

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF ILLINOIS**

In re:)	Chapter 11 Proceeding
)	Case No. 16-30015
WILFRED HOLZINGER and)	
JEAN SUSANNE HOLZINGER,)	
)	
Debtors.)	

**FIRST AMENDED DISCLOSURE STATEMENT FOR DEBTORS' FIRST AMENDED
PLAN OF REORGANIZATION DATED JUNE 3, 2016**

This First Amended Disclosure Statement for the Debtors' First Amended Plan of Reorganization Dated June 3, 2016 (the "Plan") has been prepared and is being distributed by Wilfred Holzinger and Jean Susanne Holzinger, the Debtors in this Chapter 11 case (the "Debtors" or "Plan Proponents").

**ARTICLE I
INTRODUCTION**

1.1 Purpose. The Debtors are providing this Disclosure Statement (the "Disclosure Statement") to all of Debtors' known creditors and to the shareholders of the Debtors pursuant to the provision of §1125 of the United States Bankruptcy Code (the "Code"), in order to enable such creditors and shareholders to make an informed judgment concerning Debtors' solicitation of acceptances of the Plan described below, prior to certain of such creditors and shareholders exercising their rights to vote to accept or reject the Plan. A hearing to conditionally determine the adequacy of this Disclosure Statement was held on _____ at 9:00 a.m. Central Standard Time in the United States Bankruptcy Court for the Southern District of Illinois, Melvin Price US Courthouse, 750 Missouri Avenue, East St. Louis, IL 62201. At the hearing, the Court determined whether this Disclosure Statement contains "adequate information" (as defined in §1125 of the Code) of a kind and in sufficient detail to enable a hypothetical, reasonable investor, typical of the holders of claims against or shareholder interests in Debtors to

make an informed judgment in voting to accept or reject the Plan. Approval of this Disclosure Statement by the Court, however, does not constitute a recommendation by the Court to accept or reject the Plan.

1.2 Construction. The definitions in the Plan are applicable here. Insofar as not inconsistent or in conflict with such definitions, the words herein will have the meanings ascribed thereto by the Code and the Bankruptcy Rules.

1.3 Source of Information. Except as otherwise expressly stated herein, this Disclosure Statement has been prepared by counsel for the Debtors based upon information supplied by the Debtors.

1.4 Disclaimers. THIS DISCLOSURE STATEMENT MAY NOT BE RELIED UPON FOR ANY PURPOSES OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN, AND NOTHING CONTAINED IN THIS DISCLOSURE STATEMENT SHALL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING DEBTOR OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE ADVICE ON THE LEGAL EFFECTS OF THE REORGANIZATION OF DEBTORS ON HOLDERS OF CLAIMS.

EXCEPT AS MAY BE SET FORTH IN THIS DISCLOSURE STATEMENT OR ANY OTHER DISCLOSURE STATEMENT OR OTHER DOCUMENT APPROVED FOR DISTRIBUTION BY THE COURT, NO REPRESENTATIONS CONCERNING DEBTORS, THE CONSEQUENCES OF THIS PLAN, OR THE VALUE OF DEBTORS' ASSETS ARE AUTHORIZED BY THE COURT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE OR REJECTION OF THE PLAN BY CREDITORS THAT ARE OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT OR ANY OTHER

DISCLOSURE DOCUMENT APPROVED FOR DISTRIBUTION BY THE COURT SHOULD NOT BE RELIED UPON IN VOTING ON THE PLAN AND SHOULD BE REPORTED TO THE DEBTORS' COUNSEL AND THE OFFICE OF THE UNITED STATES TRUSTEE.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN AND NEITHER DELIVERY OF THIS DISCLOSURE STATEMENT NOR ANY EXCHANGE OF RIGHTS MADE IN CONNECTION WITH THIS DISCLOSURE STATEMENT SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH HEREIN SINCE THE DATE THIS DISCLOSURE STATEMENT WAS COMPILED.

THERE HAS BEEN NO AUDIT OR REVIEW OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT BY OR ON BEHALF OF THE DEBTORS AND THE DEBTORS IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY. CREDITORS ARE ENCOURAGED TO REVIEW THE PLAN AND THIS DISCLOSURE STATEMENT WITH LEGAL COUNSEL.

READING THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR READING THE PLAN, WHICH WILL CONTROL THE LEGAL RELATIONSHIPS BETWEEN THE PARTIES FOLLOWING CONFIRMATION. THE DISCLOSURE STATEMENT ATTEMPTS TO SUMMARIZE THE PLAN, AND IN THE EVENT OF ANY DISCREPANCY BETWEEN THE DISCLOSURE STATEMENT AND THE PLAN, THE PLAN WILL GOVERN.

ARTICLE II

CONFIRMATION PROCEDURES

2.1 Confirmation. The Plan cannot be consummated unless it is confirmed by the Court. Confirmation of the Plan requires that, among other things, either (i) each class of claims that is impaired by the Plan has voted to accept the Plan by the requisite majority, or (ii) the Plan is determined by the Court to be fair and equitable, as defined by the Code, with respect to all classes of claims that have rejected the Plan. The Code also requires that the confirmation of the Plan be in the "best interest" of all creditors. The Plan Proponents believe that the Plan meets the classification requirements of the Code, which requires that all claims or interest in a class be "substantially similar". Disputes regarding a proper classification of claims or interests not specifically classified in the Plan will be resolved by the Court pursuant to the procedures established by the Code, the Bankruptcy Rules, and other applicable law, and such resolution will not be a condition precedent to confirmation or consummation of the Plan.

2.2 Creditors Eligible to Vote. Only the votes of classes whose claims are impaired by the Plan will be counted in connection with the confirmation of the Plan. Generally, and subject to the specific provisions of §1124 of the Code, a class is "impaired" if the legal, equitable or contractual rights attaching to the claims or of the class are modified, other than by curing default in stated maturities. Creditors in all Classes are, for purposes of this Disclosure Statement, deemed to be impaired under the Plan and accordingly, are entitled to vote to accept or reject the Plan. In determining acceptances of the Plan, votes will be counted only if timely submitted by a holder of an Allowed Claim.

2.3 Acceptances Necessary to Confirm the Plan. For the Plan to be accepted and, thereafter, confirmed, it must be accepted by at least one class of claims that is impaired by the

Plan. Under §1126 of the Code, an impaired class is deemed to have accepted the Plan if (i) with respect to a class of claims, votes representing at least two-thirds in amount and more than one-half in number of allowed claims that have voted in that class have accepted the Plan, and (ii) with respect to a class of equity interests, votes representing at least two-thirds in amount of those interests that have voted have accepted the Plan, provided that the vote of any creditor or holder of an interest that is determined by the Court to be an entity whose acceptance or rejection was not in good faith will not be counted.

Unless an impaired class accepts the Plan unanimously, to confirm the Plan the Court must independently determine that the Plan provides to each holder of a claim or interest, as the case may be, of such class, a recovery that has a value, as of the Effective Date, at least equal to the value of the distribution which such holder would receive or retain if Debtors were instead liquidated under Chapter 7 of the Code on the Effective Date.

2.4 Manner of Voting. In voting for or against the Plan, please use only the ballots sent to you with this Disclosure Statement. If a person has an Allowed Claim in more than one class, such person may receive multiple ballots. Each person will be entitled to vote each claim that such person holds in each class.

Creditors who are entitled to vote to accept or reject the Plan may vote by completing, dating, signing and mailing, or faxing, the accompanying ballot to counsel for the Plan Proponent in care of:

Robert E. Eggmann
DESAI EGGMANN MASON LLC
7733 Forsyth Boulevard, Suite 800
St. Louis, Missouri 63105
Facsimile: (314) 881-0820

In order for a ballot to be counted, the ballot must be received on or before 5:00 p.m., Central Standard Time, on _____, 2016. A ballot, once submitted, cannot be withdrawn or modified except as provided under the Code.

2.5 Confirmation Without Acceptance. Section 1129(b) of the Code provides that the Plan may be confirmed by the Court despite not being accepted by every impaired class if (i) at least one impaired class has accepted the Plan, and (ii) the Court finds that the Plan does not discriminate unfairly and is fair and equitable to the rejecting classes. Among other things, such a finding would require a determination by the Court that the Plan would require that no holder of an allowed claim junior to a rejecting unsecured class receive or retain any property or payment under the Plan, unless such rejecting unsecured class is being paid an amount equal to the value of its claims as of the effective date of the Plan.

Pursuant to §1129(b) of the Code, the Debtors will request the Court to confirm the Plan if all of the applicable requirements of §1129(a) of the Code, other than §1129(a)(8) (that each impaired class under the proposed Plan has voted to accept the Plan), have been met. In addition, the Debtors reserve the right, pursuant to §1126(e) of the Code to request the Court to strike any rejection of the Plan by any holder of a claim or interest as not being in good faith.

2.6 Hearing on Confirmation of Plan. A hearing has been scheduled for _____, 2016 at 9:00 a.m., Central Standard Time, in the United States Bankruptcy Court for the Southern District of Illinois, Melvin Price US Courthouse, 750 Missouri Avenue, East St. Louis, IL 62201, 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. This hearing may be adjourned from time to time without further written notice. Each

creditor will receive, either with this Disclosure Statement or separately, the Court's notice of hearing on confirmation of the Plan.

2.7 Effect of Confirmation. The Confirmation Order will be a judicial determination that the holders of claims and interests, following confirmation, will be precluded from asserting against the Debtors any claim or interest based upon any pre-petition debt or obligation.

ARTICLE III **GENERAL INFORMATION**

3.1 The Debtors. Debtors Wilfred and Jean Susanne Holzinger are lifetime residents of the state of Illinois. They have been married since 1963, have two children and have three grandchildren.

Wil Holzinger has been in the real estate business since 1962 and Sue Holzinger has been in the business since 1979. Wil started Holzinger Real Estate in 1970 along with his sister-in-law Rita Holzinger. Holzinger Real Estate had offices in Highland, Troy, Greenville, Staunton, Litchfield and New Baden for over twenty-five years. While in the real estate business, Wil and six other men also started Highland Savings and Loan in 1974 where Wil served as secretary. Later Highland Savings and Loan changed its name to Alpine Bank and in 2000 they sold the bank to FCB Bank of Highland.

In April of 2001, Wil and Sue sold Holzinger Real Estate to Coldwell Banker Brown Realtors due to the passing of Rita Holzinger. The Holzingers have been with Coldwell Banker Brown Realtors ever since.

Like many, the Holzingers were not immune from the housing crisis and subsequent recession. Prior to 2008, Wil's average sales of real estate were \$8,000,000.00-\$12,000,000.00 per year. In 2008 when the market bottomed, Wil's production fell to \$3,000,000.00-

\$4,000,000.00. 2015 was the first year since 2007 in which Wil's was able to exceed \$8,000,000.00 in sales.

The Holzingers suffered another major setback in 2010 when their primary residence was damaged by a fire. Even though they had insurance on the property, it did not cover the amount of damage that was done so the Holzingers had to take out another loan against their home, which increased their monthly expenses.

The Holzingers felt that a Chapter 11 reorganization was the best business decision for their long term future. They plan to sell substantially all of their real estate properties so that they can pay their monthly expenses and keep their home where they have lived for the last forty years.

3.2 The Chapter 11 Case. Debtors have managed their financial affairs and taken steps to place themselves in a position to reorganize their personal and business debts pursuant to the terms of this Plan.

During the course of the Case, Debtors sought retention of professionals, including their legal counsel, Desai Eggmann Mason LLC. The Honorable Bankruptcy Court herein granted the relief requested in Debtors' motions, Thereafter, Debtors attended the initial Debtors interview, prepared and filed their Schedules and monthly operating reports and attended the § 341 meeting of creditors.

An Official Committee for Unsecured Creditors was appointed in Debtors' Case on March 17, 2016. No adversary proceedings have been filed in the Debtors' case.

Debtors do not maintain a lavish lifestyle. Post-confirmation, Debtor Wilfred Holzinger will continue as a real estate broker and agent and the Debtors will continue to lease and rent their Real Estate for additional revenue while they work to sell the Real Estate.

3.3 Post-Petition Operations. Since the filing of the case, the Debtors have sold some of the Real Estate with approval by this Court. The result has been a reduction in the Debtors' overall debt and monthly operating expenses. Please review the Debtors' most recent Monthly Operating Report attached hereto as **Exhibit A**.

3.4 [Intentionally Omitted]

3.5 Title 28 U.S.C. §1930 Fees. All fees paid in the Case, pursuant to 28 U.S.C. §1930, as determined by the Bankruptcy Code at the hearing on confirmation of the Plan or thereafter, will, if not previously paid in full, be paid in cash on the Effective Date. All post-confirmation reports and fees as required by law shall be filed and paid.

3.6 Post-Petition Professional Fees. Post-petition professional fees outstanding on the Effective Date consist of fees and expenses of attorneys and expenses incurred after the Petition Date. Professionals must file an Application for Compensation with the Bankruptcy Court pursuant to §§330 and 331 of the Bankruptcy Code.

3.7 Projected Recovery of Avoidable Transfers. The Reorganized Debtors do not intend to pursue preferences, fraudulent transfers or other avoidance actions. On the Effective Date of the Plan, the Official Committee of Unsecured Creditors appointed in the Debtors' bankruptcy case shall become the Plan Committee. The Plan Committee's purpose will be to investigate, and, if necessary, file and prosecute actions to avoid various types of transfers as described in sections 544, 545, 547, 548 and 549 of the Bankruptcy Code. The Debtors are unaware of the existence of any such claims, but in the event there are claims of that nature, the Plan Committee will be charged with pursuing them. The Plan Committee and its counsel will be compensated solely from the proceeds of avoidance actions. The Debtors' Cash Disbursement Journal reflects the Debtor's non-

Insider transfers for the ninety (90) days prior to the Petition Date (“Disbursement Journal”). Based upon an analysis of the Disbursement Journal, any preferential transfer actions and fraudulent transfer actions against Debtors or any other Insiders shall be released upon entry of the Confirmation Order (the “Release”). Specifically, while the Debtor may have claims against Debtors or Insiders pursuant to 11 U.S.C. §547, Debtors and Insiders have asserted affirmative defenses to the same, including but not limited to, ordinary course of business under §547(c)(2). The Debtors further believe that even in the event that it was successful in pursuing said claims, the costs of litigation would likely outweigh the benefit due to collection concerns with Debtors and Insiders.

ARTICLE IV

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

Under this Plan, claims and equity interests will be classified and paid as follows:

4.01 Administrative Claims and Expenses. As required by the Bankruptcy Code, Allowed Administrative Claims are not classified under the Plan. The holder of an Allowed Claim of the kind described in §507(a)(1) of the Bankruptcy Code, including, but not limited to, an Allowed Claim entitled to payment under §503(b), will receive on the Effective Date cash equal to the amount of such Allowed Claim, unless the holder of such Allowed Claim agrees to different treatment. The Administrative Claims outstanding on the Effective Date will consist of fees and expenses of professionals for post-filing work, any post-petition taxes, and other administrative claims.

4.02 Priority Tax Claims. As required by the Bankruptcy Code, Allowed Priority Tax Claims are not classified under the Plan. Each holder of an Allowed Claim of the kind described in §507(a)(8) of the Bankruptcy Code will receive payment of its claim in equal quarterly installments so that each Claim will be paid within five years of the Petition Date. Said payment will include

interest at the rate of 4% per annum, or such other rate as may be applicable and allowed by law. Debtors dispute that there are any valid Priority Tax Claims so the Allowed Priority Tax Claims consist of the following:

<u>Creditor</u>	<u>Type of Tax</u>	<u>Amount</u>
None		\$0.00

4.03 Class 1 Allowed Priority Claims: Class 1 shall consist of the Allowed Priority Claims. The Class 1 Claimant is not impaired.

4.04 Class 2 Allowed Secured Claim of Bank of Edwardsville: Class 2 shall consist of the Allowed Secured Claim of Bank of Edwardsville. The Class 2 Claimant is impaired.

4.05 Class 3 Allowed Secured Claim of Bradford Bank. Class 3 shall consist of the Allowed Secured Claim of Bradford Bank. Class 3 is impaired under the Plan.

4.06 Class 4 Allowed Secured Claim of Community Bank of Trenton. Class 4 consists of the Allowed Secured Claim of Community Bank of Trenton. Class 4 is impaired under the Plan.

4.07 Class 5 Allowed Secured Claim of First Bank. Class 5 consists of the Allowed Secured Claim of First Bank. Class 4 is impaired under the Plan.

4.08 Class 6 Allowed Secured Claim of First Collinsville Bank. Class 6 consists of the Allowed Secured Claim of First Collinsville Bank. Class 6 is impaired under the Plan.

4.09 Class 7 Allowed Secured Claim of First National Bank of Staunton. Class 7 consists of the Allowed Secured Claim of First National Bank of Staunton. Class 7 is impaired under the Plan.

4.10 Class 8 Allowed General Unsecured Claims. Class 8 consists of all Allowed General Unsecured Claims. Class 8 is impaired under the Plan.

4.11 Class 9 Allowed Secured Claim of AAG Reverse Mortgage. Class 9 consists of the Allowed Secured Claim of AAG Reverse Mortgage. Class 9 is impaired under the Plan.

4.12 Class 10 Allowed Secured Claim of Bluegreen Vacation Club. Class 10 consists of the Allowed Secured Claim of Bluegreen Vacation Club. Class 10 is impaired under the Plan.

4.13 Treatment of Disputed Claims. Notwithstanding any other provisions of the Plan, payments and distributions of cash with respect to any class of claims which are disputed, unliquidated, or contingent, will not be made until such claims are allowed. Notwithstanding any provision in the Plan to the contrary, the Claim of any transferee of a transfer that is voidable §§ 544, 548 and 550 of the Bankruptcy Code will be deemed to be a Disputed Claim, and no distribution will be payable thereon, unless and until such transferee has paid the amount, or turned over any such property, for which such transferee is liable under §550 of the Bankruptcy Code.

4.14 Plan Treatment Summary. The Plan divides Allowed Claims and Allowed Interests against the Debtors into various Classes, which the Debtors believe are in accordance with the Classification requirements of the Code. The term "Allowed Claim" is defined in §1.02 of the Plan. Distributions to the holders of Allowed Claims under the Plan are in full satisfaction of those Allowed Claims (including any interest accrued and allowable thereon). The treatment of Classified Allowed Claims and Allowed Interests under the Plan is set forth below.

4.15 Class 1 Allowed Priority Claims

Debtors' employees and independent contractors were paid prior to the filing and do not hold Priority Claims. Debtors are not aware of any unpaid Class 1 Claims. In the event that Priority Claims are filed and Allowed in the Case and remain unpaid on the Effective Date, such Claims will be treated as provided herein.

- (a) Treatment: Except to the extent that a holder of an Allowed Priority Claim agrees to less favorable treatment on account of such Claim and/or to the extent that such Priority Claim has been paid in full on or before the Effective Date, the holder of such Allowed Priority Claim shall receive Cash in an amount equal to such Claim on the Effective Date.

Debtors estimate that the monthly Plan Payment for Class 1 Priority Claims is \$0.00.

- (b) Voting: The Allowed Priority Claims are not Impaired, and the holders of such Claims, if any, are not entitled to vote to accept or reject the Plan on account of such Claim.

4.16 Class 2 Allowed Secured Claim of Bank of Edwardsville

- (a) Treatment: Bank of Edwardsville is a Secured Claimant holding senior liens on the Bank of Edwardsville Property. On the Initial Distribution Date, each Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of the Allowed Secured Claim of Bank of Edwardsville, the Holder of the Class 2 Claim shall receive (i) such Holder's *Pro Rata* Share of the Creditor Fund and (ii) such Holder's share of all proceeds of the Bank of Edwardsville Property. Any Bank of Edwardsville Property that has not been sold by the Final Distribution Date shall be surrendered to the Class 2 Claimant within seven (7) days of the Final Distribution Date, unless the Holder of the Class 2 Claim agrees to contrary treatment at that time.

The liens of the Holder of the Class 2 Claim shall continue unimpaired. Debtors will continue to make monthly payments to the Holder of the Class 2 Claim in accordance with the terms of their Cash Collateral Order and prepetition loan documents.

- (b) Voting: Bank of Edwardsville's Allowed Secured Claim is Impaired and the Holder thereof is entitled to vote on the Plan.

4.17 Class 3 Allowed Secured Claim of Bradford Bank

- (a) Treatment: Bradford Bank is a Secured Claimant holding senior liens on the Bradford Bank Property. On the Initial Distribution Date, each Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of the Allowed Secured Claim of Bradford Bank, the Holder of the Class 3 Claim shall receive (i) such Holder's *Pro Rata* Share of the Creditor Fund and (ii) such Holder's share of all proceeds of the Bradford Bank Property. Any Bradford Bank Property that has not been sold by the Final Distribution Date shall be surrendered to the Holder of the Class 3 Claim within seven (7) days of the Final Distribution Date, unless the Holder of the Class 3 Claim agrees to contrary treatment at that time.

The liens of the Holder of the Class 3 Claim shall continue unimpaired. Debtors will continue to make monthly payments to the Holder of the Class 3 Claim in accordance with the terms of their Cash Collateral Order and prepetition loan documents.

- (b) Voting: Bradford Bank's Allowed Secured Claim is Impaired, and the Holder thereof is entitled to vote on the Plan.

4.18 Class 4 Allowed Secured Claim of Community Bank of Trenton

- (b) Treatment: Community Bank of Trenton is a Secured Claimant holding senior liens on the Community Bank of Trenton Property. On May 5, 2016, Community Bank of Trenton filed its Notice of Default and Lifting of Stay Under Prior Order [Dkt. No. 163] in order to allow Community Bank of Trenton to pursue its state court rights and remedies with respect to the Community Bank of Trenton Property, including foreclosure. Up and until the date of foreclosure on the Community Bank of Trenton Property, Debtors will continue to market and try to sell the Community Bank of Trenton Property as Debtors believe that Debtors can achieve higher sale prices than could be achieved through foreclosure. Any sales would be subject to the consent of Community Bank of Trenton. Additionally, up and until the date of foreclosure, Debtors shall continue to send the rents received to Community Bank of Trenton. Once Community Bank of Trenton has taken possession of the Community Bank of Trenton Property, the Allowed Secured Claim of Community Bank of Trenton shall be deemed satisfied in full.
- (c) Voting: Community Bank of Trenton's Allowed Secured Claim is Impaired and the Holder thereof is entitled to vote on the Plan.

4.19 Class 5 Allowed Secured Claim of First Bank

- (a) Treatment: First Bank is a Secured Claimant holding senior liens on the First Bank Property. On the Initial Distribution Date, each Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of the Allowed Secured Claim of First Bank, the Holder of the Class 5 Claim shall receive (i) such Holder's *Pro Rata* Share of the Creditor Fund and (ii) such Holder's share of all proceeds of the First Bank Property. Any First Bank Property that has not been sold by the Final Distribution Date shall be surrendered to the Holder of the Class 5 Claim within seven (7) days of the Final Distribution Date, unless the Holder of the Class 5 Claim agrees to contrary treatment at that time.

The liens of the Holder of the Class 5 Claim shall continue unimpaired. Debtors will continue to make monthly payments to the Holder of the Class 5 Claim in accordance with the terms of their Cash Collateral Order and prepetition loan documents.

- (b) Voting: First Bank's Allowed Secured Claim is Impaired, and the Holder thereof is entitled to vote to accept or reject the Plan.

4.20 Class 6 Allowed Secured Claim of First Collinsville Bank

- (a) Treatment: First Collinsville Bank is a Secured Claimant holding senior liens on the First Collinsville Bank Property. On the Initial Distribution Date, each

Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of the Allowed Secured Claim of First Collinsville Bank, the Holder of the Class 6 Claim shall receive (i) such Holder's *Pro Rata* Share of the Creditor Fund and (ii) such Holder's share of all proceeds of the First Collinsville Bank Property. Any First Collinsville Bank Property that has not been sold by the Final Distribution Date shall be surrendered to the Holder of the Class 6 Claim within seven (7) days of the Final Distribution Date, unless the Holder of the Class 6 Claim agrees to contrary treatment at that time.

The liens of the Holder of the Class 6 Claim shall continue unimpaired. Debtors will continue to make monthly payments to the Holder of the Class 6 Claim in accordance with the terms of their Cash Collateral Order and prepetition loan documents.

- (b) Voting: First Collinsville Bank's Allowed Secured Claim is Impaired, and the Holder thereof is entitled to vote to accept or reject the Plan.

4.21 Class 7 Allowed Secured Claim of First National Bank of Staunton

- (a) Treatment: First National Bank of Staunton is a Secured Claimant holding senior liens on the First National Bank of Staunton Property. Further, First National Bank holds second priority judgment liens on the Real Estate. On the Initial Distribution Date, each Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of the Allowed

Secured Claim of First National Bank of Staunton, the Holder of the Class 7 Claim shall receive (i) such Holder's *Pro Rata* Share of the Creditor Fund ; (ii) such Holder's share of all proceeds of the First National Bank of Staunton Property; and (iii) such Holder's share of any proceeds remaining after payment of the senior liens on the Real Estate. Any First National Bank of Staunton Property that has not been sold by the Final Distribution Date shall be surrendered to the Holder of the Class 7 Claim within seven (7) days of the Final Distribution Date, unless the Holder of the Class 7 Claim agrees to contrary treatment at that time.

The liens of the Holder of the Class 7 Claim shall continue unimpaired. Debtors will continue to make monthly payments to the Holder of the Class 7 Claim in accordance with the terms of their Cash Collateral Order and prepetition loan documents.

- (b) Voting: First National Bank of Staunton's Allowed Secured Claim is Impaired, and the Holder thereof is entitled to vote to accept or reject the Plan.

4.22 Class 8 Allowed General Unsecured Claims

- (a) Treatment: Unsecured Claims are not secured by Estate Property and are not entitled to priority under Code § 507(a). The holders of Allowed General Unsecured Claims will receive their Pro Rata share of the Creditor Fund beginning on the first day of the month after Administrative Expenses Claims are paid in full, and quarterly thereafter for the ten (10) year term of the Plan

or the holders of Allowed Class 5 Claims are paid in full, whichever is shorter. As collateral and security for the Class 8 Distributions, Debtors shall make and deliver to the Committee a promissory note in the amount of the Allowed General Unsecured Claims which shall be secured by a third priority lien against the Real Estate. Upon the sale of the Real Estate, after satisfaction of the existing first and second priority deeds of trust and normal and customary expenses associated with such sales, shall be paid into the Creditor Fund in the event that Debtors are not current on their Plan payments to Holders of Class 8 Allowed General Unsecured Claims.

- (b) Voting: General Unsecured Claims in Class 8 are Impaired, and the Holders thereof are entitled to vote to accept or reject the Plan.

4.23 Class 9 Allowed Secured Claim of AAG Reverse Mortgage

- (a) Treatment: AAG Reverse Mortgage is a Secured Claimant holding senior liens on the Debtors' residence. The liens of AAG Reverse Mortgage shall continue unimpaired. Debtors will continue to make their monthly obligations to AAG Reverse Mortgage in accordance with their prepetition loan documents.
- (b) Voting: AAG Reverse Mortgage's Allowed Secured Claim is Impaired, and the Holder thereof is entitled to vote to accept or reject the Plan.

4.24 Class 10 Allowed Secured Claim of Bluegreen Vacation Club

- (a) Treatment: Bluegreen Vacation Club is a Secured Claimant holding senior liens on the Debtors' interest in a timeshare, more specifically described as 1400 South International Drive, Orlando, Florida 32819 (the "Timeshare"). The liens of Bluegreen Vacation Club shall continue unimpaired. Debtors will continue to make monthly payments to Bluegreen Vacation Club while Debtors continue to try and sell the Timeshare so that any realized equity can be distributed to the Creditor Fund for the benefit of creditors.
- (b) Voting: Bluegreen Vacation Club's Allowed Secured Claim is Impaired, and the Holder thereof is entitled to vote to accept or reject the Plan.

ARTICLE V

PROVISIONS FOR THE ASSUMPTION AND REJECTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

5.01 Upon confirmation of the Plan, the Debtors will be deemed to have assumed all existing executory contracts and unexpired leases that have not previously been rejected. Upon written request, and prior to any confirmation of the Plan, Debtors will provide written confirmation to any non-Debtor party with a contract being treated and assumed under Section 6.01 of the Plan that such non-Debtor party's contract is being treated and assumed under Section 6.01 of the Plan.

ARTICLE VI

MEANS FOR IMPLEMENTATION OF THE PLAN

6.01 Revesting of Property of the Estate. On the Effective Date, all Estate Property, including Chapter 5 Claims, will revert in the Reorganized Debtors and shall be free and clear of all claims and interests of Creditors and Parties in Interest, except as expressly provided in this Plan or the Confirmation Order.

6.02 Source of Funding of Distributions. The Plan will be funded with cash on hand, the infusion of capital pursuant to §6.05 and future operating revenue.

6.03 Sales of Real Estate. The Debtors, in their reasonable business judgment, in an expeditious and orderly manner, and only with the express consent of the respective Secured Claimant, shall liquidate, and convert to Cash, their Real Estate, and make all Distributions in accordance with this Plan. The liquidation of the Real Estate may be accomplished through the sale of the Real Estate in whole, in combination, or by individual property. Pursuant to § 1141(c) of the Bankruptcy Code, the sales of the Real Estate under this Plan shall be free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor, to the extent applicable.

6.04 Post-Confirmation Business Operations. Debtors will continue to work as real estate agents and brokers and rent and lease their Real Estate.

6.05 Risk Factors. The primary risks under the Plan are that the income from Debtors' business operations will not meet current projections and will be insufficient to fund the Debtors' obligations under the Plan. In such Case, Debtors anticipate that they will reduce expenses, where possible, to meet their obligations under the Plan.

6.06 Treatment of Disputed Claims. Notwithstanding any other provisions of the Plan, Distributions with respect to any Claim which is disputed, unliquidated, or contingent will not be made until such Claim becomes an Allowed Claim. Notwithstanding any provision in the Plan to the contrary, the Claim of any transferee of a transfer that is voidable §§ 544, 548 and 550 of the Bankruptcy Code will be deemed to be a Disputed Claim, and no Distribution will be made thereon, unless and until such transferee has paid the amount, or turned over any such property, for which such transferee is liable under §550 of the Bankruptcy Code.

6.07 Deadline to Dispute Claims. The Reorganized Debtors shall file, within 90 days of the Effective Date, objections to Claims. Subject to the provisions of the Plan, upon entry of a Final Order resolving the objection, the Reorganized Debtors shall commence Distributions to the Claimant.

6.08 Distributions to Holders of Allowed Claims. Distributions shall be mailed, via first class mail, to the Creditor's address listed on the proof of claim or such other address as provided by the Creditor before the Distribution is mailed.

6.09 Unclaimed Distributions. All Distributions which remain uncashed for 60 days shall be void and deemed forfeited. The Reorganized Debtors shall not be liable for or obligated to pay any forfeited Distributions.

ARTICLE VII GENERAL PROVISIONS

7.1 Retention of Jurisdiction. Until this Plan is fully implemented and this case is closed, the Bankruptcy Court will retain jurisdiction to insure that the purposes and intent of this Plan are carried out, and to hear and determine all claims against the Debtors or on behalf of the Debtors. The Court will retain jurisdiction over this Chapter 11 case for the purpose of ruling on any matter to come properly before this Court, including, but not limited to, determining any matters for which approval of the Bankruptcy Court has been provided by the Plan or any other matters pertaining to the Plan or the Confirmation Order and determining all disputes, suits or controversies arising out of the Plan and its interpretation, enforcement or consummation.

7.2 Defect or Inconsistency in Plan. After confirmation of the Plan, so long as it does not materially or adversely affect the interests of the creditors, the Bankruptcy Court upon motion

of any party in interest may remedy any defect or inconsistency in the Plan as may be necessary to carry out the purposes and effects of the Plan.

7.3 Effect of Confirmation. On the Effective Date, all provisions of the Plan, and all amendments, exhibits and schedules thereto, will become binding on the Debtors, the Estate, all Creditors, and all other entities whose interests are affected in any way by the Plan. On the Effective Date, all Property of the Estate will be vested in the Reorganized Debtors, and will be free and clear of all claims and interests of Creditors and Parties in Interest, except as expressly provided in the Plan or the Confirmation Order. The automatic stay provision of §362 of the Bankruptcy Code will remain in full force and effect until the Case is closed.

7.4 Severability. Any clause within the Plan, enforcement of which is determined to be unconstitutional, illegal, unlawful, or otherwise improper or against public policy, will be severed and stricken from the Plan and will not invalidate or otherwise render void the remainder of the Plan unless such severance would frustrate the accomplishment of the purposes of the Plan.

7.5 Tax Consequence. The Debtors' accountant has analyzed the tax consequences of the sales of the Real Estate as contemplated in the Plan and a copy of the analysis is attached hereto as **Exhibit B**.

ARTICLE VIII **CONFIRMATION STANDARDS**

The Court will confirm the Plan at the Confirmation Hearing only if all the requirements of §1129 of the Code are met. Those requirements include:

8.1 Best Interest Test. With respect to each impaired Class, each claimant or interest holder in such Class either (i) has accepted the Plan, or (ii) will receive or retain under the Plan on account of its claim or interest, property of a value, as of the Effective Date, that is at least equal to the amount which such claimant or interest holder would receive or retain if the Debtors were

liquidated under Chapter 7 of the Code. More specifically, if the Plan provides that each claimant or interest holder in a class will receive money or other consideration equal to or in excess of the probable dividend it would receive if all of the Debtor's property were immediately liquidated, then the Plan is in the "best interests" of such claimant or interest holder.

8.2 Feasibility Test. The Bankruptcy Code requires a judicial determination that Confirmation of the Plan will not likely be followed by liquidation or the need for further reorganization of the Debtors or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan. Based upon the post-petition operating history, the Debtors' ongoing operational plan is feasible. The Debtors have operated as Chapter 11 debtors since January 8, 2016 and have made all required adequate protection payments and post-petition obligations with the exception of fees owed to counsel to the Debtors. The proposed reorganization plan provides the Debtors working capital and is similar to the framework under which the Debtors has operated in Chapter 11 and as a result feasibility of the Debtors' operations has been tested.

8.3 Acceptance. Each impaired Class must accept the Plan by the percentages described in paragraph 2.3, above, or the Court must find that the Plan complies with the "fair and equitable" test described below with respect to any such non-accepting Class.

8.4 Fair and Equitable Test. If less than all the Impaired Classes accept the Plan, the Plan may nevertheless be confirmed by the Court under §1129(b) of the Code as long as one impaired Class has affirmatively voted to accept the Plan. In order to obtain Confirmation pursuant to §1129(b) of the Code, the Plan Proponent must demonstrate to the Court that as to each non-accepting Class, the Plan "does not discriminate unfairly" and is "fair and equitable with respect to that Class." As a general rule, a Plan does not discriminate unfairly if no Class receives more from

Debtors' assets than such class is entitled to receive for its claims under a Chapter 7 liquidation. The Code establishes different "fair and equitable" tests for non-accepting secured creditors, unsecured creditors and interest holders as follows:

1. Secured Creditors. A non-accepting secured creditor whose Claim is impaired, must retain the lien(s) securing its claim and receive under the Plan cash payments that have a present value at least equal to such creditor's Allowed Secured Claim, or otherwise receive the "indubitable equivalent" of the value of the interest in the Debtors' property upon which it holds a lien.

2. Unsecured Creditors. A non-accepting unsecured creditor whose Claim is impaired must receive or retain under the Plan (a) property of a value at least equal to the amount of its Allowed Claims; or (b) the holders of Claims or Interests junior to the Claims of the non-accepting Class of Unsecured Creditors will not receive or retain any property under the Plan.

3. Interest Holders. A non-accepting interest holder must receive and retain under the Plan, property of a value equal to (a) the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of the interest; or (b) the holders of interests junior to the Class will not receive or retain any property under the Plan on account of such junior interest.

The Plan Proponents believe that the Plan does meet the "fair and equitable" test. According to the Plan, no junior class of claims and interest holders will receive any distribution until the senior classes have been paid under the Plan.

ARTICLE IX

ALTERNATIVES TO THE PLAN

9.1 The alternatives to confirmation of the Plan consist of dismissal of the case or conversion of the case to Chapter 7 proceeding. Because there is limited equity in the majority of the Debtors' assets and any realization of such equity would likely decrease should the Debtors not

sell the assets in the ordinary course of business, conversion to a Chapter 7 would result in little to no distribution to unsecured creditors and substantial loss to secured creditors. A liquidation analysis is attached as **Exhibit C**.

ARTICLE X
RECOMMENDATION

10.1 The Debtors believe that confirmation and implementation of this Plan is preferable to dismissal of the case or conversion of the case to Chapter 7 because it will provide the greatest recovery for unsecured creditors. The Plan Proponents urge all creditors and interest holders to accept this Plan and to evidence such acceptance by returning their ballots to the undersigned at the address below on or before 5:00 p.m., Central Daylight Time, on _____, 2016.

Respectfully submitted,

/s/ Robert E. Eggmann

By: _____
One of their Attorneys

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CERTIFICATE OF SERVICE

The undersigned hereby certifies on the 3rd day of June, 2016, that a true and correct copy of the above and foregoing pleading was served by electronic filing in the CM/ECF system of the United States Bankruptcy Court for the Southern District of Illinois which will send notification of such filing to the following registered parties in interest:

Office of the U.S. Trustee USTPRegion10.es.ecf@usdoj.gov

Mark D. Skaggs, Esq., on behalf of the Office of the U.S. Trustee mark.d.skaggs@usdoj.gov

Joel A. Kunin on behalf of Creditor First Nat'l Bank in Staunton jkunin@kuninlaw.com

Cherie K. Macdonald on behalf of Creditor Community Bank of Trenton ckm@greensfelder.com

Kevin J. Stine on behalf of Creditor First Collinsville Bank, kstine@fcbbanks.com,
hherzig@fcbbanks.com

The undersigned hereby certifies that a true and correct copy of the above and foregoing pleading was served via U.S. Mail, postage prepaid this 3rd day of June, 2016, to:

Louise Green
Edward and Dian Metzger
501 South Douglas Ave
Belleville, IL 62220

The Bank of Edwardsville
330 West Vandalia
Edwardsville, IL 62025

/s/ Robert E. Eggmann

EXHIBIT A

To be provided

EXHIBIT B

To be provided

EXHIBIT C

To be provided