the Effective Date, except as specifically provided herein or in any agreement or instrument contemplated herein: (a) the Debtor, and (b) all current officers and directors of the Debtor, and all other agents, employees, professionals, and representatives of the Debtor (collectively, with each of their predecessors and successors in interest and their respective officers, directors, employees, agents, professionals and other representatives, acting in such capacity, the “Exculpated Parties”) shall neither have nor incur any liability to any Holder of a Claim or Interest, or a governmental entity on behalf of a Holder of a Claim or Equity Interest for any act taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, administration, Confirmation or Consummation of the Plan, Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other act taken or omitted to be taken in connection with or in contemplation of the restructuring and liquidation of the Debtor arising from and after the Petition Date until the Effective Date (the “Exculpated Claims”) to the fullest extent permitted by law; provided, however, that the foregoing provisions of this Section of the Plan shall have no effect on the liability of any entity that results from any such act or omission that has been determined in a Final Order to have constituted willful misconduct. From and after the Effective Date, all Persons and Entities are permanently enjoined from commencing or continuing in any manner, any suit, action or other proceeding, on account of or respecting any Exculpated Claims against an Exculpated Party pursuant to the Plan.

**9.5 Injunction.** *As of the Confirmation Date, except as otherwise provided in the Plan or the Confirmation Order, all persons that have held, currently hold, or may hold a Claim, Equity Interest, or other debt or liability that is treated pursuant to the terms of the Plan or that is otherwise enjoined pursuant to Section 1141 of the Code, are enjoined from taking any of the following actions on account of any such Claims, Equity Interests, debts or liabilities, other than actions brought to enforce obligations under the Plan: (i) commencing*



*or continuing in any manner any action or other proceeding; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting, or enforcing any lien or encumbrance; (iv) asserting a setoff or right of recoupment of any kind against any debt, liability, or obligation; (v) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order.*

9.6 **Insurance Preservation.** Nothing in the Plan, including any releases, shall diminish or impair the Debtor's ability to enforce any insurance that may cover Claims against the Debtor or any other Person.

## ARTICLE X

### ADMINISTRATIVE PROVISIONS

10.1 **Retention of Jurisdiction.** After the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of or related to the Chapter 11 Case and the Plan to the fullest extent legally permissible, including, without limitation, for the following purposes:

(a) to determine the validity, allowance, classification, or priority of Claims upon and the validity, extent, priority and nonavoidability of consensual and nonconsensual Liens and other encumbrances;

(b) to issue injunctions or take such other actions or make such other orders as may be necessary or appropriate to restrain interference with the Plan or its execution or implementation by any Person, to construe and to take any other action to enforce and execute the Plan, the Confirmation Order, or any other order of the Bankruptcy Court, to issue such orders as may be necessary for the implementation, execution, performance and consummation of the Plan and all matters referred to herein, and to determine all matters that may be pending before the Bankruptcy Court in the Chapter 11 Case on or before the Effective Date with respect to any Person;

(c) to enforce the provisions of the Plan, including, without limitation all discharge and injunctive provisions and to protect the property of the Estate or the Debtor, as the case may be, including Causes of Action, from claims against, or interference with, such property, including actions to quiet or otherwise clear title to such property or to resolve any dispute concerning Liens, security interest or encumbrances on any property of the Estate or the Debtor;

(d) to determine any and all applications for allowance of Fee Claims;

(e) to resolve any dispute arising under or related to the implementation, execution, consummation or interpretation of the Plan and the making of Distributions;

(f) to determine any and all motions related to the rejection, assumption or assignment of executory contracts or unexpired leases, or to determine any motion to reject an executory contract or unexpired lease;

(g) except as otherwise provided herein, to determine all applications, motions, adversary proceedings, contested matters, actions, and any other litigated matters instituted in and prior to the closing of the Chapter 11 Case, including any remands;

(h) to modify the Plan under section 1127 of the Code, remedy any defect, cure any omission, or reconcile any inconsistency in the Plan or the Confirmation Order so as to carry out its intent and purposes;

(i) to issue such orders in aid of consummation of the Plan and the Confirmation Order notwithstanding any otherwise applicable non-bankruptcy law, with respect to any Person or governmental unit, to the full extent authorized by the Code;

(j) to enable the Debtor to prosecute any and all Causes of Action under applicable provisions of the Code or any other federal, state or local laws;

(k) to determine any tax liability pursuant to section 505 of the Code;

(l) to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified or vacated;

(m) to resolve any disputes concerning whether a Person had sufficient notice of the Chapter 11 Case, the applicable bar date for a Claim, the hearing to consider approval of the Disclosure Statement or the Confirmation Hearing or for any other purpose;

(n) to resolve any dispute or matter arising under or in connection with any order of the Bankruptcy Court entered in the Chapter 11 Case;

(o) to authorize sales of Assets as necessary or desirable and resolve objections, if any, to such sales;

(p) to resolve any disputes concerning any release, discharge, injunction, exculpation or other waivers and protections provided in the Plan;

(q) to approve any Distributions, or objections thereto, under the Plan;

(r) to approve any Claims settlement entered into or offset exercised by the Debtor;

(s) to hear and determine all adversary proceedings or contested matters involving Causes of Action and Avoidance Actions;

(t) to determine such other matters, as may be provided in the Confirmation Order or as may be authorized under provisions of the Code;

(u) to adjudicate all core proceedings under the Code, any proceedings arising under the Code, or arising under or related to the Chapter 11 Case; and

(v) to enter a Final Order or Decree closing the Chapter 11 Case.

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction, or is otherwise without jurisdiction over any matter arising out of the Chapter 11 Case, including the matters set forth in this Article XI, this Article shall not prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter. Notwithstanding any provisions of the Plan, the Bankruptcy Court shall have concurrent but not exclusive jurisdiction over the prosecution of Causes of Actions, including but not limited to Avoidance Actions.

## 10.2 Amendments.

(a) **Preconfirmation Amendment.** The Debtor may modify the Plan at any time prior to the entry of the Confirmation Order, provided that the Plan, as modified, and the disclosure statement pertaining thereto meet applicable Code requirements or that the Bankruptcy Court shall have approved the modifications to the Plan.

(b) **Postconfirmation Amendment Not Requiring Resolicitation.** After the entry of the Confirmation Order, the Debtor may modify the Plan to remedy any defect or omission or to reconcile any inconsistencies in the Plan or in the Confirmation Order, as may be necessary to carry out the purposes and effects of the Plan, provided that: (i) the Debtor obtain approval of the Bankruptcy Court for such modification, after notice and a hearing; and (ii) such modification shall not materially and adversely affect the interests, rights, treatment or Distributions of any Class of Allowed Claims or Interests under the Plan. Any waiver of a condition to confirmation or the Effective Date shall not be considered to be a modification of the Plan.

(c) **Postconfirmation/Preconsummation Amendment Requiring Resolicitation.** After the Confirmation Date and before substantial consummation of the Plan, the Debtor may modify the Plan in a way that materially or adversely affects the interests, rights, treatment, or Distributions of a Class of Claims or Interests, provided that: (i) the Plan, as modified, meets applicable Code requirements; (ii) the Debtor obtain Bankruptcy Court approval for such modification, after notice and a hearing; (iii) such modification is accepted by at least two-thirds in amount, and more than one-half in number, of Allowed Claims or Interests voting in each Class affected by such modification; and (iv) the Debtors comply with section 1125 of the Code with respect to the Plan as modified.

10.3 **Severability of Plan Provisions.** If, prior to the Confirmation Date, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision and make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any

such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

**10.4 Successors and Assigns.** The rights, benefits and obligations of any Person named or referred to in the Plan shall be binding on, and shall inure to the benefit of, the heirs, executors, administrators, successors and/or assigns of such Person.

**10.5 Effectuating Documents and Further Transactions.** Each Debtor shall be authorized to execute, deliver, file, or record such documents, contracts, instruments, releases, and other agreements and take such other actions as may be necessary to effectuate and further evidence the terms and conditions of the Plan.

**10.6 Confirmation Order and Plan Control.** To the extent the Confirmation Order and/or this Plan is inconsistent with the Disclosure Statement, the Plan controls the Disclosure Statement and any such agreements; and the Confirmation Order and subsequent orders of the Bankruptcy Court controls the Plan.

**10.7 Payment of Statutory Fees.** All fees payable pursuant to section 1930 of title 28 of the United States Code as Administrative Fees under the Plan, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid in Cash on the Effective Date, or as soon as reasonably practicable thereafter. Further, after the Effective Date, the Debtor shall continue to comply with the payment of statutory fees under section 1930 of title 28 of the United States Code until the Chapter 11 Case is closed.

**10.8 Withdrawal or Modification of Plan.** The Debtor reserves the right, in the exercise of its reasonable discretion, to withdraw the Plan (a) at any time prior to the Confirmation Date or, (b) if the Debtor is for any reason unable to consummate the Plan after the Confirmation Date, at any time up to the Effective Date. If the Debtor withdraws the Plan, (i) nothing contained in the Plan shall be deemed to constitute a waiver or release of any claims by or against the Debtor or to prejudice in any manner the rights of the Debtor or any entity in any further proceeding involving the Debtor; and (ii) the result shall be the same as if the Confirmation Order were not entered, the Plan was not filed and the Effective Date did not occur.

**10.9 Payment Dates.** Whenever any payment to be made under the Plan is due on a day other than a Business Day, such payment will instead be made, without interest, on the next Business Day.

**10.10 Notices.** Any notice, request or demand given or made under this Plan or under the Code or the Bankruptcy Rules to the Debtor shall be in writing and shall be hand delivered or sent by a reputable overnight courier service, and shall be deemed given when received at the following addresses whether hand delivered or sent by overnight courier service:

**If to the Debtor:**

Coharie Hog Farm, Inc.  
Attn: Anne B. Faircloth  
William P. Dunlap  
300 Westover Road  
Clinton, North Carolina 28328  
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With a Copy to:  
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Notwithstanding anything to the contrary provided herein, all notices concerning this Plan shall be served upon the entities prescribed and in the manner prescribed under the Code and the Bankruptcy Rules.

10.11 **No Admissions and Reservation of Rights.** Notwithstanding anything herein to the contrary, no action taken by the Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement and nothing contained in the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed as an admission by any Debtor or waiver of any rights of the Debtor with respect to any matter set forth herein including, without limitation, liability on any Claim or the propriety of any Claims classification prior to the Effective Date.

**ARTICLE XI**

**CONFIRMATION REQUEST**

11.1 The Debtor requests confirmation of the Plan under Section 1129(b) of the Code.

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Dated: July 14, 2010

COHARIE HOG FARM, INC.

By: /s/ Anne B. Faircloth  
Anne B. Faircloth  
Vice President and Majority Shareholder

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