

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
(Richmond Division)

	)	
In re	)	
	)	Chapter 11
ROSELAND VILLAGE, LLC, et al.,	)	Case No. 11-30223-KRH
	)	Jointly Administered
Debtors.	)	
	)	
	)	

	)
In re	)
	)
G.B.S. HOLDING, LTD.,	)
	)
Debtor.	)
	)
	)

**JOINT THIRD AMENDED  
PLAN OF REORGANIZATION**

Roseland Village, LLC and GBS Holding, Ltd. (“Debtors” or “Roseland Village and/or GBS”), as debtors in possession, propose this Joint Third Amended Plan of Reorganization (the “Plan”) pursuant to the provisions of Chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).

**Preliminary Statement**

This Plan is based on many hours of negotiations with secured creditors, meetings with entities that offered to infuse capital into the development of the Debtors’ project, developers, builders, governmental agencies and their employees and other interested parties. The Debtors have abandoned their plan to develop the project themselves as was proposed in the initial Plan that was filed in this case. Furthermore, the Debtors do not believe the creditors should wait the length of time it would take to develop the project with a single third-party developer. If no single entity were to develop the project, then the existing zoning conditions on the project require modification. The modifications required are an adjustment of the cash proffers and a delineation of the infrastructure that must be installed before each individual parcel can be sold and developed. The Debtor proposes to shepherd those modifications through the applicable governmental agencies/bodies on properties that have significant equity in exchange for the right

to market the parcels at the conclusion of that process, for a limited time, in order to maximize the sales price on each parcel.

This Plan generally provides that the Debtor will return approximately 516.8 +/- acres included in 7 of the parcels that it owns to the secured creditors that have first liens on that property. Debtor does not believe it has any equity in that property based on recent appraisals and the balance owed to the secured lenders on each such property. Additionally, the debtors believe these parcels comprise one single zoning "district" in the development that may be considered by Chesterfield County as an independent portion of the Roseland PUD, with its own clearly identifiable rights, identity, densities, product mix and infrastructure obligations that can be clearly separated from the remainder of the assemblage. The remaining property will be retained by the Debtor and it will seek modifications to the existing zoning conditions and market and sell that property. If any of the retained parcels remain unsold at the end of a fifteen (15) month period from the Effective Date, then Debtors propose that the secured creditors, , will have the choice of receiving title to their collateral or as set forth herein may foreclose on their collateral. Therefore, most secured creditors will receive 100% of their claims by approximately February 1, 2015 or will be entitled to receive a deed in lieu of foreclosure or, in some cases as set forth herein, at their option foreclose on the land that serves as their collateral. The Plan provides for a minimum of a ten percent (10%) dividend to all unsecured creditors, excluding insiders' claims with the prospect of the GBS Unsecured Creditors' receiving up to one-hundred percent (100%) of their allowed claims if the Debtor is successful in selling its retained real estate holdings for more than the secured claim on that parcel.

This Plan represents the best the Debtors can do to maximize the return to creditors. Were the Debtors to take the easy way out and convert this case to a Chapter 7 liquidation, it is a virtual certainty that unsecured creditors in each case would receive nothing. (*See Liquidation Analysis attached to Disclosure Statement.*) The Debtors urge all creditors to support this Plan.

## **ARTICLE I – DEFINITIONS**

For purposes of the Plan, the following terms shall have the respective meanings set forth below, except as expressly provided otherwise (such meanings to be equally applicable to the singular and plural forms of the terms defined). Terms used in the Plan, but not defined below, shall have the meanings ascribed to them in the Bankruptcy Code or in the Bankruptcy Rules.

References in this Plan to any person shall be deemed to be references to or to include as appropriate, such person's respective successors, transferees and assigns.

Words and phrases used herein in the singular shall be deemed to include the plural, and words and phrases used herein in the plural shall be deemed to include the singular, unless the context clearly requires otherwise. Words and phrases used herein denoting any gender shall be deemed to include all genders.

Accounting terms and phrases used herein and not otherwise defined herein shall have the meanings ascribed to such terms in conformity with generally accepted accounting principles, unless the context clearly requires otherwise.

The words, “this Plan,” “hereto,” “herein,” “hereunder,” “hereof,” and expressions of similar import refer to this Plan as a whole, together with any appendices, schedules and exhibits hereto, and not to any particular article, section, subsection, clause or other portion of this Plan.

References in this Plan to any agreement, instrument or other document shall be deemed to include references to such agreement, instrument or other document as amended, modified, varied, supplemented or replaced from time to time in accordance with its terms, the Bankruptcy Code or the Bankruptcy Rules, as may be applicable.

1.1. Administrative Expense Claim means any Claim under Section 503(b) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the assets of the estate, and any actual and necessary expenses of operating the business of the Debtor, all compensation and reimbursement of expenses allowed by the Bankruptcy Court under Sections 330 or 503 of the Bankruptcy Code, and any fees and charges assessed against the Debtor under Section 1930 of Chapter 123 of Title 28 of the United States Code.

1.2. Allowed. With respect to Claims and Interests, (a) any Claim against or Interest in the Debtor, proof of which was timely filed (or by order of the Bankruptcy Court was not required to be filed), or (b) any Claim or Interest that has been, or hereafter is, listed in the Debtor’s Schedules as liquidated in amount and not disputed or contingent; and, in each such case in (a) and (b) above, as to which either (i) no objection to the allowance thereof or other similar pleading has been filed within the applicable period set forth in section 5.1, or (ii) an objection or similar pleading has been filed and the Claim or Interest has been allowed by a Final Order of the Bankruptcy Court (but only to the extent so allowed).

1.3. Ballot. The form of the ballot distributed to holders of Claims and Interests for acceptance or rejection of the Plan.

1.4. Bankruptcy Code. The United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.*, and any amendment thereof.

1.5. Bankruptcy Court. The United States Bankruptcy Court for the Eastern District of Virginia (Richmond Division), having jurisdiction over the above-captioned Chapter 11 case of the Debtor.

1.6. Bankruptcy Rules. The Federal Rules of Bankruptcy Procedure under Title 28 of the United States Code, 28 U.S.C. § 205 (1978), together with the Local Rules of the Bankruptcy Court for the Eastern District of Virginia promulgated under Title 28 of the United States Code, 28 U.S.C. § 154 (1978), as such rules have been or may hereafter be amended.

1.7. Bar Date. The Bar Date for Roseland Village shall mean May 12, 2011 for all non-governmental claimants and July 12, 2011 for all governmental claimants. The Bar Date for GBS shall mean September 28, 2011 for all non-governmental claimants and November 30, 2011 for all governmental claimants.

1.8. Business Day. A day other than Saturday or Sunday on which banks in Richmond, Virginia are not authorized or required to be closed pursuant to applicable law.

1.9. Cash. Payment by check issued by the Debtors with respect to any payment pursuant to the Plan.

1.10. Claims. All claims, as defined in section 101(5) of the Bankruptcy Code, against the Debtor, whether or not scheduled, liquidated or unliquidated, absolute or contingent, including, without limitation, all claims arising from the Debtor's rejection of any executory contract or unexpired lease.

1.11. Class. A group of Claims or Interests which are substantially similar to each other, as classified pursuant to the Plan.

1.12. Confirmation Date. The date on which the Clerk of the Bankruptcy Court enters the confirmation order confirming this Plan on the docket.

1.13. Confirmation Hearings. The hearing or hearings to be held by the Bankruptcy Court to consider confirmation of this Plan, as contemplated by Bankruptcy Code § 1128(a).

1.14. Confirmation Order. The order of the Bankruptcy Court confirming this Plan.

1.15. Debtor. Roseland Village, LLC or GBS Holdings, Ltd. in either of their capacity as pre-petition, post-petition or post-confirmation Debtors, depending upon the context.

1.16. Disclosure Statement. The Second Amended Disclosure Statement prepared in connection with this Plan pursuant to Section 1125 of the Bankruptcy Code and approved by the Bankruptcy Court, as the same may be modified or amended from time to time, including all exhibits and attachments thereto.

1.17. Disputed. With respect to (i) an Interest, means an Interest for which a proof of Interest has been filed and as to which an objection has been timely filed by the Debtor or party in interest, which objection has not been withdrawn or determined by Final Order and (ii) a Claim, means either (a) a Claim that is a Contingent Claim and has not become fixed and absolute or (b) a Claim for which a proof of claim has been filed and as to which an objection has been timely filed by any Debtor or party in interest, which objection has not been withdrawn or determined by a Final Order; provided, however, that in the event the Bankruptcy Court shall estimate a Disputed Claim for purposes of allowance pursuant to § 502(c) of the Bankruptcy Code, such estimation shall constitute and represent the maximum amount in which such Claim may ultimately become an Allowed Claim. Prior to the time that an objection has been or may be timely filed for the purposes of the Plan, a Claim shall be considered a Disputed Claim to the extent that the amount of the Claim specified in the proof of claim exceeds the amount of the Claim scheduled by the Debtor as other than disputed, contingent or unliquidated.

1.18. Distribution Agent. The Distribution Agent is one of the following: George B. Sowers, Jr. if a deed in lieu of foreclosure is required to be tendered under the terms of the Plan;

the closing attorney when a parcel of land is sold and the proceeds are distributed to the secured creditor entitled to some or all of the proceeds and for the unsecured creditors for the distribution of all property to be distributed under the Plan.

1.19. Distribution Fund. The amount of funds of the Debtors, consisting of profits from the sale of parcels of land owned by each of the Debtors.

1.20. Distributions. The Cash and other property to be distributed under the Plan to Holders of Allowed Claims and Interests.

1.21. Effective Date. The 30<sup>th</sup> day following entry of the Confirmation Order.

1.22. Equity Holder. For Roseland Village, the equity holders are GBS Holdings, Ltd. and Theresa Salle. For GBS Holdings, Ltd., the equity holder is George B. Sowers, Jr.

1.23. Estate. The legal entity administering the property of the Debtors immediately prior to the Effective Date.

1.24. Filed. A document filed with the Bankruptcy Court in the Reorganization Case.

1.25. Final Order. An order of the Bankruptcy Court or other court having jurisdiction over any matter from which no appeal can be taken or with respect to which the time period for taking an appeal has lapsed or terminated, or as to which all appeals have been withdrawn or dismissed with prejudice.

1.26. Finally Determined. The date on which any Claim is finally determined shall, for the purposes related to Claims or Interests to which objections have been made, be deemed to be the date on which an order allowing, disallowing, or in part allowing and in part disallowing, that Claim becomes a Final Order.

1.27. GBS. GBS Holding, Ltd. or its Chapter 11 case, as the context dictates.

1.28. Holder. The beneficial owner of any Claim or Interest.

1.29. Insider. An Insider is a person or entity as defined by Section 101(31) of the Bankruptcy Code who holds a general, non-priority claim.

1.30. Interest. The interest of any Holder of any equity security in the Debtor.

1.31. Petition Date. Either January 13, 2011, the date on which Roseland Village filed its voluntary petition for relief with the Bankruptcy Court, commencing the Reorganization Case or June 3, 2011 the date on which GBS filed its voluntary petition for relief with the Bankruptcy Court, commencing the Reorganization Case, depending on the context.

1.32. Plan. This Plan of Reorganization, either in its present form or as it may be amended from time to time.

1.33. Priority Claim. A Claim entitled to priority pursuant to § 507(a) of the Bankruptcy Code, other than an Administrative Claim.

1.34. Property. Any interest of any kind in any property or asset, whether real, personal, tangible, intangible or mixed, of the Debtors, within the meaning of § 541 of the Bankruptcy Code.

1.35. Reorganization Case. The administratively consolidated Chapter 11 cases of Roseland Village, LLC (Case No. 11-30223-KRH) and GBS Holding, Ltd. (Case No. 11-333708-DOT) pending before the Bankruptcy Court.

1.36. Roseland. The assemblage of 1,287 acres of land on Old Hundred and Otterdale Roads in Chesterfield County, Virginia which is owned by either Roseland Village or GBS.

1.37. Roseland Village. Roseland Village, LLC or its Chapter 11 case, as the context dictates.

1.38. Schedules. The Schedules of Assets and Liabilities filed by the Debtors in accordance with § 521 of the Bankruptcy Code, as such Schedules may be amended from time to time.

1.39. Schedule I. The map attached to the First Amended Disclosure Statement that depicts the various parcels of land that the Debtors own.

1.40. Secured Claim. A Claim that is subject to setoff under § 553 of the Bankruptcy Code, or is secured by a lien on property of the Debtor, to the extent of the value of the interest of the Holder of such Claim in such property as determined by the Bankruptcy Court pursuant to § 506(a) of the Bankruptcy Code, or by agreement between the Debtor and the Holder of the Secured Claim.

1.41. Selective Timbering. Timbering that is described in Section IV of the Disclosure Statement.

1.42. Unsecured Claim. A Claim that is not secured by a lien or charge on property in which the Debtor has an interest which is not an Administrative Claim or Priority Claim.

1.43. Zoning Modification Phase. The Zoning Modification Phase is described in detail in Section II(F) on pages 6 through 8 of the Disclosure Statement.

## **ARTICLE II – CLASSIFICATION OF CLAIMS AND INTERESTS**

All Claims and Interests, except Administrative Claims and Priority Claims, are placed in the Classes set forth below. In accordance with § 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Claims have not been classified and are treated as discussed below in sections 3.2 and 3.3.

A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest falls within the description of such other Classes.

A Claim is also placed in a particular Class for the purposes of receiving distributions pursuant to the Plan only to the extent that such Claim is an Allowed Claim in that Class and such Claim has not been paid, released or otherwise satisfied prior to the Effective Date.

2.1 Allowed Claims and Interests. All Allowed Claims and Interests are divided into the following Classes:

- (a) Class 1: Class 1 consists of the Franklin Federal Savings and Loan Secured Claims in the Roseland Village Case.
- (b) Class 2: Class 2 consists of the BB Hunt Secured Claims in the Roseland Village Case.
- (c) Class 3: Class 3 consists of the Chesterfield County Real Estate Tax Secured Claims in the Roseland Village Case.
- (d) Class 4: Class 4 consists of the Unsecured Claims in the Roseland Village Case, excluding the Claims of Insiders.
- (e) Class 5: Class 5 consists of the Unsecured Claims of Insiders in the Roseland Village Case.
- (f) Class 6: Class 6 consists of the Equity Holders' claims in the Roseland Village Case.
- (g) Class 7: Class 7 consists of the Essex Bank Secured Claims in the GBS Case.
- (h) Class 8: Class 8 consists of Franklin Federal Savings and Loan Secured Claims in the GBS Case.
- (i) Class 9: Class 9 consists of the Virginia Commonwealth Bank Secured Claims in the GBS Case.
- (j) Class 10: Class 10 consists of the Four K Associates Secured Claim in the GBS case.
- (k) Class 11: Class 11 consists of the Paragon Bank Secured Claims in the GBS Case.
- (l) Class 12: Class 12 consists of the Secured Claims of Mr. Walter F. Styles in the GBS Case.

- (m) Class 13: Class 13 consists of the Central Virginia Bank Secured Claims in the GBS Case.
- (n) Class 14: Class 14 consists of the Secured Claims of Mrs. Donese B. Smith in the GBS Case.
- (o) Class 15: Class 15 consists of the Ally Bank Secured Claims in the GBS Case.
- (p) Class 16: Class 16 consists of the Secured Claims of Chesterfield County, which are primarily real estate taxes that are secured by GBS' real property.
- (q) Class 17: Class 17 consists of the Unsecured Claims, excluding Insider's Claims, in the GBS Case.
- (r) Class 18: Class 18 consists of the Insiders' Unsecured Claims in the GBS Case.
- (s) Class 19: Class 19 consists of the Equity Holder's Claims in the GBS Case.
- (t) Class 20: Class 20 consists of the Unsecured Claims of creditors that have guarantees from GBS.

### **ARTICLE III – TREATMENT OF CLAIMS AND INTERESTS**

3.1 Satisfaction of Claims. The treatment of and the consideration received by Holders of Allowed Claims or Allowed Interests pursuant to Article III and Article IV of the Plan shall be in full satisfaction, release and discharge of their respective Claims against or Interest in the Debtors.

3.2 Administrative Claims.

- (a) U.S. Trustee Fees. The Debtors shall remain current on all quarterly U.S. Trustee Fees owed pursuant to 28 U.S.C. § 1930.
- (b) Professionals. Professionals employed pursuant to 11 U.S.C. § 327 will be eligible for payment only upon entry of a Court order approving their compensation (“Approved Amounts”). Approved Amounts (non-inclusive of pre-petition retainers) shall be paid from: the loan from Sycamore Investment Associates, LLLP, as described in Section 6.1 of the Plan, or any other agreement reached between the Debtor and its Professionals.



- (c) Other Administrative Claims. Any other administrative claims shall be paid in full on the Effective Date, except as otherwise agreed to by the Debtors and the Holder of an Administrative Claim.

3.3 Priority Claims. GBS and Roseland Village do not believe that they owe any creditors who are entitled to priority treatment. GBS is aware that the Internal Revenue Service filed Claim No. 9 for \$100.00 in its case, but GBS does not believe that it owes the IRS any sums at this time. To the extent that this Claim or any other Priority Claims exist, they shall be paid either (a) in full, in Cash, on the Effective Date, or (b) upon such other terms that are agreed to between the Debtor and the Holder of such Allowed Priority Claim.

#### ROSELAND VILLAGE CREDITORS

3.4 Class 1: Franklin Federal Savings and Loan: Class 1 consists of the Secured Claims of Franklin Federal Savings and Loan ("Franklin Federal") that are included in Proof of Claim No. 4. Franklin Federal has a first deed of trust on approximately 313.30 acres. The Debtor believes that it currently owes Franklin Federal over \$15,000,000.00, plus interest and fees (according to the Proof of Claim) and that the fair market value of the land that is subject to Franklin Federal's lien is \$15,300,000.00.

On the Effective Date, The Debtor will convey the collateral subject to FFSB's lien that is owned by Roseland Village, LLC to FFSB or its assignee in complete satisfaction of the obligation it owes FFSB. In the alternative, FFSB may elect by notifying the Debtor that it wishes to foreclose on its collateral. If FFSB elects to foreclose on its collateral, then FFSB shall not be entitled to any further sums from the Debtor.

3.5 Class 2: BB Hunt, LLC: Class 2 consists of the Secured Claims of BB Hunt, LLC ("Hunt"), including those specified in Proof of Claim No. 6. Hunt has a security interest in 30 acres of land owned by Roseland Village ("the Hunt land"). The Debtor believes that the value of the Hunt Land is approximately what is owed to Hunt or slightly less.

On the Effective Date, The Debtor will convey the collateral subject to Hunt's lien that is owned by Roseland Village, LLC to Hunt or its assignee in complete satisfaction of the obligation it owes Hunt. In the alternative, Hunt may elect by notifying the Debtor that it wishes to foreclose on its collateral. If Hunt elects to foreclose on its collateral, then Hunt shall not be entitled to any further sums from the Debtor.

3.6 Class 3: Secured Real Estate Taxes Owed to Chesterfield County: Class 3 consists of the Secured Claims of County of Chesterfield, which are real property taxes imposed on real estate owned by Roseland Village. *See* Proof of Claim No. 5 for \$337,303.56 filed by the County of Chesterfield on May 9, 2011. Additional real estate taxes have accrued post-petition that have not been paid. The amounts owed to Chesterfield County for real estate taxes are secured under applicable non-bankruptcy law.

The Class 3 Claimant shall receive all of the taxes owed on each parcel when that parcel is either conveyed by the Debtor to the Secured Creditor having a lien on that property or when the property subject to the real estate tax is transferred after a foreclosure sale by the secured creditor, whichever occurs first. . Until the property is sold, the Class 3 Claimant shall maintain its lien on the property as set forth in applicable non-bankruptcy law.

The Class 3 Claimant is impaired.

3.7 Class 4: Roseland Village's Unsecured Creditors, Excluding Insider Claims: Class 4 consists of all allowed Unsecured Claimants of Roseland Village, excluding the claims of Insiders. The Debtor estimates the total amount of the claims that are in this Class to be Sixty-Eight Thousand Dollars (\$68,000.00) or less.

The Class 4 claims are impaired.

The Debtor will has secured a loan from a third party as more fully described in Section 6.1 below and will use the sum of \$6,800.00 from that loan to pay a pro rata dividend to the unsecured creditors which will be approximately 10% of the total amount of claims held by the creditors in this Class. This amount will be disbursed to the creditors on or before the second anniversary of the Effective Date. The name of the disbursing agent for this account shall be George B. Sowers, Jr.

3.8 Class 5: Roseland Village's Unsecured Insider Claims: Class 5 consists of all allowed Unsecured Insider Claimants of Roseland Village. The Debtor estimates the amount owed to insiders in this Class to be approximately \$423,000.00. The Unsecured Insider claims will be extinguished on the Effective date and they shall not receive any dividend for their claims but shall retain set off rights that maybe available under applicable law.

The Class 5 claims are impaired.

3.9 Class 6: Equity Holders in Roseland Village: Class 6 consists of the holders of the equity interests in the Debtor. The two equity holders in Roseland Village are GBS Holding and Theresa Sallé.

The Class 6 Equity holders shall not receive anything and their equity shall be extinguished on the Effective Date subject to any rights they may have under applicable law.

#### GBS CREDITORS

3.10 Class 7: Essex Bank (formerly Bank of Powhatan): Class 7 consists of the Secured Claims of Essex Bank, formerly known as the Bank of Powhatan. The two claims of Essex Bank are as follows: (1) \$225,000.00, plus interest and attorney fees set forth in a Confession of Judgment in the amount of \$227,947.13 received on February 10, 2011 in Chesterfield County Circuit Court in Order Book No. 0300, Page 0927, which is set forth in Proof of Claim No. 8 (Referred to herein as "Essex Note No. 1") and (2) \$5,396,966.84, plus

interest and attorney fees based on a Confession of Judgment received on February 10, 2011 in Powhatan County Circuit Court in Instrument No. 11-103, which is set forth in Proof of Claim No. 7 (Referred to herein as "Essex Note No. 2"). In addition, the Judgment on Essex Note 1 includes a first lien on two parcels comprising 15.3 +/- acres in Chesterfield County known as 1501 Otterdale Road and 1503 Otterdale Road, Midlothian, Virginia. This property was identified in the Disclosure Statement as being subject to a deed of trust in favor of Essex Bank.

Essex Note No. 1 is secured by a Deed of Trust on 2.5 acres located at 807 Old Hundred Road, Midlothian, Virginia, owned by GBS. GBS believes that the value of the collateral is \$450,000.00. Since Essex Note No. 1 was reduced to a judgment, it is a lien on all of the real estate owned by GBS as well as the 2.5 acres pledged as collateral for the loan. Essex Bank Note No. 1 is fully secured.

Essex Note No. 2 is secured by a Deed of Trust on 114 +/- acres owned by GBS, located on Otterdale Road, Chesterfield, Virginia, as more particularly described in its Deed of Trust. GBS believes that the value of this collateral is approximately \$6,840,000.00. Since Essex Note No. 2 was reduced to a judgment, it has a judgment lien on all of the real estate owned by GBS as well as the 114 +/- acres set forth in its Deed of Trust, as modified. This loan is equal to the value of the land that secures the loan.

Essex Bank's Claims shall be treated as follows:

Essex Bank Note 1:

The Debtor shall have fifteen (15) months from the Effective Date to payoff the balance owed on Essex Bank Note 1. If The debtor fails to payoff that note, then at Essex Bank's option, it may require the Debtor to transfer its interest in that collateral to Essex Bank or its assigns in full satisfaction of the amounts owed to it on this Note, or it may elect by notifying the Debtor that it wishes to foreclose on its collateral secured by Essex Bank Note 1. If Essex Bank elects to foreclose on the collateral Secured by Essex Bank Note 1, then Essex Bank shall not be entitled to any further sums from the Debtor on account of Essex Bank Note 1

Essex Bank Note 2:

On the Effective Date, The Debtor will convey all the collateral subject to Essex Bank's Note 2 lien, that is owned by GBS to Essex Bank or its assignee in complete satisfaction of the obligation it owes Essex Bank on Essex Note 2. In the alternative, Essex Bank may elect by notifying the Debtor that it wishes to foreclose on its collateral. If Essex Bank elects to foreclose on the collateral Secured by Essex Bank Note 2, then Essex Bank shall not be entitled to any further sums from the Debtor on account of Essex Bank Note 2

Essex Bank Judgment Lien:

Essex Bank will retain its judgment lien on the approximately 15.3 +/- acres of land known as 1501 Otterdale Road and 1503 Otterdale Road, Midlothian Virginia. The judgment lien on the other property owned by the Debtor, excluding the 15.3 +/- acre parcel and the property that is secured by Essex Note No. 1, shall be released.

Selective Timbering. There will be no timbering on any land that serves as the collateral for the Essex Bank Notes or the 15.3 acres subject to the Essex Judgment.

The Claims of the Class 7 Creditor are impaired.

3.11 Class 8: Franklin Federal Savings and Loan: Class 8 consists of the Secured Claim of Franklin Federal Savings and Loan ("Franklin Federal") on property owned by GBS that is included in Proof of Claim No.4 in the principal amount of \$5,295,693.59 as of June 23, 2011. Franklin Federal has a first deed of trust on approximately 301 acres. The Debtor believes that the fair market value of the land that is subject to Franklin Federal's lien is \$9,000,000.00, based on Franklin Federal's appraisal. Accordingly, Franklin Federal is over-secured.

Franklin Federal's Class 8 Claim shall be treated as follows:

1. Franklin Federal shall be subject to the terms set forth herein in regarding the Zoning Modification Phase;
2. After final approval of the zoning modification application contemplated herein, the Debtor shall have the balance of the time remaining between the Effective date and fifteen months from the Effective Date to market and sell the property that is the subject to the Franklin Federal Deed of Trust for either the amount owed to Franklin Federal or any sum and on any terms and conditions that Franklin Federal, in its sole discretion, may agree to accept. If the Debtor fails to do so, then Franklin Federal shall have the option to either (a) foreclose on the land that serves as its collateral or (b) elect to take a Deed in Lieu of Foreclosure. If Franklin Federal elects to take a Deed in Lieu of foreclosure, then the Debtor shall tender a deed within twenty-four (24) hours of that request; and
3. Franklin Federal shall maintain its Deed of Trust lien on the property as it existed on the date the Petition was filed.

Franklin Federal also shall abide by the following obligations with respect to the land that the Debtor continues to own that is subject to its lien:

- A. Execute whatever documents that are reasonably and necessarily required by various governmental agencies in order to file, process or obtain approval to the Rezoning Plan;
- B. Execute whatever documents that are reasonably and necessarily required in order to selectively timber the parcels that serve as its collateral as outlined herein;
- C. Upon the final approval from Chesterfield County on the zoning modification request as outlined herein, release all guarantors on the obligations that are secured by real property owned by the Debtors; and

D. Execute whatever documents that are reasonably and necessarily required to dedicate easements, rights of way or other access for roads, infrastructure, utilities, etc. that cross through the real property that serves as the collateral for the loans. There will be no release fees or other payments made to this creditor in exchange for the agreements required by this paragraph.

The obligations owed to this creditor shall remain secured by the existing deed of trust, and that obligation shall continue to accrue interest from the Petition Date until the land is conveyed by sale, deed in lieu of foreclosure or foreclosure at the rate of five percent (5%) per annum. This creditor shall be entitled to reasonable costs and attorney's fees incurred related to this case and the Debtor's default. All real estate taxes paid by Franklin Federal, if any, shall be added to the balance due this creditor under the Deed of Trust Note it holds.

GBS may selectively timber the property that secures the GBS obligation to Franklin Federal in strict accordance with the Timber Management Plan developed by Timber Marketing & Management, Inc., dated October 14, 2011, as approved by Chesterfield County Virginia, Department of Environmental Engineering. The selective timbering shall be supervised by Timber Marketing & Management, Inc. and shall be done in full compliance with all applicable laws and ordinances. The proceeds from the selective timbering shall be used by the Debtor to implement the Plan.

The Claims of the Class 8 Creditor are impaired.

3.12 Class 9: Virginia Commonwealth Bank: Class 9 consists of the Secured Claim of Virginia Commonwealth Bank on property owned by GBS as set forth in Proof of Claim No. 17 filed on September 29, 2011. Virginia Commonwealth Bank has a first deed of trust on approximately 100 acres. The Debtor owes Virginia Commonwealth Bank approximately \$1,778,471.78 as of September 29, 2011. The foregoing amount includes accrued interest and fees of \$85,471.78 as of the date the Proof of Claim was filed. The Debtor believes that the fair market value of the land that is subject to Virginia Commonwealth Bank's lien is \$4,600,000.00, based on a recent appraisal that this Bank has shared with the Debtor. Accordingly, Virginia Commonwealth Bank is over-secured.

Virginia Commonwealth Bank's Class 9 Claims shall be treated as follows:

1. Virginia Commonwealth Bank shall be subject to the terms set forth herein regarding the Zoning Modification Phase;
2. After final approval of the zoning modification application contemplated herein, the Debtor shall have the balance of the time remaining between the Effective date and fifteen months from the Effective Date to market and sell the property that is the subject to the Virginia Commonwealth Bank Deed of Trust for either the amount owed to Virginia Commonwealth Bank or any sum and on any terms and conditions that Virginia Commonwealth Bank, in its sole discretion, may agree to accept. If the Debtor fails to do so, then Virginia Commonwealth Bank may foreclose on the land that serves as its collateral as permitted by applicable non-bankruptcy laws.

Virginia Commonwealth Bank also shall abide by the following obligations with respect to the land that the Debtor continues to own that is subject to its lien:

- A. Execute whatever documents that are reasonably and necessarily required by various governmental agencies in order to file, process or obtain approval to the Rezoning Plan;
- B. Execute whatever documents that are reasonably and necessarily required in order to selectively timber the parcels that serve as its collateral as outlined herein;
- C. Upon the final approval from Chesterfield County on the zoning modification request as outlined herein, release all guarantors on the obligations that are secured by real property owned by the Debtors; and
- D. Execute whatever documents that are reasonably and necessarily required to dedicate easements, rights of way or other access for roads, infrastructure, utilities, etc. that cross through the real property that serves as the collateral for the loans. There will be no release fees or other payments made to this creditor in exchange for the agreements required by this paragraph.

Except as modified herein, the obligations owed to this creditor shall remain secured by the existing deed of trust, and that obligation shall continue to accrue interest from the Petition Date until the land is conveyed by sale, deed in lieu of foreclosure or foreclosure at the rate of five percent (5%) per annum. This creditor shall be entitled to reasonable costs and attorney's fees incurred related to this case and the Debtor's default. All real estate taxes, if any, paid by Virginia Commonwealth Bank shall be added to the balance due this creditor under the Deed of Trust Note it holds.

GBS may selectively timber the property that secures any obligation to Virginia Commonwealth Bank in strict accordance with the Timber Management Plan developed by Timber Marketing & Management, Inc., dated October 14, 2011, as approved by Chesterfield County Virginia, Department of Environmental Engineering. The selective timbering shall be supervised by Timber Marketing & Management, Inc. and shall be done in full compliance with all applicable laws and ordinances. The proceeds from the selective timbering shall be used to implement the terms of the Plan.

The Claims of the Class 9 Creditor are impaired.

3.13 Class 10: Four K Associates: Four K Associates has a second deed of trust on approximately 75 acres. The Debtor owes Four K Associates \$841,456.84 as of June 3, 2011, as set forth in Proof of Claim No. 11 filed on September 16, 2011. Virginia Commonwealth Bank has a first Deed of Trust on the parcel that secures this loan. The Debtor believes that the fair market value of the land that is subject to Four K Associates lien is \$4,600,000.00, based on an appraisal done by Virginia Commonwealth Bank on the land.

Four K Associates' Class 10 Claims shall be treated as follows:

1. Four K Associates shall be subject to the terms set forth herein regarding the Zoning Modification Phase;

2. After final approval of the zoning modification application contemplated herein, the Debtor shall have the balance of the time remaining between the Effective date and fifteen months from the Effective Date days to market and sell the property that is the subject to the Four K Associates' Second Deed of Trust for either the amount owed to Virginia Commonwealth Bank and Four K Associates or any sum and on any terms and conditions that Four K Associates, in its sole discretion, may agree to accept. If the Debtor fails to do so, then Four K Associates may foreclose on its Second Deed of Trust as permitted by applicable non-bankruptcy law;

Four K Associates also shall abide by the following obligations with respect to the land that the Debtor continues to own that is subject to its lien:

A. Execute whatever documents that are reasonably and necessarily required by various governmental agencies in order to file, process or obtain approval to the Rezoning Plan;

B. Execute whatever documents that are reasonably and necessarily required in order to selectively timber the parcels that serve as its collateral as outlined herein;

C. Upon the final approval from Chesterfield County on the zoning modification request as outlined herein, release all guarantors on the obligations that are secured by real property owned by the Debtors; and

D. Execute whatever documents that are reasonably and necessarily required to dedicate easements, rights of way or other access for roads, infrastructure, utilities, etc. that cross through the real property that serves as the collateral for the loans. There will be no release fees or other payments made to this creditor in exchange for the agreements required by this paragraph.

Except as modified herein, the obligations owed to this creditor shall remain secured by the existing deed of trust, and that obligation shall continue to accrue interest from the Petition Date until the land is conveyed by sale, deed in lieu of foreclosure or foreclosure at the rate of five percent (5%) per annum. This creditor shall be entitled to reasonable costs and attorney's fees incurred related to this case and the Debtor's default. All real estate taxes, if any, paid by this creditor shall be added to the balance due this creditor under the Deed of Trust Note it holds.

GBS may selectively timber the property that secures any obligation to Four K Associates in strict accordance with the Timber Management Plan developed by Timber Marketing & Management, Inc., dated October 14, 2011, as approved by Chesterfield County Virginia, Department of Environmental Engineering. The selective timbering shall be supervised by Timber Marketing & Management, Inc. and shall be done in full compliance with all applicable laws and ordinances. The proceeds from the selective timbering shall be used to implement the terms of the Plan.

The Claims of the Class 10 Creditor are impaired.

3.14 Class 11: Paragon Bank: Class 11 consists of the Secured Claim of Paragon Bank on property owned by GBS. Paragon Bank has a first deed of trust on approximately 42 acres. The Debtor believes that it owes Paragon Bank approximately \$2,056,564.56 as of September 27, 2011 as set forth in Proof of Claim No. 13 filed by Paragon Bank. GBS believes that the fair market value of the land that is subject to Paragon Bank's first deed of trust lien is \$2,520,000.00, based on \$50.00 per acre. Accordingly, Paragon Bank is barely secured.

Paragon Bank's Class 11 Claims shall be treated as follows:

On the Effective Date, The Debtor will convey the collateral subject to Paragon Bank's lien that is owned by GBS to Paragon Bank or its assignee in complete satisfaction of the obligation it owes Paragon Bank. In the alternative, Paragon Bank may elect by notifying the Debtor that it wishes to foreclose on its collateral. If Paragon Bank elects to foreclose on its collateral, then it shall not be entitled to any further sums from the Debtor.

Selective Timbering. There will be no timbering on this property.

The Claims of the Class 11 Creditor are impaired.

3.15 Class 12: Mr. Walter F. Styles: Class 12 consists of the Purchase-Money Secured Claim of Walter F. Styles on property owned by GBS that is included in Proof of Claim No.3 in the principal amount of \$748,110.66 as of June 22, 2011. Mr. Styles has a first deed of trust on approximately 87<sup>+/-</sup> acres. The Debtor believes that the fair market value of the land that is subject to Mr. Styles' lien is \$1,364,000.00, based on Mr. Styles' Proof of Claim. Accordingly, Mr. Styles is over-secured.

Mr. Styles' Class 12 Claim shall be treated as follows:

1. Mr. Styles shall be subject to the terms set forth herein regarding the Zoning Modification Phase;
2. After final approval of the zoning modification application contemplated herein, the Debtor shall have) the balance of the time remaining between the Effective date and fifteen months from the Effective Date to market and sell the property that is subject to Mr. Styles' Deed of Trust for either the amount owed to Mr. Styles or any sum and on any terms and conditions that Mr. Styles, in his sole discretion, may agree to accept. If the Debtor fails to do so, then Mr. Styles shall foreclose on the land that serves as his collateral
3. Mr. Styles shall maintain his Deed of Trust lien on the property as it existed on the date the Petition was filed.

Mr. Styles also shall abide by the following obligations with respect to the land that the Debtor continues to own that is subject to his lien:



A. Execute whatever documents that are reasonably and necessarily required by various governmental agencies in order to file, process or obtain approval to the Rezoning Plan;

B. Execute whatever documents that are reasonably and necessarily required in order to selectively timber the parcels that serve as its collateral as outlined herein;

C. Upon the final approval from Chesterfield County on the zoning modification request as outlined herein, release all guarantors on the obligations that are secured by real property owned by the Debtors; and

D. Execute whatever documents that are reasonably and necessarily required to dedicate easements, rights of way or other access for roads, infrastructure, utilities, etc. that cross through the real property that serves as the collateral for the loans. There will be no release fees or other payments made to this creditor in exchange for the agreements required by this paragraph.

The obligations owed to this creditor shall remain secured by the existing deed of trust, and that obligation shall continue to accrue interest from the Petition Date until the land is conveyed by sale, deed in lieu of foreclosure or foreclosure at the rate of five percent (5%) per annum. This creditor shall be entitled to reasonable costs and attorney's fees incurred related to this case and the Debtor's default.

GBS may selectively timber the property that secures any obligation to Mr. Styles in strict accordance with the Timber Management Plan developed by Timber Marketing & Management, Inc., dated October 14, 2011, as approved by Chesterfield County Virginia, Department of Environmental Engineering. The selective timbering shall be supervised by Timber Marketing & Management, Inc. and shall be done in full compliance with all applicable laws and ordinances. The proceeds from the timbering shall be used towards implementing this Plan.

The Claims of the Class 12 Creditor are impaired.

3.16 Class 13: Central Virginia Bank: Class 13 consists of the Secured Claim of Central Virginia Bank ("CVB") on property owned by GBS that is included in Proof of Claim No. 2 in the principal amount of \$6,222,014.12 as of June 20, 2011. CVB has a first deed of trust on approximately 265 acres. According to its objection, CVB values its collateral at \$6,630,000. The Debtor believes that the fair market value of the land that is subject to CVB's lien is slightly above what the Debtor owes to CVB. Accordingly, CVB is over-secured now but may not maintain that position during the fifteen (15) month period that the Debtor proposes to modify the zoning and sell the property that is subject to the CVB loan. .

CVB's Class 13 Claims shall be treated as follows:

1. CVB shall be subject to the terms set forth herein regarding the Zoning Modification Phase;

2. After final approval of the zoning modification application contemplated herein, the Debtor shall have) the balance of the time remaining between the Effective date and fifteen months from the Effective Date to market and sell the property that is subject to the CVB Deed of Trust for either the amount owed to CVB or any sum and on any terms and conditions that CVB, in its sole discretion, may agree to accept. If the Debtor fails to do so, then CVB shall have the option to either (a) foreclose on the land that serves as its collateral or (b) elect to take a Deed in Lieu of Foreclosure. If CVB elects to take a Deed in Lieu of foreclosure, then the Debtor shall tender a deed within twenty-four (24) hours of that request; and

3. During the foregoing fifteen (15) month period, the Debtor shall make adequate protection payments to CVB in an amount equal to 3% per annum based on the amount owed to CVB. The payments will come from the loan described in Section 6.1 of the Plan.

4. CVB shall maintain its Deed of Trust lien on the property as it existed on the date the Petition was filed.

5. The Debtor shall not timber the CVB collateral.

CVB also shall abide by the following obligations with respect to the land that the Debtor continues to own that is subject to its lien:

A. Execute whatever documents that are reasonably and necessarily required by various governmental agencies in order to file, process or obtain approval to the Rezoning Plan;

B. Execute whatever documents that are reasonably and necessarily required in order to selectively timber the parcels that serve as its collateral as outlined herein;

C. Upon the final approval from Chesterfield County on the zoning modification request as outlined herein, release all guarantors on the obligations that are secured by real property owned by the Debtors; and

D. Execute whatever documents that are reasonably and necessarily required to dedicate easements, rights of way or other access for roads, infrastructure, utilities, etc. that cross through the real property that serves as the collateral for the loans. There will be no release fees or other payments made to this creditor in exchange for the agreements required by this paragraph.

The obligations owed to this creditor shall remain secured by the existing deed of trust, and that obligation shall continue to accrue interest from the Petition Date until the land is conveyed by sale, deed in lieu of foreclosure or foreclosure at the rate of five percent (5%) per annum. This creditor shall be entitled to reasonable costs and attorney's fees incurred related to this case and the Debtor's default. All real estate taxes paid, if any, by this creditor shall be added to the balance due this creditor under the Deed of Trust Note it holds.

The Claims of the Class 13 Creditor are impaired.

3.17 Class 14: Mrs. Donese B. Smith: Class 14 consists of the Secured Claim of Donese B. Smith ("Mrs. Smith") on 16.63 acres on Old Hundred Road, Midlothian, Virginia, that is included in Proof of Claim No.14 in the principal amount of \$400,000.00 as of September 29, 2011, plus accrued interest and fees of \$26,695.75. Mrs. Smith has a purchase-money first deed of trust duly recorded against the property. The Debtor believes that the fair market value of the land that is subject to Mrs. Smith's lien is \$1,000,000.00, based on Mrs. Smith's Proof of Claim. Accordingly, Mrs. Smith is over-secured.

Mrs. Smith's Class 14 Claim shall be treated as follows:

1. Mrs. Smith shall be subject to the terms set forth herein regarding the Zoning Modification Phase;
2. After final approval of the rezoning application contemplated herein, the Debtor shall have) the balance of the time remaining between the Effective date and fifteen months from the Effective Date days to market and sell the property that is subject to Mrs. Smith's Deed of Trust for either the amount owed to Mrs. Smith or any sum and on any terms and conditions that Mrs. Smith, in her sole discretion, may agree to accept. If the Debtor fails to do so, then Mrs. Smith shall have the option to either (a) foreclose on the land that serves as her collateral or (b) elect to take a Deed in Lieu of Foreclosure. If Mrs. Smith elects to take a Deed in Lieu of foreclosure, then the Debtor shall tender a deed within twenty-four (24) hours of that request; and
3. Mrs. Smith shall maintain her Deed of Trust lien on the property as it existed on the date the Petition was filed.

Mrs. Smith also shall abide by the following obligations with respect to the land that the Debtor continues to own that is subject to her lien:

- A. Execute whatever documents that are reasonably and necessarily required by various governmental agencies in order to file, process or obtain approval to the Rezoning Plan;
- B. Execute whatever documents that are reasonably and necessarily required in order to selectively timber the parcels that serve as its collateral as outlined herein;
- C. Upon the final approval from Chesterfield County on the zoning modification request as outlined herein, release all guarantors on the obligations that are secured by real property owned by the Debtors; and
- D. Execute whatever documents that are reasonably and necessarily required to dedicate easements, rights of way or other access for roads, infrastructure, utilities, etc. that cross through the real property that serves as the collateral for the loans. There will be no release fees or other payments made to this creditor in exchange for the agreements required by this paragraph.

The obligations owed to this creditor shall remain secured by the existing deed of trust, and that obligation shall continue to accrue interest from the Petition Date until the land is conveyed by sale, deed in lieu of foreclosure or foreclosure at the rate of five percent (5%) per annum. This creditor shall be entitled to reasonable costs and attorney's fees incurred related to this case and the Debtor's default.

GBS may selectively timber the property that secures the obligation to Mrs. Smith in strict accordance with the Timber Management Plan developed by Timber Marketing & Management, Inc., dated October 14, 2011, as approved by Chesterfield County Virginia, Department of Environmental Engineering. The selective timbering shall be supervised by Timber Marketing & Management, Inc. and shall be done in full compliance with all applicable laws and ordinances. The proceeds from the timbering shall be used to implement this Plan.

The Claims of the Class 14 Creditor are impaired.

3.18 Class 15: Ally Financial Inc., f/k/a GMAC, Inc.: Class 15 consists of the Secured Claim of Alley Financial, Inc. ("Ally") on a 2009 Chevrolet Suburban Truck owned by GBS that is included in Proof of Claim No.1. The principal amount is \$31,231.25 as of June 10, 2011. Ally has a perfected security interest on the vehicle. The monthly payments due on the loan are \$867.52. The final payment on the five (5)-year loan is due on May 15, 2014. The Debtor believes that the fair market value of the vehicle that is subject to Ally's lien is \$32,000.00. Accordingly, Ally is fully secured.

The Debtor will pay Ally \$867.52, including interest, on the outstanding principal balance as required by the loan agreement and comply with all other terms in the Loan Agreement. The Debtor believes that it is current on the payments on this loan.

The claims of Ally are unimpaired.

Ally shall be deemed fully secured and shall maintain all perfected security interests in the vehicle that serves as security for its loan.

3.19 Class 16: Secured Real Estate Taxes Owed to Chesterfield County: Class 16 consists of the Secured Claims of the County of Chesterfield, which are real property taxes imposed on real estate owned by GBS as set forth in Proof of Claim No. 5 in the amount of \$227,088.68 filed by the County of Chesterfield on June 28, 2011. There are additional real estate taxes that have accrued and are due post-petition. The amounts owed to Chesterfield County for real estate taxes are secured under applicable non-bankruptcy law.

The Class 16 Claimant shall receive all of the taxes owed on each parcel at the earlier of when the property is conveyed back to the secured creditors, when that parcel is sold by the Debtors or when the secured creditors convey title to the property under a foreclosure action. Until the property is sold, the Class 3 Claimant shall maintain its lien on the property as set forth in applicable non-bankruptcy law.

Class 16 Claims are impaired.

3.20 Class 17: GBS Holding, Ltd.'s Unsecured Creditors, Excluding Insider Claims: Class 17 consists of all allowed Unsecured Claimants of GBS, excluding the claims of Insiders. The Debtor estimates that the total amount owed to the claimants in this class is less than \$121,000.00.

The amount that the unsecured creditors in this Class will receive is dependent on whether or not the Debtor is successful during the Marketing Phase, as described herein, in selling one or more parcels for more than what is owed to the secured creditor with a lien on that parcel. If the Debtor is completely unsuccessful in selling any of the parcels for more than what is owed on each parcel, then the creditors in this Class would not receive any dividend from the sale of the Debtor's real estate holdings. Notwithstanding that fact, the Debtor will escrow the sum of \$12,100.00 from the funds it receives from the loan from Sycamore Investment Associates, LLLPC that is more fully described in section 6.1 below. This amount represents approximately 10 % of the total amount of claims held by the creditors in this Class. This amount will be disbursed to the creditors on or before the second anniversary of the Effective Date. This is the minimum amount that the creditors in this Class shall receive. If the Debtor is able to sell any parcels that it retains in this Plan for more than what is owed to the secured creditor with a lien on each parcel, then the Debtor shall make distributions on a pro rata basis to the holders of claims in this Class until such time as they are paid either all of those funds or 100% of the amount of their claim. The name of the disbursing agent for this account shall be George B. Sowers, Jr.. Any interest generated by this special account shall belong to the Debtor.

The Class 17 Claim holders are impaired.

3.21 Class 18: GBS Holding, Ltd.'s Unsecured Insider Claims: Class 18 consists of all allowed Unsecured Insider Claimants of GBS.

The Class 18 claimholders shall not receive any distribution unless the holders of all claims in Class 4 have received 100% of their allowed claims. If the creditors in Class 4 receive 100% of their allowed claims, then the holders of Class 5 claims shall be entitled to receive a pro rata distribution, not to exceed 100% of their claims, from amounts generated by the Debtor from the sale of its property above the amounts due to the secured creditors with liens on those parcels. Distribution to the holders of this class will only occur after all of the claims of Class 4 are paid in full.

The Class 18 claims are impaired.

3.22 Class 19: Equity Holders in GBS Holding, Ltd.: Class 19 consists of George B. Sowers, Jr.'s equity interests in the Debtor. He is the sole shareholder in GBS. The Class 19 Equity holders shall only receive amounts, if any, that remain after all of the land is sold or returned to the secured creditor that has a lien on the land and all Class 17 and Class 18 claimants are paid in full.

3.23 Class 20: Creditors that have Guarantees from GBS Holding, Ltd.: Class 20 consists of unsecured creditors that have a guarantee of payment from GBS in connection with

an obligation owed by an entity other than GBS. Included in the claims of this class are Claims of Citizens and Farmers Bank as set forth in their Proof of Claims No. 15 and 16, which have been transferred to Sycamore Investment Associates, LLLP. The creditors in this Class are all secured by real estate or other collateral that serves as the primary collateral for the debt that is owed to them. The Debtors believe that the value of each creditor's collateral in all cases exceeds the amount owed to that creditor. The Debtors propose that all unsecured creditors that merely have a guarantee of payment from GBS receive \$1,000.00 in cash on the Effective Date for their guarantee claims and that those guarantees are extinguished upon confirmation of the Plan. The Plan provides that all creditors of Roseland Village and/or GBS that have guarantees from the insiders, officers, members, employees and their spouses will also be enjoined from seeking payment from the guarantors during the period that the confirmed Plan of Reorganization is being consummated by the Debtors.

The Class 20 Creditors are impaired.

#### **ARTICLE IV– BAR DATE; TREATMENT OF DISPUTED CLAIMS**

4.1 Bar Dates for Claims. The deadline for filing with the Bankruptcy Court any and all Claims against Roseland Village, other than Claims arising from the rejection of any executory contract or unexpired lease pursuant to this Plan, is May 12, 2011 for all non-governmental claimants and July 12, 2011 for all governmental claimants. The deadline for filing with the Bankruptcy Court any and all Claims against GBS Holdings, other than Claims arising from the rejection of any executory contract or unexpired lease pursuant to this Plan, is September 28, 2011 for all non-governmental claimants and November 30, 2011 for all governmental claimants. Any such Claim that was not filed prior to that time is forever barred and shall be conclusively deemed discharged and disallowed for the purposes of voting on this Plan or receiving any distributions hereunder. Except as otherwise provided herein, objections to Claims shall be filed with the Bankruptcy Court within ninety (90) days after the Effective Date. Objections to Claims relating to the rejection of executory contracts or unexpired leases hereunder shall be filed by the earlier of (i) the Effective Date or (ii) within ninety (90) days after such Claims are filed and served on the Debtor and counsel to the Debtor.

4.2 Disputed Claims. Any party in interest may object to the allowance of any Claim or Interest filed with the Bankruptcy Court. Objections will be litigated to a Final Order. However, the Debtor may compromise and settle, withdraw or resolve by any other method approved by the Bankruptcy Court, any objections to a Disputed Claim or Interest, and may seek the Bankruptcy Court's estimation of any Disputed Claim pursuant to § 502(c) of the Bankruptcy Code.

4.3 Distributions with Respect to Disputed Claims and Interests. Only Allowed Claims and Interests are entitled to receive distributions under the Plan. Until a Disputed Claim or Interest becomes an Allowed Claim or Interest, no distributions otherwise available to the Holder of such Claim or Interest will be made. As soon as reasonably practicable after a Disputed Claim or Interest becomes an Allowed Claim or Interest, or on such date as the Plan shall otherwise provide, the Holder of such Allowed Claim or Interest shall receive all payments and distributions to which such Holder is then entitled under the Plan.

## **ARTICLE V – EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

5.1 Assumption or Rejection. As of the Effective Date, the Debtors shall be deemed to have assumed any and all executory contracts and unexpired leases to which either of them is a party, except those Executory Contracts that (a) have been assumed or rejected pursuant to an Order of the Bankruptcy Court, including the Confirmation Order, entered prior to the Effective Date, or (b) are the subject of a motion to assume that is pending before the Bankruptcy Court on the Effective Date.

5.2 Expired Contracts and Leases. Any contract or lease that expires pursuant to its terms prior to the Effective Date, and that has not been assumed or rejected by the Final Order prior to the Effective Date, is hereby specifically assumed.

5.3 Bar to Rejection Damages. If the rejection of an executory contract results in damages to the non-Debtor party or parties to such executory contract, a Claim for such damages, if not evidenced by a proof of claim filed on or before the Effective Date or by an order of the Bankruptcy Court determining the Allowed amount of such Claim entered on or before the Effective Date, shall be forever barred and shall not be enforceable unless a proof of claim is filed with the Bankruptcy Court and served upon the Debtors on or before thirty (30) days after the date of service of the notice of the rejection; and the date set as the last date for filing a rejection claim pursuant to an order of the Bankruptcy Court (other than the Confirmation Order) authorizing the rejection of an Executory Contract; any other Claims held by a party to a rejected contract or lease shall have been evidenced by a proof of claim filed by the Bar Date, or shall be barred and unenforceable.

5.4 Cure of Defaults Upon Acceptance. Upon the acceptance of any executory contract or lease pursuant to § 5.3 of this Plan, all defaults, including, without limitation, defaults specified in Bankruptcy Code §§ 365(b)(1) and (2), shall be deemed cured upon payment by the Debtors of the cure amount established pursuant to this Plan.

5.5 Claims Arising from Acceptance or Rejection. All Allowed Claims arising from the acceptance of an Executory Contract pursuant to section 5.3 of this Plan shall be treated as Administrative Claims; all rejection claims shall be treated as Class 3 Claims.

## **ARTICLE VI – MEANS FOR IMPLEMENTATION OF THE PLAN**

6.1 Sources of Funds; Compensation to Insiders and Plan Feasibility. The Plan envisions two distinct phases: (1) the Zoning Modification Phase and (2) The Marketing Phase as they are described more fully in the Disclosure Statement. The principals of the Debtor shall not seek, and shall not be entitled to, compensation for their efforts in implementing the Zoning Modification Phase. That phase will require expenditure of funds for filing fees, fees for permits and other governmental approvals, engineering fees for plans and diagrams that will be submitted to those governmental agencies and attorney fees for legal advice and representation at

hearings required during that phase. The source of funds for these expenses will come from the proceeds from the Selective Timbering as more fully described in the Plan and from a line of credit from Sycamore Investment Associates, LLLP in the amount of \$500,000.00, which will be a secured loan with a Second Deed of Trust on the Walter Styles Property. The loan will bear interest at 3% per annum and be due on the sale of the Walter Styles property.. The Debtors do not contemplate that there will be any out-of-pocket fees or advances necessary during the Marketing Phase, because the sales will occur through the Debtors' efforts or through the efforts of a real estate agent/broker that will be paid standard, market-rate commissions from the proceeds of each sale. Therefore, Confirmation will likely not be followed by the liquidation or further financial reorganization of the Debtors, because the Debtors will either convey back to the secured creditors, by deed in lieu of foreclosure or by allowing the secured creditors to foreclose on, all or a portion of their collateral as more fully set forth herein.

6.2 Disbursements. The Debtors shall ensure that, on the Effective Date, they shall have sufficient cash on hand to make the payments required to be made under this Plan. All payments made under this Plan shall be made directly by the Distribution Agent.

6.3 Unclaimed Distributions. The Holder of an Allowed Claim, or any other Person entitled to be paid under this Plan, who has not claimed such Person's payment within 90 days of the disbursement or attempted disbursement of such funds under this Plan, shall be deemed to have forfeited such Person's right to receive such payment pursuant to this Plan. A Person shall be deemed to have failed to claim a payment if (a) a check to such Person is returned as undeliverable without a proper forwarding address, (b) such Person's check has not been cashed, or (c) a check to such a Person could not be mailed or delivered due to the absence of a proper address to which mail or deliver such check. Any such unclaimed payments shall become property of the Debtors.

6.4 Execution and Delivery of Other Agreements, etc. In order to effect the treatment of Claims and Interests pursuant to this Plan, the Debtor and any Holder of an affected Claim or Interest may execute and deliver, or join in the execution and delivery of, any agreement, instrument or document or perform any other act necessary or appropriate for the implementation or consummation of the Plan.

6.5 Revesting of Property. Except as otherwise provided in this Plan, the Debtors, as of the Effective Date, shall be vested with substantially all of the Property free and clear of all claims, liens, encumbrances, charges and other Interests of Holders of Claims against, or Interests in, the Debtors, except for the Claims, liens and security interests of Secured Creditors and those otherwise arising pursuant to the provisions of this Plan or the documents, instruments and agreements implementing this Plan.

6.6 Post-Confirmation Payments. The Debtors shall pay the quarterly fees owing to the United States Trustee until the Debtors' Reorganization Case is closed, converted to Chapter 7 or dismissed.



## **ARTICLE VII – RETENTION OF JURISDICTION**

Notwithstanding Confirmation of this Plan or the Effective Date having occurred, the Bankruptcy Court shall retain jurisdiction to enforce the provisions, purposes and intent of this Plan, until the entry of a final decree closing this case, including, without limitation, jurisdiction with respect to the following matters:

7.1 To determine the classification, allowance or disallowance of all Claims or Interests, including, without limitation, Claims and objections relating to the rejection of executory contracts and unexpired leases pursuant to this Plan, and to hear and determine any and all objections to such Claims or Interests;

7.2 To hear and determine any and all disputes arising under this Plan;

7.3 To determine any and all applications for allowance of compensation and reimbursement of expenses for periods prior to the Effective Date;

7.4 To hear and determine any and all controversies, suits and disputes arising through the entry of a final decree;

7.5 To recover all assets and Property of the Debtors, wherever located;

7.6 To interpret, construe or enforce this Plan, the Confirmation Order or any order previously entered by the Bankruptcy Court in the Reorganization Case;

7.8 To implement the provisions of this Plan and enter any orders in aid of its implementation or in furtherance of its purposes and intent;

7.9 To correct any defect, cure any omissions or reconcile any inconsistency in this Plan or the Confirmation Order as may be necessary to carry out the purpose and intent of this Plan;

7.10 To determine such other matters as may be provided for in the Confirmation Order or as may be authorized under the provisions of the Bankruptcy Code;

7.11 To enforce all orders, judgments, injunctions and rulings entered in connection with the Reorganization Case; and

7.12 To hear and determine any and all controversies, suits and disputes arising through the entry of a final decree.

## **ARTICLE VII – EVENT OF DEFAULT**

In addition to the events of default contained in any loan document governing the Debtors after Confirmation, the occurrence of any of the following shall constitute an event of default hereunder (hereinafter “Event of Default”):

8.1 The failure of the Debtors or either of them to make any payment or distribution when due under the Plan, which failure or breach continues for twenty (20) days or more after written Notice from the party adversely affected by said failure; or

8.2 The failure of the Debtors or either of them to perform, or Debtors' breach of, any of the non-monetary terms, conditions or obligations set forth in this Plan, which failure or breach continues for thirty (30) days or more after written Notice from the party adversely affected by said failure.

## **ARTICLE IX – MISCELLANEOUS**

9.1 Transactions on Business Days. Whenever any payment or distribution to be made under this Plan shall be due on a day other than a Business Day, such payment or distribution shall be made, without interest, on the immediately following Business Day.

9.2 Officers and Directors. The officers and Directors or managing member of the Debtors following Confirmation are as follows: (a) For Roseland Village: GBS Holdings, Ltd by and through George B. Sowers, Jr. its President; and (b) for GBS Holdings, George B. Sowers, Jr its President.

9.3 Construction. The rules of construction set forth in § 102 of the Bankruptcy Code shall apply to Construction of this Plan.

9.4 Modifications. This Plan may not be altered, amended or modified except in accordance with the provisions of the Bankruptcy Code § 1127.

9.5 Revocation and Withdrawal. The Debtors reserve the right to revoke or withdraw this Plan at any time before the Confirmation Date. If the Debtors revoke or withdraw this Plan prior to the Confirmation Date, or if the Confirmation or the Effective Date does not occur, then this Plan shall be deemed null and void.

9.6 No Interest. Except as expressly stated in this Plan, or allowed by a Final Order of the Bankruptcy Court, no interest, penalty or late charge is allowed on any Claim or Interest subsequent to the Petition Date.

9.7 No Attorney's Fees. No attorney's fees shall be paid with respect to any Claim or Interest except as specified herein or as allowed by a Final Order of the Bankruptcy Court.

9.8 Amounts of Claims and Interests. All references to Claims and Interests and amounts of Claims and Interests refer to the amount of the Claim or Interest allowed by Final Order by the Bankruptcy Court or by this Plan; provided, however, that Claims and Interests which have not been Allowed prior to the day set for return of ballots may only be voted and shall only be counted at the amount as estimated by the Bankruptcy Court on or prior to the Confirmation Date. The Debtors and other interested parties reserve the right, both before and

after the Confirmation Date, to object to Claims and Interests so as to have the Bankruptcy Court determine the Allowed amount of such Claim or Interest to be paid under this Plan.

9.9 Discharge. Except as otherwise provided in this Plan or the Confirmation Order, confirmation of this Plan shall, pursuant to § 1141 of the Bankruptcy Code, constitute a complete discharge, effective as of the Effective Date, of the Debtor and its Property, of and from any and all debts, liabilities or Claims arising on or before the Confirmation Date, both prior to and from and after the commencement of the Reorganization Case, whether or not (a) a proof of claim is filed or deemed filed under Section 501 of the Bankruptcy Code, (b) such Claim is allowed under § 501 of the Bankruptcy Code, or (c) the Holder of such Claim has accepted the Plan. Except as otherwise provided herein, nothing in this Plan shall be deemed to waive, limit or restrict in any way the discharge granted pursuant to § 1141 of the Bankruptcy Code upon Confirmation of this Plan, and nothing contained herein or in the Plan shall be deemed to expand the discharge granted pursuant to § 1141 of the Bankruptcy Code upon Confirmation of this Plan.

9.10 Section 1146(c) Exemption. Pursuant to Bankruptcy Code § 1146(c), the issuance, transfer or exchange of a security, or the execution, delivery or recording of an instrument of transfer under this Plan, including but not limited to grantor's taxes on lots sold or land conveyed to others during the life of this Plan, may not be taxed under any law imposing deed stamps, a stamp tax, a recording tax, a transfer tax, an intangible tax or similar tax. In order to effectuate Bankruptcy Code § 1146(c), each recorder of deed or similar official for any county, city or governmental unit in which instruments of transfer of the Property or the Amended Loan Documents are to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instruments for recording and promptly to record such instruments or deeds without payment of any documentary stamp tax, deed stamps, stamp tax, recording tax, transfer tax, intangible tax or similar tax. Without limiting the generality of the foregoing, any deed, mortgage or instrument modifying or amending a deed or mortgage executed and delivered pursuant to this Plan and relating to the Property shall constitute a "transfer under a plan" within the purview of Bankruptcy Code § 1146(c) and, accordingly, shall not be subject to any documentary stamp tax, deed stamp tax, recording tax, transfer tax, intangible tax or similar tax.

9.11 Amendments. The authority of the Debtors and any other party in interest to agree to modifications, supplements or amendments of or to the agreements and instruments referred to herein shall be as provided in such agreements and instruments.

9.12 Headings. The headings used in this Plan are inserted for convenience only and neither constitute a portion of this Plan nor in any manner affect the provisions of the Plan.

9.13 Governing Law. Except to the extent that the Bankruptcy Code or other federal laws are applicable, the rights and obligations arising under this Plan shall be governed by, and construed under, the laws of the Commonwealth of Virginia.

9.14 Time. Bankruptcy Rule 9006 shall be used to compute any period of time prescribed or allowed by this Plan.

9.15 Severability. Should any provision of this Plan be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any or all other provisions of this Plan. To the extent that any provision of the Plan would, by its inclusion in the Plan, prevent or preclude the Bankruptcy Court from entering the Confirmation Order, the Bankruptcy Court, upon request of the Debtor, may modify or amend, or permit the Debtor to modify or amend such provision, in whole or in part, as necessary to cure any defect or remove any impediment to the Confirmation of the Plan existing by reason of such provision.

9.16 Successors and Assigns. The rights, benefits and obligations of any Person named or referred to in this Plan shall be binding upon, and shall inure to the benefit of, the successors and assigns of such Person.

9.17 Preferences and Fraudulent Conveyances. The Debtors shall retain the right to pursue any preferential transfers under § 547 of the Bankruptcy Code or any fraudulent conveyances under § 548 of the Bankruptcy Code.

9.18 Plan Controls Disclosure Statement. In the event and to the extent that any provision of the Disclosure Statement is inconsistent with or contrary to the provisions of this Plan and the annexed exhibits, the provisions of the Plan shall control and take precedence.

9.19 Injunction Against Officers and Guarantors. During the period that the Plan is being carried out, all creditors of either Roseland Village and or GBS shall be enjoined from seeking payment from any guarantor on such obligation whether that guarantor be a Debtor or a third-party that is not a Debtor in these case.

ROSELAND VILLAGE, LLC,  
and  
GBS HOLDING, LTD.

By: /s/ George B. Sowers, Jr.

/s/ Bruce E. Arkema  
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*Counsel for Roseland Village, LLC and GBS Holding, Ltd.*

**CERTIFICATE OF SERVICE**

I certify that on the 3<sup>rd</sup> day of October, 2013, a true and accurate copy of the foregoing Plan was served, via the Court's ECF system, on Robert B. Van Arsdale, Esquire (Robert.B.Van.Arsdale@usdoj.gov).

/s/ Bruce E. Arkema