

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

-----  
In re: : Chapter 11  
: :  
ALSET OWNERS, LLC, *et al.*,<sup>1</sup> : Case No. 09-11960 (BLS)  
: (Jointly Administered)  
Debtors. :  
----- : **Hearing: July 7, 2009 @ 11:30 AM (EST)**  
: **Objections: June 30, 2009 @ 4:00 PM (EST)**

**DEBTORS' APPLICATION FOR AUTHORITY TO  
EMPLOY FRANCHISE RESALE CONSULTANTS, LLC  
D/B/A PRAETORIAN GROUP AS SALES ADVISORS**

Alset Owners, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), pursuant to sections 327 and 328 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 2014-1 of the Delaware Bankruptcy Local Rules (the "Local Rules"), hereby seek entry of an order approving this Application (the "Application") for Authority to Employ Franchise Resale Consultants, LLC d/b/a Praetorian Group ("Praetorian") as Sales Advisors in their chapter 11 cases. In support of this Application, the Verified Statement of Gene Cerrotti (the "Cerrotti Statement") is attached hereto as *Exhibit "A"*. The Debtors respectfully state as follows in support of this Application:

**JURISDICTION**

1. This Court has jurisdiction to consider the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This

---

<sup>1</sup> The Debtors and the last four digits of their respective tax identification numbers are: Alset Owners, LLC, a Delaware limited liability company (7520); Altes, LLC, a Delaware limited liability company (6927); Setla, LLC, a Delaware limited liability company (6752); and Checkers Michigan, LLC, a Delaware limited liability company (8016). The Debtors' service address is Altes, LLC/Setla, LLC, 1200 North Federal Highway, Boca Raton, Florida 33432.

matter is a core proceeding pursuant to 28 U.S.C. § 157(b). The statutory predicates for the relief sought herein are 11 U.S.C. §§ 327, 328, and 1107(b), Bankruptcy Rule 2014, 2016, and Local Rule 2014-1.

### **BACKGROUND**

2. On June 5, 2009 (the “Petition Date”), the Debtors commenced their bankruptcy cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. A first day hearing was held on June 9, 2009, which resulted in the entry of certain first day relief. The Debtors are authorized to operate their businesses and manage their properties as debtors in possession, pursuant to Bankruptcy Code sections 1107(a) and 1108.

3. No trustee or examiner has been appointed in these chapter 11 cases, and no official committee of unsecured creditors has been established to date.

4. Additional facts and circumstances concerning the Debtors and the events leading to the bankruptcy filing are described in further detail in the Amended Declaration of Leonard Levitsky in Support of Chapter 11 Petitions and First Day Relief (the “Levitsky Declaration”)

### **RELIEF REQUESTED**

5. By this Application, the Debtors seek authority to employ Praetorian as their attorneys and general sales advisors, *nunc pro tunc* to the Petition Date, pursuant to Bankruptcy Code §§ 327, 328, and 1107(b) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1.

### **BASIS FOR RELIEF**

6. The Debtors respectfully submit that it is necessary for the Debtors to employ sales advisors under Bankruptcy Code § 327(a) and Bankruptcy Rule 2014 to represent the Debtors in connection with the following non-exclusive matters:

- a) Advising the Debtors in connection with all matters relating to any sale or other use or disposition of assets.
- b) Preparing worksheets detailing historical unit level and consolidated Income & Expense statements for a recent trailing 13-period.
- c) Analyzing the historical 13-period Income & Expense data to convert results to EBITDA after G&A and on-recurring expenses.
- d) Estimating a range of potential resale values utilizing Praetorian's proprietary valuation models.
- e) Preparing a short form summary to generate initial buyer interest.
- f) Utilizing Praetorian's proprietary buyer data base of multiple concept & multiple unit operators and small to medium sized equity groups with operating partners to ensure that at least 100 potential buyers review the short form summary.
- g) Creating a confidentiality agreement to be executed by potential buyers who express initial interest.
- h) Preparing a more detailed information package for potential buyers that express interest after reviewing the short form summary.
- i) Screening interested potential buyers with regards to operational and financial qualifications.
- j) Arranging for potential buyers to review data contained in a data room.
- k) Attempting to secure an agreement of sale with an acquisition price in excess of the value of the existing Asset Purchase Agreement (defined below).

7. The Debtors believe that Praetorian is well-qualified to act as its sales advisors and will benefit the Debtors' estates.

8. To the best of the Debtors' knowledge, Praetorian has no connection with any of the Debtors' creditors or any other party in interest, except as disclosed in the Cerrotti Statement. The Debtors are satisfied that Praetorian represents no interest adverse to the Debtors or their estates in the matters upon which it is to be engaged, has no connections with the Debtors, the Debtors' creditors, or any other party in interest, their respective attorneys, financial advisors and accountants, the United States Trustee, or any person employed in the Office of the United States

Trustee (other than as disclosed in the Cerrotti Statement), and that its employment will be in the best interests of the Debtors and their estates. The Debtors believe that Praetorian is a “disinterested person” as defined in the Bankruptcy Code.

9. No promises have been made or received by Praetorian nor any member thereof as to payment or compensation in connection with the Chapter 11 Cases, except as provided in Section 1.9 of the Asset Purchase Agreement by and among Checkerco, Inc. and the Debtors, dated as of June 5, 2009 (the “Asset Purchase Agreement”) and a related letter agreement dated June 5, 2009 (the “Letter Agreement”) between the Debtors and Checkers Drive-In Restaurants, Inc. (“Franchisor”). Each of Section 1.9 of the Asset Purchase Agreement and the Letter Agreement require Checkerco and/or Franchisor to satisfy certain restructuring costs up to \$500,000 under certain circumstances. The agreement to backstop payment of certain restructuring costs under Section 1.9 of the Asset Purchase Agreement remains subject to this Court’s approval. Praetorian has no agreement with any entity to share with such entity any compensation received by Praetorian in these cases.

10. The Debtors request that Praetorian be employed as sales advisors on a general retainer basis in accordance with §§ 327(a) and 328 of the Bankruptcy Code and Bankruptcy Rule 2014. Praetorian will request compensation and reimbursement of expenses upon proper application to this Court pursuant to Bankruptcy Code §§ 330 and 331, the Bankruptcy Rules, and the Local Rules and orders of this Court.

11. Subject to this Court’s approval, as set forth in the Executed Terms of Engagement annexed hereto as *Exhibit “B”*, Praetorian will charge the Debtors a base fee of \$35,000.00 for all of the services described in paragraph 6 herein. In the event testimony is required, Praetorian will receive \$5,000.00 in additional compensation.

12. Praetorian will maintain detailed, contemporaneous records of time and necessary expenses provided or incurred in connection with the rendering of the services described above by nature of the services rendered.

13. In addition to the fees set forth above, Praetorian customarily and generally charges clients for the costs of support services the company provides in connection with a representation, including, without limitation, photocopying charges, long distance telephone calls, facsimile transmissions, messengers, courier mail, secretarial and administrative overtime and temporary services, travel, computer research, lodging and catering for meetings. Some of these services are provided by Praetorian, in which case the charges are set by Praetorian, and others are provided by third party service providers, in which case the charges are set by the providers. All such charges for which Praetorian seeks payment are subject to this Court's approval and/or pursuant to any administrative procedure established by order of this Court.

14. Based on the foregoing, the Debtors submit that the relief requested is necessary and appropriate, is in the best interests of their estates and creditors, and should be granted in all respects. No previous request for the relief sought herein has been made to this or any other Court.

15. The Debtors request that Praetorian's employment be deemed effective as of the Petition Date, in light of the continuing nature of the services which must be performed in order for Praetorian to properly represent the Debtors and in order to avoid any prejudice resulting from any administrative delay in the filing of this Application or the entry of an order approving the Application.

## NOTICE OF APPLICATION

16. No trustee, examiner or statutory creditors' committee has been appointed in these chapter 11 cases to date. Notice of this Application has been provided to: (a) the Office of the United States Trustee; (b) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis; (c) Textron Financial Corporation; (d) Checkers Drive-In Restaurants, Inc.; and (e) parties that have requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that no other or further notice need be provided.

**The Remainder of This Page Has Intentionally Been Left Blank**

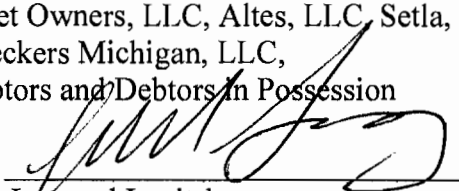
**CONCLUSION**

WHEREFORE, the Debtors respectfully request that this Court enter an order, in substantially the form attached hereto (i) approving the Application; (ii) authorizing the Debtors to employ Praetorian as its sale advisors as of the Petition Date; and (iii) granting the Debtors such other and further relief as this Court may deem just and proper.

Dated: June 19, 2009

Alset Owners, LLC, Altes, LLC, Setla, LLC,  
Checkers Michigan, LLC,  
Debtors and Debtors in Possession

By: \_\_\_\_\_

  
Leonard Levitsky  
President and Managing Member