SO ORDERED.

SIGNED this 27 day of September, 2005.

LEIF M. CLARK
UNITED STATES BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

IN RE:	§	
	§	
SI RESTRUCTURING, INC., *et al.*,	§	Case No. 04-54504-LMC-11
	§	
Debtors	§	Chapter 11
	§	
	§	

ORDER GRANTING MOTION FOR SUBSTANTIVE CONSOLIDATION OF DEBTORS' ESTATES

On September 20, 2005, came on for consideration the Motion for Substantive Consolidation of Debtors' Estates (the "Motion") filed by SI Restructuring, Inc. ("SI"), SRI Restructuring, Inc. ("Restaurants"), SRE Restructuring, Inc. ("Real Estate"), SF Restructuring, LLC ("Franchisor"), SFOPS Restructuring, LLC ("Franchise Operations"), SBPROD Restructuring, LLC ("Brand Products"), DFW Restaurant Transfer Corp. ("DFW"), 56th and 6th, Inc. ("56th and 6th"), RAD Acquisition Corp. ("RAD"), and San Felipe, LLC ("San Felipe"), each a debtor and debtor-in-possession (collectively, the "Debtors"). After considering the

pleadings of the parties, the record in this case, the evidence presented, the representations and arguments of counsel, and the Stipulation Resolving Objections by Creditors John C. Wooley and Jeffrey J. Wooley to Motion for Substantive Consolidation of Debtors' Estates [Dkt. No. 1173], the Court made oral findings of fact and conclusions of law on the record pursuant to Bankruptcy Rule 7052. The Court finds that all objections to the Motion were either withdrawn or resolved. The Court further finds it should exercise its equitable powers to substantively consolidate the Debtors' estates for all purposes, including for purposes of voting on the Debtors' plan of reorganization and for purposes of distribution thereunder. Accordingly, it is hereby **ORDERED** that:

1. The Motion is **GRANTED.**

2. The following Debtors (the "consolidated Debtors") and their estates are substantively consolidated under case no. 04-54504 for all purposes:

CASE NO.	DEBTOR NAME
04-54504	SI Restructuring, Inc.
04-54506	SR Restructuring, Inc.
04-54507	SRE Restructuring, Inc.
04-54508	SF Restructuring, LLC
04-54509	SFOPS Restructuring, LLC
04-54510	SBPROD Restructuring, LLC
04-54511	DFW Restaurant Transfer Corp.
04-54512	56th & 6th, Inc.
04-54514	San Felipe, LLC

3. The estate of RAD Acquisition Corp. ("RAD"), Case No. 04-54513, shall not be substantively consolidated with the consolidated Debtors' estates at this time and no findings of fact are made with respect to the consolidation of RAD with the cases referenced above. However, the RAD estate may be consolidated with the other Debtors' estates or converted to a

case under Chapter 7 of the Code upon subsequent motion and by further order of this Court. Nothing in this Order extinguishes the intercompany claims of the other Debtors against RAD.

4. Except as provided above, all intercompany claims by, between and among the consolidated Debtors are hereby extinguished.

5. All assets and liabilities of each of the consolidated Debtors are hereby merged or treated as if they were merged with the assets and liabilities of SI.

6. Any obligation of a consolidated Debtor and all guarantees thereof by one (1) or more of the other consolidated Debtors is hereby deemed to be one (1) obligation of SI.

7. The stock, if any, of the consolidated Debtors other than SI is hereby cancelled.

8. Each claim filed or to be filed against any consolidated Debtor is hereby deemed to be filed only against SI and is hereby deemed to be a single claim against and a single obligation of SI.

9. All claims based upon guarantees of collection, payment or performance made by the consolidated Debtors as to the obligations of another consolidated Debtor are hereby released and of no further force and effect.

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