

PLAN OF DISTRIBUTION OF NET SETTLEMENT FUND AMONG CLASS MEMBER

The following proposed Plan of Distribution reflects the proposition that the price of BUCA common stock was artificially inflated throughout the entire Class Period. The Plan of Distribution is not a formalized damage study, but rather a methodology that takes into account price drops that accompanied what Lead Plaintiffs contend were disclosures of misconduct by the Defendants, related to the allegations in this lawsuit, which occurred during and at the end of the Class Period. The proposed Plan of Distribution provides for distribution of the Settlement Fund to the Class Members, after deductions for fees and expenses (the "Net Settlement Fund") as follows:

Each person claiming to be an Authorized Claimant must submit a separate Proof of Claim and Release form ("Proof of Claim") signed under penalty of perjury and supported by such documents as specified in the Proof of Claim as are reasonably available to the Authorized Claimant. A Proof of Claim accompanies this notice. If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of valid claim forms that Class Members submit, the number of shares of BUCA common stock you purchased, and when you bought or sold your BUCA common stock. By following the Plan of Distribution described herein, you can calculate your "Recognized Loss."

All Proofs of Claim must be postmarked or received on or before November 14, 2008, addressed as follows:

In re BUCA, Inc. Securities Litigation
c/o Complete Claim Solutions, LLC
Claims Administrator
P.O. Box 24632
West Palm Beach, FL 33416
Toll-Free: 1-877-465-1951

A "Recognized Loss" will be calculated for each purchase of BUCA common stock during the Class Period for which adequate documentation is provided. The amount of Recognized Loss per share will depend on when the BUCA shares were purchased and when such shares were sold. Documentation of all purchases and sales must be submitted. Class Counsel's damages expert determined, based on public disclosures during the Class Period, that there were three partial corrective disclosures during the Class Period where information was disclosed that reduced the level of artificial inflation in BUCA's stock price. The schedule below reflects the effect of those partial corrective disclosures, which reduced damages later in the Class Period. Shares purchased and sold prior to any corrective disclosure have not, according to this analysis, sustained any damages, and accordingly do not have a Recognized Loss.

The Recognized Loss is the amount that will be used by the Claims Administrator in determining each Class Member's share of the Net Settlement Fund. The Recognized Loss is NOT the amount Class Members can expect to receive on their claim. Because it is anticipated that the aggregate Recognized Loss for all Class Members who submit claims will far exceed the Net Settlement Fund, the amount Class Members can expect to receive from the Net Settlement Fund is expected to be substantially less than each Class Member's Recognized Loss.

The Recognized Loss for each share of BUCA common stock purchased during the Class Period shall be as follows:

- a. For shares purchased on or after February 6, 2001 through July 16, 2002 and;
 - i sold on or after March 12, 2005, the Recognized Loss shall be \$7.39 per share;
 - ii sold on or after May 11, 2004 through March 11, 2005, the Recognized Loss shall be \$6.85 per share;
 - iii sold on or after October 24, 2002 through May 10, 2004, the Recognized Loss shall be \$6.19 per share;
 - iv sold on or after July 17, 2002 through October 23, 2002, the Recognized Loss shall be \$4.21 per share;
 - v shares purchased and sold on or after February 6, 2001 through July 16, 2002 have no Recognized Loss.
- b. For shares purchased on or after July 17, 2002 through October 23, 2002 and;
 - i sold on or after March 12, 2005, the Recognized Loss shall be \$3.18 per share;
 - ii sold on or after May 11, 2004 through March 11, 2005, the Recognized Loss shall be \$2.64 per share;
 - iii sold on or after October 24, 2002 through May 10, 2004, the Recognized Loss shall be \$1.98 per share;
 - iv shares purchased and sold on or after July 17, 2002 through October 23, 2002 have no Recognized Loss.
- c. For shares purchased from October 24, 2002 on or after May 10, 2004 and;
 - i sold on or after March 12, 2005, the Recognized Loss shall be \$1.20 per share;
 - ii sold on or after May 11, 2004 through March 11, 2005, the Recognized Loss shall be \$0.66 per share;
 - iii shares purchased and sold on or after October 24, 2002 through May 10, 2004 have no Recognized Loss.
- d. Shares purchased on or after May 11, 2004 through March 11, 2005 and;
 - i sold on or after March 12, 2005, the Recognized Loss shall be \$0.54 per share;
 - ii shares purchased and sold on or after May 11, 2004 through March 11, 2005 have no Recognized Loss.

Shares retained after March 11, 2005 shall be deemed to have been sold on March 14, 2005, the first trading day after the end of the Class Period.

For Class Members who held BUCA common stock before the Class Period or made multiple purchases or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases and sales for purposes of calculating a Recognized Claim. Under the FIFO method, each sale of BUCA common stock during the Class Period will first be matched, in chronological order, against any BUCA common stock held at the beginning of the Class Period. Such holdings and sales will be included in the calculation of a Recognized Claim as described above. The remaining sales of BUCA common stock during the Class Period will then be matched, in chronological order, against purchases of such BUCA common stock during the Class Period.

A purchase or sale of BUCA common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.

The receipt or grant by gift, devise or operation of law of BUCA common stock during the Class Period shall not be deemed a purchase, acquisition, disposition, or sale of BUCA common stock for the calculation of any Recognized Claim.

Each Authorized Claimant shall be allocated a pro rata share of the Net Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all Authorized Claimants. Each Authorized Claimant shall be paid an amount determined by multiplying the Net Settlement Fund by a fraction the numerator of which shall be his, her, or its "Recognized Claim" and the denominator of which shall be the Total Recognized Claims of all Authorized Claimants.

"Short" sales of BUCA common stock shall not be recognized for any amount of loss on any cover, purchase or closing transaction, and there will be no Recognized Loss for any such covering purchase or closing transaction.

Sales or purchases of options to purchase or sell BUCA common stock and sales or purchases of BUCA common stock resulting from the exercise of such options will have no Recognized Loss.

Class Members who do not file Proofs of Claim in the manner specified in this Notice will not receive any payment, but will nevertheless be bound by the settlement and the Final Judgment dismissing this lawsuit.

Those who purchased and sold within the time periods above that have no Recognized Loss may have sustained a market loss on the sale of such shares. However, in consultation with damages experts, Class Counsel have determined that such loss appears to be attributable to market or other factors unrelated to the claims brought in this lawsuit. Such losses are not compensable under the federal securities laws.