

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

<p>In re:</p> <p>PICCADILLY RESTAURANTS, LLC;</p> <p>PICCADILLY FOOD SERVICE, LLC; and</p> <p>PICCADILLY INVESTMENTS, LLC</p> <p style="text-align: center;">Debtors.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Chapter 11</p> <p>Case No. 12-51127</p> <p>Jointly Administered</p>
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**STATEMENT BY THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS IN
SUPPORT OF APPLICATION OF THE DEBTORS TO RETAIN AND EMPLOY
FTI CONSULTING, INC. AS FINANCIAL ADVISORS TO THE DEBTORS**

The Official Committee of Unsecured Creditors (the “Committee”) files this statement in support of *Application of the Debtors for an Order Authorizing the Employment and Retention of FTI Consulting, Inc. as Financial Advisors to the Debtors, Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a)* [Docket No. 468] (the “Application”). In support thereof, the Committee respectfully states as follows:

1. As a threshold matter, the Committee believes that the Debtors are entitled to a qualified financial advisor to assist the Debtors in their restructuring efforts, including the plan process. The Debtors’ proposed financial advisor, FTI Consulting, Inc. (“FTI”), is a reputable financial advisor that is well-qualified to advise the Debtors in these chapter 11 cases.

2. Moreover, the scope of services to be provided by FTI appears reasonable for cases of this size and complexity. It appears that the Debtors engaged in extensive, arm’s-length negotiations with FTI to ensure the reasonableness of the terms and conditions of FTI’s proposed retention as well as the proper scope of services to be provided by FTI. For example, the Committee understands that the Debtors were able to successfully negotiate a substantial reduction of the proposed monthly fee for services required by the Debtors.

3. The sole objection to the Application [Docket No. 503] (the “Objection”) was filed by the agent for the Debtors’ secured lenders, Atalaya Administrative LLC (“Atalaya”). Atalaya’s Objection to the Debtors’ proposed retention of FTI appears to be an attack on the general unsecured creditors designed to thwart any finding of equity in these cases to ensure that only the secured creditors—and not the general unsecured creditors—benefit from the Debtors’ restructuring efforts.

4. Nevertheless, the Committee believes that the Debtors’ proposed retention of FTI is in the best interests of the creditors and other parties in interest. The Debtors, in the exercise of their business judgment, have selected a qualified financial advisor. FTI is well-versed in both the restructuring process and the industry in which the Debtors operate. The Debtors should not be deprived of the opportunity to hire a reputable financial advisor to help formulate a plan to ensure that the Debtors successfully emerge from bankruptcy.

WHEREFORE, the Committee respectfully requests that this Court deny the Objection, approve the retention of FTI as financial advisors to the Debtors, and award such other and further relief as this Court deems just and proper.

Respectfully submitted,

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