

EXHIBIT C

Response Letter

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July 31, 2013

**VIA UPS OVERNIGHT
AND ELECTRONIC MAIL**

Robert A. Klyman
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Re: *In re Piccadilly Restaurants, LLC, et al.*, Case No. 12-51127 (Bankr. W.D. La.)
(collectively, the "Bankruptcy Cases")

Dear Robert:

We are in receipt of your letter (the "Objection") dated July 24, 2013 objecting to Subpoenas dated July 10, 2013 (the "Subpoenas") served on behalf of the Official Committee of Unsecured Creditors (the "Committee") upon Yucaipa Corporate Initiatives Fund I, L.P. ("Yucaipa"), California Management Associates, LLC ("CMA"), Bradford Nugent ("Nugent"), and Derex Walker ("Walker"); and together with Yucaipa, CMA and Nugent, the "Subpoenaed Persons"). This letter is in response to your Objection and constitutes a good faith attempt to resolve a discovery dispute to the extent required under the applicable rules.

The Subpoenas require the production of documents on July 24, 2013. Yucaipa and CMA failed to produce any documents in response thereto. The Committee requests immediate production of all documents responsive to the Subpoenas and reserves all rights to enforce the same.

Because of the failure of Yucaipa and CMA to produce any documents responsive to the Subpoenas, the depositions of the Subpoenaed Persons scheduled for July 30 and 31, 2013 are hereby continued. The Committee reserves all rights to reschedule such depositions at a later date and place and after the production of responsive documents, should the Committee so choose.

I. The Committee is Entitled to Discovery from Yucaipa, CMA, Walker and Nugent.

The Debtor and Yucaipa are joint proponents of the currently pending proposed Chapter 11 Plan (the "Plan") and Disclosure Statement (the "Disclosure Statement") for the above-referenced Debtors (the "Companies" or the "Debtors"). According to the Disclosure Statement, CMA is Yucaipa's "assignee and affiliate" with respect to the managing membership of Piccadilly Investments, LLC. See Disclosure Statement, p. D-10. Walker and Nugent are

management employees of Yucaipa and/or CMA with knowledge of and involvement in the Debtors' reorganization efforts. Thus, as parties holding or controlling equity interests in the Debtors and involved in management of the Debtors, the Subpoenaed Persons have an interest in the subject matter—approval of the Debtors' proposed Plan and Disclosure Statement.

The discovery sought in the Subpoenas is necessary for the Committee to fulfill various duties under the Bankruptcy Code. Such duties include, without limitation, the evaluation of a proposed plan of reorganization and recommendations regarding the same to the unsecured creditors.

II. Discovery Regarding the Plan and Disclosure Statement are Proper.

The Subpoenas seek information relating to the Plan and Disclosure Statement, so the scope of the discovery contained therein is proper. One of the Committee's primary roles is the negotiation and participation in the formulation of a Chapter 11 plan and disclosure statement on behalf of the Debtors' unsecured creditors. 11 U.S.C. § 1103(c)(3); *In re Cumberland Farms, Inc.*, 154 B.R. 9, 12 (Bankr. D. Mass. 1993) (citing negotiation of a plan as a basic function of a committee). See also H.R. Rep. No. 595, 95th Conv. 1st Sess. 401 ("[Section 1103] provides for the appointment of creditors' and equity security holders' committees, which will be the primary negotiating bodies for the formulation of the plan of reorganization").

The Bankruptcy Code contemplates a committee's use of discovery to carry out its statutory functions. See *In re Anderson*, 349 B.R. 448, 464 (E.D. Va. 2006) (affirming a committee's participation in discovery in connection with claims objections). Discovery regarding the Plan and Disclosure Statement are appropriate at this stage to determine, among other things, whether the Disclosure Statement provides sufficient information to satisfy section 1125 of the Bankruptcy Code and whether the Plan may satisfy section 1129 of the Bankruptcy Code. See *In re U.S. Brass Corp.*, 194 B.R. 420, 428 (Bankr. E.D. Texas 1996) and *In re Monroe Well Service, Inc.*, 80 B.R. 324, 333 (Bankr. E.D. Pa. 1987) (each holding that a disclosure statement may be disapproved despite sufficiency of information where the associated plan could not satisfy the confirmation requirements of section 1129).

The Subpoenas seek information regarding the Plan and Disclosure Statement. Under the foregoing authorities, the Committee is entitled to the discovery sought. The Committee demands immediate production of documents responsive to the requests therein and will subsequently notice the depositions of the Subpoenaed Persons thereafter.

III. Response to Individual Objections to the Subpoenas

The Committee is entitled to the discovery sought in the Subpoenas, as discussed above. Responses to your individual objections to the Subpoenas are set forth below:

Objection 1. The Subpoenaed Parties object to the Subpoenas as premature given that (i) the Official Committee of Unsecured Creditors has not filed objections to the Debtors' Disclosure

Statement or Chapter 11 Plan; and (ii) the parties are presently negotiating toward resolution of the issues for which discovery is now being sought. The Subpoenas only serve to delay and impede the attempts for consensual resolution.

Fed. R. Civ. P. 26 permits all discovery reasonably calculated to lead to the discovery of admissible evidence. The discovery sought in the Subpoenas is necessary to evaluate the Disclosure Statement and Plan, which makes the requested discovery timely. Any negotiations of a potential reorganization do not serve as grounds for delaying discovery, but, instead, create a pressing need for the same in order that the Committee is appropriately informed as to relevant facts and circumstances.

Objection 2. The Subpoenaed Parties object to the Subpoenas to the extent they purport to impose burdens or duties on the Subpoenaed Parties that exceed the requirements or permissible scope of discovery under the Federal Rules, Bankruptcy Rules, and any applicable local rules.

The Subpoenas contain discovery requests regarding the pending Plan and Disclosure Statement directed upon their proponents, employees, agents and/or officers. The Subpoenas are therefore reasonably calculated to lead to the discovery of admissible evidence and are proper under Fed. R. Civ. P. 26.

Objection 3. The Subpoenaed Parties object to the requests for depositions on the grounds that four depositions of non-Debtor entities and non-Debtor employees are cumulative, unnecessary, unduly burdensome, and designed to harass and annoy. The Subpoenaed Parties will negotiate with the counsel for the Official Committee of Unsecured Creditors to determine whether one or more depositions are necessary and, if so, which topics may be covered in those depositions and when and where such deposition(s) will take place.

The Subpoenaed Persons have produced no documents; however, when production is made, such production need not include duplicative documents. Additionally, the Committee has the right to take discovery under the applicable rules, including depositions of all persons with knowledge. Moreover, you have ignored our previous good faith attempts to discuss our outstanding discovery requests with you.

Objection 4. The Subpoenaed Entities object to the deposition topics specified in the Subpoenas on the grounds that they are vague, ambiguous, overbroad, and encompass matters that are neither relevant to the Debtors' Disclosure Statement and Chapter 11 Plan of Reorganization, nor reasonably calculated to lead to the discovery of admissible evidence.

The Subpoenas contain various requests seeking information relative to the Plan and Disclosure Statement. An objection to a production request is invalid unless the party resisting discovery shows "specifically how...each interrogatory is not relevant or how each question is overly broad, burdensome or oppressive..." *McLeod, Alexander, Powell & Apfell, P.C. v. Quarles*, 894 F.2d 1482, 1485 (5th Cir. 1990) (internal citations omitted). Please produce all

responsive documents. As to any responsive documents withheld from production, please describe such documents with reasonable particularity and specify the grounds for your objection—as required by applicable discovery rules and judicial precedents decided thereunder.

Objection 5. The Subpoenaed Entities object to the Subpoenas on the grounds that they are unduly burdensome, overbroad, needlessly repetitive, and encompass documents neither relevant to the subject matter of Debtors' Disclosure Statement and Chapter 11 Plan of Reorganization, nor reasonably calculated to lead to the discovery of admissible evidence.

Please see the Committee's response to Objection No. 4.

Objection 6. The Subpoenaed Entities object to the Subpoenas to the extent that their instructions, definitions, document requests, and deposition topics are vague and ambiguous.

Please see the Committee's response to Objection No. 4.

Objection 7. The Subpoenaed Entities object to the Subpoenas to the extent they seek documents, including but not limited to electronically stored information, that are not within the possession, custody, or control of the Subpoenaed Entities in the United States.

Please identify each document being withheld in accordance with this Objection pursuant to the Instructions contained within the Subpoenas, including, but not limited to Instructions 2 and 3.

Objection 8. The Subpoenaed Parties object to the Subpoenas to the extent they seek the discovery of information protected by the attorney-client privilege, the work product doctrine, common interest privilege, or any other applicable privilege or immunity protecting materials from disclosure. The Subpoenaed Parties' responses to the Subpoenas shall not be deemed to be a waiver of any such privilege or protection, and the Subpoenaed Parties preserve all such privileges and protections. To the extent that any document or information is inadvertently produced in response to the Subpoenas, such production is not to be construed as a waiver of any privilege or protection.

Please provide a privilege log of all documents withheld on the basis of any privilege or immunity in accordance with Instruction 8 set forth in the Subpoenas.

Objection 9. The Subpoenaed Parties object to the Subpoenas to the extent they seek documents or information to which the Official Committee of Unsecured Creditors has equal or superior access, including but not limited to documents and information in the public domain or documents available from the Debtors, on the grounds that the Subpoenas are unreasonably duplicative and burdensome.

The Subpoenaed Persons are obligated to produce all documents responsive to the Subpoenas within their possession, custody and control pursuant to Fed. R. Civ. P. 26.

Objection 10. The Subpoenaed Entities object to the Subpoenas to the extent they call for the location and/or restoration of data stored on computers, back-up tapes, or other forms of electronic media because such a request is unduly burdensome, costly and time-consuming to the Subpoenaed Entities, which are non-Debtors.

Yucaipa is a proponent of the Plan together with the Debtors, Yucaipa is an equity holder, and the Subpoenaed Persons are involved in management of the Debtors. Thus, the Subpoenaed Persons are parties interested in the instant proceeding and contested matter. Further, the Subpoenaed Persons are obligated to produce all electronically stored information pursuant to Fed. R. Civ. P. 34(a)(1)(A).

Objection 11. The Subpoenaed Entities object to return dates of the Subpoenas and the deposition dates on the grounds that they are burdensome and provide an unreasonably short amount of time for compliance.

The Committee caused the Subpoenas to be issued within two days after the proposed Plan and Disclosure Statement were filed. The document production date was set for 14 days after issuance of the Subpoenas. The deposition dates were set for 6 and 7 days following the document production date.

The production and deposition dates set by the Subpoenas were reasonable and necessary given that the deadline set by the Court at the request of the Debtors and Yucaipa for filing objections to the proposed Disclosure Statement is August 2, 2013. The discovery must be completed within sufficient time to prepare and file any necessary objections to the proposed Disclosure Statement.

Instead, no documents have been produced. The Committee demands immediate good faith production of documents responsive to the Subpoenas. As a result of the Subpoenaed Parties' failure to produce any documents by the date requested in the Subpoenas, the Committee is being forced to reschedule the depositions to a later time and date, and the estates are being forced to incur substantial costs directly caused by your failure to comply with the Subpoenas.

Objection 12. The Subpoenaed Entities object to the Subpoenas to the extent they call for the production of "All Documents" or "All Documents and Communications" (including documents and information "evidencing," "comprising," "concerning," "relating to," and "constituting" various topics) on the grounds that they are overbroad and unduly burdensome. The Subpoenaed Entities further object to such demands for "All Documents" or "All Documents and Communications" where production of a subset of all documents and/or communications would be reasonable and sufficient to show pertinent information.

Please see the Committee's responses to Objection Nos. 4 and 8.

Objection 13. The Subpoenaed Entities object to the requests for identification of unavailable documents and privilege logging on the grounds that they are unduly burdensome and to the extent they impose requirements beyond those of the Federal Rules, Bankruptcy Rules, and any applicable local rules.

Please see the Committee's response to Objection No. 4.

Objection 14. The failure to object to any specific item in the Subpoenas does not constitute a representation by the Subpoenaed Parties that they will produce responsive documents or information, or that any such documents or information exist or are within the Subpoenaed Parties' knowledge, possession, custody, or control.

No documents have been produced to date. Please immediately produce all documents responsive to the requests contained within the Subpoenas.

IV. Responses to Deposition Topics for Corporate Representatives of Yucaipa and CMA.

The Committee responds to the objections to the depositions topics made by Yucaipa and CMA below. Yucaipa is a proponent of the Plan and CMA is Yucaipa's "assignee and affiliate" with respect to the management of the Companies. Discovery as to, *inter alia*, into the completeness of the information disclosed and whether the Plan is confirmable under the Bankruptcy Code is necessary, appropriate and required under the Bankruptcy Code.

Deposition Topic No. 1

All aspects of the Debtors' Disclosure Statement and Plan, including all Documents, Communications and negotiations in connection therewith.

Yucaipa's Response to Deposition Topic No. 1

Yucaipa objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. Yucaipa further objects to the extent that this deposition topic seeks disclosure of information protected by the attorney-client privilege, attorney work product doctrine, common interest privilege, or any other applicable privilege or immunity protecting information from disclosure. If deposed, Yucaipa will proffer a corporate representative with knowledge, if any, as to negotiations with the Debtors, if any, to which Yucaipa was a party, regarding the Debtors' Disclosure Statement and Plan.

CMA's Response to Deposition Topic No. 1

CMA objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. CMA further objects to the extent that this deposition topic seeks disclosure of information protected by the attorney-client privilege, attorney work product doctrine, common interest privilege, or any other applicable privilege or immunity protecting information from disclosure. If deposed, CMA will proffer a corporate representative with knowledge, if any, as to negotiations with the Debtors, if any, to which CMA was a party, regarding the Debtors' Disclosure Statement and Plan.

Committee's Reply in Support of Deposition Topic No. 1

Yucaipa is a proponent of the Plan and CMA is Yucaipa's "assignee and affiliate" with respect to the management of the Debtors. The Committee is entitled to the deposition of a corporate representative of each entity with knowledge of the Debtors' Disclosure Statement and Plan and will not invade any privilege or immunity to the extent the same may exist.

Deposition Topic No. 2

All aspects of Yucaipa's equity interests in the Debtors, including all Documents and Communications concerning or related to, whether directly or indirectly, any existing or proposed debt or equity investments in the Debtors after January 1, 2008.

Yucaipa's Response to Deposition Topic No. 2

Yucaipa objects to this deposition topic on the grounds that it is overbroad because Yucaipa's equity interests in the Debtors have not been challenged. Yucaipa further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, Yucaipa will proffer a corporate representative with knowledge, if any, as to any existing or proposed debt or equity investments in the Debtors during the period of one year prior to the Debtors' bankruptcy filings.

CMA's Response to Deposition Topic No. 2

CMA objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Yucaipa. CMA further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence.

Committee's Reply in Support of Deposition Topic No. 2

Yucaipa's equity interests in the Debtors and the value thereof are discoverable and relevant information relating to the proposed Plan and Disclosure Statement. Individuals serving

as corporate representatives of both Yucaipa and CMA with knowledge of such equity should be designated to the extent they exist.

Deposition Topic No. 3

All Documents and Communications concerning or related to the Debtors' solvency prior to their bankruptcy filing, including all actions taken or not taken by CMA and/or Yucaipa in connection therewith and all Communications between CMA and/or Yucaipa and any of the Debtors and/or their creditors, whether secured or unsecured, regarding same.

Yucaipa's Response to Deposition Topic No. 3

Yucaipa objects to this deposition topic on the grounds that it is overbroad in that it does not contain any beginning date limitation. Yucaipa further objects to this deposition topic on the grounds that the time period is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, Yucaipa will proffer a corporate representative with knowledge, if any, as to Debtors' solvency up to one year prior to their bankruptcy filing, including all actions taken or not taken by Yucaipa in connection therewith.

CMA's Response to Deposition Topic No. 3

CMA objects to this deposition topic on the grounds that it is overbroad in that it does not contain any beginning date limitation. CMA further objects that information regarding this subject matter is more properly sought from Yucaipa. CMA further objects to this deposition topic on the grounds that the time period is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, CMA will proffer a corporate representative with knowledge, if any, as to Debtors' solvency up to one year prior to their bankruptcy filing, including all actions taken or not taken by Yucaipa in connection therewith.

Committee's Reply in Support of Deposition Topic No. 3

The Committee refers Yucaipa and CMA to Instruction 10 set forth in the Subpoenas, which limits the relevant date range to September 11, 2010 through the Petition Date unless otherwise stated. The Debtors' solvency during the two years prior to the Petition Date is a relevant and discoverable matter under section 548 of the Bankruptcy Code and other applicable law, particularly where, as here, the proposed Plan seeks to release insiders from avoidance actions and/or other liabilities. Courts in the Fifth Circuit routinely allow discovery on these issues and topics. Yucaipa and CMA should produce a corporate representative with such knowledge for deposition.

Deposition Topic No. 4

All aspects of any of the Debtors' ability or inability to perform their obligations under their secured credit facility at any time during the two years prior to their bankruptcy filings, and any communications relating thereto.

Yucaipa's Response to Deposition Topic No. 4

Yucaipa objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. Yucaipa further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, Yucaipa will proffer a corporate representative with knowledge, if any, as to the Debtors' ability or inability to perform their obligations under their secured credit facility during the period of one year prior to the Debtors' bankruptcy filing.

CMA's Response to Deposition Topic No. 4

CMA objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. CMA further objects to this deposition topic on the grounds that the time period is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, CMA will proffer a corporate representative with knowledge, if any, as to the Debtors' ability or inability to perform their obligations under their secured credit facility during the period of one year prior to the Debtors' bankruptcy filing.

Committee's Reply in Support of Deposition Topic No. 4

The Debtors' ability to perform their obligations to senior secured creditors during the period of time when they were incurring increasing debt is material for purposes of approval of the Disclosure Statement, confirmation of the Plan and valuation of the Debtors' estates. Yucaipa and CMA should produce a representative with knowledge of these circumstances.

Deposition Topic No. 5.

All aspects of corporate governance of the Debtors during the two years prior to the Petition Date.

Yucaipa Response to Deposition Topic No.5

Yucaipa objects to this deposition topic on the grounds that it is vague, overbroad and that information regarding this subject matter is more properly sought from the Debtors.

CMA Response to Deposition Topic No. 5

CMA objects to this deposition topic on the grounds that it is vague, overbroad and that information regarding this subject matter is more properly sought from the Debtors.

Committee's Reply in Support of Deposition Topic No. 5

According to the Disclosure Statement, Yucaipa owned the Debtors, and Yucaipa and CMA together managed the Debtors. The Debtors' corporate management decisions in the two years prior to the Petition Date bears upon Disclosure Statement approval, Plan confirmation and the valuation of the Debtors' estates. Yucaipa and CMA are required to produce corporate representatives with knowledge of these facts.

Deposition Topic No. 6

All aspects of the Debtors' incurrence of unsecured debt in the two years prior to the Debtors' Bankruptcy Filings.

Yucaipa Response to Deposition Topic No. 6

Yucaipa objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. Yucaipa further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, Yucaipa will proffer a corporate representative with knowledge, if any, as to communications with the Debtors regarding the Debtors' incurrence of unsecured debt during the period of one year prior to the Debtors' bankruptcy filing.

CMA Response to Deposition Topic No. 6

CMA objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. CMA further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, CMA will proffer a corporate representative with knowledge, if any, as to communications with the Debtors regarding the Debtors' incurrence of unsecured debt during the period of one year prior to the Debtors' bankruptcy filing.

Committee Reply in Support of Deposition Topic No. 6

The Committee refers to Instruction No. 10 set forth in the Subpoenas, which provides the relevant time period of September 11, 2010 through the Petition Date unless otherwise stated. Further, the Debtors' continued incurrence of unsecured debt, while at the same time being unable to meet obligations to senior secured lenders, is relevant and material to Disclosure Statement approval, Plan confirmation and valuation of the Debtors' estates. Under Fifth Circuit

jurisprudence, the Subpoenaed Persons are not exempt from compliance with outstanding discovery. Accordingly, individuals with knowledge of these circumstances should be produced.

Deposition Topic No. 8

Any and all communications between CMA and/or Yucaipa, the Debtors and any investment banker or other Person, or internally, regarding the provision of financing, in the form of debt or equity, to the Debtors during the two year period prior to the Debtors' bankruptcy filings.

Yucaipa Response to Deposition Topic No. 8

Yucaipa objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. Yucaipa further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, Yucaipa will proffer a corporate representative with knowledge, if any, as to communications with the Debtors and their advisors regarding the provision of financing, in the form of debt or equity, to the Debtors during the one year period prior to the Debtors' bankruptcy filings.

CMA Response to Deposition Topic No. 8

CMA objects to this deposition topic on the grounds that it is overbroad and that information regarding this subject matter is more properly sought from the Debtors. CMA further objects to this deposition topic on the grounds that the time period specified therein is overbroad and not likely to lead to the discovery of admissible evidence. If deposed, CMA will proffer a corporate representative with knowledge, if any, as to communications with the Debtors and their advisors regarding the provision of financing, in the form of debt or equity, to the Debtors during the period of one year prior to the Debtors' bankruptcy filings.

Committee Reply in Support of Deposition Topic No. 8

The Committee refers to Instruction 10 set forth in the Subpoenas, which sets the relevant time period between September 11, 2010 and the Petition Date. Further, any alleged grounds upon which this deposition topic is overly broad are required to be specifically described and stated. The extent to which the equity of any of the Debtors was marketed bears directly upon the approval of the Disclosure Statement and confirmation of the Plan, particularly where, as here, pre-petition equity seeks to retain its ownership in exchange for additional, but undisclosed capital contributions. Individuals with knowledge of these topics must be produced for deposition.

The Subpoenas are tailored to obtain necessary discovery to permit the Committee to perform its statutory duties in the Debtors' Bankruptcy Cases. Please consider this letter to be a good faith attempt to resolve a discovery dispute, to the extent such a letter is necessary. The

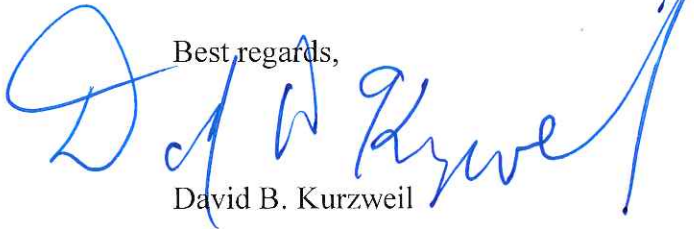
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Committee reserves all rights to immediately enforce the Subpoenas by all legal means, including, without limitation, by a motion to compel and for costs.

Please contact the undersigned with any questions.

Best regards,



David B. Kurzweil

DBK

cc: Official Committee of Unsecured Creditors
Shari L. Heyen
R. Patrick Vance
Elizabeth J. Futrell