GREENBRIER OF VIRGINIA, INC.
NOTICE TO INTERESTED PERSONS

1. You are herby notified that a written submission has been filed on behalf of the Greenbrier Employee Stock Ownership Plan (the "Plan") with the United States Department of Labor (the "Department") requesting an authorization under the provisions of Prohibited Transaction Exemption 96-62, 61 FR 39988, July 31, 1996, as amended by 67 FR 44622, July 3, 2002, that the prohibited transaction provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") do not apply to the proposed transaction ("Proposed Transaction") as described below.

2. The submission has met the requirements for tentative authorization under PTE 96-62.

3. If authorized by the Department, pursuant to PTE 96-62, the restrictions of ERISA Sections 406(a) and 406(b)(1) and (b)(2) and the sanctions resulting from the application of Code Section 4975 by reason of Code Sections 4975(c)(1)(A) through (E) shall not apply to the purchase by Greenbrier of Virginia, Inc. (the "Company") of all shares of common stock of the Company (the "Common Stock") held by the Plan. The Proposed Transaction will involve the purchase of the shares by the Company, a party-in-interest.

4. The authorization if finalized by the Department will not provide relief from the general fiduciary provisions of ERISA or the Code, nor will such authorization constitute an endorsement by the Department of the Proposed Transaction that is the subject of this submission.

Background

1. The Company is a closely-held S corporation organized in Chesapeake, Virginia for the purpose of engaging in the retail sale of new and used automobiles and associated activities. Effective January 1, 1985, the Company established the Plan for the benefit of its employees. The Plan is intended to constitute an employee stock ownership plan ("ESOP").

2. At its inception in 1985, the Plan purchased 574 shares of Common Stock from William Wiley, then President of the Company (the "Wiley Shares") at their appraised fair market value of $4,853.33 per share for a total purchase price of $2,785,811.42. A qualified independent appraiser, Brian Napier, with Capital Analysts, Inc. ("Capital Analysts") valued the Company and the Common Stock in 1985 ("1985 Appraisal"). Please see the next page for a summary of his qualifications. The 1985 Appraisal considered three valuation approaches: (i) the market approach, (ii) the income approach and (iii) the asset-based approach. In determining fair market value of the Common Stock, the 1985 Appraisal primarily relied on the asset-based approach. The Common Stock price was not discounted for lack of control because the Plan's acquisition of the Wiley Shares represented a controlling interest in the Company. The Common Stock price was discounted for lack of marketability. The Common Stock is not publicly traded, and there is no established market for the Common Stock. The Plan has not purchased any

additional shares of Common Stock, nor have any shares been contributed to the Plan, since the Plan's original acquisition of shares. The Company has not allocated Common Stock to participants' accounts since 1993. The Company allocated forfeitures of Common Stock to participants' accounts in 2004 and subsequently fully vested participants in their account balances on December 31, 2005.

The Company froze the Plan effective December 31, 2009. The Company applied for a determination letter from the Internal Revenue Service that the Plan will be qualified on its termination.

As of January 31, 2011, the Plan had 49 participants. Twenty-two participants will be affected by the Proposed Transaction. The Plan had assets totaling $1,343,531.86 as of December 31, 2010.

The Chairman and CEO of the Company, William R. Shepherd, Jr., owns 176 shares of Common Stock out of 346.6 outstanding shares, or 50.8% of Common Stock. Mr. Shepherd is also the trustee of the Plan (the "Trustee") and a participant in the Plan.

The compensation paid to officers of the Company in 2008 of $675,213, 2009 of $1,772,501, and 2010 of $1,935,173.39 was reasonable. The compensation was lower in 2008 than the following years because of the downturn in the economy and the automotive industry.

The Company will purchase the Shares from the Plan in a one-time transaction for cash at a price equal to the greater of $7,319 per share or the per share value as determined by the updated appraisal at the time of the sale. The proceeds from the sale of the Shares will be promptly forwarded to the Plan's trust simultaneously with the transfer of Shares to the Company. The Plan owns 170.6 Shares out of 346.6 of total shares, approximately 49.2% of the Company. The sale will involve the purchase of the Shares by the Company, a party-in-interest. At July 31, 2010, each Share had a fair market value of $7,319, based on the appraisal by Brian Napier, with Capital Analysts ("July 31, 2010 Appraisal").

Capital Analysts is an independent consulting firm that provides appraisal services for closely-held businesses. Napier is a qualified independent appraiser who is a Fellow of the American Society of Appraisers and has over 38 years experience in establishing opinions of value of closely-held companies. Capital Analysts does not hold, directly or indirectly an ownership position in the Shares or the Plan. Capital Analysts does not have any other direct affiliation with the Company or the Plan. The amount paid to Capital Analysts by the Company for their services represents not more than 2.5% of Capital Analysts' current income.

The 170.6 Shares had a fair market value of $1,248,621.40. The appraisal considered three valuation methodologies (i.e., the asset-based value, the market value, and the income value) of the Company to determine the fair market value of the Shares. The appraisal relied primarily on the asset-based value in determining the fair market value of the Shares.

The appraisal discounted the price of the Shares for lack of marketability and lack of control. The Proposed Transaction is similar to the 1985 sale of Common Stock to the Plan by the Company. Napier at Capital Analysts prepared the July 31, 2010 Appraisal and the 1985 Appraisal. Napier used the same valuation methodology for both appraisals to determine the stock price. Napier applied a discount for lack of marketability in both appraisals. Napier did not apply a discount for lack of control to the 1985 Appraisal because in 1985 the Plan acquired a controlling interest in the Company.

3. The Company believes that terminating the Plan and redeeming the Shares for cash is in the best interests of participants because it will eliminate participants' reliance on the performance of the Common Stock. The Plan participants will benefit because they will receive a lump sum cash payment of their benefits. All of these distributions may be rolled over to an Individual Retirement Account or to another qualified retirement plan, including the Southern Hospitality 401(k) Plan sponsored by the Company. By rolling over the distribution to the 401(k) Plan, participants can direct the investment of their accounts and diversify their retirement savings. Further, the Company has found that the opportunity to have retirement benefits invested in Common Stock is not viewed by the participants as having any significant value and does not create a sense of ownership. Also, the required annual valuation of the Common Stock and audit of the Plan are substantial expenses. Consequently, the Company has concluded that it is in the best interest of the participants and the Company to terminate the Plan and provide participants with a lump sum distribution.

4. The Company also believes that the Proposed Transaction will protect the rights of Plan participants and beneficiaries because the redemption of the Shares will be at fair market value based on an independent valuation as of the date of the Plan's termination, and updated at the time of the sale. The qualified independent appraiser, Capital Analysts, represents the Plan, and the Company will pay all costs associated with the appraisal.

5. The July 31, 2010 Appraisal was reviewed for the Plan by an independent valuation expert, Gregory Lawson, CPA/ABV, CFF, with Goodman & Company L.L.P. ("Goodman"). Goodman is a certified public accounting firm. Lawson is a Certified Public Accountant in the Commonwealth of Virginia and is a senior partner with Goodman. He has over 30 years of public accounting experience, with a focus in the practice area of business valuations. Lawson ascertained that the valuation and methods used comport with accepted valuation standards, and that the value is within an acceptable range of values. Goodman does not hold directly, or indirectly, an ownership position in the Shares or the Plan. Goodman further does not have any other direct or indirect affiliation with the Company or the Plan. The amount paid to Goodman by the Company for their services represents not more than .016% of Goodman's current income. Lawson, at Goodman, will also review the updated valuation. Goodman represents the Plan, and the Company will pay all costs associated with Goodman's review. The Plan will not pay any fees, commissions, or other costs related to the Proposed Transaction.

6. The Company represents that the Proposed Transaction poses little, if any, risk of abuse or loss to the Plan, or participants, because the sale is a one-time cash transaction in which the purchase price for the Shares will be based on an independent valuation by a qualified independent appraiser, Capital Analysts, and the cash received will be allocated in proportion to the number of Shares redeemed in the transaction.

7. As the Company is a party-in-interest with respect to the Plan, the Proposed Transaction would be a prohibited transaction under ERISA or the Code for which exemptive relief may be sought from the Department.

8. The Company has applied to the Department to obtain authorization for the sale of the Shares by the Company. If the authorization is finalized by the Department, the Proposed Transaction will be subject to the following conditions:

a. The sale is a one-time cash transaction;

b. The Company purchases the Shares from the Plan for the greater of (i) $7,319 per share, as currently appraised by the independent qualified appraiser, Capital Analysts, or (ii) the fair market value for the Shares as determined at the time of the sale by Capital Analysts;

c. An independent valuation expert, Goodman, retained by the Plan, reviewed the July 31, 2010 Appraisal and determined that the valuation and methods used comport with accepted valuation standards, and that the value is within an acceptable range of values, and will also review the updated valuation for the Plan at the time of sale for reasonableness;

d. The Plan pays no commission or other expenses associated with the sale;

e. The Trustee determines that the transaction is appropriate for the Plan and in the best interests of Plan participants;

f. The Trustee will review and approve the methodology used by the qualified independent appraiser, will ensure that such methodology is properly applied in determining the fair market value of the Shares, and will also determine whether it is prudent to go forward with the Proposed Transaction;

g. The compensation paid to officers of the Company in 2008 of $675,213, 2009 of $1,772,501, and 2010 of $1,935,173.39, was reasonable;

h. The terms of the sale of Shares of the Company by the Plan to the Company are at least as favorable to the Plan as an arm's length transaction would be; and

i. The proceeds from the sale of the Shares will be promptly forwarded to the Plan's trust simultaneously with the transfer of Shares to the Company.

9. The Proposed Transaction is expected to occur within 30 days within receiving final authorization by the Department under PTE 96-62.

10. In reliance on PTE 96-62, the Company has identified as substantially similar to the Proposed Transaction the following two exemptions granted by the Department, one that was the subject of an individual exemption within the past 120 months, and the other that received final authorization by the Department under PTE 96-62 within the past 60 months:

a. **PTE 2003-14, issued to ACR Homes, Inc. Employee Stock Ownership Plan and Trust, located in Roseville, Minnesota ("ACR Homes").** This individual prohibited transaction exemption may be found in the Federal Register at 68 FR 34649 (June 10, 2003). ACR Homes, Inc. ("ACR") was an S corporation with shareholder employees owning more than 50% of the stock of ACR. ACR sponsored an ESOP. This exemption permitted the past sale by the ESOP to ACR of 3,600 shares of ACR's stock.

b. **FAN 2006-13E, issued to Regal Marine Industries, Inc. 401(k) Retirement Plan ("Regal Marine Industries").** Regal Marine Industries, Inc. 401(k) Retirement Plan cited to PTE 2003-14, issued to ACR Homes, Inc. Employee Stock Ownership Plan and Trust, that may be found in the Federal Register at 68 FR 34649 (June 10, 2003), and PTE 2002-32 issued to Northwoods Bank of Minnesota Employee Stock Ownership Plan, that may be found at the Federal Register at 67 FR 42077 (June 20, 2002). Regal Marine Industries, Inc. ("Regal Marine") was an S corporation with a shareholder employee owning more than 50% of the stock of Regal Marine. The company sponsored a 401(k) plan with an ESOP feature. This exemption permitted the sale by the 401(k) Plan of 8,247 shares of Regal Marine stock to the Company.

11. ACR Homes and Regal Marine are substantially similar to the Proposed Transaction. Each transaction involves the sale of shares by an ESOP to the plan sponsor, an S corporation who is over 50% owned by a shareholder employee. In each transaction, including the Proposed Transaction, the plan is selling the shares at their fair market value as determined by a qualified independent appraiser, the purchase is for cash and the plan is paying no fees or commissions in connection with the sale.

12. As a person who may be affected by the Proposed Transaction, you have the right to comment on the Proposed Transaction. Written comments should be addressed to:

Office of Exemption Determinations
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Room N-5700
Washington, DC 20210
Attention Application No.: E-00665

Comments may also be submitted by facsimile at 202-219-0204, and by e-mail at Lefkowitz.Gary@dol.gov.

13. The comment period will close on April 30, 2011, 25 days following completion of the distribution of this Notice to Interested Persons. Final authorization of the Proposed Transaction will not occur until the Department reviews all comments received in response to this Notice to Interested Persons.

Officer's Certificate

This certificate is made by the undersigned, Michael King on behalf of Greenbrier of Virginia, Inc. ("Greenbrier") in his capacity as Chief Financial Officer of Greenbrier, in connection with the prohibited transaction exemption submission filed with the Department of Labor, dated January 31, 2011, Submission Number E-00665. The undersigned certifies that Greenbrier provided all participants and beneficiaries of the Greenbrier Employee Stock Ownership Plan with a copy of the enclosed Notice to Interested Persons. The notice was sent by first-class mail to all participants and beneficiaries on March 31, 2011. Notification was completed on April 5, 2011. The expiration of the comment period is on April 30, 2011.

IN WITNESS WHEREOF, the undersigned has caused this certificate to be executed as of this 6 day of April, 2011.

Greenbrier of Virginia, Inc.

By: ______________________

Michael King
Chief Financial Officer

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