

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

In re:

CBC RESTAURANT CORP., et al.,¹

Debtors.

Chapter 11

Case No. 23-10245 (KBO)

(Jointly Administered)

**Objection Deadline:
March 21, 2023 at 4:00 p.m. (ET)**

**Hearing Date:
March 28, 2023 at 1:00 p.m. (ET)**

**DEBTORS' MOTION FOR ENTRY OF AN ORDER
(I) EXTENDING TIME TO FILE SCHEDULES OF ASSETS AND
LIABILITIES, SCHEDULES OF CURRENT INCOME AND EXPENDITURES,
SCHEDULES OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND
STATEMENTS OF FINANCIAL AFFAIRS AND (II) GRANTING RELATED RELIEF**

CBC Restaurant Corp., and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), respectfully state the following in support of this motion (the "Motion").

REQUESTED RELIEF

1. The Debtors seek entry of an order (the "Order") substantially in the form attached hereto as **Exhibit A**: (a) extending the deadline by which the Debtors must file their schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the "Schedules");

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include CBC Restaurant Corp. (0801) (the "Debtor"), Corner Bakery Holding Company (3981), and CBC Cardco, Inc. (1938) (together with Corner Bakery Holding Company, the "Debtor Affiliates" and additionally with the Debtor, the "Debtors"). The Debtors' service address is 121 Friends Lane, Suite 301, Newtown PA 18940.



and Statements”) by 37 days in addition to the extension provided by Local Rule 1007-1(b), for a total of 65 days from the Petition Date, to and including **April 28, 2023**, without prejudice to the Debtors’ ability to request additional extensions for cause shown; and (b) granting related relief.

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012 (Sleet, C.J.).

3. The Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

4. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

BASIS FOR RELIEF

5. The bases for the relief requested herein are sections 105(a) and 521 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Bankruptcy Rules 1007(c) and 9006(b), and Local Rule 1007-1(b).

BACKGROUND

6. Corner Bakery is a fast-casual restaurant serving kitchen-crafted breakfast, lunch, and dinner and catering to guests. Its restaurants have been a neighborhood favorite since the brand

was established in 1991. The original American Italian bakery cafe was founded on a philosophy of creating a warm and comfortable place for people to relax with friends, family, and neighbors. Today, the restaurant features artisan-inspired, seasonal menu options made with fresh ingredients, while delivering a premier bakery cafe experience in the heart of neighborhoods and urban markets across California, Texas, Pennsylvania, Illinois, Virginia, Maryland, and the District of Columbia.²

7. On the February 22, 2023 (the “Petition Date”), each of the Debtors commenced a case under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases and no official committees have been appointed or designated.

ARGUMENT

8. Bankruptcy Code section 521 of the Bankruptcy Code and Bankruptcy Rule 1007(c) generally require a debtor to file its schedules of assets and liabilities, schedules of current income and expenditures, and schedules of executory contracts and unexpired leases, and statements of financial affairs within 14 days of filing its bankruptcy petition. Local Rule 1007-1(b) extends the filing deadline for such schedules and statements to 28 days if the bankruptcy petition is accompanied by a list of all of the debtor’s creditors and their addresses, in accordance with Local Rule 1007-2, and if the total number of creditors in a debtor’s case or, in the case of jointly administered cases, the debtors’ cases, exceeds 200. The Debtors have filed a list of

² Detailed descriptions of the Debtors and their business and the facts and circumstances supporting this Motion and the Debtors’ chapter 11 cases are set forth in detail in the *Declaration of Jignesh Pandya, Chief Executive Officer and Chief Operating Officer of CBC Restaurant Corp. in Support of Chapter 11 Petitions and First Day Motions*, filed on February 23, 2023 at Doc. No. 0022.

creditors in accordance with Local Rule 1007-2 [D.I. No. 108], which list reflects that the aggregate number of their creditors exceeds at least 800.

9. The Court has the authority to grant the requested extension under Bankruptcy Rules 1007(c) and 9006(b) and Local Rule 1007-1(b). Bankruptcy Rule 1007(c) together with Bankruptcy Rule 9006(b) allow the Court to extend the filing deadline for the Schedules and Statements “for cause shown.” Similarly, Local Rule 1007-1(b) provides that such an extension may be granted for cause. Showing “cause” merely requires that a debtor “demonstrate some justification for the issuance of the order” and bankruptcy courts will normally grant such extensions “in the absence of bad faith or prejudice to the adverse party.” *See, e.g., Bryant v. Smith*, 165 B.R. 176, 182 (W.D. Va. 1994) (discussing the standard for granting extensions under Bankruptcy Rule 1007) (internal citations and quotation marks omitted).

10. Good and sufficient cause exists for granting an extension of time to file the Schedules and Statements. The ordinary operation of the Debtors’ business requires the Debtors to maintain voluminous books, records, and complex accounting systems. To prepare the Schedules and Statements, the Debtors must compile information from those books and records, and from documents relating to the claims of over 800 creditors, and the Debtors’ assets and numerous contracts. This information is extensive and located in numerous places throughout the Debtors’ organization. Collecting the necessary information requires an enormous expenditure of time and effort on the part of the Debtors, their employees, and their professional advisors in the near term.

11. Moreover, the Debtors commenced these cases with virtually no advance planning, having first engaged counsel two days prior to the Petition Date and three days in advance of a scheduled foreclosure sale. A substantial amount of work that would ordinarily be done by the

Debtors and their professionals prior to the Petition Date—such as preparing "first-day" motions for the chapter 11 filings, negotiating cash collateral usage and financing with their lender, preparing the business to transition into chapter 11, negotiating with their significant creditor constituencies, and preparing creditor matrixes—did not occur until after the Petition Date. In addition, to stem financial losses, the Debtors engaged in a rapid evaluation of their stores and leases and implemented various store closings between February 23 and February 28, 2023. Simultaneously, the Debtors are fielding wide ranging, time consuming, and purportedly urgent due diligence requests from their secured lender regarding not only their current financial performance and projections, but also encompassing historical financial information such as detailed questions regarding their lease portfolio, requiring an immediate analysis of all of their leases and related litigation files, requirements that the Debtors obtain and furnish copies of all of their bank statements for over 100 separate accounts spanning a period of roughly two and a half years, requests for depreciation schedules for closed store locations, and the like.

12. While the Debtors have commenced the process that will enable them to prepare and finalize what will be voluminous Schedules and Statements, and they are working diligently to move the process forward, they are drinking from the proverbial fire house. Given the numerous competing demands on their time and the exigencies of these cases, it is clear an extension will be required. The Debtors anticipate that they may require up to 36 additional days to complete the Schedules and Statements. Specifically, given the amount of work required to complete the Schedules and Statements, the competing demands on the Debtors' employees and professionals to stabilize the Debtors' business operations during the initial phase of these chapter 11 cases, to respond to the secured lenders' extensive due diligence requests, and to provide continued support to the Debtors' efforts to execute their chapter 11 strategy, it is clear that the Debtors will not be

able to properly and accurately complete the Schedules and Statements within the initial 28 day period prescribed by Local Rule 1007-1(b).

13. The Debtors submit that the extensive amount of information that must be assembled and compiled, the multiple places where the information is located, and the hundreds of employee and professional hours required to complete the Schedules and Statements constitute good and sufficient cause for granting the requested extension of time. The Debtors therefore request that the Court extend the 28-day period for an additional 36 days, without prejudice to the Debtors' right to request further extensions, for cause shown.

WAIVER OF BANKRUPTCY RULES 6004(a) AND 6004(h)

14. To implement the foregoing successfully, Corner Bakery requests that the Court enter an order providing that notice of the relief requested in this Motion satisfies Bankruptcy Rule 6004(a) and that it has established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

NOTICE

15. The Debtors have provided notice of this Motion to: (a) the Debtors, Corner Bakery, 121 Friends Lane, Suite 301, Newtown PA 18940, Attn: Jay Pandya (jaypandya@rohangroup.net); (b) the Debtors' proposed counsel, Culhane Meadows PLLC, 3411 Silverside Road, Baynard Building, Suite 104-13, Wilmington DE 19810, Attn: Mette H. Kurth (MKurth@cm.law) and Lynnette R. Warman (LWarman@cm.law); (c) SSCP, the Debtor's prepetition lender, Ken Schwab (kschwab@sscpmanagement.com); (d) counsel to SSCP, Foley & Lardner LLP, 2021 McKinney Avenue, Suite 1600, Dallas, TX. 75201, Attn: Holland N. O'Neil (honeil@foley.com), Mark C. Moore (mmoore@foley.com), and Tim Mohan (tmohan@foley.com) and Ashby & Geddes, P.A, 500 Delaware Avenue, 8th Floor, P.O. Box 1150, Wilmington, DE. 19899, Attn: Ricardo Palacio

(RPalacio@ashbygeddes.com); (e) the Office of the United States Trustee for the District of Delaware, Attn: Linda Casey (Linda.Casey@usdoj.gov); (f) the United States Attorney's Office for the District of Delaware; (g) the Internal Revenue Service; (h) the office of the attorneys general for the states in which the Debtors operate; (i) counsel for any statutory committee appointed in these Chapter 11 Cases, or if no such committee has been appointed, the holders of the 30 largest unsecured claims against the Debtors; and (j) any party that has requested notice pursuant to Bankruptcy Rule 2002. Corner Bakery submits that, in light of the nature of the relief requested, no other or further notice need be given.

NO PRIOR REQUEST

16. No prior request for the relief sought in this Motion has been made by Corner Bakery to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter the Order, granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: March 14, 2023
Wilmington, Delaware

/s/ Mette H. Kurth
Mette H. Kurth (DE Bar No. 6491)
CULHANE MEADOWS, PLLC
3411 Silverside Road
Baynard Building, Suite 104-13
Wilmington, Delaware 19810
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Proposed Counsel to the Debtors and Debtors in Possession

Exhibit A

Proposed Order

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

In re:

CBC RESTAURANT CORP., et al.,¹

Debtors.

Chapter 11

Case No. 23-10245 (KBO)

(Jointly Administered)

Re: D.I. No. ●

**ORDER (I) EXTENDING TIME TO FILE SCHEDULES OF ASSETS AND
LIABILITIES, SCHEDULES OF CURRENT INCOME AND EXPENDITURES,
SCHEDULES OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND
STATEMENTS OF FINANCIAL AFFAIRS AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), (a) extending the time period to file their Schedules and Statements, and (b) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were appropriate under

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² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court; and this Court having determined that the legal and factual bases set forth in the Motion and at the hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as forth herein.
2. Pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rules 1007(c) and 9006(b), the time by which the Debtors shall file the Schedules and Statements is extended by an additional 36 days beyond the 28-day extension provided for pursuant to Local Rule 1007-1(b), to and including April 28, 2023. Such extension is without prejudice to the Debtors' right to request a further extension.
3. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).
4. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Bankruptcy Rules and the Local Rules are satisfied by such notice.
5. The terms and conditions of this Order are immediately effective and enforceable upon its entry.
6. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

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

**IN THE UNITED STATES BANKRUPTCY COURT
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Chapter 11

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(Jointly Administered)

**Objection Deadline:
March 21, 2023, at 4 p.m. (ET)**

**Hearing Date:
Mar. 28, 2023, at 1:00 p.m. (ET)**

**NOTICE OF DEBTORS' MOTION FOR ENTRY OF AN ORDER
(I) EXTENDING TIME TO FILE SCHEDULES OF ASSETS AND
LIABILITIES, SCHEDULES OF CURRENT INCOME AND EXPENDITURES,
SCHEDULES OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND
STATEMENTS OF FINANCIAL AFFAIRS AND (II) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on March 14, 2023, CBC Restaurant Corp., and its debtor affiliates (collectively, "Corner Bakery" or the "Debtors") filed the foregoing *Debtors' Motion for Entry of an Order (I) Extending Time to File Schedules of Assets and Liabilities, Schedules of Current Income and Expenditures, Schedules of Executory Contracts and Unexpired Leases, and Statements of Financial Affairs and (II) Granting Related Relief* (the "Motion")² with the United States Bankruptcy Court for the District of Delaware.

PLEASE TAKE FURTHER NOTICE that any responses to the Motion must be in

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writing and filed with the Clerk of the Bankruptcy Court, 824 Market Street, Third Floor, Wilmington, Delaware 19801, and served upon the undersigned, so as to be received on or before **March 21, 2023 at 4:00 p.m. (ET)**.

PLEASE TAKE FURTHER NOTICE THAT IF AN OBJECTION IS PROPERLY FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, A HEARING WILL BE HELD ON MARCH 28, 2023 AT 1:00 P.M. (ET) BEFORE THE HONORABLE KAREN B. OWENS, UNITED STATES BANKRUPTCY JUDGE FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, COURT ROOM NO. 3, 6TH FLOOR, WILMINGTON, DELAWARE 19801. ONLY OBJECTIONS MADE IN WRITING AND TIMELY FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT AT SUCH HEARING.

Dated: March 14, 2023
Wilmington, Delaware

/s/ Mette H. Kurth

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