

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

TW LIQUIDATION CORP., *et al.*,¹

Debtors.

Chapter 11

Case No. 10-14092 (CSS)

(Jointly Administered)

Re: D.I. 877 and 949

**AMENDED ORDER CONVERTING CASES FROM CHAPTER 11
TO CHAPTER 7 OF THE BANKRUPTCY CODE**

Upon consideration of the Motion of the above-captioned debtors and debtors in possession (the “Debtors”) to Convert Cases from Chapter 11 to Chapter 7 of the Bankruptcy Code (the “Motion”), and upon the record in these cases, and notice of the Motion and the hearing thereon having been provided as set forth in the Motion, and good and sufficient cause appearing therefore, it is hereby

FOUND AND DETERMINED THAT:

- A. Notice of the Motion and the hearing thereon was due and sufficient under the circumstances.
- B. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- C. This is a core proceeding under 11 U.S.C. § 157(b).

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers, are as follows: TW Liquidation Corp. (f/k/a Townsends, Inc.) (0681); TF Liquidation Corp. (f/k/a Townsend Farms, Inc.) (5263); TAR Liquidation Corp. (f/k/a Townsends of Arkansas, Inc.) (5644); TFAR Liquidation Corp. (Townsend Farms of Arkansas, Inc.) (0027); and TCW Liquidation LLC (f/k/a Crestwood Farms LLC) (7388) c/o Dalton T. Edgecomb, Huron Consulting Group, 1120 Avenue of the Americas, 8th Floor, New York, NY 10036.

D. The Debtors, prior to the granting of the relief pursuant to this Order, were debtors and debtors-in-possession in these cases pending under Chapter 11 of the Bankruptcy Code.

E. The Debtors' Chapter 11 cases were not originally commenced as involuntary cases.

F. The above-captioned cases were not converted to cases under Chapter 11 of the Bankruptcy Code.

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED.
2. As of October 13, 2011 at 4:00 p.m. (prevailing Eastern Time) (the "Conversion Date"), pursuant to section 1112(a) of the Bankruptcy Code, the Chapter 11 cases of the Debtors are converted to cases under Chapter 7 of the Bankruptcy Code.
3. Effective upon the date of this Order, pending the qualification of a permanent trustee under section 702 of the Bankruptcy Code, all contested matters in the Debtors' bankruptcy cases are stayed, unless otherwise ordered by this Court.
4. The Debtors shall comply with the obligations set forth in Rule 1019 of the Federal Rule of Bankruptcy Procedures.
5. Pursuant to the Court's Order Extending Term of Financing and Granting Related Relief entered on February 18, 2011 [Docket No. 329] (the "Financing Extension Order") and the Court's Order Approving Stipulation By and Between the Debtors, the DIP Lenders and Pre-Petition Bank Group Lenders, and the Official Committee of Unsecured Creditors Resolving Motion to Compel Payment of Undisputed Section 503(b)(9) Claims entered on July 15, 2011 [Docket No. 790], the Debtors are hereby authorized and directed to pay to the

Secured Lenders² 30% of the Residual Amount (\$311,700.00), which amount includes any excess funds in the 503(b)(9) Claims Fund (as defined in Docket No. 790), within 2 business days hereof but no later than October 7, 2011. Notwithstanding Bankruptcy Rule 6004(h) the terms and conditions of paragraph 5 of this Order shall be immediately effective upon its entry.

6. Morris, Nichols, Arsht & Tunnell, LLP (“MNAT”) and McKenna Long & Aldridge LLP (“McKenna”) are holding certain retainers that were provided to them by the Debtors prior to the Petition Date (the “Retainers”). MNAT and McKenna are authorized to retain in trust any amounts remaining in their Retainers as of the Conversion Date. Upon the approval by this Court of any final fee application filed by a Professional (as defined in the Administrative Order Pursuant to 11 U.S.C. §§ 105(a) and 331, Fed. R. Bankr. P. 2016 and Del. Bankr. L.R. 2016-2 Establishing Procedures for Interim Compensation of Fees and Reimbursement of Expenses for Professionals and Official Committee Members [D.I. 156]), and after the application of the Retainers to cover any amounts approved and awarded in connection with their own final fee applications, MNAT and McKenna are authorized to release any remaining funds in the Retainers to such Professional in the amount approved and awarded by the Court. After all such payments described in the prior sentence have been made, any amounts remaining in such retainers shall be remitted to the Secured Lender since it is part of the Secured Lender’s collateral.

7. All professionals retained in the Chapter 11 cases under sections 327 or 1103 of the Bankruptcy Code shall file their final fee applications on or before October 28, 2011 at 4:00 p.m. (Eastern Time) (the “Filing Deadline”).

² Capitalized terms not otherwise defined in this paragraph 5 shall have the meanings ascribed to such terms in the Financing Extension Order.

8. The deadline to object to a final fee application shall be twenty (20) days from the Filing Deadline.

9. A hearing to consider all timely filed final fee applications shall be held on November 22, 2011 at 1:00 p.m. (Eastern Time).

Dated: 10/13, 2011
Wilmington, Delaware



HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE

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