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Proposed Counsel for Debtors and Debtors-in-Possession
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA

In re:

STEAKHOUSE PARTNERS, INC., a Delaware
corporation,

Debtor.

Case No. 08-04147-11

Chapter 11

In re:

PARAGON STEAKHOUSE RESTAURANTS, a
Delaware corporation,

Debtor.

Case No. 08-04152-11

Chapter 11

In re:

PARAGON OF MICHIGAN, INC., a Wisconsin
corporation,

Debtor.

Case No. 08-04153-11

Chapter 11

**FIRST DAY MOTION NO. 2: MOTION FOR
ORDER LIMITING SCOPE OF NOTICE**

Date: TBD

Time: TBD

Courtroom: 218

Judge: The Honorable James W. Meyers

Case No. 08-04147-11

MOTION FOR ORDER LIMITING SCOPE OF NOTICE

1 PLEASE NOTE THAT THIS IS A FIRST-DAY MOTION FILED PURSUANT TO APPENDIX D1 OF THE
2 LOCAL BANKRUPTCY RULES OF THE SOUTHERN DISTRICT OF CALIFORNIA ("LOCAL
3 BANKRUPTCY RULES"). ANY PARTY IN INTEREST WHO OPPOSES THE FIRST-DAY MOTION MUST
4 IMMEDIATELY NOTIFY THE JUDGE'S LAW CLERK, KATHY YOST, BY CALLING (619) 557-3455. NO
5 WRITTEN OPPOSITION SHALL BE FILED TO THE FIRST-DAY MOTION UNLESS THE COURT
6 OTHERWISE DIRECTS.

7
8 TO THE HONORABLE JAMES W. MEYERS, UNITED STATES BANKRUPTCY JUDGE, SECURED
9 CREDITORS, THE TWENTY LARGEST UNSECURED CREDITORS AND THE UNITED STATES
10 TRUSTEE:

11 PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (collectively the
12 "Debtors") hereby file this First Day Motion for an order limiting the scope of notice pursuant to 11 U.S.C.
13 § 102(1), Rules 2002(i) , 2002(m) and 9007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy
14 Rules"), to the following parties: (1) the Office of the United States Trustee; (2) the creditors appearing on the
15 list filed in accordance with Bankruptcy Rule 1007(d) for each of the Debtors; (3) any creditors asserting
16 secured claims; (4) parties that file with the Court and serve upon the Debtors request for notice of all matters
17 in accordance with Bankruptcy Rule 2002; and (5) any party with a specific pecuniary interest in the particular
18 Motion.

19 PLEASE TAKE NOTICE that pursuant to Rule 9014-5 of the Local Bankruptcy Rules for the Southern
20 District of California and the "Guidelines for First Day Motions", any party who opposes this Motion shall notify
21 the judge's law clerk of its position by telephone. No opposition shall be filed to a First Day Motion unless the
22 Court otherwise directs. The Court reserves discretion to grant or deny a First Day Motion unless the Court
23 otherwise directs.

24
25 PLEASE TAKE FURTHER NOTICE that the Motion is based upon the accompanying Memorandum
26 of Points and Authorities and the Declaration of Joseph L. Wulkowicz in support thereof filed under separate
27 cover concurrently herewith. In addition, the Debtors request that the Court take judicial notice of all
28 documents filed with the Court in these cases.

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WHEREFORE, the Debtors respectfully request that this Court enter an order:

1. Limiting the scope and manner of notice as set forth herein, and
2. Granting such other and further relief as is necessary and appropriate in the circumstances.

Dated: May 15, 2008

LINER YANKELEVITZ
SUNSHINE & REGENSTREIF LLP

By: /s/ Enid M. Colson
Julia W. Brand
Enid M. Colson
Proposed Counsel for Debtors and
Debtors-In-Possession

1
2 **MEMORANDUM OF POINTS AND AUTHORITIES**

3 **I.**

4 **INTRODUCTION**

5 The Debtors filed their voluntary chapter 11 petitions on May 15, 2008 (the "Petition Date"). The
6 Debtors have approximately 7,000 creditors and 1,325 employees. In light of the large number of creditors in
7 these cases, it would be extremely costly, time consuming and burdensome for all required notices to be sent
8 to each and every creditor. The Debtors submit that the limited scope of notice proposed herein is necessary
9 to avoid the administrative burden and costs that serving notice of all pleadings on over two thousand parties
10 would impose on the Debtors and other parties in interest in these cases while assuring that the interested
11 parties in these cases receive proper and sufficient notice of all matters. Based upon the foregoing, the
12 Debtors propose a limited notice procedure described below

13 **II.**

14 **STATEMENT OF FACTS¹**

15 **A. Jurisdiction and Venue**

16 This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core
17 proceeding pursuant to 28 U.S.C. § 157(b)(2). The venue of the chapter 11 cases is proper pursuant to 28
18 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought herein are Bankruptcy Rules 2002(i),
19 2002(m) and 9007 and this Court's "Guidelines for First Day Motions." No request has been made for the
20 appointment of a trustee or examiner and no statutory committee has been appointed in this case.

21 **B. Background Facts²**

22 The three Debtors are related corporations engaged in the operation of 21 full service steakhouse
23 restaurants located in the seven states of Arizona, California, Indiana, Michigan, North Carolina, Ohio and
24 _____

25 ¹ The facts set forth in this Motion are verified in the Omnibus Declaration of Joseph L. Wulkowicz in
Support of Chapter 11 Petitions and First Day Motions filed concurrently herewith under separate cover.

26 ² A more detailed description of the Debtors' background and their previously filed chapter 11 cases is
27 included in the concurrently filed First Day Motions and verified in the Omnibus Declaration of Joseph L.
28 Wulkowicz in Support of Chapter 11 Petitions and First Day Motions filed concurrently herewith under
separate cover.

1 Utah. These restaurants principally operate under the brand names of Hungry Hunter, Hunter Steakhouse,
2 Mountain Jack's and Carvers.

3 Debtor Steakhouse Partners, Inc. ("Steakhouse Partners") is publicly traded over the counter under
4 the symbol "STKP." In December, 1998, Steakhouse Partners acquired its wholly owned subsidiary, Debtor
5 Paragon Steakhouse Restaurants, Inc. ("Paragon Steakhouse"), which owns and operates the restaurant
6 businesses. Paragon Steakhouse has one wholly owned subsidiary, Debtor Paragon of Michigan, Inc.,
7 ("Paragon of Michigan") through which it conducts its restaurant operations in the state of Michigan and holds
8 its intellectual property and trade names. The structural maintenance of Paragon of Michigan is dictated by
9 state alcohol laws; however, the subsidiary operations and financial results are consolidated at the Paragon
10 Steakhouse level.

11 The Debtors' business income is generated from food and beverage sales from each of the 21
12 restaurants, which during the Debtors' Fiscal Year 2007 (ending December 25, 2007) generated
13 approximately \$45,000,000 in gross revenue (as of the first quarter 2008, two restaurants are no longer
14 operated by the Debtors). Like other restaurant businesses, the Debtors' operations are seasonal, with the
15 overall performance peaking in the 4th quarter.

16 The Debtors' 21 steakhouses specialize in complete steak and prime rib meals, and also offer fresh
17 fish and other lunch and dinner dishes. The average restaurant check is \$27.30 per guest (including alcoholic
18 beverages) and the 21 restaurants serve approximately two million meals annually. Most restaurants are
19 open daily from 4:30 to 9:30 p.m. on weekdays and from 4:00 to 11:00 p.m. on the weekends. Some
20 restaurants are also open for lunch, typically beginning at 11:00 a.m.

21 Paragon Steakhouse and Paragon of Michigan, as of January 8, 2008 employ in excess of 1,325 full
22 and part time employees, approximately 1,200 of which perform services during any two-week period, and of
23 which approximately 55% are part-time.

24 Paragon manages six restaurants known as Sirloin Saloon and Dakota Steakhouses in the states of
25 Vermont, Massachusetts, Connecticut and New York pursuant to a Management and Services Agreement
26 between Paragon and the restaurant owners, DWH, I, Pittsfield DWH and Saloon beverages, Inc., entered
27 into effective November, 2007. This Management Agreement provides for termination of Paragon's
28 management services in the event that Paragon's acquires the membership interests in the referenced

1 corporations pursuant to a Membership Purchase Agreement or terminates the transaction pursuant to its
2 terms.

3 The Debtors maintain an internet website at www.paragonsteak.com. This website offers free access
4 to the Debtors' press releases and Steakhouse Partners' filings with the U.S. Securities and Exchange
5 Commission (the "SEC"), including its annual report on Form 10-K, quarterly reports on Form 10-Q, current
6 reports on Form 8-K and amendments to those reports, as soon as reasonably practicable after these reports
7 are filed with or furnished to the SEC.

8 III.

9 LEGAL ARGUMENT

10 A. Proposed Limited Notice

11 The Debtors request that the Court limit the scope of all notices, motions, or applications, including,
12 but not limited to, the following:

- 13 a) any proposed use, sale or lease of property of the estate other than in the ordinary course of
14 business pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rules 2002(a)(2),
4001(b) and 6004;
- 15 b) any proposed assumption, rejection or assumption and assignment of an executory contract
16 or unexpired lease pursuant to section 365 of the Bankruptcy Code or Bankruptcy Rule
6006(a) or (c));
- 17 c) any proposed extension of the Debtor's exclusive time to file a plan of reorganization and
18 solicit acceptance thereof (including, without limitation, the time to file a disclosure statement)
pursuant to section 1121 of the Bankruptcy Code or Bankruptcy Rule 3016;
- 19 d) any proposed approval or compromise or settlement of a controversy pursuant to Bankruptcy
20 Rules 2002(a) (3) and 9019;
- 21 e) any proposed abandonment or disposition of property of the estate and the hearing, if any,
thereon, pursuant to section 554 of the Bankruptcy Code or Bankruptcy Rule 6007(a) or (c);
- 22 f) any proposed modification of the automatic stay pursuant to section 362 of the Bankruptcy
23 Code or Bankruptcy Rules 4001(a) or 9014;
- 24 g) any proposal to prohibit or condition the use, sale or lease of property pursuant to section 363
25 of the Bankruptcy Code or Bankruptcy Rule 4001(a);
- 26 h) any proposal to obtain credit on a secured basis or out of the ordinary course of business or
27 grant a lien pursuant to section 364 of the Bankruptcy Code or Bankruptcy Rule 4001(b) or
28 (c);

- 1 i) any proposed agreement relating to relief from the automatic stay, prohibiting or conditioning
2 the use, sale or lease of property, providing adequate protection, use of cash collateral and
3 obtaining credit pursuant to sections 361, 362, 363, or 364 of the Bankruptcy Code or
4 Bankruptcy Rule 4001(d);
- 5 j) any proposed application for employment of professionals pursuant to sections 327, 1103,
6 and/or 1104 of the Bankruptcy Code or Bankruptcy Rule 2014;
- 7 k) any proposed application for compensation or reimbursement of expenses of professionals,
8 pursuant to sections 328, 329, 330, or 331 of the Bankruptcy Code or Bankruptcy Rules
9 2002(a)(6), 2016, 2017 and 6005 and compensation to debtors' insiders pursuant to Local
10 Bankruptcy Rule 4002-2;
- 11 l) any verified statement filed by any entity or committee (other than those appointed pursuant
12 to section 1102 and 1104 of the Bankruptcy Code) representing more than one creditor
13 pursuant to Bankruptcy Rule 2019(a) and any motion filed in respect thereof pursuant to
14 Bankruptcy Rule 2019(b);
- 15 m) any proposed objections to claims pursuant to section 502 of the Bankruptcy Code or
16 Bankruptcy Rule 3012;
- 17 (n) any proposed reconsideration of claims pursuant to Bankruptcy Rule 3008;
- 18 o) any proposed valuation of security pursuant to section 506 of the Bankruptcy Code or
19 Bankruptcy Rule 3012;
- 20 p) any proposed redemption of property from lien or sale pursuant to Bankruptcy Rule 6008;
21 and
- 22 q) any hearing on any contested matter in this case that requires notice to creditors pursuant to
23 the Bankruptcy Code, Bankruptcy Rule 9014 or the Local Rules.

24 Notwithstanding the foregoing, and as required by Bankruptcy Rule 2002, the Debtors are prepared to
25 provide notice to all creditors of hearings on their proposed disclosure statement and confirmation of their plan
26 of reorganization, as well as other noticed actions set forth in Bankruptcy Rule 2002(a)(4), (5), (6), (7) and (8).

27 **B. The Court Has Authority To Prescribe A Limited Form Of Notice**

28 Bankruptcy Rules 2002 and 9007 authorize this Court to limit the scope and the form of notice
provided to creditors and parties in interest. In addition, Bankruptcy Rules 4001, 6004, 6006, 9006, 9007,
9013, 9014 and 9019 each allow the Court to direct those parties to whom notice shall be given.

The Debtors respectfully submit that, as is customary in large chapter 11 cases, the adoption of a
limited notice and service procedure is necessary and appropriate in these cases. There are thousands of
parties who are or may be entitled to notice of various matters in these cases. The Debtors believe that given

1 the large number of creditors and parties in interest in these cases, it would be appropriate to limit notice to:
2 (1) the Office of the United States Trustee; (2) counsel for any official unsecured creditors committee
3 appointed in these chapter 11 cases, or until such time as counsel is named, the creditors appearing on the
4 list filed in accordance with Bankruptcy Rule 1007(d) for each of the Debtors; (3) any creditors asserting
5 secured claims; (4) parties that file with the Court and serve upon the Debtors request for notice of all matters
6 in accordance with Bankruptcy Rule 2002(i); and (5). any party with a specific pecuniary interest in the
7 particular motion. The Debtors believe that limiting service with respect the matters set forth above to these
8 parties constitutes appropriate notice.

9 The Debtors propose to serve notice of matters that will be heard on regular notice on the parties
10 listed above by first class mail only. For matters requiring emergency or expedited relief, the Debtors propose
11 to serve such notice by Express or Overnight Mail, facsimile, personal service or other electronic means (by
12 consent).

13 **C. Notice of This Motion Complies With This Court's Requirements and Is Appropriate**

14 Pursuant to this Court's Guidelines for First Day Motions, this Motion has been served by facsimile, or
15 personal service, or email (where consent was granted) or, where necessary, by express or overnight mail on
16 all known secured creditors and the twenty largest unsecured creditors in each of the Debtors' cases and the
17 United States Trustee. Because of the exigent circumstances, the Debtor respectfully submits, and requests
18 that this Court so find, that no further notice of this Motion be required.

19 Upon approval of this Motion, the Debtors will send to all parties in interest a notice of the granting of
20 this Motion which sets forth information with respect the impact of the order limiting notice and provides
21 directions for any parties in interest wishing to request special notice.
22

23 **D. The Court May Grant this First Day Motion Without A Hearing.**

24 Bankruptcy Code section 102(1)(A) provides in pertinent part: "(1) 'after notice and a hearing' . . .
25 means after such notice as is appropriate in the particular circumstances, and such opportunity for hearing as
26 is appropriate in the particular circumstances." Furthermore, section 102(1)(B)(i) of the Bankruptcy Code
27 "authorizes an act without actual hearing if such notice is given properly and such a hearing is not requested
28 timely by a party in interest

1 This Motion is brought as a First Day Motion in accordance with the Guidelines which provide that
2 certain matters must be addressed immediately after the commencement of a chapter 11 case in order to
3 ensure the least possible disruption to the debtor's ongoing business operations and thereby enhance the
4 chances for success in chapter 11. Pursuant to the Guidelines, the Court reserves discretion to grant or deny
5 a First Day Motion unless the Court otherwise directs. Considering the existence of the large number of
6 creditors of the Debtors' estates well in excess of 7,000 creditors, not to mention other interested parties, the
7 expense of serving duplicates of even the initial motions necessary in these cases represents a substantial
8 burden upon the estates without conferring any substantial benefit upon the estates. Accordingly, the Debtors
9 believe that under section 102(1) of the Bankruptcy Code and the Guidelines, and with the need for immediate
10 approval of this Motion, it would be appropriate to dispense with a hearing on the Motion. In light of the
11 potential benefits of prompt entry of an order limiting notice, and the absence of any reason to believe that any
12 party will be prejudiced thereby, further notice of this motion should not be required prior to its consideration
13 by the Court. As such, the Debtors believe that notice to the above parties constitutes appropriate notice
14 under the circumstances.

15 **III.**

16 **CONCLUSION**

17 For the foregoing reasons, the Debtors respectfully request that this Court enter the order lodged
18 concurrently herewith limiting the scope and manner of notice as set forth herein, and granting such other and
19 further relief as is necessary and appropriate in the circumstances.

20
21 Dated: May 15, 2008

LINER YANKELEVITZ
SUNSHINE & REGENSTREIF LLP

22
23 By: /s/ Enid M. Colson
24 Julia W. Brand
25 Enid M. Colson
26 Attorneys for Debtors in Possession
27
28

Exhibit A

CSD 1001A [11/15/04]

Name, Address, Telephone No. & I.D. No.

Julia W. Brand, Esq. (SBN: 121760)
Enid M. Colson, Esq. (SBN: 189912)
Liner Yankelevitz Sunshine & Regenstreif LLP
1100 Glendon Ave., 14th Floor
Los Angeles, CA 90024-3503
(310) 500-3500

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF CALIFORNIA

325 West "F" Street, San Diego, California 92101-6991

In Re STEAKHOUSE PARTNERS, INC., a Delaware corporation

BANKRUPTCY NO.

08-04147-11

Date of Hearing:

Time of Hearing:

Debtor. Name of Judge: James W. Meyers

**ORDER ON First Day Motion No. 2 Motion
For Order Limiting Scope of Notice**

IT IS ORDERED THAT the relief sought as set forth on the continuation pages attached and numbered two (2)

through _____ with exhibits, if any, for a total of _____ pages, is granted. Motion/Application Docket Entry No. _____

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DATED:

Judge, United States Bankruptcy Court
James W. Meyers

Signature by the attorney constitutes a certification under
Fed. R. of Bankr. P. 9011 that the relief in the order is the
relief granted by the court.

Submitted by:

Liner Yankelevitz Sunshine & Regenstreif LLP
(Firm name)

By: /s/ Enid M. Colson

Attorney for ☒ Movant ☐ Respondent

Enid M. Colson

The Debtor and Debtors-in-Possession Steakhouse Partners, Inc., Paragon Steakhouse Restaurants and Paragon of Michigan (the "Debtors"), having properly filed and provided the required notice of its First Day Motion No 2: Motion for Order Limiting Scope of Notice (the "Motion to Limit Notice"), the Court having read and considered the Motion to Limit Notice and the Omnibus Declaration of Joseph L. Wulkowicz filed in support of the Debtors' First Day Motions, the Court having determined that the legal and factual bases set forth in the Motion to Limit Notice establish just cause for the relief requested, and it appearing that such relief is in the best interests of the Debtors' estates, and after due deliberation and sufficient good cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Debtors' Motion to Limit Notice is granted:

2. The Debtors are authorized to limit the scope and manner of all notices, motions, or applications for the matters listed below to: (1) the Office of the United States Trustee; (2) the creditors appearing on the list filed in accordance with Bankruptcy Rule 1007(d) for each of the Debtors; (3) any creditors asserting secured claims; (4) parties that file with the Court and serve upon the Debtors a request for notice of all matters in accordance with Bankruptcy Rule 2002; and (5) any party with a specific pecuniary interest in the particular Motion;

a) any proposed use, sale or lease of property of the estate other than in the ordinary course of business pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rules 2002(a)(2), 4001(b) and 6004;

b) any proposed assumption, rejection or assumption and assignment of an executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code or Bankruptcy Rule 6006(a) or (c);

c) any proposed extension of the Debtor's exclusive time to file a plan of reorganization and solicit acceptance thereof (including, without limitation, the time to file a disclosure statement) pursuant to section 1121 of the Bankruptcy Code or Bankruptcy Rule 3016;

d) any proposed approval or compromise or settlement of a controversy pursuant to Bankruptcy Rules 2002(a) (3) and 9019;

e) any proposed abandonment or disposition of property of the estate and the hearing, if any, thereon, pursuant to section 554 of the Bankruptcy Code or Bankruptcy Rule 6007(a) or (c);

f) any proposed modification of the automatic stay pursuant to section 362 of the Bankruptcy Code or Bankruptcy Rules 4001(a) or 9014;

(Continued on Page 3 of 3)

- i) any proposed agreement relating to relief from the automatic stay, prohibiting or conditioning the use, sale or lease of property, providing adequate protection, use of cash collateral and obtaining credit pursuant to sections 361, 362, 363, or 364 of the Bankruptcy Code or Bankruptcy Rule 4001(d);
- j) any proposed application for employment of professionals pursuant to sections 327, 1103, and/or 1104 of the Bankruptcy Code or Bankruptcy Rule 2014;
- k) any proposed application for compensation or reimbursement of expenses of professionals, pursuant to sections 328, 329, 330, or 331 of the Bankruptcy Code or Bankruptcy Rules 2002(a)(6), 2016, 2017 and 6005 and compensation to Debtors' insiders pursuant to Local Bankruptcy Rule 4002-2;
- l) any verified statement filed by any entity or committee (other than those appointed pursuant to section 1102 and 1104 of the Bankruptcy Code) representing more than one creditor pursuant to Bankruptcy Rule 2019(a) and any motion filed in respect thereof pursuant to Bankruptcy Rule 2019(b);
- m) any proposed objections to claims pursuant to section 502 of the Bankruptcy Code or Bankruptcy Rule 3012;
- (n) any proposed reconsideration of claims pursuant to Bankruptcy Rule 3008;
- o) any proposed valuation of security pursuant to section 506 of the Bankruptcy Code or Bankruptcy Rule 3012;
- p) any proposed redemption of property from lien or sale pursuant to Bankruptcy Rule 6008; and
- q) any hearing on any contested matter in this case that requires notice to creditors pursuant to the Bankruptcy Code, Bankruptcy Rule 9014 or the Local Rules.

3. The Debtors, and any other Movant, are hereby ordered to provide to all creditors of hearings on their proposed disclosure statement and confirmation of their plan of reorganization, as well as other noticed actions set forth in Bankruptcy Rule 2002(a)(4), (5), (6), (7) and (8).

IT IS SO ORDERED

Name, Address, Telephone No. & I.D. No.

Julia W. Brand, Esq. (SBN: 121760)
Enid M. Colson, Esq. (SBN: 189912)
Liner Yankelevitz Sunshine & Regenstreif, LLP
1100 Glendon Avenue, 14th Floor
Los Angeles, California 90024-3503
310.500.3500

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF CALIFORNIA

325 West "F" Street, San Diego, California 92101-6991

In Re PARAGON STEAKHOUSE RESTAURANTS, a Delaware
corporation

BANKRUPTCY NO.

08-04152-11

Date of Hearing:

Time of Hearing:

Debtor. Name of Judge: James W. Meyers

**ORDER ON First Day Motion No. 2; Motion For
Order Limiting Scope of Notice**

IT IS ORDERED THAT the relief sought as set forth on the continuation pages attached and numbered two (2)
through _____ with exhibits, if any, for a total of _____ pages, is granted. Motion/Application Docket Entry No. _____

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DATED:

Judge, United States Bankruptcy Court
James W. Meyers

Signature by the attorney constitutes a certification under
Fed. R. of Bankr. P. 9011 that the relief in the order is the
relief granted by the court.

Submitted by:

Liner Yankelevitz Sunshine & Regenstreif, LLP
(Firm name)

By: /s/ Enid M. Colson

Attorney for ☒ Movant ☐ Respondent

Enid M. Colson

The Debtor and Debtors-in-Possession Steakhouse Partners, Inc., Paragon Steakhouse Restaurants and Paragon of Michigan (the "Debtors"), having properly filed and provided the required notice of its First Day Motion No 2: Motion for Order Limiting Scope of Notice (the "Motion to Limit Notice"), the Court having read and considered the Motion to Limit Notice and the Omnibus Declaration of Joseph L. Wulkowicz filed in support of the Debtors' First Day Motions, the Court having determined that the legal and factual bases set forth in the Motion to Limit Notice establish just cause for the relief requested, and it appearing that such relief is in the best interests of the Debtors' estates, and after due deliberation and sufficient good cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Debtors' Motion to Limit Notice is granted:

2. The Debtors are authorized to limit the scope and manner of all notices, motions, or applications for the matters listed below to: (1) the Office of the United States Trustee; (2) the creditors appearing on the list filed in accordance with Bankruptcy Rule 1007(d) for each of the Debtors; (3) any creditors asserting secured claims; (4) parties that file with the Court and serve upon the Debtors a request for notice of all matters in accordance with Bankruptcy Rule 2002; and (5) any party with a specific pecuniary interest in the particular Motion;

a) any proposed use, sale or lease of property of the estate other than in the ordinary course of business pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rules 2002(a)(2), 4001(b) and 6004;

b) any proposed assumption, rejection or assumption and assignment of an executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code or Bankruptcy Rule 6006(a) or (c);

c) any proposed extension of the Debtor's exclusive time to file a plan of reorganization and solicit acceptance thereof (including, without limitation, the time to file a disclosure statement) pursuant to section 1121 of the Bankruptcy Code or Bankruptcy Rule 3016;

d) any proposed approval or compromise or settlement of a controversy pursuant to Bankruptcy Rules 2002(a) (3) and 9019;

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f) any proposed modification of the automatic stay pursuant to section 362 of the Bankruptcy Code or Bankruptcy Rules 4001(a) or 9014;

(Continued on Page 3 of 3)

- i) any proposed agreement relating to relief from the automatic stay, prohibiting or conditioning the use, sale or lease of property, providing adequate protection, use of cash collateral and obtaining credit pursuant to sections 361, 362, 363, or 364 of the Bankruptcy Code or Bankruptcy Rule 4001(d);
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- l) any verified statement filed by any entity or committee (other than those appointed pursuant to section 1102 and 1104 of the Bankruptcy Code) representing more than one creditor pursuant to Bankruptcy Rule 2019(a) and any motion filed in respect thereof pursuant to Bankruptcy Rule 2019(b);
- m) any proposed objections to claims pursuant to section 502 of the Bankruptcy Code or Bankruptcy Rule 3012;
- (n) any proposed reconsideration of claims pursuant to Bankruptcy Rule 3008;
- o) any proposed valuation of security pursuant to section 506 of the Bankruptcy Code or Bankruptcy Rule 3012;
- p) any proposed redemption of property from lien or sale pursuant to Bankruptcy Rule 6008; and
- q) any hearing on any contested matter in this case that requires notice to creditors pursuant to the Bankruptcy Code, Bankruptcy Rule 9014 or the Local Rules.

3. The Debtors, and any other Movant, are hereby ordered to provide to all creditors of hearings on their proposed disclosure statement and confirmation of their plan of reorganization, as well as other noticed actions set forth in Bankruptcy Rule 2002(a)(4), (5), (6), (7) and (8).

IT IS SO ORDERED

Name, Address, Telephone No. & I.D. No.

Julia W. Brand, Esq. (SBN: 121760)
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Liner Yankelevitz Sunshine & Regenstreif, LLP
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UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF CALIFORNIA

325 West "F" Street, San Diego, California 92101-6991

In Re

PARAGON OF MICHIGAN, INC., a Wisconsin corporation,

BANKRUPTCY NO.

08-04153-11

Date of Hearing:

Time of Hearing:

Debtor. Name of Judge: James W. Meyers

**ORDER ON First Day Motion No. 2: Motion For
Order Limiting Scope of Notice**

IT IS ORDERED THAT the relief sought as set forth on the continuation pages attached and numbered two (2)
through _____ with exhibits, if any, for a total of _____ pages, is granted. Motion/Application Docket Entry No. _____

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//

DATED:

Judge, United States Bankruptcy Court

Signature by the attorney constitutes a certification under
Fed. R. of Bankr. P. 9011 that the relief in the order is the
relief granted by the court.

Submitted by:

Liner Yankelevitz Sunshine & Regenstreif, LLP
(Firm name)

By: /s/ Enid M. Colson

Attorney for ☒ Movant ☐ Respondent

Enid M. Colson

PARAGON OF MICHIGAN, INC., a Wisconsin corporation,

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IT IS HEREBY ORDERED THAT:

1. The Debtors' Motion to Limit Notice is granted:

2. The Debtors are authorized to limit the scope and manner of all notices, motions, or applications for the matters listed below to: (1) the Office of the United States Trustee; (2) the creditors appearing on the list filed in accordance with Bankruptcy Rule 1007(d) for each of the Debtors; (3) any creditors asserting secured claims; (4) parties that file with the Court and serve upon the Debtors a request for notice of all matters in accordance with Bankruptcy Rule 2002; and (5) any party with a specific pecuniary interest in the particular Motion;

a) any proposed use, sale or lease of property of the estate other than in the ordinary course of business pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rules 2002(a)(2), 4001(b) and 6004;

b) any proposed assumption, rejection or assumption and assignment of an executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code or Bankruptcy Rule 6006(a) or (c);

c) any proposed extension of the Debtor's exclusive time to file a plan of reorganization and solicit acceptance thereof (including, without limitation, the time to file a disclosure statement) pursuant to section 1121 of the Bankruptcy Code or Bankruptcy Rule 3016;

d) any proposed approval or compromise or settlement of a controversy pursuant to Bankruptcy Rules 2002(a) (3) and 9019;

e) any proposed abandonment or disposition of property of the estate and the hearing, if any, thereon, pursuant to section 554 of the Bankruptcy Code or Bankruptcy Rule 6007(a) or (c);

f) any proposed modification of the automatic stay pursuant to section 362 of the Bankruptcy Code or Bankruptcy Rules 4001(a) or 9014;

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- i) any proposed agreement relating to relief from the automatic stay, prohibiting or conditioning the use, sale or lease of property, providing adequate protection, use of cash collateral and obtaining credit pursuant to sections 361, 362, 363, or 364 of the Bankruptcy Code or Bankruptcy Rule 4001(d);
- j) any proposed application for employment of professionals pursuant to sections 327, 1103, and/or 1104 of the Bankruptcy Code or Bankruptcy Rule 2014;
- k) any proposed application for compensation or reimbursement of expenses of professionals, pursuant to sections 328, 329, 330, or 331 of the Bankruptcy Code or Bankruptcy Rules 2002(a)(6), 2016, 2017 and 6005 and compensation to Debtors' insiders pursuant to Local Bankruptcy Rule 4002-2;
- l) any verified statement filed by any entity or committee (other than those appointed pursuant to section 1102 and 1104 of the Bankruptcy Code) representing more than one creditor pursuant to Bankruptcy Rule 2019(a) and any motion filed in respect thereof pursuant to Bankruptcy Rule 2019(b);
- m) any proposed objections to claims pursuant to section 502 of the Bankruptcy Code or Bankruptcy Rule 3012;
- (n) any proposed reconsideration of claims pursuant to Bankruptcy Rule 3008;
- o) any proposed valuation of security pursuant to section 506 of the Bankruptcy Code or Bankruptcy Rule 3012;
- p) any proposed redemption of property from lien or sale pursuant to Bankruptcy Rule 6008; and
- q) any hearing on any contested matter in this case that requires notice to creditors pursuant to the Bankruptcy Code, Bankruptcy Rule 9014 or the Local Rules.

3. The Debtors, and any other Movant, are hereby ordered to provide to all creditors of hearings on their proposed disclosure statement and confirmation of their plan of reorganization, as well as other noticed actions set forth in Bankruptcy Rule 2002(a)(4), (5), (6), (7) and (8).

IT IS SO ORDERED