IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
CHI-CHI'S, INC., et al., [1]	)	Case No. 03-13063 (KJC)
	)	(Jointly Administered)
Reorganized Debtors.	)	

Objection Deadline: November 28, 2006 at 4:00 p.m. prevailing Eastern Time
Hearing Date (if objections are filed): December 5, 2006 at 10.00 a.m. prevailing Eastern Time

MOTION OF LIQUIDATING TRUSTEE TO EXTEND TIME TO OBJECT TO CLAIMS

The Liquidating Trustee for the Chi-Chi's, Inc. et al. Liquidating Trust (the "***Liquidating Trustee***") hereby moves the Court for entry of an order extending the deadline by which an objection to claims must be filed in these chapter 11 cases (the "***Claims***").[2] In support hereof, the Liquidating Trustee respectfully represents as follows:

Jurisdiction

1. The Court has jurisdiction over this matter under 28 U.S.C. § 1334. This is a core proceeding within the meaning of 28 U.S.C. §§ 157(b)(2). Venue of these chapter 11 cases in this district is proper under 28 U.S.C. §§ 1408 and 1409.

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[1] The Debtors consist of the following entities: Chi-Chi's, Inc., CCMR of Catonsville, Inc., CCMR of Cumberland, Inc., CCMR of Frederick, Inc., CCMR of Greenbelt, Inc., CCMR of Harford County, Inc., CCMR of Maryland, Inc., CCMR of Ritchie Highway, Inc., CCMR of Timonium, Inc., Chi-Chi's of West Virginia, Inc., CMM Dissolution, Inc., Koo Koo Roo, Inc., Maintenance Support Group, Inc., Koo Koo Roo Licensing Systems, Inc., The Hamlet Group, Inc., H.H. of Maryland, Inc., and H.H.K. of Virginia, Inc.

[2] Capitalized terms not expressly defined herein have the meanings ascribed to such terms in the *First Amended Joint Plan of Liquidation Proposed by the Debtors and the Official Committee of Unsecured Creditors (Dated October 28, 2005) as Modified* (the "Plan").

2. The statutory basis for the relief requested herein is section 105 of title 11 of the United States Code (the "***Bankruptcy Code***") and 9006(b) of the Federal Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***").

Background

3. On October 8, 2003, Chi Chi's, Inc., et al. and its affiliated debtors other than The Hamlet Group, Inc., H.H. of Maryland, Inc., and H.H.K. of Virginia, Inc. (collectively, the "***Hamlet Debtors***") filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On October 21, 2003, the Hamlet Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Chi-Chi's debtors and the Hamlet Debtors are referred to herein, collectively, as the "***Debtors***."

4. On April 4, 2006, this Court entered an Order setting June 4, 2004, as the deadline (the "***Bar Date***") for the filing of proofs of claim or proofs of interest (collectively, "***Proofs of Claim***") against the Debtors' estates. In accordance with this Court's Order establishing the Bar Date, notice of the Bar Date was given by mail to the Debtors' creditors and interest holders.

5. On December 15, 2005, this Court entered an Order confirming the Plan. The Plan became effective on December 27, 2005 (the "***Effective Date***"). As of the Effective Date, the Liquidating Trustee was vested with the right, among other things, to object to the allowance of any claims.

6. Article X of the Plan states:

> All objections to Claims shall be filed with the Court and served upon the holders of such Claims no later than the Claim Objection Deadline, except as extended by an agreement between the claimant and the Debtors, or by order of the Court upon a motion filed by the Debtors if prior to the Effective Date or by the Liquidating Trustee if filed after the Effective Date, with notice of such motion to be served upon the Office of the United States Trustee and those holders of Disputed Claims to which the objection is made.

Plan, Art. X.

7. The Plan defines the "Claim Objection Deadline" as: (a) 120 days after the Effective Date, or (b) 90 days after the deadline for filing a request for the payment of an Administrative Claim established in Article III.C of this Plan. Plan, Art. II.47.

8. The Claim Objection Deadline was originally set to expire on April 26, 2006. However, on March 30, 2006, this Court entered its *Order Granting Motion of Liquidating Trustee to Extend Time to Object to Claims*, which extended the Claim Objection Deadline to August 24, 2006. Thereafter, on August 8, 2006, this Court entered a subsequent *Order Granting Motion of Liquidating Trustee to Extend Time to Object to Claims*, which extended the Claim Objection Deadline to November 22, 2006.

9. This is the Liquidating Trustee's third request for an extension of time.

Relief Requested

10. By this Motion, the Liquidating Trustee seeks an extension of the Claim Objection Deadline through and including February 26, 2007.

Basis for Relief

11. Section 105 of the Bankruptcy Code provides that the Court may "issue any order ... necessary or appropriate to carry out the provisions of this title." Bankruptcy Rule 9006(b) provides, in relevant part:

> [W]hen an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may ... order the period enlarged ...

Fed. R. Bankr. P. 9006(b).

12. The Liquidating Trustee and Penta Advisory Services, LLC have reviewed and analyzed thousands of proofs of claim to determine which claims should be allowed and to which objections should be raised. Because of the complexity of the Plan and voluminous documentation as well as the short staff remaining from the Debtors, the Liquidating Trustee anticipates that gathering the information required to properly compile the claims objections will require a substantial amount of time.

13. In *Cohen v. TIC Financial Systems (In re Ampace Corp.)*, Judge Walsh stated that a liquidating trustee may extend a plan's claims objection deadline if the plan provides for an extension. 279 B.R. 145 153 (Bankr. D. Del. 2002) ("Although in most confirmed chapter 11 plans, a limitation such as this one is often followed by language providing that such limitation is 'subject to being extended by the Bankruptcy Court upon motion of [Agent/Trustee/Committee] without notice of a hearing' (and "Extension Provision"), in this case it was not. Had section 12.1 of the Plan included such language, the Trustee could have unilaterally moved to extend the applicable deadline without notice and a hearing.").

14. Here, the Plan provides flexibility for the Liquidating Trustee to resolve disputed claims, including flexibility regarding the deadline for objecting to claims. It expressly states that the Liquidating Trustee may seek an extension of the Claim Objection Deadline. *See* Plan, Article X.

15. The Liquidating Trustee submits that the relief requested herein is in the best interests of the Debtors' creditors, parties in interest and judicial economy. Absent the extension, the Debtors' creditors may suffer unfair prejudice, either due to the potential loss of the Liquidating Trustee's right to object to, and potentially reduce, the amount of Claims, or by the Liquidating Trustee's premature objection to Claims before they are fully reviewed and analyzed by the Liquidating Trustee and his professionals. Additionally, the requested relief may save judicial resources and avoid litigation of disputed Claims that can be resolved through negotiation.

16. This Court has granted similar extensions of time in the past. As former cases have shown, such relief is not uncommon in this Court. *See In re Polaroid Corp.*, Chapter 11 Case No. 01-10864 [Docket # 4439] (Bankr. D. Del. Oct. 14, 2005) (granting the Plan Administrator an extension of time in which to object to disputed claims); *In re Exide Techs.*, Chapter 11 Case No. 02-11125 [Docket # 4815] (Bankr. D. Del. September 24, 2004) (granting reorganized debtor extended time to object to claims); *In re Gruppo Antico, Inc.*, Chapter 11 Case No. 02-13283 [Docket # 806] (Bankr. D. Del. November 17, 2004) (extending the trustee's time to object to claims).

WHEREFORE, the Liquidating Trustee requests that the Court enter an Order extending the Claim Objection Deadline through and including February 26, 2007 and granting such other and further relief as the Court deems just.

Dated: November 2, 2006

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