

LES COMMITTEE  
[address]  
[telephone]

October \_\_\_, 2009

**VIA REGULAR MAIL**

All General Unsecured Creditors (the “Unsecured Creditors”) of LandAmerica 1031 Exchange Services, Inc. (“LES”)

Re: Case No. 08-35994; *In re LandAmerica Financial Group, Inc.*, et al., in the United States Bankruptcy Court, Eastern District of Virginia

Dear Exchange Customers:

Enclosed with this letter is a copy of the Joint Chapter 11 Plan (the “Plan”) of LandAmerica Financial Group, Inc. (“LFG”) and its affiliated debtors (collectively, the “Debtors”) including LES along with the accompanying Disclosure Statement (the “Disclosure Statement”) and a ballot (a “Ballot”). Because these documents are both voluminous and written in legalese, they may be difficult to understand. To assist you in reviewing these documents and deciding how to vote, this letter contains a brief discussion regarding the purpose of each of the documents you have received as well as a summary of the proposed Plan and a discussion of the alternatives considered by the Official Committee of Unsecured Creditors of LES (the “LES Committee”) in deciding to recommend that you vote to accept the Plan.

The LES Committee strongly urges all LES Unsecured Creditors (which includes all exchangers and LES “trade” creditors) to vote in favor of the Plan because we believe that:

- The expected recoveries to LES Unsecured Creditors under the Plan represent the most favorable outcome under the circumstances and as compared to other alternatives
- The Plan provides for the return of exchange funds to the exchangers in the most fair and expedited manner possible
- The Plan contains a mechanism for monetizing currently illiquid assets of LES
- The Plan provides a mechanism for maximizing the value of the Debtors’ insurance policies for the benefit of all unsecured creditors of these estates
- The Plan provides a mechanism for avoiding continuation of expensive and protracted litigation, including litigation regarding the inter-company issues between LFG and LES and test case litigation involving the exchangers.

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### **What Do All of These Documents Mean?**

The **Plan** is the legal contract that will govern the gathering and distribution of the assets of the Debtors. If the proposed Plan is approved (or confirmed) by the Bankruptcy Court with respect to LES, all creditors of LES, including exchangers, will be bound by the terms of the Plan even if they decided not to vote or voted to reject the Plan.

The **Disclosure Statement** is a summary of the events that caused the Debtors to file for chapter 11 protection, the events that have occurred since the Debtors filed for chapter 11, and the material terms of the Plan. Although we recommend that you read the entire Disclosure Statement, we recommend that you pay special attention to Articles [ ] on pages [ ].

The **Ballot** is the document that allows you to vote to accept or reject the Plan. If you want your vote to accept or reject the Plan to be counted, you must return your original signed Ballot so that it is received by the Debtors' voting agent (the "Voting Agent") no later than [ ]. The Voting Agent will not accept Ballots by email or facsimile. The Voting Agent's address is:

LandAmerica Financial Group, Inc., Ballot Processing  
c/o Epiq Bankruptcy Solutions, LLC  
757 Third Avenue, 3<sup>rd</sup> Floor  
New York, NY 10017

You should have also received a notice of the **Confirmation Hearing** in your packet. The Bankruptcy Court will hold a hearing on [November 19, 2009] beginning at [ ] a.m. (ET) to determine whether to confirm (or approve) the proposed Plan. At that time, counsel for the Debtors and each of the LES and LFG Creditors' Committees will present evidence in support of the Plan.

Under the Bankruptcy Code for the Plan to be approved consensually, at least 1/2 in number of voting creditors and 2/3 in amount of such creditors' claims of each class must vote to accept the Plan. For example, if there is a class with five (5) voting creditors whose claims total \$150, at least three (3) creditors with a total of \$100 in claims must vote to accept the Plan.

If a class of creditors votes to reject the Plan, the Plan may still be confirmed if (a) at least one class of impaired creditors votes to accept the Plan, and (b) the Debtors can establish

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that the Plan is fair and equitable.<sup>1</sup> This “cramdown” right is expressly provided for in the Bankruptcy Code.

### **What Does the Plan Say?**

#### Plan Distributions That We Anticipate Will Be Paid Shortly After Plan Confirmation

Before distributions can be made to LES Unsecured Creditors, the Bankruptcy Code provides that LES must pay certain post-petition expenses, referred to as “Administrative Expenses,” in amounts approved by the Bankruptcy Court. After these Administrative Expenses are paid, we anticipate that LES will have approximately \$108.5 million cash on hand.<sup>2</sup> In addition, the claims of certain creditors entitled to priority in recovery, including the IRS<sup>3</sup> and the PBGC,<sup>4</sup> must be satisfied before distributions can be made to LES Unsecured Creditors. In this case, as a result of the settlements negotiated at the Court-ordered mediation,<sup>5</sup> the Plan limits LES’s total obligations to pay the claims of the IRS and the PBGC to \$5,500,000.<sup>6</sup> We anticipate that after these obligations are satisfied and \$3 million is reserved to fund the LES Trust

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<sup>1</sup> To establish that a plan is fair and equitable to unsecured creditors (like exchangers) the Debtors must show either (a) that the creditors will receive payments equal to the value of their claims, or (b) that no junior creditors or interest holders are receiving anything under the Plan. 11 U.S.C. § 1129(b)(2)(B). Here, the Debtors meet this requirement with respect to exchangers because junior creditors and interest holders are not receiving anything under the Plan.

<sup>2</sup> This includes cash from accounts designated as segregated accounts and commingled accounts, as well as interest earned on the auction rate securities and cash generated from several settlements during the LES case.

<sup>3</sup> The IRS filed a proof of claim against LES in the amount of \$127,889.14. Additionally, because the Debtors were part of a consolidated tax group pre-petition, LFG has asserted that LES may also be responsible for certain of the Debtors’ collective liabilities to the IRS. The IRS has asserted claims of more than \$55 million for such potential liabilities.

<sup>4</sup> The Pension Benefit Guaranty Corporation (“PBGC”) filed proofs of claim against LES in the aggregate amount of \$35,700,000.00.

<sup>5</sup> Counsel to the Debtors and counsel and members of the LES and LFG Committee participated in phase I of the mediation (which addressed the disputes between LFG and LES). In addition to these parties, lawyers who have asserted they represent approximately 100 individual Commingled Exchangers as well as several of their clients and lawyers representing one Segregated Exchanger and their client participated in phase II of the mediation (which addressed the allocation of LES assets between Segregated Exchangers and Commingled Exchangers).

<sup>6</sup> The amount to be distributed on account of the claim of the PBGC against LES is the lesser of: (a) \$5 million or (b) 25% of any amount paid by the Debtors on account of allowed claims of the PBGC. To the extent the IRS has an allowed claim against the Debtors’ consolidated tax group, LES is obligated to pay \$500,000 on account of such claim. If the IRS or PBGC has an allowed claim against LES in excess of these stated amounts, LFG has agreed to indemnify LES on a dollar-for-dollar basis.

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(discussed below), approximately \$100 million in cash will be available for immediate distribution to LES Unsecured Creditors. Of this cash, the Plan provides (again, as a result of the mediated settlement) for the immediate distribution of (a) the greater of 51% or \$50 million to the Segregated Exchangers,<sup>7</sup> and (b) the remainder to other LES Unsecured Creditors (i.e., the Commingled Exchangers<sup>8</sup> and a small amount of “trade” debt<sup>9</sup>). We believe that this initial distribution will occur on or before December 31, 2009 if the current Plan confirmation timeline is kept. If these estimates are correct, the cash held by LES that will be available for immediate distribution to Exchangers will be sufficient to satisfy approximately 70% of the principal claims<sup>10</sup> asserted by Segregated Exchangers and 25% of the principal claims asserted by Commingled Exchangers.<sup>11</sup> None of the cash will be used to satisfy the LFG estate’s alleged \$65 million claim for cash transferred from LFG to LES.<sup>12</sup>

#### Anticipated Longer Term Distributions

At the mediations, the parties settled claims between LES and LFG, resolved how to jointly pursue third-party claims held by both LES and LFG to maximize recoveries, and resolved how to share any recoveries between the creditors of LES and LFG.<sup>13</sup> As a result of the mediations, the Plan creates two litigation trusts: one for LES and one for LFG (the “LES Trust” and the “LFG Trust,” and together, the “Trusts”). The LES Trust will be administered by an independent trustee selected by the LES Committee and the LFG Trust will be administered by an independent trustee selected by the LFG Committee (collectively, the “Trustees”). Each of

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<sup>7</sup> According to the Debtors’ schedules, on the day LES filed chapter 11, there were approximately \$76.5 million of principal claims held by Segregated Exchangers.

<sup>8</sup> According to the Debtors’ schedules, on the day LES filed chapter 11, there were approximately \$191.5 million of principal claims held by Commingled Exchangers.

<sup>9</sup> Based on a review of the timely filed proofs of claim, we believe trade claims to be approximately \$4.2 million (inclusive of the \$3.2 million claim asserted by LFG and discussed in footnote 11 herein).

<sup>10</sup> Principal claims are defined by the Plan to mean the principal amount of the exchange funds received by LES from an exchanger, including accrued interest, if any, if specifically provided for in the relevant exchange agreement.

<sup>11</sup> These are current estimates only.

<sup>12</sup> In addition to the alleged claim for \$65 million for cash transferred from LFG to LES, LFG has asserted a claim in the amount of approximately \$3.2 million for LES operating expenses paid by LFG. The financial advisor for the LES Committee has reviewed the \$3.2 million claim for operating expenses and has determined that such claim is likely valid. As a result, the LFG claim against LES for \$3.2 million, which is defined as the “Operating I/C Claim” in the Plan, will be paid the same way other “trade” claims against LES will be paid.

<sup>13</sup> When LFG filed chapter 11, its owed non-insider creditors approximately \$1.3 billion. Any recoveries paid to the LFG estate will go to LFG’s non-insider creditors.

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the Trustees will be supervised by oversight committees<sup>14</sup> and will select their own post-confirmation counsel.<sup>15</sup>

The LES Trust will be responsible for prosecuting causes of action related to the auction rate securities (“ARS”) that could be asserted by either LES or LFG. The law firm of Jenner & Block has been retained to pursue the ARS litigation and prepare the case to be filed; they have begun their analysis of causes of action related to the ARS. Any proposed settlement and/or resolution of the causes of action related to the ARS must be approved by the Bankruptcy Court.

The LFG Trust will be responsible for prosecuting causes of action against the Debtors’ directors and officers and other professionals that relate to bad acts that occurred prior to the Debtors’ chapter 11 cases that could be asserted by either LES or LFG. Any proposed settlement and/or resolution of these causes of action must be approved by the Bankruptcy Court.

As money is obtained from recoveries (the “Proceeds”)<sup>16</sup> under any of these causes of action, it will be distributed in the following order:

- **First**, \$8 million of the Proceeds will be distributed to the LFG Trust
- **Second**, \$65 million of Proceeds will be distributed to the LES Trust
- **Third**, \$3 million of Proceeds will be distributed to the LFG Trust
- **Fourth**, 65% of the next \$159 million of Proceeds will be distributed to the LES Trust, and the remaining 35% of such Proceeds will be distributed to the LFG Trust

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<sup>14</sup> The oversight committee for the LES Trust will be made up of exchangers.

<sup>15</sup> It is not currently contemplated that Akin Gump Strauss Hauer & Feld LLP will serve as counsel to the LES Trust (aside from providing transition services).

<sup>16</sup> The LFG estate is receiving a portion of the Proceeds because, among other reasons, (a) it contributed causes of actions that are unique to the LFG estate including claims related to the auction rate securities; (b) the Proceeds are anticipated to include recoveries from available insurance proceeds under insurance policies that would be available to satisfy claims of both the LFG and the LES estate; and (c) it agreed to delay its recovery on account of the \$65 million transferred from LFG to LES and not seek such recovery from LES’s liquid assets (absent this agreement the LES estate would have likely incurred significant cost in connection with any effort to subordinate or recharacterize this claim asserted by LFG and defend against LFG’s claim that the transfer was a fraudulent conveyance).

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- **Fifth**, any Proceeds received in excess of \$235 million will be split evenly (i.e., 50% each) between the LES Trust and the LFG Trust

Any Proceeds received by the LES Trust pursuant to the splits described above and monies from any other assets monetized by the LES Trust<sup>17</sup> will then be distributed to the Unsecured Creditors of LES as follows:<sup>18</sup>

- **First**, 25% to the Segregated Exchangers and 75% to other LES Unsecured Creditors until the Segregated Exchangers have received 100% of their principal claims
- **Second**, 100% to the Commingled Exchangers and trade creditors until the Commingled Exchangers have received 100% of their principal claims
- **Third**, to the holders of allowed claims against LES based on damages caused by the failure to complete their exchange (“LES Damage Claims”) on a pro rata basis<sup>19</sup>

What does all of this mean for you? In addition to the \$100 million initial cash distribution discussed above, LES Unsecured Creditors will receive in excess of \$167 million of the first \$233 million of Proceeds received by the Trusts in connection with the prosecution of the various causes of action described above. In other words, if the Trusts obtain \$233 million in net Proceeds and if our estimated cash available for distribution is correct, Segregated Exchangers and Commingled Exchangers will recover approximately 100% of their principal claims.

We cannot predict with any certainty how long it will take the LES Trust and the LFG Trust to resolve the causes of action discussed above, nor the amount of total Proceeds. We would note, however, that because the Plan proposes to pool the Proceeds for distribution between the LES and LFG estates, LES Unsecured Creditors now have multiple sources of

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<sup>17</sup> The LES Trust has also retained the right to pursue claims of LES against the insurers that issued certain 2008 errors and omission insurance policies and certain avoidance actions.

<sup>18</sup> The LES Trust will also retain certain other assets, including causes of action to compel the return of payments made to exchangers during the 90 days prior to LES filing for chapter 11 relief. It is important to note that to the extent an exchanger who is a current Unsecured Creditor of LES votes to accept the Plan, the LES Trust will not pursue such causes of action against that exchanger.

<sup>19</sup> See Article [ ] of the Plan.

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potential recovery (previously the LES Unsecured Creditors could only look to those causes of action that could be brought by LES).

#### Claims of Exchangers with Notes

The claims of exchangers whose exchange transaction included a note or similar instrument as some or all of the consideration (“Note Exchangers”) will be addressed on an individualized basis. To the extent that each Note Exchanger’s note is collected, the Note Exchanger will receive a distribution similar to that described above for Segregated Exchangers.<sup>20</sup>

#### Guaranty Claims Against LFG

Exchangers with a claim (the “Guaranty Claims”) against LFG based on a written guarantee agreement with LFG (the “Guaranty Exchangers”) will have allowed claims against LFG. Exchangers who have asserted guarantee claims against LFG but who do not have a written guarantee agreement will not have an allowed claim against LFG. The aggregate total of written Guaranty Claims held by Segregated Exchangers is limited to \$8.2 million. The aggregate total of written Guaranty Claims held by Commingled Exchangers is limited to \$6.4 million.

If Guaranty Exchangers vote to accept the Plan, they may also elect to receive a distribution equal to 30% of their Guaranty Claim when initial distributions are made.<sup>21</sup> If a Guaranty Exchanger does not make this election, the Guaranty Exchanger will receive distributions on account of its Guaranty Claim at the same time other creditors of LFG receive distributions.<sup>22</sup> We cannot predict with any certainty when such distribution may be made by the LFG Trustee and/or whether such distributions will be greater or less than 30%.

#### Release of Avoidance Actions Against Exchangers

The Bankruptcy Code provides that in certain circumstances payments made before a company files chapter 11 may be recovered, or “clawed” back, by the Debtors.<sup>23</sup> If the Plan is approved, the LES Trustee will decide, with guidance from the oversight committee, if such

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<sup>20</sup> See Article [ ] of the Plan.

<sup>21</sup> See Article [ ] of the Plan.

<sup>22</sup> See Article [ ] of the Plan.

<sup>23</sup> See Article [ ] of the Disclosure Statement.

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action will be pursued. To encourage exchangers to vote for the Plan, the Plan prohibits the LES Trustee from initiating avoidance actions against exchangers who vote in favor of the Plan.<sup>24</sup> This provision is not intended to penalize exchangers.

#### Injunction Against Individual Actions

To ensure that LES assets are distributed equitably among all LES exchangers, the Plan proposes to temporarily stop individual creditors of any of the Debtors and shareholders of LFG from asserting claims against the Debtors' directors and officers if such claims would deplete the Debtors' insurance policies.<sup>25</sup> Additionally, the temporary injunction recognize that both LES creditors and LFG creditors have asserted an interest in many of the same assets – including certain litigation and the insurance policies. This temporary injunction is intended to prevent the proceeds of the Debtors' insurance policies from being depleted on a first come-first serve basis.

In any action brought against the Debtors' directors and officers, the directors and officers likely will be entitled to reimbursement from the Debtors' insurance companies for the cost of defending actions brought by the Trusts, as well as any actions brought by individual creditors or shareholders. Since the insurance policies contemplate the advancement of legal costs to defend causes of action against directors and officers, we believe the available policy proceeds could be significantly depleted by many millions of dollars in defense costs if individual claims are allowed to proceed against directors and officers in multiple forums. Reimbursements paid to a director or officer for defense costs would therefore reduce the amount of insurance coverage available to satisfy any judgment obtained against such director or officer. As a result, without the temporary injunction serving to limit and control the number of actions brought against directors and officers, a substantial portion of the proceeds of the Debtors' insurance policies would be utilized to pay for defense costs incurred in multiple lawsuits filed around the country, therefore leaving less to distribute to the creditors of these estates.

#### **Why is the Plan More Favorable Than the Alternatives?**

The LES Committee believes that the Plan proposed is more favorable to LES Unsecured Creditors than other alternatives.

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<sup>24</sup> Only exchangers who are currently owed money by LES are entitled to vote to accept or reject the Plan.

<sup>25</sup> [Add language regarding tolling agreement and caveouts for statutes of limitation]



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What if Exchange Funds Were Not Property of the LES? As you are aware, the LES Committee (along with the Debtors and the LFG Committee) argued that all funds deposited in LES bank accounts on the Petition Date were the property of the LES estate and, as a result, this money should be available to satisfy the claims of all LES creditors. Many parties argued that exchanger funds deposited in LES bank accounts were the property of individual exchangers and that such funds were held in an express or resulting trust.

In the case of the Segregated Exchangers, the Creditors Committees and LES alleged that based on the plain reading of the Exchange Agreement, Segregated Exchangers are unable to establish that LES and the Segregated Exchangers intended to create a trust relationship. The LES Creditors Committee's decision to pursue these legal arguments was based in part on its belief that (a) pursuant to the governing contracts, legally no trust (or bailment) relationship was formed between LES and the Segregated Exchangers<sup>26</sup>, and (b) a determination that segregated test case plaintiff Millard funds were not property of the LES Estate would have been prejudicial to creditors as a whole, especially the Commingled Exchangers. In particular, if the Segregated Exchange Funds were paid to the Segregated Exchange Customers, this would have resulted in disproportionately large recoveries to Segregated Customers from the limited LES cash available as compared to the Commingled Exchange Customers who could not trace Exchange Funds and would have been left with no or de minimis distributions from the LES Estate's cash assets.<sup>27</sup>

In the case of the Commingled Exchangers, LES and the Creditors Committees argued that the plaintiffs were not able to establish that the parties intended to create a trust relationship. LES and the Creditors Committees also argued that LES did not hold the funds associated with commingled test case plaintiff Luxenberg's exchange in an escrow and that those funds could not be excluded from LES's estate pursuant to federal common law. Furthermore, as a result of the extensive commingling of funds, the Commingled Exchangers were unable to trace their specific funds. The LES Creditors Committee's decision to pursue these arguments was based on its belief that (a) pursuant to the governing contracts, legally no trust or escrow relationship was formed between LES and the Commingled Exchangers, and (b) even if the Commingled Exchangers were successful in establishing that the parties intended to create a trust or escrow relationship, they could not trace their specific funds, therefore resulting in no recovery to the

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<sup>26</sup> To establish an express trust, one must show that the parties to the alleged trust affirmatively intended to create a trust. This intent includes the intent for the trustee to have fiduciary duties to the beneficiary and for the beneficiary to maintain equitable ownership over the trust res. A resulting trust, like an express trust, also requires an intent to create a trust; however, the intent may be inferred from the circumstances surrounding the transaction.

<sup>27</sup> Specifically, Segregated Exchangers would have received \$71 million from the cash on hand in full satisfaction of their principal claims.

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Commingled Exchangers. It was bolstered by the fact that in the event that the Commingled Funds were determined to not be assets of the estate, Exchangers would be left to fight over the same assets in multiple different venues, with no equitable way of marshalling and distributing these assets, and leaving open the very real possibility of disproportionate recoveries among Exchangers.

What About a Chapter 11 Trustee? Some exchangers have asked why the LES Committee did not seek the appointment of a chapter 11 trustee. The LES Committee believes that the appointment of a chapter 11 trustee would result in significant additional professional fees and may have significantly delayed LES's exit from chapter 11.<sup>28</sup> Additionally, the United States Trustee advised that even if he was inclined to appoint a chapter 11 trustee for LES, he was not inclined to appoint a chapter 11 trustee for LFG. This would have resulted in LES having a new party with new counsel trying to "catch up" while LFG would still be operated by and represented by the same people. The LES Committee believes this may have disadvantaged LES creditors.

Distribution of the ARS Some exchangers have suggested that LES distribute the ARS directly to exchangers in full or partial satisfaction of their claims. There are several reasons that this will not work. Certain of the contracts governing the ARS prevent the ARS from being divided into smaller pieces that could be distributed to the Unsecured Creditors and/or prevent individuals from holding the ARS. Further, as discussed in additional detail in [ ] of the Disclosure Statement, the ARS held by LES are subordinate in right of payment to certain other ARS. As a result of this subordinated status, there is a possibility that upon maturity, the holders of subordinated ARS will receive little or no return on their investment. Finally, although the repayment of the student loans underlying the ARS held by LES is guaranteed by the federal government, the repayment of the ARS themselves are not guaranteed. In other words, even if it were possible to distribute the ARS to exchangers, it is possible that it would take longer for exchangers to recover any money and the recoveries may be less than the Plan will provide.

Inter-Estate Settlement We also believe that entering into a settlement regarding the priority and right to distribution with respect to claims asserted by LFG against the LES estate is in the best interest of LES Unsecured Creditors. As a result of the settlement, LFG is not receiving any of the cash currently held by LES. Without a settlement, expensive and time

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<sup>28</sup> Chapter 11 trustees typically receive a percentage of all cash distributed to creditors. This fee ranges between 1% and 3%. In a case like this, the chapter 11 trustee will also likely seek to retain professional advisors including, but not limited to, attorneys and accountants. These fees will be in addition to the fees incurred by the professionals retained by the debtor in possession.

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consuming litigation would have ensued over whether to recharacterize and/or subordinate the \$65 million claim asserted by LFG against LES as well as whether the funds advanced by LFG to LES could be recovered by LFG as a fraudulent conveyance.

The inter-estate settlement also limits potential LES liability to the IRS and the PBGC to no more than \$5.5 million. Absent this settlement, because LES is part of the Debtors' control group, LES's liabilities to the IRS and PBGC could have been much higher.

In addition to resolving the dispute referenced above, it is possible that significant litigation would have likely occurred between LES and LFG to determine which estates' creditors were entitled to pursue various causes of action related to the ARS or against the pre-petition directors and officers and professionals common to both estates.

Each of these disputes would be expensive and would significantly delay the Debtors' exit from chapter 11. Finally, absent such settlement, LES Unsecured Creditors would not be entitled to any distributions based on causes of action that belong solely to the LFG estate.<sup>29</sup>

Injunction Finally, we believe that the injunction proposed by the Plan, which was an important part of the mediated settlements, is essential to ensuring that all Unsecured Creditors of LES receive the maximum recovery possible. Without the injunction, a significant amount of time and money would be spent attempting to gather the Debtors' assets and defend against myriad claims filed by individual creditors and shareholders against the Debtors' directors and officers. With the injunction in place, the Trusts will be able to pursue causes of action on behalf of all unsecured creditors of the Debtors' estates and distribute the Proceeds to such creditors in a fair and equitable manner, rather than have an inordinate amount of the insurance proceeds depleted by multiple lawsuits in multiple forms proceeding at the same time against the directors and officers. (This would include exchangers racing to the courts and potentially depleting insurance policies.)

The LES Committee believes that the proposed Plan embodies the most favorable result for the Unsecured Creditors of LES given the circumstances of the Debtors' chapter 11 cases. If the Plan is not accepted, the agreements reached in mediation will not be enforceable, leaving many time consuming and expensive issues to resolve before LES will be able to exit chapter 11 and exchanger will receive distributions. Accordingly, the LES Committee urges each

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<sup>29</sup> Recall that the proceeds of all causes of action related to the ARS and to the pre-petition misconduct of LES and LFG directors, officers and professionals will be placed into a single pot for distribution between the LES and the LFG estates, based on the waterfall described above.

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Unsecured Creditor of LES to complete and return a ballot voting ***in favor of*** the Plan. If you have any questions about completing your Ballot, please contact the Voting Agent at [\_\_\_\_].

Sincerely,

LES Committee