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8 UNITED STATES BANKRUPTCY COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 OAKLAND DIVISION  
11

12 In re  
13 R. RING ENTERPRISES, INC.  
14 Debtor.

Chapter 11  
Case No. 08-44903 EDJ  
PLAN OF REORGANIZATION  
(JULY 30, 2009)

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18 R. Ring Enterprises, Inc., a California corporation, and debtor and debtor in  
19 possession in the above-captioned Chapter 11 Case (the “Debtor”), proposes this Plan of  
20 Reorganization (the “Plan”).  
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26  
27  
28

**TABLE OF CONTENTS**

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

**Page**

ARTICLE I. DEFINITIONS..... 1

    1.1 Defined Terms..... 1

    1.2 Interpretation, Rules of Construction, Time. .... 3

ARTICLE II. DESIGNATION OF CLASSES OF CLAIMS AND INTERESTS AND SPECIFICATION OF STATUS AS IMPAIRED..... 3

    2.1 Priority Claims (Class 1)..... 4

    2.2 Secured Claims (Class 2)..... 4

    2.3 Unsecured Claims (Class 3)..... 4

    2.4 Interests (Class 4)..... 5

ARTICLE III. TREATMENT OF NON-CLASSIFIED CLAIMS..... 5

    3.1 General Administrative Claims..... 5

    3.2 Professional Fees..... 5

    3.3 Priority Tax Claims..... 6

ARTICLE IV. TREATMENT OF IMPAIRED CLASSES OF CLAIMS AND INTERESTS 6

    4.1 Class 1 — Priority Claims..... 6

    4.2 Class 2 — Secured Claims..... 7

    4.3 Class 3 — General Unsecured Claims..... 8

    4.4 Class 4 — Common Stock..... 8

ARTICLE V. MEANS FOR IMPLEMENTATION OF THE PLAN..... 8

    5.1 Means for Funding the Plan..... 8

    5.2 Effective Date Distributions..... 9

    5.3 Distributions During the Plan Term..... 10

    5.4 Final Plan Distributions..... 10

    5.5 Extension of Time to Make Distributions..... 11

    5.6 Post-confirmation Operations..... 11

    5.7 Treatment of Unclaimed Property..... 12

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

5.8 De Minimis Distributions; Rounding of Distributions ..... 12

ARTICLE VI. EFFECT OF CONFIRMATION ..... 12

ARTICLE VII. REVESTING OF TITLE ..... 13

ARTICLE VIII. RETENTION AND ENFORCEMENT OF CLAIMS ..... 13

ARTICLE IX. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES..... 13

ARTICLE X. MODIFICATION OF PLAN ..... 14

ARTICLE XI. USE OF BANKRUPTCY CODE SECTION 1129(b) ..... 14

ARTICLE XII. RETENTION OF JURISDICTION..... 15

ARTICLE XIII. CONDITIONS TO CONFIRMATION..... 15

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
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**ARTICLE I.**  
**DEFINITIONS**

**1.1 Defined Terms.**

The following definitions apply in this Plan:

“Allowed Claim” means a Claim against the Debtor to the extent that:

A proof of such Claim was:

Timely filed; or

Deemed filed because such Claim was included on the Debtor’s Schedules of Assets and Liabilities filed on September 22, 2008, as amended October 24, 2008, under Rule 1007 of the Federal Rules of Bankruptcy Procedure; and

Such Claim is:

Not a Claim as to which an objection has been filed; or

An Allowed Claim (and only to the extent allowed) by the Plan or a Final Order.

“Bankruptcy Code” means Title 11 of the United States Code.

“Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of California or, in the event such court ceases to exercise jurisdiction over this Chapter 11 Case, such court or adjunct thereof which thereafter exercises jurisdiction over this Chapter 11 Case.

“Cash” means cash and cash equivalents including, but not limited to, checks and other similar forms of payment or exchange.

“Chapter 11 Case” means this Chapter 11 Case filed by the Debtor on September 4, 2008.

“Claim” means any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or any right to an equitable remedy for breach of performance, if such breach gives rise to a right to payment, whether or not such

1 right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured,  
2 disputed, undisputed, secured or unsecured.

3 “Common Stock” means the Common Stock of the Debtor.

4 “Confirmation” means entry of the Confirmation Order.

5 “Confirmation Order” means the order of the Bankruptcy Court, confirming this Plan.

6 “Distribution(s)” means the Cash or property to be distributed to holders of Allowed  
7 Claims in accordance with this Plan.

8 “Effective Date” means December 30, 2009 or such other date as the Bankruptcy  
9 Court shall order.

10 “Filing Date” means September 4, 2008.

11 “Final Decree and Order Closing the Chapter 11 Case” means the entry of a Final  
12 Order closing the Chapter 11 Case upon full consummation of the Plan.

13 “Final Order” means an order or judgment of the Bankruptcy Court as to which the  
14 time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as  
15 to which no appeal, petition for certiorari, or proceedings for reargument or rehearing shall  
16 then be pending or, in the event that an appeal, writ of certiorari, reargument or rehearing  
17 thereof has been sought, such order or judgment of the Bankruptcy shall have been affirmed  
18 by the highest court to which such order or judgment was appealed, or from which  
19 reargument or rehearing was sought, or certiorari has been denied, and the time to take any  
20 further appeal, petition for certiorari or move for reargument or rehearing shall have expired.

21 “Interest” means an equity security of the Debtor including, but not limited to, the  
22 Common Stock, and warrants, options, or other rights exercisable or convertible into such  
23 stock.

24 “Non-Classified Claims” means Claims of the type described in Article III of this  
25 Plan.

26 “Plan” means this Plan of Reorganization submitted by the Debtor, as it may be  
27 amended from time to time.

28 “Plan Term” means the period from the Effective Date through February 1, 2011.

1           “Pro Rata” means proportionately so that the ratio of the value of the Distribution on  
2 account of an Allowed Claim in a class to the aggregate Distributions on account of all  
3 Allowed Claims in such class is the same as the ratio of the amount of such Allowed Claim  
4 to the aggregate of all Allowed Claims in the class.

5           “Reorganized Debtor” means the Debtor on and after the Effective Date of the Plan.

6           “Sysco” means Sysco Food Services of San Francisco, Inc.

7           “Unclaimed Property” means any funds (together with any interest earned thereon)  
8 that are unclaimed on the sixtieth (60<sup>th</sup>) day following a Distribution. Unclaimed Property  
9 shall include (a) checks (and the funds reserved thereby) that have been returned as  
10 undeliverable without a proper forwarding address, (b) funds for checks that have not been  
11 honored within sixty (60) days after a Distribution, and (c) checks (and the funds reserved  
12 thereby) that were not mailed or delivered because of the absence of a proper address to  
13 which to mail or deliver such checks. The date of a Distribution to the holder of an Allowed  
14 Claim or Interest shall be the date of the check issued to such holder.

15 **1.2 Interpretation, Rules of Construction, Time.**

16           1.2.1 A term used but not defined herein, but defined in the Bankruptcy Code, has  
17 the meaning given to that term in the Bankruptcy Code, unless the context of the Plan clearly  
18 requires otherwise.

19           1.2.2 References in the Plan to an Article or Section are references to that Article or  
20 Section, respectively, in the Plan.

21           1.2.3 In computing any period of time prescribed or allowed by the Plan, the  
22 provisions of Rule 9006(a) of the Federal Rules of Bankruptcy Procedure will apply.

23 **ARTICLE II.**

24 **DESIGNATION OF CLASSES OF CLAIMS AND INTERESTS AND**  
25 **SPECIFICATION OF STATUS AS IMPAIRED**

26 All Claims, except Non-Classified Claims treated under Article III of this Plan, and  
27 all Interests are placed in the following classes, pursuant to sections 1123 and 1124 of the  
28 Bankruptcy Code. Claims or Interests shall be included in a particular Class only to the

1 extent that they conform to the description of such Class, and shall be included in any other  
2 Class to the extent they conform to the description of such other Class. Notwithstanding any  
3 other provisions of this Plan, Claims shall be included in a Class for Distribution hereunder  
4 only to the extent they constitute Allowed Claims.

5 **2.1 Priority Claims (Class 1).**

6 Class 1 consists of all unsecured Claims entitled to priority pursuant to  
7 sections 507(a)(4), (5) or (7) of the Bankruptcy Code. Class 1 is unimpaired under  
8 section 1124 of the Bankruptcy Code.

9 **2.2 Secured Claims (Class 2).**

10 2.2.1 Class 2-A Fremont Bank Secured Claim. Class 2-A consists of the secured  
11 Claim of Fremont Bank filed against the Debtor and secured by liens upon all inventory,  
12 chattel paper, accounts, equipment, deposit accounts and general intangibles, as well as other  
13 items that belong to the Debtor. Class 2-A is impaired under section 1124 of the Bankruptcy  
14 Code.

15 2.2.2 Class 2-B Sysco Secured Claim. Class 2-B consists of the secured Claim of  
16 Sysco filed against the Debtor and secured by liens upon inventory, equipment and all goods  
17 manufactured by or distributed by Sysco for or to the Debtor. The Debtor asserts that Sysco  
18 failed to perfect a purchase money security interest in inventory under applicable California  
19 law. Class 2-B is impaired under section 1124 of the Bankruptcy Code.

20 2.2.3 Class 2-C Secured Claims Unknown at Confirmation. Class 2-C consists of  
21 any Claims secured by security interests in, and liens upon, specific property of the Debtor  
22 not included in Classes 2-A or 2-B. Class 2-C is unimpaired under section 1124 of the  
23 Bankruptcy Code.

24 **2.3 Unsecured Claims (Class 3).**

25 Class 3 consists of all general unsecured Claims. Class 3 is impaired under  
26 section 1124 of the Bankruptcy Code.

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1 **2.4 Interests (Class 4).**

2 Class 4 consists of all Interests related to the Common Stock. Class 4 is impaired  
3 under section 1124 of the Bankruptcy Code.

4 **ARTICLE III.**

5 **TREATMENT OF NON-CLASSIFIED CLAIMS**

6 **3.1 General Administrative Claims.**

7 Except with regard to Claims of professionals provided for in Section 3.2 of the Plan,  
8 the holders of Allowed Claims entitled to priority under section 507(a)(1) of the Bankruptcy  
9 Code, including entities entitled to payment pursuant to section 503 of the Bankruptcy Code,  
10 will receive (i) Cash from the Reorganized Debtor in the amount of such Allowed Claims on  
11 the later of (a) the Effective Date or (b) the date such Claims become Allowed Claims, or (ii)  
12 payment at such later time or in such other amounts as the Reorganized Debtor and the  
13 holders of such Allowed Claims shall agree.

14 **3.2 Professional Fees.**

15 3.2.1 Professionals employed by the Debtor will receive Cash from the Reorganized  
16 Debtor on account of fees and expenses incurred through Confirmation in the amount  
17 awarded to such professionals by the Bankruptcy Court in accordance with orders thereon  
18 entered by the Bankruptcy Court pursuant to section 330 of the Bankruptcy Code. Payment  
19 of such amounts will be made by the Reorganized Debtor as soon as the Court files its orders  
20 approving such payments or at such later time and in such other amounts as the Reorganized  
21 Debtors and the professionals shall agree.

22 3.2.2 All fees and costs incurred by professionals after Confirmation representing  
23 the Reorganized Debtor in relation to the activities of the Reorganized Debtor in the  
24 implementation of the Plan, the making of Distributions under the Plan, the determination of  
25 Claims, the enforcement of the obligations and rights of the Reorganized Debtor under the  
26 Plan, and appeals, if any, shall be paid in full by the Reorganized Debtor without further  
27 review by, or order of, the Bankruptcy Court, provided that, all such professionals shall send  
28 copies of invoices for fees and costs incurred after Confirmation to the Reorganized Debtor,

1 and the Reorganized Debtor will have ten (10) working days from receipt of such invoice to  
2 notify the affected professional of an objection, which objection, if it is not resolved by  
3 agreement of the parties, shall be subject to an order of the Bankruptcy Court.

4 **3.3 Priority Tax Claims.**

5 The holders of Allowed Claims entitled to priority under section 507(a)(8) of the  
6 Bankruptcy Code will receive regular installment payments, in Cash, over the Plan Term,  
7 plus interest as set forth in section 511 of the Bankruptcy Code. The means for  
8 implementation of the regular installment payments is described in Sections 5.4.3. and 5.5.  
9 Nothing in Section Sections 5.4.3. and 5.5 or this section will prohibit the Reorganized  
10 Debtor from paying such Allowed Claims ahead of the schedule provided herein.

11 **ARTICLE IV.**

12 **TREATMENT OF IMPAIRED CLASSES OF CLAIMS AND INTERESTS**

13 The Allowed Claims in Classes 2-A, 2-B, 3 and 4 are impaired under the Plan. The  
14 Class 1 Priority Claims are unimpaired by the Plan. Holders of unsecured Allowed Claims  
15 entitled to priority in Class 1 and secured Allowed Claims in Class 2 will receive the  
16 Distributions set forth in this Article on account of, and in full satisfaction of, such Allowed  
17 Claims. In no event will the holder of an Allowed Claim in Classes 1 or 2 or of a Non-  
18 Classified Allowed Claim receive Distributions of a value equal to more than one hundred  
19 percent (100%) of the amount of such Allowed Claim. Claims in Class 3 will not receive  
20 any distribution under the Plan and are deemed to reject the Plan. Interests in Class 4 will  
21 not receive any distribution under the Plan; the Interests in Class 4 will be cancelled at the  
22 completion of the Plan Term. Interests in Class 4 are deemed to reject the Plan.

23 **4.1 Class 1 — Priority Claims.**

24 The Reorganized Debtor will pay the holders of Allowed Claims in Class 1, in Cash,  
25 on the Effective Date in the amount of such Allowed Claims without interest. With regard to  
26 Claims in Class 1 that thereafter become Allowed Claims, such payment will be made as  
27 soon as such Claims become Allowed Claims.  
28

1 **4.2 Class 2 — Secured Claims.**

2 4.2.1 Class 2-A Fremont Bank Secured Claim. Class 2-A consists of the secured  
3 claim of Fremont Bank filed against the Debtor and secured by liens upon all inventory,  
4 chattel paper, accounts, equipment, deposit accounts and general intangibles, as well as other  
5 items. The Debtor has provided Fremont Bank with adequate protection payments during the  
6 pendency of the Chapter 11 case in accordance with the terms of the Amended Cash  
7 Collateral Stipulation. Additionally, the Reorganized Debtor will provide Fremont Bank  
8 with the following Distributions on account of its secured Allowed Claim: (i) On the  
9 Effective Date, the Reorganized Debtor will provide Fremont Bank with a Distribution of  
10 \$100,000, in Cash; (ii) During the Plan Term, the Reorganized Debtor will distribute to  
11 Fremont Bank \$5,000 per month, in Cash; and (iii) At the conclusion of the Plan Term, the  
12 Debtor will distribute to Fremont Bank all remaining funds in Cash (if any) following the  
13 payment of outstanding post-confirmation obligations and the satisfaction of any remaining  
14 Allowed Claims entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.  
15 Fremont Bank will have a continuing security interest in and liens upon assets of the Debtor,  
16 as provided in its prepetition loan agreements to the Debtor. The remainder of Fremont  
17 Bank's claim will be classified as a Class 3 general unsecured claim.

18 4.2.2 Class 2-B Sysco Secured Claim. Class 2-B consists of the secured Claim of  
19 Sysco. The Debtor will pay Sysco a Cash Distribution in the amount of its secured Allowed  
20 Claim within thirty (30) days after the Effective Date. The remainder of Sysco's claim will  
21 be classified as a Class 3 general unsecured claim.

22 4.2.3 Class 2-C Secured Claims Unknown at Confirmation. Class 2-C consists of  
23 any secured Claims secured by security interests in, and liens upon, specific property of the  
24 Debtor unknown at Confirmation and, therefore, otherwise excluded from specific treatment  
25 in Class 2. The Reorganized Debtor will have the option of (a) continuing to pay the holder  
26 of such secured Allowed Claim in accordance with the terms of the agreement between such  
27 holder and the Debtor in effect at the time of Confirmation, (b) paying the holder of the  
28 secured Allowed Claim monthly Distributions during the Plan Term in the amount of the

1 secured Allowed Claim with interest at 3% per year until paid with the balance of the Claim  
2 as a general unsecured Claim in Class 3, or (c) returning the collateral securing the Allowed  
3 Claim to the holder, whereby the Allowed Claim of such holder will be reduced by the fair  
4 market value of such property returned and the balance of the Allowed Claim of such holder,  
5 if any, will be a general unsecured claim payable in Class 3. The Reorganized Debtor will  
6 elect the treatment option, and inform the Holder of the Allowed Claims in Class 2-C of the  
7 election within thirty (30) days of the Effective Date.

8 **4.3 Class 3 — General Unsecured Claims.**

9 The holders of unsecured Allowed Claims in Class 3 will not receive any Distribution  
10 under the Plan. Class 3 is deemed to reject the Plan.

11 **4.4 Class 4 — Common Stock.**

12 The holders of shares of Common Stock in the Debtor will not receive any  
13 Distribution under the Plan. During the Plan Term, holders of shares of Common Stock in  
14 the Debtor shall be prohibited from selling, hypothecating or otherwise receiving value for  
15 such Common Stock. Upon completion of the Plan Term the legal, equitable, and  
16 contractual rights of the holders of such Interests will be cancelled without requirement of  
17 any further undertaking by the Reorganized Debtor.

18 **ARTICLE V.**

19 **MEANS FOR IMPLEMENTATION OF THE PLAN**

20 **5.1 Means for Funding the Plan.**

21 The Reorganized Debtor will fund the Plan through the following means:

22 5.1.1 Operations of the Reorganized Debtor. The Debtor received a termination  
23 payment of \$300,000 as a part of the Settlement Agreement with DJONT. These funds will  
24 be used to fund Plan payments, in particular the Effective Date Payments. During the Plan  
25 Term, the Reorganized Debtor will provide food and beverage operations pursuant to the  
26 Restaurant Lease by and between KOAR-SEATAC Partners, L.P. and R. Ring Enterprises,  
27 Inc. (the “Tukwila Lease”). The Tukwila Lease expires on February 1, 2011. The Debtor  
28 projects revenues of \$3,320,000 over the Plan Term arising from operations pursuant to the

1 Tukwila Lease. After satisfaction of overhead and expenses, the Debtor anticipates that  
2 funds from these operations will be sufficient to pay priority Allowed Claims, Non-  
3 Classified Allowed Claims and the secured Allowed Claims of Fremont Bank and Sysco in  
4 full.

5 5.1.2 Recoveries from Capurro Judgment. Through February 1, 2011, the  
6 Reorganized Debtor will apply recoveries from the judgment entered April 24, 2008 against  
7 Cindy and Steven Capurro (the “Capurro Judgment”) to Plan Distributions, subject to costs  
8 and expenses associated with post-confirmation operations of the Reorganized Debtor. The  
9 Capurro Judgment is jointly held by the Debtor and Restaurant Concepts, LLC, through the  
10 Plan Term seventy percent (70%) of the total recoveries will be allocated to the Debtor.  
11 After February 1, 2011, any recoveries on the Capurro Judgment will be the sole property of  
12 Restaurant Concepts, LLC.

13 5.1.3 Additional Recoveries. Any recoveries by the Reorganized Debtor pursuant to  
14 sections 541 through 550 of the Bankruptcy Code, after repayment of fees and costs  
15 associated with collection or recovery, will be applied to Plan Distributions, subject to costs  
16 and expenses associated with post-confirmation operations of the Reorganized Debtor.

17 **5.2 Effective Date Distributions.**

18 Unless otherwise ordered by the Court, the following Effective Date Distributions  
19 will be made by the Reorganized Debtor on Allowed Claims:

20 5.2.1 Distributions on Non-Classified Allowed Claims. Within thirty (30) days of  
21 the Effective Date, the Reorganized Debtor will pay in full, in Cash, all Allowed Claims then  
22 payable under the Plan to holders of general administrative expense Non-Classified Allowed  
23 Claims, as set forth in Subsection 3.1.

24 5.2.2 Distributions on Allowed Claims in Class 1. Within thirty (30) days of the  
25 Effective Date, the Reorganized Debtor will pay in full, in Cash, all Allowed Claims then  
26 payable under the Plan to holders of Allowed Claims in Class 1, as set forth in Subsection  
27 4.1.  
28

1           5.2.3 Distribution on Class 2-A Fremont Bank Secured Claim. On the Effective  
2 Date, the Reorganized Debtor will pay Fremont Bank \$100,000, in Cash based on the  
3 Secured Allowed Claim of Fremont Bank.

4           5.2.4 Distribution on Class 2-B Sysco Secured Claim. Within thirty (30) days of the  
5 Effective Date, the Reorganized Debtor will provide Sysco a Cash Distribution in the amount  
6 of its secured Allowed Claim.

7 **5.3 Distributions During the Plan Term.**

8           5.3.1 Distributions to Class 2-A Fremont Bank Secured Claim. During the Plan  
9 Term, the Reorganized Debtor will pay Fremont Bank \$5,000 per month, in Cash, based on  
10 the secured Allowed Claim of Fremont Bank.

11           5.3.2 Distributions to Holders of Non-Classified Allowed Claims for Priority Taxes.  
12 On May 31, 2010 and September 31, 2010, the Reorganized Debtor will make Pro Rata  
13 Distributions to Holders of Non-Classified Allowed Claims entitled to priority pursuant to  
14 Section 507(a)(8) of the Bankruptcy Code in an amount no greater than thirty-three (33%)  
15 percent of the Allowed Claim amount, with interest as set forth in section 511 of the  
16 Bankruptcy Code. Such Distributions will be conditioned upon an (a) operating reserve of  
17 \$15,000 and (b) expenses related to the administration of the Chapter 11 case or  
18 implementation of the Plan. If the Debtor is unable to make a Pro Rata Distribution as  
19 provided herein on the dates provided above, it will make a Pro Rata Distribution on the first  
20 business day upon which the above-stated conditions are satisfied.

21 **5.4 Final Plan Distributions.**

22           Following the end of the Plan Term, the Reorganized Debtor will distribute (i) all  
23 Cash, (ii) accounts receivable recovered within thirty (30) days of February 1, 2011 and (iii)  
24 proceeds of any remaining assets in the following order: (i) First, for the satisfaction of all  
25 outstanding post-confirmation costs and expenses, (ii) Second, as a Pro Rata Distribution on  
26 all remaining Allowed Claims entitled to priority pursuant to Section 507(a)(8) of the  
27 Bankruptcy Code, up to 100% of the amount of the Allowed Claim, with interest as set forth  
28

1 in section 511 of the Bankruptcy Code, and (iii) Third, as a Distribution on the Class 2-A  
2 Fremont Bank secured Allowed Claim.

3 **5.5 Extension of Time to Make Distributions.**

4 Except as otherwise provided herein, the Reorganized Debtor may obtain a ten (10)  
5 day extension of the time period to make Distributions required in the Plan upon the filing  
6 and service of a notice of the extension to the Bankruptcy Court and affected parties. The  
7 Reorganized Debtor may seek a further extension, without hearing, upon application to the  
8 Bankruptcy Court, with five (5) days notice of the application to the affected party.

9 **5.6 Post-confirmation Operations.**

10 5.6.1 Non-Classified Claims Bar Date. The deadline for filing Non-Classified  
11 Claims entitled to treatment as Claims in accordance with Section 3.1 of the Plan will be  
12 thirty (30) days after the Effective Date, provided that any requests for payment or proofs of  
13 claim concerning such Non-Classified Claims already filed with the Bankruptcy Court on the  
14 Effective Date will be deemed filed.

15 5.6.2 Payments and Reports to the Office of the United States Trustee. The  
16 Reorganized Debtor will submit quarterly reports to the Office of the United States Trustee  
17 summarizing the Plan Distribution activity and will make quarterly payments to the Office of  
18 the United States Trustee in accordance with 28 U.S.C. § 1930(a)(6) based upon  
19 disbursements that are Distributions until the entry of a Final Decree and Order Closing the  
20 Chapter 11 Case.

21 5.6.3 Indemnification of Designated Responsible Individual. On the Effective  
22 Date, the Designated Responsible Individual, Richard R. Ring, will be discharged from all  
23 obligations to the Debtor. The Reorganized Debtor will indemnify and defend Mr. Ring for  
24 any and all claims asserted against him in his capacity as Designated Responsible Individual  
25 of the Debtor until the date of entry of a Final Decree and Order Closing the Chapter 11  
26 Case; provided, however, that the indemnification obligations arising pursuant to this Section  
27 5.6.3 shall defend but may not indemnify Mr. Ring for any actions taken by him that  
28

1 constitute negligence, willful misconduct, or fraud. The Reorganized Debtor may enter into  
2 such agreements as are reasonably necessary to implement this provision.

3 **5.7 Treatment of Unclaimed Property.**

4 If a Distribution to a holder of an Allowed Claim becomes Unclaimed Property, the  
5 Reorganized Debtor will make a reasonable effort to reach the holder of the Allowed Claim  
6 after which the holder of the Allowed Claim shall cease to be entitled to the Distribution or  
7 any further Distributions and such Unclaimed Property will be returned to the Reorganized  
8 Debtor.

9 **5.8 De Minimis Distributions; Rounding of Distributions.**

10 The Reorganized Debtor will not make a Distribution to the holder of an Allowed  
11 Claim if the amount of the Distribution is less than \$10. All Cash not so distributed shall  
12 remain with the Reorganized Debtor. The Reorganized Debtor may round all Distributions  
13 to the nearest whole dollar amount.

14 **ARTICLE VI.**

15 **EFFECT OF CONFIRMATION**

16 Except as provided in this Plan or in the Confirmation Order, on the Effective Date  
17 the Plan will be binding on all holders of Claims and Interests existing as of the date of  
18 Confirmation, whether or not such holder has filed a Claim or Interest in the Chapter 11  
19 Case, whether or not such Claim is an Allowed Claim, whether or not such Interest is  
20 allowed, and whether or not such holder has voted to accept the Plan. No holder of a Claim  
21 or Interest will have any right of action against the Reorganized Debtor except as set forth in  
22 the Plan.

23 Confirmation of this Plan shall not provide a release of any guaranty, or the security  
24 for any guaranty, of any entity that provided a guaranty of the Debtor's obligations to  
25 Fremont Bank.

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**ARTICLE VII.**

**REVESTING OF TITLE**

Except as provided in this Plan or in the Confirmation Order, on the Effective Date, the Reorganized Debtor will be vested with all of the property of the Debtor, free and clear of all Claims, liens, charges, and other interests of creditors arising prior to Confirmation. After Confirmation, the Reorganized Debtor will operate free of any restrictions of the Bankruptcy Code based on the pendency of the Chapter 11 Case.

In accordance with applicable law, in the event of a subsequent bankruptcy case under Chapter 11 or Chapter 7, the Reorganized Debtor's assets in existence at that time would become property of the estate under section 541 of the Bankruptcy Code.

**ARTICLE VIII.**

**RETENTION AND ENFORCEMENT OF CLAIMS**

Pursuant to section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtor will succeed to any and all claims, defenses, powers and interests held by the Debtor (to the extent not waived, released, settled, or compromised on or before the Effective Date), and this Plan expressly reserves all such claims, defenses, powers, and interests to the Reorganized Debtor, including without limitation, rights to object to the allowance of Claims, request the subordination of Claims, avoid transfers of property or interests in property of the Debtor, and seek recovery of property, damages, or equitable relief.

**ARTICLE IX.**

**TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

All executory contracts and unexpired leases to which the Debtor is a party as of the Filing Date that are either (1) listed on Exhibit A to this Plan, as such Exhibit A may be amended until Confirmation, (2) have been assumed by prior orders of the Bankruptcy Court, or (3) are assumed by the Debtor prior to the Effective Date, will be assumed pursuant to Bankruptcy Code section 365(a). The unexpired lease with Ford Motor Credit Company for the 2006 Ford Econoline van shall be assumed and assigned to Restaurant Concepts, LLC.

1 All executory contracts and unexpired leases rejected by prior orders of the Bankruptcy  
2 Court are rejected as of the date provided in the Court's order authorizing the rejection.

3 Except for those executory contracts and unexpired leases set forth in the preceding  
4 paragraph, all other executory contracts and unexpired leases to which the Debtor is a party  
5 as of the Filing Date will be and hereby are rejected, effective as of such Effective Date.  
6 Proofs of claim for Claims arising from the rejection of executory contracts or unexpired  
7 leases must be filed with the Bankruptcy Court and served on counsel identified on the first  
8 page of this Plan within thirty (30) days of the Effective Date or such claims will be forever  
9 barred and the holders thereof will not participate in any Distributions under the Plan related  
10 to the rejected agreement; provided, however, the foregoing provision does not extend any  
11 deadline for filing proofs of claim arising from the rejection of executory contracts or  
12 unexpired leases that was established by prior Bankruptcy Court Order.

13 **ARTICLE X.**

14 **MODIFICATION OF PLAN**

15 The Debtor, as the Plan proponent, may modify the Plan prior to Confirmation if the  
16 Plan, as modified, meets the requirements of the Bankruptcy Code. Such modification shall  
17 be deemed accepted or rejected by a holder of a Claim that has previously accepted or  
18 rejected the Plan unless, within the time fixed by the Bankruptcy Court, such holder changes  
19 such holder's previous acceptance or rejection.

20 **ARTICLE XI.**

21 **USE OF BANKRUPTCY CODE SECTION 1129(B)**

22 Classes 3 and 4 are impaired and will not receive any Distribution. They are deemed  
23 to reject the Plan. Accordingly, the Debtor intends to seek Confirmation pursuant to  
24 section 1129(b) of the Bankruptcy Code.

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1 **ARTICLE XII.**

2 **RETENTION OF JURISDICTION**

3 Notwithstanding Confirmation of this Plan or the occurrence of the Effective Date,  
4 the Bankruptcy Court shall retain full jurisdiction as provided in 28 U.S.C. § 1334 to enforce  
5 the provisions, purposes, and intent of this Plan including, without limitation:

- 6 **12.1** Determination of the allowability and classification of Claims upon objection to such  
7 Claims;
- 8 **12.2** Any determination necessary or appropriate under section 505 of the Bankruptcy  
9 Code or other determination relating to tax returns filed or to be filed by the Debtor or  
10 the Reorganized Debtor for all periods through the end of the fiscal year in which the  
11 Effective Date occurs;
- 12 **12.3** Determination of requests for payment of Claims entitled to priority under  
13 section 507(a)(2) of the Bankruptcy Code;
- 14 **12.4** Resolution of controversies and disputes regarding interpretation of this Plan or the  
15 Confirmation Order;
- 16 **12.5** Implementation of the provisions of this Plan and the Confirmation Order, and entry  
17 of orders in aid of Confirmation, including orders to protect the Designated  
18 Responsible Individual of the Debtor or the Reorganized Debtor;
- 19 **12.6** Modification of the Plan pursuant to section 1127 of the Bankruptcy Code;
- 20 **12.7** Adjudication of any causes of action, including avoiding powers actions, brought by  
21 the Debtor or the Reorganized Debtor; and
- 22 **12.8** Entry of a Final Decree and Order Closing the Chapter 11 Case.

23 **ARTICLE XIII.**

24 **CONDITIONS TO CONFIRMATION**

- 25 **13.1** The Plan will not be confirmed unless the unexpired restaurant lease with KOAR-  
26 SEATAC PARTNERS, L.P. is assumed.
- 27
- 28

1   **13.2**   The Debtor may waive any or all of the foregoing conditions prior to or at  
2           Confirmation.

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4   DATED: July 30, 2009

R. RING ENTERPRISES, INC.  
a California corporation

By: /s/ Richard R. Ring  
Richard R. Ring

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8   FRIEDMAN DUMAS & SPRINGWATER LLP

9   By: /s/ M. Elaine Hammond  
10       M. Elaine Hammond,  
11       Attorneys for the Debtor

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**EXHIBIT A**  
**[Subject to Further Revision]**  
**UNEXPIRED LEASES AND EXECUTORY CONTRACTS TO BE ASSUMED BY**  
**REORGANIZED DEBTOR**

<b>Counterparty to Lease or Executory Contract</b>	<b>Description of Agreement</b>	<b>Cure Payment</b>
KOAR – SEATAC Partners, L.P.	Restaurant Lease dated October 22, 1999	\$76,675
LSI, Inc.	Sublease Agreement	\$457
Washington Alliance Health Insurance Trust/ Premera Blue Cross	Employee Medical Plan (Washington)	\$8,191
Transfirst	Account Processing Agreement	\$7,793
American Express	Account Processing Agreement	\$0

**UNEXPIRED LEASE TO BE ASSUMED AND ASSIGNED TO**  
**RESTAURANT CONCEPTS, LLC**

<b>Counterparty to Lease</b>	<b>Description of Agreement</b>	<b>Cure Payment</b>
Ford Motor Credit Company	Lease for 2006 Ford Econoline Van	\$0