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)
Debtors.	)	

Hearing Date: June 29, 2011 at 1:30 p.m.
Response Deadline: June 17, 2011 at 4:00 p.m.

NOTICE OF HEARING RE: THE LIQUIDATING TRUSTEE'S MOTION FOR ENTRY OF ORDER AND FINAL DECREE RE-CLOSING CHAPTER 11 CASE

To: (a) the Office of the United States Trustee and (b) those persons who have requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure

On June 1, 2011, William Kaye ("Trustee") of the Liquidating Trust (the "Trust") filed with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801 (the "Bankruptcy Court") the attached "Liquidating Trustee's Motion for Entry of Order and Final Decree Re-Closing Chapter 11 Case" (the "Motion").

If you object to the approval of the Motion, you must file in writing an objection to the Motion with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, Wilmington, Delaware 19801 no later than **4:00 p.m. prevailing Eastern time on June 17, 2011.**

[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.

You must also serve a copy of the objection or response so as to be received on or before May 10, 2011 upon: (1) Akin Gump Strauss Hauer & Feld LLP, 1700 Pacific Avenue, Suite 4100, Dallas, TX 75201, Attn: Charles R. Gibbs, (2) Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 16th Floor, P.O. Box 8705, Wilmington, Delaware 19899-8705 (Courier 19801), Attn: Bruce Grohsgal, Esquire, and (3) Office of the United States Trustee, 844 King Street, Room 2313, Wilmington, Delaware 19801, Attn: David Klauder, Esquire.

If an objection or response is filed and served, a hearing will be held on **June 29, 2011 at 1:30 p.m. before the Honorable Kevin J. Carey, at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5th Floor, Courtroom No. 5, Wilmington, Delaware, or via telephonic appearance. In order to participate telephonically, you must notify the undersigned counsel to the Debtors, Bruce Grohsgal (302) 652-4100 or bgrohsgal@pszjlaw.com.**

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: June 3, 2011

PACHULSKI STANG ZIEHL & JONES LLP

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Attorneys for William Kaye, the Liquidating Trustee

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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
Debtors.	)	

Objection Deadline: June 17, 2011 at 4:00 p.m.
Hearing Date: June 29, 2011 at 1:30 p.m.

THE LIQUIDATING TRUSTEE'S MOTION FOR ENTRY OF ORDER AND FINAL DECREE RE-CLOSING CHAPTER 11 CASE

William Kaye, Liquidating Trustee for the Chi-Chi's, Inc., *et al.* Liquidating Trust (the "Trustee") for the captioned liquidating debtors (the "Liquidating Debtors"), hereby moves this Court (the "Motion") for entry of an order and final decree, re-closing Chapter 11 Case No. 03-13063 pursuant to section 350(a) of title 11, United States Code (the "Bankruptcy Code") and Rule 3022 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Delaware Bankruptcy Local Rule 5009-1 (b) (the "Local Rules"). In support of the Motion, the Trustee respectfully states as follows:

Jurisdiction

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

[1] The Debtors and Liquidating Debtors are the following entities: Chi-Chi's, Inc., CCMR of Cantonsville, 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.

2. The statutory bases for the relief requested herein are section 350(a) of the Bankruptcy Code, Bankruptcy Rule 3022, and Local Rule 5009-1(a).

Background

3. On October 8, 2003 or October 21, 2003 as applicable, each of the Liquidating Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

4. From the Petition Date through and including the Effective Date (defined below), the Liquidating Debtors continued to operate their business and manage their affairs as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner was appointed in any of these cases. An Official Committee of Unsecured Creditors was appointed on October 20, 2003 (the "Committee").

5. On December 15, 2005, the Court entered its order (the "Confirmation Order") confirming the First Amended Joint Plan of Liquidation Proposed By the Debtors and the Official Committee of Unsecured Creditors, As Modified (the "Plan").[2] The Plan became effective as of December 27, 2005 (the "Effective Date").

Substantial Consummation of the Plan and Initial Case Closing

6. Subsequent to the Effective Date, and pursuant to the terms of the Plan and Confirmation Order, the Committee dissolved, the Liquidating Trust came into existence and the Trustee commenced the administration of the Liquidating Debtors' remaining assets pursuant

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Disclosure Statement re: First Amended Joint Plan of Liquidation Proposed By the Debtors and the Official Committee of Unsecured Creditors [Docket No. 2241].

to the terms of the Plan and the Liquidating Trust, contested claims were resolved pursuant to the claims objection process, and distributions were made to holders of allowed claims.

7. Pursuant to the terms of the confirmed Plan and Liquidating Trust Agreement, distributions on account of allowed administrative claims, professional fee claims, tax claims, priority claims and secured claims were made on the Effective Date to the extent not already satisfied prior to that date.

8. In February 2007 and January 2008, the Trustee made the first and second distributions to Trust beneficiaries based on unsecured claims.

9. On February 1, 2010, the Trustee filed his *Motion for Final Decree Closing Chapter 11 Cases* (Docket No. 2882), and on February 22, 2010 the Debtors' cases were closed by order of this Court (Docket No. 2884).

10. Subsequent to the closing of these cases, the Trustee made additional distributions to Trust beneficiaries based on unsecured claims.

Reopening of Case No. 03-13063 and Extension and Amendment of Trust Agreement

11. On March 25, 2011, the Trustee filed (1) the *Trustee's Motion to Reopen Case* (Docket No. 2888) and (2) the *Trustee's Motion to Extend Liquidating Trust Term and Amend Liquidating Trust Agreement* (Docket No. 2889) (the "Motions"). Pursuant to those Motions, the Trustee sought to reopen this case, to extend the term of the Trust to enable the Trustee to distribute the remaining Trust assets, and to amend the Liquidating Trust Agreement to reduce from 1 year to 90 days the time period during which unclaimed distributions must be held in the Trustee's account before they may be reallocated to other holders.

12. On May 31, 2011, this Court granted the Motions (Docket Nos. 2894 and 2895), pursuant to which Case No. 03-13063 was reopened and the Liquidating Trust Agreement was extended and amended.

13. As stated in the prior Trustee's *Motion for Final Decree Closing Chapter 11 Cases* filed in February, 2010, which this Court granted and on which these cases initially were closed, all of the pending claims objections have been resolved, and substantially all of the distributions required under the Plan have been made.

Relief Requested

14. Case No. 03-13063 was reopened to enable the Trustee to extend and amend the Liquidating Trust Agreement. On this Court's entry of the orders on the Motions, this purpose has been accomplished. Accordingly, the Trustee on behalf of the Liquidating Debtors seeks entry of an order and final decree re-closing Case No. 03-13063 pursuant to section 350(a) of the Bankruptcy Code, Bankruptcy Rule 3022 and Local Rule 5009-1(b).

Basis for Relief

15. Section 350(a) of the Bankruptcy Code provides that "[a]fter an estate is fully administered . . . the court shall close the case." *11 U.S.C. § 350(a).* Bankruptcy Rule 3022 similarly provides that "[a]fter an estate is fully administered in a chapter 11 reorganization, the court, on its own motion or on motion of a party in interest, shall enter a final decree closing the case." *Fed.R.Bankr.P. 3022.* In this District, section 350(a) of the Bankruptcy Code and Bankruptcy Rule 3022 are effectuated by Local Rule 5009-1(a), which states, in pertinent part, that:

> Upon written motion, a party in interest may seek the entry of a final decree at any time after the confirmed plan has been substantially consummated provided that all required fees due under 28 U.S.C. § 1930 have been paid.

Del.Bankr.L.R. 5009-1(a).

16. The noted provisions evidence a long-standing policy in favor of terminating bankruptcy court supervision over a debtor after its reorganization plan has been confirmed. See generally North Amer. Car Corp. v. Peerless Weighing & Vending Machine Corp., 143 F.2d 938, 940 (2d Cir. 1944). The Advisory Committee note to Bankruptcy Rule 3022 sets forth six (6) factors a court should consider in determining whether a case is fully administered:

1. Whether the order confirming the plan has become final;
2. Whether deposits required by the plan have been distributed;
3. Whether the property proposed by the plan to be transferred has been transferred;
4. Whether the debtor has assumed the business or the management of the property dealt with by the plan;
5. Whether payments under the plan have commenced; and
6. Whether all motions, contested matters and adversary proceedings have finally been resolved.

17. Not all of these factors need to exist before the court may enter a final decree, see, e.g., In re Mold Makers, Inc., 124 B.R. 766, 768 (Bankr. N.D. Ill. 1990), nor are the factors listed in the Advisory Committee note exclusive. See, e.g., In re Jordan Mfg. Co., 138 B.R. 30, 35 (Bankr. C.D. Ill. 1992). Rather, courts use these factors "as a guide in assisting the . . . decision to close the case." Mold Makers, 124 B.R. at 768. "The court should not keep the

case open only because of the possibility that the court's jurisdiction may be invoked in the future." In re Ground Systems, Inc., 213 Bankr. 1016, 1019 (B.A.P. 9th Cir. 1997).

18. In this case, the principal factors articulated in the Advisory Committee note were satisfied at the time of the entry of the initial order closing these cases, and those factors remain satisfied, because: (a) the Confirmation Order has become final; (b) the distributions proposed by the Plan have largely been completed; and (c) all motions and contested matters, including adversary proceedings, have been finally resolved.

19. The only tasks that remain to be completed are the filing of a quarterly report for the reopened Case No. 03-13063 for the 2nd quarter of 2011, which shall be completed prior to the hearing on this Motion, payment of the quarterly fee to the United States Trustee for that quarter which the Trustee intends to do immediately following the filing of that report, and the final distribution under the Plan.

Notice

20. Notice of this Motion has been given to (i) the Office of the United States Trustee; and (ii) those parties that have requested service under Fed. R. Bankr. P. 2002. The Trustee submits that no additional notice is necessary.

No Prior Request

21. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Trustee respectfully requests that the Court enter an order granting the Motion and such other and further relief that it deems just and proper.

Dated: June 3, 2011

PACHULSKI STANG ZIEHL & JONES LLP

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Counsel for William Kaye, as Liquidating Trustee for the Chi-Chi's, Inc., *et al.* Liquidating Trust

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
Debtors.	)	**Related Docket No. __**

ORDER GRANTING LIQUIDATING TRUSTEE'S MOTION FOR ENTRY OF ORDER AND FINAL DECREE RE-CLOSING CHAPTER 11 CASE NO. 03-13063

Upon consideration of the *Liquidating Trustee's Motion for Entry of Order and Final Decree Re-Closing Chapter 11 Case* (the "Motion")[2] and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that (i) this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (ii) venue of this proceeding and this Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) due and proper notice of the Motion having been given; (iv) Case No. 03-13063 having been reopened at on the Trustee's motion to enable the Trustee to extend and amend the Liquidating Trust Agreement; and (v) the Liquidating Trust Agreement have been extended and amended by order of this Court, and the Liquidating Debtors' estates have been fully administered as required by section 350(a) of the Bankruptcy Code and Bankruptcy Rule 3022 and Local Rule 5009-1(b); and after due deliberation and it appearing that sufficient cause exists for granting the requested

[1] The Debtors consist of the following entities: Chi-Chi's, Inc., CCMR of Cantonsville, 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.

[2] Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

relief; and that such relief is in the best interests of the Trustee and the Liquidating Debtors and its creditors; it is hereby

ORDERED that the Motion is granted; and it is further

ORDERED that Chapter 11 Case No. 03-13063 be re-closed, effective as of the entry of this Order, pursuant to Bankruptcy Code section 350(a), Bankruptcy Rule 3022 and Local Rule 5009-1(b); and it is further

ORDERED that the Court shall retain jurisdiction pursuant to Bankruptcy Code section 350(b) to reopen this case to administer assets, to accord relief to the Trustee and/or Liquidating Debtors, or for other cause, and to the extent necessary to enforce the provisions of the Plan, the Confirmation Order and this Order.

Dated: June ___, 2011

The Honorable Kevin J. Carey
Chief United States Bankruptcy Judge