IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
CHI-CHI'S, INC.,	)	Case No. 03-13063(JLP)
	)	(Jointly Administered)
Debtors	)	
	)	
EMPIRE INDEMNITY INSURANCE CO., as subrogee of CHI-CHI'S, INC.,	)	
	)	
Plaintiffs,	)	
v.	)	Adv. No. 04-57064 (KJC)
	)	
CASTELLINI COMPANY, LLC,	)	
	)	
Defendant.	)	

STATUS REPORT

The plaintiff Empire Insurance Company, as subrogee of Chi-Chi's hereby files this status report pursuant to the request of the Court.

Status A: SERVICE NOT COMPLETED

None.

Status B: SERVICE COMPLETE, ANSWER STILL DUE

None.

Status C: SERVICE COMPLETE, NO ANSWER FILED, REQUESTING DEFAULT

None.

Status D: SETTLEMENT AGREEMENT FILED

None.

Status E: SETTLED, NO NOTICE/STIPULATION OF DISMISSAL FILED

None.

Status F: DISCOVERY UNDERWAY

Discovery is proceeding in companion litigation pending in both California and Pennsylvania. There remains pending before the Court the plaintiff's motion to vacate the

Status G: NOTICE OF SELECTION OF MEDIATOR FILED

None.

Status H: READY FOR TRIAL

None.

Status I: DISPOSITIVE MOTIONS PENDING

None.

Status J: STAYED ACTIONS

None.

Status K: APPEAL PENDING

None.

FOX ROTHSCHILD LLP

By: */s/ Bernard G. Conaway*

Bernard G. Conaway, Esquire (DE 2856)
919 N. Market Street, Suite 1300
Wilmington, DE 19801-3046
(302) 654-7444
(302) 656-8920 (facsimile)

Attorney for Empire Insurance Company as subrogee of Chi-Chi's

Dated: October 31, 2006