IN THE UNITED STATES BANKRUPCTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
Tampa Division

IN RE:	)	Chapter 11
	)	
GREGORY BREUNICH,	)	Case No. 8:09-BK-15106-CED
	)	
Debtor	)	
	)	

AGREED ORDER AND JUDGMENT

GREGORY CHARLES BREUNICH, a resident of Sarasota County, Florida ("Debtor"), and **JOSEPH W. GRIER, III, RECEIVER for PEERLESS REAL ESTATE SERVICES, INC., VILLAGE OF PENLAND, LLC, MFSL LANDHOLDINGS, LLC, COMMUNITIES OF PENLAND, LLC, COP LAND HOLDINGS, LLC, PG CAPITAL HOLDINGS, LLC, WEST SIDE DEVELOPMENT, LLC, COP PRESERVATION PARTNERS, LLC, RIVERPOINTE, LLC, and PENLAND RESERVE TRACT, LLC,** all North Carolina limited liability companies, and **FW, INC.,** a North Carolina corporation, (individually and collectively, "Receiver") enter into this Agreed Order Judgment on the last date executed by a party and agree as follows:

RECITALS

A. The Receiver filed a civil suit on or about 23 July 2008 against the Debtor in the Superior Court of Wake County, North Carolina (Case No. 08-CVS-010982) (the "North Carolina Civil Action"). As a result of the North Carolina Civil Action, the Receiver obtained a default judgment against the Debtor in the amount of $6,319,630.95 (the "Debt").

B. On July 15, 2009, the Debtor filed a voluntary petition under the provisions of Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), initiating Case No.

8:09-bk-15106 (the "Bankruptcy Case") in the United States Bankruptcy Court, Middle District of Florida (the "Bankruptcy Court").

C. On July 27, 2009, the Receiver timely filed a claim against the Debtor in the amount of the Debt, plus interest and attorneys' fees, which is identified on the Debtor's Claims Register as Claim Nos. 2 and 3 (the "Claim").

D. The Debtor, having chosen not to defend the North Carolina Civil Action, disputed the validity of the Debt and the Claim, as well as the bases for them and the allegations made in the North Carolina Civil Action.

E. The Debtor filed a Chapter 11 Plan of Reorganization in the Bankruptcy Case (Docket No. 74) (the "Plan") which proposes certain treatment of the Debt and disposition of the Lots, and to which proposed Plan the Receiver objected.

F. In the interest of avoiding further court proceedings, the Debtor and Receiver have agreed to compromise and resolve all claims, controversies and defenses, now existing or which could be asserted, between them arising from or related to the Debt.

G. Receiver's address is 227 West Trade Street, Suite 1200, Charlotte, NC 28202-1672. The Debtor Gregory Breunich's address is 3510 West 54th Dr., Unit 103, Bradenton, FL 34210.

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants, promises and obligations set forth below, and for other good and valuable consideration, the adequacy and sufficiency of which are hereby mutually acknowledged, and intending to be legally bound, the parties agree as follows:

1. **Incorporation of Recitals.**

The above recitals are true and correct and incorporated herein by reference as if fully set forth at length.

2. **Allowed Unsecured Nondischargeable Claim.**

The Debtor and the Receiver agree and it is hereby ordered that the Receiver has an Allowed Claim (as defined in the Plan) against the Debtor and his bankruptcy estate in the amount of $300,000, which is not subject to discharge pursuant to 11 U.S.C. § 523(a)(2), 11 U.S.C. § 523(a)(6) and 11 U.S.C. § 727.

3. **Nondischargeable Debt and Judgment Against Debtor.**

There is no just reason for delay and, therefore, a nondischargeable final judgment under 11 U.S.C. § 523(a)(2), 11 U.S.C. § 523(a)(6) and 11 U.S.C. § 727 is hereby entered against the Debtor and his bankruptcy estate in favor of the Receiver in the amount of $300,000 (the "Judgment"), for which let execution issue. The Receiver may record or transfer the Judgment, as necessary, to protect any outstanding rights.

4. **Debtor's Promise to Pay the Nondischargeable Debt and Satisfy the Nondischargeable Judgment.**

The Debtor does hereby promise, covenant and agree to satisfy the Judgment in full, which totals $300,000 (the "Nondischargeable Debt"). In exchange for the Debtor's satisfaction of the Judgment in full, the Receiver hereby releases the Debtor from payment and further obligation under the remainder and discharged portion of the Receiver's Claim, except to the extent that the Receiver may continue to assert his Claim under the Plan, as amended, for purposes of distribution and voting under the Plan consistent with this Agreed Order and Judgment and the Receiver's rights expressed herein. As set forth above in paragraphs 2 and 3, the Debtor and the Receiver hereby irrevocably covenant, stipulate, acknowledge and agree that the Nondischargeable Debt is and shall be conclusively and finally deemed to be nondischargeable in this Bankruptcy Case, or in any future bankruptcy case pursuant to 11 U.S.C. § 523(a)(2), 11 U.S.C. § 523(a)(6) and 11 U.S.C. § 727. Provided the Debtor is not otherwise in default under the terms of this Agreed

Order and Judgment or the Plan, and the Receiver receives timely payments contemplated by paragraph 5 below and under the Plan, the Receiver shall not undertake any action to collect the Nondischargeable Debt other than as contemplated by the Plan or stated herein; provided, however, if the Debtor fails to make any Plan payment or payment under this Agreed Order and Judgment, the Receiver shall be permitted to immediately exercise any and all rights he may have as holder of a judgment under applicable federal and state law without any notice or presentment to the Debtor or any other party-in-interest.

5. Satisfaction of the Nondischargeable Debt and Judgments.

The Debtor shall pay the Nondischargeable Debt and satisfy the Judgment as described in the Plan, as amended, or as described in this paragraph 5. The Nondischargeable Debt may be satisfied for the total sum of $100,000 (the "Reduced Amount") with such payments made by a person other than the Debtor from assets not belonging to the Estate (as defined by the Plan) or by the Debtor from assets the Debtor acquires after the Petition Date which are not subject to administration under the Plan (the "Third Party Payor"). The Third Party Payor shall pay the Receiver the Reduced amount in cash or collected funds. The Third Party Payor will make the first payment of $25,000 to the Receiver within thirty (30) days of the date of entry of an order by the Bankruptcy Court in the Bankruptcy Case approving the settlement agreement (the "Approval Order), which may be contained in the order confirming the Plan. The Third Party Payor will also make three (3) payments of $25,000 each due on 1 November 2011, 1 November 2012, and 1 November 2013.

6. Release of Receiver by Debtor.

In consideration of the promises and agreements contained herein, the Debtor, for and on behalf of himself, his heirs, legal representatives, successors and assigns, does hereby remise, release, and forever discharge the Receiver, its officers, directors, shareholders, partners,

subsidiaries, affiliated or related entities, insurers, and all persons or entities who are or might be liable, of and from any and all claims or obligations of any kind or character which the Debtor has or might have against them, whether known or unknown, including, without limitation, all claims for damages, costs, expenses, losses, attorneys' fees, punitive damages, or injuries to persons or property that arise from or relate in any way to the Debt.

7. Involvement of Counsel and Advisors, Voluntary Execution.

Each party represents and acknowledges that it has been afforded full opportunity to discuss all aspects of this Agreed Order and Judgment with legal counsel, accountants, tax advisors and/or financial advisors of his/its own choosing, and that he/it executes this settlement agreement without reliance upon any statement or representation of any other party or their representatives, except as set forth herein. The parties further represent and warrant that they have reviewed this Agreed Order and Judgment, fully understand all its provisions, and voluntarily and knowingly sign this Agreed Order and Judgment.

8. Default.

An event of default hereunder shall occur if the Receiver does not receive timely payment required under paragraph 5 above or under the Plan, as amended, or the Debtor otherwise fails to timely perform any obligation or promise under this Agreed Order and Judgment or under the Plan. Upon an occurrence of any event of default, the Receiver may provide written notice of the default (including a statement allowing Debtor five (5) business days from the date of the notice (the "Cure Period") to cure the default) to Debtor's counsel, Charles PT Phoenix, Esq., by e-mail or facsimile transmission to: Charles PT Phoenix, Esq., Phoenix Law, P.A., 12800 University Drive, Suite 260, Fort Myers, Florida 33907; cptp@corporationcounsel.com; facsimile: (239) 244-1976. Should the Debtor fail to cure the default within the Cure Period, the Receiver shall be entitled, without any further notice, hearing or presentment whatsoever, to pursue collection of the

entire Nondischargeable Debt, less only such amounts as have been actually paid to the Receiver by the Debtor as required under this Agreed Order and Judgment.

9. Binding Effect.

This Agreed Order and Judgment shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, administrators, trustees, directors, officers, shareholders, members, legal representatives (including, without limitation, any Chapter 7 or 11 trustee or other fiduciary in the Bankruptcy Case), successors and assigns. The designation Debtor as used herein shall include said parties, his heirs, successors, agents, legal representatives and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

10. Governing Law.

This Agreed Order and Judgment shall be governed by and interpreted in accordance with the laws of the State of Florida, exclusive of the principles of conflicts of laws contained therein.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the date first set forth above.

DEBTOR:

Gregory Charles Brounich

STATE OF FLORIDA
COUNTY OF ~~SARASOTA~~ ST. LUCIE

Date: 3/17, 2011

Signed and sworn to (or affirmed) before me this day by Gregory Charles Brounich.

Official Signature of Notary

(Official Seal)

Notary's printed or typed name

My commission expires: 9/29/13

MICHELLE M. CAVIL
Notary Public - State of Florida
My Comm. Expires Sep 29, 2013
Commission # DD 918430
Bonded Through National Notary Assn.

RECEIVER:

PEERLESS REAL ESTATE SERVICES, INC., VILLAGE OF PENLAND, LLC, MFSL LANDHOLDINGS, LLC, COMMUNITIES OF PENLAND, LLC, COP LAND HOLDINGS, LLC, PG CAPITAL HOLDINGS, LLC, WEST SIDE DEVELOPMENT, LLC, COP PRESERVATION PARTNERS, LLC, RIVERPOINTE, LLC, PENLAND RESERVE TRACT, LLC, and FW, INC.

Joseph W. Grier, III, Receiver

STATE OF NORTH CAROLINA
COUNTY OF Mecklenburg

Date: 3-28-, 2011

Signed and sworn to (or affirmed) before me this day by ~~Gregory Charles Brounich~~ Joseph W. Grier III Receiver

Official Signature of Notary

(Official Seal)

Notary's printed or typed name

My commission expires: 9-18-2011

KAY R. BUFFALOE
NOTARY
My Comm. Exp.
9-18-2011
PUBLIC
MECKLENBURG COUNTY, N. C.

{00193031 v 1}

ORDER

This matter came before the Bankruptcy Court on the foregoing Agreed Order and Judgment between Gregory Charles Breunich, the Debtor, and Joseph W. Grier, III, Receiver for Peerless Real Estate Services, Inc., Village of Penland, LLC, MFSL Landholdings, LLC, Communities of Penland, LLC, COP Land Holdings, LLC, PG Capital Holdings, LLC, West Side Development, LLC, COP Preservation Partners, LLC, Riverpointe, LLC, Penland Reserve Tract, LLC and FW, Inc.; and the Bankruptcy Court having reviewed the Agreed Order and Judgment and being duly advised in the premises; and the Bankruptcy Court finding that there is no just reason for delay hereby determines that the relief requested in the Agreed Order and Judgment should be and hereby is granted; and the Agreed Order and Judgment is hereby entered as a final judgment and order on April 27, 2011, for which let execution issue.

Caryl E. Delano

The Honorable Caryl E. Delano
United States Bankruptcy Court Judge