

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

ETAS ID: TM474635

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	Bankruptcy		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
La Reina, Inc.		05/04/2011	Corporation: CALIFORNIA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Anita's Mexican Foods Corp.		
<b>Street Address:</b>	316 North Ford Boulevard		
<b>City:</b>	Los Angeles		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	90022		
<b>Entity Type:</b>	Corporation: CALIFORNIA		
<b>PROPERTY NUMBERS Total: 4</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	3825905	LA REINA, INC. LA REINA	
<b>Registration Number:</b>	2396041	TACO MAN	
<b>Registration Number:</b>	2312275	LA REINA	
<b>Registration Number:</b>	1529900	LA REINA	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	6265778800		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
<b>Phone:</b>	626-795-9900		
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<b>ATTORNEY DOCKET NUMBER:</b>	400710-1		
<b>NAME OF SUBMITTER:</b>	Flavia Campbell		
<b>SIGNATURE:</b>	/fc/		
<b>DATE SIGNED:</b>	05/18/2018		
<b>Total Attachments: 64</b>			
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Applicant is submitting the following documents:

(i) the Debtor's [La Reina, Inc.] Amended Chapter 11 Plan of Reorganization dated May 4, 2011, Case No. 2:08-31458ER, which is attached at Tab A;

(ii) the Court Order confirming the Debtor's Amended Chapter 11 Plan of Reorganization, dated May 18, 2011, Case No. 2:08-31458ER, which is attached at Tab B.

(iii) the Voluntary Petition requesting the Chapter 11 proceeding, Case No. 2:08-31458ER, showing the address of La Reina, Inc. as 316 North For Boulevard, Los Angeles, CA, 90022, at Tab C.

Applicant also wishes to clarify the following:

- The **Debtor**, as defined on page 8 of the Amended Chapter 11 Plan of Reorganization (See Tab A) is La Reina, Inc.
- The **Assets**, as defined on page 5 of the Amended Chapter 11 Plan of Reorganization (See Tab A), are "substantially all the Debtor's assets that are property of the Debtor's Estate (...) and shall include all cash, accounts receivables, inventories, prepaid expenses, deposits and all tangible and intangible assets of the Debtor (...)."
- The **Purchaser**, as defined on page 10 of the Amended Chapter 11 Plan of Reorganization (See Tab A) is Anita's Mexican Foods Corp.
- According to the Court Oder dated May 18, 2011 (See Tab B, page 5), all the **Assets** were transferred to Anita's Mexican Foods Corp.

Therefore, based on the attached documents, all U.S. federal trademark applications and registrations listed below (the "Trademarks") were transferred from La Reina, Inc. to Anita's Mexican Foods Corp.

App./Reg. Number	Mark	Ownership status
<u>86903964</u>	<u>TACO MAN</u>	Already assigned to Anita's Mexican Foods Corp.
<u>3825905</u>	<u>LA REINA, INC. LA REINA</u>	Still in the name of La Reina, Inc. Must be assigned to Already assigned to Anita's Mexican Foods Corp.
<u>2396041</u>	<u>TACO MAN</u>	Still in the name of La Reina, Inc. Must be assigned to Already assigned to Anita's Mexican Foods Corp.
<u>2312275</u>	<u>LA REINA</u>	Still in the name of La Reina, Inc. Must be assigned to Already assigned to Anita's Mexican Foods Corp.
<u>1439375</u>	<u>FLOUR TORTILLAS TEXAS STYLE FOR FAJITAS</u>	Already assigned to Anita's Mexican Foods Corp.
<u>1529900</u>	<u>LA REINA</u>	Still in the name of La Reina, Inc. Must be assigned to Already assigned to Anita's Mexican

		Foods Corp.
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For the sake of clarity, Applicant also attached at Tab C the Voluntary Petition requesting the Chapter 11 proceeding, showing the address of La Reina, Inc. as 316 North For Boulevard, Los Angeles, CA, 90022, confirming, therefore, that the entity is the same one listed as the owner of the above Trademarks before the USPTO.

Applicant, therefore, requests that the present assignment by bankruptcy be recorded for all the above Trademarks.

**Tab A**

**Tab A**

1 MARC J. WINTHROP – State Bar No. 63218  
mwinthrop@winthropcouchot.com  
2 PAYAM KHODADADI – State Bar No. 239906  
pkhodadadi@winthropcouchot.com  
3 **WINTHROP COUCHOT**  
**PROFESSIONAL CORPORATION**  
4 660 Newport Center Drive, Suite 400  
Newport Beach, CA 92660  
5 Telephone: (949) 720-4100  
Facsimile: (949) 720-4111

6  
7 General Insolvency Counsel for  
Debtor and Debtor-in-Possession

8

9

**UNITED STATES BANKRUPTCY COURT**

10

**CENTRAL DISTRICT OF CALIFORNIA**

11

**LOS ANGELES DIVISION**

12

13

In re:

Case No. 2:08-31458 ER

14

LA REINA, INC., a California  
15 corporation,

Chapter 11 Proceeding

16

17 Debtor and  
Debtor-in-Possession.

**DEBTOR'S AMENDED CHAPTER 11 PLAN  
OF REORGANIZATION**

18

**Confirmation Hearing:**

19

DATE: May 4, 2011

20

TIME: 11:00 a.m.

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PLACE: Courtroom 1568

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**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
1	
2	
3	I. INTRODUCTION ..... 1
4	II. DEFINITIONS AND RULES OF CONSTRUCTION ..... 2
5	A. Definitions. .... 2
6	B. Rules of Construction. .... 11
7	III. ALLOWANCE AND TREATMENT OF CLAIMS ..... 12
8	A. Allowance and Treatment of Unclassified Claims. .... 12
9	1. Administrative Claims. .... 13
10	a. Administrative Claims Bar Date ..... 14
11	b. Deadline for Objections to Administrative Claims..... 15
12	c. United States Trustee Fees..... 15
13	d. Professional Fee Claims..... 15
14	2. Priority Tax Claims..... 15
15	B. Allowance and Treatment of Classified Claims and Interests. .... 17
16	1. Class of Priority Unsecured Claims. .... 17
17	2. Classes of General Unsecured Claims. .... 18
18	3. Class of Interest Holders..... 19
19	IV. MEANS OF IMPLEMENTING THIS PLAN..... 20
20	A. The Sale of Debtor’s Assets to Anita’s..... 20
21	1. Ownership and Management of Anita’s. .... 20
22	2. Consideration. .... 21
23	3. Minimum Working Capital Requirement. .... 22
24	B. Corporate Actions. .... 22
25	C. Distributions..... 22
26	D. Transfer of Property of the Estate to Anita’s. .... 23
27	E. Post-Confirmation Estate Claims, Including Avoidance Actions, and Release of Certain Claims..... 23
28	F. Retention of Professionals by the Debtor. .... 24
	G. Compromise of Controversies. .... 24
	H. Bankruptcy Court Approval of Post-Confirmation Matters. .... 24
	I. Right of Setoff..... 24
	J. Distributions..... 25
	1. Dates of Distributions. .... 25
	2. Manner of Distribution. .... 25
	3. Undeliverable Distributions. .... 25
	4. Rounding of Payments. .... 25
	5. Compliance with Tax Requirements..... 26
	6. Distribution of Unclaimed Property..... 26
	7. De Minimis Distributions. .... 27
	8. Limitation on Liability..... 27



**TABLE OF CONTENTS**

**(Continued)**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**PAGE**

K.	Claim Objections and Disputed Claims.....	27
1.	Standing.....	27
2.	Claims Objection Deadline.....	27
3.	Treatment of Disputed Claims.....	28
a.	No Distribution Pending Allowance.....	28
b.	Reserves for Disputed Claims.....	28
L.	Discharge of the Committee.....	28
M.	Post-Effective Date Committee.....	29
V.	EXECUTORY CONTRACTS AND UNEXPIRED LEASES.....	29
A.	Executory Contracts and Leases Being Assumed.....	29
B.	Executory Contracts and Unexpired Leases Being Rejected.....	30
C.	Bar Date for Rejection Damages.....	31
D.	Assignment of Executory Contracts and Unexpired Leases to Purchaser.....	31
VI.	CONFIRMATION REQUIREMENTS AND PROCEDURES.....	31
A.	Who May Object to Confirmation of this Plan.....	32
B.	Who May Vote to Accept/Reject this Plan.....	32
1.	What Is an Allowed Claim/Interest.....	32
2.	What Is an Impaired Claim/Interest.....	33
C.	Who Is Not Entitled to Vote.....	33
D.	Who Can Vote in More than One Class.....	33
E.	Votes Necessary to Confirm this Plan.....	33
F.	Votes Necessary for a Class to Accept this Plan.....	34
G.	Treatment of Non-Accepting Classes.....	34
H.	Request for Confirmation Despite Nonacceptance by Impaired Class(es)....	34
VII.	EFFECT OF CONFIRMATION OF THIS PLAN.....	34
A.	Provisions Regarding Limitation of Liability.....	34
1.	No Liability for Solicitation or Participation.....	34
2.	Limitation of Liability.....	35
B.	Vesting of Property of the Estate.....	35
C.	Modification of Plan.....	35
D.	Post-Confirmation Status Report.....	35
E.	Post-Confirmation Fees to the United States Trustee.....	36
F.	Post-Confirmation Conversion/Dismissal.....	36
G.	Governing Law.....	36
H.	Successors and Assigns.....	36
I.	Exemption from Certain Transfer Taxes and Recording Fees.....	37
J.	Prohibition of Non-Voting Securities.....	37
K.	Discharge.....	37
VIII.	RETENTION OF JURISDICTION.....	37

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
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14  
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**I.**

**INTRODUCTION**

This PLAN<sup>1</sup> is filed by the Debtor as the proponent of this Plan. This Plan is the result of extensive negotiations with the Committee, and the Committee has agreed to support the Debtor's Plan. This Plan contemplates, subject to the Bid Procedures that may generate a Purchaser with a higher and better offer, the following: (i) the sale of the Debtor's Assets to Anita's free and clear of all Liens; (ii) a Cash Payment up to the amount of \$749,536 to be made by Anita's to the Debtor at the Closing of the sale of the Assets; (iii) the assumption by Anita's of certain liabilities of the Debtor, including (a) the Assumed Prepetition Claims estimated to be in the approximate amount of \$3,031,259 and (b) the Assumed Postpetition Claims estimated to be in the approximate amount of \$1,387,763; (iv) the payment, in full, of Allowed Administrative Claims, other than Professional Fee Claims, and Allowed Priority Unsecured Claim, on the Effective Date; (v) payment of Allowed Professional Fee Claims upon the entry of a Final Order approving such Professional's fees; and (vi) the payment of Allowed General Unsecured Claims (excluding Assumed Prepetition Claims), pro-rata, based on the Distribution scheme set forth in this Plan.

The Debtor's Disclosure Statement is sent to you in the same envelope as this document. The Disclosure Statement has been approved by the Court. It is being provided along with this Plan in order to provide you with critical information about the Debtor and to help you understand this Plan. The Disclosure Statement discusses the Debtor's history, business, assets, and results of operations and contains a summary and discussion of this Plan. Holders of Claims and Interests and parties to executory contracts and unexpired leases are encouraged to read the Disclosure Statement. No solicitation materials, other than the Disclosure Statement and related materials transmitted therewith and approved for solicitation purposes by the Court, have been authorized for use in soliciting acceptances or rejections of this Plan.

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<sup>1</sup>All capitalized terms used in this Plan are defined in Article II hereof.

1 II.

2 **DEFINITIONS AND RULES OF CONSTRUCTION**

3 A. **Definitions.**

4 Any capitalized term that is not defined herein, but that is defined in the Bankruptcy Code  
5 or in the Bankruptcy Rules shall have the meaning ascribed to that term in the Bankruptcy Code or  
6 Bankruptcy Rules.

7 “Administrative Claim” means any Claim incurred after the Petition Date but before the  
8 Confirmation Date for any cost or expense of administration of the Case allowable under  
9 Sections 330, 331, 503(b), or 507(a)(2) of the Bankruptcy Code, including, without limitation, any  
10 actual and necessary post-petition expenses of preserving the Estate of the Debtor, any actual and  
11 necessary post-petition expenses of operating the business of the Debtor, all compensation or  
12 reimbursement of expenses to the extent allowed by the Bankruptcy Court under Section 330, 331,  
13 503, or 507 of the Bankruptcy Code and any fees or charges assessed against the Estate of the  
14 Debtor under Section 1930 of title 28 of the United States Code.

15 “Administrative Claims Bar Date” means the last date fixed by this Plan for the filing of  
16 Proof of Claims or requests for payment of Administrative Claims, other than Administrative Tax  
17 Claims. Under this Plan, the Administrative Claims Bar Date shall be the first business day after  
18 the sixtieth (60th) day after the Confirmation Date.

19 “Administrative Claims Objection Deadline” means the sixtieth (60th) day after the  
20 Administrative Claims Bar Date. The Administrative Claims Objection Deadline may be  
21 extended for a one-time sixty (60) day period by the Reorganized Debtor by filing a notice of the  
22 extended Administrative Claim Objection Deadline with the Bankruptcy Court. Thereafter, it may  
23 only be extended by a Final Order of the Bankruptcy Court. If no objection to an Administrative  
24 Claim is filed on or before the Administrative Claim Objection Deadline, then the Administrative  
25 Claim will be deemed an Allowed Administrative Claim as of that date.

26 “Administrative Tax Claim” means a request by a Governmental Unit for payment of  
27 Administrative Claims for Taxes (and for interest or penalties related to such Taxes) for any tax  
28

1 year or period, all or any portion of which occurs within the period from and including the Petition  
2 Date through and including the Effective Date.

3 “Affiliate” has the meaning as set forth under Section 102(2) of the Bankruptcy Code.

4 “Allowed Administrative Claim” means an Administrative Claim allowed pursuant to  
5 Sections 503(b) or 507(a)(2) of the Bankruptcy Code or pursuant to 28 U.S.C. § 1930.

6 “Allowed Administrative Tax Claim” means an Administrative Tax Claim to the extent of  
7 its Allowed Amount.

8 “Allowed Amount” means:

9 1. With respect to any Administrative Claim (i) if the Claim is for a  
10 Professional Fee Claim, the amount of such Professional Fee Claim that has been approved  
11 by a Final Order of the Bankruptcy Court; (ii) if the Claim is based upon any indebtedness  
12 or obligation incurred in the ordinary course of business of the Debtor and is not otherwise  
13 subject to an Administrative Claim Bar Date, the amount of such Claim that has been  
14 agreed to by the Debtor and such creditor, failing which, the amount thereof as fixed by a  
15 Final Order of the Bankruptcy Court; or (iii) if the Holder of such Claim was required to  
16 file and has filed proof thereof with the Bankruptcy Court prior to an Administrative Claim  
17 Bar Date, (1) the amount stated in such proof if no objection to such Proof of Claim is  
18 interposed within the applicable period of time fixed by the Bankruptcy Code, the  
19 Bankruptcy Rules or the Bankruptcy Court, or (2) the amount thereof as fixed by Final  
20 Order of the Bankruptcy Court if an objection to such proof was interposed within the  
21 applicable period of time fixed by the Bankruptcy Code, the Bankruptcy Rules or the  
22 Bankruptcy Court. The Allowed Amount of any Administrative Claim which is subject to  
23 an Administrative Claims Bar Date and not filed by the applicable Administrative Claims  
24 Bar Date shall be zero, and no distribution shall be made on account of any such  
25 Administrative Claim;

26 2. with respect to any Claim which is not an Administrative Claim (the “Other  
27 Claim”): (i) if the Holder of such Other Claim did not file proof thereof with the  
28 Bankruptcy Court on or before the Claims Bar Date, the amount of such Claim as listed in

1 the Debtor's Schedules as neither disputed, contingent nor unliquidated; or (ii) if the  
2 Holder of such Claim has filed proof thereof with the Bankruptcy Court on or before the  
3 Claims Bar Date, (a) the amount stated in such proof if no objection to such Proof of Claim  
4 was interposed within the applicable period of time fixed by the Bankruptcy Code, the  
5 Bankruptcy Rules, this Plan or the Bankruptcy Court, or (b) the amount thereof as fixed by  
6 Final Order of the Bankruptcy Court if an objection to such proof was interposed within  
7 the applicable period of time fixed by the Bankruptcy Code, the Bankruptcy Rules, this  
8 Plan or the Bankruptcy Court. The Allowed Amount of any Other Claim which is not filed  
9 by the applicable Claims Bar Date, is not listed on the Debtor's Schedules or is listed as  
10 disputed, unliquidated, contingent or unknown, and is not allowed under the terms of this  
11 Plan shall be zero, and no distribution shall be made on account of any such Claim; and

12 3. with respect to any Interest, (i) the amount provided by or established in the  
13 records of the Debtor at the Confirmation Date, provided, however, that a timely filed  
14 Proof of Interest shall supersede any listing of such Interest on the records of the Debtor;  
15 or (ii) the amount stated in a Proof of Interest filed prior to the Confirmation Date if no  
16 objection to such Interest was filed prior to the Confirmation Date or such later date as the  
17 Bankruptcy Court allows; or (iii) the amount of such Interest as fixed by a Final Order of  
18 the Bankruptcy Court.

19 "Allowed Claim" means a Claim to the extent (and only to the extent) of the Allowed  
20 Amount of such Claim.

21 "Allowed General Unsecured Claim" means a General Unsecured Claim to the extent of its  
22 Allowed Amount.

23 "Allowed Interest" means an Interest to the extent of its Allowed Amount.

24 "Allowed Ordinary Course Administrative Claim" means an Ordinary Course Expense  
25 Claim to the extent of its Allowed Amount.

26 "Allowed Priority Tax Claim" means a Priority Tax Claim to the extent of its Allowed  
27 Amount.

28

1           “Allowed Priority Unsecured Claim” means a Priority Unsecured Claim to the extent of its  
2 Allowed Amount.

3           “Allowed Professional Fee Claim” means a Professional Fee Claim to the extent of its  
4 Allowed Amount.

5           “Allowed Section 503(b)(9) Administrative Claim” means a Section 503(b)(9)  
6 Administrative Claim to the extent of its Allowed Amount.

7           “Allowed Secured Claim” means a Secured Claim that is an Allowed Claim.

8           “Anita’s” means Anita’s Mexican Foods Corp., a California corporation, an Affiliate of the  
9 Debtor and the proposed Purchaser of the Assets.

10           “Assets” means substantially all of the Debtor’s assets that are property of the Debtor’s  
11 Estate pursuant to Section 541 of the Bankruptcy Code, other than Post-Confirmation Estate  
12 Claims, and shall include all cash, accounts receivables, inventories, prepaid expenses, deposits  
13 and all tangible and intangible assets of the Debtor, including but not limited to 30.13% of the  
14 common stock of Anita’s owned by the Debtor and all of the assets and common stock of Sierra  
15 Madre Foods owned by the Debtor.

16           “Assumed Postpetition Claims” means certain Administrative Claims, which will be  
17 assumed by Anita’s in the event, and only in the event, Anita’s is the successful Purchaser of the  
18 Assets, estimated to be in the approximate amount of \$1,387,763, which include the following:  
19 (i) accounts payable in the approximate amount of \$970,005; (ii) postpetition amounts owed by  
20 the Debtor to Anita’s in the approximate amount of \$60,801; and (iii) certain other miscellaneous  
21 Administrative Claims, including payroll, accrued employee benefits, and amounts due to non-  
22 Affiliate vendors, in the approximate amount of \$356,957.

23           “Assumed Prepetition Claims” means the prepetition General Unsecured Claims of the  
24 Debtor’s Affiliates, Anita’s and Anita’s Affiliates, which will be assumed by Anita in the event,  
25 and only in the event, Anita is the successful Purchaser of the Assets, estimated to be in the  
26 approximate amount of \$3,031,259.

27           “Avoidance Action” means any action or proceeding filed pursuant to the provisions of  
28 Sections 510, 542, 543, 544, 545, 547, 548, 549 or 550 of the Bankruptcy Code, or any similar

1 action or proceeding filed to recover property for or on behalf of the Estate or to avoid a Lien or  
2 transfer.

3 “Bankruptcy Code” means The Bankruptcy Reform Act of 1978, as amended, as set forth  
4 in Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., as applicable to the Case.

5 “Bankruptcy Court” means the United States Bankruptcy Court for the Central District of  
6 California, Los Angeles Division, having jurisdiction over the Case and, to the extent of any  
7 withdrawal of the reference made pursuant to Section 157 of title 28 of the United States Code; or,  
8 in the event such courts cease to exercise jurisdiction over the Case, such court or unit thereof that  
9 exercises jurisdiction over the Case in lieu thereof.

10 “Bankruptcy Rules” means, collectively, as now in effect or hereafter amended and as  
11 applicable to the Case, (i) the Federal Rules of Bankruptcy Procedure, and (ii) the Local  
12 Bankruptcy Rules and General Orders applicable to cases pending before the Bankruptcy Court.

13 “Bid Procedures” means the procedures approved by a Final Order of the Bankruptcy Code  
14 with respect to the sale of Assets.

15 “Business Day” means any day, other than a Saturday, a Sunday or a “legal holiday,” as  
16 defined in Rule 9006(a) of the Bankruptcy Rules.

17 “Case” means the Chapter 11 case commenced by the Debtor on the Petition Date and  
18 pending before the Bankruptcy Court, as Case No. 2:08-31458 ER.

19 “Cash” means currency of the United States of America and cash equivalents, including,  
20 but not limited to, the Cash Payment, bank deposits, immediately available or cleared checks,  
21 drafts, wire transfers and other similar forms of payment.

22 “Cash Payment” means the Cash payment in the maximum approximate amount of  
23 \$749,536 that will be paid to the Debtor by Anita’s on or before the Effective Date of this Plan,  
24 subject to adjustment as set forth herein, as part of the purchase price for the Assets. The Cash  
25 Payment may decrease depending on the amount of working capital available at the time of the  
26 Closing. The purchase price for the Assets is based, in part, on the estimated working capital as of  
27 November 30, 2010.

28



1           “Claim” means (a) any right to payment from the Debtor, whether or not such right is  
2 reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed,  
3 undisputed, legal, equitable, secured, or unsecured, or (b) any right to an equitable remedy for  
4 breach of performance if such breach gives rise to a right of payment from the Debtor, whether or  
5 not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured,  
6 unmatured, disputed, undisputed, secured, or unsecured.

7           “Claims Bar Date” means the last date for Holders of Claims, other than Holders of  
8 Administrative Claims and Holders of Claim based upon, or arising from, the rejection of any  
9 executory contract or unexpired lease, whose Claims are not scheduled, or are scheduled as  
10 disputed, contingent, or unliquidated in the Debtor’s Schedules to file Proofs of Claim. The  
11 Claims Bar Date is March 28, 2011.

12           “Claims Objection Deadline” means the later of (i) the first business day following the one  
13 hundred and twentieth (120th) day after the Effective Date to object to a Claim, or (ii) such greater  
14 period of limitation as may be fixed or extended by the Bankruptcy Court or by agreement  
15 between the Debtor and the Holder of the Claim.

16           “Class” means the each group of Claims or Interests classified in this Plan pursuant to  
17 Sections 1122 and 1123 of the Bankruptcy Code.

18           “Closing” means the date on which the sale of the Assets contemplated in this Plan closes  
19 between the Debtor and the Purchaser, which date shall be two (2) days after the Confirmation  
20 Order becomes a Final Order.

21           “Committee” means the duly appointed and acting Official Committee of Creditors  
22 Holding Unsecured Claims in the Case.

23           “Confirmation Date” means the date on which the Bankruptcy Court enters the  
24 Confirmation Order on the Bankruptcy Court docket.

25           “Confirmation Hearing” means the hearing scheduled by the Bankruptcy Court for the  
26 purpose of considering the confirmation of this Plan.

27           “Confirmation Order” means the Final Order of the Bankruptcy Court confirming this Plan  
28 in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

1           “Creditor” means any person who is the Holder of a Claim against any Debtor that arose or  
2 accrued or is deemed to have arisen or accrued or to have matured, or otherwise become due,  
3 owing, and payable on or before the Petition Date, including, without limitation, Claims of the  
4 kind specified in Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code.

5           “Debtor” means La Reina, Inc., a California corporation, the debtor and debtor-in-  
6 possession, and the proponent of this Plan.

7           “Disclosure Statement” means the Debtor’s Amended Disclosure Statement Describing  
8 Debtor’s Amended Chapter 11 Plan of Reorganization.

9           “Disputed Claim” means all or any part of a Claim as to which any one of the following  
10 applies: (i) no Proof of Claim has been filed with respect to such Claim, and the Claim is listed in  
11 the Schedules as unliquidated, disputed, contingent or unknown; or (ii) the Claim is the subject of  
12 a timely objection or request for estimation, which objection or request for estimation has not been  
13 withdrawn or determined by a Final Order. In addition, prior to the earlier of: (a) the Claims  
14 Objection Deadline, and (b) such date as the Bankruptcy Court allows the Claim pursuant to a  
15 Final Order, any Claim that is evidenced by a Proof of Claim shall be deemed a Disputed Claim  
16 for purposes of calculating and making any Distributions under this Plan if: (1) no Claim  
17 corresponding to the Proof of Claim is listed in the Schedules, (2) the Claim corresponding to the  
18 Proof of Claim is listed in the Schedules as disputed, contingent, unliquidated or unknown, (3) the  
19 amount of the Claim as specified in the Proof of Claim exceeds the amount of any corresponding  
20 Claim listed in the Schedules as not disputed, not contingent, and liquidated, but only to such  
21 extent, or (4) the priority or classification of the Claim as specified in the Proof of Claim differs  
22 from the priority of any corresponding Claim listed in the Schedules.

23           “Disputed Claims Reserve” means a segregated, interest-bearing trust account for the  
24 benefit of the Holders of General Unsecured Claims, established at a financial institution that is an  
25 authorized depository under United States Trustee guidelines, into which the Debtor will deposit  
26 the Distributions required by this Plan.

27           “Distribution” means the Cash that is required to be distributed under this Plan.  
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1           “Effective Date” the first Business Day occurring forty-five (45) days after entry of the  
2 Confirmation Order, as further qualified by the provisions of this Plan. However if the  
3 effectiveness of the Confirmation Order is stayed other than by operation of Bankruptcy  
4 Rule 3020(e), then the Effective Date shall mean the first business day occurring fourteen (14)  
5 days after the lifting of any such stay of the Confirmation Order.

6           “Estate” means the Debtor’s bankruptcy estate created under Section 541 of the  
7 Bankruptcy Code in the Case.

8           “Final Order” means an order or judgment of the Bankruptcy Court, or of any court of  
9 competent jurisdiction where there is pending an action in which a Debtor is a party, as to which  
10 the time to appeal, petition for certiorari, or move for re-argument or rehearing has expired and as  
11 to which no appeal, petition for certiorari, or other proceeding for re-argument or rehearing shall  
12 then be pending or as to which any right to appeal, petition for certiorari, move to reargue, or to  
13 rehear shall have been waived in writing in form and substance satisfactory to the Debtor.

14           “General Unsecured Claim” means an unsecured Claim against the Debtor, however  
15 arising, not entitled to priority under Section 507(a) of the Bankruptcy Code.

16           “Governmental Unit” shall have the meaning provided in Section 101(27) of the  
17 Bankruptcy Code.

18           “Holder” means the beneficial owner of any Claim or Interest.

19           “Interest” means any equity security interest in the Debtor within the meaning of  
20 Section 101(16) of the Bankruptcy Code.

21           “Interest Holder” means the Holder of an Interest in the Debtor.

22           “Lien” means any lien, encumbrance, pledge or other charge against property of the Estate.

23           “Ordinary Course Administrative Claim” means an Administrative Claim for the actual,  
24 necessary costs and expenses of preserving the Estate pursuant to Section 503(b) of the  
25 Bankruptcy Code.

26           “Petition Date” means December 10, 2008, the date on which the Debtor filed its petition  
27 for relief under Chapter 11 of the Bankruptcy Code.

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1           “Plan” means the Debtor’s Amended Chapter 11 Plan of Reorganization, as the same may  
2 be amended or modified from time to time.

3           “Post-Confirmation Estate Claims” means any and all claims and causes of action that  
4 constitute property of the Estate including, but not limited to, any Avoidance Actions and any  
5 causes of action or claims for recovery of any amounts owing to the Debtor or the Estate.

6           “Post Effective Date Committee” means the Committee, as it shall be reconstituted and  
7 function after the Effective Date, pursuant to the provisions of this Plan.

8           “Priority Tax Claim” means any Claim provided for by Section 507(a)(8) of the  
9 Bankruptcy Code.

10           “Priority Unsecured Claim” means any Claim provided for by Section 507(a)(4) or (5) of  
11 the Bankruptcy Code.

12           “Professional” means a person or entity employed by the Debtor or by the Committee  
13 pursuant to a Final Order in accordance with Sections 327 or 1103 of the Bankruptcy Code.

14           “Professional Fee Claim” means a Claim for fees of a Professional.

15           “Proof of Claim” means a written statement filed in the Case by a Holder of a Claim in  
16 which such Holder sets forth the amount of its Claim, in accordance with Rule 3001 of the  
17 Bankruptcy Rules.

18           “Proof of Interest” means a written statement filed in the Case by a Holder of an Interest in  
19 which such Holder sets forth the amount of its interest.

20           “Pro Rata” means proportionately, so that with respect to any Distribution in respect of any  
21 Allowed Claim, the ratio of (i) the amount of property distributed or reserved on account of such  
22 Allowed Claim to the amount of such Allowed Claim, is the same as the ratio of (ii) the amount of  
23 property distributed or reserved on account of all Allowed Claims of the Class sharing in such  
24 Distribution to the amount of all Allowed Claims in such Class.

25           “Purchaser” means the purchaser of the Debtor’s assets, which shall be Anita’s unless a  
26 higher and better offer is provided by a third-party, other than Anita’s, and approved by the  
27 Bankruptcy Court.

28           “Reorganized Debtor” means the Debtor as reorganized pursuant to this Plan.

1           “Schedules” means the Schedules of Assets and Liabilities and Statement of Financial  
2 Affairs filed by the Debtor in the Case, as required by Section 521(a) of the Bankruptcy Code,  
3 Rules 1007(a) and (b) of the Bankruptcy Rules, and Official Bankruptcy Form No. 6, as the  
4 Schedules may be amended from time to time.

5           “Section 503(b)(9) Administrative Claim” means any Claim for the value of any goods  
6 received by the Debtor within 20 days before the Petition Date in which the goods have been sold  
7 to the Debtor in the ordinary course of the Debtor’s business, to the extent allowable pursuant to  
8 Section 503(b)(9) of the Bankruptcy Code and this Plan.

9           “Secured Claim” means any Claim, including interest, reasonable attorneys’ fees, costs,  
10 and charges, to the extent allowable pursuant to Section 506(b) of the Bankruptcy Code and this  
11 Plan, that is secured by a Lien on property in which a Debtor has an interest or that is subject to  
12 recoupment or setoff under Section 553 of the Bankruptcy Code, to the extent of the value of the  
13 interest of the Holder of such Secured Claim in the Debtor’s interest in the property, determined  
14 pursuant to Section 506(a) of the Bankruptcy Code.

15           “Tax” means any tax, charge, fee, levy, or other assessment by any federal, state, local or  
16 foreign taxing authority, including, without limitation, income, excise, property, sales, transfer,  
17 employment, payroll, franchise, profits, license, use, ad valorem, estimated, severance, stamp,  
18 occupation and withholding tax. “Tax” shall include any interest or additions attributable to, or  
19 imposed on or with respect to, such assessments.

20           “Unclaimed Property” means any Distribution of Cash or other property to a Holder of a  
21 Claim that is returned as undeliverable.

22           “Unclaimed Property Reserve” means an interest-bearing account in which Unclaimed  
23 Property shall be set aside and held as provided in this Plan.

24           “United States Trustee” means the Office of the United States Trustee.

25           **B. Rules of Construction.**

26           The rules of construction set forth in Section 102 of the Bankruptcy Code shall apply to  
27 this Plan to the extent such rules are not inconsistent with the express terms of this Plan or any  
28 other provision in this Section. For the purpose of this Plan, unless otherwise provided in this

1 Plan, (i) whenever from the context it is appropriate, each term, whether stated in the singular or  
2 the plural, shall include both the singular and the plural; (ii) each pronoun stated in the masculine,  
3 feminine or neuter shall include the masculine, feminine and neuter; (iii) any reference in this Plan  
4 to an existing document, exhibit or schedule filed or to be filed means such document or schedule  
5 as it may have been or may be amended, modified or supplemented pursuant to this Plan; (iv) any  
6 reference to an entity as a Holder of a Claim or Interest includes that entity's successors and  
7 assigns; (v) unless reference is made to the Bankruptcy Code, all references in this Plan to  
8 sections, articles and exhibits are references to sections, articles and exhibits of or to this Plan; (vi)  
9 the words "herein," "hereunder" and "hereto" refer to this Plan in its entirety rather than to a  
10 particular portion of this Plan; (vii) unless otherwise provided in this Plan, any reference in this  
11 Plan to a contract, instrument, release, indenture, agreement, or other document being in a  
12 particular form or on particular terms and conditions means that such document shall be  
13 substantially and materially in such form or substantially and materially on such terms and  
14 conditions; (viii) except as otherwise provided in this Plan, Bankruptcy Rule 9006(a) applies when  
15 computing any time period under this Plan; (ix) the definition given to any term or provision in  
16 this Plan supersedes and controls any different meaning that may be given to that term or  
17 provision in the Disclosure Statement; and (x) section captions and headings are used only as  
18 convenient references and do not affect this Plan's meaning.

19 **III.**

20 **ALLOWANCE AND TREATMENT OF CLAIMS**

21 **A. Allowance and Treatment of Unclassified Claims.**

22 Certain types of Claims are not classified in any Classes under this Plan. These Claims are  
23 deemed "unclassified" under the provisions of the Bankruptcy Code. These Classes are not  
24 considered impaired and they do not vote on this Plan, because they are automatically entitled to  
25 specific treatment provided for them in the Bankruptcy Code. As such, the Debtor has not placed  
26 the following Claims in Classes. The treatment of the unclassified Claims is as provided below.  
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1 **1. Administrative Claims.**

2 Administrative Claims are Claims for costs and expenses of administering the Debtor's  
3 Case that are allowable under Bankruptcy Code Section 503(b) or 28 U.S.C. § 1930, and include  
4 Claims incurred by the Debtor after the Petition Date in the ordinary course of the Debtor's  
5 business, fees and expenses of professionals, and fees due to the United States Trustee.

6 The following chart lists the Debtor's unpaid Administrative Claims, except for  
7 Professional Fee Claims, and their treatment under this Plan:

Description	Estimated Allowed Amount	Treatment
Ordinary Course Administrative Claims Pursuant to Section 507(a)(2) of the Bankruptcy Code	\$1,081,452.69 [As of November 30, 2010]	Allowed Ordinary Course Administrative Claims will be assumed by Anita's and will constitute a part of Assumed Postpetition Claims, which will be paid, in full, on or before the Effective Date in the ordinary course of business.
Administrative Tax Claims	\$0	Allowed Administrative Tax Claims, if any, will be assumed by Anita's and will constitute a part of Assumed Postpetition Claims, which will be paid, in full, by the Debtor on or before the Effective Date.
Section 503(b)(9) Administrative Claims	\$63,135.84	Allowed Section 503(b)(9) Administrative Claims will be paid, in full, by the Debtor on the Effective Date.

18 In addition, there are a number of Professional Fee Claims that are ordinarily required to be  
19 paid upon the Effective Date of this Plan or as soon thereafter as they are allowed. The below  
20 Professionals will be paid, as set forth below, from the Cash Payment contemplated through the  
21 sale described herein.

Description	Estimated Allowed Amount	Treatment
Winthrop Couchot Professional Corporation, Debtor's General Insolvency Counsel	\$75,218.00	This Allowed Professional Fee Claim will be paid, in full, by the Debtor within seven (7) days after the Bankruptcy Court enters a Final Order approving such Professional Fee Claim.
BSW & Associates, Debtor's Financial Advisor	\$36,000.00	This Allowed Professional Fee Claim will be paid, in full, by the Debtor within seven (7) days after the Bankruptcy Court enters a Final Order approving such Professional Fee Claim.

Description	Estimated Allowed Amount	Treatment
Levene, Neale, Bender, Yoo & Brill L.L.P., Committee's Counsel	\$31,769.00	This Allowed Professional Fee Claim will be paid, in full, by the Debtor within seven (7) days after the Bankruptcy Court enters a Final Order approving such Professional Fee Claim.
M. Marrenner Dietrich & Co., Inc., Committee's Financial Consultant	\$6,500.00	This Allowed Professional Fee Claim will be paid, in full, by the Debtor within seven (7) days after the Bankruptcy Court enters a Final Order approving such Professional Fee Claim.

**a. Administrative Claims Bar Date**

The Administrative Claims Bar Date is the last date fixed by this Plan for the filing of Proof of Claims or requests for payment of Administrative Claims. Under this Plan, the Administrative Claims Bar Date shall be the first business day after the sixtieth (60th) day after the Confirmation Date. Within ten (10) days of the Confirmation Date, the Debtor will serve notice of the Administrative Claims Bar Date on all Holders of Administrative Claims and parties-in-interest.

All applications for final compensation of Professionals for services rendered and for reimbursement of expenses incurred on or before the Effective Date and all other requests for payment of Administrative Claims incurred before the Effective Date under Sections 507(a)(2) or 507(b) of the Bankruptcy Code (except only for (i) post-petition, ordinary course trade obligations and routine post-petition payroll obligations incurred in the ordinary course of the Debtor's post-petition business, for which no bar date shall apply, and (ii) Administrative Tax Claims, for which no bar date shall apply) shall be filed with the Bankruptcy Court and served upon the Debtor no later than the Administrative Claims Bar Date, unless such date is extended. Any such request for payment of an Administrative Claim that is subject to the Administrative Claims Bar Date and that is not filed and served on or before the Administrative Claims Bar Date shall be forever barred; any party that seeks payment of Administrative Claims that (i) is required to file a request for payment of such Administrative Claims and (ii) does not file such a request by the deadline established herein shall be forever barred from asserting such Administrative Claims against the Debtor or its Estate.



1                                   **b.     Deadline for Objections to Administrative Claims.**

2             All objections to allowance of Administrative Claims must be filed by the sixtieth (60th)  
3 day after the Administrative Claims Bar Date. The Administrative Claims Objection Deadline  
4 may be extended for a one-time sixty (60) day period by the Reorganized Debtor by filing a notice  
5 of the extended Administrative Claim Objection Deadline with the Bankruptcy Court. Thereafter,  
6 it may only be extended by a Final Order of the Bankruptcy Court. If no objection to an  
7 Administrative Claim is filed on or before the Administrative Claim Objection Deadline, then the  
8 Administrative Claim will be deemed allowed as of that date.

9                                   **c.     United States Trustee Fees.**

10            Quarterly fees owed to the Office of the U.S. Trustee will be paid prior to the Effective  
11 Date by the Debtor.

12                                   **d.     Professional Fee Claims.**

13            Any professional seeking allowance of a Professional Fee Claim for services rendered  
14 prior to the Effective Date must (1) file its application for allowance of compensation and  
15 reimbursement of expenses within the Administrative Claims Bar Date or such other date as may  
16 be set by the Bankruptcy Court, and (2) have the fees and expenses allowed by a Final Order. Any  
17 party in interest may file an objection to such an application within the time provided by the Local  
18 Bankruptcy Rules or within any other period that the Bankruptcy Court provides. Professionals  
19 holding Professional Fee Claims who do not timely file and serve their applications for payment  
20 will be forever barred from asserting these Claims.

21                                   **2.     Priority Tax Claims.**

22            Priority Tax Claims include certain unsecured income, sales, employment, and other taxes  
23 described by Bankruptcy Code Section 507(a)(8). The Bankruptcy Code requires that each Holder  
24 of a Section 507(a)(8) Priority Tax Claim receive the present value of such Claim in deferred cash  
25 payments, over a period not exceeding five years from the order for relief. The following chart  
26 lists the Debtor's known Section 507(a)(8) Priority Tax Claims and their treatment under this  
27 Plan:

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Description	Estimated Allowed Amount	Treatment
Priority Tax Claim of the Internal Revenue Service pursuant to Section 507(a)(8) of the Bankruptcy Code	\$0 [The Debtor will be objecting to the entirety of this alleged Priority Tax Claim as set forth herein.]	If the Court grants Debtor's motion to disallow this alleged Priority Tax Claim, no distribution will be made on account of this Claim.  If the Court denies all or part of Debtor's motion to disallow this alleged Priority Tax Claim, the Holder will be paid on account of the Allowed Amount of such Claim, in full, on the later of (i) the Effective Date or (ii) seven (7) days after the entry of a Final Order on such motion.
Priority Tax Claim of the California Franchise Tax Board pursuant to Section 507(a)(8) of the Bankruptcy Code	\$5,151 [The Debtor will be objecting to a portion of this alleged Priority Tax Claim as set forth herein.]	If the Court grants Debtor's motion to disallow a portion of this alleged Priority Tax Claim, the Holder will receive a distribution on the Allowed Priority Tax Claim on the later of (i) the Effective Date or (ii) seven (7) days after the entry of a Final Order on such motion.  If the Court denies all or part of Debtor's motion to disallow a portion of this alleged Priority Tax Claim, the Holder will receive a distribution on the Allowed Priority Tax Claim on the later of (i) the Effective Date or (ii) seven (7) days after the entry of a Final Order on such motion.
Priority Tax Claim of the California State Board of Equalization pursuant to Section 507(a)(8) of the Bankruptcy Code	\$0 [The Debtor will be objecting to the entirety of this alleged Priority Tax Claim as set forth herein.]	If the Court grants Debtor's motion to disallow this alleged Priority Tax Claim, no distribution will be made on account of this Claim.  If the Court denies all or part of Debtor's motion to disallow this alleged Priority Tax Claim, the Holder will be paid on account of the Allowed Amount of such Claim, in full, on the later of (i) the Effective Date or (ii) seven (7) days after the entry of a Final Order on such motion.
Priority Tax Claim of the Los Angeles County Treasurer Tax Collector pursuant to Section 507(a)(8) of the Bankruptcy Code	\$322.57	The Holder will be paid on account of the Allowed Amount of such Claim, in full, on the later of (i) the Effective Date or (ii) seven (7) days after the entry of a Final Order on such motion.

1           **B.     Allowance and Treatment of Classified Claims and Interests.**

2           As required by the Bankruptcy Code, this Plan places Claims and Interests into various  
3 Classes according to their right to priority and other relative rights. The charts below list each  
4 Class of Claims and Interests established under this Plan and indicates whether the Class is  
5 impaired or unimpaired by this Plan. A Class is unimpaired if this Plan leaves unaltered the legal,  
6 equitable, and contractual rights to which the Holders of Claims or Interests in the Class are  
7 entitled, with limited exceptions.

8           The Debtor does not have any Holders of Secured Claims. The Debtor has paid in full all  
9 Allowed Amounts owed on account of Secured Claims. The Classification and treatment of  
10 Classes of Priority Unsecured Claims, General Unsecured Claims and Interests are described  
11 below.

12                       **1.     Class of Priority Unsecured Claims.**

13           Certain priority Claims that are referred to in Bankruptcy Code Sections 507(a)(4), (a)(5),  
14 (a)(6), and (a)(7) are required to be placed in Classes. The Bankruptcy Code requires that each  
15 Holder of the above priority Claims receive Cash on the Effective Date equal to the allowed  
16 amount of such Claim. However, a Class of unsecured Priority Claim Holders may vote to accept  
17 deferred Cash payments of a value, as of the Effective Date, equal to the allowed amount of such  
18 Claim. Set forth below is the treatment of Holders of such Claims.

19           The Debtor does not believe that it has any valid Priority Unsecured Claims pursuant to  
20 Bankruptcy Code Sections 507(a)(6), and (a)(7). The Debtor has determined, however, the certain  
21 Holders hold Priority Unsecured Claims pursuant to Bankruptcy Code Sections 507(a)(4) and  
22 (a)(5), which entitles priority status for wages, salaries, or commissions earned by such Holders  
23 within 180 days before the Petition Date to the extent of \$10,950.

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Class	Description	Estimated Amount	Impaired (Y/N)	Treatment
1	Priority Claims of Debtor's employees pursuant to Section 507(a)(4) and (5) of the Bankruptcy Code	\$43,542	No	Holders of Allowed Priority Unsecured Claims of Debtor's employees pursuant to Section 507(a)(4) and (5) of the Bankruptcy Code will be paid, in full, by the Debtor on the Effective Date.  Any Allowed Amount asserted by a Holder of such Claim in excess of \$10,950 will be allowed as a Class 2 General Unsecured Claim.

**2. Classes of General Unsecured Claims.**

General Unsecured Claims are not entitled to priority under Section 507 of the Bankruptcy Code. The chart below identifies, in summary form, this Plan's treatment of the Holders of General Unsecured Claims.

Distributions for Allowed General Unsecured Claims shall be made in two stages after payment in full of Allowed Administrative Claims and Allowed Priority Claims. The first Distribution shall be made within seven (7) days after the payment in full of the Allowed Administrative Claims and Allowed Priority Claims, and shall be made only on account of General Unsecured Claims that are not Disputed Claims. The percentage of the first Distribution shall be based on the assumption that all General Unsecured Claims (including Disputed Claims) are Allowed Claims. The second and final Distribution shall be made within seven (7) days after the Bankruptcy Court enters a Final Order on Disputed Claims with respect to which a motion for disallowance of such Claims has been filed.

Class	Description	Estimated Amount	Impaired (Y/N)	Treatment
2	General Unsecured Claims	\$5,353,227	Yes	Distributions for Allowed General Unsecured Claims shall be made in two stages after payment in full of Allowed Administrative Claims and Allowed Priority Claims. Distribution percentages are based on fixed dollar amounts, which can be reduced in the event Allowed Administrative Claims and Allowed Priority Claims are higher than projected.

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Class	Description	Estimated Amount	Impaired (Y/N)	Treatment
				<p><b>I. <u>If Anita's is the successful Purchaser, the following treatment will apply:</u></b></p> <p>A. General Unsecured Claims consisting of the Assumed Prepetition Claims will be assumed by Anita's and will not receive any Distribution from the Debtor.</p> <p>B. Holders of Allowed General Unsecured Claims (excluding Holders of Assumed Prepetition Claims) will receive a Pro Rata Distribution from Debtor's available Cash after Distributions have been made to Holders of Allowed Administrative Claims (other than Allowed Ordinary Course Administrative Claims), Holders of Allowed Priority Tax Claims and Holders of Allowed Priority Unsecured Claims.</p> <p>C. Holders of Allowed General Unsecured Claims (excluding Holders of Assumed Prepetition Claims) are expected to receive a Distribution in the approximate amount of 22.9% on the account of such Allowed Claims.</p> <p><b>II. <u>If Anita's is not the successful Purchaser, and assuming that the successful Purchaser purchases the Assets in excess of the consideration offered by Anita's, the following treatment will apply:</u></b></p> <p>A. Holders of Allowed General Unsecured Claims (including Holders of Assumed Prepetition Claims) will receive a Pro Rata Distribution from Debtor's available Cash after Distributions have been made to Holders of Allowed Administrative Claims, Holders of Allowed Priority Tax Claims, and Holders of Allowed Priority Unsecured Claims.</p> <p>B. Holders of Allowed General Unsecured Claims (including Holders of Assumed Prepetition Claims) are expected to receive a Distribution in the approximate amount of at least 22.9% on the account of such Allowed Claims.</p>

**3. Class of Interest Holders.**

Interest Holders are the parties who hold ownership Interests in the Debtor. For the Debtor, its shareholders are its Interest Holders. The following chart lists the treatment under this Plan of the Debtor's Interest Holders:

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Class	Description	Impaired	Treatment
3	Interest Holders	Yes	The Holders of Interest will retain their legal and equitable rights in all existing shares of the Debtor but will receive no Distribution on account of such Allowed Interests.

IV.

**MEANS OF IMPLEMENTING THIS PLAN**

This section is intended to explain how the Debtor intends to effectuate the reorganization contemplated by this Plan, and how the Debtor intends to fund the obligations to Holders of Claims undertaken in this Plan. Accordingly, this section provides information regarding funding sources for Plan obligations and other material issues bearing upon performance of this Plan.

This Plan contemplates, subject to the Bid Procedures that may generate a Purchaser with a higher and better offer than the offer provided by Anita's, the following: (i) the sale of the Debtor's Assets to Anita's free and clear of all Liens; (ii) a Cash Payment to be made by Anita's to the Debtor at the Closing of the sale of the Assets; (iii) the assumption by Anita's of certain liabilities of the Debtor, including (a) the Assumed Prepetition Claims and (b) the Assumed Postpetition Claims; (iv) the payment, in full, of Allowed Administrative Claims, other than Professional Fee Claims, and Allowed Priority Unsecured Claim, on the Effective Date; (v) payment of Allowed Professional Fee Claims upon the entry of a Final Order approving such Professional's fees; and (vi) the payment of Allowed General Unsecured Claims (excluding Assumed Prepetition Claims), pro-rata, based on the Distribution scheme set forth in this Plan.

**A. The Sale of Debtor's Assets to Anita's.**

**1. Ownership and Management of Anita's.**

Anita's has made an offer, subject to a Final Order of the Bankruptcy Code, for the purchase of the Assets. Anita's is an Affiliate of the Debtor. Specifically, the Debtor owns 30.1% of the common stock of Anita's. Certain of the Debtor's shareholders and officers are also shareholders and officers of Anita's:

<i>Name</i>	<i>Position at the Debtor</i>	<i>Position at Anita's</i>
Ricardo Robles	President	Secretary and Treasurer
Pablo Rene Robles	Shareholder	President
Marina Robles-Gomez	Shareholder	Shareholder
Jacqueline Robles	General Manager	Shareholder
Estela Robles (Robles, LLC)	Treasurer	Shareholder

These individuals have held their respective positions prior to the proposed sale that is the subject of this Plan. Anita's expects to employ various employees currently employed by the Debtor.

Anita's and its Affiliates are Holders of (i) General Unsecured Claims in the amount of approximately \$3,031,259 and (ii) certain Administrative Claims. In the event that Anita's is the successful Purchaser, Anita's will assume such Claims and no Distribution will be made by the Debtor on account of such Allowed Claims.

**2. Consideration.**

Assuming there are no higher and better offers, Anita's will make a Cash Payment to the Debtor for the purchase of the Assets. The sale of the Assets will be free and clear of all Liens. Anita's will assume the Assumed Prepetition Claims and the Assumed Postpetition Claims. Anita's will not assume or be deemed to assume any obligations or liabilities of the Debtor, the Estate, or any other person or entity. The chart below sets forth the amount of consideration provided by Anita's:

<i>Description</i>	<i>Amount of Consideration</i>
Cash Payment	\$749,536
Assumed Prepetition Claims	695,043
Assumed Postpetition Claims	\$1,387,763
<b>Total</b>	<b>\$2,832,342</b>

- The Cash Payment may decrease depending on the amount of working capital available at the time of the Closing. Any decrease in the Cash Payment will result in a lower distribution to Holders of General Unsecured Claims.
- The consideration with respect to Assumed Prepetition Claims is calculated based on the expected distribution of 22.9% to Holders of General Unsecured Claims in the amount of \$3,031,259.

- 1           • Assumed Postpetition Claims which will be assumed by Anita's in the event, and  
2           only in the event, Anita's is the successful Purchaser of the Assets, is  
3           approximately in the amount of \$1,387,763, and includes the following:  
4           (i) accounts payable in the approximate amount of \$970,005; (ii) postpetition  
5           amounts owed by the Debtor to Anita's in the approximate amount of \$60,801; and  
6           (iii) certain other miscellaneous Administrative Claims, including payroll, accrued  
7           employee benefits, and amounts due to non-Affiliate vendors, in the approximate  
8           amount of \$356,957.

9           Anita's has requested, as part of the sale, the execution of a new lease between Robles  
10          Family LLC, an Affiliate of the Debtor and Anita's with respect to the Debtor's management  
11          offices and manufacturing facility located at 316 N. Ford Blvd., Los Angeles, California 90022.

12                           **3. Minimum Working Capital Requirement.**

13          Assuming there are no higher and better offers, the Debtor and Anita's have agreed that as of the  
14          Closing, which is set to occur two (2) business days after the entry of the Confirmation Order, the  
15          Debtor shall deliver a minimum working capital in the amount of \$308,415 to Anita's (the  
16          "Minimum Working Capital"). The Minimum Working Capital shall be comprised of cash, trade  
17          accounts receivables incurred in the ordinary course of business and not delinquent by more than  
18          forty-five (45) days, plus usable / not obsolete inventory, less then Assumed Postpetition Claims.  
19          In the event this Minimum Working Capital is less than \$308,415, then the Cash Payment will be  
20          adjusted downward accordingly on a dollar by dollar basis.

21                           **B. Corporate Actions.**

22          On the Effective Date, all actions contemplated by this Plan shall be deemed authorized  
23          and approved in all respects, subject to the provisions of this Plan, by virtue of entry of the  
24          Confirmation Order, in accordance with the Bankruptcy Code and applicable state law and without  
25          any requirement of further action by the stockholders, officers, or directors of the Debtor.

26                           **C. Distributions.**

27          The Debtor shall serve as the disbursement agent and shall make the Distributions under  
28          this Plan, unless Anita's is not the Purchaser in which case the Committee shall select the



1 disbursing agent (the “Disbursing Agent”). The Disbursing Agent may employ one or more  
2 parties on such terms and conditions as it deems appropriate in the exercise of its reasonable  
3 discretion. The Disbursing Agent shall not be required to post any bond in connection with  
4 making Distributions under this Plan. The expenses with respect to the foregoing services are  
5 expected to be in the amount of \$5,000 and shall be paid from the proceeds of the Cash Payment.

6 **D. Transfer of Property of the Estate to Anita’s.**

7 Except as otherwise specifically provided in this Plan and except as the Bid Procedures  
8 generate a Purchaser with a higher and better offer than the offer provided by Anita’s, on the  
9 Effective Date, all Assets other than Post-Confirmation Estate Claims shall be transferred to  
10 Anita’s as set forth above.

11 **E. Post-Confirmation Estate Claims, Including Avoidance Actions, and Release**  
12 **of Certain Claims.**

13 On the Effective Date, the Reorganized Debtor will be vested with authority to enforce,  
14 file, litigate, prosecute, settle and collect Post-Confirmation Estate Claims, although the  
15 Reorganized Debtor will not be required to do so and the determination of whether to do so will be  
16 made solely by Reorganized Debtor in its absolute discretion. The two-year statute of limitations  
17 to commence certain Avoidance Actions, including actions to avoid and recover preferential  
18 transfers under Section 547 of the Bankruptcy Code has expired and the Debtor does not intend to  
19 file any such actions. The Debtor reserves its right to file any appropriate Avoidance Action  
20 permitted by the Bankruptcy Code and applicable law. The investigation will continue after the  
21 Effective Date. As a result, all parties are advised that notwithstanding the fact that the existence  
22 of any particular Post-Confirmation Estate Claims may not be listed, disclosed, or set forth in this  
23 Plan, Post-Confirmation Estate Claims may be filed against any creditor or other party at any time  
24 prior to the applicable statute of limitations. Any proceeds collected from the Avoidance Actions  
25 shall be property of the Estate and shall be distributed to Holders of Allowed General Unsecured  
26 Claims.

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1           **F.     Retention of Professionals by the Debtor.**

2           The Debtor, as the Reorganized Debtor, may retain professionals in connection with the  
3 Post-Confirmation Estate Claims and is authorized to pay its professionals through funds that it  
4 maintains, or through a contingency fee arrangement.

5           **G.     Compromise of Controversies.**

6           From and after the Effective Date, the Debtor, as the Reorganized Debtor, shall be entitled  
7 to compromise any objections to Disputed Claims, or any controversies related to Post-  
8 Confirmation Estate Claims without any need for notice to Holders of Claims or approval from the  
9 Bankruptcy Court.

10          **H.     Bankruptcy Court Approval of Post-Confirmation Matters.**

11          Nothing contained in this Plan shall be deemed to impair in any manner the right of any  
12 party in interest to seek at any time after the Effective Date orders of the Bankruptcy Court  
13 approving actions to be taken in a manner consistent with this Plan as may be necessary or  
14 desirable to effectuate the provisions of this Plan.

15          **I.     Right of Setoff.**

16          Pursuant to 11 U.S.C. § 553 or applicable non-bankruptcy law, the Debtor may setoff  
17 against any Allowed Claim and Distribution to be made pursuant to this Plan on account of such  
18 Allowed Claim any account stated, claim, right, or cause of action which the Debtor or the Estate  
19 possess against the Holder of such Allowed Claim; provided, however, that neither the failure to  
20 effect such a setoff nor the allowance of any Claim shall constitute a waiver or release by the  
21 Debtor of any such account, claim, right, and cause of action that the Estate may possess against  
22 the Holder of such Allowed Claim.

23          As allowed by Section 553 of the Bankruptcy Code, the Internal Revenue Service shall be  
24 entitled to set off against any amounts that the Internal Revenue Service may owe to the Debtor on  
25 account of overpayments by the Debtor of pre-confirmation taxes any pre-confirmation tax  
26 liabilities that the Debtor may owe to the Internal Revenue Service.

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1           **J.     Distributions.**

2                   **1.     Dates of Distributions.**

3           Distributions for Allowed Administrative Claims and Allowed Priority Claims required to  
4 be made on the Effective Date shall be deemed timely made as soon as practicable after such date  
5 and, in any event, within seven (7) days after the Effective Date. Claims for Professional Fee  
6 Claims shall be deemed timely made as soon as practicable within seven (7) days after the  
7 Bankruptcy Court enters a Final Order approving such Professional Fee Claim.

8                   **2.     Manner of Distribution.**

9           At the option of the Debtor, monetary distributions may be made in cash, wire transfer, or  
10 by a check drawn on a domestic bank approved by the United States Trustee.

11                   **3.     Undeliverable Distributions.**

12           Distributions to Holders of Allowed Claims will be sent to the last known address set forth  
13 on such Holder's proof of Claim filed with the Bankruptcy Court, or on the Schedules, if no Proof  
14 of Claim was filed. Holders of Claims may change the address to which Distributions will be sent  
15 by filing a written change of address with the Bankruptcy Court and serving a copy of the change  
16 of address on the Debtor and the Disbursing Agent. If a Distribution is returned as undeliverable,  
17 the Disbursing Agent shall hold the Distribution and shall not be required to take any further  
18 action with respect to the delivery of the Distribution unless and until the Disbursing Agent is  
19 notified in writing of the then current address of the person or entity entitled to receive the  
20 Distribution. Unless and until the Disbursing Agent is so notified, such Distribution shall be  
21 deemed to be "Unclaimed Property" and shall be dealt with in accordance with the provision  
22 below for Distribution of Unclaimed Property.

23                   **4.     Rounding of Payments.**

24           Whenever payment of a fraction of a cent would otherwise be called for, the actual  
25 payment shall reflect a rounding down of such fraction to the nearest whole cent.

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1                   **5.     Compliance with Tax Requirements.**

2                   The Disbursing Agent shall comply with all withholding and reporting requirements  
3 imposed by federal, state, or local taxing authorities in connection with making the Distributions  
4 under this Plan.

5                   In connection with each Distribution with respect to which the filing of an information  
6 return (such as an Internal Revenue Service Form 1099 or 1042) or withholding is required, the  
7 Disbursing Agent shall file such information return with the Internal Revenue Service and provide  
8 any required statements in connection therewith to the recipients of such Distribution, or effect  
9 any such withholding and deposit all moneys so withheld to the extent required by law. With  
10 respect to any person or entity from whom a tax identification number, certified tax identification  
11 number, or other tax information is required by law to avoid withholding has not been received by  
12 the Disbursing Agent, then the Disbursing Agent may, at its sole option, withhold the amount  
13 required and distribute the balance to such person or entity or decline to make such a Distribution  
14 until the information is received.

15                   **6.     Distribution of Unclaimed Property.**

16                   If a Distribution is returned to the Disbursing Agent as undeliverable, then such  
17 Distribution amount shall be deemed to be "Unclaimed Property." Nothing contained in this Plan  
18 shall require the Disbursing Agent, or anyone else, to attempt to locate such person or entity. The  
19 Unclaimed Property shall be set aside and, in the case of cash, held in an interest-bearing account  
20 to be maintained by the Disbursing Agent. If such person or entity presents itself within six (6)  
21 months of the date of the payment returned undeliverable, then the Unclaimed Property shall be  
22 distributed to such person or entity, together with any interest or dividends earned thereon. If such  
23 person or entity does not present itself within six (6) months of the date of the payment returned  
24 undeliverable, then any such Unclaimed Property and accrued interest or dividends earned thereon  
25 shall become the property of the Estate and be distributed to the other Holders of Allowed Claims  
26 in accordance with this Plan.

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1                   7.     **De Minimis Distributions.**

2                   If any single distribution required by this Plan would be for an amount of \$5.00 or less,  
3 then the Disbursing Agent shall not be required to process the Distribution and may, at his option,  
4 either add the Distribution to the next distribution if the collective amount would be greater than  
5 \$5.00 or treat the Distribution as an undeliverable distribution.

6                   8.     **Limitation on Liability.**

7                   None of the Debtor, the Disbursing Agent, the Purchaser, or their respective employees,  
8 members, officers, directors, shareholders, agents, or professionals shall be liable for (i) any acts  
9 or omissions, except for willful misconduct, in connection with implementing the Distribution  
10 provisions of this Plan and the making or withholding of Distributions under this Plan, or (ii) any  
11 change in the value of Distributions made under this Plan resulting from any delays in making  
12 such Distributions in accordance with the terms of this Plan (including, but not limited to, any  
13 delays caused by the resolution of Disputed Claims).

14                  **K. Claim Objections and Disputed Claims.**

15                   1.     **Standing.**

16                  On the Effective Date, the Debtor and the Post Effective Date Committee shall have the  
17 sole and exclusive right to file objections to Claims. The Debtor and the Post Effective Date  
18 Committee will have standing to be heard with respect to any objection that may be filed seeking  
19 to have a Claim disallowed and/or treated differently than set forth in the Schedules or the Proof of  
20 Claim. The counsel to the Debtor and the counsel Post Effective Committee shall have the right to  
21 seek reimbursement of fees and expenses from the Estate with respect to any services rendered in  
22 connection with objection to Claims after the Effective Date without the need of filing an  
23 application for compensation pursuant to Sections 330 of the Bankruptcy Code.

24                   2.     **Claims Objection Deadline.**

25                  The Claims Objection Deadline is the later of (i) the first business day following the one  
26 hundred and twentieth (120th) day after the Effective Date, or (ii) such greater period of limitation  
27 as may be fixed or extended by the Bankruptcy Court or by agreement between the Debtor and the  
28 Holder of the Claim.

1 Any request for an extension of the Claims Objection Deadline must be made prior to the  
2 expiration first business day following the one hundred twentieth (120th) day after the Effective  
3 Date and must be served on the Reorganized Debtor and the United States Trustee. There is no  
4 limit to the number of extensions that may be sought.

5 **3. Treatment of Disputed Claims.**

6 **a. No Distribution Pending Allowance.**

7 If any portion of a Claim is a Disputed Claim, no Distribution provided for under this Plan  
8 shall be made on account of such Claim unless and until such Claim becomes an Allowed Claim.

9 **b. Reserves for Disputed Claims.**

10 In the event that Disputed Claims are pending at the time of a Distribution under this Plan,  
11 the Disbursing Agent shall maintain the Disputed Claims Reserve for such Disputed Claims. No  
12 Distribution of funds shall be made from the Disputed Claims Reserve until such Disputed Claim  
13 has been determined by a Final Order of the Bankruptcy Court. If a Disputed Claim is ultimately  
14 disallowed by the Bankruptcy Court, the amount reserved for that Disputed Claim shall be  
15 distributed on account of Allowed General Unsecured Claims at the time when the next  
16 Distribution is to be paid to Holders of General Unsecured Claims under this Plan.

17 **L. Discharge of the Committee.**

18 On the Effective Date and except as set forth below, the Committee shall terminate and  
19 disband and the members of the Committee shall be released and discharged of and from all  
20 further authority, duties, responsibilities and obligations related to and arising from their service as  
21 Committee members. The Professionals retained by the Committee and the members thereof shall  
22 not be entitled to compensation or reimbursement of expenses for any services rendered after the  
23 Effective Date, except for (1) services provided and expenses incurred in connection with any  
24 applications by such Professionals or Committee members for allowance of compensation and  
25 reimbursement of expenses pending on the Effective Date or timely filed after the Effective Date  
26 in accordance with this Plan, (2) services provided and expenses incurred as requested by the  
27 Committee in connection with such Professional Fee Claims, as approved by the Court; and (3)  
28 services provided with respect to objections to Claims as set for herein.



1 same. Upon receipt of the objection, the Debtor shall promptly set a hearing on the same, and the  
2 assumption or rejection of the affected contract or lease shall be delayed until the Bankruptcy  
3 Court makes a determination on this issue (such determination may be made after the  
4 Confirmation Date without delaying the Confirmation of this Plan). If an executory contract or  
5 unexpired lease has been assumed by the Debtor prior to confirmation of this Plan pursuant to a  
6 Final Order of the Bankruptcy Court, such assumption shall not be affected by this Plan.

7 At least twenty-one (21) days prior to the Confirmation Date and only to the extent that  
8 amounts necessary to cure defaults under executory contracts and unexpired leases assumed under  
9 this Plan pursuant to Section 365 of the Bankruptcy Code are not otherwise specifically treated  
10 under this Plan, the Debtor will file and serve a schedule of such cure claims. Any objection to the  
11 amount of the proposed cure claim must be filed and served on counsel for the Debtor and the  
12 Committee at least fourteen (14) days prior to the Confirmation Hearing. If a party to an  
13 executory contract or unexpired lease does not timely object to the proposed Cure Claim, then the  
14 amount of the Cure Claim shall be deemed to be the amount proposed by the Debtor in the cure  
15 claims schedule and any Cure Claim in excess of that amount will be waived and forever barred in  
16 this Case, without further notice. If the Debtor cannot resolve any timely objections with the  
17 Creditor, the Debtor may either (1) elect to reject the executory contract or unexpired lease at the  
18 Confirmation Hearing, or (2) have the Bankruptcy Court adjudicate the amount of the cure claim  
19 without delaying confirmation of this Plan.

20 **B. Executory Contracts and Unexpired Leases Being Rejected.**

21 The Debtor expects to reject the executory contracts and unexpired leases identified on  
22 Exhibit "2" hereto and expects to reject all other executory contracts and unexpired leases not  
23 specifically identified in this exhibit and the exhibit listing the assumed executory contracts and  
24 unexpired leases referenced in the previous section. The Debtor reserves the right to amend the  
25 exhibit listing the executory contracts and unexpired leases to be rejected and file an amended  
26 exhibit to this Plan to add or delete any executory contract or unexpired lease, up to and including  
27 the Confirmation Date. However, if any such amendments are made to the exhibit attached to this  
28 Plan less than twenty-one (21) days before the Confirmation Date, then the affected contract or



1 lease party shall have fourteen (14) days from service of the notice of amendment in which to  
2 serve on the Debtor a written objection to the same. Upon receipt of the objection, the Debtor  
3 shall promptly set a hearing on the same, and the assumption or rejection of the affected contract  
4 or lease shall be delayed until the Bankruptcy Court makes a determination on this issue (such  
5 determination may be made after the Confirmation Date without delaying the Confirmation of this  
6 Plan). If an executory contract or unexpired lease was rejected by the Debtor prior to the  
7 Confirmation Date pursuant to a Final Order of the Bankruptcy Court, the rejection shall not be  
8 affected by this Plan.

9 **C. Bar Date for Rejection Damages.**

10 Any Claim arising out of the rejection of an executory contract or unexpired lease shall be  
11 forever barred and shall not be enforceable against the Debtor and its assets and shall not be  
12 entitled to any Distribution under this Plan, unless a Proof of Claim for such Claim is filed and  
13 served on the Debtor within thirty (30) days after the later of (i) the entry of a Final Order of the  
14 Bankruptcy Court approving the rejection of the executory contract or unexpired lease or (ii) the  
15 Confirmation Date.

16 **D. Assignment of Executory Contracts and Unexpired Leases to Purchaser.**

17 On the Effective Date of this Plan, executory contracts and unexpired leases being assumed  
18 under this Plan will be deemed assigned to the Purchaser.

19 **VI.**

20 **CONFIRMATION REQUIREMENTS AND PROCEDURES**

21 PERSONS OR ENTITIES CONCERNED WITH CONFIRMATION OF THIS PLAN  
22 SHOULD CONSULT WITH THEIR OWN ATTORNEYS BECAUSE THE LAW ON  
23 CONFIRMING A PLAN OF REORGANIZATION IS VERY COMPLEX. The following  
24 discussion is intended solely for the purpose of alerting readers about basic confirmation issues,  
25 which they may wish to consider, as well as certain deadlines for filing Claims. The Debtor  
26 CANNOT and DOES NOT represent that the discussion contained below is a complete summary  
27 of the law on this topic or on those issues that affect Holders of Claims or Interests.

28

1 Many requirements must be met before the Bankruptcy Court can confirm a Plan. Some of  
2 the requirements include that this Plan must be proposed in good faith, acceptance of this Plan,  
3 whether this Plan pays creditors at least as much as creditors would receive in Chapter 7  
4 liquidation, and whether this Plan is feasible. These requirements are not the only requirements  
5 for confirmation.

6 **A. Who May Object to Confirmation of this Plan.**

7 Any party in interest may object to the confirmation of this Plan, but as explained below,  
8 not everyone is entitled to vote to accept or reject this Plan.

9 **B. Who May Vote to Accept/Reject this Plan.**

10 Holders of Claims and Holders of Interests have the right to vote for or against this Plan if  
11 such Holder has a Claim or Interest which is both (1) Allowed or Allowed for voting purposes and  
12 (2) classified in an impaired Class.

13 **1. What Is an Allowed Claim/Interest.**

14 As noted above, a Holder of a Claim or Interest must first have an Allowed Claim or  
15 Allowed Interest to have the right to vote. Generally, any Proof of Claim or Proof of Interest will  
16 be allowed, unless there is objection to the Claim or Interest. When an objection to a Claim or  
17 Interest is filed, the Holder of Claim or Holder of Interest cannot vote unless the Bankruptcy  
18 Court, after notice and hearing, either overrules the objection or allows the Claim or Interest for  
19 voting purposes.

20 **THE BAR DATE FOR FILING A PROOF OF CLAIM IN THIS CASE IS March 28,**  
21 **2011 for all Secured Claims, Section 503(b)(9) Administrative Claims, Priority Claims and**  
22 **General Unsecured Claims.** A Creditor may have an Allowed Claim even if a Proof of Claim  
23 was not timely filed, but only if the Claim (1) is scheduled on the Debtor's Schedules and such  
24 Claim is not scheduled as disputed, contingent, or unliquidated, and (2) no party in interest has  
25 objected to the Claim. An Interest is deemed allowed if it is scheduled or the Holder has filed a  
26 Proof of Interest and no party in interest has objected to the Interest.

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1                   **2.     What Is an Impaired Claim/Interest.**

2                   As noted above, an Allowed Claim or Interest only has the right to vote if it is in a Class  
3 that is impaired under this Plan. A Class is impaired if this Plan alters the legal, equitable, or  
4 contractual rights of the members of that Class. For example, a Class comprised of General  
5 Unsecured Claims is impaired if this Plan fails to pay the members of that Class 100% of what  
6 they are owed.

7                   In this Case, the Debtor believes that Classes 2 and 3 are impaired. Parties who dispute the  
8 Debtor's characterization of their Claim or Interest as being impaired or unimpaired may file an  
9 objection to this Plan contending that the Debtor has incorrectly characterized the Class.

10                  **C.     Who Is Not Entitled to Vote.**

11                  The following four types of Claims are not entitled to vote: (1) Claims that have been  
12 disallowed; (2) Claims in unimpaired Classes; (3) Claims entitled to priority pursuant to 11 U.S.C.  
13 § 507(a)(2), (a)(3), (a)(8), or (b); and (4) Claims or Interests in Classes that do not receive or retain  
14 any value under this Plan (Class 3 under this Plan). Claims in unimpaired Classes are not entitled  
15 to vote because such Classes are deemed to have accepted this Plan. Claims entitled to priority  
16 pursuant to 11 U.S.C. § 507(a)(2), (a)(3), and (a)(8) are not entitled to vote because such Claims  
17 are not placed in Classes and they are required to receive certain treatment specified by the  
18 Bankruptcy Code. Claims or Interests in Classes that do not receive or retain any value under this  
19 Plan do not vote because such Classes are deemed to have rejected this Plan. **EVEN IF YOUR**  
20 **CLAIM OR INTEREST IS THE TYPE DESCRIBED ABOVE, YOU MAY STILL HAVE A**  
21 **RIGHT TO OBJECT TO THE CONFIRMATION OF THIS PLAN.**

22                  **D.     Who Can Vote in More than One Class.**

23                  A Creditor or Holder of Interest that holds Claims and/or Interests in more than one Class,  
24 may vote the Claims and/or Interests held in each Class.

25                  **E.     Votes Necessary to Confirm this Plan.**

26                  If impaired Classes exist, the Bankruptcy Court cannot confirm this Plan unless either (1)  
27 all impaired classes accept this Plan; or (2) at least one impaired Class of Claims has accepted this  
28

1 Plan without counting the votes of any insiders within that Class and this Plan meets this Plan is  
2 eligible to be confirmed by “cramdown” on non-accepting Classes, as discussed below.

3 **F. Votes Necessary for a Class to Accept this Plan.**

4 A Class of Claims is considered to have accepted this Plan when more than one-half (1/2)  
5 in number and at least two-thirds (2/3) in dollar amount of the Claims which actually voted, voted  
6 in favor of this Plan. A Class of Interests is considered to have accepted this Plan when at least  
7 two-thirds (2/3) in amount of the Interest Holders of such Class which actually voted, voted to  
8 accept this Plan.

9 **G. Treatment of Non-Accepting Classes.**

10 As noted above, even if all impaired Classes do not accept the proposed Plan, the  
11 Bankruptcy Court may nonetheless confirm this Plan if the non-accepting Classes are treated in  
12 the manner required by the Bankruptcy Code. The process by which non-accepting Classes are  
13 forced to be bound by the terms of a Plan is commonly referred to as “cramdown.” The  
14 Bankruptcy Code allows this Plan to be “crammed down” on non-accepting Classes of Claims or  
15 Interests if it meets all consensual requirements except the voting requirements of 11 U.S.C.  
16 § 1129(a)(8) (requiring acceptances by all impaired classes) and if this Plan does not “discriminate  
17 unfairly” and is “fair and equitable” toward each impaired Class that has voted to not accept this  
18 Plan as referred to in 11 U.S.C. § 1129(b) and applicable case law.

19 **H. Request for Confirmation Despite Nonacceptance by Impaired Class(es).**

20 The Debtor will ask the Bankruptcy Court to confirm this Plan by cramdown on all  
21 impaired Classes if any of the Classes do not vote to accept this Plan.

22 **VII.**

23 **EFFECT OF CONFIRMATION OF THIS PLAN**

24 **A. Provisions Regarding Limitation of Liability.**

25 **1. No Liability for Solicitation or Participation.**

26 As specified in Section 1125(e) of the Bankruptcy Code, entities that either solicit  
27 acceptances or rejections of this Plan or that participate in the offer, issuance, sale, or purchase of  
28 securities offered or sold under this Plan in good faith and in compliance with the applicable

1 provisions of the Bankruptcy Code will not be liable, on account of such solicitation or  
2 participation, for violation of any applicable law, rule, or regulation governing the solicitation of  
3 acceptances or rejections of this Plan or the offer, issuance, sale, or purchase of securities.

4 **2. Limitation of Liability.**

5 Effective on the Effective Date, the Debtor, its Affiliates, members, officers, directors,  
6 shareholders, employees, and other agents, advisors, and Professionals shall not have incurred any  
7 liability to any Holder of a Claim or Holder of an Interest or to any other person for any act or  
8 omission in connection with or arising out of the negotiation, preparation, and pursuit of  
9 confirmation of this Plan, the approval of the Disclosure Statement, the consummation of this  
10 Plan, the administration of this Plan, the Case, or the property to be distributed under this Plan, to  
11 the extent permitted by applicable statutes and case law, except that the Reorganized Debtor will  
12 be liable for the performance of obligations assumed by it or imposed upon it under or by this  
13 Plan.

14 **B. Vesting of Property of the Estate.**

15 On the Effective Date, pursuant to the sale of all Assets contemplated in this Plan, all  
16 property of the Estate as of the Effective Date will be sold to the Purchaser as set forth in this Plan.

17 **C. Modification of Plan.**

18 The Debtor may modify this Plan at any time before confirmation. However, the  
19 Bankruptcy Court may require a new disclosure statement and/or re-voting on this Plan. The  
20 Debtor may also seek to modify this Plan at any time after confirmation only if (1) this Plan has  
21 not been substantially consummated and (2) the Bankruptcy Court authorizes the proposed  
22 modifications after notice and a hearing.

23 **D. Post-Confirmation Status Report.**

24 Within one hundred eighty (180) days of the Confirmation Date, the Reorganized Debtor  
25 shall file a status report with the Bankruptcy Court explaining what progress has been made  
26 toward consummation of the confirmed Plan. The status report shall be served on the United  
27 States Trustee and all other parties entitled to notice. Further status reports shall be filed every one  
28 hundred eighty (180) days and served on the same entities until the Case is closed.

1           **E.     Post-Confirmation Fees to the United States Trustee.**

2           Pursuant to 28 U.S.C. § 1930(a)(6), quarterly fees to the United States Trustee will  
3 continue to be due until the Case is closed, dismissed, or converted to Chapter 7, at the rate in  
4 effect at the time such fees are due. Such fees shall be paid by the Disbursing Agent from the  
5 funds dedicated to Creditors under this Plan.

6           **F.     Post-Confirmation Conversion/Dismissal.**

7           A Creditor or party in interest may bring a motion to convert or dismiss the Case under 11  
8 U.S.C. § 1112(b), after this Plan is confirmed, if there is a default in performing this Plan. If the  
9 Bankruptcy Court orders the Case converted to Chapter 7 after this Plan is confirmed, then all  
10 property that had been property of the Chapter 11 Estate, and that has not been disbursed pursuant  
11 to this Plan, will revert in the Chapter 7 estate. The automatic stay will be re-imposed upon the  
12 revested property, but only to the extent that relief from stay was not previously authorized by the  
13 Bankruptcy Court during this Case.

14           The Confirmation Order may also be revoked under very limited circumstances. The  
15 Bankruptcy Court may revoke the Confirmation Order if the Confirmation Order was procured by  
16 fraud and if a party in interest brings an adversary proceeding to revoke confirmation within one  
17 hundred eighty (180) days after the Confirmation Date.

18           **G.     Governing Law.**

19           Unless a rule of law or procedure is supplied by federal law, including the Bankruptcy  
20 Code and the Bankruptcy Rules, the laws of the State of California (without reference to its  
21 conflict of law rules) will govern the construction and implementation of this Plan and any  
22 agreements, documents, and instruments executed in connection with this Plan unless otherwise  
23 specifically provided in such agreements, documents, or instruments.

24           **H.     Successors and Assigns.**

25           The rights, benefits, and obligations of any person or entity named or referred to in this  
26 Plan will be binding on, and will inure to the benefit of, the heirs, executors, administrators,  
27 successors, and assigns of each person and entity.

28



- 1           7. To hear and determine any issue relating to the assumption or rejection of  
2 executory contracts and unexpired leases;
- 3           8. To hear and determine any modification to this Plan in accordance with the  
4 Bankruptcy Rules and the Bankruptcy Code;
- 5           9. To enforce and interpret terms of this Plan;
- 6           10. To correct any defects, cure any omissions, or reconcile any inconsistency in this  
7 Plan or the Confirmation Order as may be necessary to carry out the purpose and intent of this  
8 Plan;
- 9           11. To hear and determine such matters and make such orders as are consistent with  
10 this Plan as may be necessary to carry out the provisions thereof and to adjudicate any disputes  
11 arising under or related to any order entered by the Bankruptcy Court in this Case; and
- 12           12. The entry of an order concluding and terminating this Case.

13 Dated: March 9, 2011

LA REINA, INC., a California corporation

14  
15  
16 By:  \_\_\_\_\_

Ricardo Robles, President

17 **SUBMITTED BY:**

18 **WINTHROP COUCHOT**  
19 **PROFESSIONAL CORPORATION**

20  
21 By: /s/ Marc J. Winthrop

Marc J. Winthrop

Payam Khodadadi

22 General Insolvency Counsel for  
23 Debtor and Debtor-in-Possession  
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# EXHIBIT "1"

La Reina, Inc.  
 Schedule of Contracts to be Assumed

Contracting Party	Nature of Contract	Serial # / Model #	Commencement Date	Termination	Cure Claim
Infiniti Financial Services	Automobile lease	jnras18u19m103879	8/24/2009	2/23/2014	\$ -

# EXHIBIT "2"

La Reina, Inc.  
 Schedule of Contracts to be Rejected

Contracting Party	Nature of Contract	Serial # / Model #	Commencement Date	Termination	Cure Claim
Yale Financial Services	Equipment lease	B827n24125d / MPB040E24T	12/21/2006	12/21/2010	\$ -
Yale Financial Services	Equipment lease	B827n24099d / MPB040E24T	12/21/2006	12/21/2010	\$ -
Yale Financial Services	Equipment lease	B827n24073d / MPB040E24T	12/21/2006	12/21/2010	\$ -

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**PROOF OF SERVICE OF DOCUMENT**

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 660 Newport Center Drive, 4<sup>th</sup> Floor, Newport Beach, CA 92660.

The foregoing document described **DEBTOR'S AMENDED CHAPTER 11 PLAN OF REORGANIZATION** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner indicated below:

**I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")** – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On March 11, 2011, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Service information continued on attached page

**II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL**(indicate method for each person or entity served): On \_\_\_\_\_, 2011 I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. *Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.*

Service information continued on attached page

**III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL** (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on March 11, 2011, I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. *Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.*

**Via Attorney Service**  
Honorable Ernest M. Robles  
Roybal Federal Building  
255 E. Temple St., Suite 1560  
Los Angeles, CA 90012-3332

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

March 11, 2011  
*Date*

Viann Corbin  
*Type Name*

  
*Signature*

**NEF SERVICE LIST**

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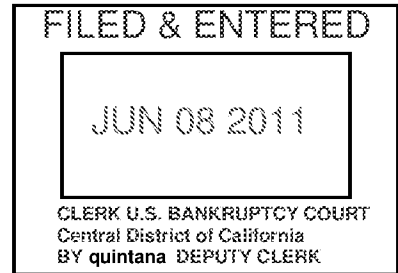
- Martin J Brill mjb@lnbrb.com
- Leslie A Cohen leslie@lesliecohenlaw.com, jaime@lesliecohenlaw.com
- Paul J Couchot pcouchot@winthropcouchot.com,  
pj@winthropcouchot.com;sconnor@winthropcouchot.com
- Kavita Gupta kgupta@winthropcouchot.com
- Payam Khodadadi pkhodadadi@winthropcouchot.com, pj@winthropcouchot.com
- Ron Maroko ron.maroko@usdoj.gov
- Krikor J Meshefejian kjm@lnbrb.com
- Austin P Nagel melissa@apnagellaw.com
- Hanno T Powell hpowell@powellandpool.com,  
kimp@powellandpool.com;mbingham@powellandpool.com;jeleazarian@powellandpool.com
- David B Shemano dshemano@pwkllp.com
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Marc J Winthrop mwinthrop@winthropcouchot.com, pj@winthropcouchot.com

**Tab B**

**Tab B**

1 MARC J. WINTHROP – State Bar No. 63218  
2 mwinthrop@winthropcouchot.com  
3 PAYAM KHODADADI – State Bar No. 239906  
4 pkhodadadi@winthropcouchot.com  
5 **WINTHROP COUCHOT**  
6 **PROFESSIONAL CORPORATION**  
7 660 Newport Center Drive, Suite 400  
8 Newport Beach, CA 92660  
9 Telephone: (949) 720-4100  
10 Facsimile: (949) 720-4111

11 General Insolvency Counsel for  
12 Debtor and Debtor-in-Possession



13  
14 **UNITED STATES BANKRUPTCY COURT**  
15 **CENTRAL DISTRICT OF CALIFORNIA**  
16 **LOS ANGELES DIVISION**

17 In re:  
18 LA REINA, INC., a California  
19 corporation,  
20  
21 Debtor and  
22 Debtor-in-Possession.

Case No. 2:08-31458 ER

Chapter 11 Proceeding

**ORDER CONFIRMING DEBTOR'S  
AMENDED CHAPTER 11 PLAN OF  
REORGANIZATION**

**Confirmation Hearing**

DATE: May 18, 2011

TIME: 2:30 p.m.

PLACE: Courtroom 1568



1 On May 18, 2011 at 2:30 p.m., a hearing was held on the confirmation of the *Debtor's*  
2 *Amended Chapter 11 Plan of Reorganization* [Docket No. 158] (the "Plan") and *Debtor's*  
3 *Emergency Motion for Order Approving Nonmaterial Modification to Debtor's Amended*  
4 *Chapter 11 Plan of Reorganization* [Docket No. 199] (the "Nonmaterial Modification Motion").  
5 Marc J. Winthrop, Esq. of Winthrop Couchot Professional Corporation appeared on behalf of La  
6 Reina, Inc., a California corporation, the debtor and debtor-in-possession in the above entitled  
7 Chapter 11 proceeding (the "Debtor"). Martin J. Brill, Esq. of Levene, Neale, Bender, Yoo & Brill  
8 L.L.P. appeared on behalf of Official Committee of Creditors Holding Unsecured Claims.

9 Based upon the Plan, the confirmation brief and the declarations and other evidence  
10 submitted by the Debtor in support of confirmation of the Plan, the Nonmaterial Modification  
11 Motion; the evidence and argument presented at the hearing on the confirmation of the Plan; the  
12 pleadings and other documents on file in the Debtor's Chapter 11 case; and for other good and  
13 sufficient cause, **the Court finds that:**

14 (A) The Court has jurisdiction over the Debtor's bankruptcy case and the proceeding  
15 with respect to the confirmation of the Plan;

16 (B) The Plan, the *Debtor's Amended Disclosure Statement Describing Debtor's*  
17 *Amended Chapter 11 Plan of Reorganization* and ballots for voting on the Plan were duly served  
18 upon all creditors and parties-in-interest, and the notice given of the hearing on the confirmation of  
19 the Plan was sufficient under the circumstances of this case;

20 (C) Notice with respect to the Nonmaterial Modification Motion was adequate;

21 (D) The solicitation of acceptances of the Plan was undertaken in good faith and in  
22 compliance with the applicable provisions of Title 11;

23 (E) The Plan has been accepted in writing by each class of creditor entitled to cast a vote  
24 with respect to the Plan;

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1 (F) In accordance with the provisions of Section 1129(a)(1), the Plan complies with the  
2 applicable provisions of Title 11, including, without limitation, the provisions of Sections 1122  
3 and 1123;<sup>1</sup>

4 (G) In accordance with the provisions of Section 1129(a)(2), the Debtor has complied  
5 with the applicable provisions of Title 11, including, without limitation, the provisions of  
6 Section 1125, to the extent applicable to this case;

7 (H) In accordance with the provisions of Section 1129(a)(3), the Plan has been proposed  
8 in good faith and not by any means forbidden by law;

9 (I) In accordance with the provisions of Section 1129(a)(4), any payments made or  
10 promised by the Debtor for services or for costs and expenses incurred in connection with this case,  
11 or in connection with the Plan and incident to this Case, have been fully approved by this Court as  
12 reasonable;

13 (J) The Debtor has complied with the provisions of Section 1129(a)(5), to the extent  
14 applicable to this case;

15 (K) The provisions of Section 1129(a)(6) are not applicable to this case;

16 (L) Each holder of a claim or interest has accepted the Plan, or will receive under the  
17 Plan property of a value as of the effective date of the Plan, that is not less than the amount which  
18 such holder would receive or retain if the Debtor's assets were liquidated under Chapter 7 of the  
19 Bankruptcy Code on such date and, hence, the Plan complies with the provisions of  
20 Section 1129(a)(7);

21 (M) Under the Plan: (i) Class 1 is not impaired and is deemed to have accepted the Plan  
22 pursuant to Section 1126(f) of the Bankruptcy Code; (ii) Class 2 is impaired and has voted to accept  
23 the Plan; and (iii) Class 3 is impaired and deemed to have rejected the Plan pursuant to  
24 Section 1126(g) of the Bankruptcy Code. Accordingly, the Plan does not comply with Section  
25 1129(a)(8) because Class 3 has not accepted the Plan. Section 1129(b) applies to the confirmation  
26 of the Plan, and as set forth below, Section 1129(b) is satisfied.

27 \_\_\_\_\_  
28 <sup>1</sup> Unless otherwise set forth herein, references to "Sections" refer to sections of the Bankruptcy Code.

- 1 (N) The Plan complies with the provisions of Section 1129(a)(9);
- 2 (O) The Plan complies with Section 1129(a)(10) in that Class 2, which is impaired by the  
3 Plan, has voted to accept the Plan;
- 4 (P) The Plan complies with the provisions of Section 1129(a)(11). The Plan is feasible  
5 because the Debtor will no longer remain in an on-going business and the Plan will be funded by the  
6 cash generated from the sale of the Debtor's assets;
- 7 (Q) In accordance with the provisions of Section 1129(a)(12), the Plan provides that all  
8 outstanding fees payable under 28 U.S.C. § 1930 will be paid on or before the Effective Date of the  
9 Plan;
- 10 (R) The provisions of Section 1129(a)(13), (14) and (15) are not applicable to this case;
- 11 (S) The Plan complies with the provisions of Section 1129(a)(16);
- 12 (T) Section 1129(b) does not apply to Class 1 or Class 2;
- 13 (U) The Plan complies with the provision of Section 1129(b)(2)(C) with respect to  
14 Class 3 in that the Plan does not discriminate unfairly against Class 3 and the Plan is fair and  
15 equitable with respect to Class 3;
- 16 (V) All of the requirements contained in Section 1129(a) and Section 1129(b), if  
17 applicable, for the confirmation of the Plan have been met in this case;
- 18 (W) Good cause exists for confirming the Plan pursuant to Section 1129(a) and  
19 Section 1129(b); and
- 20 (X) The Debtor has acted in good faith with respect to the confirmation of the Plan.
- 21 Based upon the foregoing findings of the Court, and good cause appearing therefor, **it is**  
22 **hereby ORDERED that:**
- 23 (A) The Plan fully complies with all the applicable and required provisions in Section  
24 1129(a), or in the case of the dissenting classes, in Section 1129(b), and is hereby confirmed.
- 25 (B) The Nonmaterial Modification Motion is granted;
- 26 (C) The Debtor is hereby authorized to reject all executory contracts as provided for in  
27 Exhibit "2" of the Plan.
- 28

1 (D) The Effective Date (defined in the Plan) of the Plan shall be June 1, 2011.

2 (E) Except as provided in the Plan, all persons or entities who have held, hold or may  
3 hold claims against, or interests in, the Debtor shall be permanently enjoined on and after the  
4 Effective Date, from (i) the enforcement, attachment, collection or recovery by any manner or  
5 means of any judgment, award, decree or order against the Debtor, the Debtor's property, against  
6 the estate or against the proceeds of such property, on account of any such claim or interest;  
7 (ii) creating, perfecting or enforcing any encumbrance of any kind against the Debtor's property or  
8 interests in such property, on account of any such claim or interest; (iii) asserting any right of setoff,  
9 subrogation or recoupment of any kind against any obligation due to the Debtor or against the  
10 property or interest in property of the Debtor on account of any claim or interest; and (iv) asserting  
11 any claim or interest against the Debtor.

12 (F) Until this case is closed, the Court shall retain jurisdiction over this case in order to  
13 ensure that the purposes and intent of the Plan are carried out.

14 (G) The transactions contemplated by the Plan are in compliance with and satisfy all  
15 applicable provisions of the Bankruptcy Code, and the terms and conditions of the Plan are fair and  
16 reasonable.

17 (H) All Assets (as defined in the Plan), other than Post-Confirmation Estate Claims (as  
18 defined in the Plan), shall be transferred to Anita's Mexican Foods Corp., a California corporation  
19 ("Anita's") on the Effective Date, free and clear of all liens claims and interests; Anita's shall be  
20 deemed a good faith purchaser of the Assets for purposes of Section 363(m) of the Bankruptcy  
21 Code.

22 (I) The sale to Anita's is not subject to avoidance under Section 363(n) of the  
23 Bankruptcy Code, notwithstanding the resolution reached between Anita's and Arevalo Tortilleria  
24 Inc during the course of the auction and stated on the record.

25 (J) The provisions of this Order, as well as all provisions of the Plan, shall be binding in  
26 all respects upon the Debtor and each creditor and equity security holder, whether or not such  
27 creditor or such equity security holder has opposed the Plan.

28

1 (K) Within 180 days of the entry of this order, the Debtor shall file a status report  
2 explaining what progress has been made toward consummation of the Plan. The initial report shall  
3 be served on the United States trustee, counsel to the Post-Effective Date Committee (as defined in  
4 the Plan), and those parties who have requested special notice. Further reports shall be filed every  
5 120 days thereafter and served on the same entities, unless otherwise ordered by the court. The  
6 status report shall include at least the following information:

7 1. A schedule listing for each debt and each class of claims: the total amount  
8 required to be paid under the plan; the amount required to be paid as of the date of the  
9 report; the amount actually paid as of the date of the report; and the deficiency, if any, in  
10 required payments;

11 2. A schedule of any and all post-confirmation tax liabilities that have accrued or  
12 come due and a detailed explanation of payments thereon;

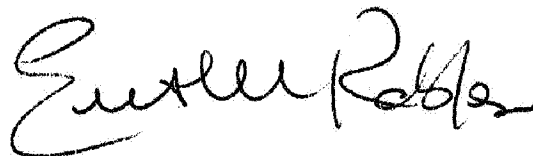
13 3. Debtor's projections as to its continuing ability to comply with the terms of  
14 the plan;

15 4. An estimate of the date for plan consummation and application for final  
16 decree; and

17 5. Any other pertinent information needed to explain the progress toward  
18 completion of the Final Plan.

19 (L) No further notice or hearing shall be necessary to effectuate the foregoing.

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25 DATED: June 8, 2011  
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United States Bankruptcy Judge

**PROOF OF SERVICE OF DOCUMENT**

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I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 660 Newport Center Drive, 4<sup>th</sup> Fl., Newport Beach, CA 92660.

A true and correct copy of the foregoing document described as: **ORDER CONFIRMING DEBTOR'S AMENDED CHAPTER 11 PLAN OF REORGANIZATION** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

**I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")** – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On \_\_\_\_\_, 2011, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Service information continued on attached page

**II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL** (indicate method for each person or entity served):

On \_\_\_\_\_, 2011, I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

**III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL** (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on May 19, 2011, I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.

**Via Attorney Service**

Honorable Ernest M. Robles  
Roybal Federal Building  
255 E. Temple St., Suite 1560  
Los Angeles, CA 90012-3332

**Via Email**

Martin J Brill mjb@lnbrb.com  
Mark S Horoupian mhoroupian@sulmeyerlaw.com, kfox@sulmeyerlaw.com  
Ron Maroko ron.maroko@usdoj.gov  
David B Shemano dshemano@pwkllp.com

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

May 19, 2011                      Viann Corbin                      /s/ Viann Corbin  
*Date*                                      *Type Name*                                      *Signature*

## NOTICE OF ENTERED ORDER AND SERVICE LIST

Notice is given by the court that a judgment or order entitled (*specify*): **ORDER CONFIRMING DEBTOR'S AMENDED CHAPTER 11 PLAN OF REORGANIZATION** was entered on the date indicated as Entered on the first page of this judgment or order and will be served in the manner indicated below:

**I. SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)** Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s), the foregoing document was served on the following person(s) by the court via NEF and hyperlink to the judgment or order. As of May 19, 2011, the following person(s) are currently on the Electronic Mail Notice List for this bankruptcy case or adversary proceeding to receive NEF transmission at the email address(es) indicated below.

- Martin J Brill mjb@lnrb.com
- Leslie A Cohen leslie@lesliecohenlaw.com, jaime@lesliecohenlaw.com
- Paul J Couchot pcouchot@winthropcouchot.com, pj@winthropcouchot.com; sconnor@winthropcouchot.com
- Kavita Gupta kgupta@winthropcouchot.com
- Mark S Horoupian mhoroupian@sulmeyerlaw.com, kfox@sulmeyerlaw.com
- Payam Khodadadi pkhodadadi@winthropcouchot.com, pj@winthropcouchot.com
- Ron Maroko ron.maroko@usdoj.gov
- Krikor J Meshefejian kjm@lnrb.com
- Monserrat Morales mmorales@pwkllp.com
- Austin P Nagel melissa@apnagellaw.com
- Hanno T Powell hpowell@powellandpool.com, kimp@powellandpool.com; mbingham@powellandpool.com; jelezarian@powellandpool.com
- David B Shemano dshemano@pwkllp.com
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Andrew F Whatnall awhatnall@daca4.com
- Marc J Winthrop mwinthrop@winthropcouchot.com, pj@winthropcouchot.com

Service information continued on attached page

**II. SERVED BY THE COURT VIA U.S. MAIL:** A copy of this notice and a true copy of this judgment or order was sent by United States Mail, first class, postage prepaid, to the following person(s) and/or entity(ies) at the address(es) indicated below:

Service information continued on attached page

**III. TO BE SERVED BY THE LODGING PARTY:** Within 72 hours after receipt of a copy of this judgment or order which bears an Entered stamp, the party lodging the judgment or order will serve a complete copy bearing an Entered stamp by U.S. Mail, overnight mail, facsimile transmission or email and file a proof of service of the entered order on the following person(s) and/or entity(ies) at the address(es), facsimile transmission number(s), and/or email address(es) indicated below:

Service information continued on attached page

**Tab C**

**Tab C**



**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

**Voluntary Petition**

Name of Debtor (If Individual, enter Last, First, Middle): <b>LA REINA, INC,</b>	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names): <b>A California corporation</b>	All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. No./Complete EIN or other Tax I.D. No. (if more than one, state all): <b>95-2547691</b>	Last four digits of Soc. Sec. No./Complete EIN or other Tax I.D. No. (if more than one, state all):
Street Address of Debtor (No. & Street, City, State, & Zip Code): <b>316 North Ford Boulevard Los Angeles, California</b> <div style="text-align: right; border: 1px solid black; padding: 2px;">Zip Code <b>90022</b></div>	Street Address of Debtor (No. & Street, City, State, & Zip Code): <div style="text-align: right; border: 1px solid black; padding: 2px;">Zip Code</div>
County of Residence or of the Principal Place of Business: <b>Los Angeles</b>	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): <div style="text-align: right; border: 1px solid black; padding: 2px;">Zip Code</div>	Mailing Address of Debtor (if different from street address): <div style="text-align: right; border: 1px solid black; padding: 2px;">Zip Code</div>

Location of Principal Assets of Business Debtor (if different from street address above):

<b>Type of Debtor (Form of Organization)</b> (Check one box.) <input type="checkbox"/> Individual (included Joint Debtors) See Exhibit D on page 2 of this form. <input checked="" type="checkbox"/> Corporation (included LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entitled, check this box and provide the information requested below.) State type of entity: _____	<b>Nature of Business</b> (Check one box.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. §101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> other <hr/> <b>Tax-Exempt Entity</b> (Check one box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	<b>Chapter of Bankruptcy Code Under Which The Petition is Filed</b> (Check one box) <input type="checkbox"/> Chapter 7 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 15 for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding <hr/> <b>Nature of Debts</b> (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. §101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
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<b>Filing Fee</b> (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (Applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.	<b>Chapter 11 Debtors</b> <b>Check one box:</b> <input type="checkbox"/> Debtor is a small business as defined in 11 U.S.C. §101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. §101(51D). <b>Check if:</b> <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2 million <hr/> <b>Check all applicable boxes:</b> <input type="checkbox"/> A plan is being filed with this petition <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. §1126(b)
---	--

**Statistical/Administrative Information**

Debtor estimates that funds will be available for distribution to unsecured creditors.  
 Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

<b>Estimated Number</b>										
Of Creditors	1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	Over 100,000
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Estimated Assets</b>										
\$0-\$50,000	\$50,001-\$100,000	\$100,001-\$500,000	\$500,001-\$1 million	\$1,000,001-\$10 Million	\$10,000,001-\$50 million	\$50,000,001-\$100 Million	\$100,000,001-\$500 Million	\$500,000,001-\$1 Billion	More than \$1 Billion	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Estimated Debts</b>										
\$0-\$50,000	\$50,001-\$100,000	\$100,001-\$500,000	\$500,001-\$1 million	\$1,000,001-\$10 Million	\$10,000,001-\$50 million	\$50,000,001-\$100 Million	\$100,000,001-\$500 Million	\$500,000,001-\$1 Billion	More than \$1 Billion	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

THIS SPACE FOR  
COURT USE ONLY



**Voluntary Petition**

(This page must be completed and filed in every case)

Name of Debtor(s):

LA REINA, INC.,

FORM B1, Page 3

**(Signatures)**

**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of the title 11, United States Code, specified in this petition.

X \_\_\_\_\_  
(Signature of Debtor)

\_\_\_\_\_  
(Signature of Joint Debtor)

Telephone and Fax Number (If not represented by attorney)

Date: \_\_\_\_\_

**Signature of a Foreign Representative of a Recognized Foreign Proceedings**

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign main proceeding, and that I am authorized to file this petition.

(Check one box)  
 I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

Pursuant to 11 U.S.C. §1515, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition is attached

X \_\_\_\_\_  
(Signature of Foreign Representative)

\_\_\_\_\_  
(Printed Name of Foreign Representative)

\_\_\_\_\_  
(Date)

**Signature of Attorney**

X  \_\_\_\_\_

Signature of Attorney for Debtor(s)

Marc J. Winthrop

Printed Name of Attorney for Debtor

Winthrop Couchot Professional Corporation

Firm Name

660 Newport Center Drive, 4<sup>th</sup> Floor

Newport Beach, CA 92660

Telephone: 949-720-4100

Date: December 9, 2008 Bar No. 63218

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X  \_\_\_\_\_

Signature of Authorized Individual

Ricardo R. Robles

Printed Name of Authorized Individual

President

Title of Authorized Individual

Date: December 10, 2008

**Signature of Non-Attorney Petition Preparer**

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§110(b), 110(h), and 342(b); and (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. §110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19B is attached.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. §110.)

\_\_\_\_\_  
Address

X \_\_\_\_\_

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above.

Names and Social Security numbers for all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provision of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §156.