

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

ETAS ID: TM511924

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	Court Order Release of Security Interest		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
The Provident Bank		02/25/2019	banking corporation: OHIO
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Metromedia Steakhouse Company, L.P.		
<b>Street Address:</b>	9720 Wilshire Blvd., Suite 500		
<b>City:</b>	Beverly Hills		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	90212		
<b>Entity Type:</b>	Limited Partnership: DELAWARE		
<b>PROPERTY NUMBERS Total: 7</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	1838933	BONANZA	
<b>Registration Number:</b>	2377123	BONANZA STEAKHOUSE	
<b>Registration Number:</b>	0903604	PONDEROSA	
<b>Registration Number:</b>	1254681	PONDEROSA	
<b>Registration Number:</b>	1677995	PONDEROSA	
<b>Registration Number:</b>	2418851	PONDEROSA STEAKHOUSE	
<b>Registration Number:</b>	1667943	PONDEROSA STEAKHOUSE	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	3102822200		
<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>	3102822000 x2108		
<b>Email:</b>	trademarks@loeb.com		
<b>Correspondent Name:</b>	David W. Grace		
<b>Address Line 1:</b>	10100 Santa Monica Boulevard		
<b>Address Line 2:</b>	c/o Loeb & Loeb LLP, Suite 2200		
<b>Address Line 4:</b>	Los Angeles, CALIFORNIA 90067-4120		
<b>NAME OF SUBMITTER:</b>	David W. Grace		
<b>SIGNATURE:</b>	/dwg/		
<b>DATE SIGNED:</b>	02/27/2019		

OP \$190.00 1838933

**Total Attachments: 63**

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NOTICE OF RELEASE OF  
SECURITY INTEREST IN TRADEMARKS

WHEREAS, Metromedia Steakhouse Company, L.P., a Delaware limited partnership ("Assignor"), and certain of its subsidiaries filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware on October 22, 2008 (Case No. 08-12490);

WHEREAS, Assignor filed a Second Amended Joint Plan of Reorganization on July 31, 2009, which was confirmed by the United States Bankruptcy Court in an Order filed on October 1, 2009, a copy of which is attached hereto as Exhibit A (the "Bankruptcy Order");

WHEREAS, by a Trademark Security Agreement dated as of March 31, 2002, recorded with the United States Patent and Trademark Office on May 29, 2002 at Reel 2516, Frame 0269, Assignor previously assigned and granted to The Provident Bank, an Ohio banking corporation, a security interest (the "Provident Security Interest") in all right, title and interest of Assignor in and to the trademarks, trademark registrations, tradenames and trademark applications listed on Exhibit B hereto (the "Trademarks");

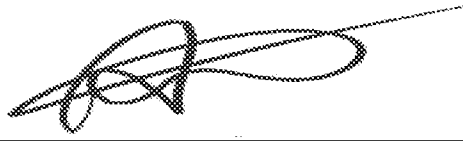
WHEREAS, the Bankruptcy Order was effective to release and discharge the Provident Security Interest in the Trademarks, as well indebtedness of Assignor, if any, secured by such Provident Security Interest; and

WHEREAS, Assignor was converted to a Delaware limited liability company known as Homestyle Dining LLC pursuant to a Certificate of Conversion filed with the Delaware Secretary of State on October 14, 2009, a copy of which attached hereto as Exhibit C.

NOW, THEREFORE, Assignor (a) wishes to provide a document suitable for recording in the United States Patent and Trademark office and other applicable filing office(s), domestic and foreign, for purposes of recording the release, relinquishment and discharge of the Provident Security Interest in the Trademarks, and (b) hereby declares that the Provident Security Interest in the Trademarks listed on Exhibit B hereto were forever released and discharged pursuant to the Bankruptcy Order.

IN WITNESS WHEREOF, the Assignor has caused this Notice of Release of Security Interest in Trademarks duly executed as of February 25, 2019.

Homestyle Dining LLC



By: \_\_\_\_\_  
Name: Andrew A. Wiederhorn  
Title: Manager

EXHIBIT A TO NOTICE OF RELEASE  
(Bankruptcy Order)

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
METROMEDIA STEAKHOUSES COMPANY,	)	Case No. 08-12490 (MFW)
L.P., a Delaware limited partnership, et al., <sup>1</sup>	)	(Jointly Administered)
	)	
Debtors.	)	Related Docket No. 762

**ORDER CONFIRMING SECOND AMENDED JOINT PLAN OF  
REORGANIZATION OF DEBTORS METROMEDIA STEAKHOUSES  
COMPANY, L.P.; JOST RESTAURANT FINANCING, INC.; PUERTO RICO  
PONDEROSA, INC.; AND PON REALTY I, INC. UNDER  
CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE**

The above-captioned debtors and debtors-in-possession (collectively, the "Debtors")

having:

- filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") on October 22, 2008 (the "Petition Date");
- filed on June 19, 2009, the *Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc. (Dated June 19, 2009)* [Docket No. 609] and the related *Disclosure Statement for Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc. (Dated June 19, 2009)* [Docket No. 610];
- filed on July 10, 2009, the *First Amended Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc.* [Docket No. 671] and related *First Amended Disclosure Statement for Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc.* [Docket No. 673];
- filed on July 31, 2009, the *Second Amended Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing,*

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each of the Debtor's federal tax identification number, are: Metromedia Steakhouses Company, L.P. (5822); JOST Restaurant Financing, Inc. (7808); Puerto Rico Ponderosa, Inc. (8438); and PON Realty I, Inc. (5595). The current mailing address for each of the Debtors is 3701 W. Plano Pkwy, Suite 200, Plano, Texas 75075. This Court has entered an order jointly administering these chapter 11 cases.

*Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc.* (as subsequently amended or modified from time to time, the "Plan") [Docket No. 762];<sup>2</sup>

- filed on July 31, 2009, the *Second Amended Disclosure Statement for Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc.* (as subsequently amended or modified from time to time, the "Disclosure Statement") [Docket No. 728], which Disclosure Statement was approved by the Court pursuant to that certain Order dated August 18, 2009 (the "Solicitation Procedures Order") [Docket No. 759];
- filed on June 19, 2009, the *Supplement to Disclosure Statement for Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc. (Dated June 19, 2009)* (as amended, the "Disclosure Statement Supplement") [Docket No. 611], and filed amendments to the Disclosure Statement on July 10, 2009 [Docket No. 668], July 10, 2009 [Docket No. 670], July 31, 2009 [Docket No. 730], August 17, 2009 [Docket No. 757], August 24, 2009 [Docket No. 769], and September 28, 2009 [Docket No. 885] which include: (1) the MSC-PON Creditors' Trust Agreement; (2) the MSC-PON Note; (3) documents evidencing the Exit Facility, the Replacement Loan, and the Revolving Working Capital Line; (4) the List of Executory Contracts and Unexpired Non-Residential Real Property Leases to be Assumed; (5) the Solicitation Procedures Order; (6) the Debtors' Financial Projections; and (7) the Debtors' Liquidation Analysis;
- distributed the *Notice Of (A) Objection And Voting Deadlines, (B) Solicitation And Voting Procedure, (C) Hearing To Confirm The Plan Of Reorganization, And (D) Certain Other Information* (the "Notice of Confirmation Hearing"), the Notices of Non-Voting, the Solicitation Packages and the letters of the Debtors and the Committee in support of the Plan on August 19-21, 2009, consistent with the Solicitation Procedures Order, as set forth in the *Affidavit of Mailing* (the "Solicitation Affidavit") [Docket No. 797] filed by AlixPartners LLP ("AlixPartners");
- published on August 25, 2009, the Notice of Confirmation Hearing in USA Today (National Edition), consistent with the Solicitation Procedures Order, as set forth in the *Affidavit of Publication* [Docket No. 791];
- filed on August 24, 2009, the *Notice of (A) Assumption or Assumption and Assignment of Certain Leases and Executory Contracts and (B) Cure Amounts*

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan. The rules of interpretation set forth in Article II of the Plan shall apply to these Findings of Fact, Conclusions of Law and Order (this "Confirmation Order"). If there is any direct conflict between the terms of the Plan, the Disclosure Statement, the Disclosure Statement Supplement and the terms of this Confirmation Order, the terms of this Confirmation Order shall control.

(the "Cure Notice") [Docket No. 768] and on September 28, 2009, the *Second Amended Exhibit 4 to Supplement to Disclosure Statement for Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc.* (the "Amended Cure Notice") [Docket No. 885];

- filed on September 24, 2009, the *Affidavit of John Franks of AlixPartners, LLP Certifying the Ballots Accepting or Rejecting the Plan* (the "Voting Affidavit") [Docket No. 875] attesting to, and certifying the method and results of, the ballot tabulation for holders of Claims in Classes A-3.1, A-3.2 and B-3 voting to accept or reject the Plan (the "Voting Report");
- filed on September 24, 2009, the *Memorandum of Law in Support of Confirmation of Second Amended Joint Plan of Reorganization of Debtors Metromedia Steakhouses Company, L.P.; JOST Restaurant Financing, Inc.; Puerto Rico Ponderosa, Inc.; and PON Realty I, Inc.* (the "Confirmation Brief") [Docket No. 877]; and

This Court having:

- set September 22, 2009 at 4:00 p.m. Eastern Daylight Time as the deadline to file an objection to Confirmation of the Plan;
- set September 29, 2009 at 11:30 a.m. Eastern Daylight Time as the date and time of a hearing pursuant to Rules 3017 and 3018 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and sections 1126, 1128 and 1129 of 11 U.S.C. § 101 *et seq.* (the "Bankruptcy Code") to consider the Confirmation of the Plan (the "Confirmation Hearing");
- considered the Plan, the Disclosure Statement, the Disclosure Statement Supplement and all filed pleadings, exhibits, statements and comments regarding Confirmation;
- having heard the statements of counsel in respect of Confirmation and having considered all testimony, documents and filings regarding Confirmation; and

The following objections to confirmation of the Plan having been filed:<sup>3</sup>

- the *Objection of BMJ Foods P.R., Inc. to Debtors' Second Amended Joint Plan of Reorganization* [Docket No. 868] and *Objection of BMJ Foods P.R. Inc. to Debtors' Notice of (A) of (A) Assumption or Assumption and Assignment of*

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<sup>3</sup> On August 26, 2009, the Texas Workforce Commission filed the *Texas Workforce Commission's Objection to Second Amended Joint Plan of Reorganization* dated August 26, 2009 [Docket No. 774]. However, following discussions with the Debtors, the Texas Workforce Commission withdrew the objection subject to the Debtors' agreement to include certain provisions in this Confirmation Order, which were specified at the Confirmation Hearing [Docket No. 853].



*Certain Leases and Executory Contracts and (B) Cure Amount* [Docket No. 689] (collectively, the "BMJ Objection") filed by BMJ Foods P.R. Inc. ("BMJ Foods").

The Debtors having:

- divided this Confirmation Order into two parts: (I) Findings of Fact and Conclusions of Law, and (II) the Order; and

After due deliberation thereon and good cause appearing therefor, this Court hereby makes and issues the following Findings of Fact, Conclusions of Law and Orders:<sup>4</sup>

I.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

**A. Jurisdiction and Venue**

a) On the Petition Date, each Debtor commenced a chapter 11 case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors were and are qualified to be debtors under section 109 of the Bankruptcy Code.

b) This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue in the District of Delaware was proper as of the Petition Date and continues to be proper. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2) and the Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

**B. Solicitation Procedures Order**

c) On August 18, 2009, the Court entered the Solicitation Procedures Order that, among other things: (a) approved the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017; (b) fixed

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<sup>4</sup> This Confirmation Order constitutes this Court's findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure (the "Federal Rules"), as made applicable by Bankruptcy Rules 7052 and 9014. Any and all findings of fact shall constitute findings of fact even if they are stated as conclusions of law, and any and all conclusions of law shall constitute conclusions of law even if they are stated as findings of fact.

the date and time for voting to accept or reject the plan; (c) fixed September 29, 2009, at 11:30 a.m. Eastern Daylight Time as the date and time for the commencement of the Confirmation Hearing; (d) established the objection deadline and procedures for objecting to the Plan and to the assumption, rejection and cure amounts of the unexpired leases and executory contracts assumed or rejected in connection with the Plan; (e) approved the form and method of notice of the Confirmation Hearing; and (f) established the record date and certain procedures for soliciting and tabulating votes with respect to the Plan.

**C. Service of Solicitation Materials**

d) As evidenced in the Solicitation Affidavit, the Debtors complied with the service requirements and procedures approved in the Solicitation Procedures Order and such transmittal and service was adequate and sufficient. As evidenced by the *Affidavit of Mailing* [Docket No. 786] filed on August 28, 2009, the Debtors served the Cure Notice in compliance with the service requirements and procedures approved in the Solicitation Procedures Order with respect to the assumption or assumption and assignment of unexpired leases and executory contracts. As evidenced by the *Affidavit of Mailing* [Docket No. TBD], filed on September 28, 2009, the Debtors served the Amended Cure Notice in compliance with the service requirements and procedures approved in the Solicitation Procedures Order with respect to the assumption or assumption and assignment of unexpired leases and executory contracts. Adequate and sufficient notice of the Confirmation Hearing and other dates and hearings described in the Solicitation Procedures Order was given in compliance with the Bankruptcy Rules and the Solicitation Procedures Order and no other or further notice is or shall be required.

**D. Publication of Confirmation Hearing Notice**

e) As evidenced in *Affidavit of Publication* filed on August 28, 2009 [Docket No. 791], the Debtors published the Confirmation Hearing Notice in USA Today (National Edition) on August 25, 2009.

**E. Voting Report**

f) On September 24, 2009, the Debtors filed the Voting Affidavit with the Court certifying the method and results of the Ballot tabulation for each of the Voting Classes to accept or reject the Plan with the Voting Report certifying the results of the Debtors' solicitation of acceptances and rejections of the Plan.

g) The voting results, as certified in the Voting Report, are reflected in the chart below:

Class	Number of Creditors Who Submitted Valid Votes		Amount of Claims Tabulated for Valid Votes		Percentage of Valid Voting Claims			
	Accept	Reject	Accept	Reject	% # Accept	% # Reject	% \$ Accept	% \$ Reject
Class A-3.1 (without Insiders)	160	12	\$9,802,265.03	\$3,047,360.07	93.0%	7.0%	76.3%	23.7%
Class A-3.1 (with Insiders)	169	12	\$267,513,484.03	\$3,047,360.07	93.4%	6.6%	98.9%	1.1%
Class A-3.2	13	0	\$2,070.55	\$0.00	100.0%	0.0%	100.0%	0.0%
Class B-3	15	0	\$717,603.01	\$0.00	100.0%	0.0%	100.0%	0.0%
Note: Insiders include JWK Enterprises, LLC and Metromedia Company voting in Class A-3.1.								

h) Based upon the Solicitation Affidavit and the Voting Affidavit, all procedures used to distribute solicitation materials to the applicable Holders of Claims and to tabulate the Ballots were fair and conducted in accordance with the Solicitation Procedures Order, the Bankruptcy Code, the Bankruptcy Rules, the local rules of the Bankruptcy Court for the District of Delaware, and all other applicable rules, laws and regulations.

i) As evidenced by the Voting Report and the Voting Affidavit, all Ballots were properly tabulated. Pursuant to sections 1124 and 1126 of the Bankruptcy Code, all Impaired Classes entitled to vote on the Plan have voted to accept the Plan.

**F. Judicial Notice**

j) The Court takes judicial notice of the docket of the Cases maintained by the Clerk of the Court and/or its duly appointed agent (the "Docket"), including, without limitation, all pleadings and other documents on file, all orders entered, and all evidence (that was not subsequently withdrawn) and arguments made, proffered or adduced at the hearings held before the Court during the pendency of the Cases.

**G. Solicitation of Votes**

k) Based upon the Solicitation Affidavit and the Voting Affidavit, votes for acceptance and rejection of the Plan were solicited in good faith and complied with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, the Disclosure Statement, the Solicitation Procedures Order, all other applicable provisions of the Bankruptcy Code and all other applicable rules, laws and regulations.

l) Each of the Debtors, the Committee, the present and former members of the Committee in their capacities as such, and any of such parties' respective current and/or post-Petition Date and pre-Effective Date Affiliates, managers, members, officers, directors,

employees, advisors, trusts, trustees, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, have solicited votes on the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code and the Solicitation Procedures Order and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article XI.G of the Plan.

**H. Burden of Proof**

m) The Plan Proponents have met their burden of proving the elements of section 1129(a) and 1129(b) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable evidentiary standard in this Court. The Court also finds that the Plan Proponents have satisfied the elements of section 1129(a) and 1129(b) of the Bankruptcy Code by clear and convincing evidence.

**I. Compliance with the Requirements of Section 1129 of the Bankruptcy Code**

n) As set forth below, the Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

**1. Section 1129(a)(1) - Compliance of the Plan with Applicable Provisions of the Bankruptcy Code**

o) The Plan complies with all applicable provisions of the Bankruptcy Code as required by section 1129(a)(1) of the Bankruptcy Code, including, without limitation, sections 1122 and 1123. Pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code, Article IV of the Plan designates Classes of Claims and Interests, other than Administrative Claims, Priority Tax Claims, and claims arising from the DIP Loan.<sup>5</sup> As required by section 1122(a) of the Bankruptcy Code, each Class of Claims or Interests contains only Claims or Interests that are

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<sup>5</sup> The Administrative Claims, claims arising from the DIP Loan and the Priority Tax Claims are not required to be designated pursuant to section 1123(a)(1) of the Bankruptcy Code.

substantially similar to the other Claims or Interests within that Class. Thus, the Plan satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

p) Pursuant to sections 1123(a)(2) and 1123(a)(3) of the Bankruptcy Code, Article V of the Plan specifies whether a Class of Claims or Interests is Impaired or Unimpaired and specifies the treatment of all Claims and Interests that are Impaired. The Plan therefore satisfies sections 1123(a)(2) and 1123(a)(3) of the Bankruptcy Code.

q) Pursuant to section 1123(a)(4) of the Bankruptcy Code, Article V of the Plan also provides the same treatment for each Claim or Interest within a particular Class unless the holder of a particular Claim or Interest in such Class has agreed to a less favorable treatment of its Claim or Interest. All Creditors or Interest Holders within a Class receive the same treatment, except for Classes A-3.1 and B-3, which permit Creditors to elect the Alternative Treatment for MSC/PON General Unsecured Creditors. The Alternative Treatment for MSC/PON General Unsecured Creditors provides that Creditors may forego their share of any distributions from, and interest in, the MSC-PON Creditors' Trust on account of their Allowed General Unsecured Claims, in exchange for receiving such Creditor's Pro Rata Share of the Interests in Reorganized Debtor MSC. All Creditors receiving the Alternative Treatment for MSC/PON General Unsecured Creditors affirmatively consented to this treatment by so indicating on their Ballot. The Metromedia Entities have agreed to accept the Alternative Treatment for MSC/PON General Unsecured Creditors pursuant to the Classification Litigation Settlement. The Plan therefore satisfies section 1123(a)(4) of the Bankruptcy Code.

r) Pursuant to section 1123(a)(5) of the Bankruptcy Code, the Plan provides adequate and proper means for the Plan's implementation. Based upon the evidence provided at the Confirmation Hearing, the Debtors will have, upon entering into the Exit Facility, the

Revolving Working Capital Line and the Replacement Loan on the Effective Date of the Plan, sufficient Cash to make all payments required to be made on the Effective Date pursuant to the terms of the Plan and provide the Reorganized Debtors with adequate working capital post-Effective Date. Moreover, Article VII and various other provisions of the Plan specifically provide adequate means for implementing the Plan, including, without limitation: (a) continuing the existence of and vesting assets in the Reorganized Debtors; (b) canceling all debt instruments outstanding on the Petition Date and entering into the Exit Facility, the Revolving Working Capital Line<sup>6</sup> and the Replacement Loan;<sup>7</sup> (c) issuing interests in Reorganized Debtor MSC; (d) establishing the MSC-PON Creditors' Trust; and (e) entering into the MSC-PON Note for the benefit of certain unsecured creditors. The Plan therefore satisfies section 1123(a)(5) of the Bankruptcy Code.

s) Pursuant to section 1123(a)(6) of the Bankruptcy Code, the Reorganized Governing Documents of the Reorganized Debtors prohibit, as noted in Article VII.B.2 of the Plan, the issuance of non voting equity securities. The requirements of section 1123(a)(6) of the Bankruptcy Code are therefore satisfied.

t) Pursuant to section 1123(a)(7) of the Bankruptcy Code, the Plan provides for the designation of an Initial Board of five (5) directors for Reorganized Debtor MSC, one member of which will be chosen by the MSC-PON Creditors' Trust Trustee until the MSC-PON Note is paid in accordance with the terms thereof, at which time such member's term shall automatically

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<sup>6</sup> Metromedia has agreed to increase the commitment on the Revolving Working Capital Line by \$600,000.

<sup>7</sup> In the event that the Debtors suffer a loss of the revenue from BMJ Foods as the result of an adverse ruling by this Court, then Metromedia has agreed to extend the maturity of the Exit Facility, Replacement Loan and Revolving Working Capital Line for one year, and to make the first year of the Replacement Loan interest only.

expire. This process is consistent with the interests of Creditors and Interest Holders and public policy. The requirements of section 1123(a)(7) of the Bankruptcy Code are therefore satisfied.

u) Pursuant to section 1123(b) of the Bankruptcy Code, the Plan contains various provisions that may be construed as discretionary but are not required for Confirmation under the Bankruptcy Code. Such discretionary provisions comply with section 1123(b) of the Bankruptcy Code and, as discussed in greater detail below, are not inconsistent in any way with the applicable provisions of the Bankruptcy Code. As a result, the requirements of section 1123(b) of the Bankruptcy Code have been satisfied.

**2. Section 1129(a)(2) – The Plan Proponents' Compliance with Applicable Provisions of the Bankruptcy Code**

v) The Plan Proponents have complied with all applicable provisions of the Bankruptcy Code, as required by section 1129(a)(2) of the Bankruptcy Code, including, without limitation, sections 1125 and 1126 of the Bankruptcy Code and Bankruptcy Rules 3017, 3018 and 3019. In particular, the Debtors are proper debtors under section 109 of the Bankruptcy Code and proper plan proponents under section 1121(a) of the Bankruptcy Code. Metromedia is a creditor of the Debtors and therefore is also a proper plan proponent under section 1121(c) of the Bankruptcy Code.

w) Furthermore, the solicitation of acceptances or rejections of the Plan: (i) complied with the Solicitation Procedures Order; (ii) complied with all applicable laws, rules and regulations governing the adequacy of disclosure in connection with such solicitation; and (iii) occurred only after disclosing adequate information to Holders of Claims or Interests as section 1125(a) of the Bankruptcy Code defines that term.

x) The Plan therefore satisfies section 1129(a)(2) of the Bankruptcy Code.



**3. Section 1129(a)(3) - Proposal of Plan in Good Faith**

y) The Plan Proponents have proposed the Plan in good faith and not by any means forbidden by law. In so determining, the Court has examined the totality of the circumstances surrounding the filing of the Cases, the Plan itself, and the process leading to its formulation.

z) The Cases were filed, and the Plan was proposed, with the legitimate and honest purpose of providing for the reorganization of the Debtors and maximizing the distributions to Creditors, and not by any means forbidden by law. The Debtors, the Committee, Metromedia, JWK Enterprises and the other Metromedia Entities participated in good faith in negotiating the Plan and the contracts, instruments, releases, agreements and documents related to or necessary to implement, effectuate and consummate the Plan. Accordingly, the Plan Proponents and their respective directors, officers, employees, members, representatives, agents, affiliates and Professionals have acted in "good faith" within the meaning of section 1125(e) of the Bankruptcy Code.

aa) The Plan therefore satisfies section 1129(a)(3) of the Bankruptcy Code.

**4. Section 1129(a)(4) - Bankruptcy Court Approval of Certain Payments as Reasonable**

bb) Pursuant to section 1129(a)(4) of the Bankruptcy Code, the payments to be made by the Debtors for services or for costs in connection with the Cases or the Plan, as described in the Plan, are approved. In addition, fees and expenses incurred by professionals retained by the Debtors or the Committee shall be paid pursuant to the terms of Article III.E of the Plan, following approval of such fees and expenses by this Court in the ordinary course pursuant to the procedures set forth below and in the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 83], which established customary interim fee procedures in these Cases that comply with Local Rule 2016-2.

cc) The Plan therefore satisfies section 1129(a)(4) of the Bankruptcy Code.

**5. Section 1129(a)(5) - Disclosure of Identity of Proposed Management, Compensation of Insiders and Consistency of Management Proposals with the Interests of Creditors and Public Policy**

dd) The Debtors disclosed in the Disclosure Statement the current management of the Reorganized Debtors and the members of the board of directors of MSC's general partner, Metpon Acquisition, Inc., as required by section 1129(a)(5)(A) of the Bankruptcy Code. The method for selecting each of the persons who will serve as directors and officers of the Reorganized Debtors is discussed in Article VII.B.3 of the Plan. The Initial Board of Reorganized Debtor MSC (except for the board member designated by the MSC-PON Creditors' Trust Trustee) shall be the directors of METPON Acquisition, Inc., the holder of 94.55% of the Interests in MSC, immediately prior to the Effective Date, the identities of which are set forth in the Disclosure Statement, plus one individual to be appointed by Metromedia prior to the Effective Date. The member of the board of Reorganized Debtor MSC appointed by the MSC-PON Creditors' Trust is Stuart Campbell, who has served as the representative of TLP, Inc., d/b/a Tracy Locke on the Committee. The initial directors and officers of the other Reorganized Debtors shall be the same directors and officers as the Debtors have immediately prior to the Effective Date, the identities of which are set forth in the Disclosure Statement. The appointment of such individuals to such positions is consistent with the interests of Creditors, Interest Holders, and public policy. The initial board of directors of Reorganized Debtor MSC shall not receive any compensation for their services. The compensation paid or to be paid for the senior officers of the Reorganized Debtors will be consistent with such individuals' existing compensation terms.

ee) The Plan therefore satisfies section 1129(a)(5) of the Bankruptcy Code.

**6. Section 1129(a)(6) - Approval of Rate Changes**

ff) The Debtors' current businesses do not involve the establishment of rates over which any regulatory commission has or will have jurisdiction after Confirmation, section 1129(a)(6) of the Bankruptcy Code thus does not apply in these Cases.

7. **Section 1129(a)(7) - Best Interests of Creditors and Equity Interest Holders**

gg) The liquidation analysis annexed to the Disclosure Statement Supplement as Exhibit 7 and the other evidence related thereto that was proffered or adduced at or prior to, the Confirmation Hearing, is reasonable. The evidence proffered or adduced at the Confirmation Hearing, (i) is persuasive and credible, and (ii) has not been controverted by other evidence. The methodology used and assumptions made in the liquidation analysis, as supplemented by the evidence proffered or adduced at or prior to, the Confirmation Hearing, are reasonable.

hh) With respect to each Impaired Class, each Holder of an Allowed Claim or Interest, as the case may be, in an Impaired Class has accepted the Plan or will receive under the Plan on account of its respective Claim or Interest, as the case may be, property of a value, as of the Effective Date, that is not less than the amount that each such Holder would have received if the Debtors were to have liquidated on the Effective Date under Chapter 7 of the Bankruptcy Code. Class A-4 (Interests in MSC), which is deemed to reject the Plan because the Interest Holders in this Class receive nothing under the Plan, would likewise receive nothing if the Debtors were liquidated.

ii) The Plan therefore satisfies section 1129(a)(7) of the Bankruptcy Code.

8. **Section 1129(a)(8) - Acceptance of the Plan by Each Impaired Class**

jj) As indicated in Article IV of the Plan, the following Classes are Unimpaired and conclusively presumed to have accepted the Plan:

<b>Class Description</b>	<b>Class Designation</b>
Secured Claims against MSC	Class A-1
Priority Claims against MSC	Class A-2
Secured Claims of Metromedia against PON	Class B-1.1
Other Secured Claims against PON	Class B-1.2
Priority Claims against PON	Class B-2
Interests in PON	Class B-4
Secured Claims of Metromedia against JOST	Class C-1.1
Other Secured Claims against JOST	Class C-1.2
Priority Claims against JOST	Class C-2
General Unsecured Claims against JOST	Class C-3
Interests in JOST	Class C-4
Secured Claims of Metromedia against PRP	Class D-1.1
Other Secured Claims against PRP	Class D-1.2
Priority Claims against PRP	Class D-2
General Unsecured Claims against PRP	Class D-3
Interests in PRP	Class D-4

kk) Class D-3 is Unimpaired and is deemed to have accepted the Plan. Classes C-3 and D-3 will receive payment of their Allowed General Unsecured Claim in full with postpetition interest on their Allowed General Unsecured Claims at the Federal Judgment Rate or all of the legal, equitable and contractual rights to which the holder of the Allowed General Unsecured Claim is entitled will remain unaltered.

ll) As indicated in the Voting Report, as amended, every Impaired Class that was entitled to vote has voted to accept the Plan. Each of the following Impaired Classes voted in favor of the Plan:

<b>Class Description</b>	<b>Class Designation</b>
General Unsecured Claims against MSC	Class A-3.1
Convenience Class Claims against MSC	Class A-3.2
General Unsecured Claims against PON	Class B-3

mm) The Plan provides that Class A-4 will not receive any distribution or retain any property in satisfaction of Holders' Interests, and this Class is therefore deemed to have rejected the Plan (the "Deemed to Reject Class") pursuant to section 1126(g) of the Bankruptcy Code.

<b>Class Description</b>	<b>Class Designation</b>
Interests in MSC	Class A-4

nn) Notwithstanding that section 1129(a)(8) of the Bankruptcy Code has not been satisfied with respect to all Classes of Claims or Interests, the Plan may be confirmed over the nonacceptance of the Deemed to Reject Class of Interest Holders in MSC.

**9. Section 1129(a)(9) - Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code**

oo) The treatment of Administrative Claims, claims arising from the DIP Loan, Other Secured Claims, the Priority Non-Tax Claims and Priority Tax Claims under the Plan satisfy the requirements of section 1129(a)(9) of the Bankruptcy Code.

pp) Pursuant to the Debtors' agreement with the TWC and in accordance with section 1129(a)(9)(C) of the Bankruptcy Code, each Holder of an Allowed Priority Tax Claim shall receive the following: (i) Cash payment in the amount of the holder's Allowed Priority Tax

Claim; (ii) deferred Cash payments over a period not to exceed five (5) years, from the Petition Date, in equal monthly installments in an aggregate amount equal to the Allowed amount of such Claim, with each payment to be made on the first business day of each calendar month commencing on the first calendar month following the Effective Date; or (iii) such other terms as may be agreed upon by such holder and the Debtors. The rate of interest to be paid on Priority Tax Claims paid out over five (5) years shall be equal to the underpayment rate specified in 26 U.S.C. § 6621 (determined without regard to 26 U.S.C. § 6621(c)) as of the Effective Date or such higher rate as required by 11 U.S.C. § 511(a).

**10. Section 1129(a)(10) - Acceptance By At Least One Impaired Class**

qq) As set forth in the Voting Report, and as found in ¶ 11, *supra*, each Impaired Class, other than the Deemed to Reject Class of Interest Holders of MSC, has voted to accept the Plan, without the need to include any acceptance of the Plan by any insider. Accordingly, section 1129(a)(10) of the Bankruptcy Code is satisfied.

**11. Section 1129(a)(11) - Feasibility of the Plan**

rr) The Plan satisfies section 1129(a)(11) of the Bankruptcy Code. To satisfy their burden under section 1129(a)(11) of the Bankruptcy Code, the Debtors and their advisors prepared Exhibit 6 to the Disclosure Statement Supplement, which sets forth the financial projections of the Reorganized Debtors' expected annual financial performance through the year 2015. The six-year financial projections support the Reorganized Debtors' ability to meet their obligations while maintaining sufficient liquidity and capital resources.

ss) These financial projections (along with the evidence proffered or adduced at, or prior to, the Confirmation Hearing), establish the finding that the Debtors will have adequate capital to meet their obligations arising under the Plan or otherwise. The Exit Facility, the Revolving Working Capital Line and the Replacement Loan negotiated by the Debtors (as

modified),<sup>8</sup> in addition to expected revenue from operations, will provide sufficient funds for the Reorganized Debtors to make all payments that must be made on and immediately after the Effective Date, including paying all Administrative Claims and Cure Amounts in full, refinancing the Debtors' prepetition indebtedness to Metromedia, and making the Upfront Unsecured Creditor Payment. The Revolving Working Capital Line will also provide adequate liquidity for the Reorganized Debtors' working capital needs at emergence and thereafter.

tt) The Debtors have maintained normal trade credit terms with the majority of their principal suppliers, re-established trade credit with certain counterparties to assumed contracts, and have eliminated a number of underperforming and non-performing restaurant locations in their pre-petition restaurant portfolio through the reorganization process, which will materially improve the Debtors' overall financial health and performance.

uu) The financial projections were based on a thorough analysis of the Debtors' operations that considered historical and recent operational performance, opportunities for improving operational efficiency and reducing waste and costs, and published market research regarding forecast growth rates for the primary market in which the Debtors participate.

vv) The Debtors have demonstrated the ability to make all required payments under the Plan even in the event that the Debtors receive no revenue from the franchise agreements with BMJ Foods and BMJ Foods has an Allowed General Unsecured Claim.

ww) Based upon the evidence proffered or adduced at, or prior to, the Confirmation Hearing, the Court finds that (i) the evidence is persuasive and credible; (ii) the Debtors'

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<sup>8</sup> Metromedia has agreed to increase the commitment on the Revolving Working Capital Line by \$600,000. In the event that the Debtors suffer a loss of the revenue from BMJ Foods as the result of an adverse ruling by this Court, then Metromedia has agreed to extend the maturity of the Exit Facility, Replacement Loan and Revolving Working Capital Line for one year, and to make the first year of the Replacement Loan interest only.

evidence has not been controverted by other evidence; and (iii) that the Plan is feasible. The Court further finds that Confirmation of the Plan is not likely to be followed by any of the Debtors, the Reorganized Debtors or any successor to the Reorganized Debtors under the Plan either liquidating or requiring further financial reorganization, thus satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

**12. Section 1129(a)(12) - Payment of Bankruptcy Fees**

xx) In accordance with section 1129(a)(12) of the Bankruptcy Code, Article XIV.I of the Plan provides for the payment of all fees payable under 28 U.S.C. § 1930(a)(6). The Plan thus satisfies section 1129(a)(12) of the Bankruptcy Code.

**13. Section 1129(a)(13) - Retiree Benefits**

yy) The Debtors do not have any obligation to pay "retiree benefits" within the meaning of section 1114. Therefore, section 1129(a)(13) of the Bankruptcy Code does not apply in these Cases.

**14. Section 1129(a)(14) – Domestic Support Obligations**

zz) Section 1129(a)(14) of the Bankruptcy Code, which requires a debtor to pay domestic support obligations required to be paid by judicial or administrative order, does not apply in these Cases.

**15. Section 1129(a)(15) – Distributions in a Case in Which the Debtor is an Individual**

aaa) The Debtors are not individuals. Section 1129(a)(15) of the Bankruptcy Code therefore does not apply in these Cases.

**16. Section 1129(a)(16) – Transfers in Accordance with Nonbankruptcy Law**

bbb) Section 1129(a)(16) of the Bankruptcy Code, which applies only to cases of nonprofit entities, does not apply in these Cases.



17. **Section 1129(b) - Confirmation of Plan Over Nonacceptance of Impaired Class**

ccc) Pursuant to section 1129(b)(1) of the Bankruptcy Code, the Plan may be confirmed notwithstanding the fact that not all Impaired Classes have voted to accept the Plan if all of the requirements of section 1129(a) of the Bankruptcy Code other than section 1129(a)(8) have been met. All Classes of Impaired Claims have voted to accept the Plan other than the Deemed to Reject Class of Interest Holders of MSC.

ddd) There is no Class of Creditors or Interest Holders junior to the Holders of the Interests in the Deemed to Reject Class that will receive or retain any property under the Plan on account of their Interests in MSC. The holders of Interests in Class A-4 are METPON Acquisition, Inc., the holder of 94.55% of the Interests in MSC, and PON Holding Corp., the holder of 5.45% of the Interests in MSC, both of which are parties to the Classification Litigation Settlement and have consented to the treatment proposed in the Plan. Accordingly the requirements of sections 1129(b)(2) of the Bankruptcy Code are satisfied with respect to the Deemed to Reject Class, the Plan does not violate the absolute priority rule, and the Plan is fair and equitable with respect to such Class.

eee) In addition, no Class includes Interests with similar legal rights to those of Class A-4. Accordingly, the Plan does not discriminate unfairly with respect to this Class.

fff) Based upon the foregoing, the Plan satisfies the requirements for confirmation set forth in section 1129(b) of the Bankruptcy Code.

J. **Only One Plan**

ggg) Other than the Plan (including previous versions thereof), no other plan has been filed in the Cases. As a result, the requirements of section 1129(c) of the Bankruptcy Code have

been satisfied.

**K. Principal Purpose of the Plan Is Not Avoidance of Taxes**

hhh) The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933 (15 U.S.C. § 77e), and no governmental entity has asserted any such avoidance in an objection filed with this Court.

**L. Issuance and Distribution of the Interests in Reorganized Debtor MSC**

iii) The Debtors (and each of their respective affiliates, agents, directors, officers, employees, advisors, and attorneys) have, and upon Confirmation of the Plan are deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distribution of the Interests in Reorganized Debtor MSC under the Plan, and therefore are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. The issuance of the Interests in Reorganized Debtor MSC is in exchange for Claims against or Interests in Debtors MSC and PON, or principally in such exchange and partly for cash or property, within the meaning of section 1145(a)(1) of the Bankruptcy Code.

**M. Executory Contracts and Unexpired Leases**

jjj) Article IX of the Plan provides for the assumption, assumption and assignment, or rejection of the executory contracts and unexpired leases of the Debtors not previously assumed, assumed and assigned, or rejected pursuant to section 365 of the Bankruptcy Code and appropriate authorizing orders of the Bankruptcy Court. Exhibit 4 to the Disclosure Statement Supplement sets forth the list of executory contracts and unexpired leases to be assumed by the Debtors (as amended, the "Assumed Leases and Contracts") and the unexpired leases (the

"Assigned Leases") to be assigned to third parties (the "Lease Assignees"). The Debtors retain the right to alter, amend or supplement Exhibit 4 to the Disclosure Statement Supplement until the later of the Effective Date or the date the Court otherwise enters an order approving the assumption of any Assumed Contract or Lease, the assumption and assignment of any Assigned Lease, the setting of a cure amount, or the rejection of any unexpired lease or executory contract. Any non-Debtor party to an unexpired lease or executory contract was required to object to such assumption, assumption and assignment, or rejection or to the cure amounts proposed by the Debtors in connection therewith by no later than September 22, 2009. The only objection to the assumption of the Assumed Leases and Contracts was filed by BMJ Foods. No objections were filed to the assumption and assignment of the Assigned Leases or the rejection of any unexpired lease or executory contract.

kkk) On August 24, 2009, the Debtors sent the Cure Notices to the counterparties to the Assumed Leases and Contracts and Assigned Leases. On September 28, 2009, the Debtors filed the Amended Cure Notice, which set forth the proposed cure payment for each of the Assumed Leases and Contracts and the Assigned Leases (the "Cure Amounts").<sup>9</sup> Any non-Debtor party to an Assumed Contract or Lease or Assigned Lease was required to object to the Cure Amounts by no later than September 22, 2009. The Cure Amounts set forth in the Amended Cure Notice shall be deemed the Cure Amount for the Assumed Leases and Contracts and the Assigned Lease, except with respect to the contracts with BMJ Foods set forth on Exhibit 4 to the Disclosure Statement Supplement. A determination of the Cure Amount, if any, with respect to the contracts with BMJ Foods will be made at the hearing on October 28, 2009.

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<sup>9</sup> The Amended Cure Notice was filed as the result of the Debtors' discussions with certain counterparties to the Assumed Leases and Contracts or Assigned Leases, which resulted in the Debtors' agreement to modify the proposed cure amount with respect to several of the Assumed Leases and Contracts in relatively modest amounts.

III) The Plan constitutes a motion to reject all executory contracts and unexpired leases that have not expired by their own terms on or prior to the Effective Date, which the Debtors have not assumed or rejected during the pendency of the Cases, that are not the subject of a motion pending as of the Effective Date to assume the same, or which are not listed on Exhibit 4 to the Disclosure Statement Supplement (as amended) as executory contracts or unexpired leases to be assumed (collectively, the “Rejected Leases and Contracts”), except as otherwise provided in Article IX of the Plan, and as set forth in the Confirmation Order. Each of the Rejected Leases and Contracts is burdensome and the rejection thereof is in the best interests of the Estates.

mmm) The Debtors’ decision to reject the Rejected Leases and Contracts, assume the Assumed Leases and Contracts, and assume and assign the Assigned Leases (i) represents a valid and well-considered exercise of the Debtors’ business judgment; (ii) is necessary to the implementation of the Plan; and (iii) is in the best interests of the Debtors, their estates, and their creditors.

**N. Approval of Settlements and Compromises**

nnn) Pursuant to Bankruptcy Rule 9019 and any applicable State law, and as consideration for the distributions and other benefits provided under the Plan, all settlements and compromises of Claims, Causes of Action and objections to Claims that are embodied in the Plan, including but not limited to the Classification Litigation Settlement among the Debtors, Metromedia, John Kluge and JWK Enterprises embodied at Article VII.H of the Plan, constitute a good faith compromise and settlement of any Claims, Causes of Action and objections to Claims, which compromises and settlements are hereby approved as fair, equitable, reasonable, and appropriate in light of the relevant facts and circumstances underlying such compromise and settlement, and are in the best interests of the Debtors and their Estates and Creditors.

ooo) The Plan constitutes a good faith compromise and settlement of the Classification Litigation and all claims brought, or that could have been brought, as part of the Classification Litigation, in consideration for the Metromedia Entities' agreement, among other things:

- to provide the Exit Facility and the Replacement Loan in the respective approximate amounts of \$5.84 and \$9.3 million as of September 29, 2009.
- to provide the Revolving Working Capital Line in the approximate amount of \$4.68 million.<sup>10</sup>
- that none of the Metromedia Entities will receive any distribution from the MSC-PON Creditors' Trust on account of their Allowed General Unsecured Claims.
- to accept equity in Reorganized Debtor MSC rather than participate in the MSC-PON Note and the Upfront Unsecured Creditor Payment of \$850,000 and to receive no payments on account of their Allowed General Unsecured Claims in the approximate amount of \$258.0 million.
- to consent, as the secured party under the DIP Loan, Prepetition Term Loan and Prepetition Revolver (and the Exit Facility, Revolving Working Capital Line and Replacement Loan), to the creation of a first priority lien to secure the MSC-PON Note in the assets of the Reorganized Debtors and the Non-Debtor Subsidiaries, which shall be pari passu to the Metromedia Entities' liens on such assets.
- to restrict payment of the regularly scheduled Replacement Loan semi-annual payments only after payment is made of the semi-annual payments due under the MSC-PON Note, which restriction ceases upon events as described under the Plan.
- to guarantee payment of the first installment due under the MSC-PON Note in the amount of \$359,876.95.

(the "Classification Litigation Settlement").

ppp) The evidence proffered or adduced at the Confirmation Hearing satisfies the Debtors' burden of proof in support of the Classification Litigation Settlement and the Court finds that:

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<sup>10</sup> Metromedia has agreed to increase the commitment under the Revolving Working Capital Line by \$600,000. Metromedia has also agreed that in the event that the Debtors suffer a loss of the revenue from BMJ Foods as the result of an adverse ruling by this Court, Metromedia will extend the maturity of the Exit Facility, Replacement Loan and Revolving Working Capital Line for one year, and will make the first year of the Replacement Loan interest only.

- the settlement of the Classification Litigation Settlement contemplated by the Plan is an arms' length, fair and reasonable, good faith settlement and compromise of the Classification Litigation, represents a sound and prudent exercise of the Debtors' business judgment and is in the best interest of the Debtors and their Estates;
- the Classification Litigation involves numerous complex issues which would involve extensive briefing and discovery;
- a continuation of the Classification Litigation would be costly to the Debtors and the outcome would be uncertain;
- a final adjudication of the Classification Litigation is likely to result in distributions to unsecured creditors far less than the amounts available to such creditors under the Plan, and could result in no distributions to unsecured creditors;
- the Classification Litigation would continue to distract the Debtors from the task of closing these Cases and would disrupt the Debtors' prospects for a successful reorganization;
- continuation of the Classification Litigation would be protracted and vigorously defended, and the Metromedia Entities have the financial ability to pay for protracted litigation; and
- the settlement of the Classification Litigation as provided in the Plan is fair to the Debtors' creditors.

**O. Releases and Discharges**

qqq) Each of the discharge, release, indemnification and exculpation provisions set forth in the Plan and this Confirmation Order is: (i) within the jurisdiction of the Court under 28 U.S.C. §§ 1334(a), 1334(b) and 1334(d); (ii) an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code; (iii) an integral element of the transactions incorporated into the Plan; (iv) conferring material benefit on, and is in the best interests of, the Debtors, their estates and their creditors; (v) important to the overall objectives of the Plan to finally resolve all Claims among or against the parties-in-interest in the Cases with respect to the Debtors, their organization, capitalization, operation and reorganization; and (vi)

consistent with sections 105, 1123, 1129 and other applicable provisions of the Bankruptcy Code.

rrr) The injunction provisions set forth at Article XI.D of the Plan are necessary to preserve and enforce the release, exculpation, third party release and injunction provisions set forth in Article X of the Plan and are narrowly tailored to achieve that purpose.

sss) The releases and discharges of Claims and Causes of Action by the Debtors set forth in Article XI.E of the Plan represent a valid exercise of the Debtors' business judgment. Pursuing any such claims against the Debtor Releasees is not in the best interest of the various constituencies of the Debtors' Estates, since, after reasonable inquiry, the Debtors have determined that, to the best of their knowledge, information and belief, no valid claims or causes of action exist against the Debtor Releasees for which releases are being granted.<sup>11</sup> The Plan's release of the Debtor Releasees will eliminate the costs and risks of litigation and allow the principals of the Reorganized Debtors to focus on operations after emergence, as opposed to being distracted by litigation (either as a party to such litigation themselves or the stakeholders who will bear the burdens of the Debtors' investigation, prosecution or participation in such litigation). The releases set forth in Article XI.E are fair, necessary, equitable, and reasonable, and in the best interests of the Debtors' Estates.

ttt) The releases of Claims and Causes of Action against the Metromedia Releasers by non-debtor third parties set forth at Article XI.F of the Plan, constitute good faith compromises and settlements of the matters covered thereby. Such compromises and settlements are made in exchange for adequate consideration and are in the best interest of Holders of Claims, are fair, necessary, equitable, and reasonable, and are integral elements of the resolution

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<sup>11</sup> Separate consideration is being provided for the causes of action resolved pursuant to the Classification Litigation Settlement, the terms of which are set forth in greater detail above.

of the Cases in accordance with the Plan. The third-party releases forth in Article XI.F of the Plan are consensual.

uuu) In connection with the releases by non-debtors of the Metromedia Releasors contained in Article XI.F of the Plan, based on the evidence adduced at the Confirmation Hearing, the Court finds:

- the Non-Debtor Releases shall not be binding on any party electing not to accept the Non-Debtor Releases to the extent identified in the Voting Report filed with this Court. Nothing herein shall be construed to create or revive any claim or right of action against the Metromedia Releasors that has expired or does not otherwise exist under applicable non-bankruptcy law.
- any holder of Claims that voted to accept the Plan and did not mark their Ballot to indicate their refusal to grant the Non-Debtor Releases has affirmatively agreed to be bound by the Non-Debtor Releases.
- in addition to the foregoing, the Non-Debtor Releases are appropriate in these Cases because they are fair and reasonable to all parties in interest, an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code, and an integral element of the transactions incorporated in the Plan that are important to the overall objectives of the Plan.

vvv) The Court further finds, in connection with the releases by non-debtors of the Metromedia Releasors contained in Article XI.F of the Plan, that:

- There is an identity of interests between the Debtors and the Metromedia Releasors. The related parties are the Debtors' sponsors and lenders, and lenders to the Debtors' subsidiaries. Consequently, a judgment against such entities would result in substantially increased claims against the Estates for, *inter alia*, indemnity, and the loss of Plan funding and the assets necessary to generate revenue for the Debtors. In addition, as a co-proponent of the Plan and post-petition secured lender, Metromedia shares an identity of interest with the Debtors in seeing that the Plan succeed and the Debtors reorganize.
- As set forth above, all of the Metromedia Releasors have made substantial contributions to the Debtors' reorganization and provided good and valuable consideration for the releases and the injunction.



- The releases are an integral part of the Classification Litigation Settlement. Without the releases and the injunction, the Metromedia Releasers would not agree to provide the exit financing or to accept Interests in Reorganized Debtor MSC on account of their Allowed General Unsecured Claims, and there would be little likelihood of a successful plan.
- A substantial majority of creditors support the Plan and no party has objected to the release and injunction provisions of the Plan.
- The Plan provides a significantly greater distribution to holders of Allowed General Unsecured Claims against MSC and PON than they would have received absent the support of the parties to be released.

www) The Exculpation provisions set forth at Article XI.G of the Plan are appropriately tailored to protect the exculpated parties from inappropriate litigation and do not relieve any party of liability for gross negligence or willful misconduct.

**P. Good Faith Negotiation, Implementation and Consummation**

xxx) The Debtors, the Committee, Metromedia, John Kluge and JWK Enterprises participated in negotiating in good faith and at arm's length the Plan and each of the settlements and agreements embodied therein. The Debtors and Metromedia negotiated in good faith, and at arms-length the documents in the Disclosure Statement Supplement and all other related documents and agreements. Each of the Debtors, the Committee, Metromedia, John Kluge and JWK Enterprises participated in good faith in each of the actions taken to bring about, and in satisfying each of the conditions precedent to, confirmation and consummation. In so determining, the Court has examined, among other things, the totality of the circumstances surrounding the filing of the Cases, the record of this proceeding, the Plan, and all other related affidavits, pleadings, exhibits, and statements in open Court regarding Plan Confirmation.

**Q. Satisfaction of Conditions to Confirmation**

yyy) Each of the conditions precedent to the entry of this Confirmation Order, as set forth in Article X of the Plan, has been satisfied or waived in accordance with the Plan.

Specifically, this Court finds, based on the statements of the parties in open court and otherwise, that:

- The Plan and the proposed Confirmation Order is in a form and substance reasonably acceptable to the Plan Proponents;
- All documents and agreements necessary to implement the Plan have been effectuated or executed or are proposed to be effectuated or executed within 10 days of entry of this Confirmation Order;
- No Material Adverse Event has occurred; and
- The Plan Proponents have waived the requirement that less than five percent (5%) of the Creditors voting in Classes A-3.1, A-3.2 and B-3, in both number and amount, and excluding the votes of any Insider, have opted out of the provisions of Article XI.F of the Plan.

\* \* \* \* \*

Based on the foregoing, it is hereby ORDERED:

## II.

### ORDER

#### A. Confirmation of the Plan

1. The Plan, substantially in the form as amended through the date hereof, and each of its provisions are confirmed in each and every respect pursuant to section 1129, and any other applicable provisions, of the Bankruptcy Code.

2. The terms of the Plan, all exhibits thereto and to the Disclosure Statement Supplement (as amended), the Court's Docket in these Cases, and all exhibits to this Confirmation Order are incorporated by reference into, and are an integral part of, this Confirmation Order. The terms of the Plan, all exhibits thereto, and all other relevant and necessary documents, shall be effective and binding as of the Effective Date of the Plan. Notwithstanding the foregoing, if there is any direct conflict between the terms of the Plan or any other document and the terms of this Confirmation Order, the terms of this Confirmation Order

shall control. All objections and responses to and statements and comments regarding the Plan, to the extent not already withdrawn, waived, or settled, and all reservation of rights included therein, shall be, and hereby are, overruled.

3. The provisions of the Plan and this Confirmation Order, including the findings of fact and conclusions of law set forth herein, are nonseverable and mutually dependent.

**B. Plan Modifications**

4. Any modifications or amendments to the Plan since the solicitation, as embodied in the form of the Plan filed on August 19, 2009 [Docket No. 762], as disclosed in filings with the Court or disclosed in open Court at or prior to the Confirmation Hearing, or set forth herein, are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

**C. Plan Classification Controlling**

5. The terms of the Plan solely shall govern the classification of Claims and Interests for purposes of the distributions to be made thereunder. The classifications set forth on the Ballots tendered to or returned by the Debtors' Creditors in connection with voting on the Plan; (a) were set forth on the Ballots solely for purposes of voting to accept or reject the Plan; (b) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of such Claims under the Plan for distribution purposes; (c) may not be relied upon by any Creditor as representing the actual classification of such Claims under the Plan for distribution purposes; and (d) shall not bind the Debtors, their Estates or the Reorganized Debtors.

**D. Binding Effect**

6. Pursuant to section 1141 of the Bankruptcy Code, effective as of the Confirmation Date, but subject to the occurrence of the Effective Date, and except as expressly provided in the

Plan or this Confirmation Order, the provisions of the Plan (including the exhibits to, and all documents and agreements executed pursuant to, the Plan) and this Confirmation Order shall be binding on (i) the Debtors, (ii) the Reorganized Debtors, (iii) all holders of Claims against and Interest in the Debtors, whether or not Impaired under the Plan and whether or not, if Impaired, such Holders accepted the Plan, and (iv) each Entity acquiring property under the Plan.

**E. Injunction**

7. Except as otherwise expressly provided in the Plan, this Confirmation Order, the Disclosure Statement Supplement, or a separate order of the Court, all Entities who have held, hold, or may hold Claims against or Interests in the Debtors that arose before or were held as of the Effective Date, are permanently enjoined, on and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding of any kind against the Debtors or the Reorganized Debtors with respect to any such Claim or Interest, (b) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against the Debtors or the Reorganized Debtors on account of any such Claim or Interest, (c) creating, perfecting, or enforcing any encumbrance of any kind against the Debtors or the Reorganized Debtors or against the property or interests in property of the Debtors or the Reorganized Debtors on account of any such Claim or Interest, and (d) asserting any right of setoff or subrogation of any kind against any obligation due from the Debtors or the Reorganized Debtors or against the property or interests in property of the Debtors or the Reorganized Debtors on account of any such Claim or Interest, *except that*, notwithstanding the language of Article XI.D of the Plan, any setoff rights that the Texas Workforce Commission may have pursuant to section 553 of the Bankruptcy Code are hereby preserved.

8. Such injunction shall extend to successors of the Debtors (including, without limitation, the Reorganized Debtors) and their respective properties and interests in property.

**F. Vesting of Assets**

9. Pursuant to Article VII.C of the Plan, on the Effective Date, the Reorganized Debtors shall be vested with all of the property of the Estates free and clear of all Claims, Liens, encumbrances, charges and other interests of Creditors and Interest Holders, except as otherwise expressly provided in the Plan or any document entered into in connection with the transactions described in the Plan and this Confirmation Order, including, without limitation, the MSC-PON Note, the Exit Facility, the Replacement Loan and the Revolving Working Capital Line.

**G. Settlement of the Classification Litigation**

10. Pursuant to Bankruptcy Rule 9019, the Classification Litigation Settlement constitutes a good faith compromise and settlement of the Classification Litigation. The entry of this Confirmation Order constitutes the Court's approval, subject to the occurrence of the Effective Date, of the compromises and settlements of the Classification Litigation and the Court's finding that such compromise and settlement is in the best interests of the Debtors, their Estates and Creditors, and that the Classification Litigation Settlement is fair, equitable and reasonable.

11. Pursuant to Bankruptcy Rule 9019, the Reorganized Debtors, the Debtors, their Estates, their Creditors and Interest Holders, the Committee, and the Metromedia Entities are bound by the terms of the Classification Litigation Settlement contained in the Plan.

12. The Debtors, the Reorganized Debtor, the Metromedia Entities and the Committee are authorized to take any action necessary to implement the Classification Litigation Settlement.

**H. Executory Contracts and Unexpired Leases**

13. The executory contract and unexpired lease provisions of Article IX of the Plan shall be, and hereby are, approved.

14. The Rejected Leases and Contracts are deemed rejected by the Debtors on the later to occur of the Effective Date, or the date of entry of an order by the Court authorizing the rejection of a particular executory contract or unexpired lease if an objection is pending with respect thereto after the Effective Date, and the entry of this Confirmation Order by the Bankruptcy Court constitutes approval of each such rejection pursuant to sections 365(a) and 1123 of the Bankruptcy Code; *provided, however*, that the Debtor may add any Rejected Lease or Contract to Exhibit 4 to the Disclosure Statement Supplement until the later of the Effective Date or the date the Court otherwise enters an order approving the rejection of a particular executory contract or unexpired lease if an objection is pending with respect thereto after the Effective Date. All proofs of Claim arising from the rejection of the Rejected Leases and Contracts (the "Rejection Claims") must be filed with the Voting Agent within thirty (30) days after the later to occur of the Effective Date or the date of entry of an order by the Court authorizing the rejection of a particular executory contract or unexpired lease if an objection is pending with respect thereto after the Effective Date. Any Claims arising from the rejection of the Rejected Leases and Contracts for which proofs of Claim are not timely filed within that time period will be forever barred from assertion against the Debtors or the Reorganized Debtors, their Estates and property unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All Rejection Claims shall be subject to the discharge and permanent injunction set forth in Article XI.C and Article XI.D.

15. The Assumed Leases and Contracts are hereby deemed assumed by the Debtors as of the later of the Effective Date or entry of an order approving the assumption of such unexpired

lease or executory contract or setting a Cure Amount, and the entry of this Confirmation Order constitutes approval of all such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code; provided, however, that the Debtor may remove any Assumed Contract and Leases from Exhibit 4 to the Disclosure Statement Supplement until the later of the Effective Date or the date the Court otherwise enters an order approving the assumption of such Assumed Contract or Lease or setting a Cure Amount. To the extent any Assumed Contract or Lease has been amended prior to the Confirmation Date, such contracts or leases shall be assumed as so amended.

16. Upon the Effective Date, except with respect to those contracts with BMJ Foods set forth on Exhibit 4 to the Disclosure Statement Supplement, and any modifications made to Exhibit 4 to the Disclosure Statement Supplement after the date of this Confirmation Order, and subject to paragraphs 17 and 18 below, (a) all of the requirements of sections 365(b) will have been satisfied with respect to each of the Assumed Leases and Contracts; (b) all rights to object to the assumption of any of the Assumed Leases and Contracts will have been waived; (c) all rights to object to the Cure Amounts with respect to any of the Assumed Leases or Contracts will have been waived; and (d) the assumption of the Assumed Leases or Contracts will have been approved.

17. (1) Effective upon the Effective Date, the Debtors' interests, if any, in the following real property leases (a) *Lease Agreement* by and between CNL Funding 2000-A, LP, as landlord, and MSC, as tenant, for the premises located at 727 US Highway 40, Blue Springs, MO (store # 2001) (the "Blue Springs Lease"), (b) *Lease Agreement* by and between CNL APF Partners, LP, as landlord, and MSC, as tenant, for the premises located at 130 South Bluemound Drive, Appleton, WI (store # 182) (the "Appleton Lease"), and (c) *Lease Agreement* by and

between CNL APF Partners, LP, as landlord, and MSC, as tenant, for the premises located at 163 Dolson Avenue, Middleton, NY (store # 779) (the "Middleton Lease" and, collectively with the Appleton Lease and the Blue Springs Lease, the "MSC Rejected Properties"), shall be abandoned and such leases terminated; (2) effective upon the Effective Date, Reorganized Debtor MSC shall assume all right, title and interest in and to the leases with CNL APF Partners, LP and CNL Funding 2000-A, LP (collectively, the "MSC Retained Properties") set forth on the *Notice Of Lease Amendments In Connection With The Assumption Of Certain Leases With CNL APF Partners, LP And CNL Funding 2000-A, LP* (the "GE Assumption Notice"), subject to the "Lease Amendment Agreements" attached to the Assumption Notice as Exhibits A-F thereto (as so amended, the "Restated MSC Leases"); (3) on the Effective Date, Reorganized Debtor MSC shall pay to GE Capital Franchise Finance Corporation ("GEFF"), as servicer for CNL APF Partners, LP and CNL Funding 2000-A (collectively, "GE Landlord"), the sum of \$481,528.97 (the "GE Cure Payment"), which sum constitutes the amount of rent owing from MSC to Landlord on account of MSC's possession of the MSC Retained Properties during the months of May, 2008 through March, 2009 to the extent not previously paid; (4) Reorganized Debtor MSC shall cause mechanics liens filed against Stores # 752 and # 857 (as so identified on the Assumption Notice) to be satisfied and/or removed; and (5) Reorganized Debtor MSC shall timely pay and satisfy all real property taxes relating to the MSC Retained Properties that are currently due and delinquent and all real property taxes relating to the MSC Retained Properties that have accrued but not yet become due but will be payable by tenant pursuant to and during the term of the Restated MSC Leases.

18. Other than the obligations undertaken with respect to the MSC Retained Properties as set forth in the immediately preceding paragraph of this Confirmation Order or the



Lease Amendment Agreements, the Debtors shall have no obligation, or be responsible in any fashion (including with respect to Claims against the Debtors in connection with their Bankruptcy Cases), to the GE Landlord, GEFF, or any affiliates thereof, with respect to the MSC Retained Properties, or the MSC Rejected Properties.

19. Upon the Effective Date, except with respect to any modifications made to Exhibit 4 to the Disclosure Statement Supplement after the date of this Confirmation Order with respect to assumption, assignment or rejection of a lease or contract, if an objection is pending with respect thereto after the Effective Date, the Assigned Leases are deemed to be assigned and transferred to, and remain in full force and effect for the benefit of, the Lease Assignees, notwithstanding any provision in any such Assigned Leases (including those described in sections 365(b)(2) and 365(f) of the Bankruptcy Code) that prohibits such assignment or transfer or that enables or requires termination of such lease. Upon the Effective Date, the Lease Assignee and the counterparties to the Assigned Leases shall enjoy all of the rights and benefits under the Assigned Leases without the necessity of obtaining any party's written consent to the Debtors' assignment of such unexpired leases, and such counterparties are deemed to have waived any right to object, consent, condition or otherwise restrict the Debtors' assignment of the Assigned Leases. Upon the Effective Date and thereafter, the Reorganized Debtors shall have no obligations remaining in connection with the Assigned Leases.

20. Upon the Effective Date, except with respect to any modifications made to Exhibit 4 to the Disclosure Statement Supplement after the date of this Confirmation Order with respect to assumption, assignment or rejection of a lease or contract, if an objection is pending with respect thereto after the Effective Date, (a) all of the requirements of sections 365(b) and (f) will have been satisfied with respect to each Assigned Leases; (b) all rights to object to the

assumption and assignment of any such Assigned Leases will have been waived; (c) all rights to object to the Cure Amounts with respect to any such Assigned Leases will have been waived; and (d) the assumption and assignment of such Assigned Leases will have been approved.

21. The Debtors shall pay the Cure Amounts in Cash on the later of the Effective Date or the date the Court otherwise enters an order approving the assumption or assumption and assignment of any assumed executory contract or unexpired lease or setting a Cure Amount or on such other terms as the parties to each such assumed executory contract or unexpired lease may otherwise agree. Payment of the Cure Amounts shall satisfy, in full, the Debtors obligations pursuant to section 365(b)(1) of the Bankruptcy Code. Upon the Effective Date or entry of an order approving the assumption of such executory lease or contract or setting a Cure Amount, the counterparties to the Assumed Leases and Contracts and the Assigned Lease shall be forever enjoined and barred from asserting any additional amount on account of the Debtors' cure obligations under section 365 of the Bankruptcy Code or otherwise from the Debtors, their estates or the Reorganized Debtors and the Reorganized Debtors. The Reorganized Debtors' remaining obligations arising from each such Assumed Lease or Contract shall be limited solely to, from the Effective Date and thereafter, any future performance thereunder and obligations arising therefrom.

22. Each rejection or assumption or assumption and assignment of an executory contract or unexpired lease pursuant to Article IX of the Plan will be legal, valid and binding upon the Debtors, and all non-Debtor parties to such executory contract or unexpired lease, as applicable, all to the same extent as if such rejection or assumption or assumption and assignment had been effectuated pursuant to an appropriate order of the Bankruptcy Court entered before the Confirmation Date under section 365 of the Bankruptcy Code. Each of the

executory contracts and unexpired leases to be rejected or assumed or assumed and assigned is deemed to be an executory contract or an unexpired lease, as applicable.

**I. Insurance**

23. Pursuant to Article IX.C of the Plan, the Debtors' discharge and release from all Claims as provided in the Plan, except as necessary to be consistent with the Plan, shall not diminish or impair the enforceability of any insurance policy that may cover Claims against the Debtors, the Reorganized Debtors (including, without limitation, its officers and current and former directors) or any other person or entity.

**J. MSC-PON Note, Exit Facility, Replacement Loan and Revolving Working Capital Line Approved**

24. The Debtors and Metromedia have agreed to modify the terms of the Exit Facility, the Replacement Loan and the Revolving Working Capital Line. Metromedia has agreed to increase the commitment on the Revolving Working Capital Line by \$600,000. Metromedia has also agreed that, in the event that the Debtors suffer a loss of the revenue from BMJ Foods as the result of an adverse ruling by this Court, Metromedia will extend the maturity of the Exit Facility, Replacement Loan and Revolving Working Capital Line for one year, and will make the first year of the Replacement Loan interest only. The Exit Facility, the Replacement Loan and the Revolving Working Capital Line, as modified in this paragraph, and the MSC-PON Note (all as may have been modified prior to the date hereof as reflected in filings with the Bankruptcy Court) are hereby approved and the Reorganized Debtors are authorized and directed to enter into the MSC-PON Note, the Exit Facility, the Replacement Loan and the Revolving Working Capital Line.

25. Pursuant to section 1142(b) of the Bankruptcy Code and without further action by this Court or by the shareholders, directors, members or partners of any of the Reorganized

Debtors, the Reorganized Debtors are authorized to enter into the MSC-PON Note, the Exit Facility, the Replacement Loan and the Revolving Working Capital Line (as modified), to perform all of their obligations thereunder and to execute and deliver all documents, agreements and instruments necessary or appropriate to enter into and perform all obligations under the MSC-PON Note, the Exit Facility, the Replacement Loan and the Revolving Working Capital Line and to take all other actions and execute, deliver, record and file all other such agreements, documents, instruments, financing statements, releases, applications, reports and any changes, additions and modifications thereto in connection with the consummation of the transactions contemplated by the MSC-PON Note, the Exit Facility, the Replacement Loan and the Revolving Working Capital Line, including, without limitation, the marking of such filings, or the recording of any security interests, as may be required by the MSC-PON Note, the Exit Facility, the Replacement Loan or the Revolving Working Capital Line.

26. Without in any way limiting the foregoing, in the event that any person or entity that has filed financing statements, mortgages, *lis pendens*, or other documents or agreements evidencing interests with respect to the Debtors or their assets shall not have delivered to the Debtors on or before the Effective Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all liens, claims or interests that such Holder may have with respect to the Debtors or their assets or otherwise, then each of the Debtors, the Reorganized Debtors or any lender under the Exit Facility, the Replacement Loan and the Revolving Working Capital Line hereby is authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Reorganized Debtors' assets.

**K. Exemption from Registration**

27. The issuance and distribution of all of the Interests in Reorganized Debtor MSC

when issued or distributed as provided in the Plan, will be duly authorized and validly issued. The issuance of the Interests in Reorganized Debtor MSC are in exchange for Claims against or Interests in the Debtors, or principally in such exchange, within the meaning of section 1145(a)(1) of the Bankruptcy Code. In addition, under section 1145 of the Bankruptcy Code, to the extent, if any, that the above-listed items constitute "securities": (i) the offering of such items is exempt and the issuance and distribution of such items will be exempt from Section 5 of the Securities Act and any State or local law requiring registration prior to the offering, issuance, distribution, or sale of securities; and (ii) all of the above-described items will be freely tradeable by the recipients thereof, subject to (x) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in Section 2(a)(1) of the Securities Act, and compliance with any rules and regulations of the SEC, if any, applicable at the time of any future transfer of such securities or instruments; (y) the restrictions, if any, on the transferability of such securities and instruments, and (z) applicable regulatory approval.

**L. Matters Relating to Implementation of the Plan**

**a. Continued Corporate Existence**

28. On and after the Effective Date, the Reorganized Debtors shall remain in existence on the terms and conditions of the Plan and this Confirmation Order, with all powers of a corporation, partnership or limited liability company, as the case may be, under the laws of the respective states governing their formation and without prejudice to any right to alter or terminate such existence (whether by merger or otherwise) under such applicable state law, except as such rights may be limited and conditioned by the Plan and the documents and instruments executed and delivered in connection therewith. In addition, the Reorganized Debtors may operate their business free of any restrictions imposed by the Bankruptcy Code, the

Bankruptcy Rules or by the Court, subject only to the terms and conditions of the Plan as well as the documents and instruments included in the Disclosure Statement Supplement.

**b. Cancellation of Old Notes and Interests**

29. On the Effective Date, except to the extent otherwise provided in the Plan, all notes, instruments, certificates, and other documents, including documents evidencing the Interests in MSC, shall be canceled and the obligations of the Debtors thereunder or in any way related thereto shall be discharged.

**c. Issuance of Interests in Reorganized Debtor MSC**

30. On or immediately after the Effective Date, the Reorganized Debtors shall issue, deliver or execute, as the case may be, all securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, including, without limitation, the Interests in Reorganized Debtor MSC to qualified holders thereof, each of which shall be distributed as provided in the Plan.

**d. Creation of the MSC-PON Creditors' Trust**

31. Without any further action by the Debtors, on the Effective Date, the MSC-PON Creditors' Trust Agreement attached as Exhibit 1 to the Disclosure Statement Supplement is approved and shall become effective. Interests in the MSC-PON Creditors' Trust shall be uncertificated and shall be non-transferable except upon the death of the interest holder or by operation of law. The terms of the MSC-PON Creditors' Trust may be amended by the MSC-PON Creditors' Trust Trustee to the extent necessary to ensure that the MSC-PON Creditors' Trust will not become subject to the Securities Exchange Act of 1934, and as otherwise provided by the MSC-PON Creditors' Trust Agreement. Dan Lain shall be the initial trustee of the MSC-PON Creditor's Trust.

**e. Additional Provisions Relating to the MSC-PON Creditors' Trust**

32. The Reorganized Debtors are authorized to take any action necessary to transfer the Trust Property (as defined in the MSC-PON Creditors' Trust Agreement) to the MSC-PON Creditors' Trust including, but not limited to, executing the MSC-PON Note.

33. The MSC-PON Creditors' Trust Trustee is authorized, on behalf of the MSC-PON Creditors' Trust, to take any action necessary to carry out the provisions of the MSC-PON Creditors' Trust Agreement.

**f. Directors and Officers**

34. The Initial Board of Reorganized Debtor MSC (except for the board member designated by the MSC-PON Creditors' Trust Trustee) shall be the directors of METPON Acquisition, Inc., the holder of 94.55% of the Interests in MSC, immediately prior to the Effective Date, the identities of which are set forth in the Disclosure Statement, plus one individual to be appointed by Metromedia prior to the Effective Date. The member of the board of Reorganized Debtor MSC appointed by the MSC-PON Creditors' Trust is Stuart Campbell, who has served as the representative of TLP, Inc., d/b/a Tracy Locke on the Committee. The initial directors and officers of the other Reorganized Debtors shall be the same directors and officers as the Debtors have immediately prior to the Effective Date, the identities of which are set forth in the Disclosure Statement. Each such director, officer and member shall serve from and after the Effective Date pursuant to the terms of the Reorganized Governing Documents, or other constituent documents or applicable state law.

35. The Court approves as consistent with the interests of Creditors and Interest holders and with public policy the selection, election, and/or continuance, as the case may be, of these individuals; provided, however, that nothing set forth herein shall prevent any of the

foregoing individuals from resigning or from being removed or replaced as an officer or director without further order of the Court. On the Effective Date, the operation of each Reorganized Debtor shall become the general responsibility of the officers and directors of that Reorganized Debtor.

**g. Corporate Action**

36. On the Effective Date (or on the Confirmation Date with respect to any actions taken prior to the Effective Date), the adoption and filing (as necessary) of the Reorganized Governing Documents not otherwise specifically set forth in this Confirmation Order or the Plan, as the case may be, and all other approvals and corporate actions contemplated by the Plan and this Confirmation Order and not otherwise specifically enumerated in this Confirmation Order shall be authorized and approved in all respects (subject to the provisions hereof and to the provisions of the Plan). All matters provided for herein or in the Plan involving the corporate structure of the Reorganized Debtors and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the equity holders or directors of the Debtors or the Reorganized Debtors.

**M. Provisions Governing Distributions**

37. The distribution provisions of Article VII of the Plan shall be, and hereby are, approved in their entirety. The Reorganized Debtors and the MSC-PON Creditors' Trust shall make all distributions required under the Plan.

**N. Procedures for Resolution of Disputed, Contingent and Unliquidated Claims or Interests**

38. The claim resolution procedures of Article VIII of the Plan shall be, and hereby are approved in their entirety. The Debtors may extend any deadline for filing objections to



Claims by motion approved by this Court, and no such extension shall constitute a modification of the Plan or this Confirmation Order.

**O. Allowed Priority Tax Claims**

39. Notwithstanding anything to the contrary in the Plan, each holder of an Allowed Priority Tax Claim against the Debtors shall receive, on the Effective Date, in full satisfaction, release and discharge of such Allowed Priority Tax Claim, at the election of the Debtors, either: (i) Cash payment in the amount of the holder's Allowed Priority Tax Claim; (ii) deferred Cash payments over a period not to exceed five (5) years, from the Petition Date, in equal monthly installments in an aggregate amount equal to the Allowed amount of such Claim, with each payment to be made on the first business day of each calendar month commencing on the first calendar month following the Effective Date; or (iii) such other terms as may be agreed upon by such holder and the Debtors. The rate of interest to be paid on Priority Tax Claims paid out over five (5) years shall be equal to the underpayment rate specified in 26 U.S.C. § 6621 (determined without regard to 26 U.S.C. § 6621(c)) as of the Effective Date or such higher rate as required by 11 U.S.C. § 511(a). Any amounts due hereunder may be paid in full or in part without prepayment penalty.

40. Notwithstanding anything to the contrary in the Plan, a failure by the Reorganized Debtors to make payment with respect to an Allowed Priority Tax Claim pursuant to the terms of the Plan shall be an Event of Default. If the Reorganized Debtors fail to cure an Event of Default as to tax payments within ten (10) days after service of a written notice of default from the holder of an Allowed Priority Tax Claim, then such holder may (a) enforce the entire amount of its claim; (b) exercise any and all rights and remedies under applicable nonbankruptcy law, and (c) seek such relief as may be appropriate in this Court.

**P. Discharged, Release, Injunction, Exculpation and Indemnification**

41. In light of all of the circumstances and the record in these Cases, including the evidence proffered or addressed at the Confirmation Hearing, all provisions and sections of Article XI of the Plan shall be, and hereby are approved in their entirety as set forth therein. Each of the discharge, release, injunction, indemnification and exculpation provisions provided under the Plan, including without limitation those set forth in Article XI of the Plan, are hereby approved as being (i) within the jurisdiction of the Bankruptcy Court to approve under 28 U.S.C. §§ 1334(a), 1334(b) and 1334(d); (ii) an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code; (iii) an integral element of the transactions incorporated in the Plan; (iv) beneficial to, and in the best interests of, the Debtors, their Estates and their Creditors; (v) critical to the overall objectives of the Plan; and (vi) consistent with sections 105, 1123, 1129 and all applicable provisions of the Bankruptcy Code.

42. Only Entities who (a) directly or indirectly, have held, hold or may hold Claims, (b) voted to accept the Plan on the relevant Ballot, and (c) did not mark their Ballot to indicate their refusal to grant the releases provided in this paragraph, shall be deemed, by virtue of the treatment of such Entities under the Plan, to have forever released and covenanted with the Reorganized Debtors and the Metromedia Releasers to grant the non-debtor releases set forth in Article XI.F of the Plan.

**Q. Continuation of the Automatic Stay**

43. All injunctions or stays imposed during the Cases or contained in the Plan or this Confirmation Order shall remain in full force and effect in accordance with their terms until the Effective Date. As of the Effective Date, the stay imposed by section 362 of the Bankruptcy Code shall be dissolved and of no further force and effect, subject to the injunction set forth herein and in the Plan and/or sections 524 and 1141 of the Bankruptcy Code, except that nothing herein shall bar the filing of documents in connection with the Exit Facility, the Replacement

Loan, the Revolving Working Capital Line and the MSC-PON Note, or the taking of such other actions as are necessary to effectuate the transactions specifically contemplated by the Plan or by this Confirmation Order.

**R. Retention of Jurisdiction**

44. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, and sections 157 and 1334 of title 28 of the United States Code, notwithstanding the entry or the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such exclusive jurisdiction over all matters arising out of or related to the Chapter 11 Cases and the Plan after the Effective Date, as legally permissible, on the terms set forth in Article XIII of the Plan.

**S. Revocation, Withdrawal or Non-Consummation**

45. The Plan Proponents may revoke or withdraw the Plan at any time prior to the Effective Date with respect to one or more of the Debtors. If the Plan Proponents revoke or withdraw the Plan prior to the Effective Date, or if the Confirmation Date or the Effective Date does not occur, the Plan, any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Interest or Class of Claims or Interests), the assumption or rejection of executory contracts, unexpired leases, any release, exculpation or indemnification provided for in the Plan, and any document or agreement executed pursuant to the Plan, with respect solely to the affected Debtor, shall be null and void. In such event, nothing contained herein, and no acts taken in preparation for consummation of the Plan shall be deemed to constitute a waiver or release of any Claims by or against or Interests in the Debtors or any other Entity, to prejudice in any manner the rights of the Debtors or any Entity in any further proceedings involving the Debtors, or to constitute an admission of any sort by the Debtors or any other Entity.

**T. Dissolution of Committee**

46. Pursuant to Article XIV.H of the Plan, the Committee shall be dissolved as of the Effective Date, and the members of the Committee shall be relieved of all of their responsibilities and duties in the Cases, and the Committee shall have no further participation in the Cases.

**U. Payment of Statutory Fees**

47. The issuance of the MSC-PON Note shall not be treated as disbursements pursuant to 28 U.S.C. § 1930(a)(6); *provided, however*, that payments with respect to the MSC-PON Note shall be treated as disbursements pursuant to 28 U.S.C. § 1930(a)(6) and shall be paid by Reorganized Debtor MSC until such time as the Cases are closed.

48. Until such time as the Cases are closed, the Reorganized Debtors shall pay all quarterly fees to the United States Trustee due from the Reorganized Debtors and shall submit all required post-confirmation reports.

**V. Section 346 Exemption**

49. Section 346 of the Bankruptcy Code shall apply to any taxes that may potentially result from, or may be related to, the events, transactions and occurrences of these Cases, and, in particular, pursuant to section 346(j) of the Bankruptcy Code, no state or local tax imposed on, or measured by, income shall be imposed on the Debtors or the Reorganized Debtors, including, but not limited to, franchise taxes to the extent that any such franchise taxes are measured by book or taxable income of the Debtors or the Reorganized Debtors as result of the forgiveness or discharge of indebtedness of the Debtors arising from the confirmation and consummation of this Plan, including, but not limited to, undertaking the transactions contemplated by the Plan of the Cases, or any provision of the Plan or this Confirmation Order.

**W. Preservation of Causes of Action**

50. The Reorganized Debtors shall retain the right to pursue any and all Causes of Action to the extent the Reorganized Debtors deem appropriate (under any theory of law or

equity, including, without limitation, the Bankruptcy Code and any applicable local, state, or federal law, in any court or other tribunal, including, without limitation, in an adversary proceeding filed in the Case), to the extent not expressly released hereby or by prior or other order of this Court as set forth in Article XII of the Plan. Except as expressly provided in the Plan or the Confirmation Order, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any such rights. Nothing contained in the Plan or the Confirmation Order shall be deemed a waiver or relinquishment of any Claim, Cause of Action, right of setoff, or other legal or equitable defense that the Debtors had immediately prior to the Petition Date that is not specifically waived or relinquished by the Plan. The Reorganized Debtors shall have, retain, reserve and be entitled to assert all such Claims, Causes of Action, rights of setoff and other legal and equitable defenses that the Debtors had immediately prior to the Petition Date as if the Cases had not been commenced, and all of the Reorganized Debtors' legal and equitable rights respecting any Claim that are not specifically waived or relinquished by the Plan may be asserted after the Effective Date to the same extent as if the Cases had not been commenced.

**X. Section 1146 Exemption**

51. Section 1146(a) of the Bankruptcy Code shall apply on the terms set forth in Article XIV.F of the Plan.

**Y. References to Plan Provisions**

52. The Plan is confirmed in its entirety and hereby incorporated into this Confirmation Order by reference. The failure specifically to include or to refer to any particular provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of any such provision.

**Z. Post-Confirmation Notices and Bar Dates**

**a. Notice of Entry of the Confirmation Order**

53. In accordance with Bankruptcy Rule 2002 and 3020(c), the Debtors (or their agents) shall give notice of the entry of this Confirmation Order by United States mail, first class postage prepaid, by hand, or by overnight courier service to all parties having been served with the Notice of Confirmation Hearing; provided, however, that no notice or service of any kind shall be required to be mailed or made upon any person to whom the Debtors mailed a Notice of Confirmation Hearing, but received such notice returned marked "undeliverable as addressed," "moved, left no forwarding address" or "forwarding order expired," or similar reason, unless the Debtors have been informed in writing by such person, or are otherwise aware, of that person's new address.

54. Mailing of the notice of entry of the Confirmation Order in the time and manner set forth in the preceding paragraph are good and sufficient under the particular circumstances and in accordance with the requirements of Bankruptcy Rule 2002 and 3020(c), and no further notice is necessary.

**b. Bar Date for Requests for Administrative Claims**

55. All requests for administrative expenses pursuant to section 503 of the Bankruptcy Code, except as otherwise set forth in subsection (c) below, must be filed with within sixty (60) days of the Effective Date.

56. The notice of entry of the Confirmation Order shall conspicuously set forth the bar date for requests for administrative expenses, which shall constitute good and sufficient notice of the bar date and, in accordance with the requirements of Bankruptcy Rules 2002 and 3020, no further notice of the bar date is necessary.

**c. Final Fee Applications and Fee Application Bar Date**

57. Any professional seeking an allowance, pursuant to sections 327, 328, 330, 331, 503(b), 507(a)(1) and/or 1103 of the Bankruptcy Code, of (i) an Administrative Claim or (ii) final compensation or reimbursement of expenses incurred on or before the Confirmation Date for professional services rendered to the Reorganizing Debtors or in relation to these cases ("Professional Fees and Expenses") shall file an application for allowance of such Administrative Claim or Professional Fees and Expenses (each, an "Application"), within sixty (60) days of the Effective Date.

58. Each Application shall comply with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules, and shall set forth, among other things, in reasonable detail: (i) the name and address of the applicant; (ii) the nature of the Professional Fees and Expenses for which reimbursement is requested for all periods from the date the particular applicant was retained through the Confirmation Date; (iii) the amount of the Professional Fees and Expenses requested; (iv) the amounts of Professional Fees and Expenses previously allowed by the Court, if any; and (v) the amount or amounts of payments made to date, if any, by the Debtors to reduce such allowed amount.

59. To the extent required by section 1129(a)(4) of the Bankruptcy Code, the Court shall continue to have jurisdiction over, and applications shall be filed for, compensation and reimbursement by a professional person for services rendered, costs or expenses incurred on or after the Confirmation Date in or in connection with these Cases, or in connection with the Plan and incident to these Cases; provided, however, that any such applications for compensation and reimbursement filed by professional persons pursuant to this paragraph shall comply with the requirements of this Court's *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals*, entered on November 14, 2008 [Docket No. 83].

**AA. Non-Material Changes**

60. Article XIV.C of the Plan shall govern post-confirmation Plan modifications.


**BB. Final Order**

61. This Confirmation Order is a final order and the period in which an appeal must be filed shall commence upon the entry hereof.

IT IS SO ORDERED.

Wilmington, Delaware

Dated: Oct. 1, 2009



Honorable Mary F. Walrath  
United States Bankruptcy Judge



EXHIBIT B TO NOTICE OF RELEASE  
(Trademarks)

**EXHIBIT "A"****TRADEMARKS AND SERVICE MARKS****MSC DOMESTIC TRADEMARKS**

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Date of Registration</u>
All You Care to Eat Grand Buffet	United States	1759015	03/16/1993
America's Family Steakhouse	United States	1897842	06/06/1995
Big Grazin' Little Moola	United States	2094678	09/09/1997
Birthday Bunch	United States	1982365	06/25/1996
Black and White Enchiladas	United States	1965806	04/2/1996
Blazing Hearth Grill	United States	2113600	11/18/1997
Bonanza	United States	1481977	03/22/1988
Bonanza	United States	1838933	06/07/1994
Bonanza (franchising)	United States	176388	09/15/1992
Bonanza (with charcoal design)	United States	1022904	10/14/1975
Bonanza (with flaming "B")	United States	1022903	10/14/1975
Bonanza Family Grill	United States	2079622	07/15/1997
Bonanza Family Grill (Wheat Design)	United States	2072648	06/17/1997
Bonanza Family Grill (Wheat Design)	United States	2023447	12/17/1996
Bonanza Sirloin Pit	United States	791172	06/15/1964
Bonanza Steakhouse (DE)	United States	2377123	08/15/2000
Double T Brand Tasty & Tender Steaks	United States	2244971	05/11/1999
Double T Brand Tasty & Tender Steaks (DE)	United States	2290264	11/02/1999
Double T Brand Tasty & Tender Steaks (DE)	United States	2381377	08/29/2000
Freshtastiks	United States	1176637	11/03/1981
Grill & Galley	United States	1293080	09/04/1984
Grillside Dinner Buffet	United States	2307350	01/11/2000

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Date of Registration</u>
Hearty Homestyle Lunch Buffet	United States	2304046	12/28/1999
It's Time You Got Your Money's Worth	United States	2011533	10/29/1996
Kiditas	United States	1965807	04/02/1996
Kids Coloring Corral	United States	1895458	05/23/1995
Metromedia Restaurant Group	United States	2225222	02/23/1999
MRG	United States	2077328	07/08/1997
MRG Metromedia Restaurant Group	United States	2176057	07/28/1998
Pick Up Steaks	United States	1293081	09/04/1984
Ponderosa	United States	1963605	03/26/1996
Ponderosa	United States	903604	12/01/1970
Ponderosa - Clothing	United States	1098871	08/08/1978
Ponderosa - Computer Programs	United States	2141635	03/10/1998
Ponderosa - Computer Programs	United States	2212022	12/22/1998
Ponderosa - Sporting Events	United States	1410877	09/23/1986
Ponderosa - Steak Sauce	United States	1254681	10/18/1983
Ponderosa (Pine Tree)	United States	1677995	03/03/1992
Ponderosa (Pine Tree) (franchising svcs)	United States	1470905	12/29/1987
Ponderosa (Pine Tree) (in rectangle)	United States	1429639	02/17/1987
Ponderosa Hearty Homestyle Lunch Buffet	United States	2043189	03/11/1997
Ponderosa Hearty Homestyle Lunch Buffet (DE)	United States	2273516	08/31/1999
Ponderosa Mural	United States	1937798	11/28/1995
Ponderosa Pete and the Goofy Garden Gang	United States	1369561	11/05/1985
Ponderosa Plus for Seniors	United States	2204451	11/17/1998
Ponderosa Prairie Onions	United States	1894211	05/16/1995
Ponderosa Steak & Salad (DE)	United States	1352197	07/30/1985
Ponderosa Steakhouse (DE)	United States	1230252	03/08/1983

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Date of Registration</u>
Ponderosa Steakhouse (DE)	United States	2418851	01/09/2001
Ponderosa Steakhouse (DE)	United States	1667943	12/10/1991
Ponderosa's Grand Buffet	United States	1763516	04/06/1993
Pondo Combo Entrée Buffet Sundae Bar	United States	2171092	07/07/1998
Power to Shape the Future	United States	2034377	01/28/1997
Rancher's Skillet	United States	2059097	05/06/1997
Rancher's Skillet (DE)	United States	2304045	12/28/1999
Rising Star Grill	United States	1995020	08/20/1996
Rising Star Rita	United States	2000970	09/17/1996
Sprinkles	United States	1894726	05/16/1995
Sprinkles of Ponderosa	United States	1982301	06/25/1996
Sprinkles of Ponderosa Birthday Bunch (DE)	United States	1995043	08/20/1996
Star Service	United States	2463042	06/26/2001
Take Another Taste	United States	2299893	12/14/1999
Tastes So Good It's Like Going Home for Lunch	United States	2174430	07/21/1998
Texas Tornado	United States	1967046	04/09/1996
We're Bringing You a Whole New Experience	United States	1911977	08/15/1995
Value All-Ways	United States	2083670	07/29/1997

MSC INTERNATIONAL TRADEMARKS

B & Flame Design	Canada	341796	06/17/1998
Bonanza	Australia	452,688	09/24/1986
Bonanza	Canada	145828	06/17/1966
Bonanza	Chile	433680	11/02/1994
Bonanza	China	989408	04/21/1997
Bonanza	European Union	197491	04/01/1996
Bonanza	Hong Kong	1394/1997	02/12/1997
Bonanza	Germany	2103110	11/09/1993

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Date of Registration</u>
Bonanza	Japan	3135531	03/29/1996
Bonanza	Jordan	48264	09/25/1995
Bonanza	Kuwait	31612	09/17/2000
Bonanza	Mexico	596139	12/11/1998
Bonanza	Panama	75131	08/02/1996
Bonanza	Puerto Rico	U.S. 1716388	05/14/1999
Bonanza	Puerto Rico	U.S. 1838933	05/14/1999
Bonanza	Saudi Arabia	386/88	10/19/1996
Bonanza	Singapore	T95/05101Z	06/08/1995
Bonanza	UAE	12564	07/19/1995
Bonanza Family Grill	Korea	40281	01/14/1998
Chicken Monterrey	Canada	350866	02/03/1989
Double T Brand Tasty & Tender	Taiwan	934345	03/01/2001
Freshtastiks	Canada	343092	07/22/1988
Homestyle Sandwich	Canada	337815	03/04/1988
Ponderosa	Argentina	1,330,547	02/06/1989
Ponderosa	Canada	200543	07/19/1974
Ponderosa	Canada	203012	11/08/1974
Ponderosa	Canada	223037	09/09/1977
Ponderosa	Chile	246908	05/24/1994
Ponderosa	Costa Rica	67482	03/20/1987
Ponderosa	Dominican Republic	108519	11/30/1999
Ponderosa	European Union	197467	04/01/1996
Ponderosa	France	1269674	04/12/1994
Ponderosa	Germany	1078381	12/01/1984
Ponderosa	Germany	962264	12/21/1992
Ponderosa	Honduras	6083	09/29/2000
Ponderosa	Hong Kong	1614 & 1615	08/20/1986
Ponderosa	Indonesia	342493 & 342494	03/28/1995
Ponderosa	Indonesia	318649	09/03/1993

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Date of Registration</u>
Ponderosa	Indonesia	192940	03/28/1985
Ponderosa	Italy	551440	10/16/1991
Ponderosa	Jamaica	23171	07/02/1986
Ponderosa	Japan	3135530	03/29/1996
Ponderosa	Japan	2591496	10/29/1993
Ponderosa	Japan	2629120	02/28/1994
Ponderosa	Kuwait	30081	11/26/1995
Ponderosa	Malaysia	82892560	08/28/1989
Ponderosa	Malaysia	1767/83	12/19/1990
Ponderosa	Mexico	402389	06/05/1991
Ponderosa	New Zealand	165143	04/29/1986
Ponderosa	Norway	180869	03/20/1997
Ponderosa	Panama	41386	03/17/1987
Ponderosa	Philippines	45147	06/16/1989
Ponderosa	Philippines	4-1995-105222	10/29/1999
Ponderosa	Puerto Rico	34628	05/26/1994
Ponderosa	Puerto Rico	7036	12/01/1970
Ponderosa	Qatar	10229	04/11/1999
Ponderosa	South Africa	74/4587	08/28/1984
Ponderosa	South Africa	72/6323	12/21/1972
Ponderosa	South Africa	91/8796	10/18/1991
Ponderosa	Spain	16110	06/20/1990
Ponderosa	Sweden	235989	06/05/1992
Ponderosa	Switzerland	348902	03/11/1986
Ponderosa	Taiwan	309064	02/01/1986
Ponderosa	Trinidad/Tobago	16110	06/20/1990
Ponderosa (DE)	Taiwan	31059	03/01/1986
Ponderosa Pine Tree logo	Taiwan	397753	04/16/1988
Ponderosa Pine Tree logo	Taiwan	397754	04/16/1988
Ponderosa Pine Tree logo	Taiwan	30203	06/01/1988
Ponderosa Steak & Salad	Chile	470605	10/28/1996

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Date of Registration</u>
Ponderosa Steak & Salad (DE)	Singapore	4552/91	05/04/1991
Ponderosa Steak House	Canada	225940	02/10/1978
Ponderosa Steak House	Canada	198061	03/15/1990
Ponderosa Steak House	Italy	551441	10/16/1991
Ponderosa Steak House	Puerto Rico	34629	05/26/1994
Ponderosa Steak House	Sweden	238106	07/24/1992
Ponderosa Steakhouse	Canada	257666	04/10/1981
Ponderosa Steakhouse	South Africa	94/8234	08/03/1994
Ponderosa Steakhouse (DE)	Canada	200544	07/19/1974
Ponderosa Steakhouse (DE)	Mexico	490796	03/09/1995
Ponderosa's Grand Buffet	Canada	TMA388857	09/13/1991
Ponderosa's Grand Buffet	Malaysia	88/05303	10/12/1998
Ribby's	Canada	364344	01/19/1990
Rising Star	Taiwan	81953	03/16/1996
Sprinkles	Taiwan	77406	09/01/1995
Sprinkles	Taiwan	687541	09/16/1995
USACafes	Canada	331763	09/11/1987

EXHIBIT C TO NOTICE OF RELEASE  
(Certificate of Conversion)



# Delaware

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*The First State*


I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF CERTIFICATE OF FORMATION OF "HOMESTYLE DINING LLC" FILED IN THIS OFFICE ON THE FOURTEENTH DAY OF OCTOBER, A.D. 2009, AT 11:34 O'CLOCK A.M.

2320606 8100V

110365423

You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)



  
Jeffrey W. Bullock, Secretary of State  
AUTHENTICATION: 8663015

DATE: 03-31-11

TRADEMARK  
REEL: 006576 FRAME: 0159

**CERTIFICATE OF CONVERSION TO LIMITED LIABILITY COMPANY**

**OF**

**METROMEDIA STEAKHOUSES COMPANY, L.P.**  
(a Delaware limited partnership)

**TO**

**HOMESTYLE DINING LLC**  
(a Delaware limited liability company)

This Certificate of Conversion to Limited Liability Company has been duly executed and is being filed by Metromedia Steakhouses Company, L.P., a Delaware limited partnership (the "Limited Partnership"), to convert the Limited Partnership to Homestyle Dining LLC, a Delaware limited liability company (the "Limited Liability Company"), pursuant to Section 18-214 of the Delaware Limited Liability Company Act.

1. The jurisdiction where the Limited Partnership was first formed is Delaware.
2. The jurisdiction of the Limited Partnership immediately prior to the filing of this Certificate of Conversion to Limited Liability Company is Delaware.
3. The date the Limited Partnership was first formed is December 29, 1992.
4. The name of the Limited Partnership immediately prior to the filing of this Certificate of Conversion to Limited Liability Company is:

**Metromedia Steakhouses Company, L.P.**

5. The name of the Limited Liability Company as set forth in the Certificate of Formation is:

**Homestyle Dining LLC**

IN WITNESS WHEREOF, the undersigned being duly authorized to sign on behalf of the converting Limited Partnership has executed this Certificate of Conversion to Limited Liability Company as of the 14<sup>th</sup> day of October, 2009.

**METROMEDIA STEAKHOUSES COMPANY, L.P.**

By: Tamara S. Jones

Tamara S. Jones

Executive Vice President, Secretary, Treasurer and  
Chief Financial Officer  
Authorized Person