

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF NORTH CAROLINA
WINSTON-SALEM DIVISION**

In re:)	Chapter 11
)	
K&W CAFETERIAS, INC.,)	Case No. 20-50674
)	
)	
Debtor.)	
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**DEBTOR’S MOTION TO EXTEND EXCLUSIVE PERIODS TO FILE AND OBTAIN
CONFIRMATION OF PLAN AND DISCLOSURE STATEMENT**

NOW COMES K&W Cafeterias, Inc. (the “Debtor”) and moves the Court pursuant to Section 1121 of the Bankruptcy Code and Rule 3016 of the Federal Rules of Bankruptcy Procedure as follows:

1. On September 2, 2020 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtor continues in possession of its assets and operates its business as a debtor-in-possession. An Official Committee of Unsecured Creditors has been appointed in this case.

2. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The Debtor’s exclusive periods as provided in Section 1121 of the Bankruptcy Code presently extend to (i) December 31, 2020 to file a disclosure statement and proposed plan of reorganization, and (ii) March 1, 2021 to obtain confirmation of a plan.

4. Section 1121(d) permits the Court to shorten or extend the exclusive periods on request of a party in interest after notice and hearing, for cause.

5. The Debtor filed a motion to sell certain assets used in the Debtor's restaurant operations (the "Sale Motion") and hired SC&H Group, Inc. as its financial advisor to direct the marketing and sale of such assets as a going concern. The Bidding Procedures approved by the Court in conjunction with the Sale Motion contemplated an auction among competing bidders and, in conjunction with one or more possible sales, the assumption of unexpired leases and the assignment of such leases to the Prevailing Bidder or Back-Up Bidder at closing.

6. However, the Debtor evaluated the bids received, concluded that the bids were inadequate and cancelled the auction. The Debtor is now evaluating a plan of reorganization which would retain the business assets, continue operations at certain locations, and sell certain non-business assets. Any such plan will require discussions with interested parties, including but not limited to the Committee and the Debtor's secured creditors.

7. Accordingly, the Debtor requests that this Court extend the deadline and the exclusive period to file a plan and disclosure statement until March 31, 2021, and the exclusive period to obtain confirmation thereof until May 30, 2021, without prejudice to the ability of the Debtor to seek further extensions upon notice and hearing. This requested extension is well within the maximum period permitted by Section 1121(d) of the Bankruptcy Code.

WHEREFORE, the Debtor prays the Court as follows:

1. Grant this Motion.
2. Extend the Debtor's deadline and exclusive period to file a disclosure statement and proposed plan to March 31, 2021, and extend the Debtor's exclusive period to confirm a plan to May 30, 2021, without prejudice to the ability of the Debtor to seek further extensions upon notice and hearing.

Date: December 11, 2020.

/s/John A. Northen

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