

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA

_____)	
)	Chapter 11
In re:)	
)	Case No. 17-11444-SAH
Eateries, Inc., <i>et al.</i> ¹)	
)	Jointly Administered
Debtors.)	
_____)	

NOTICE OF SUPPLEMENTAL DECLARATION OF DAVID PAYNE

COME NOW Eateries, Inc. and GRP of Zanesville, LLC, and hereby file the attached Supplemental Declaration of David Payne. This Supplemental Declaration is intended to supplement the Declaration previously filed on August 15, 2017 at Dkt. No. 162.

DATED: August 16, 2017.

Respectfully submitted,

s/ Lysbeth George
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¹ The affiliated Debtors are Eateries, Inc. and GRP of Zanesville, LLC, Case No. 17-11445-SAH.

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Attorneys for Debtors In Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

)	
)	
In re:)	Chapter 11
)	
EATERIES, INC., <i>et al.</i> ¹)	Case No. 17-11444-SAH
Debtors.)	
)	(Jointly Administered)

SUPPLEMENTAL DECLARATION OF DAVID PAYNE

As a supplement to the prior declaration of David Payne filed on August 15, 2017 [Dkt. No. 162] (the “Declaration”), David Payne states the following in support of the Motion filed by Eateries, Inc. for an Order (A) Establishing Bidding Procedures in Connection with the Sale of Substantially all of the Debtor’s Assets (B) Approving the Form and Manner of Notices, (C) Scheduling Dates for an Auction and Sale Hearing, (D) Authorizing and Approving the Form of a Stalking Horse Asset Purchase Agreement, and (E) Approving Procedures to Determine Cure Amounts Related to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Notice of Opportunity for Hearing filed July 13, 2017 [Docket No. 142] (the “Bid Procedures Motion”).

The Initial Bid of the Stalking Horse, Fresh Capital LLC, Fiesta Holdings, Inc., and Practical Investors LLC or their nominee (collectively, the “Purchaser”), is specifically described in detail in the Stalking Horse APA attached as Exhibit “1” to the Supplement [Dkt. No. 150] and, generally, is as follows:

- (1) \$1,100,000.00 payable as a credit against the Secured Indebtedness;
- (2) Cash sufficient to pay (a) the DIP Facility in full and (b) all Cure Amounts; and

¹ The affiliated Debtors are Eateries, Inc. and GRP of Zanesville, LLC, Case Nos. 17-11444 and 17-11445.

- (3) The assumption of all of the (a) Seller's Administrative Claims; and (b) Seller's Post Petition Liabilities as set forth in Section 1.03 of the Stalking Horse APA including, (i) Seller's Post-Petition obligations to be performed under each Assumed Lease, (ii) Seller's obligations for Post-Petition trade payables, (iii) Seller's Post-Petition obligations to be performed under each Assumed Contract, (iv) obligations of Seller to employees hired by Purchaser with respect to unused vacation and personal time accrued Post-Petition by such employees in their employment with Seller, (v) Post-Petition obligations of the Seller to be performed under each Assigned Liquor License; (vi) all obligations remaining under the Gift Cards sold Post-Petition, and (vii) all obligations remaining on coupons and promotional offers issued Post-Petition for each Transferable Restaurant, (viii) obligations for Transfer Taxes under Section 12.06 of the Stalking Horse APA and (ix) all obligations of Seller for Allowed Administrative Claims.

My opinion expressed in the Declaration regarding the appropriateness of the terms set forth in the Stalking Horse APA remains the same.

FURTHER DECLARANT SAIETH NOT.

David R Payne
David R. Payne

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

Subscribed and sworn before me, the undersigned Notary Public, this 16th day of
August, 2017.

Rozetta A Bishop
Notary Public

My commission expires:

7-12-18
(Seal)

