

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF LOUISIANA

IN RE: CASE NO. 17-10057  
LOVE GRACE HOLDINGS, INC. CHAPTER 11  
*Debtor* JUDGE DOUGLAS D. DODD

**AMENDED CHAPTER 11 PLAN OF REORGANIZATION  
OF LOVE GRACE HOLDINGS, INC. AS OF JUNE 25, 2018**

Love Grace Holdings, Inc.<sup>1</sup>, as a debtor and debtor in possession (the “Debtor”) in this bankruptcy case under chapter 11 of the Bankruptcy Code, proposes this Amended Plan of Reorganization (“Plan”) as June 25, 2018 for the resolution of all outstanding creditor claims and equity interests as negotiated at a mediation conducted by Judge Robert Summerhays. Reference is made to the Amended Disclosure Statement filed by the Debtor as of April 25, 2018 in the captioned bankruptcy case (the “Disclosure Statement”) for a discussion of the Debtor's history and results of operations. All creditors and interest holders are encouraged to consult the Disclosure Statement prior to voting on the Plan.

**I. DEFINITIONS AND RULES OF CONSTRUCTION**

**A. Definitions.**

In addition to such other terms as are defined in other sections of this Plan, the following terms (which appear in this Plan as capitalized terms) have the following meanings as used in this Plan.

**1. "Administrative Claim"** means a claim for costs and expenses of administration of the Bankruptcy Case asserted under sections 503(b) and 507(a)(2) of the Bankruptcy Code,

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<sup>1</sup> Love Grace Holdings, Inc. (d/b/a Apricot Lane and d/b/a Blu Spero Boutique), 9100 Bluebonnet Centre Blvd., Suite 401, Baton Rouge, LA 70809, EIN xx-xxx5375.

including any actual and necessary costs and expenses of preserving the estate of the Debtor, any actual and necessary costs and expenses of operating as Debtor, any indebtedness or obligations incurred or assumed by the Debtor in connection with the administration and implementation of the Plan, the administration, prosecution or defense of Claims by or against the Debtor and for distributions under the Plan.

**2. "Allowed Administrative Claim"** means all or that portion of an Administrative Claim which has been allowed pursuant to a Final Order of the Bankruptcy Court.

**3. "Allowed Claim"** means, respectively, except as otherwise allowed or provided for in the Plan or a Final Order of the Bankruptcy Court, a Claim, proof of which was timely and properly Filed or, if no proof of claim or proof of interest was Filed, which has been or hereafter is listed by the Debtor on its Schedules as liquidated in amount and not disputed or contingent, and, in either case, as to which:

(a) no objection to the allowance thereof has been interposed on or before the later of: (i) the sixtieth (60th) day after the Effective Date, or (ii) the thirtieth (30th) day after proof of such Claim is filed, or (iii) such other applicable period for objection as may be fixed or extended by the Court, or

(b) any objection thereto has been determined by a Final Order to the extent such objection is determined in favor of the respective holder.

Unless otherwise specified herein or by order of the Court, an "Allowed Claim" shall not include any interest, fees, costs or other charges on such Claim accruing after the Petition Date.

**4. "Assets"** shall mean all property of the Debtor as defined in Section 541(a) of the Bankruptcy Code, including but not limited to, all of the Debtor's rights, title and interests in and to all immovable property and appurtenances thereto, improvements thereon, cash, deposits,

telephone numbers, trade names, trade secrets, trademarks, copyrights, business “know how,” goodwill, bank accounts of any and all types of any kind, tangible personal property, furniture, fixtures, equipment, machinery, inventory, general intangibles, general accounts, accounts receivable, intellectual property of all types and kinds, contract rights, licenses and permits, contracts and agreements, privileges of any and all kinds, and any and all other property and rights of the Debtor and its estate, any and all Avoidance Actions, other Causes of Action and any and all defenses, which could be exercised by or on behalf of a Chapter 11 trustee or a debtor in possession.

**5. “Avoidance Actions”** means all of the Debtor's and the Estate's rights and claims under sections 541 through 553 of the Bankruptcy Code, inclusive, or under any similar or related state or federal statute or common law, whether or not an action is initiated on or before the Effective Date.

**6. “Bankruptcy Court”** means the United States Bankruptcy Court for the Middle District of Louisiana, or, in the event such court ceases to exercise jurisdiction over the Bankruptcy Case, such court or adjunct thereof that exercises jurisdiction over the Bankruptcy Case in lieu of the United States Bankruptcy Court for the Middle District of Louisiana.

**7. “Bankruptcy Case”** means this chapter 11 bankruptcy case of Love Grace Holdings, Inc.

**8. “Bankruptcy Rules”** means collectively, the (a) Federal Rules of Bankruptcy Procedure, and (b) Local Rules of the Bankruptcy Court, as applicable from time to time in the Bankruptcy Case.

**9. “Cash”** means cash or cash equivalents.

**10. “Causes of Action”** shall mean, without limitation, any and all of the Debtor’s

and the Estate's actions, causes of action, rights, suits, claims, accounts, debts, sums of money, damages, judgments, claims and demands, actions, defenses, offsets, powers (including all police, regulatory, and enforcement powers and actions that may be taken), privileges, licenses, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payment and claims, whatsoever, whether known or unknown, suspected or unsuspected, whether arising prior to, on or after the Petition Date, in contract or tort, in law, equity or otherwise, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, unsecured and whether asserted or assertable, accruing to and in favor of the Debtor or Debtor in Possession pursuant to the Bankruptcy Code or any applicable statute or law or legal theory. For avoidance of doubt, Causes of Action include, but are in no way limited to (a) rights of setoff, counterclaim or recoupment, and claims on contracts or for breaches of duties imposed by law, (b) claims pursuant to Section 362 of the Bankruptcy Code, (c) such claims and defenses as fraud, mistake, duress, and usury, (d) all Avoidance Actions, (e) all claims and rights of action described herein, and (f) all Causes of Action that are assertable by or may be directly or derivatively asserted by the Debtor, its Estate, the Reorganized Debtor, or a representative of the Estate on behalf of Creditors of the Debtor or the Estate.

**11. "Claim"** shall have the meaning set forth in section 101(5) of the Bankruptcy Code.

**12. "Committee"** means the Official Committee of Unsecured Creditors appointed by the United States Trustee for Region 5 in this Bankruptcy Case, and is comprised of GGP Limited Partnership Intex Flooring, LLC, and Douglas Kampen.

**13. "Confirmation Date"** means the date on which the Confirmation Order is

entered by the Bankruptcy Court.

**14. "Confirmation Hearing"** means the hearing held pursuant to section 1128(a) of the Bankruptcy Code at which the Bankruptcy Court considers confirmation of the Plan, including any continuances thereof.

**15. "Confirmation Order"** means the order of the Bankruptcy Court entered following the Confirmation Hearing that confirms the Plan.

**16. "Debtor" and/or "Debtor in Possession"** mean the Debtor, Love Grace Holdings, Inc.<sup>2</sup>, between the Petition Date and the Effective Date when acting in the capacity of representative of its Estate in the Bankruptcy Case.

**17. "Disallowed Claim"** means (a) a Claim, or any portion thereof, that has been disallowed by a Final Order or a settlement, (b) a Claim or any portion thereof that is Scheduled as zero or as contingent, disputed, or unliquidated and as to which a proof of claim bar date has been established but no proof of claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law, or (c) a Claim or any portion thereof that is not Scheduled and as to which a proof of claim bar date has been established but no proof of claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law.

**18. "Disbursing Agent"** means the entity designated pursuant to this Plan to hold and distribute property under this Plan, which may be the Reorganized Debtor.

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<sup>2</sup> Love Grace Holdings, Inc. (d/b/a Apricot Lane and d/b/a Blu Spero Boutique), 9100 Bluebonnet Centre Blvd., Suite 401, Baton Rouge, LA 70809, EIN xx-xxx5375.

**19. "Disclosure Statement"** means the Disclosure Statement for the Debtor to accompany the Plan, as modified or amended, filed with the Bankruptcy Court.

**20. "Disputed Claim"** mean any Claim that is neither an Allowed Claim nor a Disallowed Claim, as the case may be.

**21. "Effective Date"** shall be thirty (30) days after the order confirming the Plan becomes a final order.

**22. "Estate"** means the estate created in the Bankruptcy Case under section 541 of the Bankruptcy Code.

**23. "File" or "Filed"** means properly and timely filed with the Bankruptcy Court in the Bankruptcy Case, as reflected on the official docket of the Court for the Bankruptcy Case and served on Persons, as such filing and service are required pursuant to the Bankruptcy Code, Bankruptcy Rules and/or Order of the Court.

**24. "Final Order"** means an order or judgment of the Bankruptcy Court or other applicable court as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending or as to which any right to appeal, petition for certiorari, reargue, or rehear shall have been waived in writing in form and substance satisfactory to the Debtor or, in the event that an appeal, writ of certiorari, or reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court or other applicable court shall have been affirmed by the highest court to which such order or judgment was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired, with no further appeal, petition for certiorari or motion for reargument or rehearing

pending; provided however that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed relating to such order or judgment shall not cause such order or judgment to not be a Final Order.

**25. "Home"** shall mean Home Bank.

**26. "Interests"** means the respective legal, equitable, contractual and other rights and ownership interests of in and with respect to the Debtor.

**27. "Lien"** shall have the meaning set forth in Section 101(37) of the Bankruptcy Code.

**28. "Padial"** shall mean Carlos Padial, Jr.

**29. "Person"** means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization, governmental unit (as defined in section 101(27) of the Bankruptcy Code), or other entity.

**30. "Petition Date"** means January 20, 2017.

**31. "Plan"** means this plan of reorganization, either in its present form or as it may be altered, amended, or modified from time to time in accordance with the Bankruptcy Code and Bankruptcy Rules.

**32. "Priority Non-Tax Claim"** means any Claim (other than an Administrative Claim or a Priority Tax Claim) that is entitled to priority pursuant to section 507(a) of the Bankruptcy Code.

**33. "Priority Tax Claim"** means any Claim that is entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

**34. "Reorganized Debtor" and "Reorganized Love Grace"** mean the Debtor or

Love Grace Holdings, Inc., respectively, as revested with property of the Estate to the extent provided in this Plan on or after the Effective Date.

**35. "Retained Claims and Causes of Action"** means any and all Claims, causes of action, demands, defenses, suits, judgments, choses in action, licenses, privileges, agreements and all other rights and remedies (legal or equitable) of the Debtor and the Estate, for or on behalf of Creditors and/or the Debtor and/or the Estate, including but not limited to any and all claims and/or causes of action by the Estate and/or the Debtor against any and all Creditors or other Persons of every kind or nature, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, matured or unmatured, whether arising before, on or after the Petition Date, in contract or in tort, at law or in equity, and whether or not brought as of the Effective Date, including but not limited to those for (i) damages, (ii) the recovery of monies, (iii) lien avoidance, subordination, surcharge, recharacterization, setoff, counterclaim, contribution or recoupment, (iv) tax refunds, (v) claims and defenses such as fraud, mistake, duress and usury, (vi) claims on contracts or for breaches of duties imposed by law, (vii) injunctive, equitable or other relief, (viii) claims and causes of action that may be asserted derivatively on behalf of the Debtor, the Estate or the Reorganized Debtor, (ix) claims and causes of action pursuant to section 362 of the Bankruptcy Code and (x) all Avoidance Actions.

**36. "Scheduled"** means set forth on the Schedules.

**37. "Schedules"** means the Schedules of Assets and Liabilities and List of Equity Security Holders Filed by the Debtor under the Bankruptcy Rules, as the same have been or may be amended from time to time before the Effective Date.

**38. "Secured Claim"** shall mean any Allowed Claim secured by a Lien on the Debtor's interest in any Assets as set forth in the Plan or as determined by the Bankruptcy Court



pursuant to Section 506(a) of the Bankruptcy Code.

**39. "Secured Tax Claim"** shall mean any Claim in favor of a federal, state, parish, county, local, or special governmental taxing authority, whether or not entitled to priority pursuant to Section 507(a)(8) of the Bankruptcy Code, that is secured by a Lien or other security interest on any Assets of the Debtor.

**40. "Unsecured Claim"** means any claim that is not an Allowed Administrative Claim, Priority Tax Claim, Priority Claim, Secured Tax Claim, or any Secured Claim.

**B. Rules of Interpretation.**

Any term used in this Plan that is not defined in this Plan, but that is used in the Bankruptcy Code or the Bankruptcy Rules has the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

**C. Rules of Construction.**

For purposes of this Plan:

1. Whenever from the context it is appropriate, each term whether stated in the singular or the plural shall include both the singular and the plural;
2. Any reference in the Plan to a contract, instrument, indenture, release, or other agreement or document being in a particular form or on particular terms and conditions means that such documents shall be substantially in such forms or substantially on such terms and conditions;
3. Unless otherwise specified in a particular reference, all references in the Plan to sections, articles, and exhibits are references to sections, articles, and exhibits of or to the Plan;
4. The words "herein," "hereof," "hereto," "hereunder," and others of similar import refer to the Plan in its entirety rather than only a particular portion of the Plan;

5. Captions and headings to articles and sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan;

6. All exhibits to this Plan are incorporated herein; and

7. The rules of construction set forth in section 102 of the Bankruptcy Code shall apply.

**D. Time Periods.**

In computing any time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

**II. TREATMENT OF CLASSES OF CLAIMS AND INTERESTS**

**A. Unclassified Claims.**

**1. Administrative Claims.**

**a. Generally.**

Subject to the bar date provisions herein, the Disbursing Agent shall pay each holder of an Allowed Administrative Claim against the Debtor on account of and in full satisfaction of such Allowed Administrative Claim, Cash equal to the amount of the Allowed Administrative Claim, on the date such Administrative Claim becomes an Allowed Administrative Claim, or, as soon thereafter as is practicable, except to the extent that the holder of an Allowed Administrative Claim agrees to a different treatment.

**b. Payment of Statutory Fees.**

All fees payable pursuant to Section 1930 of title 28 of the United States Code shall be paid after the Effective Date by the Reorganized Debtor, as, when and in the amount as required by applicable law.

**c. Bar Date For Administrative Claims.**

**i. General Provisions.**

Except as provided below for professionals and non-tax liabilities incurred in the ordinary course of business by the Debtor in Possession, requests for payment of Administrative Claims must be Filed no later than thirty (30) days after the Effective Date. Holders of Administrative Claims (including, without limitation, any governmental units asserting claims for federal, state, or local taxes) that are required to File a request for payment of such claims and that do not File such requests by such bar date shall be forever barred from asserting such claims against the Debtor, Reorganized Debtor, any other Person, or any of their respective property.

**ii. Professionals.**

All professionals or other entities requesting compensation or reimbursement of expenses under sections 327, 328, 330, 331, 503(b), 506 and 1103 of the Bankruptcy Code for services rendered before the Effective Date (including any compensation requested by any professional for any other entity for making a substantial contribution in the Bankruptcy Case) shall File and serve on the Reorganized Debtor an application for final allowance of compensation and reimbursement of expenses no later than sixty (60) days after the Effective Date. All professionals or other entities requesting compensation or reimbursement of expenses under sections 327, 328, 330, 331, 503(b), 506 and 1103 of the Bankruptcy Code for services rendered before the Effective Date (including any compensation requested by any professional for any other entity for making a substantial contribution in the Bankruptcy Case) granted an Allowed Administrative Claim will be paid over two (2) years in equal monthly installments commencing thirty (30) days after an order approving the Administrative Claim becomes final.

**iii. Ordinary Course Liabilities.**

Holders of Administrative Claims based on liabilities incurred in the ordinary course of business of the Debtor in Possession prior to the Effective Date (other than professionals or other entities described in subparagraph (ii) above, and governmental units that hold claims for taxes or claims and/or penalties related to such taxes) shall not be required to File any request for payment of such claims. Such Administrative Claims shall be assumed and paid by the Reorganized Debtor in the ordinary course of business under the terms and conditions of the particular transaction giving rise to such Administrative Claim, without any further action by the holders of such claims.

## **2. Priority Tax Claims**

Each holder of an Allowed Priority Tax Claim that has not otherwise been satisfied during the Bankruptcy Case shall be paid the Allowed Amount of such Allowed Priority Tax Claim, at the option of the Reorganized Debtor: (i) in full, in Cash, by the Reorganized Debtor on the Effective Date; or (ii) in accordance with the terms of the underlying Allowed Priority Tax Claim; or (iii) in Cash payments commencing thirty (30) days after the Effective Date, in equal quarterly installments based upon a 10 year amortization with a balloon payment on the 5<sup>th</sup> anniversary of the Petition Date, and in an aggregate amount equal to such Allowed Priority Claim, with interest at such rate as required by Section 511 of the Bankruptcy Code or otherwise as required by Section 1129(a)(9)(C) or (D) of the Bankruptcy Code.

Provided further, that any holder of an Allowed Priority Tax Claim, who has a Lien, mortgage or other encumbrance on the Debtor's Assets which secures its Claim, shall retain its security interest in such Assets until its Claim is either satisfied in full in accordance with the terms of this Plan or the Assets are sold, assigned or transferred by the Debtor and is no longer property of the Estate.

## **3. Priority Non-Tax Claims**

Each holder of an Allowed Priority Non-Tax Claim that has not otherwise been satisfied during the Bankruptcy Case shall be paid the Allowed Amount of such Allowed Priority Claim, at the option of the Reorganized Debtor: (i) in full, in Cash, by the Reorganized Debtor on the Effective Date, or (ii) in accordance with the terms of the underlying Allowed Priority Non-Tax Claim; or (iii) upon such other terms as may be agreed upon by the holder of such Allowed Priority Non-Tax Claim and the Reorganized Debtor or otherwise established pursuant to a Final Order of the Bankruptcy Court.

**B. Treatment Of Classified Claims**

**1. Class 1 Home Bank**

The Class 1 Secured Claim of Home shall be in an amount of \$1,000,000.00 (which the Debtor assumes to be the fair market value of the Home collateral) with the Debtor making equal monthly payments commencing thirty (30) days after the Effective Date, based on a ten (10) year amortization schedule with interest accruing at a rate of (a) six percent (6%) per annum, or (b) such rate, as determined by the Bankruptcy Court pursuant to 11 U.S.C. § 1129(b)(2)(A)(i)(II), that provides the holder of the Secured Claim of this Class with deferred cash payments having a present value, as of the Effective Date of the Plan, equal to the value of the Debtor's property that secures such Secured Claim, or (c) upon such other terms as may be mutually agreed upon between the holder of the Home Bank Secured Claim and the Reorganized Debtor. On the 5<sup>th</sup> anniversary of the Effective Date, the Debtor shall make a final payment of all unpaid principal and interest in full and final satisfaction of the Home Bank Secured Claim.

The holder of the Class 1 Home Bank Secured Claim shall retain liens on and security interests in the Debtor's Assets granted to it pursuant to the applicable loan documents, with the same validity, priority and extent that existed on the Petition Date, to evidence and secure the

timely payment of its Class 1 Claim. Section 552 of the Bankruptcy Code shall not apply to limit any of the liens and security interests of the holder of the Class 1 Claim.

Class 1 is Impaired by the Plan. The holder of the Class 1 Secured Claim is entitled to vote to accept or reject the Plan. If Class 1 does not vote to accept the Plan, the Debtor shall request that the Plan be confirmed nonetheless pursuant to Section 1129(b) of the Bankruptcy Code. The difference between the Class 1 Claim of Home and the amount owed to it by the Debtor shall be treated as a Class 2 Claim.

## **2. Class 2 General Unsecured Claims**

Class 2 consists of all Unsecured Claims including the deficiency claim owed to Home Bank by the Debtor. Excluded are the general unsecured claims asserted by Lancaster and Lancaster Construction, LLC. Each holder of an Allowed General Unsecured Claim shall be paid quarterly in Cash its pro-rata share of certain amounts pursuant to the following schedule over six (6) years: (a) year one is a distribution of \$25,000.00 per quarter; (b) year two is a distribution of \$31,250.00 per quarter; and (c) years three, four, five and six is a distribution of \$87,500 per quarter; for a total distribution over the six (6) years of \$1,625,000.00. The Debtor payments into the fund shall commence quarterly payments at the end of the first full quarter that is sixty (60) days after the Effective Date (for example, if Effective Date is August 2018, quarterly payments will commence in January 2019). Class 2 is Impaired by the Plan. The holders of Class 2 Claims are entitled to vote to accept or reject the Plan. If Class 2 does not vote to accept the Plan, the Debtor shall request that the Plan be confirmed nonetheless pursuant to Section 1129(b) of the Bankruptcy Code.

## **3. Class 3 Interests**

Class 3 consists of the holders of Interests in the Debtor.

The Class 3 Interests shall be retained by the holders thereof in exchange for the DIP loan

being converted into equity in the Debtor and shall automatically constitute Interests in Reorganized Debtor. In addition, each holder of an Interest or an affiliate of the holder of an Interest shall waive any distribution based on any scheduled or filed unsecured claim possessed by a holder of an Interest or an affiliate of the holder of an interest .

#### ACCEPTANCE OR REJECTION OF THE PLAN

##### **B. Voting Classes.**

The holders of Claims in Classes 1 and 2, and Interests in Class 3 shall be entitled to vote to accept or reject the Plan.

##### **C. Voting Rights of Holders of Disputed Claims and Disputed Interests.**

Pursuant to Bankruptcy Rule 3018(a), a Claim or Interest that is disallowed or which is disputed or objected to will not be counted for purposes of voting on the Plan to the extent it is disputed, unless the Court enters an order temporarily allowing the Claim or Interest for voting purposes under Bankruptcy Rule 3018(a). Such disallowance for voting purposes is without prejudice to the claimant's or interest holder's right to seek to have its Claim or Interest, as the case may be, allowed for purposes of distribution under the Plan.

##### **D. Acceptance by Impaired Classes.**

An impaired class of Claims shall have accepted the Plan if (a) the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in dollar amount of the Claims actually voting in such class have voted to accept the Plan, and (b) more than one-half in number of the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of such Claims actually voting in such class have voted to accept the Plan.

##### **E. Nonconsensual Confirmation/Cramdown.**

In the event that Classes 1, 2, and interests in Class 3 do not vote in favor of the Plan, the Debtor reserves the right to (a) request that the Court confirm the Plan in accordance with section

1129(b) of the Bankruptcy Code, and/or (b) modify the Plan in accordance with section 1127(a) of the Bankruptcy Code.

### **III. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**A. Assumption.** Each executory contract or unexpired lease of the Debtor that has not expired by its own terms before the Effective Date or previously been rejected by the Debtor in Possession pursuant to an order of the Bankruptcy Court, shall be assumed by the Debtor as of the Effective Date pursuant to Sections 365 and 1123 of the Bankruptcy Code, except for any executory contract or unexpired lease (i) that is listed on a "Schedule of Executory Contracts and Unexpired Leases to be Rejected" (to be Filed on or before the day that is three (3) days prior to the Confirmation Hearing), or (ii) added to the "Schedule of Executory Contracts and Unexpired Leases to be Rejected" prior to the Effective Date. Nothing in the Plan, any exhibit to the Plan, or any document executed or delivered in connection with the Plan or any such exhibit creates any obligation or liability on the part of the Debtor, the Reorganized Debtor, or any other person or entity that is not currently liable for such obligation, with respect to any executory contract or unexpired lease except as may otherwise be provided in the Plan.

Any executory contract or unexpired lease assumed pursuant to the Plan shall be and hereby is assumed by the Debtor as of the Effective Date and shall be fully enforceable by the Debtor in accordance with its terms thereof, and shall include all written modifications, amendments, supplements of said executory contract or unexpired lease and, as with respect to executory contracts or unexpired leases that relate to real property, shall include all written agreements and leases appurtenant to the premises, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, reciprocal easements, and any other interests in real property or rights *in rem* related to such premises. Listing a contract or



lease on the “Schedule of Executory Contracts and Unexpired Leases to be Rejected” is not deemed an admission by the Debtor or Reorganized Debtor that such contract is an executory contract or unexpired lease or that the Debtor or Reorganized Debtor has any liability there under.

The Debtor reserves the right at any time before the Effective Date to amend the “Schedule of Executory Contracts and Unexpired Leases to be Rejected” to: (a) delete any executory contract or unexpired lease listed on the “Schedule of Executory Contracts and Unexpired Leases to be Rejected” thus, providing for its assumption under the Plan, or (b) add any executory contract or unexpired lease to the “Schedule of Executory Contracts and Unexpired Leases to be Rejected” thus, providing for its rejection under the Plan. The Debtor shall provide notice of any such amendment of the “Schedule of Executory Contracts and Unexpired Leases to be Rejected” to the party to the affected executory contract and unexpired lease and to the Office of the U.S. Trustee.

**B. Cure Payments, Compensation for Pecuniary Loss, and Adequate Assurance.**

All payments, including any and all cure payments, adequate assurance or compensation for actual pecuniary loss, that are required to be paid or provided by Section 365(b)(1)(A)-(C) of the Bankruptcy Code (collectively, all cure payments, and any and all provisions for adequate assurance and/or compensation for actual pecuniary loss due or required to be paid under Section 365(b)(1)(A)-(C) of the Bankruptcy Code, the “Cure Payments”) for any executory contract or unexpired lease that has not been assumed by a motion or a pending motion and is being assumed under the Plan, unless disputed by the Debtor, shall be made by the Reorganized Debtor in three (3) equal monthly payments commencing thirty (30) days after the Effective Date. Unless the non-debtor party to any executory contract or unexpired lease to be assumed files and

serves on the Debtor and its counsel an objection to assumption of such executory contract or unexpired lease for any reason, or asserting that an additional Cure Payment is required or owed in connection with such assumption, by the deadline established by the Bankruptcy Court for filing objections to confirmation of the Plan, then the executory contracts and unexpired leases shall be assumed, and any default then existing in the executory contract and/or unexpired lease shall be deemed cured as of the Effective Date, and there shall be no other cure obligation or Cure Payment due or owed by anyone, including the Debtor and the Reorganized Debtor, in connection with such assumption of the executory contract or unexpired lease. Any Claims for Cure Payments not filed as part of a written objection to the proposed assumption within such time period will be forever barred from assertion against the Debtor, its Estate, the Reorganized Debtor, and its Assets, and the holders of any such Claims are barred from recovering any distributions under the Plan on account thereof. In the event of an objection to the assumption of executory contracts or unexpired leases regarding the amount of any Cure Payment, or the ability of the Reorganized Debtor to provide adequate assurance of future performance or any other matter pertaining to assumption, (a) the Bankruptcy Court will hear and determine such dispute at the Confirmation Hearing, and, (b) in the discretion of the Debtor, the Debtor (i) may assume such disputed executory contract or unexpired lease by curing any default or providing adequate assurance in the manner determined by the Bankruptcy Court, or (ii) the Debtor may reject such executory contract or unexpired lease as of the Effective Date. The Reorganized Debtor shall make any Cure Payment as per Court Order provided however that the Reorganized Debtor shall have five (5) Business Days after any order determining the amount of a disputed Cure Payment becomes a Final Order in which to determine whether or not it elects to assume or reject such executory contract.

**C. Effect of Confirmation Order on Executory Contracts and Unexpired Leases.**

Subject to the occurrence of the Effective Date, entry of the Confirmation Order shall constitute approval of such assumptions pursuant to Section 365(a) and 1123(b)(2) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of the Debtor, its Estate, and all parties in interest. In addition, the Confirmation Order shall constitute a finding of fact and conclusion of law that (i) there are no defaults of the Debtor, no Cure Payments owing (including that there is no compensation due for any actual pecuniary loss), (ii) there is adequate assurance of future performance with respect to each such assumed executory contract or unexpired lease, (iii) such assumption is in the best interest of the Debtor and its Estate, (iv) upon the Effective Date, the assumed executory contracts or unexpired leases constitute legal, valid, binding and enforceable contracts in accordance with the terms thereof, and (v) the counter party to each assumed executory contract or unexpired lease is required to and ordered to perform under and honor the terms of the assumed executory contract or unexpired lease. All executory contracts and unexpired leases assumed under the Plan or during the Chapter 11 Case constitute valid contracts and leases, as applicable, enforceable by the Debtor against the non-Debtor counterparties regardless of any cross-default or change of control provisions in any contracts or leases assumed or rejected under the Plan or during the Bankruptcy Case.

Subject to the occurrence of the Effective Date, the Confirmation Order shall constitute an order of the Bankruptcy Court approving the rejection as of the Effective Date of all executory contracts and unexpired leases which are not assumed under this Plan, with the rejection effective as of the day before the Petition Date, as being burdensome and not in the best interest of the Estate.

The Debtor filed a Motion to Assume the Leases at its current operating locations and set cure amounts pursuant to 11 U.S.C. § 365. The Motion was granted by orders entered as docket numbers 272 and 330. The Debtor has made partial payments for the cure amounts. The Debtor will make the remaining cure payments to the counter parties to the assumed leases over a period of four (4) months in equal installments beginning on April 10, 2018, except for the Metairie – Causeway LLC location, wherein the payments will be made in three (3) equal installments, which will each also include interest at the rate of 4% on the then-remaining unpaid balance, accruing from and after November 2, 2017 until paid and the remaining cure amount owed to GGP will be waived for the STL – Galleria location only as part of lease re-negotiation pursuant to the terms of this Plan. The following is the outstanding cure amounts owed as of March 31, 2018 [the April 10<sup>th</sup> payments were tendered]:

Location	Total Cure Amount	Remaining Amount
Cordova – Simon Property	\$20,085.18	\$8,611.10
Bluebonnet – GGP Limited	\$18,385.22	\$8,164.42
Mande-Premier Mandeville	\$14,988.84	\$0.00
Spanish Fort – Eastern Shore	\$13,533.40	\$6,766.70
Turtle Creek	\$8,229.28	\$0.00
LC-Prein Lake	\$7,211.41	\$1,476.21
Laf – Acadiana Mall	\$16,377.76	\$7,641.18
STL-Galleria	\$12,871.73	waived
Jefferson – Latter & Blum	\$20,544.27	\$7,759.85
Met-Causeway LLC	\$28,767.36	\$17,463.38
Mobile-Legacy	\$13,996.77	\$9,331.18
Destin – Destin Commons	\$20,495.86	\$16,268.94
Total	\$196,072.87	\$77,009.44

The confirmation order will serve to amend the orders docket numbers 272 and 330, including the right of GGP and the Debtor to modify the terms of the STL-Galleria lease to

include monthly rental payments to be based upon sixteen percent (16%) of monthly sales for the 2019 calendar year for the STL-Galleria location and the right of the Debtor to enter into a modified lease for the STL-Galleria location.

**D. Bar Date for Filing Proofs of Claim Relating to Executory Contracts and Unexpired Leases Rejected Pursuant to the Plan.**

Any Claims for damages arising from the rejection of an executory contract or unexpired lease under this Plan must be Filed within thirty (30) days after the Effective Date or, such Claims will be forever barred and unenforceable against the Debtor, Reorganized Debtor, and its Assets and the holders of any such Claims are barred from receiving any distributions under the Plan.

**V. MEANS FOR EXECUTION AND IMPLEMENTATION OF THE PLAN**

**A. Payments to Creditors.**

The payment to creditors will be generated by the operations of the Debtor at its operating locations. The Debtor believes it can generate sufficient revenue from operations to meet the Plan payments.

**B. Post-Effective Date Management of the Reorganized Debtor.**

Art and Stacy Lancaster will comprise the Board and the post-Effective Date officers of the Debtor. They will be paid a total of \$150,000.00 annually, which is a payment of \$75,000.00 each, annually. The managing members of the Debtor shall be Arthur A. Lancaster, Jr. and Stacie Lancaster.

**C. Revesting of Assets and Operations of Property and Retained Claims and Causes of Action.**

Except as otherwise set forth herein or in the Confirmation Order, as of the Effective Date, all property of the Estate shall revert in the Reorganized Debtor free and clear of all claims, liens, encumbrances and other interests of creditors and holders of interests accept as set forth herein. From and after the Effective Date, the Reorganized Debtor may operate its business and use, acquire, and dispose of property and settle and compromise claims or interests without supervision by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order or by order of the Court.

Except as otherwise specifically provided in this Plan, the Reorganized Debtor shall retain all rights and is authorized to commence and pursue, as the Reorganized Debtor deems appropriate, any and all claims and Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal including, without limitation, in any legal proceeding pending prior to the Petition Date. The Plan represents a settlement with Arthur Lancaster, Carlos Padiá, their affiliates and Country Vision and the Debtor does not intend on pursuing preference or fraudulent conveyance claims, or any other disgorgement or revocation claims against Arthur Lancaster, Carlos Padiá, their affiliates and Country Vision. The Debtor does reserve the right to object to as provided in the Plan and right to pursue causes of actions against other creditors, transfers that are voidable under applicable State and Federal law specifically creditors receiving payments within 90 days of the Petition Date as identified in the Statement of Financial Affairs [Dkt. # 97, part 2, question #3].

**D. Funding of the Plan.**

The Cash required to be distributed under the Plan to the holders of Allowed Administrative Claims and Allowed Claims on the Effective Date (or on such later date when such Claims become

Allowed Claims) shall be provided by the Cash held by the Debtor on the Effective Date, and funds generated from the operations of the Debtor.

**E. Execution of Documents.**

The Debtor and Debtor in Possession, on behalf of themselves, and the Reorganized Debtor, shall execute such documents and take such other action as is necessary to effectuate the transactions provided for in the Plan.

**VI. DISTRIBUTIONS UNDER THE PLAN AND OBJECTIONS TO CLAIMS**

**A. Disbursing Agent.**

Subject to the approval of the Bankruptcy Court, the Reorganized Debtor, or such other entity as the Reorganized Debtor may employ, shall act as Disbursing Agent under the Plan and make all distributions required under the Plan. Unless otherwise required, the Disbursing Agent shall serve without bond. The Disbursing Agent shall not receive any fees for performing such services.

**B. Timing of Plan Distributions.**

Whenever any distribution to be made under this Plan shall be due on a day other than a Business Day, such distribution shall instead be made, without the accrual of any interest, on the immediately succeeding Business Day, but shall be deemed to have been made on the date due.

**C. Delivery of Distributions in General.**

Except as otherwise provided in the Plan, distributions of Cash to record holders of Allowed Claims shall be made by the Debtor or Reorganized Debtor, as applicable: (a) at the addresses set forth on the proofs of Claim filed by such holders (or at the last known addresses of such holders if no proof of Claim is filed or if the Debtor or Reorganized Debtor have been notified in writing of a change of address); (b) at the addresses set forth in any written notices of

address changes delivered to the Debtor or Reorganized Debtor; (c) at the addresses reflected in the Schedules if no proof of Claim has been filed and the Debtor or Reorganized Debtor have not received a written notice of a change of address; or (d) in the case of the holder of a Claim that is governed by an indenture or other agreement and is administered by an indenture trustee, agent, or servicer, at the addresses contained in the official records of such indenture trustee, agent, or servicer.

**D. Undeliverable Distributions.**

Any Cash, assets, and other properties to be distributed under this Plan that remain unclaimed (including by an entity's failure to negotiate a check issued to such entity) or otherwise not deliverable to the entity entitled thereto before the later of (a) one (1) year after distribution or (b) one hundred twenty (120) calendar days after an order allowing such entity's Claim becomes a Final Order, shall become vested in, and delivered to, the Reorganized Debtor. In such event, such entity's Claim shall no longer be deemed to be Allowed, and such entity shall be deemed to have waived its rights to such payments or distributions under this Plan pursuant to section 1143 of the Bankruptcy Code, shall have no further claim or right in respect of such distribution, and shall not participate in any further distributions under this Plan with respect to such Claim.

**E. Manner of Payment Under the Plan.**

Unless the entity receiving a payment agrees otherwise, any payment in Cash to be made by the Debtor or Reorganized Debtor, as applicable, shall be made by check drawn on a domestic bank or by wire transfer from a domestic bank.



**F. Objections to Claims/Interests.**

Only the Debtor or the Reorganized Debtor shall be entitled to object to Claims and Interests. Any objections to Claims and Interests shall be served and filed on or before the later of: (i) sixty (60) days after the Effective Date, or (ii) such other date as may be fixed by the Bankruptcy Court, whether before or after the dates specified in subsections (i) and (ii) herein, upon motion of the Reorganized Debtor on an ex-parte basis without notice to creditors or otherwise. Notwithstanding any authority to the contrary, an objection to a Claim or Interest shall be deemed properly served on the Creditor if service is effected in any one of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004; (b) by first class mail, postage prepaid, on any counsel that has appeared on the Creditor's or Interest holders' behalf in the Bankruptcy Case; or (c) by first class mail, postage prepaid, on the signatory on the proof of Claim or Interest or other representative identified in the proof of Claim or Interest or any attachment thereto.

**G. Disputed Claims.**

Distribution shall be made on Disputed Claims only at such time as a particular Claim is determined to be an Allowed Claim. The holder of a Disputed Claim that is ultimately allowed shall be paid only out of distributions made after such Claim is Allowed and shall have no recourse against the Reorganized Debtor or its property for any distributions made prior to the allowance of the Claim. No interest shall accrue or will be paid with respect to any Disputed Claim for the period from the Effective Date to the date a distribution, if any, is made with respect to said Disputed Claim upon becoming an Allowed Claim.

**VII. EFFECT OF CONFIRMATION OF PLAN**

**A. Term of Certain Injunctions and Automatic Stay.**

All of the injunctions and/or automatic stays provided for in or in connection with the Chapter 11 Case, whether pursuant to section 105, 362, or any other provision of the Bankruptcy Code or other applicable law, in existence immediately prior to the Confirmation Date shall remain in full force and effect until the injunctions set forth in this Plan become effective, and thereafter if so provided by this Plan, the Confirmation Order, or by their own terms. In addition, on and after Confirmation Date, the Debtor may seek such further orders as it may deem necessary or appropriate to preserve the *status quo* during the time between Confirmation Date and the Effective Date.

Each of the injunctions provided for in this Plan shall become effective on the Effective Date and shall continue in effect at all times thereafter unless otherwise provided by this Plan. Notwithstanding anything to the contrary contained in this Plan, all actions in the nature of those to be enjoined by such injunctions shall be enjoined during the period between the Confirmation Date and the Effective Date.

**B. Discharge of the Debtor.**

Except as otherwise provided in this Plan, the rights afforded in this Plan and the treatment of all Claims and Interests herein shall be in exchange for and in complete satisfaction, discharge, and release of all Claims against the Debtor and Interests in the Debtor of any nature whatsoever, including any interest accrued thereon from and after the Petition Date, against or in the Debtor and the Debtor in Possession, or its assets, properties, or interests in property. Except as otherwise provided herein, on the Effective Date, all Claims (including those arising under sections 502(g), 502(h) or 502(i) of the Bankruptcy Code) against the Debtor and the Debtor in Possession (including any based on acts or omissions that constituted or may have constituted ordinary or gross negligence or reckless, willful, or wanton misconduct of the Debtor, or any

conduct for which the Debtor may be deemed to have strict liability under any applicable law) shall be discharged and released.

For the avoidance of doubt, the Reorganized Debtor shall not be responsible for any Claims against the Debtor or the Debtor-in-Possession except: (1) those payments and distributions expressly provided for or due under in this Plan; and (2) Claims, if any, that pass through this Plan Unimpaired pursuant to specific and express provisions of this Plan. All entities shall be and are precluded and forever barred from asserting against the Debtor, the Reorganized Debtor, or its assets, properties, or interests in property, any other or further Claims or Causes of Action based upon any act or omission, transaction, or other activity, event, or occurrence of any kind or nature that occurred prior to the Effective Date, whether or not the facts of or legal bases therefor were known or existed prior to the Effective Date, except for: (1) those payments and distributions expressly provided for or due under in this Plan; and (2) Claims, if any, that pass through this Plan Unimpaired pursuant to specific and express provisions of this Plan.

**C. EXCULPATION.**

**NEITHER THE DEBTOR, NOR THE REORGANIZED DEBTOR, SHALL HAVE OR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY ACT OR OMISSION IN CONNECTION WITH OR ARISING OUT OF THE NEGOTIATION OF THIS PLAN, THE GOOD FAITH SOLICITATION OF THE PLAN IN ACCORDANCE WITH SECTION 1125(E) OF THE BANKRUPTCY CODE, THE PURSUIT OF CONFIRMATION OF THIS PLAN, THE PURSUIT OF APPROVAL OF THE DISCLOSURE STATEMENT, THE CONSUMMATION OF THIS PLAN, THE TRANSACTIONS CONTEMPLATED AND EFFECTUATED BY THE PLAN, THE**

**ADMINISTRATION OF THIS PLAN OR THE PROPERTY TO BE DISTRIBUTED UNDER THIS PLAN OR ANY OTHER ACT OR OMISSION DURING THE ADMINISTRATION OF THE CHAPTER 11 CASE OR THE DEBTOR'S ESTATE (EXCLUDING CAUSES OF ACTION BASED ON FRAUD, GROSS NEGLIGENCE, RECKLESS, WILLFUL, OR WANTON MISCONDUCT).**

**D. Good Faith**

As of the Confirmation Date, the Debtor and all other Persons soliciting acceptances or rejections of the Plan shall be deemed to have solicited acceptances or rejections of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code.

**E. Plan Setoffs and Recoupment.**

Except as otherwise expressly provided for in this Plan, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the holder of a Claim, the Reorganized Debtor may setoff and/or recoup against any Claim and the distributions to be made pursuant to the Plan on account of such Claim (before such distribution is made), any, rights, and Causes of Action of any nature that the Debtor may hold against the holder of such Claim, to the extent such Claims, rights, or Causes of Action against such holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise). Nothing contained in this Plan shall limit or restrict or impair any rights of recoupment or setoff of the holders of Claims against the Debtor.

**F. Release of Liens**

To the extent the Debtor's property or assets are encumbered by mortgages, security interests or Liens of any nature for which any holder of such mortgages, security interests or Liens does not have an Allowed Claim against the Debtor, such mortgages, security interests or

Liens shall be deemed fully released and discharged for all purposes and such holder shall execute such documents as reasonably requested by the Debtor, or Reorganized Debtor, as applicable, in form and substance as may be necessary or appropriate to evidence the release of any such mortgages, security interests or Liens of any nature. If such holder fails to execute such documents, the Debtor or the Reorganized Debtor, as applicable, are authorized to execute such documents on behalf of such holder and to cause the filing of such documents with any or all governmental or other entities as may be necessary or appropriate to effect such releases.

**G. Default – Louisiana Department of Revenue and Texas Comptroller**

Notwithstanding anything in the Plan to the contrary, the Bankruptcy Court shall not retain jurisdiction with respect to pre-petition tax claims except for (i) resolving the amount of any state tax claim arising prior to confirmation and (ii) enforcing the discharge provision of this Plan.

A failure by the Reorganized Debtor to make a payment due under the confirmed Plan or due on any tax for any post-confirmation tax period while making the installment payments due pursuant to the terms of this Plan to the Louisiana Department of Revenue shall be an Event of Default. Failure to declare a default does not constitute a waiver by the Louisiana Department of Revenue's right to declare that the Debtor is in default.

The Louisiana Department of Revenue will give the Debtor written notice of the Event of Default at the address listed on the Debtor's Chapter 11 Petition or the Debtor's most recent filed tax return, with a copy to the Debtor's counsel. The Debtor may cure such default within fourteen (14) days from the receipt of such notice. If the Reorganized Debtor fails to cure the default within fourteen (14) days after receipt of written notice of default, then the Louisiana Department of Revenue may (a) enforce the entire amount of its claims; (b) exercise any and all

rights and remedies allowed under state law or any other applicable non-bankruptcy law; and/or (c) seek such relief as may be available in the court, meaning any Louisiana court of proper jurisdiction and venue or any other court of proper jurisdiction and venue. All unpaid priority tax claims remain nondischargeable after confirmation pursuant to 11 U.S.C. §1141(d)(2), and the Debtor and any property of the Debtor remain liable for all unpaid Priority Tax Claims after confirmation.

A failure by the reorganized Debtor to make a payment to the Texas Comptroller of Public Accounts pursuant to the terms of the Plan shall be an Event of Default. If the reorganized debtor fails to cure an Event of Default as to such payments within ten (10) days after receipt of written notice of default from the Texas Comptroller of Public Accounts, then the Texas Comptroller of Public Accounts may (a) enforce the entire amount of its claim; (b) exercise any and all rights and remedies the Texas Comptroller of Public Accounts may have under applicable state law; and/or (c) seek such relief as may be appropriate in the Court. The reorganized debtor shall have the opportunity to cure two (2) times over the life of the plan. In the event of the third default, the Texas Comptroller of Public Accounts may proceed with the state law remedies for collection of all amounts due under state law.

#### **VIII. CONDITIONS TO CONFIRMATION AND EFFECTIVE DATE**

**A. Conditions to Entry of Confirmation Order.** The Plan shall not be confirmed unless the following conditions have been satisfied or waived in writing by the Debtor: The Confirmation Order and the Plan as confirmed pursuant to the Confirmation Order shall be in a form and substance satisfactory to the Debtor.

**B. Effective Date.**

The "Effective Date" of this Plan shall be as defined in Article I of the Plan. The Reorganized Debtor will file a Notice of the Occurrence of the Effective Date within three (3) business days.

**D. Revocation or Withdrawal of the Plan.**

1. The Debtor may revoke or withdraw the Plan prior to the Effective Date.
2. If the Plan is revoked or withdrawn prior to the Effective Date, or the Effective Date does not occur because the conditions precedent thereto have not been satisfied, then the Plan shall be deemed null and void. In such event, (i) the Debtor and all holders of Claims and Interests shall be restored to the *status quo ante* as of the day immediately preceding the confirmation of the Plan, and (ii) all the Debtor's respective obligations with respect to the Claims and Interests shall remain unchanged, all of the Debtor's rights against all persons shall be fully preserved and nothing contained herein or in the Disclosure Statement shall be deemed an admission or statement against interest or to constitute a waiver or release of any claims by or against the Debtor or any other Person or to prejudice in any manner the rights of the Debtor or any person in any further proceedings involving the Debtor or person.

**IX. MISCELLANEOUS PROVISIONS**

**A. Notices Under the Plan.** Notices, requests, or demands with respect to this Plan shall be in writing and shall be deemed to have been received within five (5) days of the date of mailing, provided they are sent by registered mail or certified mail, postage prepaid, return receipt requested, and if sent to the Debtor, addressed to:

**The Debtor at:**

Love Grace Holdings, Inc.

c/o Mr. Arthur A. Lancaster, Jr.  
9100 Bluebonnet Centre, Suite 401  
Baton Rouge, LA 70809

**with a copy to:**

Heller, Draper, Patrick, Horn & Manthey, L.L.C.  
Attn: Douglas S. Draper  
650 Poydras Street, Suite 2500  
New Orleans, LA 70130  
Fax (504) 299-3300

**B. Term of Injunctions or Stays.** Unless otherwise provided, all injunctions or stays arising before the Confirmation Date in accordance with sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date, or such later date as provided under applicable law.

**C. Governing Law.** Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the laws of the State of Louisiana (without reference to its conflict of law rules) shall govern the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan, unless otherwise specifically provided in such agreements, documents, or instruments.

**D. Headings.** The headings used in the Plan are inserted for convenience only and constitute part neither of the Plan nor in any manner affect the provisions or interpretation of the Plan.

**E. Enforceability.** Should any provision of the Plan be determined to be unenforceable for any reason, such determination will in no way limit or affect the enforceability and operative effect of any provision of the Plan.

**F. Exemption from Transfer Taxes.** Pursuant to Section 1146(c) of the Bankruptcy Code, the issuance, transfer or exchange of notes or equity securities under the Plan and related



transactions, the creation or assumption of any mortgage, deed of trust or other security interests, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer, under, in furtherance of, or in connection with the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments, executed in connection with any of the transactions contemplated under the Plan shall not be subject to any stamp, real estate transfer, mortgage recording or other similar tax.

**X. RETENTION OF JURISDICTION.**

After Confirmation of the Plan and occurrence of the Effective Date, in addition to jurisdiction which exists in any other court, the Bankruptcy Court will retain such jurisdiction as is legally permissible including for the following purposes:

1. To resolve any and all disputes regarding the operation and interpretation of the Plan and the Confirmation Order;
2. To determine the allowability, classification, or priority of claims and interests upon objection by the Debtor, Reorganized Debtor, or by other parties in interest with standing to bring such objection or proceeding;
3. To determine the extent, validity, and priority of any lien asserted against property of the Reorganized Debtor or property of the Estate;
4. To construe and to take any action to enforce the Plan, the Confirmation Order, and any other order of the Bankruptcy Court, issue such orders as may be necessary for the implementation, execution, performance, and consummation of the Plan, and the Confirmation Order and all matters referred to in the Plan and the Confirmation Order, and to determine all matters that may be pending before the Bankruptcy Court in this Bankruptcy Case on or before the Effective Date with respect to any Person;

5. To determine (to the extent necessary) any and all applications for allowance of compensation and reimbursement of expenses of professionals for the period on or before the Effective Date;

6. To determine any other request for payment of administrative expenses;

7. To resolve any dispute regarding the implementation, execution, performance, consummation, or interpretation of the Plan and the Confirmation Order;

8. To determine motions for the rejection, assumption, or assignment of executory contracts or unexpired leases Filed before the Effective Date and the allowance of any claims resulting there from;

9. To determine all applications, motions, adversary proceedings, contested matters, and any other litigated matters instituted during the Bankruptcy Case whether before, on, or after the Effective Date;

10. To determine such other matters and for such other purposes as may be provided in the Confirmation Order;

11. To modify the Plan under section 1127 of the Bankruptcy Code in order to remedy any apparent defect or omission in the Plan or to reconcile any inconsistency in the Plan so as to carry out its intent and purpose;

12. Except as otherwise provided in the Plan or the Confirmation Order, to issue injunctions or take such other actions or make such other orders as may be necessary or appropriate to restrain interference with the Plan and the Confirmation Order or the execution or implementation by any Person;

13. To hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

14. To enter a final decree closing the Bankruptcy Case; and

15. To issue such orders in aid of consummation of the Plan and the Confirmation Order, notwithstanding any otherwise applicable non-bankruptcy law, with respect to any Person, to the fullest extent authorized by the Bankruptcy Code or Bankruptcy Rules.

Dated: This 25<sup>th</sup> day of June, 2018.

**LOVE GRACE HOLDINGS, INC**

/s/ Arthur A. Lancaster, Jr.

By: Arthur A. Lancaster, Jr.

/s/ Douglas S. Draper

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