

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
(FORT LAUDERDALE DIVISION)

In re)
) Chapter 7
SOUTHEAST BANKING CORPORATION,)
) Case No. 91-14561-BKC-PGH
Debtor.)
)

**ORDER (1) APPROVING FORM, CONTENT, METHOD AND MANNER
OF NOTICE OF PROPOSED GLOBAL SETTLEMENT BY MAIL AND
FOREIGN PUBLICATION, (2) APPROVING FORM AND CONTENT OF
SUMMARY AND FAQ'S, (3) ESTABLISHING PROCEDURES, FIXING DEADLINES
AND SCHEDULING FINAL HEARING, AND (4) APPROVING RELATED
EXPENDITURES AS ADMINISTRATIVE EXPENSES**

THIS CAUSE came before the Court for hearing in West Palm Beach on Wednesday, July 30, 2003 at 9:30 a.m., upon the Trustee's Motion for Entry of Procedural Order (1) Approving Form, Content, Method and Manner of Notice of Proposed Global Settlement by Mail and Foreign Publication, (2) Approving Form and Content of Summary and FAQ's, (3) Establishing Procedures, Fixing Deadlines and Scheduling Final Hearing, and (4) Approving Related Expenditures as Administrative Expenses (C.P. 4217) (the "Notice Motion"), filed by Jeffrey H. Beck, in his capacity as Chapter 7 Trustee for the estate of Southeast Banking Corporation on July 3, 2003.

The Court having read and considered the Notice Motion and all Exhibits thereto, that certain Notice of Filing dated July 22, 2003, heard the remarks and argument of counsel for the Chapter 7 Trustee and other parties in interest, and otherwise been duly advised in the premises, finds and determines as follows:

A. By way of the Notice Motion, the Chapter 7 Trustee seeks the entry of a procedural order governing the proceedings in respect of the Motion for Entry of

Order Approving and Implementing Global Settlement of Issues Affecting Calculation and Payment of Postpetition Interest and Attorneys' Fees and Related Priority and Subordination Issues, and Procedure for Interim Distributions of Postpetition Interest on Negative Notice Without Hearing (the "Settlement Motion"). In particular, the Chapter 7 Trustee seeks approval of procedures to afford notice of the proposed Global Settlement¹ to all creditors and noteholders whose interests will be affected by entry of the proposed Settlement Order annexed to the Settlement Motion as Exhibit A, including all known and record holders of the Senior Notes and Subordinated Notes.

B. The Court has jurisdiction over the contested matters commenced by the filing of the Notice Motion and Settlement Motion, pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), and the statutory predicates for the relief requested in the Notice Motion are 11 U.S.C. §§ 105 and 503.

C. The Settlement Motion seeks approval of a Global Settlement by, between and among the Chapter 7 Trustee, Gabriel Capital L.P., and the Ad Hoc Committee of Subordinated Noteholders (collectively, the "Settlement Parties"), intended to resolve, on a consensual and comprehensive basis, a myriad of complex legal issues arising from or in connection with (i) the Trustee's Motion to Fix Interest Rate, Determine Applicability of Contractual Subordination Provisions and Statutory Priority Scheme, Establish Method for Calculation and Payment of Post Petition Interest Under 11 U.S.C. Section 726(a)(5), and Authorize Procedure for Interim Distributions of

¹ Capitalized terms not defined herein shall be defined as set forth in the proposed Settlement Order attached as Exhibit A to the Settlement Motion.

Post Petition Interest on Negative Notice Without Hearing, filed by the Chapter 7 Trustee on March 25, 2002 (the "Postpetition Interest Motion") and (ii) the pending appeal (the "Chase/Gabriel Appeal") from this Court's Memorandum Decision and Order Denying Motion of Gabriel Capital, L.P. and The Chase Manhattan Bank to Fix and Allow a Claim for Postpetition Attorneys' Fees and Costs, entered on March 8, 2002 (the "Postpetition Fee Order").

D. The process of affording notice by mail to holders of the Senior Notes, more than 750 registered holders of the U.S. Notes, and every other known creditor holding a claim against the estate that has not been stricken or disallowed (collectively, the "Other Creditors"), along with publishing notice for the benefit of an unknown number of holders of the EuroNotes, involves considerable effort and expense to the estate.

E. Since the final resolution of the Debt Securities Litigation in late 1999, the Interim Distributions have been channeled through U.S. Bank, N.A., in its capacity as Distribution Agent for the five classes of Subordinated Notes. U.S. Bank advises the Chapter 7 Trustee that it believes there to be 325 record holders of the U.S. Notes for which it serves as Indenture Trustee. The Bank of New York advises that there are an additional 452 record holders of the U.S. Notes for which it serves as Indenture Trustee.

F. JP Morgan Chase Bank ("Chase") advises that although The Depository Trust Company and/or its affiliate ("DTC") is the sole record holder of the Senior Notes, Chase understands that it is the general practice of DTC to transmit copies of notices to its participants for further transmittal to the beneficial holders of the

Senior Notes. The proposed form of Senior Noteholder Notice was not attached to the Notice Motion, but is substantially similar in form and substance to the U.S. Noteholder Notice attached to the Notice Motion. All of these record holders, together with the Other Creditors, are to receive notice by mail of the proposed Global Settlement, the date of the final hearing, and the deadlines to be fixed by this Order.

G. In addition to the foregoing notice by mail, the Trustee proposes to provide notice to the holders of the EuroNotes by foreign publication in the *London Financial Times* and *Luxembourg Wort*, with the expense of such publication to be borne by the Chapter 7 estate as an administrative expense.

H. With the assistance of counsel for the Settlement Parties and each of the Indenture Trustees, the Chapter 7 Trustee has developed a Summary of the proposed Global Settlement, a list of Frequently Asked Questions, and a series of Notices to be mailed or published in order to afford notice of the settlement to parties in interest.

I. The procedures for notice and hearing proposed in the Notice Motion are reasonable in the circumstances in accordance with 11 U.S.C. § 102(1), and the proposed expenditures, including reimbursement to the Indenture Trustees for expenses associated with copying and mailing of the Noteholder Notices, are reasonable and necessary costs of administration of the estate pursuant to 11 U.S.C. § 503(a). Accordingly, it is

ORDERED and ADJUDGED as follows:

1. That the Notice Motion is GRANTED in its entirety;

2. That the Summary of Global Settlement (the "Summary") in the form attached hereto as Exhibit A is APPROVED for circulation by mail to holders of the Senior Notes and U.S. Notes and the Other Creditors, and for posting on the Southeast Website (as defined below);

3. That the list of Frequently Asked Questions ("FAQ's") in the form attached hereto as Exhibit B is APPROVED;

4. That the Chapter 7 Trustee is AUTHORIZED and DIRECTED to create an extranet website ("the Southeast Website"), and to post on the Southeast Website true and correct images of the FAQ's, the full text of this Order, the Settlement Motion, the Summary, and the proposed form of Settlement Order, and such additional questions and answers providing general information with respect to the Global Settlement as the Chapter 7 Trustee and his counsel may deem appropriate;

5. That the Senior Noteholder Notice in the form attached hereto as Exhibit C is APPROVED for circulation by mail or facsimile to DTC and by DTC to its participants for further transmittal to each beneficial holder of the Senior Notes;

6. That the U.S. Noteholder Notice in the form attached hereto as Exhibit D is APPROVED for circulation by mail to the last known addresses of record holders of the U.S. Notes;

7. That the EuroNotes Noteholder Notice in the form attached hereto as Exhibit E is APPROVED, and the Chapter 7 Trustee is AUTHORIZED and DIRECTED to publish that Notice two times each in the *London Financial Times* and *Luxembourg Wort*, with the cost of such publication to be borne by the estate as an administrative expense;

8. That the Creditor Notice in the form attached hereto as Exhibit F is APPROVED, and the Chapter 7 Trustee is AUTHORIZED and DIRECTED to serve copies of the Creditor Notice by mail to the last known address of each of the Other Creditors;

9. That upon mailing (or faxing, as the case may be) of the Senior Noteholder Notice, U.S. Noteholder Notice and Creditor Notice as provided in paragraphs 5, 6 and 8 above, neither the Chapter 7 Trustee, the Indenture Trustees, DTC, nor any clearinghouse involved in the transmittal of any such Notices shall have any further obligation to verify or update any addresses or undertake any further effort to obtain more current address information with respect to any holders of the Senior Notes, U.S. Notes and Other Creditors;

10. That the Chapter 7 Trustee is AUTHORIZED to incur and to pay or reimburse as appropriate all administrative expenses associated with the foregoing notice provisions, including but not limited to charges in connection with creation of the Southeast Website, foreign publication of the EuroNotes Noteholder Notice, and photocopying and postage costs associated with the service by mail as described in this Order;

11. That due to the complexity of the proposed Global Settlement and the widespread notice to be afforded to holders of Senior and Subordinated Notes and other creditors, it is appropriate to set the following deadlines and schedule for events leading up to the final hearing on the Settlement Motion:

a. By not later than **August 17, 2003**, the Chapter 7 Trustee shall activate the Southeast Website as provided in paragraph 4, publish the EuroNotes

Notice approved in paragraph 7 in the *London Financial Times and Luxembourg Wort*, with a second publication to follow within five (5) business days thereafter, and coordinate with the Indenture Trustees the mailing of the Summary, Noteholder Notices and Creditor Notice approved in paragraphs 2, 5, 6 and 8 above;

b. By not later than **October 1, 2003**, any Noteholder, Other Creditor or party in interest who desires to appear and be heard in respect of the proposed Global Settlement must file and serve a written Response and/or Objection to the Settlement Motion, with service of such Response and/or Objection limited to the parties and counsel identified on the Limited Service List attached hereto as Exhibit G, and immediately upon receipt of such Response and/or Objection the Chapter 7 Trustee shall post a true and correct image of same on the Southeast Website;

c. By not later than **October 16, 2003**, any Replies to the foregoing Responses and/or Objections shall be filed and served in the manner described in paragraph 11b above, and immediately thereafter posted to the Southeast Website by the Chapter 7 Trustee; and

d. The Final Hearing on approval of the Settlement Motion is scheduled for Monday, November 3, 2003 at 1:00 p.m. in Courtroom 308 of the United States Courthouse, 299 East Broward Boulevard, Fort Lauderdale, Florida 33301.

12. That service of conformed copies of this Order as directed below, and the posting of a true and correct copy of this Order on the Southeast Website, shall

constitute good and sufficient notice of the Final Hearing scheduled by paragraph 11d above, counsel for the Trustee shall file with the Court and serve only on those parties listed on Exhibit G a Notice of the Final Hearing, and no further notice shall be deemed necessary.

ORDERED in the Southern District of Florida on

July 30, 2003

PAUL G. HYMAN

HONORABLE PAUL G. HYMAN, JR.
UNITED STATES BANKRUPTCY JUDGE

Copies furnished to:

Mark D. Bloom, Esq.
Jeffrey H. Beck, Trustee

(Attorney Bloom is directed to serve conformed copies of this Order upon all parties in interest, immediately upon receipt thereof and to file a Certificate of Service with the Court confirming same.)

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Exhibit A

Summary of Global Settlement
In re Southeast Banking Corporation

The following is a broad overview of the Global Settlement that is embodied in the proposed Settlement Order, which the Bankruptcy Court will be requested to issue at a hearing to be held on **November 3, 2003 at 1:00 p.m.** The Bankruptcy Court has approved and authorized the Trustee to circulate this Summary to noteholders and other creditors; however, this Summary should be read in conjunction with the accompanying FAQ's and is qualified in its entirety by the provisions of the proposed Settlement Order (which will control in the event of any inconsistency). **Capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the proposed Settlement Order.**

Overview

Postpetition interest on all allowed claims against the estate, including claims arising under the Senior Notes and Subordinated Notes ("Postpetition Interest"), will be calculated at the uniform rate of 5.57% per annum (the federal judgment rate in effect on the Petition Date), without compounding, from the Petition Date through May 31, 2002. This single uniform rate of interest will be used to determine each creditor's ratable share of future distributions on account of Postpetition Interest ("Distributions"), rather than using the specific rate of interest that might be provided under the various bond issues, other agreements or applicable state law.

A portion of all future Distributions that would otherwise be allocated to the holders of Subordinated Notes will be reallocated to the holders of Senior Notes under a specified reallocation formula (the "Reallocation Formula"). The purpose of the Reallocation Formula is to settle the contractual subordination issues between the Senior Noteholders and Subordinated Noteholders. The Reallocation Formula will have no effect on the calculation and payment of Postpetition Interest to holders of allowed general unsecured claims who are not holders of the Senior Notes or the Subordinated Notes.

The Reallocation Formula is based on the concept of the "Senior Note Shortfall," which is defined as the amount by which the Senior Noteholders' share of all Distributions, before applying any reallocation, falls short of \$12,907,043 (which amount represents the total compounded post-petition interest on the Senior Notes through May 31, 2002 at the rate of 5.57% per annum). The Reallocation Formula is designed to enable the holders of Senior Notes to recover up to 48% of any "Senior Note Shortfall" through a combination of (x) the reallocation of Distributions that would otherwise be made to the holders of Subordinated Notes, and (y) the enforcement of contractual subordination claims against the holder (the "FDIC") of two subordinated notes in the aggregate principal amount of \$22.1 million in favor of a failed savings and loan association (the "FDIC Notes").

Under the Reallocation Formula, an amount equal to the "Subordinated Notes Fraction" (between approximately 89% and 100%) of 48% of the Senior Note Shortfall will be reallocated to the Senior Notes from the ratable Distributions that would otherwise have been made on the Subordinated Notes. The "Subordinated Notes Fraction" is equal to the following fraction:

$$\frac{\text{Postpetition Interest on Subordinated Notes}}{\text{Sum of Postpetition Interest on Subordinated Notes + Postpetition Interest on FDIC Claim}}$$

The "FDIC Claim" used for purposes of this computation is the allowed claim based on the FDIC Notes. The "Subordinated Notes Fraction" would: (i) approximate 0.89 if the FDIC Claim were allowed in full; (ii) equal 1.00 if the FDIC Claim were disallowed in full; and (iii) range between approximately 0.89 and 1.00 if the FDIC Claim were allowed in part and disallowed in part. If the FDIC Claim were allowed in full or in part and the applicable amount thereof was not subordinated to the extent necessary to cover the difference between (x) an amount equal to 48% of the Senior Note Shortfall and (y) the Subordinated Notes Fraction of such 48% amount, such difference would be paid to the Senior Notes from the 48% Guaranty Reserve (as defined in the next paragraph).

Until the FDIC Claim is finally resolved, the Subordinated Notes Fraction will be calculated assuming that the FDIC Claim is allowed in full (i.e., at approximately .89). However, the difference between (x) the amount reallocated from the Subordinated Notes to the Senior Notes using the Reallocation Formula, and (y) an amount equal to 48% of the Senior Note Shortfall will be withheld from any Distributions to Subordinated Noteholders and maintained in a separate reserve (the "48% Guaranty Reserve") by the Chapter 7 Trustee until the FDIC Claim is finally resolved. Following the final resolution of the FDIC Claim, any portion of the amount so withheld that need not be reallocated to the Senior Indenture Trustee to meet the target of an amount equal to 48% of the Senior Note Shortfall will be distributed to the Subordinated Indenture Trustees.

Illustration of Potential Chapter 7 Distributions Under Global Settlement

The chart which is attached as Exhibit "A" to this Summary illustrates potential Distributions to Senior Noteholders, Subordinated Noteholders and other creditors, that would result from applying the formulas for (x) calculating post-petition interest on allowed claims; and (y) reallocating Distributions from Subordinated Noteholders to Senior Noteholders under the proposed Settlement Order; it assumes that (i) there are no "Chapter 11-Attributable Distributions" (as discussed below); and (ii) the total amounts available for distribution to all creditors and the aggregate amount of the claims for Postpetition Interest are as set forth in such chart.

Reallocation of Distributions if the Chapter 7 Bankruptcy Case is Converted to a Chapter 11 Case.

If the Debtor's Chapter 7 case is converted to a Chapter 11 case, each creditor will have a right to receive Distributions in the Chapter 11 case equal to the difference between (x) the amount of Postpetition Interest calculated on its allowed claim at the rate of 8% per annum through May 31, 2002, without compounding, and (y) the aggregate amount of the Distributions theretofore made to such creditor on account of Postpetition Interest during the Chapter 7 case. The likely cause of a conversion to Chapter 11 would be the ability to obtain incremental value for creditors. The excess of the value of any Distribution to creditors under a confirmed Chapter 11 Plan over the value of the remaining Distributions which they would have received in a Chapter 7 case, after taking into account various "Chapter 11 Costs," is defined as a "Chapter 11-Attributable Distribution."

Any Chapter 11-Attributable Distribution will, subject to certain reallocations, be allocated to creditors on a pro rata basis. In the case of a Chapter 11-Attributable Distribution, the amount that is reallocated from Subordinated Noteholders to Senior Noteholders will equal the difference between (x) 50% of the aggregate amount of the Chapter 11-Attributable Distribution that would have been distributed to the holders of Senior Notes and Subordinated Notes on a pro rata basis with other creditors and (y) the Senior Noteholders' ratable share of the Chapter 11-Attributable Distributions. Once Senior Noteholders receive \$16 million out of Chapter 11-Attributable Distributions, however, they will receive no further amounts out of Chapter 11-Attributable Distributions, and their ratable share of such Distributions will be reallocated to the holders of Subordinated Notes.

The proposed Order also establishes the methodology for determining the amount and value of the "Chapter 11-Attributable Distribution" under a "Qualified Plan" (including dispute-resolution procedures) and obligates Gabriel and the Ad Hoc Committee to support a "Qualified Plan" in the event of a conversion to Chapter 11, but does not require any other party to support a Qualified Plan or require the Court to confirm such a plan.¹

¹ Under a "Qualified Plan": (i) all property of the Chapter 7 Estate other than the Jacksonville Property, certain intangible assets and the cash reasonably necessary for the reorganized debtor ("Retained Cash") will be transferred to a Liquidating Trust (the Jacksonville Property may be so transferred); (ii) the Liquidating Trust will pay all costs of administration and will be reimbursed from the reorganized debtor in cash (if available) or other property for that portion of such administrative costs that constitute Chapter 11 Costs (as defined below); (iii) if the reorganized debtor retains the Jacksonville Property instead of transferring it to the Liquidating Trust, the net income therefrom and any net proceeds of a sale (or an equivalent secured note) will be transferred to the Liquidating Trust; (iv) any distribution from the Liquidating Trust will not be considered a Chapter 11-Attributable Distribution; and (v) all distributions to creditors by the reorganized debtor, less the amount of the Retained Cash and the "Chapter 11 Costs," will be treated as Chapter 11-Attributable Distributions. Chapter 11 Costs are defined as all additional professional fees and expenses, other costs and other claims incurred in or in anticipation of the Chapter 11 case which would not have been incurred in the Chapter 7 case but for the conversion or possible conversion to Chapter 11. That portion of any Distribution which is not a Chapter 11-Attributable Distribution will be subject to the Reallocation Formula described in the "Overview" section of this Summary.

Treatment of Distributions that are Reallocated under the Subordination Provisions of the FDIC Notes.

As previously indicated, the FDIC Claim is based on notes which may be contractually subordinated to the Senior Notes. The proposed Order provides that, to the extent that Distributions on the FDIC Claim must be reallocated to the Senior Notes under the applicable contractual subordination provisions, the reallocated amounts will be distributed: (x) first, to the Senior Notes to the extent of the difference between 48% of the Senior Note Shortfall and the Subordinated Notes Fraction of that 48% amount (i.e., approximately 5.6% of the Senior Note Shortfall if the FDIC Claim were fully allowed and the subordination provisions enforced), and (y) second, the balance of the amount reallocated from the FDIC Claims to the Senior Notes will be transferred from the Senior Indenture Trustee to the Subordinated Notes. In the event that the FDIC Claim is sustained, in whole or in part, following objection, the Ad Hoc Committee will control the enforcement, litigation and settlement of contractual subordination claims of Senior Noteholders under the FDIC Notes.

Allowance and Disallowance of Certain Fees and Expenses.

The appeal taken by the Senior Indenture Trustee and Gabriel Capital (the largest Senior Noteholder) from the bankruptcy court's order denying their request for reimbursement of attorneys' fees and expenses by the estate will be dismissed with prejudice, and Gabriel will waive any claim for attorneys' fees and costs incurred in the Chapter 7 case or any successor Chapter 11 case, except for a potential "substantial contribution" claim, not to exceed \$100,000, in the event of a conversion to Chapter 11 and the confirmation of a Chapter 11 plan. The three Indenture Trustees will be allowed attorneys' fees and expenses in the aggregate amount of approximately \$4.8 million incurred from the Petition Date through July 31, 2002, but will waive any claim against the Estate for any other fees and expenses (including in excess of \$1 million in the aggregate in indenture trustee fees), without prejudice to any right of an Indenture Trustee to recover such amounts from distributions to its noteholders. The Ad Hoc Committee will be reimbursed by the Estate for its attorneys' fees and expenses in the amount of \$852,520. Unless the Chapter 7 case is converted to a Chapter 11 case, the Ad Hoc Committee and the Indenture Trustees will not be allowed or paid any amounts from the Estate for attorneys' fees and expenses incurred subsequent to July 31, 2002; but if the case is converted to a chapter 11 case and a plan is confirmed, the Ad Hoc Committee and the Indenture Trustees will reserve the right to seek recovery from the Estate for post-July 31, 2002 fees and expenses, and any party in interest may object to any such claim.

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EXHIBIT "A" TO SUMMARY

(Amounts in Dollars)

[illegible]

Exhibit B

FAQ'S RE PROPOSED GLOBAL SETTLEMENT FOR SOUTHEAST WEBSITE

1. Q. What events have prompted the Proposed Settlement?

A. *Since 1993 the Chapter 7 Trustee has made a series of six Interim Distributions to creditors of the Southeast bankruptcy estate, including the holders of one class of Senior Notes and five different issues of Subordinated Notes. As a result of the most recent Interim Distribution made on or about July 31, 2002, all allowed, timely-filed general unsecured claims (including all allowed claims arising from the Senior Notes and Subordinated Notes) have been paid in full, in cash (including interest through the date of the bankruptcy filing (i.e., pre-petition interest), but without interest since such date (i.e., post-petition interest).*

Under the scheme of priorities established in the Bankruptcy Code, the Trustee is required next to pay those allowed claims that were filed after the bar date established by the Bankruptcy Court back in 1992, and then to pay post-petition interest on all allowed claims. In addition, the Trustee must pay ongoing administrative expenses relating to the bankruptcy case, which expenses take priority over the payment of post-petition interest. The Trustee estimates that after the resolution and payment of the late-filed claims and the payment of such administrative expenses, there will be additional funds on hand with which to pay some amount of post-petition interest to creditors.

A dispute has arisen between the holder of a majority of the Senior Notes and certain holders of Subordinated Notes (and their respective Indenture Trustees) regarding the effect of the subordination provisions contained in the Subordinated Note Indentures on the respective rights of Senior Noteholders and Subordinated Noteholders to receive post-petition interest, now that the bankruptcy estate has paid all allowed claims in full as described above. The majority Senior Noteholder and the Senior Indenture Trustee contend that (i) holders of the Senior Notes are entitled to receive all distributions of post-petition interest that would otherwise be distributed on a pro rata basis to Subordinated Noteholders, until the Senior Noteholders receive all of their post-petition interest, and (ii) for purposes of the reallocation, the post-petition interest on the Senior Notes should be calculated and compounded at the 11.25% contract rate under the Senior Indenture. The Ad Hoc Committee of Subordinated Noteholders and the Subordinated Indenture Trustee assert that (i) the subordination provisions of the various Indentures do not apply to distributions of post-petition interest under the Bankruptcy Code, (ii) the post-petition interest on all claims should be calculated at the "legal rate" (as discussed below), not the contract rate; and (iii) they are entitled to receive distributions of post-petition interest on a ratable basis with Senior Noteholders. The Proposed Settlement resolves these and other important issues.

An additional dispute has developed relating to the claims of the various Indenture Trustees to receive attorneys' fees and expenses and indenture trustee fees and expenses under their respective Indentures, as well as the claim of the majority Senior Noteholder and Ad Hoc Committee for reimbursement of their attorneys fees and expenses. The Proposed Settlement also resolves these issues, as well as a number of other issues described in the Settlement Motion posted on the Southeast website.

2. Q. What is the rate of post-petition interest to be paid on allowed claims under the Proposed Settlement?

A. *The statute under which post-petition interest is payable speaks of the "legal rate" of interest, without specifying that rate, and does not make clear whether interest is compounded on an annual or other periodic basis. Two of the Subordinated Notes provide for floating interest rates, while the other Senior and Subordinated Notes carry fixed rates ranging from 4.75% to 11.25%. The Proposed Settlement provides for a uniform post-petition interest rate of 5.57% per annum through May 31, 2002 for all allowed claims, based on the statutory federal judgment rate in effect at the time the Southeast bankruptcy case was filed, and for no compounding of interest.*

3. Q. Will that single interest rate be applicable to all distributions of interest to be made in the case?

A. *Since its filing in 1991, the Southeast bankruptcy case has been pending under Chapter 7 of the Bankruptcy Code. The Proposed Settlement provides that the 5.57% rate will apply if the case remains pending under Chapter 7; if, however, the case were to be converted to a case under Chapter 11 of the Bankruptcy Code, the rate of interest would increase to 8% per annum from the Petition Date, and the allowed claim of each creditor eligible to receive post-petition interest shall include an amount equal to the difference between (i) post-petition interest on its allowed claim at the rate of 8% per annum through May 31, 2002 and (ii) the aggregate amount of distributions made to such creditor on account of post-petition interest during the Chapter 7 case.*

4. Q. Why after more than a decade in Chapter 7 would the case be converted to Chapter 11?

A. *At present there is no plan to convert the case to Chapter 11. If, however, the Trustee and other parties in interest were to determine that such conversion would be necessary to realize additional incremental value for creditors, the Court may be asked by separate motion to consider such conversion at a later date. The reallocation of "Chapter 11 Attributable Distributions" in a Chapter 11 case is addressed in the accompanying Summary.*

5. Q. Will the holders of Senior and Subordinated Notes share in distributions of post-petition interest on a pro rata basis?

A. *No. The Indentures governing the several issues of Subordinated Notes contain various subordination provisions which require that certain amounts owed in respect of the Senior Notes be "paid in full" prior to any payment on the Subordinated Notes. From 1994 through 1999 certain holders of the Senior and Subordinated Notes and their respective Indenture Trustees were involved in litigation and a series of appeals over the application of those provisions to the Senior Noteholders' claims for post-petition interest at the contract rate out of that portion of the Interim Distributions allocable to Subordinated Noteholders; however, it is unclear whether the disposition of that litigation resolves the issue of whether the distribution of post-petition interest on the Subordinated Notes is subordinated to distributions of*

post-petition interest on the Senior Notes. The Proposed Settlement adopts a formula under which a portion of the post-petition interest payable in respect of the Subordinated Notes is reallocated to holders of the Senior Notes until the Senior Noteholders have received, out of the distribution of post-petition interest otherwise allocable to the holders of Subordinated Notes, up to 48% of the difference between (i) approximately \$13 million and (ii) the Senior Noteholders' ratable share of the distributions of post-petition interest to creditors. The effect of the potential subordination of the FDIC Claims on this reallocation is addressed in the accompanying Summary.

6. Q. What other payments are contemplated under the Proposed Settlement?

A. *In addition to the payment and reallocation of post-petition interest as described above, the Proposed Settlement also provides that certain of the parties who participated in the settlement negotiations will receive payment or reimbursement from the bankruptcy estate of their attorneys' fees incurred in connection with the bankruptcy case through July 31, 2002. This portion of the Proposed Settlement resolves an appeal pending in the District Court, in which the Senior Indenture Trustee and majority holder of the Senior Notes are seeking the payment of some \$1.35 million in fees.*

Under the Proposed Settlement, the Senior and Subordinated Indenture Trustees (but not any individual holder of Senior or Subordinated Notes) will receive certain post-petition attorneys' fees as provided under the terms of the various Indentures, and the Ad Hoc Committee of Subordinated Noteholders will also receive payment of attorneys' fees relating to its activity in the bankruptcy case over the past several years. However, unless the bankruptcy case is converted to a case under Chapter 11 of the Bankruptcy Code, the Indenture Trustees will give up any claim against the bankruptcy estate (but not against the distributions to Senior and Subordinated Noteholders under the terms of the applicable Indentures) for any fees and expenses incurred after July 31, 2002, and the Ad Hoc Committee will give up any claim for attorneys' fees and expenses incurred after that date as well. Any other creditor asserting a right to recover attorneys fees from the bankruptcy estate will be afforded a period of time within which to file a claim for those fees, as incurred through and including July 31, 2002. However, the Chapter 7 Trustee and all other parties in interest in the bankruptcy case reserve the right to object to any such claim for fees.

7. Q. When will the Bankruptcy Court consider the Proposed Settlement?

A. *The Bankruptcy Court has scheduled a final hearing on the Proposed Settlement for Monday, November 3, 2003 at 1:00 p.m., at the location specified in the Notice Order, which is posted on the Southeast website. The Notice Order also provides that any creditor or party in interest affected by the Proposed Settlement who desires to object must file a written Objection by not later than October 1, 2003, and serve copies of that Objection on counsel for the Trustee and other parties identified in the Notice Order so as to be received by that same date.*

8. Q. Do I need to appear at the hearing or file any papers in order to receive future distributions from the bankruptcy estate?

A. No. You do not need to appear at the hearing or file anything with the Bankruptcy Court in order to receive future distributions of post-petition interest to which you may become entitled. If you fail to appear or object on a timely basis, you will be deemed to have waived your right to be heard on the issues addressed in the Settlement Motion, and the reallocation provisions described in the Settlement Order will govern distributions of post-petition interest on the Senior and Subordinated Notes.

9. Q. What impact will the Proposed Settlement have on distributions of post-petition interest to creditors other than the holders of Senior and Subordinated Notes?

A. Creditors other than holders of the Senior and Subordinated Notes who are entitled to receive post-petition interest and whose distributions are not subject to contractual subordination provisions will also receive distributions of their pro rata shares of post-petition interest at the legal rate described in Answer No. 2 above. The reallocation provisions of the Proposed Settlement are intended and designed to have no impact on the post-petition interest distributions to such non-noteholder creditors.

10. Q. Will the terms of the Settlement Order be binding on me?

A. Yes. Once the Settlement Order has become final under the Federal Rules of Bankruptcy Procedure, its terms will become binding on the Trustee, the Indenture Trustees, all holders of the Senior and Subordinated Notes, and all other creditors asserting claims against the estate.

11. Q. When will the payments under the Proposed Settlement be made?

A. If the Proposed Settlement is approved and the Settlement Order is entered by the Court, the payments of post-petition attorneys' fees will be made as soon as the Settlement Order becomes final and is no longer subject to rehearing or appeal under the Federal Rules of Bankruptcy Procedure. Payments of post-petition interest will be made on an irregular basis as the Chapter 7 Trustee may determine, based upon the availability of funds and other factors within his judgment. In order for any distributions of post-petition interest to proceed, the Chapter 7 Trustee is required first to resolve and pay all of the late-filed claims, including the FDIC Claim of \$22.1 million plus interest described in the Settlement Motion and the Settlement Order, and all pending administrative expenses.

12. Q. How much post-petition interest am I entitled to, and how much will I receive?

A. The amount of post-petition interest payable on each claim can be calculated by applying the 5.57% annual interest rate to the amount of the claim, on a simple basis without compounding through May 31, 2002; however, the amount of the claim on which interest is calculated is reduced by the amount of each Interim Distribution made since the bankruptcy filing, with each reduction taking place on the date on which the Interim Distribution was made to the Indenture Trustees or first made available to holders of the Subordinated Notes. The proposed Settlement Order describes the formula for reallocation of post-petition interest between holders of the Senior Notes and Subordinated Notes. The accompanying Summary

(which is also posted on the Southeast website) includes a chart describing the amount of post-petition interest payable on claims arising under the Senior Notes, Subordinated Notes, and other obligations of the Debtor, based upon hypothetical distribution amounts. It is not possible at this stage to predict the total amount of such distributions, or the amount of post-petition interest that will be paid to each creditor.

13. Q. Will I be required to pay state and federal income taxes on payments of post-petition interest?

A. *The tax consequences associated with your receipt of post-petition interest may vary depending on a number of factors. You are advised to consult with your personal tax advisor about your particular situation.*

14. Q. Does the Proposed Settlement provide for any distribution or payment to holders of the Debtor's common stock?

A. *No. The Bankruptcy Code affords priority to the payment of post-petition interest on all allowed claims before any distribution is made to the holders of equity securities. The Proposed Settlement addresses only the payment of such post-petition interest, as well as professional fees and costs incurred by the Indenture Trustees and creditors of the estate.*

15. Q. How can I obtain answers to other questions about the Proposed Settlement?

A. *You may post a question on the bulletin board of the Southeast Website by accessing the on-line forum through the link located on the Website. The Chapter 7 Trustee and his staff will attempt to post an answer to every question within three (3) United States business days, but cannot guarantee that every question will be answered and cannot offer legal or financial advice about any individual situation. All questions and answers posted on the forum will be available to anyone who may access the Website, so inquiries of a personal or confidential nature should be discussed with your own counsel or advisor rather than posted on the website.*

You may also contact counsel for the Chapter 7 Trustee in writing or by e-mail at the addresses indicated below; however, counsel is not in a position to provide any legal advice to you or maintain the confidence of any inquiries directed to him. The best way to obtain further answers and information unique to your personal situation would be to consult with counsel of your own choosing.

GREENBERG TRAURIG, P.A.
Counsel for Jeffrey H. Beck, Chapter 7 Trustee
1221 Brickell Avenue
Miami, Florida 33131
Telephone: (305) 579-0500

Exhibit C

**NOTICE TO THE HOLDERS OF SOUTHEAST BANKING CORPORATION
11¼% SENIOR NOTES DUE 1993, CUSIP No. 841338AC0 (the "Senior
Notes")**

This Notice is to advise you of a proposed settlement (the "Proposed Settlement") of various issues in the Chapter 7 bankruptcy case of Southeast Banking Corporation ("SEBC"). These issues are between yourselves and the holders of the Subordinated Notes issued by SEBC.

THE PROPOSED SETTLEMENT AFFECTS YOUR RIGHTS. THE PROPOSED SETTLEMENT ORDER WILL RESULT IN A REALLOCATION OF RIGHTS BETWEEN THE HOLDERS OF THE SENIOR NOTES AND THE HOLDERS OF THE SUBORDINATED NOTES AS A SETTLEMENT OF CERTAIN ISSUES IN THE SEBC CHAPTER 7 CASE. THE PROPOSED SETTLEMENT INVOLVES SUBSTANTIAL SUMS OF MONEY AND YOU SHOULD CAREFULLY REVIEW THE PROPOSED SETTLEMENT.

Jeffrey H. Beck, as Chapter 7 Trustee for SEBC, has filed a Motion for Entry of Order Approving and Implementing Global Settlement of Issues Affecting Calculation and Payment of Post Petition Interest and Attorneys' Fees and Related Priority and Subordination Issues, and Procedure for Interim Distributions of Post Petition Interest on Negative Notice Without Hearing (the "Settlement Motion"). The Settlement Motion seeks approval of the Proposed Settlement in accordance with the terms of the proposed Order attached to the Settlement Motion (the "Settlement Order").

We have enclosed with this Notice copies of (i) a broad Summary of the Proposed Settlement (the "Summary"); (ii) the Settlement Motion, and the Exhibits thereto, including Exhibit A, which is the Settlement Order; and (iii) the Order (1) Approving Form, Content, Method and Manner of Notice of Proposed Global Settlement by Mail and Foreign Publication, (2) Approving Form and Content of Summary and FAQ's, (3) Establishing Procedures, Fixing Deadlines and Scheduling Final Hearing, and (4) Approving Related Expenditures as Administrative Expenses entered by the Bankruptcy Court on July 30, 2003 (the "Notice Order").

There is a proposed time frame in the Notice Order for events leading up to the final hearing on the Settlement Motion. According to that time frame, (a) any party wishing to assert an objection to the Settlement Motion and/or the entry of the Settlement Order must file with the Bankruptcy Court an objection on or before October 1, 2003; and (b) the final hearing on the Settlement Motion is scheduled for Monday, November 3, 2003 at 1:00 p.m. **The Senior Indenture Trustee does not intend to assert an objection to the Settlement Motion or the entry of the Settlement Order pursuant to the direction of the holders of in excess of [80%] of the Senior Notes. Accordingly, if you have any opposition to the Proposed Settlement, you must file an objection in accordance with the timetable and procedures set forth in the Notice Order.**

The Chapter 7 Trustee has established a dedicated internet website relating to the Proposed Settlement. That website may be accessed at www.sebcglobalsettlement.com. You can locate copies of the attachments at the website, together with a list of Frequently Asked Questions (and answers) with respect to the terms of the Proposed Settlement and the procedures for approval.

For those unable to access the website, this information may be obtained by contacting counsel to the Chapter 7 Trustee. That contact information is as follows:

Mark D. Bloom, Esq.
Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131
(305) 579-0500
Attn: Celi Aguilar, ext. 5428
<bloomm@gtlaw.com>
<aguilara@gtlaw.com>

Please carefully review each of the above described documents and consult legal counsel if you find it necessary or helpful. Note that the Summary does not purport to summarize each relevant element of the Proposed Settlement and is qualified in its entirety by the provisions of the Settlement Order, which governs in the event of any inconsistency.

Dated: August 1, 2003

Jeffrey H. Beck, Chapter 7 Trustee

Exhibit D

**NOTICE TO THE HOLDERS OF SOUTHEAST BANKING CORPORATION
4¾% CONVERTIBLE SUBORDINATED NOTES DUE 1997, CUSIP No.
841338AA4, 6½% CONVERTIBLE CAPITAL NOTES DUE 1999, CUSIP
No. 841338AG1, AND 10½% SUBORDINATED NOTES DUE 2001, CUSIP
No. 841338AD8 (collectively, the "Notes")**

This Notice is to advise you of a proposed settlement of various issues in the Chapter 7 bankruptcy case of Southeast Banking Corporation ("SEBC"). These issues are between yourselves and the holders of the Senior Notes issued by SEBC.

THE PROPOSED SETTLEMENT AFFECTS YOUR RIGHTS. THE PROPOSED SETTLEMENT ORDER WILL RESULT IN A REALLOCATION OF RIGHTS BETWEEN THE HOLDERS OF THE NOTES (AS WELL AS CERTAIN OTHER SUBORDINATED NOTES ISSUED BY SEBC) AND THE HOLDERS OF SENIOR NOTES AS A SETTLEMENT OF CERTAIN ISSUES IN THE SEBC CHAPTER 7 CASE. THE PROPOSED SETTLEMENT INVOLVES SUBSTANTIAL SUMS OF MONEY AND YOU SHOULD CAREFULLY REVIEW THE PROPOSED SETTLEMENT.

Jeffrey H. Beck, as Chapter 7 Trustee for SEBC, has filed a Motion for Entry of Order Approving and Implementing Global Settlement of Issues Affecting Calculation and Payment of Post Petition Interest and Attorneys' Fees and Related Priority and Subordination Issues, and Procedure for Interim Distributions of Post Petition Interest on Negative Notice Without Hearing (the "Settlement Motion"). The Settlement Motion seeks approval of the Proposed Settlement in accordance with the terms of the proposed Order attached to the Settlement Motion (the "Settlement Order").

We have enclosed with this Notice copies of (i) a broad Summary of the Proposed Settlement (the "Summary"); (ii) the Settlement Motion, and the Exhibits thereto, including Exhibit A which is the Settlement Order; and (iii) the Order (1) Approving Form, Content, Method and Manner of Notice of Proposed Global Settlement by Mail and Foreign Publication, (2) Approving Form and Content of Summary and FAQ's, (3) Establishing Procedures, Fixing Deadlines and Scheduling Final Hearing, and (4) Approving Related Expenditures as Administrative Expenses entered by the Bankruptcy Court on July 30, 2003 (the "Notice Order").

There is a proposed time frame in the Notice Order for events leading up to the final hearing on the Settlement Motion. According to that time frame, (a) any party wishing to assert an objection to the Settlement Motion and/or the entry of the Settlement Order must file with the Bankruptcy Court an objection on or before October 1, 2003 and (b) the final hearing on the Settlement Motion is scheduled for Monday, November 3, 2003 at 1:00 p.m. **You should note that the Indenture Trustee for your series of Notes does not intend to assert an objection to the Settlement Motion or the entry of the Settlement Order. Accordingly, if you have any opposition to the Proposed Settlement, you must file an objection in accordance with the timetable and procedures set forth in the Notice Order.**

The Chapter 7 Trustee has established a dedicated internet website relating to the Proposed Settlement. That website may be accessed at www.sebcglobalsettlement.com. You can locate copies of the attachments at the website, together with a list of Frequently Asked Questions (and answers) with respect to the terms of the Proposed Settlement and the procedures for approval.

For those unable to access the website, this information may be attained by contacting counsel to the Chapter 7 Trustee. That contact information is as follows:

Mark D. Bloom, Esq.
Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131
(305) 579-0500
Attn: Celi Aguilar, ext. 5428
<bloomm@gtlaw.com>
<aguilara@gtlaw.com>

Please carefully review each of the above described documents and consult legal counsel if you find it necessary or helpful. Note that the Summary does not purport to summarize each relevant element of the Proposed Settlement, and is qualified in its entirety by the provisions of the Settlement Order, which governs in the event of any inconsistency.

Dated: August 1, 2003

Jeffrey H. Beck, Chapter 7 Trustee

Exhibit E

**NOTICE TO THE HOLDERS OF SOUTHEAST BANKING CORPORATION
FLOATING RATE SUBORDINATED NOTES DUE 1996,
ISIN NO. 841338AE61, AND FLOATING RATE SUBORDINATED
CAPITAL NOTES DUE 1997, ISIN NO. 841338AF37
(collectively, the "Notes")**

This Notice is to advise you of a proposed settlement of various issues in the Chapter 7 bankruptcy case of Southeast Banking Corporation ("SEBC"). These issues are between yourselves and the holders of the Senior Notes issued by SEBC.

THE PROPOSED SETTLEMENT AFFECTS YOUR RIGHTS. THE PROPOSED SETTLEMENT ORDER WILL RESULT IN A REALLOCATION OF RIGHTS BETWEEN THE HOLDERS OF THE NOTES (AS WELL AS CERTAIN OTHER SUBORDINATED NOTES ISSUED BY SEBC) AND THE HOLDERS OF SENIOR NOTES AS A SETTLEMENT OF CERTAIN ISSUES IN THE SEBC CHAPTER 7 CASE. THE PROPOSED SETTLEMENT INVOLVES SUBSTANTIAL SUMS OF MONEY AND YOU SHOULD CAREFULLY REVIEW THE PROPOSED SETTLEMENT.

Jeffrey H. Beck, as Chapter 7 Trustee for SEBC, has filed a Motion for Entry of Order Approving and Implementing Global Settlement of Issues Affecting Calculation and Payment of Post Petition Interest and Attorneys' Fees and Related Priority and Subordination Issues, and Procedure for Interim Distributions of Post Petition Interest on Negative Notice Without Hearing (the "Settlement Motion"). The Settlement Motion seeks approval of the proposed Settlement Order attached to the Settlement Motion (the "Settlement Order").

The Chapter 7 Trustee has established a dedicated internet website (the "Southeast Website") relating to the Proposed Settlement. The Southeast Website may be accessed at www.sebcglobalsettlement.com.

On the Southeast Website, you can obtain copies of (i) the court-approved Summary of the Proposed Settlement; (ii) the Settlement Motion, and the Exhibits thereto, including Exhibit A which is the Settlement Order; and (iii) the Order (1) Approving Form, Content, Method and Manner of Notice of Proposed Global Settlement by Mail and Foreign Publication, (2) Approving Form and Content of Summary and FAQ's, (3) Establishing Procedures, Fixing Deadlines and Scheduling Final Hearing, and (4) Approving Related Expenditures as Administrative Expenses entered by the Bankruptcy Court on July 30, 2003 (the "Notice Order").

On the Southeast Website, you can also find a series of answers to Frequently Asked Questions (FAQ's) with respect to the terms of the Proposed Settlement, the circumstances leading up to it, and the procedures for its approval by the Bankruptcy Court.

For those unable to access the Southeast Website, this information may be attained by contacting counsel to the Chapter 7 Trustee. That contact information is as follows:

Mark D. Bloom, Esq.
Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131
(305) 579-0500
Attn: Celi Aguilar, ext. 5428
<bloomm@gtlaw.com>
<aguilara@gtlaw.com>

There is a proposed time frame in the Notice Order for events leading up to the final hearing on the Settlement Motion. According to that time frame, (a) any party wishing to assert an objection to the Settlement Motion and/or the entry of the Settlement Order must file with the Bankruptcy Court an objection on or before October 1, 2003 and (b) the final hearing on the Settlement Motion is scheduled for Monday, November 3, 2003 at 1:00 p.m. **You should note that the Indenture Trustee for your series of Notes does not intend to assert an objection to the Settlement Motion or the entry of the Settlement Order. Accordingly, if you have any opposition to the Proposed Settlement, you must file an objection in accordance with the timetable and procedures set forth in the Notice Order.**

Please carefully review each of the above described documents and consult legal counsel if you find it necessary or helpful. Note that the Overview does not purport to summarize each relevant element of the Proposed Settlement and the Overview is qualified in its entirety by the provisions of the Settlement Order, which governs in the event of any inconsistency.

Dated: August 1, 2003

Jeffrey H. Beck, Chapter 7 Trustee

Exhibit F

NOTICE TO CREDITORS OF SOUTHEAST BANKING CORPORATION

This Notice is to advise you of a proposed settlement of various issues in the Chapter 7 bankruptcy case of Southeast Banking Corporation ("SEBC"). These issues are between the holders of the Senior Notes and Subordinated Notes issued by SEBC.

THE PROPOSED SETTLEMENT IS NOT INTENDED TO AFFECT YOUR RIGHTS. THE PROPOSED SETTLEMENT ORDER WILL RESULT IN A REALLOCATION OF RIGHTS BETWEEN THE HOLDERS OF THE NOTES (AS WELL AS CERTAIN OTHER SUBORDINATED NOTES ISSUED BY SEBC) AND THE HOLDERS OF SENIOR NOTES AS A SETTLEMENT OF CERTAIN ISSUES IN THE SEBC CHAPTER 7 CASE.

Jeffrey H. Beck, as Chapter 7 Trustee for SEBC, has filed a Motion for Entry of Order Approving and Implementing Global Settlement of Issues Affecting Calculation and Payment of Post Petition Interest and Attorneys' Fees and Related Priority and Subordination Issues, and Procedure for Interim Distributions of Post Petition Interest on Negative Notice Without Hearing (the "Settlement Motion"). The Settlement Motion seeks approval of the Proposed Settlement in accordance with the terms of the proposed Order attached to the Settlement Motion (the "Settlement Order").

We have enclosed with this Notice copies of (i) a broad Summary of the Proposed Settlement (the "Summary"); (ii) the Settlement Motion, and the Exhibits thereto, including Exhibit A which is the Settlement Order; and (iii) the Order (1) Approving Form, Content, Method and Manner of Notice of Proposed Global Settlement by Mail and Foreign Publication, (2) Approving Form and Content of Summary and FAQ's, (3) Establishing Procedures, Fixing Deadlines and Scheduling Final Hearing, and (4) Approving Related Expenditures as Administrative Expenses entered by the Bankruptcy Court on July 30, 2003 (the "Notice Order").

There is a proposed time frame in the Notice Order for events leading up to the final hearing on the Settlement Motion. According to that time frame, (a) any party wishing to assert an objection to the Settlement Motion and/or the entry of the Settlement Order must file with the Bankruptcy Court an objection on or before October 1, 2003 and (b) the final hearing on the Settlement Motion is scheduled for Monday, November 3, 2003 at 1:00 p.m. **Accordingly, if you have any opposition to the Proposed Settlement, you must file an objection in accordance with the timetable and procedures set forth in the Notice Order.**

The Chapter 7 Trustee has established a dedicated internet website relating to the Proposed Settlement. That website may be accessed at www.sebcglobalsettlement.com. You can locate copies of the attachments at the website, together with a list of Frequently Asked Questions (and answers) with respect to the terms of the Proposed Settlement and the procedures for approval.

For those unable to access the website, this information may be attained by contacting counsel to the Chapter 7 Trustee. That contact information is as follows:

Mark D. Bloom, Esq.
Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131
(305) 579-0500
Attn: Celi Aguilar, ext. 5428
<bloommm@gtlaw.com>
<aguilara@gtlaw.com>

Please carefully review each of the above described documents and consult legal counsel if you find it necessary or helpful. Note that the Summary does not purport to summarize each relevant element of the Proposed Settlement, and is qualified in its entirety by the provisions of the Settlement Order, which governs in the event of any inconsistency.

Dated: August 1, 2003

Jeffrey H. Beck, Chapter 7 Trustee

Exhibit G

LIMITED SERVICE LIST

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Miami, FL 33131

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EXHIBIT G