

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA**

HODGE'S CHAPEL, LLC.	*	
Debtor	*	CASE NO. 13-04034
	*	

SECOND AMENDED PLAN OF REORGANIZATION

HODGE'S CHAPEL, LLC., the above named Debtor, proposes the following First Amended Plan of Reorganization with its creditors:

**ARTICLE I
DEFINITIONS**

The following terms, when used in this Plan, shall, unless the context otherwise requires, have the following meanings:

1.01 "Allowed Claim" shall mean a claim:

(a) in respect of which a proof of claim has been filed with the Court on or before the applicable Bar Date, as hereinafter defined; or

(b) which is scheduled in the schedules of assets and liabilities and statement of financial affairs of the Debtor prepared and filed with the Court which is not listed as either disputed, contingent or unliquidated as to amount; and, in either of the foregoing cases;

(c) to which no objection to the allowance thereof is interposed; or

(d) to which, if objection is interposed, the claim is allowed by an order of judgment which is no longer subject to initiation or continuation of appeal or certiorari proceeding.

1.02 "Allowed Secured Claim" shall mean an Allowed Claim arising on or before the petition date that is secured by a valid lien, as hereinafter defined, on property of the Debtor, which lien is not void or voidable under state or federal law, including any provision of the Bankruptcy Court to the extent of the value (which is either agreed to by the Debtor pursuant to this Plan or, in the absence of an agreement, as determined in accordance with Sec. 506 of the Bankruptcy Code) of the interest of the holder of such Allowed Claim pursuant to this Plan. That portion of such Allowed Claim exceeding the value of the security held therefore shall be an Allowed Unsecured Claim.

1.03 "Allowed Unsecured Claims" shall mean all Allowed Claims which are claims other than Priority Claims or Allowed Secured Claims.

1.04 "Bankruptcy Code" shall mean Sec. 101 et. seq. of Title 11 of the United States Code, as amended from time to time.

1.05 "Bar Date" shall mean any particular deadline established by the Court pursuant to Bankruptcy Rule 3003(c)(3) after which (i) any proof of claim filed has no effect on this Plan, and (ii) the holder of such proof of claim has no right to participate with other creditors under the Plan.

1.06 "Claim" shall have the meaning given in Sec. 101(4) of the Bankruptcy Code.

1.07 "Class" shall mean any class into which Claims are classified pursuant to Article II hereof.

1.08 "Confirmation Date" shall mean the date upon which the Order of Confirmation is entered by the Court.

1.09 "Court" shall mean the United States Bankruptcy Court for the Southern District of Alabama, Southern Division, presiding over reorganization cases, or if necessary, the United States District Court for said district having original jurisdiction over said reorganization cases.

1.10 "Creditor" shall mean all persons holding claims against the Debtor.

1.11 "Debtor" shall mean Hodge's Chapel, LLC the debtor in this Chapter 11 case.

1.12 "Effective Date" shall mean the date which is thirty (30) calendar days after the date on which the Order of Confirmation is no longer subject to appeal or certiorari proceeding, on which date no such appeal or certiorari proceeding is then pending and on which date the conditions to the effectiveness of the Plan set forth in the Plan have been satisfied in full.

1.22 "Lien" shall mean any charge against or interest in property to secure payment of a debt or performance of an obligation including, without limitation, any judicial or equitable lien, security interest, mortgage, deed of trust and statutory lien as defined in Sec. 101 of the Bankruptcy Code.

1.14 "Plan" shall mean this Plan or Reorganization in its present form or as it may be amended or supplemented from time to time.

1.15 "Priority Claim" shall include all Claims which are entitled to priority pursuant to §507 of the Bankruptcy Code.

1.16 "Pro rata" shall mean with respect to any Allowed Claim in any Class, the proportion that the amount of such Allowed Claim bears to the aggregate amount of all of the Allowed Claims of such Class.

1.17 "Secured Claims" shall mean those claims whose payment is secured by a Lien.

1.18 "Unsecured Creditors" shall mean the holders of Allowed Unsecured Claims.

ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS
AND STATEMENT OF CLASSES OF CLAIMS NOT IMPAIRED

2.0 For the purposes of distribution under this Plan, administrative and priority claims, secured claims and general unsecured claims shall be classified as follows:

Class 1 - Administrative Claims

Class 2 - Taxes and Priority Claims

Class 3 - Bayview Loan Servicing, LLC

Class 4 - Internal Revenue Service

Class 5 - Mobile County Revenue Commissioner

Class 6 – Plaintiffs in 02-CV-2015-901893

Class 7- General Unsecured Creditors

ARTICLE III
PERFORMANCE UNDER THE PLAN
TREATMENT OF THE CLASSES

3.1 Class 1: Administrative Expenses

The Debtor has the following administrative expense claims:

Galloway, Wettermark, Everest & Rutens, LLP: The reasonable fees and expenses of the attorney employed by the Debtor are administrative expenses subject to the Court's approval and shall be paid in full as soon as practical upon allowance by the Court. These expenses are not expected to exceed \$30,000.00. All other administrative expenses will be paid within 90 days of confirmation.

Internal Revenue Service: The Debtor may, at the time of confirmation, owe an administrative expense claim to the Internal Revenue Service for delinquent post-petition taxes. Any valid administrative expense claim owed to the Internal Revenue Service for delinquent post-petition taxes will be paid in 3 equal, consecutive, monthly payments with the first payment due on the effective date.

3.2 Class 2: Taxes and Priority Claims

The Debtor has the following Tax and Priority Creditors:

Internal Revenue Service: The Debtor currently owes the Internal Revenue Service priority taxes of approximately \$4,502.08 less any payments made prior to plan confirmation. These taxes will be paid in full including interest, in monthly installments of \$381.29 including interest at the rate of 3% per annum. These monthly payments will pay the Internal Revenue Service in full prior to the expiration of 60 months from the date of the voluntary petition.

If the Debtor fails to make payment of any tax to the Internal Revenue Service within 10 days of the due date of such deposit or payment, or if the Debtor or the successor in interest fails to file any required federal tax return by the due date of such return, then the United States may declare that the Debtor is in default of the plan. Failure to declare a default does not constitute a waiver by the United States of the right to declare that the successor in interest or Debtor is in default.

If the United States declares the Debtor or the successor in interest to be in default of the Debtor's obligations under the plan, then the entire imposed liability, together with any unpaid current liabilities, shall become due and payable immediately upon written demand to the debtor or the successor in interest.

If full payment is not made within 14 days of such demand, then the Internal Revenue Service may collect any unpaid liabilities through the administrative collection provisions of Title 26 of the United States Code.

Alabama Department of Revenue: The Debtor currently owes the Alabama Department of Revenue priority taxes of approximately \$11,027.76 less any payments made prior to plan confirmation. The Debtor proposes to pay this secured debt in full amortized over 3 years at 4% interest in consecutive monthly payments of \$325.56.

3.3 Class 3: Bayview Loan Servicing, LLC

The Debtor owes to Bayview Loan Servicing, LLC ("Bayview") the amount of \$526,520.94 which is secured by a mortgage on the Debtor's real and personal property. The Debtor proposes to pay this secured amount in full including consecutive monthly installments of \$2,200.96 including interest at the rate of 5% per annum with a balloon payment as to the total outstanding balance due 18 months from the date of the order of confirmation. If the balloon payment referenced above is not made, the Debtor agrees that Bayview has the right to move forward with foreclosure of the real property securing its debt.

In addition to the foregoing, the Debtor is seeking in conjunction with this Plan of Reorganization to enter into an Option and Easement Agreement with Global Signal Acquisitions IV, LLC (the "Option Agreement") and has sought permission from the Court in this matter to enter into said agreement (see Doc. 188). This has subsequently been granted by

Order of the Court (Doc. 196). In the event that Global Signal Acquisitions IV, LLC exercises its rights under the Option Agreement, Bayview Loan Servicing, LLC will be paid \$160,000.00 as set out in the Option Agreement that would be due from Global Signal Acquisitions IV, LLC to the Debtor. Bayview's right to receive \$160,000.00 if the option is exercised shall not be reduced by any amounts owed by the Debtor to Global Signal Acquisitions IV, LLC which might otherwise be netted out under the Option Agreement. If Global Signal Acquisitions IV, LLC exercises the option, the Debtor will notify Bayview of that fact within seven (7) days of receiving notice from Global Signal Acquisitions IV, LLC so that payment arrangements as to the \$160,000.00 can be made. The Debtor shall be responsible for ensuring the transfer of \$160,000.00 to Bayview within thirty (30) days of Global Signal Acquisitions IV, LLC exercising its rights under the Option Agreement.

In exchange for the treatment detailed above, Bayview agrees to alter its security as to the collateral securing its loan and made the subject of the Option Agreement to the extent necessary to allow Global Signal Acquisitions IV, LLC to fully exercise its rights under the Option Agreement.

Except as specifically modified in this paragraph, the terms and conditions of the December 20, 2006 loan documents (the "Loan Documents"), specifically including any subsequent and valid amendments or revisions to the Loan Documents, remain in full force and effect, specifically including the default provisions and escrow requirements. Moreover, Bayview's lien on the Debtor's real and personal property survives confirmation unaffected and remains a first position lien until paid in full. In addition, Debtor specifically agrees that it does not have any causes of action or claims against Bayview which survive confirmation of this proposed plan. To the extent any provisions of this plan are found to be inconsistent with the provisions of this Section 3.3, the terms of this Section control as to Bayview's treatment.

3.4 Class 4: Internal Revenue Service

The Debtor owes the Internal Revenue Service the amount of \$126,997.34 as a secured debt. This amount is secured by tax liens against the Debtor's real and personal property. The aforementioned tax liens are junior to the security interest Bayview Loan Servicing, LLC has in the Debtor's real and personal property. The Debtor proposes to pay this secured debt in full amortized over 10 years at 3% interest in consecutive monthly payments of \$1,226.29.

3.5 Class 5 – Mobile County Revenue Commissioner

The Debtor owes the Mobile County Revenue Commissioner the amount of \$1,426.04 as a secured debt. The Debtor proposes to pay this secured debt in full amortized over 5 years at 3% interest in consecutive monthly payments of \$25.62.

3.6 Class 6 – Plaintiffs in 02-CV-2015-901893

Steven Prince, Melvin Prince, Malvin Prince and Kelvin Prince (collectively "Plaintiffs") have filed a pending litigation action against the Debtor in the Circuit Court of Mobile County, Alabama assigned case number 02-CV-2015-901893. This is a disputed, contingent, prepetition

debt for which no proof of claim has been filed and there has been not determination that any debt is owed by the Debtor to the Plaintiffs. The Plaintiffs have moved the Circuit Court of Mobile County, Alabama to sever the claims against the Debtor from the Plaintiffs' claims against the non-Debtor codefendants and are proceeding against said codefendants. The Plaintiffs have not sought any relief from stay to liquidate their claims against the Debtor. The Debtor's Plan does not provide for any payment to the Plaintiffs on the disputed, contingent debt referenced herein.

3.7 Class 7 - General Unsecured Creditors.

The Debtor has the following unsecured creditors:

<u>Name of Creditor</u>	<u>Amount of Claim</u>	<u>Creditors Interest Percentage Pro Rata</u>	<u>Monthly Payment to Creditor</u>	<u>Total Payment to Creditor Through Plan</u>
Ala. Dept. of Revenue	\$ 3,955.35	7.17	\$ 65.92	\$ 3,955.35
Batesville Casket Company	\$ 5,000.00	51.83	\$ 83.33	\$ 5,000.00
Internal Revenue Service	\$ 691.04	41.00	\$ 11.52	\$ 691.04
TOTAL	\$ 9,646.39	100%	\$ 160.77	\$ 9,646.39

General unsecured creditors will be paid 100% of their claims in 60 consecutive monthly payments of \$160.77 per month.

ARTICLE IV
EXECUTION OF THE PLAN

So long as any payment or distributions of property to creditors provided in this Plan remain unpaid, the reorganized Debtors shall:

1. Pay and discharge all taxes, assessments and governmental charges or levies imposed upon them or upon their income or profits, or upon any properties belonging to them prior to the date upon which penalties attach, and all lawful claims which, if unpaid, might become a lien or charge upon any said properties, provided that they shall not be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith by proper proceedings or that was assessed prior to the Petition Date.

2. Maintain all necessary insurance, with responsible and reputable insurance companies or associations in such amounts and covering such risks as a reasonably prudent individual would consider proper.

3. Comply with all the requirements of all applicable laws, rules, regulations and orders of any governmental authority, noncompliance of which would materially adversely affect his business or credit or any collateral.

4. Maintain and preserve all of its properties, necessary or useful in the proper conduct of their business, in good working order and condition, ordinary wear and tear excepted.

5. Pay all liabilities, claims or charges incurred or arising from and after the Confirmation Date.

ARTICLE V AMENDMENTS AND WAIVERS

After the order of confirmation and except as otherwise specifically set forth in the Plan, any term of the Plan may be waived by the party affected by the term to be waived. Any such waiver must be knowing and evidenced by a writing signed by the Debtor and the impacted entity. After the order of confirmation, the Reorganized Debtor, may, with the approval of the Court and so long as it does not materially or adversely affect the interests of creditors, remedy any defects or omissions or reconcile any inconsistencies in the Plan by whatever means is necessary and reasonable to carry out the purposes of the Plan. Prior to the Court entering any orders as contemplated by this paragraph, potentially impacted parties must receive written notice from the Debtor and must receive an opportunity for a hearing.

ARTICLE VI RETENTION OF JURISDICTION

The Court shall retain jurisdiction of this case:

6.1 To determine the allowance or disallowance of and the amount, priority, validity and dischargeability of claims and interests.

6.2 To interpret the Plan and hear all disputes arising in connection with execution of this Plan.

6.3 To fix and approve allowances of compensation and other administrative expenses, including, if appropriate, payments to be made in connection with this Plan.

6.4 To decide controversies and disputes arising under or in connection with the Plan.

6.5 To correct any defect, cure any omission, or reconcile any inconsistency in the Plan, and to modify to amend the Plan.

6.6 To enforce all causes of action which may exist in behalf of the Debtor.

6.7 To issue any order, process or judgment necessary or appropriate to carry out the provisions of the Plan.

ARTICLE VII
REQUEST FOR CONFIRMATION

If the requirements of all provisions of Sec. 1129(a) of the Code, except paragraph (8) thereof, are met with regard to the Plan, Debtor hereby requests confirmation of the Plan pursuant to Sec. 1129(b) of the Code.

ARTICLE VIII
RESERVATION OF POWERS

Nothing in the Plan shall be construed to be a waiver of Debtor's avoidance powers under Chapter 5 of the Code, and Debtor expressly reserves such avoidance powers.

ARTICLE IX
EFFECT OF CONFIRMATION

As of the Effective Date, the effect of confirmation shall be as provided in Sec. 1141 of the Code. Payments under the Plan will begin on thirty (30) days from the Effective Date.

/s/ Taylor Hodge, Jr.
As Member of
Hodge's Chapel, LLC

GALLOWAY, WETTERMARK,
EVEREST & RUTENS, L.L.P.

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