

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

GREGORY & PARKER, INC., et al)	CASE NO.: 12-01382-8-SWH
Tax ID: xx-xxx0914)	CHAPTER 11
807 Halifax Street)	JOINTLY ADMINISTERED
Raleigh, NC 27604)	
)	
Debtor)	

**DEBTOR'S SECOND AMENDED PLAN OF REORGANIZATION
FOR GREGORY & PARKER, INC. AS ORALLY MODIFIED AT
CONFIRMATION HEARING**

Gregory & Parker, Inc., Chapter 11 Debtor-In-Possession, ("Debtor") proposes the following Second Amended Plan of Reorganization.

SUMMARY OF PLAN

The Debtor's Second Amended Plan of Reorganization ("Plan") proposes that all creditors receive distributions in cash on account of their allowed claims. The means of execution for the Debtor's Plan will involve payments from Debtor's disposable income and liquidation of the Debtor's assets.

The Debtor will pay the administrative costs in full on the Effective Date or upon such other mutually acceptable terms as the parties may agree.

Any and all priority taxes due and owing to the Internal Revenue Service, if any, shall be paid over a period of five (5) years from date of the Order for Relief and shall include statutory interest at the rate set by Internal Revenue Code §§ 6601 and 6621 determined in accordance with 11 U.S.C. § 511.

Any and all priority taxes due and owing to the North Carolina Department of Revenue, if any, shall be paid from sales of specific property with balance paid over a period of five (5) years from date of the Order for Relief and shall include statutory interest at the rate set by N.C.G.S. § 105-241.1 determined in accordance with 11 U.S.C. § 511.

Any and all 2011 - 2012 property taxes due and owing to the Wake and Johnston County Tax Collectors, if any, shall be paid at closing upon sales of real property or over a period of five (5) years from date of the Order for Relief, whichever first occurs, and shall include statutory interest determined in accordance with 11 U.S.C. § 511.

The Class 5 allowed, secured claim of Georgia Capital approximates \$4,006,762.74 as per its proof of claim no. 2-1 filed June 8, 2012. The principal balance as of March 5, 2013 was \$3,950,000.00. The Debtor has filed Amended Objection to claim of Georgia Capital contesting the default interest rate and, alternatively, the ability of Georgia Capital to charge interest on either of its loans post-petition, contending that Georgia Capital is undersecured in each separate Debtor entity. The Debtor proposes to

EXHIBIT A

pay Georgia Capital's principal balance on Loans 1 and 2, totaling \$3,950,000.00 plus interest in an amount to be determined by the Bankruptcy Court from sales of real property constituting its collateral within 9 months of the Effective Date.

The Debtor is proposing to pay allowed general unsecured claims as per Class 7 the net proceeds from sale of all real property of the Debtor after payment of all allowed § 506(a) secured claims; ad valorem property taxes; assessments; commercial brokers' commissions; closing costs; all priority claims; all Court approved Chapter 11 administrative professional fees and expenses; and quarterly fees.

The class of allowed, general unsecured claims does not include the Class 6 subordinated, disputed and unliquidated claims of Conan R. McClain which are the subject of pending objections to claims and adversary proceeding. The Debtor reserves the right to review and object to other scheduled, general unsecured claims within the time frame allotted per terms of the Plan.

Joseph N. Callaway, Attorney, shall be designated as Plan Trustee for the benefit of Class 6 claims (Conan R. McClain), Class 7 (general unsecured creditors), and Class 8 claims (Related Party Claims). The Plan Trustee shall make first interim distribution to Class 7 unsecured creditors on or before six months after the later of sales of all real property of the Debtor; in the related case of Gregory & Parker-Seaboard, LLC; approval and payment of all Chapter 11 administrative claims including quarterly fees; resolution and conclusion of all objections to claims and adversary proceedings; and preparation and filing of all required corporate and individual tax returns.

The Debtor's liabilities will be paid according to the priorities of the Bankruptcy Code and further Orders of the Bankruptcy Court. The specific amounts and terms of payment will be made according to the further terms of this Second Amended Plan and Confirmation Orders of the Court.

ARTICLE I DEFINITIONS

The following terms used in the Plan shall have the meaning as defined below:

1.1 "Administrative Claim" shall mean (a) the actual, necessary costs and expenses of preserving or liquidating the estate within the purview and context of this Plan; (b) any actual, necessary expense of consummating the Plan; or (c) any allowances, costs or fees of Debtor and counsel for Debtor and/or of accountants employed by the Debtor as approved by the Bankruptcy Court in accordance with the Code.

1.2 "Allowed Claim" shall mean a claim (a) which shall have been listed by the Debtor as undisputed, non-contingent and liquidated on the Schedules filed with the Court; (b) which shall have been properly filed as a Proof of Claim with the United States Bankruptcy Court prior to Confirmation, and to which Debtor does not file an objection with the United States Bankruptcy Court, or which is ultimately allowed by the Bankruptcy Court over such an objection; or (c) which arose out of the rejection of an executory contract or unexpired lease as provided for by the terms of this Plan, and which shall have been properly filed as a Proof of Claim with the United States Bankruptcy Court on or before the expiration of twenty days after the Confirmation Date, and to which Debtor does not file an objection or which is ultimately allowed by the Bankruptcy Court over any such objection. Where there is a difference between the amounts scheduled as undisputed by the Debtor in its Schedules and the amount set forth in the Proof of Claim filed by an affected creditor, the amount shown in the Proof of Claim shall govern for purposes of allowance unless objected to by the Debtor, in which case, the Claim shall be the amount allowed by the Bankruptcy

Court.

1.3 "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Eastern District of North Carolina, including the United States Bankruptcy Judge presiding in this case.

1.4 "Business Day" shall mean any day on which banks are open to carry on their ordinary commercial banking business in the State of North Carolina.

1.5 "Case" shall mean Gregory & Parker, Inc., commenced under the provisions of Chapter 11 of the United States Bankruptcy Code on February 22, 2012 in the United States Bankruptcy Court for the Eastern District of North Carolina.

1.6 "Chapter 11" shall mean Chapter 11 of the Bankruptcy Code, 11 U.S.C. § 1101 et seq.

1.7 "Claim" shall mean any right to payment, or any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to payment or right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

1.8 "Code" shall mean The Bankruptcy Reform Act of 1978, Pub. L. No. 95-5-98, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 and codified at 11 U.S.C. § 101-et seq.

1.9 "Confirmation" shall mean the entry of an Order confirming the Plan in accordance with Chapter 11.

1.10 "Creditor(s)" shall mean each and every creditor of the Debtor holding claims for debts, liabilities, demands or obligations of any character whatsoever.

1.11 "Debtor" shall mean Gregory & Parker, Inc., Case No. 12-01382-8-SWH.

1.12 "Plan Trustee" shall mean Joseph N. Callaway, Attorney, 2343 Professional Drive, Rocky Mount, North Carolina 27804.

1.13 "Effective Date" shall mean the earliest date upon which (a) the date for appeal of Confirmation has expired (14 days from entry of Confirmation Order), and (b) there is no appeal pending to the Order of Confirmation.

1.14 "General Unsecured Creditors" shall mean all Class 7 creditors of the Debtor (save and except Administrative claims; Priority claims; Related Party claims; claims purchased for voting purposes; Chapter 44A lien claims; and the disputed, unliquidated claims of Conan R. McClain) with allowed claims who hold no lien, security interest, or other encumbrance with respect to the property owned by the Debtor. General Unsecured Creditors shall also include those creditors whose collateral has been liquidated giving rise to a deficiency after the application of proceeds derived therefrom, and those claimants whose leases and/or executory contracts have either been avoided or rejected by the Debtor giving rise to a general unsecured claim. Also included are Chapter 44A claimants with liens on funds and/or real property directly or by subrogation who have elected to abandon their Chapter 44A lien claims and be paid as a Class 7 general unsecured claim.

1.15 "Petition Date" shall mean the date of filing of Debtor's petition initiating this Chapter 11 case, i.e. February 22, 2012.

1.16 "Plan" shall mean this Plan of Reorganization in its present form, or as may be amended, modified or supplemented.

1.17 "Priority Creditors" shall mean all creditors of the Debtor holding claims entitled to priority by §§ 507(a)(3), 507(a)(4), 507(a)(5), and 507(a)(6) of the Bankruptcy Code, as the same are allowed, approved, and Ordered paid by the Court.

1.18 "Related Parties" shall mean creditors of the Debtor who are affiliated with; or otherwise related to the Debtor including, but not limited to William D. Parker, Jr. and Diana L. Parker, but does not include Conan R. McClain irrespective of whether he comes within this definition.

1.19 "Schedules" shall mean the Schedules of Assets and Liabilities, Statement of Affairs, and Statement of Executory Contracts, and the amendments thereto filed by the Debtor with the Bankruptcy Court.

1.20 "Secured Creditor(s)" shall mean each and every creditor who claims a lien, security interest, or other encumbrance on property in which Debtor has an interest, provided that the Debtor acknowledges for purposes of this Plan the validity of such lien, security interest or other encumbrance by listing such creditor as a member of a secured creditor class under this Plan.

1.21 "Tax Claims" shall mean all liquidated, unsecured tax claims of governmental units against the Debtor or its property, which claims are entitled to priority under § 507(a)(8) of the Code.

ARTICLE II CLASSIFICATION OF CLAIMS

2.1 Class 1: Class 1 consists of costs and expenses of administration as defined in the Bankruptcy Code for which application for or allowance of a claim is made, as the same are allowed, approved, and ordered paid by the Court.

2.2 Class 2: All liquidated ad valorem tax claims of Wake and Johnston Counties against the Debtor or its property entitled to priority and/or lien status under § 507(a)(8) of the Code.

2.3 Class 3: All liquidated tax claims of the United States of America, Internal Revenue Service against the Debtor or its property entitled to priority under § 507(a)(8) of the Code.

2.4 Class 4: All liquidated tax claims of the State of North Carolina, Department of Revenue against the Debtor or its property entitled to priority under § 507(a)(8) of the Code.

2.5 Class 5: The allowed undersecured claims of Georgia Capital.

2.6 Class 6: The subordinated, disputed and unliquidated claims of Conan R. McClain.

2.7 Class 7: All holders of undisputed, liquidated, allowed, general unsecured claims of whatever nature and description against the Debtor as defined in Article I, § 1.14, except as otherwise classified in the Plan.

2.8 Class 8: Claims of Related Parties excluding only the member/stockholder interests.

2.9 Class 9: Interests of the stockholders in the nature of stock ownership, capital contributions to the Debtor or interests pursuant to any stockholder agreement.

ARTICLE III
TREATMENT OF CLAIMS AND CLASSES NOT IMPAIRED UNDER THE PLAN

3.1 Class 1: Costs and Expenses of Administration

(a) This class is not impaired.

(b) Class 1 Creditors shall be paid in cash and in full as and when their Claims are allowed and ordered paid by the Court, from cash accumulated by the Debtor during this proceeding or from available cash generated from the continued operation of the Debtor's business at such later time as agreed upon by all parties in this class. All pre-confirmation professional fees shall be approved by the Court.

(c) There are currently the following costs of administration claims outstanding:

(1) Richard D. Sparkman, Attorney for Debtor, fees and expenses above and beyond orders allowing first interim compensation dated August 22, 2012, as may be allowed by the Bankruptcy Court.

(2) Capital Associates Management, LLC, commissions, listings, sales and hourly rate fees and expenses to be allowed against a pre-petition retainer of \$-0- as may be allowed by the Bankruptcy Court.

(3) Adams, Martin & Associates, CPA, fees and expenses to be allowed against a pre-petition retainer of \$-0- as may be allowed by the Bankruptcy Court.

(4) K. Matthew Vaughan and William P. Janvier, Special Counsel to Debtor for fees and expenses as may be allowed by the Bankruptcy Court.

(d) All non-tax costs of administration claimants shall file their final applications for compensation within one hundred eighty (180) days of the Effective Date of the Plan, unless the court, for cause, or in its discretion, extends the deadline. Cost of administration claimants shall not be required to apply for Court approval of post-confirmation compensation, but any such compensation shall not be paid at least ten (10) days after written notice to the Bankruptcy Administrator, the Debtor, the Plan Trustee and any parties in interest requesting notice. Any such party receiving notice may file a motion seeking Court approval of compensation, in which case such compensation shall not be paid until allowed by the Court.

3.2 Class 2: Ad Valorem Tax Claims.

(a) Impairment. This class is unimpaired.

(b) Classification. Class 2 consists of claims for taxes owed by the Debtor to any city, county, or other municipality or taxing entity entitled to tax the property of the Debtor based upon the value of the property assessed. The Debtor is aware of the following claims:

Wake County Revenue Dept.	\$35,470.74 (Claim No. 6, Gregory & Parker, Inc. 2011 and 2012 ad valorem taxes, less
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credit for payments made pursuant to pre-petition garnishment and post-petition installment payments.)

Johnston County Tax Collector \$5,913.14 (Gregory & Parker, Inc. - 2011 and 2012 property taxes, 3 tracts vacant Land 223 Barber Mill Rd. - 41.56)

(c) Treatment. The Debtor shall pay this class in accordance with §§ 507(a)(8) and 1129(a)(9)(C) of the Bankruptcy Code. This class shall receive payment at closing upon sales of real property, or deferred cash payments over a period ending not later than five years from the date of the Order for Relief, whichever first occurs, of a value equal to the full amount of such secured and/or priority tax claim, with statutory interest on such claim at the rate set by state law determined as of the calendar month in which the Plan is confirmed in accordance with § 511 of the Bankruptcy Code. Monthly payments shall commence on the 10th day of the first full month following the Effective Date. Such payments will be paid directly by the Debtor.

In the event that the Debtor fails to make a monthly payment in accordance with the terms of this Plan then, subject to a ten (10) day right to cure following written notice of default from the Class 2 creditor, the Class 2 creditor shall be permitted to exercise any and all of its collection remedies under non-bankruptcy law without further Orders of the Bankruptcy Court.

During the Plan repayment period as set forth above, the Class 2 creditor's secured (if any) and priority unsecured claims shall maintain their priority status in accordance with 11 U.S.C. § 507(a)(8)(A) and § 523(a)(1)(A), and any applicable statute of limitation on collection shall be tolled.

3.3 Class 3 - Internal Revenue Service

(a) Impairment. This class is unimpaired.

(b) Classification. Class 3 consists of the secured and unsecured priority claims against the Debtor for income taxes and/or any and all other taxes levied or entitled to be levied against the Debtor by the Internal Revenue Service, plus statutory interest as allowed by law. The Debtor is aware of the following asserted claims:

Internal Revenue Service	Secured:	\$-0-
	Priority:	\$1,578.17 (Gregory & Parker, Inc. Claim 1-3)

(c) Treatment. The Debtor proposes the following treatment:

Secured and Unsecured priority tax claims described in § 507(a)(8) of the Bankruptcy Code shall be paid in monthly installments over a period not exceeding five (5) years from the Order for Relief. The Class 3 creditor shall retain its liens and secured status as to the underlying secured tax liability, if any, and shall accrue statutory interest at the rate set by Internal Revenue Code §§ 6601 and 6621, determined as of the calendar month in which the Plan is confirmed in accordance with § 511 of the Bankruptcy Code.

Regular monthly payments shall commence at the conclusion of the first full quarter

following the Effective Date and shall continue until the balance of the secured (if any) and unsecured priority Class 3 claims are satisfied. All unpaid principal and accrued interest shall be due and payable in cash on the five (5) year anniversary of the Order for Relief. Such payments will be paid directly by the Debtor.

In the event the Debtor fails to make a monthly payment in accordance with the terms of this Plan then, subject to a ten (10) day right to cure following written notice of default from the Class 3 creditor, the Class 3 creditor shall be permitted to exercise any and all of its collection remedies under non-bankruptcy law without further Orders of the Bankruptcy Court.

During the Plan repayment period as set forth above, the Class 3 creditor's secured and priority unsecured claims shall maintain their secured and priority status in accordance with 11 U.S.C. § 507(a)(8)(A) and § 523(a)(1)(A) and any applicable statute of limitation on collection shall be tolled.

3.4 Class 4 - North Carolina Department of Revenue

(a) Impairment. This class will be unimpaired.

(b) Classification. Class 4 consists of the secured and unsecured priority claims against the Debtors for income taxes and/or any and all other taxes levied or entitled to be levied against the Debtors by the North Carolina Department of Revenue, plus statutory interest as allowed by law. The Debtors are aware of the following asserted claims (There are no known N. C. Department of Revenue claims):

N. C. Department of Revenue	Secured:	\$-0-
	Priority:	\$-0-

(c) Treatment. The Debtors propose the following treatment:

Secured and unsecured priority tax claims described in § 507(a)(8) of the Bankruptcy Code shall be paid in monthly installments over a period not exceeding five (5) years from the Order for Relief. The Class 4 creditor shall accrue statutory interest at the rate set by N.C.G.S. § 105-241.1, determined as of the calendar month in which the Plan is confirmed in accordance with § 511 of the Bankruptcy Code.

Regular monthly payments shall commence at the conclusion of the first full quarter following the Effective Date and shall continue until the balance of the secured (if any) and unsecured priority Class 4 claims are satisfied. All unpaid principal and accrued interest shall be due and payable in cash on the five (5) year anniversary of the Order for Relief. Such payments will be paid directly by the Debtor.

In the event that the Debtor fails to make a monthly payment in accordance with the terms of this Plan then, subject to a ten (10) day right to cure following written notice of default from the Class 4 creditor, the Class 4 creditor shall be permitted to exercise any and all of its collection remedies under non-bankruptcy law without further Orders of the Bankruptcy Court.

During the Plan repayment period as set forth above, the Class 4 creditor's secured (if any) and priority unsecured claims shall maintain their priority status in accordance with 11 U.S.C. § 507(a)(8)(A) and § 523(a)(1)(A), and any applicable statute of limitation on collection shall be

tolled.

ARTICLE IV
TREATMENT OF CLAIMS THAT ARE IMPAIRED UNDER THE PLAN

The following Classes of Claims are impaired under the Plan:

4.1 Class 5: The Secured Claim of Georgia Capital ("GACAP").

(a) Impairment: This Class is impaired.

(b) Classification: GACAP has filed a secured claim (Claim No. 2) in the Gregory & Parker, Inc. case in the amount of \$4,006,702.42. As of June 5, 2013, the claim was approximately \$5,349,419.21. The principal obligor under the note is William D. Parker, Jr., President and owner of Gregory & Parker, Inc. and manager of Gregory & Parker-Seaboard, LLC. The note is guaranteed by Mr. Parker's wife, Diana L. Parker, and is secured with certain property of the Parkers. (The Parkers are in a related individual Chapter 11 bankruptcy proceeding.) The note is also guaranteed by Gregory & Parker, Inc. The guaranty is secured by a hypothecated deed of trust on all real property of Gregory & Parker, Inc. valued per Debtor's schedules at \$2,549,233.00. Also, per hypothecated deed of trust, GACAP is secured by a deed of trust on property of Gregory & Parker-Seaboard, LLC consisting of a 1.486 acre tract (presently a paved parking lot/potential apartment complex tract) located at 826 Semart Drive scheduled in Debtor's petition at \$3,000,000.00.

Pursuant to previous consent orders entered by the Bankruptcy Court authorizing Debtor's interim use of cash collateral, GACAP, pursuant to and consistent with 11 U.S.C. § 363(e) and § 361, was granted a post-petition replacement lien on its cash collateral with the same validity, priority, and enforceability as GACAP had against the cash collateral as of Petition Date. The replacement liens on rents and real estate were subject to and subordinate to carve out for the payment of allowed professional fees and disbursements incurred by Court approved professionals free and clear of the liens of GACAP to the extent consistent with the operating budget.

As of the filing of this Amended Plan of Reorganization, the Debtor has filed amended claim objecting to the payment of post-petition interest and post-petition default interest to Georgia Capital.

(c) Treatment: The Class 5 secured claim of GACAP approximates \$4,006,762.74 as per its Proof of Claim No. 2-1 filed June 8, 2012. The principal balance as of March 5, 2013 was \$3,950,000.00. GACAP shall retain its liens on collateral securing its claim and the allowed secured claim of GACAP shall be paid from the sale of the GACAP collateral. The secured claim of GACAP, including all interests and attorney's fees thereon, shall be paid per separate distribution orders of the Court from sale of its remaining collateral, with liens to attach to proceeds of sale, subject to escrow and provisions set forth below.

Post-petition interest, in an amount to be determined by the Court upon hearing on Debtor's objection to claim as amended, shall also constitute a lien on collateral and be transferred to proceeds of sale, but escrowed at closing pending further Court orders regarding its distribution.

In the event that the sale of GACAP's corporate collateral closes and funds are available for distribution and funds are available for distribution prior to the resolution of the pending objection to GACAP's claim, proceeds in an amount sufficient to satisfy the disputed portion of GACAP's claim shall be escrowed until final resolution of the objection.

All sales of GACAP collateral sufficient to pay its allowed claims in full shall be conducted within 9 months of the Effective Date.

In the event the Debtor fails to sell the collateral of GACAP within the time frame as set forth hereinabove; fails to make timely payment to property tax claims per the Plan; fails to pay any post-petition property taxes in a timely manner; or fails to maintain adequate insurance on GACAP's improved collateral with GACAP named as Loss Payee then the automatic stay and/or permanent injunction shall be automatically lifted and GACAP entitled to proceed with its legal remedies under state law without further orders of the Bankruptcy Court.

4.2 Class 6: The Disputed and Unliquidated Claims of Conan R. McClain

(a) Impairment: This Class is impaired.

(b) Classification: The Debtor alleges that Conan R. McClain was an insider of the Debtor and/or a "person in control" of the Debtor prior to bankruptcy and during the first few months of the Chapter 11 bankruptcy proceeding. The Debtor alleges that Mr. McClain's services were terminated for cause by the Debtor shortly after the filing of the Chapter 11 bankruptcy proceeding. Mr. McClain was scheduled as a disputed and unliquidated creditor. He has filed unsecured claim no. 3 in the amount of \$1,498,903.14 and unsecured claim 4 in the amount of \$345,350.00, both claims being for "services performed" to the jointly administered Debtor.

As of the filing of the Second Amended Plan of Reorganization, the claims of Conan R. McClain were the subject of objections to claims and related adversary proceeding in the jointly administered corporate cases and in the related individual Chapter 11 case of William Douglas Parker, Jr. and wife, Diana L. Parker. Confirmation of this Plan shall not be res judicata or otherwise have any preclusive effect as to Mr. McClain in the adversary proceedings as to the allegations made against Conan R. McClain in this Section.

(c) Treatment: As of the filing of the Second Amended Plan of Reorganization, the claims of Conan R. McClain were the subject of the filing of objections to claim and pending adversary proceeding to disallow claims in their entirety; to seek affirmative recovery of alleged fraudulent conveyances and insider preferences; and to deny claims of Mr. McClain until alleged fraudulent conveyances and preferential transfers were re-paid to the bankruptcy estate. The Debtor shall pay the holder of the Class 6 Claim only such amounts as may be allowed and approved by separate Orders of the Bankruptcy Court, if any, on a general unsecured basis. Any such allowed claim, however, shall be paid on the same deferred basis as a Class 8 Related Party claim herein as stated in Section 4.4. (Class 8 Related Party claims are subordinated to all other claims of the corporate Debtors, but are prior to equity interests in the Debtor and are to only be paid once all other claims are paid in full per terms of the confirmed Plan (other than Class 3 and Class 4 claims) as amended, or the final determination of the Class 6 claims and the Class 8 (Related Party) claims.

4.3 Class 7: General Unsecured Claims.

(a) Impairment: This Class is impaired.

(b) Classification: All holders of allowed, general unsecured claims of whatever nature and description against the Debtor, as defined in Article I, § 1.14 except as otherwise classified in Plan.

(c) Treatment: The Debtor is proposing to pay allowed, unsecured claims as per Class 7 treatment, from sale of all real property of the Debtor after payment of all allowed § 506(a) secured claims; ad valorem property taxes; assessments; closing costs; commercial real estate brokers' commissions; allowed priority claims; all Court approved Chapter 11 administrative professional fees and expense; and quarterly fees.

In order to secure payment of any dividend to which Class 7 may become entitled under the Plan, the Debtor will grant a deed of trust for the benefit of this Class on its unencumbered real property, which is three tracts of vacant land totaling 41.56 acres, located in Johnston County, North Carolina, tract numbers 163500-18-0441, 164600-82-3240 and 164600-82-4780, with said deed of trust to be subordinate to pre-confirmation and post-confirmation cost of administration claims.

Joseph N. Callaway, Attorney, shall be designated as Plan Trustee for the benefit of Class 7 allowed, general unsecured creditors, Class 6 (Conan R. McClain) claims and Class 8 claims (Related Party claims). The Plan Trustee shall make first interim distribution to Classes 7 unsecured creditors on or before six months after the later of sales of all real property of the Debtor; and the related case of Gregory & Parker-Seaboard, LLC approval and payment of all Chapter 11 administrative claims including quarterly fees; resolution and conclusion of all objections to claims and adversary proceedings; and preparation and filing of all required corporate and individual tax returns.

The Plan Trustee shall be entitled to reasonable compensation for his services billed at his normal hourly rates then in effect. These post-confirmation fees and expense shall not require Court approval, and can be disbursed from funds held in trust on a monthly basis after 10 day notice of same without objection thereto by the Bankruptcy Administrator.

4.4 Class 8: Claims of Related Parties.

(a) Impairment: This Class is impaired.

(b) Classification: This class consists of the allowed, general unsecured claims of Related Parties that are affiliated, or otherwise related to officers, stockholders, or members of the Debtor, excluding only the stockholder/member interests hereinbelow. The Class of Related Parties shall consist of those creditors that are affiliated with the Debtor; or with the officers, stockholders and/or members of the Debtor by blood or marriage having pre-petition claims against the Debtor whether in the form of unsecured notes, loans or accounts to the extent allowed by this Court. The known Related Party claims are as follows:

1. William D. Parker, Jr.

Member/Gregory & Parker-Seaboard, LLC; \$-0-
(Amount listed does not include guaranty of debt
to Regions Bank and Georgia Capital.)

(c) Treatment: The Related Parties, if any, shall be paid pro rata with the allowed Class 6 claims (Conan R. McClain) from surplus, if any, from future revenues and/or sales of

property, on such amounts as may be allowed and approved by separate Orders of the Bankruptcy Court, if any, on a general unsecured basis. Class 8 Related Party claims are subordinated to all other claims of the corporate Debtors, but are prior to equity interests in the Debtor and are to only be paid pro rata with the allowed Class 6 claims once all other claims are paid in full per terms of the confirmed Plan other than Class 3 claims and Class 4 claims, as amended. The allowed Class 8 claims, if any, as may be allowed by the Court, shall receive payment commencing the first of the month following 90 days from payment in full of all creditors (other than Class 3 claims and Class 4 claims) pursuant to terms of the confirmed Plan as amended, or the final determination of the Class 6 claims (Conan R. McClain) and the Class 8 claims.

The Plan Trustee and Conan R. McClain shall have the right to object to allowance of the Class 8 claims, such objections to be filed within 60 days after the Effective Date.

Any distributions to William D. Parker, Jr. shall be administered pursuant to Court orders to be entered in Case No. 12-03128-8-SWH.

In accordance with Section 5.1 herein, the Plan Trustee shall have powers to investigate and file adversary proceedings against William D. Parker, Jr. and/or Diana Parker and/or any of their mediate or immediate transferees pursuant to Chapter 5 of the Bankruptcy Code and to assert 11 U.S.C. § 502(d) to bar any distributions to any of them under this Plan.

4.5 Class 9: Interest of Stockholders.

(a) Impairment: This Class is impaired.

(b) Classification: The claims of this class shall consist of the interests of the Stockholders whether in the nature of stock ownership, capital contributions or interests pursuant to any stockholder agreement, to the extent allowed by this Court.

(c) Treatment: This is a liquidating Chapter 11 bankruptcy proceeding for Debtor. No payment will be made to this Class. Upon entry of Final Decree, the stockholder will retain its present interest in the Debtor entity as necessary to conduct sales of the Debtor's property. If (i) the Debtor has satisfied the DPO with Regions Bank and (ii) the Debtor has liquidated all of its assets and paid all of its creditors in accordance with the Amended Plan, then the stock shall re-vest in the Stockholders. Prior to such time, the rights of the equity owners shall be subject to the powers of the Plan Trustee set out in Section 5.1 of the Plan, which may be administered independently of any control of the Stockholders. The present ownership is as follows: William D. Parker, Jr., President and 100% stockholder of Gregory & Parker, Inc.

ARTICLE V **MEANS FOR EXECUTION OF THE PLAN**

5.1 Joseph N. Callaway, Attorney, shall be designated as Plan Trustee for the benefit of Class 6 (Conan R. McClain); Class 7 (general unsecured creditors); and Class 8 (Related Party) claims.. The Plan Trustee shall further have the power, but not the exclusive power, to investigate and object to the claims asserted by Related Parties, and to bring actions under Chapter 5 against the Related Parties and their mediate and immediate transferees, and to raise 11 U.S.C. § 502(d) issues regarding distributions to Related Parties. The Plan Trustee shall make distributions to creditors as described in the Plan. Notwithstanding substantial consummation of the Plan, the Plan Trustee shall have the right to petition the Court for extensions of time regarding Plan deadlines, and to seek guidance and additional powers in addition to those set out in the Plan, consistent with his role under the Plan. The Plan Trustee shall be entitled to reasonable compensation for his services billed at his normal hourly rates then in effect. These post-confirmation fees and expense shall not require Court approval and can be disbursed from funds held in trust on a monthly basis after 10 day notice of same

without objection thereto by the Bankruptcy Administrator.

A. Creation of the Plan Trustee. Upon closing of the sale of Debtors' real property to Peace University or November 1, 2013, whichever first occurs, certain powers and duties that would otherwise belong to the Reorganized Debtors will belong to and be carried out by the Plan Trustee. The Plan Trustee shall be Joseph N. Callaway.

B. Plan Trustee's Bond. The Plan Trustee shall be required to obtain a bond within 30 days of appointment. This bond shall be in an amount similar to what would be required by a trustee in a chapter 11 case. All costs associated with obtaining such bond shall be paid by the Estate.

C. Duties of the Plan Trustee. From and after the Effective Date, the Plan Trustee shall serve under this Plan and shall discharge all of the rights, powers and duties set forth in this Plan, including all pending claims objections, except (1) the prosecution of Conan R. McClain pending adversary proceedings and objections to claims, and (2) pending objection to claim by Debtor's to default interest and all post-petition interest of GACAP. In the event of the death, resignation, incapacity, disqualification, or misconduct of the Plan Trustee, the Bankruptcy Court may appoint a successor Plan Trustee. The Plan Trustee, acting on behalf of the Debtors, shall have the following rights, powers and duties: (i) to employ and compensate the professionals currently employed by the Debtors or such other professionals as the Plan Trustee may select to carry out its duties under this Plan; (ii) to review, investigate and (if appropriate) object to or seek equitable subordination of Claims against the Estate; (iii) to investigate, prosecute and/or settle (as provided in this Plan) all Bankruptcy Causes of Action; (iv) to voluntarily engage in arbitration or mediation with respect to any Bankruptcy Cause of Action; (v) to calculate and make all distributions to be made pursuant to this Plan from the Unencumbered Property Escrow; (vi) to seek estimation of contingent or unliquidated Claims under Section 502(c) of the Bankruptcy Code; (vii) to review, investigate and (if appropriate) object to the claim(s) of any creditor; (viii) to liquidate remaining corporate, real and personal property to the extent necessary to pay creditors, and (ix) to take all other actions in furtherance of the implementation of this Plan. The Plan Trustee shall not be disqualified from hiring any professional because such professional previously represented the Debtors or any creditor of the Debtors, if in the business judgment of the Plan Trustee, such prior representation will not cause an actual conflict of interest in the representation to be undertaken.

D. Compensation of Plan Trustee. The Plan Trustee shall be compensated from available funds in the Administrative Claim Escrow or other funds in the Estate in accordance with his regular hourly rate. Any professional persons retained by the Plan Trustee shall be entitled to reasonable compensation for services rendered and reimbursement of expenses incurred from these same sources. The payment of fees and expenses of the Plan Trustee and any professional retained by the Plan Trustee shall be made in the ordinary course of business and shall not be subject to the prior approval of the Bankruptcy Court; provided, however, that the Plan Trustee and each professional retained by the Plan Trustee shall comply with the procedures set forth for the Chapter 11 Professionals following the Effective Date in order to receive compensation for services rendered and reimbursement of expenses incurred after the Confirmation Date. The Plan Trustee shall be entitled to compensation for all work performed prior to the Effective Date in preparation of undertaking his role as Plan Trustee.

E. Authority to Object to, Equitably Subordinate, and Settle Claims. From and after the Effective Date, the Plan Trustee shall be authorized (i) to object to any Claims filed against the Estate, (ii) to seek equitable subordination of the whole or any part of a Claim under Section 510 (c)(i) of the Bankruptcy Code or other applicable law, and (iii) pursuant to Bankruptcy Rule 9019(b) and Section 105(a) of the Bankruptcy Code, to compromise and settle Disputed Claims, upon written

notice of the terms of the settlement to the Bankruptcy Administrator and counsel for the Debtors, and if such parties indicate their approval or do not provide the Plan Trustee with an objection to the proposed settlement within ten (10) days after they receive notice of such settlement in writing, then the Plan Trustee shall be authorized to accept and consummate the settlement and record a Claim in the settled amount. If the Bankruptcy Administrator or counsel for the Debtors objects to the proposed settlement not later than ten (10) days after they receive notice of such settlement in writing, then the settlement may not be consummated without approval of the Bankruptcy Court pursuant to Bankruptcy Rule 9019.

F. Authority to Settle Causes of Action. From and after the Effective Date, the Plan Trustee shall be authorized pursuant to Bankruptcy Rule 9019(b) and Section 105(a) of the Bankruptcy Code to compromise and settle any Bankruptcy Cause of Action, except as set forth in paragraph C hereinabove, upon written notice of the terms of the settlement to the Bankruptcy Administrator and counsel for the Debtors. If such parties indicate their approval or do not provide the Plan Trustee with an objection to the proposed settlement within ten (10) days after they receive notice of such settlement in writing, then the Plan Trustee shall be authorized to accept and consummate the settlement. If the Bankruptcy Administrator or counsel for the Debtors objects to the proposed settlement not later than ten (10) days after they receive notice of such settlement in writing, then the settlement may not be consummated without approval of the Bankruptcy Court pursuant to Bankruptcy Rule 9019.

G. Liability of the Plan Trustee. Neither the Plan Trustee, nor any of his employees, attorneys, accountants, consultants, agents, or representatives, who are acting on behalf of, overseeing, or monitoring any activities of the Debtors shall have or incur any liability to any person for any post-petition act or omission in connection with or arising out of the administration of this Plan or the property to be distributed under this Plan, except if such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct; provided however, that nothing contained herein shall relieve the Debtors, or the Plan Trustee as provided for in the Plan, from its duties and responsibilities to make the payments required under this Plan. Notwithstanding anything stated in the Plan to the contrary, the Plan Trustee shall not have any liability for unpaid taxes incurred by the Estate.

H. Responsibility for Post-Confirmation Obligations. Following the Effective Date of the Plan, the Estate shall have no liability for any obligations of the Debtors that were not incurred prior to the Effective Date of the Plan, except for those obligations incurred by the Plan Trustee on behalf of the Estate. Any obligations of the Debtors incurred after the Effective Date that are incurred without the knowledge or consent of the Plan Trustee shall not be obligations of the Estate, and the Estate shall have no liability for or obligation to make distributions for such liabilities, and the Debtors, in their individual capacities, shall have sole responsibility for such obligations. In order to maintain separate records, the Plan Trustee may seek to conduct the activities of the Estate under a separate EIN number.

I. Authority of Parties. Except as set forth in paragraph C hereinabove, the Plan Trustee shall have exclusive authority to engage in all Bankruptcy Causes of Action, obligations to claims, and other duties described above in which the Debtors would otherwise be authorized to engage. The authority of the Plan Trustee to undertake these duties shall not impair or otherwise effect the right of any other creditor to object to claims or bring adversary proceedings for which such party otherwise has standing.

J. Administrative Claims Escrow. Such sums as are needed to pay outstanding administrative claims shall be deposited and escrowed by the Plan Trustee. Disbursements may be made at any time

from this account to satisfy administrative claims that have been approved by the Court, or occur after the Effective Date in accordance with the terms of the Plan. No disbursements to unsecured creditors shall be made until all court approved administrative claims have been paid. Upon completion of his duties under the Plan, the Plan Trustee shall distribute any remaining funds in the administrative claims escrow in accordance with terms of the Plan.

K. Distributions from the Unencumbered Property Escrow. All funds available for distribution under this Plan, excluding amounts to be paid to secured creditors from the sale of their collateral and priority creditors which shall receive distributions in accordance with the treatment set forth for such claims, shall be deposited into the Unencumbered Property Escrow, and shall be held for distribution pursuant to the terms of the Plan. The Plan Trustee shall be responsible for making distributions from the Unencumbered Property Escrow. The Plan Trustee shall make distributions to creditors in accordance with the priorities of the Code when all of the following conditions precedent have been met: (i) all deadlines for the filing of deficiency claims have passed; (ii) all objections to claims have been resolved by a Final Order; (iii) the Administrative Claims Escrow has been funded; and (iv) the Plan Trustee, in his sole discretion, believes there are sufficient funds available in the Unencumbered Funds to feasibly make distributions to creditors under this Plan; provided however, that the Plan Trustee shall make at least one distribution to creditors each year unless the balance of the Unencumbered Property Escrow is less than \$50,000.00. Notwithstanding the forgoing, the Plan Trustee shall be authorized to disburse funds from the Unencumbered Property Account at any time as is necessary to fund the Administrative Claim Escrow Account. The Plan Trustee shall use his best efforts when making distributions to marshal the assets in an effort to repay the greatest amount to all classes of creditors consistent with the priorities of liens and the terms of the Plan.

L. Procedure for the Payment of Post-Confirmation Professional Fees and Expenses. Services rendered by the Chapter 11 Professionals and Plan Trustee after the Effective Date of the Plan shall not be subject to the fee application process. Instead, the Chapter 11 Professionals and Plan Trustee shall submit invoices not more frequently than every thirty (30) days to the Plan Trustee for payment, with copies to the Bankruptcy Administrator. In the event there is an objection to the payment of such fees and expenses within ten (10) days of submission of such invoice, such amounts may be paid from the Administrative Claims Escrow. In the event of an objection, the objecting party shall inform the requesting party of its objection in writing and the requesting party shall file its invoice in response to the objection with the Court, along with any additional responsive documents or pleadings, and the Court shall hold a hearing thereon.

M. Penalties, Late Charges and Attorney's Fees. Except as expressly stated in the Plan treatment for such creditor, or allowed by a Final Order of the Bankruptcy Court, no interest, penalty, or late charge shall be allowed on any claim subsequent to the Petition Date. All payments, distributions, or transfer to be made under the Plan, except as expressly provided by the Plan treatment for such creditor or the Court, shall be made without interest.

N. Unclaimed Property. If any distribution remains unclaimed for a period of 90 days after it has been delivered, or attempted to be delivered, such unclaimed property shall be forfeited by such holder of the claim and the Plan Trustee shall not attempt to make any further distribution of such holder of the claim. Undistributed property shall be returned to the Plan Trustee for distribution in accordance with the Plan.

O. Accounts Receivable. The Plan Trustee shall have sole authority to determine whether to pursue the collection of all outstanding accounts receivable that have not been otherwise collected prior to the Effective Date. Alternatively, the Plan Trustee may elect to offset any outstanding

accounts receivable that remain uncollected against any secured or unsecured claims prior to making any distributions to such creditors under the Plan. In the event a creditor objects to the amount of the offset, the Plan Trustee shall have the sole and exclusive authority to respond and act on behalf of the Debtors as to such matter. Notwithstanding the foregoing, any liens on such accounts receivable shall remain.

P. De Minimis Distributions. No distribution of less than twenty-five dollars (\$25.00) shall be required to be made to any holder of an allowed unsecured claim. Instead, the Plan Trustee shall have the option of retaining such funds to be distributed at the time of the final distribution in accordance with the Plan.

Q. Preservation of Avoided Transactions for the Benefit of the Estate. All transactions avoided or otherwise set aside pursuant to Sections 544, 547, 548, and/or 549, if any, shall be preserved for the benefit of the Estate pursuant to Section 551 and applicable case law. Funds received from such transactions shall be distributed to creditors according to the priorities of the Code. In the case of any lien that has been avoided which encumbered certain properties of the Debtors and has since been avoided, the lien shall remain on the public record and shall remain an encumbrance upon the real property. However, all distributions made towards such deed of trust shall be distributed not to the named beneficiary of such deed of trust, but shall instead be paid to the Plan Trustee for distribution to creditors. Proceeds recovered from such transactions shall be deposited into the Unencumbered Property Escrow. Confirmation of this Plan shall constitute a finding that the Debtors, the Estate, and the Plan Trustee do not waive, release, or discharge, but rather retain and reserve any and all pre-petition claims and any and all post-petition claims that it could or might assert against any party or entity arising under or otherwise related to any state or federal statute, state or federal common law, and any and all violations arising out of rights or claims provided for by Title 11 of the United States Code, by the Federal Rules of Bankruptcy Procedure, or by the Local Rules of this Court, including all rights to assert and pursue any and all avoidance actions, preference actions, and any other actions pursuant to 11 U.S.C. §§545, 546, 547, 548, and 550, except to the extent such avoidance actions, preference actions, or other actions were assigned to a creditor(s) as part of the Plan. Further, the Debtors, the Estate, and the Plan Trustee retain all rights to assert and pursue all claims under 11 U.S.C. §542, including without limitation actions to seek turnover of estate assets, actions to recover accounts receivable, and/or actions to invalidate setoffs.

R. Timing of Distributions. Any distribution required to be made hereunder on a day other than a business day shall be made on the next succeeding business day.

S. All payments or distributions made pursuant to this Plan shall be applied as indicated in the respective treatment for each creditor, or if no such application of payments is specified, then payments shall be applied first to outstanding interest and then to principal.

T. All fee applications for services rendered through the Effective Date will be filed with the Court within 60 days after the Effective Date. All objections to claims shall be filed within 180 days of the Effective Date. The Plan Trustee shall have 30 days from the deadline(s) established above to object to any deficiency claims. The Plan Trustee may move to extend any of these deadlines for good cause shown.

U. The Plan Trustee shall have 120 days from the Effective Date to file any adversary proceedings. The Plan Trustee may move to extend this deadline for good cause shown.

V. Claims Paid by Third Parties. To the extent a claim holder receives payment in full or in part on account of such claim from a party that is not the Debtors and/or the Plan Trustee, such

creditor shall, within two (2) weeks therefrom, inform the Plan Trustee of such payment, and such creditor's claim shall be reduced accordingly for purposes of distribution under the Plan.

W. Procedure Upon Conversion to Chapter 7. If at any time following confirmation of the Plan, this case is converted to one under Chapter 7 of the Code, all property of the estate remaining as of the date of conversion shall vest in the Chapter 7 estate. In the event of a conversion, the Plan Trustee shall not be disqualified from serving as the Chapter 7 trustee solely because of his tenure as Plan Trustee under this Plan.

Upon closing of the sale of the real property owned by the Debtor, all funds including balances in DIP accounts, and net closing proceeds, shall be delivered to and administered by the Plan Trustee, and all employees of the Debtor shall be discharged.

5.2 Post-confirmation, the Debtor shall not be required to obtain Court permission or approval for payment of professional fees except as otherwise set forth herein, nor shall it be required to continue to file monthly reports with the United States Bankruptcy Court. The Debtor shall furnish such periodic reports and pay quarterly fees as may be required from time to time either by the United States Bankruptcy Court, Bankruptcy Administrator, or interested parties of record, including reports to Regions Bank required by the Debtor's Settlement Agreement.

5.3 Exemption from Transfer Taxes. Pursuant to § 1146(a) of the Bankruptcy Code, issuance, transfer, or exchange of notes or equity securities under the Plan, the creation of any mortgage, or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any instrument of transfer under, in furtherance of, or in connection with the Plan, including without limitation, deeds, or bills of sale or assignments of personal property executed in connection with any of the transactions contemplated under the Plan, will not be subject to any stamp, real estate transfer, mortgage recording, sales, use, or other similar tax. Each of the relevant state or local governmental officials or agents will forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment consistent with the applicable provisions of the Plan.

ARTICLE VI MODIFICATION OF CLAIMS AND CANCELLATION UPON PAYMENT

The claims stated herein, by modification, Court Order, or other legally appropriate manner, might be modified throughout the course of payment under this Plan. The Debtor, upon full payment as called for under the notes and deeds of trust, if any, shall be entitled to have the notes marked paid and satisfied and the deeds of trust canceled as a matter of record, by the Trustee, or by appropriate application to this Bankruptcy Court, and upon a showing that the full amount of the monthly payments were made by the Debtor.

ARTICLE VII PROVISIONS GOVERNING DISTRIBUTIONS

A. Delivery of Distributions in General. Distributions to holders of allowed claims shall be made: (i) at the addresses set forth in the proofs of claim filed by such holders; (ii) at the addresses set forth in any written notices of address change submitted to the Court or Attorney for the Debtor after the date on which any related proof of claim was filed; or, if the information described in clauses (i) or (ii) is not available, (iii) at the addresses reflected in the Debtor's schedules of liabilities.

B. Distribution Dates. It is the intent of this Plan that the distribution shall occur as early as practicable following the Effective Date, unless otherwise stated herein. There shall be no pre-payment penalty.

C. Vesting of Property in Debtor Upon Substantial Consummation. The property of the estate shall not vest in the Debtor upon substantial consummation of the Plan and shall revert in the bankruptcy estate in the event that the case is converted to a case under Chapter 7. Substantial consummation shall be defined by the Bankruptcy Code; however, 11 U.S.C. 1101(2)(a) shall be deemed not satisfied until all real property of the Debtor's estate has been liquidated.

ARTICLE VIII CAUSES OF ACTION

Except as waived and released in the Debtor's Settlement Agreement with Regions Bank, and except to the extent that powers are granted to the Plan Trustee hereunder, the Debtor may pursue any causes of action arising under §§ 544, 545, 547, 548, 549, 550, or 553(b) of the Bankruptcy Code, or under any similar provisions of applicable state or federal law to recover money owed, damages, and/or any preferences or fraudulent conveyances from any person. Funds recovered as a result of such actions shall be applied first in reimbursement of attorneys' fees and other costs of such actions. The remainder shall be the property of the Debtor subject to administration in accordance with the terms of the Plan.

All adversary proceedings to recover preferences and fraudulent conveyances or to otherwise implement the terms of this Plan and all objection to claims, if any, shall be filed within one hundred twenty (120) days of the Effective Date of this Plan.

Non-core causes of action in which the Debtor is plaintiff in state and/or federal court may continue to be pursued by Debtor at its sole option.

ARTICLE IX CONFIRMATION AS WAIVER AND RELEASE OF DEBTOR

Confirmation shall constitute waiver and release of the right to pursue litigation and causes of actions against the Debtor, which releases and waivers are supported by the requirements of this Plan and covenants contained herein.

ARTICLE X ASSUMPTION OF UNEXPIRED LEASES AND EXECUTORY CONTRACTS

Except as specified hereinbelow, all unexpired leases and executory contracts which exist between the Debtor and any individual or entity, whether such unexpired lease and executory contract be in writing or oral, which have not heretofore been rejected or heretofore been approved by Orders of the Court, are hereby specifically rejected; provided, however, that this provision is not intended to reject any unexpired leases and/or executory contracts in which the Debtor is landlord and which leases will be assumed and then assigned to buyers of said commercial real property pursuant to court approved sales; and further provided that this provision does not reject the previously assumed lease obligations, if any, of the Debtor with Triangle Transit Authority pursuant to previous orders of the Bankruptcy Court; and provided further however, that this provision in no way affects the previously assumed and assigned cell tower lease with SBA Services in conjunction with the court's previous order authorizing sale of the property of Gregory & Parker, Inc. at 518 S. West Street, Raleigh, N. C. to Clancy & Theys.

ARTICLE XI
DEFAULT OF DEBTOR

Should the Debtor default in the terms of this Chapter 11 proceeding prior to substantial consummation (which default includes but is not limited to failure to meet any deadlines set forth in this Plan and in the Settlement Agreement with Regions Bank, which is fully incorporated herein by reference and is attached as Exhibit A), then the Court, upon Motion of any party in interest, shall set the proceeding up for Show Cause Hearing as to why the Debtor should not be converted to a straight bankruptcy proceeding under Chapter 7 of the Bankruptcy Code, and for such other sanctions as the Court may deem necessary. In addition, the Debtor has agreed to other consequences of default as set forth in its Settlement Agreement with Regions Bank. These remedies upon default include consensual conversion by the Debtor to a Chapter 7 case or appointment of a Chapter 11 Trustee (with the choice of Chapter being at the Court's discretion), with the Trustee in any such case being authorized and directed to proceed with prompt liquidation of the Debtor's assets. With respect to the Seaboard Station shopping center owned by the Debtor's affiliate, Gregory & Parker-Seaboard, LLC ("Seaboard"), the Debtor and Seaboard have agreed that upon default by either Debtor, they shall jointly request that the Court appoint such property manager for Seaboard Station as Regions Bank shall then designate in its sole discretion (subject to court approval) as the property manager for Seaboard Station pending sale by the Trustee, with such property manager replacing current management of the Debtor so that no insiders or affiliates of the Debtors remain in control of Seaboard Station operations if not yet sold. Creditors' remedies upon default after substantial consummation may also be in state court according to the terms of their claims as amended or modified by this Plan.

In the event of default, the Court may appoint the Plan Trustee as a Chapter 11 or Chapter 7 Trustee.

ARTICLE XII
ACCEPTANCE OR REJECTION OF PLAN;
EFFECT OF REJECTION BY AN IMPAIRED CLASS

A. Each Impaired Class Entitled to Vote Separately. Each impaired class of claims shall be entitled to have the holders of claims therein vote separately as a class to accept or reject the Plan.

B. Acceptance by a Class of Creditors. Consistent with § 1126(c) of the Bankruptcy Code, and except as provided in § 1126(e) of the Bankruptcy Code, a class of claims shall have accepted the Plan if the Plan is accepted by holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the allowed claims of that class that have timely and properly voted to accept or reject the Plan.

C. Claimants Entitled to Vote. Holders of impaired claims shall be entitled to vote if:

- (1) Such claim has been filed against the Debtor in a liquidated amount or has been listed on the Debtor's schedules other than as contingent, unliquidated or disputed, and as to which no proof of claim has been filed. The claim shall be allowed solely for the purpose of voting on the Plan in the amount in which such claim has been filed or listed on the Debtor's schedules;
- (2) Such claim has been filed against the Debtor or listed on the Debtor's schedules and is the subject of an existing objection filed by the Debtor, and is temporarily allowed for voting purposes by order of the Court in accordance with Bankruptcy Rule 3018

or by agreement of the Debtor and a particular creditor, as is the case with the claim of Regions Bank;

- (3) Such claim has been filed in an undetermined amount, in which case the creditor shall not be entitled to vote unless the Debtor and the holder of the claim agree on an amount for voting purposes or the Court enters an order setting the amount of the claim that the creditor may ballot.
- (4) Any entity holding two or more duplicate claims shall be entitled to vote only one claim.

D. Confirmation Hearing. The Court will set a hearing on the confirmation of the Plan to determine whether the Plan has been accepted by the requisite number of creditors and whether the other requirements for confirmation of the Plan have been satisfied.

E. Acceptances Necessary to Confirm the Plan. At the hearing of confirmation of the Plan, the Court shall determine, among other things, whether the Plan has been accepted by each impaired class. Under § 1126 of the Bankruptcy Code, an impaired class of creditors is deemed to accept the Plan if at least two-thirds (2/3) in amount and more than one-half (1/2) in number vote to accept the Plan. Further, unless there is unanimous acceptance of the Plan by an impaired class, the Court must also determine that class members will receive property with a value, as of the Effective Date of the Plan, that is not less than the amount that such class member would receive or retain if the Debtor was liquidated as of the Effective Date of the Plan under Chapter 7 of the Bankruptcy Code.

F. Confirmation of Plan Without Necessary Acceptances. The Bankruptcy Code provides that the Plan may be confirmed even if it is not accepted by all impaired classes. In order to be confirmed without the requisite number of acceptances of each impaired class, the Court must find that at least one impaired class has accepted the Plan without regard to the acceptances of insiders, and the Plan does not discriminate unfairly against, and is otherwise fair and equitable, to such impaired class. In the event that any class votes against the Plan, the Debtor hereby requests and moves the Court under the provisions of this Plan outlined in § IX hereinbelow, for confirmation pursuant to the "cramdown" provisions of § 1129(b) of the Bankruptcy Code. In connection therewith, the Debtor shall be allowed to modify the proposed treatment of the allowed claims in any class that votes against the Plan consistent with § 1129(b)(2)(A).

ARTICLE XIII "CRAMDOWN" FOR IMPAIRED CREDITORS NOT ACCEPTING THE PLAN

In respect to any class of creditors impaired but not accepting the Plan by the requisite majority in number or two-thirds in amount, the proponent of this Plan requests the Court to find that the Plan does not discriminate unfairly and is fair and equitable in respect to each class of claims or interests that are impaired under the Plan and that the Court confirm the Plan without such acceptances by the said impaired classes. The Debtor will also request that the Court establish a value for any assets, the value of which is in dispute between the Debtor and any secured creditor, at a valuation hearing under § 506 of the Bankruptcy Code, to be scheduled at the same time as the hearing on confirmation of the Plan.

ARTICLE XIV
RETENTION OF JURISDICTION

The Bankruptcy Court shall retain jurisdiction of these proceedings pursuant to and for the purposes of §§ 105(a) and 1127 of the Code and for, without limitation, the following purposes, inter alia:

1. to determine any and all objections to the allowance of claims and/or interests;
2. to determine any and all applications for allowance of compensation for periods prior to or after the Confirmation Date;
3. to determine any and all applications pending on the Confirmation Date for the rejection and disaffirmance or assumption or assignment of executory contracts and the allowance of any claim resulting therefrom;
4. to determine all controversies and disputes arising under or in connection with the Plan, including matters regarding extensions of time sought by the Plan Trustee, powers of the Plan Trustee and other matters concerning the rights, powers, authority and liability of the Plan Trustee;
5. to determine all applications, adversary proceedings and litigated matters pending on the Confirmation Date;
6. to effectuate payments under, and performance of, the provisions of the Plan, including, but not limited to, future sales of personal and real property retained by the Estate;
7. to determine such other matters and for such other purposes as may be provided for in the confirmation order;
8. to determine all disputes regarding property of the estate;
9. to establish and adjust procedures for the orderly administration of the estate;
10. to determine matters that are subject to proceedings duly removed to the Bankruptcy Court;
11. to replace the Debtor-in-Possession with a Trustee for good cause shown; and
12. to reopen this proceeding for purposes of granting a discharge in accordance with the provisions of 11 U.S.C. § 1141(d)(5).

ARTICLE XV
MISCELLANEOUS PROVISIONS

Survival of Terms. The covenants, representations and agreements made in this Plan shall survive the Confirmation Date and the transactions contemplated herein.

Entire Agreement. This Plan constitutes the entire and only agreement among the Debtor and its Creditors and claimants, and such supersedes all negotiations and any other commitments, understandings, agreements or proposals, whether oral or otherwise, except for the Debtor's

Settlement Agreement with Regions Bank, which is fully incorporated herein by reference and is attached as Exhibit A.

Controlling Law. This Plan shall be read and construed and take effect in all respects in accordance with the law as set forth in the Bankruptcy Code and Rules promulgated thereunder and shall be governed by North Carolina law where it is necessary to consult state law.

Construction of Terms. Whenever the context so requires, the masculine gender is deemed to include the feminine and neuter gender, and the singular is deemed to include the plural, and vice versa. In most cases, words with the initial letter capitalized are defined terms, and therefore will have the meanings so defined in the Plan.

Headings Not Part of Plan. All paragraph and subparagraph headings herein, wherever they appear, are for convenience only and shall not effect the construction of any term or provisions hereof.

Notices. If notice is required or permitted to be made in accordance with the Plan, said notice shall be in writing and shall be delivered personally or by telefax or other telegraphic means or mailed by regular first class mail, postage prepaid.

(a) If to the Debtor: Gregory & Parker, Inc., Attn.: William D. Parker, Jr., President, 807 Halifax Street, Raleigh, NC 27604, with copy to counsel for the Debtor: Richard D. Sparkman, Attorney, Richard D. Sparkman & Associates, P.A., Post Office Box 1687, Angier, NC 27501, and with copy to counsel for William D. Parker, Jr. and Diana L. Parker: William P. Janvier, Attorney, Janvier Law Firm, PLLC, 1101 Haynes Street, Suite 102, Raleigh, NC 27604.

(b) If to a holder of an allowed claim, at the address set forth in its allowed Proof of Claim or Proof of Interest, or, if none, at its address set forth in the schedule prepared and filed with the Court by the Debtor.

(c) Notice shall be deemed given when mailed unless the Plan provides otherwise. Any person may change the address at which it is to receive notices under the Plan by sending written notice pursuant to the provisions of this section to the person to be charged with knowledge of such change. All notices to the Debtor must also be sent to counsel for the Debtor.

Section and Articles References. Unless otherwise specified, all references in the Plan to sections and articles are those sections and articles contained in the Plan.

Reservations of Rights. Neither the filing of this Plan, nor any statement or provision contained herein, nor the taking by any creditor of any action with respect to this Plan shall

(a) Be or be deemed to be an admission against interest; and

(b) Until the Effective Date, be or be deemed to be a waiver of any rights which any Creditor might have against the Debtor or any of its properties or any other Creditor of the Debtor, and in the event that the Effective Date does not occur, neither this Plan nor any statement contained herein, may be used or relied upon in any manner in any lawsuit, action, proceeding or controversy or dispute in any form within or outside the reorganization case involving this Debtor.

ARTICLE XVI
CONCLUSION

The materials provided in this Plan of Reorganization are intended to assist you in voting on this Plan in an informed fashion. Since, if the Plan is confirmed, you will be bound by its terms, you are urged to review this material and make such inquiries as you may deem appropriate and then cast an informed vote on the Plan.

This the 20th day of August, 2013.

GREGORY & PARKER, INC.

BY: /s/ William D. Parker, Jr.
William D. Parker, Jr.
President of Gregory & Parker, Inc.

RICHARD D. SPARKMAN & ASSOCIATES, P.A.

BY: /s/ Richard D. Sparkman
Richard D. Sparkman
Attorney for Gregory & Parker, Inc.
State Bar Number 6857
PO Box 1687
Angier, NC 27501
(919) 639-6181