

07/31/2017

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

IN RE:	§	
	§	Case No. 17-40297
TX. C. C., INC. , et al.	§	(Chapter 11)
	§	(Jointly Administered)
Debtors.	§	

ORDER PARTIALLY GRANTING AS TO DEBTORS AND CREATIVE FOOD, LLC MOTION FOR ORDER AUTHORIZING (I) SALE(S) OF SUBSTANTIALLY ALL OF THE ESTATES' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS AND (II) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION WITH THE SALE(S) (RE: DOCKET NO. 355)

On July 24, 2017 came on for consideration the *Motion for Order Authorizing (I) Sale(s) of Substantially All of the Estates' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests and (II) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection with the Sale(s)* (Docket No. 355) (the "363 Motion") filed herein on July 10, 2017 by TX. C.C., Inc. and its related debtors and debtors in possession¹ (collectively the "Debtors"). Having reviewed the 363 Motion at the hearing with regard to: (i) the Assets to be purchased by **Creative Foods, LLC, a New Mexico corporation** ("Creative," and the Assets to be purchased by Creative under the Sale Motion, the "Assets") as delineated within that certain Asset Purchase Agreement between the Debtors, as sellers, and Creative, as Buyer, dated as of July 31, 2017 (the "Creative APA," attached hereto as **Exhibit 001**, the Creative APA collectively with any other documents incident to the Creative APA, the "Creative Transaction Documents"); and (ii) the non-residential real property leases underlying each of the Restaurant locations to be assumed and assigned to Creative (the "Creative Assumed Leases" and the lessors underlying the Creative Leases, the "Creative Lessors"), and after due deliberation and consideration of the objections filed against the 363 Motion which relate to

¹ The debtors in these Chapter 11 cases (each a "Debtor" and collectively, the "Debtors") are TX. C. C., Inc. (Case No. 17-40297), Texas Land & Cattle of Fairview, LLC (Case No. 17-40300), Lone Star Steakhouse & Saloon of Springfield, Inc. (Case No. 17-40303), Lone Star Steaks, Inc. Case No. 17-40330), Texas Land & Cattle Steakhouse of North Carolina (Case No. 17-40332), TXLC of Arlington II, LLC (Case No. 17-40333), Lone Star Steakhouse & Saloon of Southern Missouri (Case No. 17-40334), Lone Star Steakhouse & Saloon of Florida, Inc. (Case No. 17-40335), TXLC of Missouri, Inc. (Case No. 17-40336), Lone Star Steakhouse & Saloon of Michigan, Inc. (Case No. 17-40339), Lone Star Steakhouse & Saloon of Mississippi, Inc. (Case No. 17-40340), Lone Star Steakhouse & Saloon of Oklahoma, Inc. (Case No. 17-40341), Lone Star Steakhouse & Saloon of Ohio, Inc. (Case No. 17-40342), and Texas LC Liquor Company (Case No. 17-40443).

Creative's purchase of the Assets and the Debtors' assumption and assignment of the Creative Leases in connection therewith (the Assets and the Creative Leases collectively, the "Creative Assets"), the Bankruptcy Court has determined that no further notice is necessary, and that cause exists to grant the sale of the Assets and authorize the assumption and assignment of the Creative Leases by the Debtors to Creative (collectively, the "Creative Sale").

THE COURT HEREBY FINDS AND DETERMINES THAT:

Jurisdiction, Final Order, and Statutory Predicates

- A. This Court has jurisdiction to hear and determine the 363 Motion pursuant to 28 U.S.C. §§ 157(b)(I) and 1334(a). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue is proper in this District and in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.
- B. The predicates for the relief requested in the 363 Motion are Sections 105(a), 363, and 365 of the United States Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Code") and Bankruptcy Rules 2002(a)(2), 6004, 6006, 9007, and 9014.
- C. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by the Court at the Sale Hearing² in relation to the 363 Motion (insofar as they relate to the Creative Sale) are hereby incorporated herein to the extent not inconsistent herewith. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.
- D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this Sale Order, waives any stay and expressly directs entry of judgment as set forth herein.

² All capitalized terms shall have the same meaning as ascribed to such terms in 363 Motion and/or the Bid Procedures Order as applicable.

Notice of the Sale, Auction, and Cure Relating to Designated Leases, and Resolution of Objections

- E. Insofar as they relate the Creative Sale, actual written notice of the 363 Motion and the Sale Hearing, and a reasonable opportunity to object or be heard, has been afforded to all known interested entities and parties in accordance with Code §§ 363 and 365 and Bankruptcy Rules 2002, 6004, 6006, 9007, and 9008 (the “Notice Parties”). The notices described herein were good, sufficient, and appropriate under the circumstances, and no other or further notice of the 363 Motion and the Sale Hearing, or the Creative Sale are required.
- F. **Resolution of Objections to 363 Motion.** The following landlord parties filed objections to the 363 Motion with respect to the leases and/or locations listed in Table 1 below.

Brand + Location	Objecting Lessor / Landlord
LSS Crestwood	Brixmor Property Group, Inc.
TXLC San Antonio Riverwalk	Auburn Investment, Inc.
TXLC Katy	ABK Investors

Those landlord objections are resolved by approval of this Sale Order evidenced by the signature of the applicable landlord counsel appearing below.

Certain tax authorities also objected to the Sale Motion, which objections counsel for the Debtors resolved by inclusion of the separate ordered provisions below under the heading of “Provisions Related to Tax Authorities.”

- G. In accordance with the provisions of the Bidding Procedures Order, the Debtors have served the *Restaurant Leases Cure Account Notice* (Docket No. upon the Creative Lessors. The service of such notice was good, sufficient, and appropriate under the circumstances, and no further notice need be given in respect of establishing the cure amounts relating to the Creative Leases. Each of the non-debtor parties has had an opportunity to object to the cure amounts set forth in the notice and to the assumption and assignment and/or designation by Creative of the applicable Creative Leases pursuant to the 363 Motion.

- H. **Resolution of Objections to Cure Amounts.** Each of the Creative Lessors which objected to the *Restaurant Leases Cure Account Notice* (Docket No. 319) has executed the *Supplemental Agreed Order Regarding Final Lease Cure Amounts* (the “Supplemental Order”) submitted and entered contemporaneously herewith. The cure amounts for which there is no objection and/or which are set forth in the *Agreed Order Regarding Final Lease Cure Amounts*, as applicable, are referred to hereinafter as the “Final Cure Amounts.”
- I. The disclosures made by the Debtors concerning the 363 Motion, the Creative Transaction Documents (described below), the Auction, the Sale Hearing, and the Creative Sale were good, complete, and adequate.
- J. A reasonable opportunity to object and be heard with respect to the Sale Hearing and the 363 Motion and the relief requested therein (insofar as such opportunity relates to the Creative Sale), has been afforded to all interested persons and entities, including the Notice Parties.

Highest and Best Offer

- K. The Debtors conducted a sale process in accordance with, and have otherwise complied in all material respects with, the Bidding Procedures Order and the Code (insofar as such processes and compliance relates to the Creative Sale). The sale process set forth in the Bidding Procedures Order and otherwise conducted by the Debtors afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Creative Assets. The Auction was duly noticed in a noncollusive, fair, and good faith manner, and a reasonable opportunity has been given to any party interested in making a higher and better offer for the Creative Assets.
- L. The Qualified Bidders which submitted Qualified Bids for the Creative Assets were:³
- a. RRG 2011 Investments, LLC, Nevada limited liability company and a wholly owned division of Landry’s Inc. (“Creative”);
 - b. Alamo LS, LLC, a Texas limited liability company, an affiliate of FMP SA Management Group LLC d/b/a Food Management Partners (“Alamo”); and

³ Although both Alamo and Creative submitted bids which encompassed the Creative Assets, it was determined by the Debtors, after incorporation of necessary cure costs, that Creative’s bid for the Creative Assets was the highest and best bid for the Creative Assets.

- c. Creative Corporation, a New Mexico corporation (“Creative”).
- M. After evaluation by the Debtors, Creative was deemed to be the Successful Bidder as to the Creative Assets. Creative’s bid encompassed, among other things, the following Designated Creative Leases.

Table 1			
State	City	Company/Debtor	Case #
IL	Crestwood	Lone Star Steakhouse & Saloon of Springfield, Inc.	17-40303
MO	Branson	Lone Star Steakhouse & Saloon of Southern Missouri, Inc.	17-40334
OK	Owasso	Lone Star Steakhouse & Saloon of Oklahoma, Inc.	17-40341
TX	Arlington	TXLC of Arlington II, LLC	17-40333
TX	Garland	TX.C.C., Inc.	17-40297
TX	Lakeline	TX.C.C., Inc.	17-40297
TX	Austin Mopac	TX.C.C., Inc.	17-40297
TX	Austin Stassney	TX.C.C., Inc.	17-40297
TX	San Antonio Riverwalk	TX.C.C., Inc.	17-40297
TX	Katy	TX.C.C., Inc.	17-40297

- N. Creative’s Successful Bid consist of (1) payment of the Final Cure Amounts to the Creative Landlords, plus/and (2) assumption and payment of all 2017 ad valorem tax liabilities for the real property taxes and the business personal property taxes associated with the Creative Locations, plus/and (3) a cash payment to the Debtors of \$55,000 (the “Cash Consideration”) (together, the “Creative Final Offer”) and which Creative Final Offer is contained with the Creative APA.
- O. The Creative Final Offer constitutes the highest and best offer for the Creative Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative. The Debtors' determination that the Creative Final Offer constitutes the highest and best offer for the Creative Assets constitutes a valid and sound exercise of the Debtors' business judgment.
- P. The Creative Final Offer represents a fair and reasonable offer to purchase the Creative Assets under the circumstances of these Chapter 11 cases. No other entity or group of entities has offered to purchase the Creative Assets for greater overall value to the Debtors' estates than Creative.
- Q. The approval of the 363 Motion (insofar as it relates to the Creative Sale) and the Creative Final Offer and the consummation of the transactions contemplated thereby are in the best interests of the Debtors' Chapter 11 estates, their creditors, and other parties in interest.

Good Faith of Purchaser

- R. The transaction and accompanying documents, including the Creative Transaction Documents, were negotiated, proposed, and entered into by the Debtors and Creative without collusion, in good faith, and from arms'-length bargaining positions.
- S. Neither the Debtors nor Creative have engaged in any conduct that would cause or permit the Creative Transaction Documents to be avoided under Code § 363(n). Creative has not acted in a collusive manner with any person, and the Final Creative Offer was not controlled by any agreement among any set of bidders.
- T. Creative is purchasing the Creative Assets in good faith and is a good faith buyer within the meaning of Code § 363(m). Creative has proceeded in good faith in all respects in connection with the Creative Sale including, but not limited, to: (i) agreeing to subject its bid to the competitive bidding process contemplated in the Bidding Procedures Order in good faith, (ii) complying with the provisions in the Bidding Procedures Order, including any waivers or modifications thereof authorized by the Debtors, (iii) neither inducing nor causing the Chapter 11 filings by the Debtors; and (iv) disclosing all payments to be made by Creative in connection with the Creative Sale. Creative is therefore entitled to all of the protections afforded under Code § 363(m).

No Fraudulent Transfer or Merger

- U. The consideration provided by the Creative Final Offer: (i) is fair and reasonable, (ii) is the highest or best offer for the Creative Assets, and (iii) constitutes reasonably equivalent value (as those terms are defined in each of the Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, and Code § 548) and fair consideration under the Code and under the laws of the United States, any state, territory, possession, or the District of Columbia. No other person or entity or group of entities has offered to purchase the Creative Assets for greater overall value to the Debtors' estates than Creative. Approval of the 363 Motion (insofar as it relates to the Creative Sale) and the consummation of the transactions contemplated thereby are in the best interests of the Debtors, their estates, creditors, and other parties in interest.
- V. Creative is not a mere continuation of the Debtors or their estates and there is no continuity of enterprise between Creative and the Debtors. Creative is not holding itself out to the public as a continuation of the Debtors. Creative is not a successor to the Debtors or their estates and the sale of the Creative Assets does not amount to a consolidation, merger, or de facto merger of Creative and the Debtors.

Validity of Transfer

- W. Each Debtor has, to the extent necessary or applicable, (i) full corporate power and authority to execute and deliver the Creative Transaction Documents and all other documents contemplated thereby, (ii) all corporate authority necessary to consummate the transactions contemplated by the Creative Transaction Documents, and (iii) taken all corporate or limited liability company action necessary to authorize and approve the Creative Transaction Documents and the consummation of the transactions contemplated thereby. The Creative Sale has been duly and validly authorized by all necessary corporate action. No consents or approvals, other than those expressly provided for in the Creative Transaction Documents or this Sale Order, are required for the Debtors to consummate the sale of the Creative Assets, the Creative Transaction Documents, or the transactions contemplated thereby.
- X. The Creative Transaction Documents were not entered into for the purpose of hindering, delaying, or defrauding creditors as such terms are provided for under the Code or under the laws of the United States, any state, territory, possession or the District of Columbia. Neither the Debtors nor Creative is entering into the transactions contemplated by the Creative Transaction Documents fraudulently for the purpose of statutory and common law fraudulent conveyance and fraudulent transfer claims.
- Y. The Debtors are the sole and lawful owners of the Creative Assets. Subject to Code § 363(1), the Creative Sale will be, as of the closing of the contemplated transaction between the Debtors and Creative (the "Creative Closing"), a legal, valid, and effective transfer of the Creative Assets, which transfer vests or will vest Creative with all right, title, and interest of the Debtors to the Creative Assets free and clear of (i) all liens and encumbrances relating to, accruing, or arising any time prior to the Closing (collectively, the "Creative Liens") and (ii) all debts arising under, relating to, or in connection with any act of the Debtors or claims (as that term is defined in Code § 101(5)), liabilities, obligations, demands, guaranties, options in favor of third parties, rights, contractual commitments, restrictions, interests and the terms and provisions thereof, and matters of any kind and nature, whether arising prior to or subsequent to the commencement of these cases, and whether imposed by agreement, understanding, law, equity or otherwise (including, without limitation, rights with respect to the Creative Claims (as defined below) and Creative Liens: (a) that purport to give to any party a right of setoff or recoupment against, or a right or option to effect any forfeiture, modification, profit sharing interest, right of first refusal, purchase or repurchase right or option, or termination of, any of the Debtors' or Creative's interests in the Creative Assets, or any similar rights, or (b) in respect of taxes, restrictions, preferential purchase rights, rights of first refusal, consent rights or requirements, charges of interests of any kind or nature, if any, including, without limitation,

any restriction of use, voting, transfer, receipt of income or other exercise of any attributes of ownership) (collectively, as defined in this clause (ii), the "Creative Claims"), relating to, accruing or arising any time prior to the Creative Closing, in each case (i.e., under both (i) and (ii) of the preceding), with the exception of Permitted Encumbrances (the "Creative Permitted Encumbrances") and Assumed Liabilities (the "Creative Assumed Liabilities") that are expressly assumed by Creative under the Creative Transaction Documents, including, for the avoidance of doubt, cure costs or any obligations arising under the Creative Leases: (i) with respect to the Assumed Creative Leases, at the Creative Closing; and (ii) with respect to the Designated Creative Leases, at the time Creative elects for the Debtors to assume and assign a particular Designated Creative Lease.

Section 363 is Satisfied

- Z. The conditions of Code § 363(f) have been satisfied in full; therefore, the Debtors may sell the Creative Assets free and clear of any interest in the property other than the Creative Permitted Encumbrances and Creative Assumed Liabilities as may be set forth in the Creative Transaction Documents.

- AA. Creative would not have entered into the Creative Transaction Documents and would not consummate the transactions contemplated thereby if the sale of the Creative Assets to Creative and the assumption of any Creative Assumed Liabilities by Creative were not free and clear of all Liens and Claims, other than Creative Permitted Encumbrances and the Creative Assumed Liabilities as may be set forth in the Creative Transaction Documents, or if Creative would, or in the future could, be liable for any of such Creative Liens and Creative Claims (other than Creative Permitted Encumbrances and the Creative Assumed Liabilities). Creative shall not be responsible for any Creative Liens or Creative Claims, including in respect of the following: (i) any labor or employment agreements, (ii) all mortgages, deeds of trust and security interests, (iii) intercompany loans and receivables among the Debtors, (iv) any pension, welfare, compensation, or other employee benefit plans, agreements, practices, and programs, including, without limitation, any pension plan of any Debtor, and (v) any other employee, workers' compensation, occupational disease, or unemployment or temporary disability related claim, including, without limitation, claims that might otherwise arise under or pursuant to (a) the Employee Retirement Income Security Act of 1974, as amended, (b) the Fair Labor Standards Act, (c) Title VII of the Civil Rights Act of 1964, (d) the Federal Rehabilitation Act of 1973, (e) the National Labor Relations Act, (f) the Worker Adjustment and Retraining Act of 1988, (g) the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended, (h) the Americans with Disabilities Act of 1990, (i) the Consolidated Omnibus Budget Reconciliation Act of 1985, (j) state discrimination laws, (k) state unemployment compensation laws or any other similar state laws, or (l) any other state or federal benefits, laws, or claims relating

to any employment with any of the Debtors or any of their respective predecessors, (m) Creative Claims or Creative Liens arising under any environmental law or regulation with respect to the Creative Assets and/or the Creative Leases, (n) any bulk Sales or similar law, (o) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, and (p) any theories of successor liability.

- BB. The Debtors may sell the Creative Assets free and clear of all Creative Liens and Creative Claims against the Debtors, their estates or any of the Creative Assets (except the Creative Permitted Encumbrances and Creative Assumed Liabilities as may be set forth in the Creative Transaction Documents) because, in each case, one or more of the standards set forth in Code § 363(f)(1)-(5) has been satisfied, to the extent applicable to the Creative Assets as defined in the Creative Transaction Documents. Those holders of Creative Liens or Creative Claims against the Debtors, their estates, or any of the Creative Assets who did not object or who withdrew their objections to the sale of the Creative Assets or the 363 Motion (insofar as the 363 Motion relates to the sale of the Creative Assets to Creative by the Debtors) are deemed to have consented to the sale of the Creative Assets pursuant to Code § 363(f)(2) of the Bankruptcy Code. All other holders of Creative Liens or Creative Claims (except to the extent that such Creative Liens or Creative Claims are Creative Assumed Liabilities or Creative Permitted Encumbrances under the Creative Transaction Documents) are adequately protected by having their Creative Liens or Creative Claims, if any, in each instance against the Debtors, their estates, or any of the Creative Assets, attach to the cash proceeds of the Creative Sale ultimately attributable to the Creative Assets in which such creditor alleges an Creative Lien or Creative Claim, in the same order of priority, and with the same validity, force, and effect, that such Creative Liens or Creative Claims had prior to the sale of the Creative Assets, subject to any claims and defenses the Debtors and their estates may possess with respect thereto.

Cure and Adequate Assurance.

- CC. The assumption and assignment of the Creative Leases pursuant to the terms of this Sale Order is integral to transactions approved herein and is in the best interests of the Debtors and their estates, their creditors, and all other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by the Debtors, and the Debtors are hereby authorized to assume/assign and/or designate the Creative Leases.

Compelling Circumstances for an Immediate Sale.

- DD. Good and sufficient reasons for approval of the Creative Transaction Documents and the Creative Sale have been articulated. The relief requested in the 363 Motion (insofar as it relates to the Creative Sale) is in the best interests of the

Debtors, their estates, their creditors and other parties in interest. The Debtors have demonstrated both (i) good, sufficient, and sound business purposes and justifications for approving the Creative Transaction Documents and (ii) compelling circumstances for the Creative Sale outside the ordinary course of business, pursuant to Code § 363(b) before, and outside of, a Chapter 11 plan, in that, among other things, the immediate consummation of the sale of the Creative Assets to Creative is necessary and appropriate to maximize the value of the Debtors' estates and the sale of the Creative Assets will provide the means for the Debtors to maximize distributions to creditors.

- EE. To maximize the value of the Creative Assets and preserve the viability of the business to which the Creative Assets relate, it is essential that the sale of the Creative Assets occur within the time constraints set forth in the Creative Transaction Documents. Time is of the essence in consummating the sale of the Creative Assets.
- FF. Given all of the circumstances of these Chapter 11 cases and the adequacy and fair value of the Creative Final Offer under the Creative Transaction Documents, the Creative Sale constitutes a reasonable and sound exercise of the Debtors' business judgment and should be approved.
- GG. The sale of the Creative Assets does not constitute a sub rosa Chapter 11 plan for which approval has been sought without the protections that a disclosure statement would afford. The sale of the Creative Assets neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a liquidating Chapter 11 plan for the Debtors.
- HH. The consummation of the Creative Sale and the assumption/assignment or designation of the Creative Leases is legal, valid, and properly authorized under all applicable provisions of the Code, including, without limitation, Code §§ 363(b), 363(t), 363(m), and 365, and all of the applicable requirements of such sections have been complied with in respect of the transaction.

THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

General Provisions

- 1. The relief requested in the 363 Motion (insofar as it relates to the Creative Sale) and the transactions contemplated thereby and by the Creative Transaction Documents are approved as set forth in this Sale Order and on the record of the Sale Hearing, which is incorporated herein as if set forth fully in this Sale Order, and the Creative Sale contemplated thereby is approved.
- 2. All objections to the 363 Motion (insofar as they relate to Creative Sale) or the relief requested therein that have not been withdrawn, waived, or settled by

announcement to the Court during the Sale Hearing or by stipulation filed with the Court, including any and all reservations of rights included in such objections or otherwise, are hereby denied and overruled on the merits with prejudice, and those parties who did not object or withdrew their objections to the 363 Motion are deemed to have consented to the Sale pursuant to Code § 363(f)(2).

3. This Court's findings of fact and conclusions of law set forth in the Bidding Procedures Order are incorporated herein by reference.

Approval of the Creative Transaction Documents

4. The Creative Transaction Documents and all other ancillary documents, and all of the terms and conditions thereof, are hereby approved. The Debtors are authorized to make non-material modifications to the Creative Transaction Documents prior to the Creative Closing.
5. Pursuant to Code §§ 363(b) and (f), the Debtors are authorized, empowered, and directed to use their reasonable best efforts to take any and all actions necessary or appropriate to (a) consummate the sale of the Creative Assets pursuant to and in accordance with the terms and conditions of the Creative Transaction Documents, (b) close the Creative Sale as contemplated in the Creative Transaction Documents and this Sale Order, and (c) execute and deliver, perform under, consummate, implement, and fully close the transactions contemplated by the Creative Transaction Documents (including assignment/assumption and designation of the Creative Leases), together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Creative Transaction Documents and the Creative Sale. Creative shall not be required to seek or obtain relief from the automatic stay under Code § 362 to enforce any of its remedies under the Creative Transaction Documents or any other document related to the Creative Sale. The automatic stay imposed by Code § 362 is modified solely to the extent necessary to implement the preceding sentence and the other provisions of this Sale Order.
6. This Sale Order shall be binding in all respects upon the Debtors, their estates, all creditors of, and holders of equity interests in, any Debtor, any holders of Creative Liens, Creative Claims, or other interests (whether known or unknown) in, against or on all or any portion of the Creative Assets, all counterparties to any Creative Leases, Creative and all successors and assigns of Creative, the Creative Assets, and any trustees, if any, subsequently appointed in any of the Debtors' Chapter 11 cases or upon a conversion to Chapter 7 under the Code of any of the Debtors' cases. This Sale Order and the Creative Transaction Documents shall inure to the benefit of the Debtors, their estates and creditors, Creative, and the respective successors and assigns of each of the foregoing.

7. From and after the Creative Closing, Creative shall indemnify, defend, and save the Debtors and their respective officers, directors, employees, agents, and representatives forever harmless from and against, any and all losses, damages, or other liabilities with respect to the Creative Assets, the Creative Assumed Liabilities under the Creative Transaction Documents, and/or the Creative Leases (including payment of all 2017 annual ad valorem taxes accruing as of January 1, 2017 as to those Creative Designated Leases as to which Creative requests assignment). Notwithstanding the foregoing, if Creative elects to reject a Designated Lease, then Creative shall only be responsible for liabilities arising out of the Creative Designated Lease between the date of the Creative Closing and the date that the applicable Creative Designated Lease is rejected.

Transfer of the Creative Assets

8. Pursuant to Code §§ 105(a), 363(b), and 363(f), the Debtors are authorized and directed to use reasonable best efforts to effectuate the transfer of the Creative Assets to Creative upon the Creative Closing and such transfer shall constitute a legal, valid, binding, and effective transfer of the Creative Assets and shall vest Creative with title to the Creative Assets.
9. Upon (1) receipt by the Creative Landlords of the full amount of the Final Cure Amounts, (2) the Debtors' receipt of the Cash Consideration, and (3) the Closing of the Creative Final Offer, the transfer of the Creative Assets shall be free and clear of all Creative Liens, Creative Claims, and other interests of any kind or nature whatsoever, including but not limited to, (a) successor or successor-in-interest liability in respect of such Creative Liens, Creative Claims, or other interests and (b) Creative Claims in respect of the Excluded Liabilities, with all such Creative Liens, Creative Claims, or other interests to attach to the cash proceeds ultimately attributable to the property against or in which such Creative Liens, Creative Claims, or other interests are asserted, subject to the terms thereof, with the same validity, force, and effect, and in the same order of priority, that such Creative Liens, Creative Claims, or other interests now have against the Creative Assets, subject to any rights, claims, and defenses the Debtors or their estates, as applicable, may possess with respect thereto. Upon the Creative Closing, Creative shall take title to and possession of the Creative Assets subject only to the Creative Permitted Encumbrances and Creative Assumed Liabilities contained within the Creative Transaction Documents; provided that the Creative Closing shall not occur and no such transfers shall be made unless, prior to the Creative Closing, Creative provides the full purchase price contemplated by the Creative Transaction Documents to the Debtors in good and immediately available funds. **THE TRANSFER OF THE CREATIVE ASSETS IS FURTHER SUBJECT TO THE PROTECTIONS PROVIDED TO VARIOUS TAX AUTHORITIES IN PARAGRAPH NOS. 58-62 BELOW.**

10. All persons and entities that are in possession of some or all of the Creative Assets on the date of the Creative Closing are directed to surrender possession of such Creative Assets to Creative or its assignee at the Creative Closing. On the date of the Creative Closing, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be reasonably necessary to release its Creative Liens, Creative Claims, or other interests in the Creative Assets, if any (except to the extent such Creative Liens, Creative Claims, or interests constitute Creative Permitted Encumbrances under the Creative Transaction Documents), as such Creative Liens, Creative Claims or interests may have been recorded or may otherwise exist.
11. The Debtors are hereby authorized and directed to use reasonable best efforts to take any and all actions necessary to consummate the Creative Transaction Documents, including any actions that otherwise would require further approval by shareholders, members, or its board of directors, as the case may be, without the need of obtaining such approvals.
12. The transfer of the Creative Assets to Creative does not require any consents other than as specifically provided for in the Creative Transaction Documents, which consents shall be deemed given. On the date of (1) receipt by the Creative Landlords of the full amount of the Final Cure Amounts, (2) the Debtors' receipt of the Cash Consideration, and (3) the Closing of the Creative Final Offer, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance and transfer of the Debtors' interests in the applicable Creative Assets. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Creative Transaction Documents.
13. A certified copy of this Sale Order may be filed with the appropriate clerk and/or recorded with the recorder of any state, county, or local authority, and shall act to (i) cancel or evidence satisfaction of any of the Creative Liens, Creative Claims, and other encumbrances of record except those assumed as Creative Assumed Liabilities or Creative Permitted Encumbrances (as evidenced within the Creative Transaction Documents) and (ii) evidence the Creative Assumed Liabilities and Creative Permitted Encumbrances (as evidenced within the Creative Transaction Documents). For the avoidance of doubt, filing this Sale Order shall not act to cancel any Creative Assumed Liabilities or Creative Permitted Encumbrances within the Creative Transaction Documents.
14. If any person or entity that has filed statements or other documents or agreements evidencing Creative Claims or Creative Liens on, or interests in, all or any portion of the Creative Assets (other than statements or documents with

respect to Creative Permitted Encumbrances contained within the Creative Transaction Documents) shall not have delivered to the Debtors prior to the Creative Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all Creative Claims, Creative Liens, or interests which the person or entity has or may assert with respect to all or any portion of the Creative Assets, the Debtors are hereby authorized and directed, and Creative is hereby authorized, on behalf of the Debtors and the Debtors' creditors, to execute and file such statements, instruments, releases, and other documents on behalf of such person or entity with respect to the Creative Assets; provided that the provisions of this Sale Order authorizing the transfer of the Creative Assets free and clear of all Creative Liens, Creative Claims, and Interests (except only Creative Permitted Encumbrances and Creative Assumed Liabilities under the Creative Transaction Documents) shall be self-executing, and the Debtors, Creative, and creditors shall not be required to execute or file releases, termination statements, assignments, consents, or other instruments in order for the provisions of this Sale Order to be effectuated, consummated, and/or implemented.

15. Upon Upon (1) receipt by the Creative Landlords of the full amount of the Final Cure Amounts, (2) the Debtors' receipt of the Cash Consideration, and (3) and the Closing of the Creative Final Offer, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Debtors' interests in the Creative Assets and/or a bill of Sale or assignment transferring good and marketable, indefeasible title and interest in the Creative Assets to Creative; provided. This Sale Order is and shall be effective as a determination that, upon the Creative Closing, all Creative Liens, Creative Claims, Interests, or other interest of any kind or nature whatsoever existing as to the Creative Assets prior to the Creative Closing, other than any Creative Permitted Encumbrances and Creative Assumed Liabilities under the Creative Transaction Documents, or as otherwise provided in this Sale Order, shall have been unconditionally released, discharged, satisfied, and terminated, and that the conveyances described herein have been effected.
16. This Sale Order is and shall be binding upon and govern the acts of all persons and entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any

lease; and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Creative Transaction Documents.

17. Subject to the terms, conditions, and provisions of this Sale Order, all persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the Creative Assets to Creative in accordance with the terms of the Creative Transaction Documents and this Sale Order.
18. To the greatest extent available under applicable law, and except as provided in the Creative Transaction Documents or this Sale Order, Creative shall be authorized, as of the date of the Creative Closing, to operate under any license, permit, registration, and governmental authorization or approval of the Debtors with respect to the Creative Assets, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, deemed to be transferred to Creative as of the Creative Closing.
19. Nothing in this Sale Order or the Creative Transaction Documents modifies or waives the applicability of Code §525(a).
20. Nothing in this Sale Order or the Creative Transaction Documents releases, nullifies, precludes, or enjoins the enforcement of any police power by, or any regulatory liability to, any governmental unit under any applicable environmental law or regulation.

Assignment and Assumption of Leases and Payment of Cure Costs

21. To the extent that (i) any Creative Lessor / lease counterparty has executed the Supplemental Order or (ii) has failed to timely object to (a) the *Restaurant Leases Cure Account Notice* (Docket No. 319) or (b) to the assumption/assignment or designation of its Creative Lease, such Creative Lessor / lease counterparty is deemed to have consented to (x) the Final Cure Cost and (y) the assignment of its respective Creative Lease to Creative pursuant to the Creative Sale.
22. Upon (1) receipt by the Creative Landlords of the full amount of the Final Cure Amounts, (2) the Debtors' receipt of the Cash Consideration, and (3) and the Closing of the Creative Final Offer, the Creative Leases, the applicable Debtors as lessors to the Creative Leases shall directed to assume and assign the applicable Creative Leases for each such Debtor to Creative in accordance with Code § 365.

23. The assumption and assignment of the Creative Leases is and shall be free and clear of all Creative Liens, Creative Claims, and other interests of any kind or nature whatsoever (other than the Creative Permitted Encumbrances and Creative Assumed Liabilities), and (b) execute and deliver to Creative such documents or other instruments as Creative reasonably deems may be necessary to assign and transfer the Creative Assumed Leases, Creative Permitted Encumbrances, and Creative Assumed Liabilities to Creative.
24. Except as provided in this Sale Order, (a) the Debtors may assume each of the Creative Leases in accordance with Code § 365, (b) the Debtors may assign each Creative Lease in accordance with Code §§ 363 and 365, and any provisions in any Creative Lease that prohibits or conditions the assignment of such Creative Lease or allows the counterparty to such Creative Lease to terminate, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon the assignment of such Creative Lease to Creative, constitute unenforceable anti-assignment provisions which are void and of no force and effect, (c) all other requirements and conditions under Code §§ 363 and 365 for the assumption by the Debtors and assignment Creative of each Creative Lease has been satisfied, (d) the Creative Leases shall be transferred and assigned to, assumed by, and following the closing of the Creative Sale, remain in full force and effect for the benefit of Creative, notwithstanding any provision in any such Creative Leases (including those of the type described in Code §§ 365(b)(2) and (e)) that prohibit, restrict, require consent to or condition such assignment or transfer and, pursuant to Code § 365(k), the Debtors shall be relieved from any further liability with respect to the Creative Leases after such assignment to and assumption by Creative, and (f) upon the assumption and assignment of the Creative Designated Leases, Creative shall be fully and irrevocably vested in all right, title and interest of each Creative Assumed Lease.
25. Upon the assumption and assignment of the Creative Leases to Creative, pursuant to the Creative Transaction Documents and under the provisions of this Sale Order, no default shall exist under any Creative Leases, and no counterparty to any Creative Lease shall be permitted (a) to declare a default by Creative under such Creative Lease or (b) otherwise take action against Creative as a result of any Debtor's financial condition, bankruptcy, or failure to perform any of its obligations under the relevant Creative Lease. Each non-debtor party to the relevant Creative Leases is also forever barred, estopped, and permanently enjoined from (i) asserting against the Debtors or Creative, or the property of any of them, any default or Creative Claim arising out of any indemnity obligation or warranties for acts or occurrences arising prior to or existing as of the Closing or, as against Creative, any counterclaim, defense, setoff, or any other Creative Claim asserted or assertable against the Debtors; (ii) imposing or charging against Creative or its affiliates any rent accelerations,

assignment fees, increases, or any other fees as a result of the Debtors' assignments to Creative of the Creative Designated Leases.

26. The failure of the Debtors, Creative, or any non-debtors to enforce at any time one or more terms or conditions of any Creative Leases shall not be a waiver of such terms or conditions, or of the Debtors', Creative's, or the non-debtor's rights to enforce every term and condition of the Creative Leases.
27. Upon the assumption and assignment of the Creative Leases to Creative, pursuant to the Creative Transaction Documents and under the provisions of this Sale Order, all Creative Lessors shall be deemed to have consented to such assumption and assignment under Code § 365(c)(1)(B), and Creative shall enjoy all of the Debtors' rights, benefits, and privileges under each such Creative Leases as of the applicable date of assumption and assignment without the necessity to obtain any lessor's written consent to the assumption or assignment thereof. Creative agrees to enter into a lease assumption and assignment agreement with the Creative Lessors in a form consistent with the Creative APA.
28. Nothing contained herein prohibits the Debtors from later seeking to assume and/or assign any other lease or contract that is not otherwise addressed by this Order.

Limitation of Liabilities After Closing

29. Except for the obligations necessary to close the Sale under the Creative Transaction Documents, the Creative Permitted Encumbrances and Creative Assumed Liabilities under the Creative Transaction Documents, or as otherwise expressly provided for in this Sale Order or the Creative Transaction Documents, Creative shall not have any liability or other obligation of the Debtors arising under or related to any of the Creative Assets. Without limiting the generality of the foregoing, and except as otherwise specifically provided herein or in the Creative Transaction Documents, Creative shall not be liable for any Creative Claims against the Debtors or any of their predecessors or affiliates, and Creative shall have no successor or vicarious liabilities of any kind or character, including, but not limited to, under any theory of antitrust, environmental, successor, or transferee liability, labor law, de facto merger, mere continuation, or substantial continuity, whether known or unknown as of the Creative Closing, now existing or hereafter arising, whether fixed or contingent, whether asserted or unasserted, whether legal or equitable, whether liquidated or unliquidated, including, but not limited to, liabilities on account of warranties, intercompany loans, and receivables among the Debtors, Environmental Liabilities, and any taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of any of the Creative Assets prior to the Creative Closing.

30. Except as provided in the Creative Transaction Documents or this Sale Order, after the Creative Closing, the Debtors and their estates shall have no further liabilities or obligations with respect to any Creative Assumed Liabilities under the Creative Transaction Documents, and all holders of such Creative Claims are forever barred and estopped from asserting such Creative Claims against the Debtors, their successors or assigns, their property or their assets or estates.

Additional Provisions.

31. Except with respect to Creative Permitted Encumbrances and Creative Assumed Liabilities or as otherwise permitted by the Creative Transaction Documents or this Sale Order, with respect to the Creative Assumed Leases at the Creative Closing, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax and regulatory authorities, lenders, trade creditors, litigation claimants, and other creditors holding Creative Liens, Creative Claims, or other interests of any kind or nature whatsoever against or in all or any portion of the Creative Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, liquidated or unliquidated, senior or subordinate), arising under or out of, in connection with, or in any way relating to the Debtors, the Creative Assets, the operation of the Debtors' Business, with respect to the Creative Assumed Leases at Closing or the transfer of the Creative Assets to Creative, hereby are forever barred, estopped and permanently enjoined from asserting against Creative, any of the foregoing's affiliates, successors, or assigns, their property or the Creative Assets, such persons' or entities' Creative Liens, Creative Claims, or interests in and to the Creative Assets, including, without limitation, the following actions: (a) commencing or continuing in any manner any action or other proceeding against Creative, its Affiliates, its successors, assets or properties, (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against Creative, its Affiliates, its successors, assets or properties, (c) creating, perfecting, or enforcing any Creative Lien or other Creative Claim against Creative, its Affiliates, its successors, assets, or properties, (d) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due Creative, its Affiliates or its successors, (e) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Sale Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof, or (f) revoking, terminating or failing or refusing to transfer or renew any license, permit, or authorization to operate any of the Creative Assets or conduct any of the businesses operated with the Creative Assets. Upon the Creative Closing, each creditor is authorized and directed, and Creative is hereby authorized, on behalf of each of the Debtors' creditors, to execute such documents and take all other actions as may be necessary to release Creative Liens, Creative Claims, and other interests in or on the Creative Assets (except

Creative Permitted Encumbrances and Creative Assumed Liabilities as provided in the Creative Transaction Documents or as otherwise provided in this Sale Order), if any, as provided for herein, as such Creative Liens, Creative Claims, and other interests may have been recorded or may otherwise exist.

32. Creative has given substantial consideration under the Creative Transaction Documents for the benefit of the Debtors, their estates, and their creditors. The consideration given by Creative shall constitute valid and valuable consideration for the releases of any potential Creative Claims and Creative Liens pursuant to this Sale Order, which releases shall be deemed to have been given in favor of Creative by all holders of Creative Liens against or interests in, or Creative Claims against any of the Debtors or any of the Creative Assets, other than holders of Creative Liens or Creative Claims relating to the Creative Permitted Encumbrances or Creative Assumed Liabilities as delineated within the Creative Transaction Documents. The consideration provided by Creative for the Creative Assets under the Creative Transaction Documents is fair and reasonable and, accordingly, the Sale may not be avoided under Code § 363(n).
33. For the avoidance of doubt, only the Creative Assets being transferred to Creative pursuant to the Creative Transaction Documents and any ancillary agreements contemplated thereby are being transferred free and clear of Liens, Claims, interests, and other encumbrances (except for any exceptions contained within the Creative Transaction Documents) pursuant to the terms of this Sale Order, and any and all other assets of the Debtors that Creative is not acquiring shall remain subject to all valid pre-existing Liens, Claims, interests and other encumbrances. Any releases, terminations, termination statements, assignments, consents, or other instruments relating to Creative Liens or other encumbrances in or on the Assets shall properly be limited to the Creative Assets.
34. The consideration provided by Creative to the Debtors pursuant to the Creative Transaction Documents for the Creative Assets constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, and under the laws of the United States, any state, territory, possession or the District of Columbia.
35. The transactions contemplated by the Creative Transaction Documents are undertaken by Creative without collusion and in good faith, as that term is defined in Code § 363(m), and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the sale contemplated under the Creative Transaction Documents shall not affect the validity of the sale, unless such authorization and such sale are duly stayed pending such appeal. Creative is a good faith buyer within the meaning of Code § 363(m) and, as such, is entitled to the full protections of Code § 363(m).

36. Nothing contained in any plan of reorganization or liquidation, or order of any type or kind entered in (a) these Chapter 11 cases, (b) any subsequent Chapter 7 case into which any such Chapter 11 case may be converted, or (c) any related proceeding subsequent to entry of this Sale Order, shall conflict with or derogate from the provisions of the Creative Transaction Documents or the terms of this Sale Order.
37. For cause shown, pursuant to Bankruptcy Rules 6004(h) and 7062(g), this Sale Order shall not be stayed, shall be effective immediately upon entry, and the Debtors and Creative are authorized to close the sale of the Creative Assets immediately upon entry of this Sale Order.
38. No bulk Sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.
39. The failure to specifically include any particular provision of the Creative Transaction Documents in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Creative Transaction Documents be authorized and approved in its entirety; provided that this Sale Order shall govern if there is any inconsistency between the Creative Transaction Documents (including all ancillary documents executed in connection therewith) and this Sale Order. Likewise, all of the provisions of this Sale Order are non-severable and mutually dependent.
40. The Creative Transaction Documents and any related agreements, documents or other instruments may be modified, amended, or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates or lower the amount of cash proceeds paid.
41. The Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the Creative Transaction Documents, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which any Debtor is a party or which has been assigned by the Debtors to Creative, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the sale of the Creative Assets, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Creative Assets to Creative, (b) interpret, implement, and enforce the provisions of this Sale Order; (c) protect Creative against any Creative Liens, Creative Claims, or other interest in or against the Debtors or the Creative Assets of any kind or nature whatsoever, attaching to the proceeds of the sale of the Creative Assets, and (d) enter any orders under Code §§ 363 and 365 with respect to the Creative Leases; provided that, for the avoidance of doubt, the Court's jurisdiction shall

not continue with respect to any regulatory actions or administrative proceedings related to any Federal Leases between the Debtors or Creative and its assigns, on one hand, and DOI on the other.

42. All time periods set forth in this Sale Order shall be calculated in accordance with Bankruptcy Rule 9006(a).
43. Nothing in this Sale Order or the Creative Transaction Documents (a) releases, nullifies, precludes, or enjoins the enforcement of any liability to a governmental unit under police and regulatory statutes or regulations that any entity would be subject to as the owner or operator of property after the date of entry of this Sale Order or (b) authorizes the transfer or assignment to Creative of any license, permit, registration, authorization, or approval of, or the discontinuation of any obligation thereunder, or with respect to a governmental unit without Creative's complying with all applicable legal requirements under non-bankruptcy law governing such transfers or assignments.
44. The Debtors shall cooperate fully with and support Creative in executing such applications and furnishing such documents as are necessary for Creative to transfer, obtain or replace all liquor licenses used in the Business for all such restaurant locations acquired by Creative pursuant to the Creative Transaction Documents. All applicable state alcoholic beverage control, law enforcement, and regulatory agencies shall not interrupt any of the Business without first bringing the matter before this Court. Furthermore, the Business shall continue operating under all existing liquor licenses of the Debtors until such licenses have been changed to the name of Creative, as applicable, including, but not limited to state alcoholic beverage licenses, state food service licenses, local occupational licenses, and any other licenses needed to operate the Business with no interruption of the Business.
45. To the extent that Debtors receive any funds relating to business conducted at any Restaurant on or after the effective date of the Creative Closing, then (i) such funds at no point shall constitute property of the estates of the Debtors, (ii) the Debtors shall be obligated to pay such funds to Creative to the extent constituting Creative Assets and such obligation shall be deemed to be an administrative obligation of the Debtors; and (iii) the Debtors shall and are hereby authorized to pay such amounts to Creative of such Restaurant location (including Restaurants relating to each Creative Designated Lease notwithstanding the fact that the election to assume or reject has not been made by Creative), without seeking further authority from this Court.
46. To the extent that this Sale Order is inconsistent with any prior order or pleading with respect to the Sale Motion in these Chapter 11 cases, the terms of this Sale Order shall govern.

47. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Sale Order.

Provisions Related to PACA Claimants

48. The priority claims, interests, and/or rights of the PACA Creditors which have timely filed PACA Claim Notices under the relevant procedures order (Docket No. 249) and similarly situated trust claimants' in said assets shall attach to the proceeds of the Creative Sale.

Receipt and Use of Sale Proceeds

49. All sales proceeds or other payments made to the Debtors under this Sale Order and/or the Creative Transaction Documents, but not including any payments made under any interim management or operations agreement, shall be forwarded to the trust account of Weycer Kaplan Pulaski & Zuber, P.C. and thereafter shall be moved, used, or otherwise allocated only upon further Order of the Court.

Provisions Related to Tax Authorities

50. In the event of a conflict between any of the foregoing provisions of this Sale Order and these Paragraph Nos. 50-54 below pertaining to tax authorities, Paragraph Nos. 50-54 below shall control.
51. Creative will be response for all 2017 ad valorem real property taxes and 2017 ad valorem business personal property taxes as to the Assets (and thus the Acquired Property under the Transaction Documents) and as to or under any Creative Assumed Lease.
52. This Paragraph resolves the objections of and addresses the claims of the Tax Authorities Bexar County, Cypress-Fairbanks ISD, Fort Bend County, Fort Bend County WCID #02, Harris County, and Tarrant County. As to the Creative Assets, the liens of the Tax Authorities for taxes prior to 2017 shall attach to the sale proceeds with the same validity, extent, and priority as existed on their collateral prior to the sale. Except as provided in this Sale Order and the Creative Transaction Documents, no funds shall be distributed to any party except upon further order of the Court. The claims and liens of the Tax Authorities shall remain subject to any objection any party would otherwise be entitled to raise.
53. With respect to Williamson County, notwithstanding anything to the contrary contained in this Order, for taxes prior to 2017, all liens of Williamson County,

Texas shall attach to the gross sale proceeds with the same validity, priority, and extent that they attached to any assets sold.

54. With respect to any and all other tax authorities not enumerated above, the liens of the Tax Authorities for taxes prior to 2017 shall attach to the sale proceeds with the same validity, extent, and priority as existed on their collateral prior to the sale.

Service of this Order

55. Debtors on the same day as entry shall serve this Sale Order on the Debtors' Master Service List on file in this case.

Resolution as to cash remaining in stores at closing.

56. The Purchase Price in the APA shall be increased by \$10,000 to account for the Standbacks or cash on hand in the Restaurants.

Contingency as to Katy location.

57. This Sale Order is not applicable to the Restaurant and the lease relating to the TXLC Katy, Texas location in which ABK Investors is the lessor unless the Debtors, Creative and ABK Investors file a certification by 11:59 p.m. on July 31, 2017 certifying that such this lease is not rejected.

Signed on 7/31/2017

 SR

HONORABLE BRENDA T. RHOADES,
UNITED STATES BANKRUPTCY JUDGE

{continued on following sheet}

APPROVED:

DEBTORS:

WEYCER, KAPLAN, PULASKI & ZUBER, P.C.

By: /s/ Jeff Carruth
JEFF CARRUTH (TX SBN.: 24001846)
3030 Matlock Rd., Suite 201
Arlington, Texas 76105
Telephone: (713) 341-1158
E-mail: jcarruth@wkpz.com

**ATTORNEYS FOR TX. C. C., INC., ET AL.,
DEBTORS AND DEBTORS IN POSSESSION**

BUYER

DYKEMA COX SMITH
1717 Main Street, Suite 4200
Dallas, Texas 75201
(210) 554-5500
(210) 226-8395 (Fax)
By:
/s/ Mark E. Andrews*
Mark E. Andrews
Texas State Bar No. 01253520

**ATTORNEYS FOR
CREATIVE FOODS, LLC**

OBJECTING LANDLORDS

LSS CRESTWOOD/ BRIXMOR BRIXMOR PROPERTY GROUP, INC.

BALLARD SPAHR LLP

/s/ David L. Pollack*

David L. Pollack (Admitted pro hac vice)

51ST Fl - Mellon Bank Center

1735 Market Street

Philadelphia, Pennsylvania 19103

(215) 864-8325

Telecopier (215) 864-9473

ATTORNEYS FOR BRIXMOR PROPERTY GROUP, INC.

TXLC SAN ANTONIO RIVERWALK / AUBURN INVESTMENT, INC.

LAW OFFICES OF MICHAEL E. GAZETTE

/s/ Michael E. Gazette *

Michael E. Gazette

State Bar No. 07784500

100 East Ferguson Street, Suite 1000

Tyler, Texas 75702-5706

(903) 596-9911 telephone

(903) 596-9922 fax

Email: megazette@suddenlinkmail.com

ATTORNEY FOR AUBURN INVESTMENTS, INC. and

DRURY SOUTHWEST, INC.

TXLC KATY – ABK INVESTORS

RICHARD W. LABOWE,

A PROFESSIONAL CORPORATION

/s/ Richard W. Labowe*

Richard W. Labowe, Esq. (admitted pro hac vice)

California State Bar No. 105905

1631 W. Beverly Blvd., 2nd Floor (P.O. Box 26428)

Los Angeles, CA 90026

(213) 250-9800 Ext. 303, Fax (213) 975-1145

richardwlabowe@gmail.com

ATTORNEYS FOR AKB INVESTORS

** Signature by permission by /s/ Jeff Carruth*

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“**Agreement**”) is executed and entered into as of July 31, 2017 (the “**Execution Date**”), by and between the following parties (each a “**Party**” and collectively, the “**Parties**”):

- (a) TX. C.C., Inc. and the related debtors and debtors in possession identified in the table below¹ (collectively, the “**Debtors**”), acting in their capacities as Debtors in Possession for their respective bankruptcy estates (collectively, in such capacities, the “**Seller**”); and
- (b) Creative Foods LLC, a New Mexico limited liability company (“**Buyer**”).

RECITALS

The Debtors (and affiliated debtors operating restaurants under the same brands being acquired by other buyers concurrently or being retained and closed by such Debtors or other affiliated debtors) each filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §101 et seq. (the “**Code**”) on the dates indicated below (the “**Petition Dates**” or each as applicable a “**Petition Date**”) commencing a bankruptcy case (together the “**Bankruptcy Cases**”) in the United States Bankruptcy Court for the Eastern District of Texas, Sherman Division (the “**Bankruptcy Court**”), thereby initiating the respective bankruptcy cases and creating their respective bankruptcy estates. The Bankruptcy Cases are jointly administered under Case No. 17-40297.

Debtor	Case No.	Petition Date
TX. C. C., Inc.	17-40297	2/13/2017
Lone Star Steakhouse & Saloon of Springfield, Inc.	17-40303	2/13/2017
TXLC of Arlington, LLC	17-40333	2/18/2017
Lone Star Steakhouse & Saloon of Southern Missouri, Inc.	17-40334	2/19/2017
TX LC Liquor Company	17-40443	3/3/2017
LS Management, Inc.	17-40508	3/8/2017
Lone Star Steakhouse & Saloon of Oklahoma, Inc.	17-40341	2/20/2017
Lone Star Steaks, Inc.	17-40330	2/17/2017

The Debtors are operating as debtors-in-possession pursuant to Code §§ 1107 and 1108. No trustee, examiner, or statutory creditors’ committee has been appointed in these Chapter 11 cases.

The Sellers and affiliated debtors own and operate two steakhouse dining concepts, Texas Land & Cattle and Lone Star Steakhouse & Saloon, and currently operate a total of twenty-nine (29) locations across the two

¹ The debtors in these and affiliated Chapter 11 cases are TX. C. C., Inc. (Case No. 17-40297), Texas Land & Cattle of Fairview, LLC (Case No. 17-40300), Lone Star Steakhouse & Saloon of Springfield, Inc. (Case No. 17-40303), Lone Star Steaks, Inc. Case No. 17-40330), Texas Land & Cattle Steakhouse of North Carolina (Case No. 17-40332), TXLC of Arlington II, LLC (Case No. 17-40333), Lone Star Steakhouse & Saloon of Southern Missouri (Case No. 17-40334), Lone Star Steakhouse & Saloon of Florida, Inc. (Case No. 17-40335), TXLC of Missouri, Inc. (Case No. 17-40336), Lone Star Steakhouse & Saloon of Michigan, Inc. (Case No. 17-40339), Lone Star Steakhouse & Saloon of Mississippi, Inc. (Case No. 17-40340), Lone Star Steakhouse & Saloon of Oklahoma, Inc. (Case No. 17-40341), Lone Star Steakhouse & Saloon of Ohio, Inc. (Case No. 17-40342), and Texas LC Liquor Company (Case No. 17-40443), and LS Management, Inc. (Case No. 17- 17-40508).

brands. As a result of an auction conducted on July 20, 2017 in the Bankruptcy Cases, the Sellers and Buyer have agreed that Buyer will acquire all of the operating assets as further described herein of the nine (9) restaurants referenced and described in described **Exhibit 1** (each a “***Restaurant***” and collectively, the “***Restaurants***”) or ten (10 Restaurants in the event that the parties and landlord agree before the end of day on July 31, 2017 as to the terms upon which the Katy Restaurant will be included. In this Agreement, the operation of such Restaurants is referred to as the “***Business***”.

The Buyer desires to purchase from Seller, and the Seller desires to sell and assign to Buyer, all of the Debtors’ right, title and interest in and to the assets described in **Section 2.1** of this Agreement related to the Restaurants (the “***Transaction***”). The entire Transaction is subject to the approval of the Bankruptcy Court pursuant to Code §§ 105, 363, and 365.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the terms and conditions of this Agreement, the Parties hereby agree as follows.

AGREEMENT

ARTICLE 1

BANKRUPTCY COURT APPROVAL OF THIS AGREEMENT

1.1 Binding Effect; Entry of Sale Order. Article 1 and Article 4 of this Agreement are effective upon the Execution Date. Except for Article 1 and Article 4, this Agreement will become effective only upon the entry by the Bankruptcy Court of an order in the Bankruptcy Case (the “***Sale Order***”) (a) approving this Agreement and the sale of the Acquired Property (as defined below) to Buyer pursuant to this Agreement, free and clear of liens, claims, encumbrances, and interests pursuant to Code §§ 363(f), and (b) approving the assumption by the Debtors and assignment to Buyer of the Assumed Leases (as defined below) and the Assumed Contracts (as defined below) pursuant to Code § 365. If no appeal of the Sale Order (an “***Appeal***”) is timely filed pursuant to Rule 8002 of the Federal Rules of Bankruptcy Procedure (the “***Bankruptcy Rules***”), or if an Appeal is timely filed pursuant to Bankruptcy Rule 8002, but no stay of the Sale Order pending resolution of the Appeal (a “***Stay***”) is issued pursuant to Bankruptcy Rule 8005, then the Parties shall proceed with the Transaction.

1.2 Bankruptcy Court Approval.

1.2.1 Filing of 363 Motion. Seller agrees to prosecute a motion (the “***363 Motion***”), and to seek Bankruptcy Court approval of this Agreement and the Transaction contemplated hereby. Seller shall promptly confer with Buyer regarding any written objections filed with the Bankruptcy Court with respect to the 363 Motion.

1.2.2 Obligation to Seek Sale Order. Following the filing of the 363 Motion, Seller shall use its reasonable best efforts to promptly obtain entry of an order approving the 363 Motion in a form and substance that are agreeable to Seller and Buyer (the “***Sale Order***”) and to perform such other acts as may be necessary to permit Seller to consummate the Transaction contemplated by this Agreement on or before the Closing Date (as defined in **Section 3.1**). The Sale Order shall contain findings of fact and conclusions of law establishing, among other things, that: (a) Seller is authorized to transfer to Buyer all interests of Seller in the Acquired Property free and clear of liens, claims, encumbrances, and interests of any nature whatsoever, to the fullest extent allowable under the Bankruptcy Code; (b) Seller is authorized to assume and assign the Assumed Leases and the Assumed Contracts to Buyer; (c) Buyer is a good-faith purchaser entitled to the protections of Code § 363(m); and (d) the fourteen-day stay provisions of Bankruptcy Rules 6004 and 6006 are waived. In the event an Appeal is filed, Seller and Buyer shall each

use their respective commercially reasonable efforts to defend such Appeal or, by mutual written agreement, shall close the Transaction contemplated hereby unless such closing is subject to a Stay. Seller shall keep Buyer reasonably informed of the status of its efforts to obtain the entry of the Sale Order. Seller shall give Buyer reasonable advance written notice of any hearings regarding motions respecting the Sale Order.

1.3 Cooperation in Bankruptcy Court Matters. Buyer agrees that it will promptly take such actions as are reasonably requested by Seller or ordered by the Bankruptcy Court to assist in obtaining entry of the Sale Order. Such actions shall, include, without limitation, the furnishing of affidavits, non-confidential financial information, confidential information subject to a reasonable form of confidentiality agreement, or other documents or information for filing with the Bankruptcy Court, and Buyer shall make its employees and representatives available to be interviewed by Seller's attorneys and to testify before the Bankruptcy Court and any other proceedings in connection with the foregoing. Additionally, with regard to each Assumed Lease and Assumed Contract, Buyer shall use commercially reasonable efforts to provide adequate assurance of Buyer's future performance as required by Code § 365(b)(1)(C). If a written objection to the 363 Motion is filed that, if upheld, would prohibit or otherwise prevent the Closing (as defined below) from occurring pursuant to the terms of this Agreement, Seller and Buyer shall use commercially reasonable efforts to have such objection overruled.

ARTICLE 2

Purchase and Sale of assets; purchase price; deposit

2.1 Purchase and Sale of Acquired Property; Transfer of Assumed Leases; Transfer of Assumed Contracts; Assumption of Liabilities. Subject to the terms and conditions of this Agreement, including, without limitation, approval of the Bankruptcy Court, Seller hereby agrees to sell, transfer, assign, convey and deliver to Buyer, free and clear of liens, claims, encumbrances, and interests pursuant to Code § 363(f), and Buyer agrees to purchase, assume and accept from Seller, all of Seller's right, title and interest in and to the following (collectively, the "***Acquired Property***"), AS-IS, WHERE IS, without any representation or warranty, express or implied, to the extent the same are located on the premises of any Restaurant or are used in connection with the Business at such Restaurant:

(a) The leases of nonresidential real property referenced and described and identified on **Exhibit 2** hereto (the "***Assumed Leases***");

(b) The leases (other than the Assumed Leases) and/or executory contracts referenced and described and identified on **Exhibit 3** hereto (the "***Assumed Contracts***"); provided, however, such **Exhibit 3** shall be amendable at the request of Buyer at any time on or before August 31, 2017 to add additional Assumed Contracts that Buyer elects to assume;

(c) All machinery, equipment, fixtures, furniture, POS software, signs, smallwares, and cooking utensils, and any equipment or service warranty contracts or rights related to furniture, fixtures and equipment in the Restaurants, to the extent assignable, and any pending warranty claims related thereto, and all other personal property (exclusive of cash (other than Standbanks as defined below), checks, deposits, receivables, funds payable to Seller under pending credit and debit card transactions, bank accounts, and other cash equivalents);

(d) All usable inventories of food, paper, operating supplies, and new uniforms, located in the Restaurants as of the Closing Date (the "***Inventory***");

(e) Cash located at each Restaurant and maintained as opening cash in the ordinary and customary course of business, approximating \$1500-\$2000 per Restaurant (the “*Standbanks*”);

(f) All permits, licenses, authorizations, registrations, consents and approvals relating to the Restaurants and/or Business (collectively, the “*Permits*”), to the extent they are assignable or transferable in connection with the Transaction, and with Seller to provide services under existing Permits pursuant to contemporaneous Interim Transition Agreement between the parties;

(g) All telephone numbers for the Restaurants;

(h) Any licenses or ownership rights to intellectual property of the Debtors used in connection with the operation of the Restaurants, subject to the provisions of Section 5.5 hereof and all rights to Texas Land & Cattle Company-related websites maintained by the Seller with respect to the locations of the Assumed Leases and to the extent that the Debtors separately own or possess any such intellectual property;

(i) Subject to applicable provisions and orders of the Bankruptcy Court with respect to the retention of records, copies (but not originals) of all readily available books and records of each Debtor to the extent that such is in the possession of each Debtor, relating to the Restaurants and/or Business, in the form(s) maintained in the ordinary course of business, including any personnel records relating to employees of each Debtor hired by Buyer; provided, however, that the foregoing shall not include any financial information, books or records, corporate minute books, stock books or similar corporate records of any Debtor, nor, with respect to personnel records, any gratuitous, subjective or other information which Seller, in its discretion, determines that it may not disclose to Buyer under applicable law;

(j) Pre-paid deposits and rebates, refunds, returns or similar payments attributable to, or based upon the period through the Closing Date, or any claims for such rebates, refunds or similar payments related to the Restaurants (collectively, the “*Prepaid Expenses and Rebates*”); and

(k) The leasehold interest or right to purchase or acquire the equipment, machinery and other tangible personal property (collectively, “*Leased Equipment*”) pursuant to leases or contracts that cannot otherwise be assumed and assigned pursuant to Code § 365 because they are subject to financings or otherwise do not qualify as executory contracts or unexpired leases under Code § 365, including those described on Exhibit 4 hereto; provided, however, such Exhibit 4 shall be amendable at the request of Buyer at any time on or before August 31, 2017 to add additional Assumed Contracts related to Leased Equipment that Buyer elects to assume; provided further, that with respect to the foregoing, Seller’s sole obligation shall be to make commercially reasonable efforts to facilitate a transfer of such Leased Equipment to Buyer pursuant to either (x) a consensual assignment of the existing lease or contract to Buyer (in which event such lease or contract shall constitute an Assumed Contract), or (y) a new and separate lease or other contract between Buyer and the applicable non-Debtor party, in each case effective at Closing. Buyer will be responsible for all cures associated with any Assumed Contract.

(m) The inclusion of the Katy Restaurant in the Transaction shall be dependent upon the Parties and landlord agreeing before 11:59 p.m. CDT on July 31, 2017 upon the terms upon which it will be included but this Agreement shall take effect in accordance with its terms as to all other Restaurants regardless of the inclusion or exclusion of the Katy Restaurant; as between the Parties hereto, such inclusion will be for no additional Purchase Price payable to Seller but shall include Buyer paying any cure costs agreed to with such Katy landlord and assuming liability for the 2017 real estate and ad valorem taxes with respect thereto.

In addition to the foregoing, and as consideration for the Transaction, Buyer shall assume, pay, perform, satisfy and discharge (i) all liabilities arising out of, incurred in connection with, or related to the ownership of the Acquired Property and operation of the Business to the extent arising from acts taken or omissions made from and after the Closing Date or related to the period from and after the Closing Date and (ii) those liabilities described on **Exhibit 5** hereto (collectively, the “*Assumed Liabilities*”); provided, however, for the avoidance of doubt, in no event shall the Assumed Liabilities include any gift cards, coupons or similar marketing and promotional rights issued or sold by Debtors.

2.2 Excluded Property. Notwithstanding anything to the contrary contained in Section 2.1 above or elsewhere in this Agreement, the Acquired Property does not include, Buyer shall not acquire (nor assume any liability related to), and Seller shall retain all right, title and interest in and to the following (collectively, “*Excluded Property*”):

(a) All financial information, books or records and corporate minute books, corporate seals, stock books, charter documents and other corporate books and records pertaining to the existence and organization of the Debtors;

(b) Except to the extent described in Section 2.1(h), any assets relating to or associated with the Restaurants or the Business located in the Debtors’ corporate headquarters in Dallas, Texas;

(c) Cash (other than Standbanks), checks, deposits, accounts and notes receivable, funds payable to Seller under pending credit and debit card transactions, investments, and other cash equivalents;

(d) Prepaid expenses and rebates of Seller, except for those Prepaid Expenses and Rebates related to the Restaurants that are to be acquired by Buyer;

(e) All bank and investment accounts maintained by or for any Debtor;

(f) All rights of each Debtor in, to and under any and all contracts or agreements of any nature for which the obligations of the Debtor party thereto are not expressly assumed by Buyer pursuant to Section 2.1 above, including such Leased Equipment and Permits relating to the Restaurants or the Business that by their terms are nontransferable or not assignable, or for which Seller has elected not to obtain a consent or approval, in its reasonable discretion and after consultation with Buyer so long as the Transaction is capable of being consummated notwithstanding such election without any adverse effect upon the future operation by Buyer of the Restaurants;

(g) All claims, rights, proceeds or recoveries arising out of any actual, pending, threatened or potential litigation or cause of action to which any Debtor is, or may in the future be, a party;

(h) Any software utilized by the Debtors at the headquarters location described in Section 2.2(b), except that Buyer shall be entitled to continue to use, or to rely upon Debtors to utilize on their behalf and provide related services to Buyer under a transition agreement, any such software for up to a 90-day transitional period in accordance with the provisions of any related license agreement; provided, however, (1) **Exhibit 4** shall be amendable at the request of Buyer at any time on or before August 31, 2017 to add additional Assumed Contracts related to licensed software that Buyer elects to assume and (2) Debtors and their parents and affiliates are under no obligation to continue payments for any service or contract except to the extent Buyer shall provide funding to Seller expressly for the purpose of funding any such continued payments or related cure costs. All rights, claims, refunds, adjustments, recoveries, payments from, and/or proceeds of any insurance policies to the extent they relate to Excluded Property;

(i) All preference or avoidance claims and actions of Seller or Debtors, and all defenses to claims asserted against the Debtors and not expressly assumed by Buyer, including, without limitation, any such claims, actions and defenses arising under Section§ 502, 510, 544, 545, 547, 548, 549, 550 and/or 553(b); and any and all other claims or causes of action of the Debtors or in which the Debtors possessed an interest and which existed as of the Petition Dates;

(j) Any rights to refunds for taxes and assessments, of any kind whatsoever, paid on or with respect to the Acquired Property and/or the Business and attributable to any period prior to the Closing Date, or with respect to any Excluded Property;

(k) Any and all claims, credits, refunds, abatement, allocations, causes of action, claims for relief, choses in action, rights of recovery, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims and defenses of Seller or Debtors to the extent related to any Excluded Property or attributable to any period prior to the Closing Date (excluding Prepaid Expenses and Rebates related to the Restaurants);

(l) All rights of Seller under this Agreement and all other agreement entered into pursuant to, and instruments executed in connection with, this Agreement or the Transaction contemplated hereby; and

(m) The assets of any Debtor used in connection with the Restaurants that are set forth on **Exhibit 6** hereto .

(n) Any other property or interest excluded in the Bid Procedures, to the extent not inconsistent with the express terms hereof.

2.3 Purchase Price; Good Faith Deposit. The “Purchase Price” for the Acquired Property, including the Inventory and Standbanks, shall be the aggregate of the following price components and shall be payable as follows: (A) for the Texas Land & Cattle Restaurants: (i) \$45,000 for the acquired personal property at such Restaurants, to be applied as a charge against the Good Faith Deposit (as defined hereunder) by Buyer, and (ii) cure costs not to exceed \$304,369.79 payable to landlords under the Assumed Leases at the later of the Closing or such time as the Buyer and particular landlords may agree for the Texas Land & Cattle Restaurants, but subject to adjustment in accordance with Section 5.4 (if applicable); and (iii) Buyer shall assume as an Assumed Liability all liability for 2017 real estate and other ad valorem taxes related to the Acquired Property and real estate underlying Assumed Leases (to the extent tenant is liable thereunder) for the Texas Land & Cattle Restaurants, to be payable by Buyer as and when due to applicable taxing authorities; and (B) for the Lone Star Steakhouse Restaurants: (i) \$10,000 for the acquired personal property at such Restaurants to be applied as a charge against the Good Faith Deposit by Buyer, and (ii) cure costs not to exceed \$100,099.02 payable to landlords under the Assumed Leases at the later of the Closing or such time as the Buyer and particular landlords may agree for the Lone Star Steakhouse Restaurants, but subject to adjustment in accordance with Section 5.4 (if applicable); and (iii) Buyer shall assume as an Assumed Liability all liability for 2017 real estate and other ad valorem taxes related to the Acquired Property and real estate underlying Assumed Leases (to the extent tenant is liable thereunder) for the Lone Star Steakhouse Restaurants, to be payable by Buyer as and when due to applicable taxing authorities. The aggregate purchase price for the Acquired Property, *inclusive* of the Inventory and Standbanks, is referred to as the “**Purchase Price**”; provided, however no cure costs shall be payable hereunder to any landlord to the extent such landlord successfully objects to the assumption by Buyer of any Assumed Lease and related Restaurant hereunder. For the avoidance of doubt, the assumed taxes include business personal property taxes assessed as to the Acquired Property for 2017. In addition Buyer will pay at Closing the additional amount of \$10,000 as an increase to Purchase Price to Seller in consideration of Seller assigning the Standbanks’ ordinary course of business opening cash for each Restaurant.

2.3.1 Good Faith Deposit. In connection with Buyer's submission of its original bid to acquire the Acquired Property (the "***Bid***"), Buyer deposited \$200,000 (the "***Good Faith Deposit***") with representatives of the Debtors. To the extent the Good Faith Deposit is in excess of the cash components of the Purchase Price payable to Seller under this Section 2.3, such excess shall be promptly refunded by such Debtors or Debtors' representatives by wire transfer to Buyer at Closing.

2.3.2 Except as otherwise provided in Section 2.3.1, Section 2.3.2(a), or any entered Sale Procedures Order, the Good Faith Deposit shall be *non*refundable unless this Agreement is terminated pursuant to Section 6.1(a), (b), (c), (d), (e), (f) or (h), provided such termination is not due to a material breach or default of Buyer. Seller's retention of the Good Faith Deposit shall in no way limit, or be in lieu of, Seller's right to avail itself of any and all remedies available to it in equity or at law in the event of Buyer's breach of this Agreement.

ARTICLE 3

CLOSING

3.1 Closing Date and Place. Each Party will perform all acts required of such Party pursuant to this Agreement to enable the Closing (as defined in Section 3.2 hereof) to occur by no later than the latest of (i) **July 31, 2017** (ii) the second business day a Stay of the Sale Order (if applicable) expires or is vacated or otherwise nullified, and (iii) such other date as agreed upon in writing by Seller and Buyer or ordered by the Bankruptcy Court. If any of the foregoing dates should fall on a weekend or holiday, then that date shall be extended to the next business day. The Closing shall take place at the offices of Weyer Kaplan Pulaski & Zuber P.C., 3030 Matlock Rd, Ste 201, Arlington, Texas 76015 or such other place as shall be agreed upon by Buyer and Seller, in writing, or ordered by the Bankruptcy Court. As used in this Agreement, "Closing Date" means the date upon which the Closing occurs.

3.2 Closing. The "***Closing***" means the occurrence of all of the following events, which the Parties shall cause to occur concurrently pursuant to this Agreement:

- (a) Seller has delivered to Buyer a certified copy of the Sale Order;
- (b) Seller has executed and delivered to Buyer a Bill of Sale in a form substantially similar to that attached hereto;
- (c) Each Party has executed and delivered to the other Party two (2) counterparts to the Assignment and Assumption Agreement in a form substantially similar to that attached hereto;
- (d) Buyer has paid (i) to Seller by bank wire transfer of immediately available funds, to the bank account(s) designated by Seller, an amount equal to the balance of the Purchase Price (after crediting the amount of the Good Faith Deposit) and (ii) to landlords and other parties entitled to cure payments, the amounts of such cure payments in accordance with the disbursement schedule and wire instructions attached hereto as **Schedule 3.2(d)**;
- (e) The representations of each Party contained in Section 4 hereof are true and correct at and as of the Closing Date with the same effect as though made at and as of the Closing Date;
- (f) Each Party has duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by such Party;

- (g) Neither Party shall have terminated this Agreement pursuant to Section 6.1 hereof;
- (h) The IP Licensors/Assignors (as defined herein) shall have delivered to Buyer an assignment of all marks and intellectual property related to the Texas Land & Cattle Steakhouse brand, including without limitation all such marks registered with the United States Patent and Trademark Office, in form reasonably satisfactory to Buyer (the “*IP Assignment*”); and
- (i) Buyer has paid to IP Licensors/Assignors by bank wire transfer of immediately available funds, to the bank account(s) designated by IP Licensors/Assignors, \$25,000 in consideration for the foregoing IP Assignment.

ARTICLE 4

REPRESENTATIONS

4.1 Representations of Seller. Seller hereby makes the following representations and warranties (“*Seller’s Representations*”) to Buyer:

4.1.1 Legal Capacity of Debtors. The Debtors are corporations or limited liability companies duly organized, validly existing and in good standing under the laws of the respective states of registration.

4.1.2 Legal Capacity of Seller. (a) Each Debtor has the requisite power, authority, and legal capacity to make, execute, enter into, and deliver this Agreement and to perform its obligations under this Agreement, (b) any person executing and delivering this Agreement on behalf of each Debtor is duly authorized to do so; and (c) neither this Agreement nor the performance by each Debtor of any obligation of such Debtor under this Agreement will violate any provision of any article, by-law, operating agreement or partnership agreement of such Debtor or, taking the Sale Order into consideration and relying upon its authority, any contract, covenant, agreement, condition, restriction, injunction or order by which such Debtor is bound.

4.1.3 Consents. Except for the entry of the Sale Order and the conditions set forth in any related order that may be entered by the Bankruptcy Court, no consent, approval, authorization, permit, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by any Debtor in connection with the execution and delivery by such Debtor of this Agreement or the consummation by such Debtor of the Transaction.

4.1.4 Brokers and Finders. Seller has not retained any broker or finder in connection with the Transaction so as to give rise to any valid claim against Buyer for any brokerage or finder’s commission, fee or similar compensation.

4.1.5 Anti-Terrorism Laws. Seller represents and warrants to Buyer that Seller is not, and will not be, a person or entity with whom Buyer is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (commonly known as the “USA Patriot Act”) and Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001, and regulations promulgated pursuant thereto, including, without limitation, persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List (collectively, “Anti-Terrorism Laws”).

4.1.6 No Other Representations. Seller makes no representation or warranty, express or implied, to Buyer, and hereby disclaims any representation or warranty, express or implied, with respect to the Business, the Acquired Property, the Restaurants or any other matter, including any representation or warranty as to merchantability, fitness for a particular purpose or future results, other than as expressly set forth in this Section 4.1. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN SECTION 4.1 OF THIS AGREEMENT OR IN ANY CONVEYANCE DOCUMENTS EXECUTED AND DELIVERED BY SELLER, SELLER DISCLAIMS THE MAKING OF ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE ASSETS OR MATTERS AFFECTING THE ASSETS, INCLUDING THE BOUNDARIES OF THE LAND, THE FINANCIAL OR OTHER PERFORMANCE AT THE RESTAURANTS AFTER THE CLOSING, THE PHYSICAL CONDITION OF THE ASSETS OR THE RESTAURANTS (INCLUDING THE CONDITION OF THE BUILDING STRUCTURE, THE ROOF, THE ELECTRICAL, PLUMBING, AND HVAC SYSTEMS, OR THE FURNISHINGS, FIXTURES AND EQUIPMENT), PEST CONTROL MATTERS, SOIL CONDITION, HAZARDOUS WASTE, TOXIC SUBSTANCE, OR OTHER ENVIRONMENTAL MATTERS, COMPLIANCE WITH BUILDING, HEALTH, SAFETY, LAND USE, AND ZONING LAWS, REGULATIONS AND ORDERS, STRUCTURAL AND OTHER ENGINEERING CHARACTERISTICS, TRAFFIC PATTERNS, ECONOMIC PROJECTIONS, FINANCIAL DATA, EMPLOYMENT PRACTICES AND ALL OTHER INFORMATION PERTAINING TO THE ASSETS. BUYER, MOREOVER, ACKNOWLEDGES (1) THAT BUYER HAS ENTERED INTO THIS AGREEMENT WITH THE INTENTION OF MAKING AND RELYING UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC, AND LEGAL CONDITION OF THE ASSETS AND (2) THAT BUYER IS NOT RELYING UPON ANY STATEMENTS, INFORMATION, REPORTS, REPRESENTATIONS, OR WARRANTIES OTHER THAN THOSE SPECIFICALLY SET FORTH IN SECTION 4.1 OF THIS AGREEMENT OR IN ANY CONVEYANCE DOCUMENTS EXECUTED AND DELIVERED BY SELLER, MADE BY SELLER OR ANYONE ACTING OR CLAIMING TO ACT ON SELLER'S BEHALF CONCERNING THE ASSETS, INCLUDING THE RESTAURANT EMPLOYEES OR CONTAINED IN ANY COPIES OF MANAGEMENT PERSONNEL DATA PROVIDED TO BUYER WITH RESPECT TO THE RESTAURANT EMPLOYEES. BUYER FURTHER ACKNOWLEDGES THAT IT HAS NOT RECEIVED FROM SELLER ANY ACCOUNTING, TAX, LEGAL, ARCHITECTURAL, ENGINEERING, PROPERTY MANAGEMENT, OR OTHER ADVICE WITH RESPECT TO THIS TRANSACTION AND IS RELYING SOLELY UPON THE ADVICE OF ITS OWN ACCOUNTING, TAX, LEGAL, ARCHITECTURAL, ENGINEERING, PROPERTY MANAGEMENT, AND OTHER ADVISORS. SUBJECT TO THE PROVISIONS OF SECTION 4.1 OF THIS AGREEMENT AND ANY CONVEYANCE DOCUMENT EXECUTED AND DELIVERED BY SELLER, BUYER WILL PURCHASE THE ASSETS IN THEIR "AS IS", "WHERE-IS" AND "WITH-ALL FAULTS" CONDITION ON THE CLOSING DATE WITHOUT ANY WARRANTIES, WHETHER EXPRESS OR IMPLIED (INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) AND ASSUMES THE RISK THAT ADVERSE PHYSICAL, ENVIRONMENTAL, ECONOMIC, OR LEGAL CONDITIONS MAY NOT HAVE BEEN REVEALED BY ITS INVESTIGATION.

4.2 Representations of Buyer. Buyer hereby makes the following representations and warranties ("*Buyer's Representations*") to Seller:

4.2.1 Buyer's Status. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of New Mexico.

4.2.2 Legal Capacity of Buyer. (a) Buyer has the requisite power, authority, and legal capacity to make, execute, enter into, and deliver this Agreement and to perform its obligations under this Agreement, (b) any person executing and delivering this Agreement on behalf of Buyer is duly authorized to do so; and (c) neither this Agreement nor the performance by Buyer of any obligation of Buyer under this

Agreement will violate any provision of any article, by-law, operating agreement or partnership agreement of Buyer or any contract, covenant, agreement, condition, restriction, injunction or order by which Buyer is bound.

4.2.3 Consents. Except for the entry of the Sale Order that may be entered by the Bankruptcy Court, no consent, approval, authorization, permit, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by Buyer in connection with the execution and delivery by Buyer of this Agreement or the consummation by Buyer of the Transaction.

4.2.4 Brokers and Finders. Buyer has not retained any broker or finder in connection with the Transaction so as to give rise to any valid claim against Seller for any brokerage or finder's commission, fee or similar compensation.

4.2.5 Terms of Sale; Investigation. Buyer has made such investigation as it has deemed appropriate in connection with the decision to enter into this Agreement. Buyer has had the opportunity to inspect the Acquired Property, and interact with Seller and Seller's representatives to discuss the Business. Buyer is relying on the results of such investigation and the advice of its own advisors and has not relied upon any statement or representation made by Seller or any director, officer, employee, agent, attorney, accountant, or affiliate thereof, other than the covenants, representations and warranties of Seller set forth in this Agreement. Seller makes no representations or warranties, express or implied, of any kind concerning the past, present or future profitability or viability of the Restaurants or the Business, except as expressly set forth in this Agreement. Buyer acknowledges that EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN THIS AGREEMENT, BUYER WILL ACCEPT THE PROPERTY AND THE ASSUMED LIABILITIES AT THE CLOSING "AS-IS, WHERE-IS" AND "WITH ALL FAULTS" WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED.

4.2.6 Anti-Terrorism Laws. Buyer represents and warrants to Seller that Buyer is not, and will not be, a person or entity with whom Seller is restricted from doing business under any Anti-Terrorism Laws. The sources of all cash used in connection with the Transaction will be fully disclosed to Seller and the Bankruptcy Court prior to Closing, including any and all funds provided by a foreign national individual or entity of any country other than the United States of America.

ARTICLE 5

OTHER OBLIGATIONS and agreements

5.1 Conduct of Business. Except as otherwise specifically permitted or required by this Agreement, prior to the Closing Seller will continue to operate the Business in the ordinary course consistent with the fact that the Debtors are in bankruptcy and subject to the supervision of the Bankruptcy Court.

5.2 No Inconsistent Actions. Following the Execution Date, neither Buyer nor Seller will take any action inconsistent with this Agreement pending either the Closing or the termination of this Agreement pursuant to Article 6 hereof.

5.3 Third-Party Consents. Following the Execution Date, Seller and Buyer shall use commercially reasonable efforts to obtain consents and approvals from third parties (as necessary) for the assignment of the Assumed Leases and/or Assumed Contracts and transfer of other Acquired Property to the extent Seller or Buyer determine, in their reasonable discretion, that such consents and approvals are necessary to transfer and assign such Assumed Leases, Assumed Contracts and/or Acquired Property to

Buyer, and release Seller and Debtors from any obligations arising after the closing date in connection therewith.

5.4 Casualty Loss. If, prior to Closing, any of the Acquired Property is substantially damaged or destroyed by fire, the elements, or any cause, Seller shall promptly notify Buyer of said damage or destruction in writing. Buyer shall remain bound to purchase the Acquired Property for the Purchase Price as required by the terms of this Agreement without regard to the occurrence; provided, however, that if the damage or destruction has materially and adversely affected the value of the Acquired Property at issue, then (i) Buyer shall have the right to elect, by written notice delivered to Seller within ten (10) days following Buyer's receipt of Seller's notice, either to (a) accept an assignment of Seller's rights in applicable insurance proceeds and receive a credit at the Closing in an amount equal to the remaining estimated cost of repair, replacement, or restoration of such Acquired Property in excess of the assigned insurance proceeds, or (b) close on the affected Restaurant(s) with an adjustment in the Purchase Price attributed to such Restaurant(s) as set forth on Schedule 5.4 to this Agreement; and (ii) the Closing Date as to the affected Acquired Property only will be reasonably extended, as necessary, to permit the ten (10) day election period to pass and the valuation determinations contemplated in this Section 5.4 (if applicable) to be made prior to Closing; provided further that in the absence of Buyer's election within the above-referenced ten (10) day period, Buyer shall be deemed to have conclusively elected to accept an assignment of Seller's rights in applicable insurance proceeds and receive a credit at the Closing in an amount equal to the remaining estimated cost of repair, replacement, or restoration of such Acquired Property in excess of the assigned insurance proceeds. Notwithstanding anything in this Agreement to the contrary, the insurance proceeds to be credited or delivered to Buyer pursuant to this Section 5.4 (if applicable) will exclude business interruption or rental loss insurance proceeds, if any, allocable to the period through the Closing Date, which proceeds will be retained by Seller.

5.5 Intellectual Property Licenses. Debtors and LSF5 Spur, LLC, LSF5 Cactus, LLC and any other parent entities or affiliates of the Debtors owning pertinent intellectual property rights (such non-Debtor entities being referred to herein as the "*IP Licensors/Assignors*"), who are signatories to this Agreement for purposes of this Section 5.5 only), hereby grant to Buyer a perpetual, non-royalty-bearing, paid-up, assignable license to continue the use of the "Texas Land & Cattle Steakhouse" and "Lone Star Steakhouse" service marks and all related trademarks, service marks, tradenames, commercial symbols, trade dress and other associated intellectual property rights currently used in the Restaurants (collectively the "*Intellectual Property*") in connection with the future operation of each and any of such Restaurants, to the extent in each case any such Intellectual Property is owned by any such Debtor or IP Licensor or such Debtor or IP Licensor otherwise has any rights therein entitling them to grant such a license, as to which Debtors and such IP Licensors/Assignors make no warranty hereunder (notwithstanding that such representations and warranties may be included in the IP Assignment); provided, however, Debtors and IP Licensors/Assignors hereby represent that they have no actual knowledge of any other party owning such Intellectual Property nor any actual knowledge of any third party either infringing upon such Intellectual Property or asserting that the usage of such Intellectual Property by Debtors constitutes an infringement upon the intellectual property rights of any such third party. Furthermore, Debtors and IP Licensors/Assignors covenant and agree that the Intellectual Property license granted hereby shall be co-exclusive to and with (i) Buyer and (ii) only those persons and/or entities other than Buyer contemporaneously entering into asset purchase agreements or other arrangements with the Debtors in the Bankruptcy Cases to acquire other "Texas Land & Cattle Steakhouses" and "Lone

Star Steakhouses” currently owned by the Debtors or affiliated debtors in the Chapter 11 proceedings identified in footnote 1 hereof (collectively Buyer and such contemporaneous buyers being referred to herein as the “**Chapter 11 Buyers**”), (iii) the assignees or successors of Buyer with respect to any such Restaurant, or, to the extent such rights are acquired by Buyer pursuant to the IP Assignment, with respect to other future “Texas Land & Cattle Steakhouses” opened by Buyer or licensed, sublicensed or franchised by Buyer, and (iv) the assignees or successors of any other Chapter 11 Buyer with respect to restaurants acquired by them. In any event, IP Licensors/Assignors and Debtors shall not hereafter develop, own or operate new restaurants under the “Texas Land & Cattle Steakhouses” or “Lone Star Steakhouses” marks or grant to any third parties the right to do so except for Buyer or other Chapter 11 Buyers or their successors, assigns, licensees, sublicensees or franchisees as provided in clauses (i)-(iv) above. Furthermore, the license granted herein shall include the license and right to continue to operate each such Restaurant under its current brand and marks (and the right if Buyer elects in its sole discretion to at any time convert one or both of Buyer’s “Lone Star Steakhouses” to “Texas Land & Cattle Steakhouses”) in substantially the same manner as at present it is operated, subject to such future modifications in restaurant menus, trade dress, signage and other operational features as Buyer may elect that are generally consistent with the operation of a casual dining steakhouse. Furthermore, Buyer hereby agrees and Seller requires hereunder, and shall similarly require in the contemplated contemporaneous licenses to other Chapter 11 Buyers, that all such licensees will utilize the licensed Intellectual Property pursuant to such licenses only in connection with the branded restaurants operated by such licensees, including related marketing and promotional goods sold through such restaurants, and will discontinue any use of such Intellectual Property related to a particular brand at such time as it has changed the brand and/or principal trademark or service mark under which it operates such restaurants, and will in that event discontinue any use of signage, menus, branded marketing or promotional materials displaying such discontinued brand.

5.6 Employees. The employment of all employees of Seller will be terminated by Seller, as applicable, immediately prior to the Closing Date. Buyer intends to, but shall be under no obligation to, offer “at will” employment to substantially all employees of Seller regularly employed at the Restaurants. Nothing in this Agreement shall be construed as granting any employee of Seller at the Restaurants any rights of continuing employment.

Buyer shall not assume any of Seller’s employment liabilities that have accrued on or before the Closing Date, including without limitation unpaid FICA, FUTA, unemployment tax, pension or profit-sharing plan contributions, employee fringe benefits, severance benefits, bonuses, vacation time or pay or incentive programs of any type, nor any liability under FLSA, COBRA or the WARN Act (or analogous state laws), nor shall Buyer acquire any interest in or obligation under any pension, profit sharing, retirement or other plan of Seller and Seller shall indemnify Buyer with respect thereto, nor shall Buyer be deemed a successor to Seller for purposes of any of the foregoing. Seller shall retain all severance obligations, if any, to its employees at the Restaurants. Seller shall retain all liabilities relating to any employee benefit plan maintained currently or heretofore by the Seller. On the normal pay-day on or following the Closing Date, Seller shall provide to the employees of Seller their final paycheck, including but not limited to payment for all earned wages (including bonuses and commissions) to date, payment for all accrued, but unused vacation (if required by law or company policy), and any severance or termination payments (if required by company policy or law).

5.7 Transitional Services and Further Assurances. Each Party will promptly execute and deliver all documents and take all actions, reasonably required and necessary to effectuate the Transaction and perform its duties pursuant to this Agreement. Furthermore, in light of the expedited closing contemplated for this Transaction, the parties hereto shall consult upon any need for transitional services that might be reasonably required to effectuate an uninterrupted transition in the operation of the Business and Restaurants from the ownership by Debtors to the ownership by Buyer, and to the extent that Buyer requests that Debtors continue to provide any temporary beverage services or corporate headquarters or back office services for a period not to exceed 60 days that Debtors may lawfully provide and may provide without material breach of existing contractual obligations (taking into account any available bankruptcy court order that may be sought to authorize the temporary and transitional provision of such services) and utilizing Debtors' personnel and resources then otherwise still being maintained in connection with the wind-down and termination of the Bankruptcy Cases, Debtors upon Buyer's written request shall provide such transitional services and Buyer shall compensate Debtors for any and all out of pockets costs and expenses reasonably incurred in connection therewith: provided, however, that neither Debtors nor their parent entities are required to maintain continuing headquarters or staff for such purposes except for providing the availability of persons named upon alcoholic beverage permits to the extent necessary to continue in effect and permit the transitional operation with respect thereto contemplated by the separate and concurrent Interim Management Agreement.

ARTICLE 6

TERMINATION

6.1 Grounds for Termination. This Agreement may be terminated upon the occurrence of any of the following events, by:

- (a) mutual written agreement of the Parties at any time prior to entry of the Sale Order;
- (b) any Party not in default of this Agreement, if the Closing does not occur on or before August 1, 2017 (provided, that if the Closing does not occur prior to such date due to a material breach of this Agreement by a Party, such breaching Party may not terminate this Agreement pursuant to this Section 6.1(c));
- (c) by either Party if there shall be in effect a final, non-appealable order of a governmental body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Transaction contemplated hereby, it being agreed that the Parties shall promptly appeal any adverse determination that is not non-appealable (and pursue such appeal with reasonable diligence);
- (d) any Party not in default of this Agreement, upon a material breach and default of this Agreement by the other Party which breach and default remains uncured for a period of five (5) business days following the date upon which written notice of the breach and default is given by the non-defaulting Party to the defaulting Party;
- (e) Buyer, if as of the time of the Closing, any Seller's Representation is materially untrue, unless waived by Buyer;
- (f) Seller, if as of the time of the Closing, any Buyer's Representation is materially untrue;

(g) Buyer, if Seller fails to timely satisfy any material obligation of Seller pursuant to this Agreement required to be satisfied prior to or at the Closing; and

(h) Seller, if Buyer fails to timely satisfy any material obligation of Buyer pursuant to this Agreement required to be satisfied prior to or at the Closing.

6.2 No Obligation to Terminate. Except as may be otherwise set forth in this Agreement, no Party having a right to terminate this Agreement pursuant to Section 6.1 will be required to exercise such right, or otherwise be prohibited from enforcing this Agreement by reason of having any such unexercised right to terminate this Agreement.

6.3 Notice of Termination. Any Party desiring to terminate this Agreement pursuant to Section 6.1 shall give immediate written notice of such termination to the other Party at the notice address(es) set forth in Section 7.18, specifying in the notice the provision of this Agreement pursuant to which the termination is made.

6.4 Effect of Exercising Right of Termination. If this Agreement is validly terminated as provided herein, then, subject to the provisions of any Sale Procedures Order or Sale Order that may be entered by the Bankruptcy Court, (i) except as set forth in Section 2.3.1 and as may be required to enforce the provisions of Section 2.3.1, each Party will promptly return to the other Party any monies, documents or other property of the other Party in its possession or control received pursuant to or in contemplation of this Agreement, (ii) this Agreement will terminate and be of no further force or effect, and (iii) each Party will have no further obligation or liability to the other by reason of this Agreement. Nothing in this Section 6.4 shall relieve any Party of any liability for fraud, intentional misrepresentation, or willful breach of this Agreement prior to the date of termination.

ARTICLE 7

MISCELLANEOUS

7.1 Allocation of Expenses. Except as otherwise expressly set forth in this Agreement: (i) Seller shall be responsible for satisfying all liabilities incurred in relation to the Acquired Property and Business through the Closing Date, except to the extent otherwise provided in Section 2.3 as to 2017 real estate and other ad valorem taxes related to the Acquired Property and real estate underlying Assumed Leases; and (ii) Buyer shall be responsible for satisfying all liabilities incurred in relation to the Acquired Property and Business from and after the Closing Date. In accordance with the foregoing provision, all taxes (except as provided in Section 2.3), costs, charges and other expenses arising under the Assumed Contracts, and all other expenses affecting the Acquired Property and Business shall be prorated as of the Closing Date between Seller and Buyer; *provided* however Seller shall not be required to provide any continued payments nor any cure for any Assumed Contracts which may be added to this Agreement or Exhibit 3 through August 31, 2017 except to the extent Buyer shall provide funding to Seller expressly for the purpose of funding any such continued payments or cure costs. All prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the Closing Date and on the basis of the actual number of days of the year (based upon a three hundred sixty-five (365) day year) which shall have elapsed as of the Closing Date, as applicable. For purposes of calculating prorations, Buyer shall be deemed to be title holder of the Acquired Property, and therefore entitled to the income and responsible for the expenses therefore, for the entire day upon which the Closing occurs. Each Party shall assume and bear its own expenses, costs, and fees incurred in the

preparation and execution of this Agreement and in the compliance herewith, including attorneys' and accountants' fees, whether or not the Transaction is consummated; provided, that if any Party commences legal proceedings against the other Party to enforce the provisions of this Agreement or to declare any rights or obligations under this Agreement, the prevailing Party shall recover from the losing Party its costs of suit, including reasonable attorneys' fees, as determined by the Bankruptcy Court or such other court of competent jurisdiction in the event the Bankruptcy Court refuses to exercise jurisdiction of such a dispute.

7.2 Indemnification

7.2.1 Indemnification by Buyer. Buyer hereby agrees, from and after the Closing, to indemnify and hold Seller and its officers, directors, employees, equity holders, agents, attorneys, representatives, successors and assigns (collectively, the "***Seller Indemnified Parties***") harmless from and against any and all losses, liabilities, claims, demands, judgments, damages, fines, suits, actions, costs and expenses (individually, a "***Loss***", and collectively, "***Losses***"): (i) based upon or resulting from the breach of any of the obligations set forth in Section 7.1 of this Agreement on the part of Buyer; (ii) based upon or arising from any Assumed Liability; or (iii) based upon or arising from Buyer's ownership of any Acquired Property or Buyer's operation of the Business on or after the Closing Date; provided, Buyer shall not have any liability to any of the Seller Indemnified Parties on account of a Loss to the extent that such Loss has been directly caused by any action taken by Seller after the Closing Date in breach of this Agreement. Buyer's indemnification obligations under this Section 7.2.1 shall arise only after Buyer's aggregate indemnification obligations exceed twenty-five thousand dollars (\$25,000), and shall be limited to, and shall not exceed, two hundred thousand dollars (\$200,000) in the aggregate.

7.2.2 Indemnification by Seller. Seller hereby agrees, from and after the Closing, to indemnify and hold Buyer and its officers, directors, employees, equity holders, agents, attorneys, representatives, successors and assigns (collectively, the "***Buyer Indemnified Parties***") harmless from and against any and all Losses: (i) based upon or resulting from the breach of any of the obligations set forth in Section 7.1 of this Agreement on the part of Seller; (ii) based upon or arising from Seller's ownership of any Excluded Property; or (iii) based upon or arising from Seller's ownership of any Acquired Property or Seller's operation of the Business before the Closing Date; provided, that Seller shall not have any liability to any of the Buyer Indemnified Parties on account of a Loss to the extent that such Loss has been directly caused by any action taken by Buyer on or after the Closing Date in breach of this Agreement. Seller's indemnification obligations under this Section 7.2.2 shall arise only after Seller's aggregate indemnification obligations exceed twenty-five thousand dollars (\$25,000), and shall be limited to, and shall not exceed, two hundred thousand dollars (\$200,000) in the aggregate. Seller's indemnification obligations under this Section 7.2.2 shall terminate ninety (90) days after the Closing Date.

7.2.3 Indemnification Procedures. In the event that any legal proceeding is instituted (a "***Legal Proceeding***"), or any claim or demand is asserted (a "***Third Party Claim***"), by any third party in respect of which payment may be sought under Section 7.2.1 or Section 7.2.2 of this Agreement (such Legal Proceeding or Third Party Claim referred to as an "***Indemnification Claim***"), the indemnified party shall promptly cause written notice of the Indemnification Claim to

be provided to the indemnifying party. Subject to the limitations set forth in Section 7.2.2, the failure of an indemnified party to give reasonably prompt written notice of any Indemnification Claim shall not release, waive, or otherwise affect the indemnifying party's obligations with respect thereto, except to the extent that the indemnifying party is prejudiced as a result of such failure. The indemnifying party shall have the right, at its sole option and expense, to select counsel of its choice to defend against, negotiate, settle, or otherwise deal with the Indemnification Claim, provided that such counsel is reasonably satisfactory to the indemnified party. If the indemnifying party elects to select such counsel, it shall notify the indemnified party of same within fifteen (15) days of its receipt of written notice of the Indemnification Claim (or sooner, if the nature of the Indemnification Claim so requires). If the indemnifying party shall assume the defense of any Indemnification Claim, the indemnified party may participate, at its own expense, in the defense of such Indemnification Claim; provided, that such indemnified party, at its election, shall be entitled to assume sole control over or to participate in any such defense with separate counsel at the expense of the indemnifying party if (i) so requested by the indemnifying party, (ii) in the reasonable opinion of counsel to the indemnified party, a conflict exists between the indemnified party and the indemnifying party that would make such separate representation of the indemnified party necessary, or (iii) the Indemnification Claim seeks an injunction or other equitable relief against the indemnified party; provided further, however, that the indemnifying party shall not be required to pay for more than one counsel for all indemnified parties in connection with any Indemnification Claim. The Parties agree to reasonably cooperate with each other in connection with the defense, negotiation or settlement of any such Indemnification Claim. Neither the indemnifying party nor the indemnified party shall, without the written consent of the other party, settle or compromise any Indemnification Claim, or permit a default or consent to entry of any judgment on any Indemnification Claim, unless the third party claimant provides an unqualified release from all liability in respect of the Indemnification Claim. Notwithstanding the foregoing, if a settlement offer solely for money damages is made by the applicable third party claimant (which includes an unqualified release of the indemnified party from all liability in respect of the Indemnification Claim), the indemnifying party notifies the indemnified party in writing of the indemnifying party's willingness to accept the settlement offer and to pay the amount called for by such offer (subject to the limitations of Section 7.2.2 if applicable), and the indemnified party declines to accept such offer, then the indemnified party may continue to contest such Indemnification Claim, free of any participation by the indemnifying party, and the amount of any ultimate liability with respect to such Indemnification Claim that the indemnifying party has an obligation to pay pursuant to Section 7.2.1 or Section 7.2.2 (as applicable) shall be limited to the lesser of (x) the amount of the settlement offer that the indemnified party declined to accept plus the amount of all other Losses of the indemnified party relating to such Indemnification Claim incurred through the date of its rejection of the settlement offer, or (y) the aggregate Losses of the indemnified party with respect to such Indemnification Claim. Notwithstanding anything to the contrary in this Agreement, an indemnifying party shall not be liable to any indemnified party for any Losses that would not be legally recoverable under applicable law as actual breach of contract damages.

7.3 Integration. This Agreement (including all Schedules and Exhibits) and the instruments to be executed and delivered by the Parties at Closing, as expressly identified within Section 3.2, are the sole agreements between the Parties regarding the Transaction. All prior and contemporaneous negotiations and agreements between the Parties, oral or written, regarding the Transaction, are hereby superseded. No Party

has the authority to orally modify this Agreement, or to make any oral representation or oral agreement regarding this Agreement or the Transaction.

7.4 Amendment, Waiver and Modification. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by written consent of the Party against which such change, waiver, discharge or termination is sought to be enforced, or by order of the Bankruptcy Court.

7.5 Construction. The Parties acknowledge that each Party was represented by legal counsel (or had the opportunity to be represented by legal counsel) in connection with this Agreement and that each of them and its legal counsel have reviewed, revised, and participated in the preparation of this Agreement, or have had an opportunity to do so, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or any Exhibits or Schedules hereto or thereto.

7.6 Captions; Capitalized Terms. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Capitalized terms used and/or not otherwise defined therein shall have the meanings ascribed to such terms in the 363 Motion, the Schedules, and/or the Exhibits as applicable.

7.7 Assignment; Successors; Parties in Interest. This Agreement shall not be assignable by Buyer without the prior written consent of Seller or order of the Bankruptcy Court. Any attempt to assign this Agreement without such consent or order shall be void and of no effect. This Agreement shall inure to the benefit of, and be binding on and enforceable against, each Party and its successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any employee or affiliate of either Party or any other person any rights or remedies of any nature whatsoever under this Agreement, except as expressly set forth in Section 7.2 of this Agreement.

7.8 Time is of the Essence. With respect to all dates and time periods set forth or referred to in this Agreement, time is of the essence, such that each Party will perform all acts required of such Party pursuant to this Agreement by the date or within the time period required pursuant to this Agreement.

7.9 Business Day. As used in this Agreement, the term “*business day*” shall mean a day other than a Saturday, Sunday or other day on which commercial banks in the State of Texas are closed.

7.10 Access to Books and Records after Closing. Buyer shall permit Seller to have access to the books and records relating to the Acquired Property and Business for a period of two (2) years after the Closing, or such later period as may be required by the Bankruptcy Court. Notwithstanding the foregoing, Buyer agrees to notify Seller prior to destroying any material non-duplicated books and records relating to the Acquired Property and Business, and to allow Seller to make and retain copies, at Seller’s expense, of such books and records.

7.11 Sales and Transfer Taxes. Buyer shall bear any sales or transfer tax arising from the Transaction; provided, however, the parties shall seek confirmation in the Sale Order that such sale and transfer taxes shall not apply to the Transaction to the greatest extent permissible under applicable law.

7.12 Allocation of Purchase Price. The Parties shall use their commercially reasonable efforts to agree to an allocation of the Purchase Price prior to or at the Closing for tax purposes and such other purposes as Buyer determines. Each Party will report the Transaction under Section 1060 of the Internal Revenue Code (on IRS Form 8594) in accordance with such allocation of the Purchase Price, to the extent applicable to the Transaction.

7.13 Severability. Nothing in this Agreement will be construed as requiring the commission of any act contrary to law. If there is any conflict between any provision of this Agreement and any present or future law, such provision will be limited only to the extent necessary to bring it within the requirement of the law. If any part of this Agreement is held to be indefinite, invalid, or otherwise unenforceable, the balance of this Agreement will continue in full force and effect.

7.14 Schedules and Exhibits. The Schedules and Exhibits are a part of this Agreement as if fully set forth herein. All references to Sections, Articles, Schedules and Exhibits shall be deemed references to such parts of this Agreement, unless the context shall otherwise require. Disclosure of any fact or item in any Schedule hereto referenced by a particular Section in this Agreement shall, should the existence of the fact or item of its contents be clearly and conspicuously relevant to any other Section, be deemed to be disclosed with respect to that other Section whether or not an explicit cross-reference thereto appears.

7.15 Counterparts. This Agreement may be executed in several counterparts, each of which, when combined, shall constitute one and the same instrument. This Agreement may be executed by facsimile, image file, and/or PDF signatures, which shall have the same force and effect as original signatures.

7.16 Governing Law. This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the State of Texas, without giving effect to the conflict of laws and rules thereof. Each Party consents to the exclusive jurisdiction of the Bankruptcy Court.

7.17 Notices. Any notice by any Party to any other Party pursuant to this Agreement must be made in writing and delivered to the other Party at the address shown below, until written notice of a different address is given by the other Party pursuant to this Section 7.17. Payments to be made pursuant to this Agreement will be deemed made only upon actual receipt. Notices given by personal service will be deemed received upon delivery. Notices given by first class mail, postage prepaid, addressed to the address required by this Section 7.17, will be deemed received three (3) business days following the deposit thereof with the United States Post Office. Notices given by overnight courier service will be deemed received on the date of delivery confirmed by the courier service. Notices given by electronic facsimile transmission will be deemed received on the date upon which the recipient's facsimile machine confirms electronically the receipt of the notice, provided that a copy of any notice given by facsimile transmission must also be sent to the recipient by first class mail, postage prepaid, addressed to the address required by this Section 7.17. The rejection by a Party of a notice, the refusal by a Party to accept a notice, or the inability of another Party to deliver a notice because of a change of address of a Party of which no notice of change of address is given pursuant to this Agreement, will constitute delivery of the notice. Telephone numbers and e-mail addresses, if listed, are listed for convenience purposes only and not for the purpose of giving notice pursuant to this Agreement.

To

Debtors' Counsel:

Jeff Carruth
WEYCER, KAPLAN, PULASKI & ZUBER, P.C.
3030 Matlock Rd., Suite 201
Arlington, Texas 76105
Telephone: (713) 341-1158
Fax: (866) 666-5322
jcarruth@wkpz.com

Debtors' Financial Advisor:

Jeff Merritt
MERRITT ADVISORS

101 S. Coit Road, Suite 36-306
Richardson, TX 75080
(214) 226-0794 – mobile
jeff@merrittadv.com

:

To Buyer:

Creative Foods LLC
6757 Academy, Suite B
Albuquerque, NM 8710
Attn: Art Carrasco, President
Telephone: 505-346-5468
creatlend@earthlink.net

With copies to:

Dykema Cox Smith
112 East Pecan Street, Suite 1800
San Antonio, Texas 78205
Attn: Patrick Ryan
Telephone: 210-554-5245
Fax: 210-226-8395
pryan@dykema.com

{continued on following page}

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Execution Date.

BUYER:

CREATIVE FOODS LLC

By: _____

Name _____

Its: _____

SELLER(S):

TX. C. C., INC.

By: _____

Name _____

Its: _____

TXLC OF ARLINGTON II, LLC

By: _____

Name _____

Its: _____

LONE STAR STEAKHOUSE & SALOON OF
SPRINGFIELD, INC.

By: _____

Name _____

Its: _____

LONE STAR STEAKHOUSE & SALOON OF
OKLAHOMA, INC.

By: _____

Name _____

Its: _____

LONE STAR STEAKS, INC.

By: _____

Name _____

Its: _____

LONE STAR STEAKHOUSE & SALOON OF
SOUTHERN MISSOURI, INC.

By: _____

Name _____

Its: _____

TX LC LIQUOR COMPANY

By: _____

Name _____

Its: _____

IP LICENSORS/ASSIGNORS:
(for purposes of Section 5.5 only)

LSF5 Spur, LLC

By: _____

Name _____

Its: _____

LSF5 Cactus, LLC

By: _____

Name _____

Its: _____

EXHIBIT 1 — List of Restaurants

State	City	Company/Debtor	Case #
IL	Crestwood	Lone Star Steakhouse & Saloon of Springfield, Inc.	17-40303
MO	Branson	Lone Star Steakhouse & Saloon of Southern Missouri, Inc.	17-40334
OK	Owasso	Lone Star Steakhouse & Saloon of Oklahoma, Inc.	17-40341
TX	Arlington	TXLC of Arlington II, LLC	17-40333
TX	Garland	TX.C.C., Inc.	17-40297
TX	Lakeline	TX.C.C., Inc.	17-40297
TX	Mopac	TX.C.C., Inc.	17-40297
TX	Stassney	TX.C.C., Inc.	17-40297
TX	Riverwalk	TX.C.C., Inc.	17-40297
*TX	Katy	TX.C.C., Inc.	17-40297

* inclusion of the Katy Restaurant is subject to Section 2.1(m)

EXHIBIT 2 — List of Assumed Leases [Leases currently in effect as to each listed Restaurant;

EXHIBIT 3 — List of Assumed Contracts [None at inception, subject to Buyer adds]

EXHIBIT 4 — Leased Equipment not included in Assumed Contracts [None at inception, subject to Buyer adds]

EXHIBIT 5 — Assumed Liabilities [Only 2017 real estate and other ad valorem taxes and cure costs, as indicated]

EXHIBIT 6 — Additional Excluded Assets [None]

