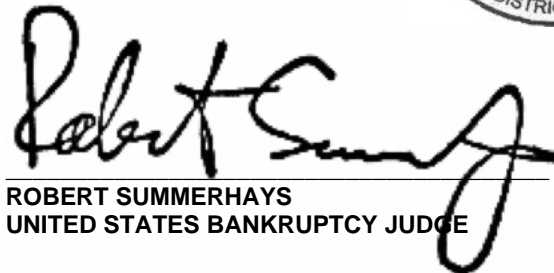




SO ORDERED.

SIGNED March 26, 2013.


ROBERT SUMMERHAYS
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION

IN RE:

PICCADILLY RESTAURANTS, LLC,
ET AL.,

DEBTORS

* CASE NO. 12-51127
*
* (JOINT ADMINISTRATION)¹
*
* CHAPTER 11
*
* JUDGE ROBERT SUMMERHAYS

ORDER AUTHORIZING THE (1) ASSUMPTION OF THE AMENDED AND RESTATED EMPLOYMENT AGREEMENT, AS MODIFIED, WITH THOMAS J. SANDEMAN, PURSUANT TO SECTION 365(a) OF THE BANKRUPTCY CODE, AND (2) PAY INCENTIVE COMPENSATION THAT HAS BEEN EARNED THEREUNDER, PURSUANT TO SECTION 365(a) AND LOCAL BANKRUPTCY RULE 2016-2

Considering the Motion for Authority to (1) Assume the Amended and Restated Employment Agreement, as Modified, with Thomas J. Sandeman, Pursuant to Section 365(a) of the Bankruptcy Code, and (2) Pay Incentive Compensation that Has Been Earned Thereunder,

¹ Joint administration requested with *In re Piccadilly Food Service, LLC*, 12-51128 (Bankr. W.D. La. 2012), and *In re Piccadilly Investments, LLC*, 12-51129 (Bankr. W.D. La. 2012).

Pursuant to Section 365(a) of the Bankruptcy Code and Local Bankruptcy Rule 2016-2 (the “Motion”) (Docket #524) filed on March 4, 2013, by the debtors and debtors-in-possession (collectively, the “Debtors”),² and the Declaration of Thomas J. Sandeman (the “Sandeman Declaration”) in support of the Motion, including specifically the waiver contained in the Sandeman Declaration of any right to assert an administrative claim under section 503 of the Bankruptcy Code, 11 U.S.C. §503, for compensation based on the “change of control” provisions contained in Section 3 of the Employment Agreement (as defined below); good cause having been shown for the entry of an Order granting the Motion; the Court having subject matter jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §1334; and considering the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. §157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§1408 and 1409; and no trustee or examiner having been appointed in these chapter 11 cases; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion (the “Hearing”); and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor; and the Debtors having represented to the Court that the Motion was filed and served in conformity with

² The debtors in these Chapter 11 cases include Piccadilly Restaurants, LLC, Piccadilly Food Service, LLC, and Piccadilly Investments, LLC.

{N2597920.1}

the Local Rules of this Court, and that the relief to be granted in this Order is consistent with the relief pled for in the Motion; the Debtors having represented to the Court that the Motion was filed and served in conformity with the Local Rules of this Court, that no pleading or response having been filed in opposition thereto, and that the relief to be granted in this Order is consistent with the relief pled for in the Motion;

IT IS ORDERED that that the Motion is hereby **GRANTED**.

IT IS FURTHER ORDERED that the Debtors are authorized to assume the Amended and Restated Employment Agreement, by and between Thomas J. Sandeman (“Sandeman”) and Restaurants, effective as of February 8, 2012 (the “Employment Agreement”), a copy of which is attached to the Motion as **Exhibit B**, as modified in this Order.

IT IS FURTHER ORDERED that the Debtors are hereby authorized to pay Sandeman the incentive compensation that is described in the Motion (the “Sandeman Incentive Compensation”) within thirty (30) days of the entry of this Order, or such other dates as the Debtors and Sandeman may otherwise agree.

IT IS FURTHER ORDERED that payment of the Sandeman Incentive Compensation shall constitute the cure of all defaults arising under the Employment Agreement that are required to be cured by the Debtors under section 365(b)(1)(A) of the Bankruptcy Code (after giving effect to section 365(b)(2) of the Bankruptcy Code).

IT IS FURTHER ORDERED that, except with the payment of the Sandeman Incentive Compensation or an unsecured non-priority claim for damages arising out of the “change of control” provisions contained in Section 3 of the Employment Agreement, Sandeman is forever

{N2597920.1}

barred from raising or asserting against the Debtors or their estates any default or breach under, or any claim or pecuniary loss arising under or related to, the Employment Agreement that existed prior to the date of entry of this Order.

IT IS FURTHER ORDERED that the Debtors do not waive any claims that they have against Sandeman, regardless of whether such claims are related to the Employment Agreement.

IT IS FURTHER ORDERED that the terms of this Order shall be immediately effective and enforceable upon its entry.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

###

This Order was prepared and is being submitted by:

R. PATRICK VANCE (#13008)
ELIZABETH J. FUTRELL (#05863)
MARK A. MINTZ (#31878)
TYLER J. RENCH (#34049)
Jones Walker LLP
201 St. Charles Avenue, 51st Floor
New Orleans, Louisiana 70170
Telephone: (504) 582-8000 / Direct: 582-8194
Direct Facsimile: (504) 589-8194
Email: pvance@joneswalker.com
Email: efutrell@joneswalker.com
Email: mmintz@joneswalker.com
Email: trench@joneswalker.com

**Attorneys for Piccadilly Restaurants, LLC
Piccadilly Food Service, LLC and
Piccadilly Investments, LLC**

{N2597920.1}