

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
FORT LAUDERDALE DIVISION  
[www.flsb.uscourts.gov](http://www.flsb.uscourts.gov)

In re:

LEVITT AND SONS, LLC,  
a Florida limited liability company, *et al.*<sup>1</sup>

Chapter 11 Cases  
Case No. 07-19845-BKC-RBR  
(Jointly Administered)

Debtors.

---

**NOTICE OF CONFIRMATION HEARING  
WITH RESPECT TO THE PROPONENTS' SECOND AMENDED PLAN**

**TO ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS AND PARTIES IN INTEREST:**

**1. Bankruptcy Court Approval of the Disclosure Statement and the Solicitation Procedures.** On [\_\_\_\_], 2008, the United States Bankruptcy Court for the Southern District of Florida, Fort Lauderdale Division (the "Bankruptcy Court") entered an order (the "Disclosure Statement Order") that, among other things, (a) approved the Proponents' Second Amended Disclosure Statement for the Joint Liquidating Chapter 11 Plan for Debtors [D.E. #\_\_\_\_] (the "Second Amended Disclosure Statement") filed in support of the Second Amended Joint Liquidating Chapter 11 Plan for Debtors [D.E. #\_\_\_\_] (the "Plan") as containing adequate information, as required under section 1125(a) of title 11 of the United States Code (the "Bankruptcy Code") and (b) authorized the above-captioned debtors (the "Debtors") and the Joint Official Committee of Unsecured Creditors (the "Committee") (the Debtors and the Committee shall collectively be referred to herein as the "Proponents") to solicit votes with regard to the acceptance or rejection of the Plan.

**2. Confirmation Hearing.** A hearing to confirm the Plan (the "Confirmation Hearing") will commence on \_\_\_\_\_, 2009 at [time] prevailing Eastern Time before the Honorable Raymond B. Ray, United States Bankruptcy Judge, located at the U.S. Courthouse, 299 E. Broward Blvd., Room 308, Fort Lauderdale, Florida 33301. The Confirmation Hearing may be continued from time to time without further notice other than an announcement of the adjournment in open court or a notice of adjournment filed with the Court, the parties listed above and the Entities who have filed objections to the Plan, without further notice to other parties in interest. In accordance with the Plan, the Plan may be modified, if necessary, prior to, during or as a result of the Confirmation Hearing, without further notice to interested parties.

**3. Release, Exculpation and Injunction Language in the Plan.** Pursuant to Fed. R. Bankr. P. 2002(c)(3), please be advised that the Plan contains certain release, exculpation and injunction provisions. Such provisions provide as follows:

**\*\*\*THE FOLLOWING LANGUAGE IS APPLICABLE TO HOLDERS OF CLAIMS IN CLASSES LAS-9A AND 9B AND CLASSES TENN-6A AND 6B\*\*\***

**A. The Third Party Release and Injunction in Connection with the Release Fund.**

**Pursuant to the Woodbridge Settlement Agreement, Woodbridge requires the issuance by the Bankruptcy Court of a third party release and injunction (the Third Party Release and Injunction") in favor of the Woodbridge Parties (as defined in the Woodbridge Settlement Agreement) that would permanently and**

---

<sup>1</sup> The last four digits of the taxpayer identification number for each of the Debtors follows in parentheses: (i) Levitt and Sons, LLC (3500); (ii) BankAtlantic Venture Partners 5, LLC (7328), (iii) Bellaggio by Levitt and Sons, LLC (8507); (iv) Levitt GP, LLC (9466), (v) Levitt Construction Corp.-East (6292); (vi) Levitt Construction-East, LLC (2487); (vii) Levitt Industries, LLC (6273), (viii) Levitt Homes Bellaggio Partners, LLC (9490), (ix) Levitt Homes, LLC (1650); (x) Avalon Park by Levitt and Sons, LLC (2188); (xi) Levitt and Sons of Lake County, LLC (8547); (xii) Levitt and Sons of Manatee County, LLC (3563); (xiii) Levitt and Sons of Hernando County, LLC (1563); (xiv) Regency Hills by Levitt and Sons, LLC (9482); (xv) Levitt and Sons at Hunter's Creek, LLC (5870); (xvi) Levitt and Sons of Seminole County, LLC (1888); (xvii) Levitt and Sons of Osceola County, LLC (4596); (xviii) Levitt and Sons of Lee County, LLC (1561); (xix) Cascades by Levitt and Sons, LLC (2022); (xx) Levitt and Sons at Hawks Haven, LLC (4963); (xxi) Magnolia Lakes by Levitt and Sons, LLC (5370); (xxii) Levitt and Sons at Tradition, LLC (9053); (xxiii) Levitt and Sons at World Golf Village, LLC (4959); (xxiv) Levitt and Sons of Flagler County, LLC (0685); (xxv) Lev-Brn, LLC (3445); (xxvi) Summerport by Levitt and Sons, LLC (3494); (xxvii) Levitt and Sons of Georgia, LLC (9568); (xxviii) Levitt and Sons of Cherokee County, LLC (2322); (xxix) Levitt and Sons of Hall County, LLC (4416); (xxx) Levitt and Sons of Paulding County, LLC (1632); (xxxi) Levitt Construction Georgia, LLC (3043); (xxxii) Levitt and Sons of South Carolina, LLC (8109); (xxxiii) Levitt and Sons of Horry County, LLC (3186); (xxxiv) Levitt Construction - South Carolina, LLC (3234); (xxxv) Levitt and Sons of Tennessee, LLC (4793); (xxxvi) Bowden Building Corporation (6090); (xxxvii) Levitt and Sons of Nashville, LLC (0295); and (xxxviii) Levitt and Sons of Shelby County, LLC (1345). The mailing address for the Debtors is 2200 West Cypress Creek Road, Fort Lauderdale, FL 33309.

forever stay, restrain and enjoin the Restrained Parties (as defined in the Woodbridge Settlement Agreement) from instituting, commencing, pursuing prosecuting or furthering any action or proceeding or employing any process against the Woodbridge Parties or collecting, recovering or receiving payment of or on, or otherwise affecting the property or assets of, the Woodbridge Parties with respect to the Settlement Causes of Action, as defined in the Woodbridge Settlement Agreement; provided, however, that the Third Party Release and Injunction specifically shall not and does not include any claim or cause of action arising under a written contract executed by and under which any Woodbridge Party is directly liable. Pursuant to the Woodbridge Settlement Agreement, the Third Party Release and Injunction shall be contained in the Confirmation Order and shall become effective on the Effective Date of the Plan.

Specifically, pursuant to the Woodbridge Settlement Agreement, any and all Holders of Allowed Claims in Classes LAS-9A and 9B and Classes Tenn-6A and 6B who agree, or are deemed to agree, to and are bound by the Third Party Release and Injunction shall receive an additional Distribution under the Plan equal to such Holder's Pro Rata Share of the Release Fund calculated with the denominator being the sum of all Allowed General Unsecured Claims and Allowed Deposit Holder Claims against the LAS Consolidated Debtor and the Tennessee Consolidated Debtor combined. In order to opt-out of, and not be bound by, the Third Party Release and Injunction, any such Holder must specifically check the appropriate box on the Ballot indicating affirmatively that such Holder does not want to receive an additional Distribution hereunder and does not want to be bound by the Third Party Release and Injunction, and return the Ballot pursuant to the terms hereof and the Court's Solicitation and Balloting Order. If such Holder elects not to be bound by the Third Party Release and Injunction as provided herein by checking the applicable box on the Ballot, then such Holder shall not be entitled to, and shall not, receive a Distribution from the Release Fund as provided above. Rather, such Distribution that would otherwise have been made to such Holder shall instead be returned to Woodbridge as provided below.

**IF ANY SUCH HOLDER EITHER DOES NOT RETURN A BALLOT ON THE PLAN OR RETURNS THE BALLOT AND DOES NOT AFFIRMATIVELY OPT-OUT OF THE THIRD PARTY RELEASE AND INJUNCTION BY CHECKING THE RESPECTIVE BOX ON THE BALLOT, THEN EACH SUCH HOLDER SHALL BE DEEMED TO BE A RESTRAINED PARTY UNDER THE WOODBRIDGE SETTLEMENT AGREEMENT AND SHALL BE DEEMED TO HAVE CONSENTED TO THE THIRD PARTY RELEASE AND INJUNCTION CONTAINED IN THE WOODBRIDGE SETTLEMENT AGREEMENT, AS INCORPORATED INTO THE PLAN, AND EACH SUCH HOLDER SHALL BE ENTITLED TO ITS PRO-RATA ADDITIONAL DISTRIBUTION FROM THE RELEASE FUND.**

**\*\*\*THE FOLLOWING LANGUAGE IS APPLICABLE TO HOLDERS OF CLAIMS IN CLASS LAS-9B AND TENN-6B ONLY\*\*\***

**B. Deposit Holders' Opt-Out of Debtors' Release**

"Debtors' Release" shall mean the full and general release of any and all Causes of Action against any and all present and former officers and/or directors of the Debtors. Pursuant to the Woodbridge Settlement Agreement, Woodbridge is (i) transferring, carving out and gifting to the Deposit Holders' Fund the Distribution due to it from the LAS Consolidated Debtor in respect of its Allowed Administrative Expense Claim, which amount is equal to \$650,000, and (ii) funding an additional \$300,000 to fund the balance of the Deposit Holders' Fund and to fund the Deposit Holders' Fee Reserve. In order to be eligible to receive the one time Distribution from the Deposit Holders' Fund as set forth herein, each Holder of an Allowed Deposit Claim against the LAS Consolidated Debtor or the Tennessee Consolidated Debtor must (a) vote to accept the Plan by completing and submitting a Ballot, (b) agree to be bound by the Debtors' Release by not checking the applicable box on the Ballot opting out of the Debtors' Release, and (c) agree to be bound by the Third Party Release and Injunction in favor of Woodbridge and the Woodbridge Parties by not checking the applicable box on the Ballot opting out of the Third Party Release and Injunction.

In the event that a Holder of an Allowed Deposit Holder Claim does not satisfy all of the conditions precedent set forth in subclauses (a), (b) and (c) above, then such Holder shall not receive its Pro Rata Share of the Deposit Holders' Fund. Rather, the Distribution from the Deposit Holders' Fund that would have otherwise been made to such Holder shall be transferred from the Deposit Holders' Fund to the Plan Administrator to be included in the LAS Available Cash.

**\*\*\*THE FOLLOWING LANGUAGE IS APPLICABLE TO ALL  
HOLDERS OF CLAIMS AND EQUITY INTERESTS\*\*\***

C. Exculpation, Releases and Injunction

i. Exculpation and Limitation of Liability.

Except as otherwise provided in this Plan or the Confirmation Order, on the Effective Date, the Debtors, the Committee, the Deposit Holders' Committee, the Chief Administrator and their respective officers, directors, members, employees, representatives, counsel, financial advisors or other agents, and their respective successors and assigns (the "Released Parties"), shall be deemed to have released any claims of any type or nature that any of them have or may have against the other, and by all Holders of Claims or Equity Interests, of and from any Claims, obligations, rights, causes of action and liabilities for any act or omission occurring after the Petition Date in connection with, or arising out of, the Chapter 11 Cases, including, without limiting the generality of the foregoing, all sales of assets of the Debtors' Estates, the negotiation of the terms of the Plan and the Disclosure Statement, the pursuit of approval of the Disclosure Statement, the pursuit of confirmation of the Plan, the consummation of the Plan or the administration of the Plan or the property to be distributed under the Plan, except for acts or omissions which constitute bad faith, willful misconduct, self dealing, breach of fiduciary duty or gross negligence, and all such Persons, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan and under the Bankruptcy Code. Notwithstanding anything herein to the contrary, the exculpation and limitation of liability provided for herein shall not apply to any acts of omissions that occurred prior to the Petition Date.

ii. 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 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 any rights or obligations under the Plan, against the Debtors, the Debtors' Estate, the Chief Administrator, the Post Confirmation Debtors, the Wachovia Collateral Administrator, the Plan Administrator, the Post Confirmation Debtor Assets, Estate property or the Wachovia Collateral: (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; and (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. Notwithstanding the above, none of the Debtors is entitled to and shall not receive a discharge under section 1141(d) of the Bankruptcy Code. In addition, the Plan does not release or waive any Causes of Action. Notwithstanding anything herein to the contrary, the injunction provided for in this subclause (ii) shall not and does not apply to (a) any assets of the Debtors' Estates that have been sold by the Debtors before or after the Petition Date or abandoned by the Debtors after the Petition Date, and (b) enjoin any actions against any Persons not specifically listed herein.

**YOU ARE ADVISED TO CAREFULLY REVIEW AND  
CONSIDER THE PLAN, INCLUDING THE RELEASE,  
EXCULPATION AND INJUNCTION PROVISIONS, AS YOUR  
RIGHTS MAY BE AFFECTED.**