

**UNITED STATES BANKRUPTCY COURT**

WESTERN

DISTRICT OF

TEXAS, SAN ANTONIO DIVISION

In re: **Schlotsky's Franchise Operations, LLC**  
(Name)

Debtor

Case No. **04-54509-LMC-11**  
(If known)

**STATEMENT OF FINANCIAL AFFAIRS**

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs.

Questions 1-18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19-25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

**DEFINITIONS**

*"In business."* A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within the two years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed.

*"Insider."* The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. §101.

None

**1. Income from employment or operation of business**

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE (if more than one)
Jan 1 through Dec 31, 2002	None
Jan 1 through Dec 31, 2003	\$ 999,300
Jan 1 through Jun 30, 2004	\$2,453,012

**Note:** During the second quarter of 2003, Schlotsky's, Inc., formed new wholly-owned Delaware limited liability companies, including: Schlotsky's Franchisor, LLC ("Franchisor"); Schlotsky's Brand Products, LLC ("Brand Products"); and Schlotsky's Franchise Operations, LLC ("Franchise Operations"). On June 7, 2003, Schlotsky's contributed to Franchisor all of its intellectual property, including trademarks, and related economic interests in the payments to be received pursuant to the franchise agreements and brand licensing agreements for the Schlotsky's restaurant concept and brand. Franchisor thus became the franchisor of the Schlotsky's restaurant concept and licensor of the Schlotsky's brand. Franchisor concurrently contributed the brand licensing agreements to Brand Products. Franchisor and Brand Products entered into a management agreement with Franchise Operations to manage the intellectual property, administer the franchise and brand license agreements, and enter into additional franchise and brand agreements.

**Note:** Revenues for 2003 consist solely of payments from Schlotzsky's Franchisor, LLC for management fees. Revenues for 2004 include both management fees and vendor contributions.

None

**2. Income other than from employment or operation of business**

State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

SOURCE

None

**3. Payments to creditors**

a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within **90 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF CREDITOR

DATES OF PAYMENTS

AMOUNT PAID

AMOUNT STILL OWING

SEE EXHIBIT 3a

None

b. List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF CREDITOR  
& RELATIONSHIP TO DEBTOR

DATE OF PAYMENT

AMOUNT PAID

AMOUNT STILL OWING

SEE EXHIBIT 3b

None

**4. Suits and administrative proceedings, executions, garnishments and attachments**

a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT & CASE NUMBER

NATURE OF PROCEEDING

COURT OR AGENCY  
AND LOCATION

STATUS OR DISPOSITION

SEE EXHIBIT 4

None

b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED

DATE OF SEIZURE

DESCRIPTION & VALUE OF PROPERTY

None

**5. Repossessions, foreclosures and returns**

List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF CREDITOR OR SELLER

DATE OF REPOSESSION, FORECLOSURE  
SALE, TRANSFER OR RETURN

DESCRIPTION & VALUE OF PROPERTY

None

**6. Assignments and receiverships**

a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF ASSIGNEE

DATE OF ASSIGNMENT

TERMS OF ASSIGNMENT OR SETTLEMENT

None

b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF CUSTODIAN	NAME & LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION & VALUE OF PROPERTY
-----------------------------	---	---------------	------------------------------------

None

**7. Gifts**

List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION & VALUE OF GIFT
---	-----------------------------------	--------------	-----------------------------

SEE EXHIBIT 7

None

**8. Losses**

List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION & VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES &, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
---------------------------------	--	--------------

None

**9. Payments related to debt counseling or bankruptcy**

List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of a petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
Haynes and Boone, LLP 901 Main Street, Suite 3100 Dallas, TX 75203-3789	As Approved By The Court	\$197,227.91 Pre-Petition Fees \$ 72,772.09 Retainer
BWK Trinity Capital Securities LLC 11755 Wilshire Blvd., Suite 2450 Los Angeles, CA 90025	Various	\$436,500 Pre-Petition Fees

None

**10. Other transfers**

List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED & VALUE RECEIVED
---	------	--

None

**11. Closed financial accounts**

List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF INSTITUTION	TYPE & NUMBER OF ACCOUNT & AMOUNT OF FINAL BALANCE	AMOUNT & DATE OF SALE OR CLOSING
Wells Fargo Bank P.O. Box 63020 San Francisco, CA 94163	Checking Acct No. 401-0007409 Final Bal - \$0	October 2003

Wells Fargo Bank  
P.O. Box 63020  
San Francisco, CA 94163

Checking  
Acct No. 401-0007391  
Final Bal - \$2,842.70

October 2003

None

**12. Safe deposit boxes**

List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY
---	--	-------------------------	--

None

**13. Setoffs**

List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME & ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF
----------------------------	----------------	------------------

None

**14. Property held for another person**

List all property owned by another person that the debtor holds or controls.

NAME & ADDRESS OF OWNER	DESCRIPTION & VALUE OF PROPERTY	LOCATION OF PROPERTY
Schlotsky's NAMF, Inc 203 Colorado Street, Suite 700 Austin, TX 78701	Money Market Account \$ 2,659.67 Operating Account \$187,976.91	Commerce Bank Commerce Bank
Schlotsky's NAMF Funding, LLC 203 Colorado Street, Suite 200 Austin, TX 78701	Operating Account \$ 54,187.03	Commerce Bank

None

**15. Prior address of debtor**

If the debtor has moved within the **two years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS	NAME USED	DATES OF OCCUPANCY
---------	-----------	--------------------

Debtor's corporate office has remained at 203 Colorado, Austin, Texas for the prior two years.

None

**16. Spouses and Former Spouses**

If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the **six-year** period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

**17. Environmental Information**

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law.

None

a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and if known, the Environmental Law:

SITE NAME AND ADDRESS	NAMES AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
-----------------------	--	----------------	-------------------

None

b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAMES AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
-----------------------	--	----------------	-------------------

None

c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAMES AND ADDRESS OF GOVERNMENTAL UNIT	DOCKET NUMBER	STATUS OR DISPOSITION
--	---------------	-----------------------

None

**18. Nature, location and name of business**

a. If the debtor is an individual, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partnership, sole proprietorship, or was a self-employed professional within the **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within the **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within the **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting securities within the **six years** immediately preceding the commencement of this case.

NAME	TAXPAYER I.D. NUMBER	ADDRESS	NATURE OF BUSINESS	BEGINNING & ENDING DATES
------	----------------------	---------	--------------------	--------------------------

None

b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME	ADDRESS
------	---------

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within the **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or otherwise self-employed.

(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within the six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)

None

**19. Books, records and financial statements**

a. List all bookkeepers and accountants who within the **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME & ADDRESS	DATES SERVICE RENDERED
----------------	------------------------

Matt Osburn  
203 Colorado Suite 600  
Austin, TX 78701

July 1996 to current

None

b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME	ADDRESS	DATES SERVICE RENDERED
Grant Thornton	Bank One Center, Suite 500 1717 Main Street Dallas, TX 75201	2002 and 2003

None

c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME	ADDRESS
Matt Osburn	203 Colorado Suite 600 Austin, TX 78701

None

d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued within the **two years** immediately preceding the commencement of this case by the debtor.

NAME AND ADDRESS	DATE ISSUED
Schlotsky's, Inc., debtor's parent corporation, is a publicly traded company on the NASDAQ National Market. Debtor is unable to list all parties that may have acquired or been issued a financial statement. However, the following is a general representation of interested parties that may have received copies of the Debtor's financial statements on a periodic basis: <ul style="list-style-type: none"><li>➤ Various banking institutions</li><li>➤ Various state taxing authorities</li><li>➤ Interested investors</li><li>➤ Members of board of directors</li><li>➤ Debtor's counsel</li><li>➤ Debtor's accounting and financial consultants</li><li>➤ Selected vendors</li><li>➤ Secured creditors</li></ul>	Various

None

**20. Inventories**

a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY	INVENTORY SUPERVISOR	DOLLAR AMOUNT OF INVENTORY (Specify cost, market or other basis)
-------------------	----------------------	---

None

b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

DATE OF INVENTORY	NAME & ADDRESSES OF CUSTODIAN OF INVENTORY RECORDS
-------------------	--

None

**21. Current Partners, Officers, Directors and Shareholders**

a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME & ADDRESS	NATURE OF INTEREST	PERCENTAGE OF INTEREST
----------------	--------------------	------------------------

None

b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME & ADDRESS	TITLE	NATURE & PERCENTAGE OF STOCK OWNERSHIP
SEE EXHIBIT 21b		

None

**22. Former partners, officers, directors and shareholders**

a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL
------	---------	--------------------

None

b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

NAME & ADDRESS	TITLE	DATE OF TERMINATION
----------------	-------	---------------------

SEE EXHIBIT 22b

None

**23. Withdrawals from a partnership or distributions by a corporation**

If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other prerequisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT RELATIONSHIP TO DEBTOR	DATE & PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION & VALUE OF PROPERTY
---	---------------------------------	---

SEE EXHIBIT 3b

None

**24. Tax Consolidation Group**

If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within the **six year period** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION	TAXPAYER IDENTIFICATION NUMBER
Schlotsky's, Inc.	74-2654208

None

**25. Pension Funds**

If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within the **six year period** immediately preceding the commencement of the case.

NAME OF PENSION FUND	TAXPAYER IDENTIFICATION NUMBER
Schlotsky's, Inc. 401(k) Savings Plan	74-2654208

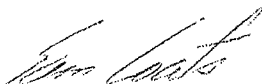


*[If completed on behalf of a partnership or corporation]*

I, declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date: September 16, 2004

Signature:

  
\_\_\_\_\_  
David Samuel Coats, President

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

26 continuation sheets attached

*Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. § 152 and 3571*

The business of the Debtor is complex. While every effort has been made to make this Statement accurate and complete, unintentional errors or omissions may exist. In the event that errors or omissions are discovered, this Statement will be supplemented or amended, as appropriate.

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
AMERICAN EXPRESS (KLEPAC)	SUITE 0001 CHICAGO, IL 60679-0001	7/15/2004	2,033.95	
			2,033.95	0.00
ARNOLD, KELLY R.	P.O. BOX 162761 AUSTIN, TX 78716-2716	5/6/2004	796.20	
		6/3/2004	275.06	
		6/9/2004	601.40	
		6/30/2004	533.70	
			2,206.36	0.00
AUSTIN VIDEO BUREAU, INC.	12509 HUNTERS CHASE AUSTIN, TX 78729	5/27/2004	1,105.80	
		6/9/2004	197.61	
			1,303.41	0.00
BARTNETT, ROBERT	704 MAIN STREET NORMANGEE, TX 77871	5/12/2004	1,051.16	
		5/27/2004	658.57	
		6/3/2004	93.34	
		6/9/2004	186.46	
		6/30/2004	179.00	
		7/8/2004	429.58	
		7/22/2004	327.21	
		7/29/2004	1,012.33	
	3,937.65	0.00		

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
BENTON, FELISA	2008 S. 82ND AVENUE PHOENIX, AZ 85043	5/12/2004	804.57	
		5/20/2004	474.44	
		5/27/2004	234.63	
		6/3/2004	378.95	
		6/9/2004	918.94	
		6/25/2004	501.44	
		6/30/2004	500.86	
		7/15/2004	289.95	
		7/22/2004	211.49	
		7/29/2004	551.92	
			4,867.19	0.00
BRACKIN, DAVID	12345 LAMPLIGHT VILLAGE, #1134 AUSTIN, TX 78758	6/30/2004	585.31	
		7/22/2004	145.00	
			730.31	0.00
			730.31	0.00
BYTHEWOOD, MICHELLE	1435 MEMORY COURT LEWISVILLE, TX 75067	5/6/2004	792.17	
		5/20/2004	59.64	
		6/25/2004	408.67	
		7/15/2004	708.92	
		7/29/2004	687.88	
			2,657.28	0.00
			2,657.28	0.00

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
CHIANG, LORETTA	11011 PLEASANT COLONY DR #2523 HOUSTON, TX 77065	5/27/2004	327.65	
		6/17/2004	296.80	
		7/15/2004	1,028.46	
		7/29/2004	466.08	
			2,118.99	0.00
CNA GROUP BENEFITS	75 REMITTANCE DR SUITE 1641 CHICAGO, IL 60675	5/12/2004	1,669.15	
		6/17/2004	1,716.69	
			3,385.84	0.00
COURSEY, KILEY	5817 TATTERSALL TERRACE SUGAR HILL, GA 30518	5/6/2004	90.39	
		5/12/2004	170.63	
		5/20/2004	189.38	
		6/9/2004	454.53	
		7/22/2004	670.04	
			1,574.97	0.00
DEEPCOOLCLEAR	606 WEST LYNN SUITE 20 AUSTIN, TX 78703	6/10/2004	500.00	
		6/10/2004	2,005.76	
			2,505.76	6,082.63

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
ENTREPRENEUR MAGAZINE	P.O. BOX 19787 IRVINE, CA 92623-9787	5/6/2004	6,850.00	
		5/27/2004	61,509.00	
			68,359.00	0.00
FOOD FRANCHISE.COM	1100 HAMMOND DRIVE SUITE 410A-145 ATLANTA, GA 30328	5/12/2004	810.00	
		6/25/2004	810.00	
			1,620.00	0.00
FRANCHISE FOR SALE.COM	289 JONESBORO ROAD SUITE 318 MCDONOUGH, GA 30253	5/12/2004	1,250.00	
		6/25/2004	1,250.00	
			2,500.00	0.00
FRANCHISE OPPORTUNITIES	1085 POWERS PLACE ALPHARETTA, GA 30004	5/20/2004	1,395.00	
		6/3/2004	1,395.00	
			2,790.00	0.00
GLOBAL COMPLIANCE SERVICE	PO BOX 60941 CHARLOTTE, NC 28260-0941	5/27/2004	3,060.00	
			3,060.00	25,554.73
GUNNARSON OUTDOOR ADVERTISING	P.O. BOX 746 SAN MARCOS, TX 78667	5/28/2004	3,960.00	
			3,960.00	17,820.00

**Schlotsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
HASTINGS, ROBERT	36 DAWSON COVE JACKSON, TN 38305	5/6/2004	315.01	
		5/20/2004	69.38	
		5/27/2004	29.34	
		6/3/2004	160.11	
		6/9/2004	125.79	
		6/25/2004	141.38	
			<u>841.01</u>	<u>0.00</u>
KNOW WHERE SYSTEMS, INC	31702 LOBO CANYON ROAD AGOURA, CA 91301	7/21/2004	1,800.00	
			<u>1,800.00</u>	<u>0.00</u>
LOCKE SIGN & DISPLAY, INC.	1579 LAFAYETTE ROAD ROSSVILLE, GA 30741	7/20/2004	1,350.00	
			<u>1,350.00</u>	<u>0.00</u>
MARKETING SERVICES BY VECTRA	3990 BUSINESS PARK DRIVE COLUMBUS, OH 43204	5/27/2004	14,348.00	
			<u>14,348.00</u>	<u>0.00</u>

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
MARTIN, KARL	4316 RIO ROBLES DR. AUSTIN, TX 78746	5/6/2004	407.73	
		5/20/2004	140.43	
		5/27/2004	159.37	
		6/3/2004	115.11	
		6/9/2004	71.52	
		6/17/2004	123.01	
		6/30/2004	138.91	
				1,156.08
MICHAEL DYER	9925 FOUNTAIN CIRCLE LENEXA, KS 66220-8694	7/29/2004	853.70	
			853.70	0.00
MINALDI, TROY	1735 GARRISON FRISCO, TX 75034	5/12/2004	1,529.98	
		5/20/2004	512.99	
		6/3/2004	814.17	
		6/9/2004	137.48	
		6/17/2004	188.05	
		6/30/2004	540.72	
		7/8/2004	668.08	
		7/30/2004	1,263.20	
		5,654.67	0.00	

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
MORGAN, TREVORIS	8433 SEA ASH CIRCLE ROUND ROCK, TX 78681			
		5/6/2004	258.17	
		5/20/2004	858.34	
		6/17/2004	162.00	
		7/8/2004	170.71	
			<u>1,449.22</u>	<u>0.00</u>
MOTUZAS, CRAIG	2301 S. MOPAC EXPY #436 AUSTIN, TX 78746			
		5/6/2004	140.98	
		5/12/2004	490.00	
		5/20/2004	482.89	
		6/3/2004	577.47	
		6/9/2004	364.70	
		6/25/2004	171.23	
		7/22/2004	110.27	
			<u>2,337.54</u>	<u>0.00</u>

**Schlotsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
RETTIG, RICK	433 NORTH ELA STREET 1 SOUTH BARRINGTON, IL 60010	5/20/2004	1,393.16	
		5/27/2004	193.82	
		6/3/2004	100.44	
		6/9/2004	418.96	
		6/17/2004	62.33	
		6/30/2004	574.18	
		7/8/2004	674.30	
		7/29/2004	541.35	
		7/30/2004	437.71	
RUECKEL, LAURA	3490 CHASTAIN GLEN LANE MARIETTA, GA 30066	5/12/2004	1,469.74	
		5/20/2004	314.80	
		5/27/2004	175.71	
		6/9/2004	1,040.46	
		6/17/2004	724.79	
		6/30/2004	1,347.39	
		7/8/2004	291.05	
		7/22/2004	839.78	
		7/30/2004	793.48	
			6,997.20	0.00

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
RUSSELL, NANCY	568 HANOVER ALLEN, TX 75002	5/20/2004	564.74	
		5/27/2004	713.58	
		6/25/2004	623.78	
		7/1/2004	274.54	
		7/22/2004	468.81	
			<u>2,645.45</u>	<u>0.00</u>
SALESFORCE.COM	P.O. BOX 5126 CAROL STREAM, IL 60197-5126	6/3/2004	2,800.00	
			<u>2,800.00</u>	<u>1,622.94</u>
SCHNEIDER, LORI	9001 BANCROFT TRAIL AUSTIN, TX 78729	5/6/2004	118.17	
		6/9/2004	608.42	
			<u>726.59</u>	<u>0.00</u>
SMALL BUSINESS FRANCHISE.COM	3245 PEACHTREE PARKWAY SUITE D-213 SUWANEE, GA 30024	5/6/2004	980.00	
		5/20/2004	980.00	
		6/3/2004	1,960.00	
			<u>3,920.00</u>	<u>0.00</u>

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
SWARTZKOPF, MICHAEL	607 CABALLERO ROAD LEANDER, TX 78641	5/6/2004	574.11	
		5/12/2004	1,442.13	
		5/20/2004	902.37	
		6/3/2004	1,274.13	
		6/9/2004	523.45	
		7/8/2004	1,104.65	
		7/15/2004	83.99	
			<u>5,904.83</u>	<u>0.00</u>
TATE, NIKKI	6743 PONCHA PASS AUSTIN, TX 78749	5/6/2004	2,115.49	
		7/15/2004	230.61	
			<u>2,346.10</u>	<u>0.00</u>
THE HARTFORD (HEALTH)	75 REMITTANCE DRIVE SUITE 1641 CHICAGO, IL 60675	7/21/2004	1,774.13	
			<u>1,774.13</u>	<u>0.00</u>

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
THE PRINCIPAL FINANCIAL GROUP	PO BOX 2000 MASON CITY , IA 50402-2000	5/14/2004	6,570.15	
		5/31/2004	6,445.33	
		6/15/2004	6,285.29	
		6/30/2004	4,822.61	
		7/15/2004	3,807.99	
		7/30/2004	3,873.72	
			<u>31,805.09</u>	<u>0.00</u>
UNISHIPPERS	P.O. BOX 690305-SA HOUSTON, TX 77269-0305	5/27/2004	279.98	
		6/3/2004	94.02	
		6/30/2004	107.53	
		7/22/2004	208.04	
			<u>689.57</u>	<u>266.03</u>

**Schlotsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
VISTAR CORPORATION	P.O. BOX 96372 CHICAGO, IL 60693-6372	5/5/2004	2,398.35	
		5/12/2004	3,658.05	
		5/19/2004	7,603.82	
		5/26/2004	652.13	
		6/2/2004	2,470.98	
		6/2/2004	9,523.73	
		6/9/2004	850.60	
		6/16/2004	1,504.75	
		6/23/2004	87.50	
		6/30/2004	8,458.41	
		7/14/2004	197.53	
		7/21/2004	190.02	
		7/28/2004	3,400.84	
			<u>40,996.71</u>	<u>3,891.52</u>
WILDWOOD, INC.	10001 WILDWOOD HILLS LN. AUSTIN, TX 78737	6/3/2004	3,000.00	
		6/10/2004	3,597.45	
		6/24/2004	7,685.61	
		7/9/2004	8,219.88	
			<u>22,502.94</u>	<u>9,691.65</u>

**Schlotzsky's Franchise Operations, LLC**  
**Case No: 04-54509-LMC**  
**Statement of Financial Affairs**  
**Exhibit 3a**

**3a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case.**

<u>Payee</u>	<u>Address</u>	<u>Check Date</u>	<u>Amount Paid</u>	<u>Amount Still Owing</u>
WRIGHT, STEPHEN	6704 MANCHACA ROAD UNIT 3 AUSTIN, TX 78704			
		5/6/2004	558.82	
		5/20/2004	1,158.14	
		5/27/2004	771.91	
			<u>2,488.87</u>	<u>0.00</u>
		<b>GRAND TOTAL</b>	<u><u>269,394.66</u></u>	

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
CASE NO. 04-54509-LMC-11

**STATEMENT OF FINANCIAL AFFAIRS**

**3b. Payments made within one year immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders.**

Name & Address of Creditor & Relationship to Debtor	Check Date	Description	Amount Paid	Amount Still Owing
<b>Applbaum, Jennifer</b> 4285 Olde Mille Lane Atlanta, GO 30342 Former Employee, Relative of Joyce Cates, Officer of SFO		Payroll 8/1/03 - 7/6/04	48,932.69	
		Payment of 2004 Vacation Accrual Balance	1,514.42	
		8/14/2003 Expense Reimbursement	1,524.30	
		8/28/2003 Expense Reimbursement	1,986.45	
		9/26/2003 Expense Reimbursement	1,584.98	
		11/6/2003 Expense Reimbursement	1,958.89	
		11/14/2003 Expense Reimbursement	1,374.58	
		12/17/2003 Expense Reimbursement	476.57	
		2/12/2004 Expense Reimbursement	518.23	
		2/19/2004 Expense Reimbursement	1,300.19	
		3/11/2004 Expense Reimbursement	1,004.40	
		3/18/2004 Expense Reimbursement	1,701.45	
		4/8/2004 Expense Reimbursement	653.17	
		4/22/2004 Expense Reimbursement	453.20	
		5/6/2004 Expense Reimbursement	2,949.53	
		5/27/2004 Expense Reimbursement	1,713.83	
	6/30/2004 Expense Reimbursement	111.04		
		69,757.92	0.00	
<b>Cates, Joyce V.</b> 56-4 Southwest Parkway #3734 Austin, TX 78735 Former Sr. Vice President-Franchise Operations		Payroll 8/1/03 - 7/6/04	149,128.28	
		Payment of 2004 Vacation Accrual Balance	6,152.31	
		8/14/2003 Expense Reimbursement	1,634.74	
		8/28/2003 Expense Reimbursement	1,458.78	
		9/26/2003 Expense Reimbursement	1,065.00	
		10/10/2003 Expense Reimbursement	109.37	
		11/6/2003 Expense Reimbursement	4,707.70	
		11/14/2003 Expense Reimbursement	3,737.75	
		12/4/2003 Expense Reimbursement	125.40	
		12/12/2003 Expense Reimbursement	291.55	
		12/17/2003 Expense Reimbursement	587.40	
		1/2/2004 Expense Reimbursement	278.01	
		1/8/2004 Expense Reimbursement	115.73	
		1/30/2004 Expense Reimbursement	46.34	
		3/11/2004 Expense Reimbursement	411.35	
		3/18/2004 Expense Reimbursement	483.36	
	4/29/2004 Expense Reimbursement	533.20		
	5/6/2004 Expense Reimbursement	39.94		
	6/17/2004 Expense Reimbursement	3,296.80		
	6/25/2004 Expense Reimbursement	6,182.40		
	6/30/2004 Expense Reimbursement	576.16		
	7/29/2004 Expense Reimbursement	1,755.28		
		182,716.85	0.00	
<b>Eulberg, Patrick</b> 1203 Constant Springs Austin, TX 78746 Former Vice President-Franchise Development		Payroll 8/1/03 - 3/26/04	97,788.16	
		8/14/2003 Expense Reimbursement	1,782.17	
		10/10/2003 Expense Reimbursement	472.72	
		11/6/2003 Expense Reimbursement	3,415.81	
		12/17/2003 Expense Reimbursement	4,445.65	
	2/12/2004 Expense Reimbursement	2,139.86		
		110,044.37	0.00	

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
CASE NO. 04-54509-LMC-11

Name & Address of Creditor & Relationship to Debtor	Check Date	Description	Amount Paid	Amount Still Owing
<b>Faulkner, Chris</b> 2121 San Jacinto Street, Suite 870 Dallas, TX 75201 Independent Director		Independent Director Compensation	5,000.00	
			<u>5,000.00</u>	<u>0.00</u>
<b>Furlow, Jessica</b> 121-A Chestnut Ridge Dripping Springs, TX 78620 Former Employee, Relative of Joyce Cates, Officer of SFO		Payroll 8/1/03 - 4/28/04	26,746.20	
			<u>26,746.20</u>	<u>0.00</u>
<b>Landers, Monica</b> 2008 Vallejo Austin, TX 78757 Vice President - Corporate Communications		Payroll 8/1/03 - 7/6/04	88,205.20	
		Wages in Lieu of Notice	2,628.21	
		Payment of 2004 Vacation Accrual Balance	1,415.68	
		1/30/2004 Expense Reimbursement	895.00	
		5/6/2004 Expense Reimbursement	58.24	
			<u>93,202.33</u>	<u>0.00</u>
<b>Leady, Vickie G.</b> 5112 Jacobs Creek Court Austin, TX 78749 Assistant Secretary	4/22/2004	Expense Reimbursement	146.68	
			<u>146.68</u>	<u>0.00</u>
<b>Mabley, Louis L.</b> 4604 Eagle Feather Austin, TX 78735 Vice President - Marketing and Advertising		Payroll 8/1/03 - 7/6/04	113,041.74	
		Bonus Payment	15,000.00	
		Wages in Lieu of Notice	3,416.67	
		Payment of 2004 Vacation Accrual Balance	3,750.00	
		9/19/2003 Expense Reimbursement	1,637.54	
		11/6/2003 Expense Reimbursement	1,554.62	
		11/14/2003 Expense Reimbursement	965.20	
		11/21/2003 Expense Reimbursement	656.26	
		12/17/2003 Expense Reimbursement	845.29	
		1/2/2004 Expense Reimbursement	201.57	
		1/30/2004 Expense Reimbursement	2,790.00	
		2/12/2004 Expense Reimbursement	3,238.81	
		3/11/2004 Expense Reimbursement	1,356.41	
		3/18/2004 Expense Reimbursement	543.05	
		3/25/2004 Expense Reimbursement	733.45	
		4/22/2004 Expense Reimbursement	162.38	
		4/29/2004 Expense Reimbursement	1,614.12	
		5/6/2004 Expense Reimbursement	684.09	
		5/20/2004 Expense Reimbursement	2,712.09	
		6/17/2004 Expense Reimbursement	156.27	
		6/30/2004 Expense Reimbursement	1,034.72	
		7/8/2004 Expense Reimbursement	75.64	
7/29/2004 Expense Reimbursement	164.32			
			<u>156,334.24</u>	<u>0.00</u>
<b>Schlotzsky's Deli</b> 203 Colorado Austin, TX Affiliate	8/21/2003	Expense Reimbursement	7.55	
			<u>7.55</u>	<u>0.00</u>
<b>Schlotzsky's Franchisor, LLC</b> 203 Colorado Austin, TX Affiliate	7/1/2004	Expense Reimbursement	3,135.93	
			<u>3,135.93</u>	<u>0.00</u>

UNITED STATES BANKRUPTCY COURT  
 WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
 CASE NO. 04-54509-LMC-11

Name & Address of Creditor & Relationship to Debtor	Check Date	Description	Amount Paid	Amount Still Owing
<b>Schlotzsky's Inc.</b> 203 Colorado Austin, TX Affiliate	3/22/2004	Cash Transfer	40,000.00	
	4/2/2004	Cash Transfer	75,000.00	
	4/30/2004	Cash Transfer	515,476.69	
	5/6/2004	Cash Transfer	8,631.70	
	6/25/2004	Cash Transfer	131,596.38	
			<u>770,704.77</u>	<u>0.00</u>
<b>Turoff, Steve</b> 2121 San Jacinto Street, Suite 870 Dallas, TX 75201 Independent Director		Independent Director Compensation	<u>5,000.00</u>	
			<u>5,000.00</u>	<u>0.00</u>
<b>Wooley, John C.</b> P.O. Box 684707 Austin, TX 78768-4707 Former President and Chief Executive Officer	1/2/2004	Expense Reimbursement	45.14	
			<u>45.14</u>	<u>0.00</u>

**SCHLOTZSKY'S, INC. ET AL**

**Case No. 04-54504**

4. Suits and administrative proceedings, executions, garnishments and attachments

<b>CAPTION OF SUIT &amp; CASE NUMBER</b>	<b>NATURE OF PROCEEDING</b>	<b>COURT OR AGENCY AND LOCATION</b>	<b>STATUS OR DISPOSITION</b>
Jeff Johnson and Carol Johnson v. Schlotzsky's Inc., Schlotzsky's Franchisor LLC and Schlotzsky's Franchise Operations LLC Cause No. A04CA498LY	Suit for Damages, Entry of Consent Judgment and Appointment of Receiver	U.S. District Court for the Western District of Texas, Austin Division	Pending
Jeff and Carol Johnson v. Schlotzsky's, Inc. and John C. Wooley, Intervenor; GN1-03380	Counterclaim for breach of contract in action filed by SI	53rd Judicial District Court of Travis County, Texas (PLUS Jeff Johnson's appeal to 3rd Ct. of Appeals)	Pending
Thomas Development Corp. v. Schlotzsky's, Inc. Cause No. GN402305	Suit for Declaratory Judgment, Temporary and Permanent Injunctive Relief and TRO	53rd District Ct of Travis Co. Texas	Pending
Douglas G. Thomas & Carolyn J. Thomas v. Schlotzsky's, Inc. Cause No. GN400442	Collection on FF&E loan guarantees (Pond Enterprises, Inc. and R-Deli, Inc.)	261st District Court of Travis Co. TX	Pending
John and Jeffrey Wooley vs. Schlotzsky's Franchisor, LLC Cause No. GN402261	Suit for Declaratory Judgment, Temporary and Permanent Injunctive Relief and TRO	98th Judicial District Court of Travis County, Texas	Pending
GE Capital Small Business Finance Corporation v. Schlotzsky's, Inc. Cause No. 04-1949-III	Suit for Money Judgment on guarantee of Hillwertz Enterprises, Inc. (SBA Loan)	Chancery Court for Davidson County, TN, 20 <sup>th</sup> Judicial District	Nonsuit
Standard Federal Bank v. Schlotzsky's, Inc. Case No. 1:01-CV-753	Writs of Garnishment vs Kitchen Enterprises, Inc. and Quality First, Inc.	U.S. District Court for the Western District of Michigan	Pending
Standard Federal Bank v. Schlotzsky's, Inc. Case No. 1:01-CV-753	Judgment obtained in contract dispute case	U.S. District Court for the Western District of Michigan	Judgment
CIT Small Business Lending Corp. v. Abra Enterprises, Inc. d/b/a Schlotzsky's Deli, Betty Pilaski, Arthur E. Pilaski, Schlotzsky's Real Estate, Inc., Schlotzsky's, Inc., W. Jackson & Sons Construction Co., and BRV Construction Services, Inc. Cause No. GN 401730	Notice of Filing of Foreign Judgment	98th Judicial District Court of Travis County, TX	Pending
CIT Small Business Lending Corp. v. Abra Enterprises, Inc. d/b/a Schlotzsky's Deli, Betty Pilaski, Arthur E. Pilaski, Schlotzsky's Real Estate, Inc. and Schlotzsky's, Inc., W. Jackson and Sons Construction Co. and BRV Construction Services, Inc. Cause No. 01-021968	Foreclosure petition (lender liability)	Circuit Court in and for the 17th Judicial District for Broward County FL	Judgment obtained; Pilaskis discharged from bankruptcy 2/20/04, retaining possible claim vs SI but no money to pursue

**SCHLOTZSKY'S, INC. ET AL**  
**Case No. 04-54504**

4. Suits and administrative proceedings, executions, garnishments and attachments

CAPTION OF SUIT & CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
Carlson-Koosman, Inc. v. WassNco, Inc. a/k/a Wassonco, Inc. and a/k/a WassoNco, Inc and Robert M. Wasson, individually and Deborah Ann Wasson, individually, and State of Minnesota, Minnesota Department of Revenue v. Schlotzsky's, Inc. Cause No. CT 03-009878	Third Party Suit (breach of contract, unjust enrichment, Minnesota Franchise Act violations)	4th Judicial District Court of Hennepin Co., MN	Pending
Leander Independent School District, et al v. Schlotzsky's Restaurants, Inc. a/k/a Schlotzsky's Deli Cause No. 04-379-T26	Property Tax Suit	26th Judicial District Court of Williamson Co, TX	Pending
Universal Linen Service v. Schlotzsky's Restaurants, Inc. Cause No. 04-C-1818	Collection action against zee (SRI improperly named)	Jefferson County District Court, Jefferson Co. (Louisville) KY	Will be dismissed vs. SRI
Gauthier v. 3K's Buns, LLC, Schlotzsky's, Inc., David/Michelle Kittleson, Ted/Brenda Kittleson, and Michael/Kathy Kusch Cause No. 04-CV-205	Collection on Lease Guaranty	Circuit Court, Branch 3, Brown County, WI	Pending
Sterling Enterprises, Inc. v. Schlotzsky's, Inc. Cause No. 1:04-CV-0336-RLY-WTL	Breach of contract (purchase agmt re Area Developer Agreements)	U.S. District Court Southern District of Indiana, Indianapolis Division (removed from Marion Count Superior Court)	Pending
Yvonne Norris v. Kimco Realty Corporation, Kimco Woodforest L.P., Kimco Woodforest 655 Inc., Woodforest Shopping Center, Schlotzsky's #1557, Schlotzsky's Franchisor, LLP, Schlotzsky's Inc., Schlotzsky's, Schlotzsky's at 421 Uvalde, Houston, Texas, and All Others Responsible Cause No. 2003-67575	Personal Injury	234th Judicial District Court of Harris County, TX	Pending against franchisee
Angelina County, on behalf of itself and Lufkin ISD, City of Lufkin and Angelina Hospital District v. Triple H. Deli, Inc., a Texas Corporation, Schlotzsky's Real Estate, Inc., a Texas Corporation (Lienholder), and General Electric Capital Business Asset Funding Corporation, a Delaware Corporation (Lienholder) Cause No. TX-6338	Suit for property taxes	District Court, Angelina County, Texas	Pending
DeGroote, Estate of Walter Lee, et al, v. Linens & Things, et al (incl. Schlotzsky's Deli-Villa LaJolla Drive) Civil No. 03-CV-1587	ADA – wheelchair access	U.S.D.C., Southern District of California	Pending against franchisee
Robert Provenzano v. Schlotzsky's, Inc. and Pond Enterprises Cause No. 271947	Personal Injury	County Court at Law 2, Travis County, Texas	Pending
US Restaurant Properties Operating LP v. Schlotzsky's Inc. Cause No. 04-5858-D	Breach of contract	Dallas County District Court, D-95th Judicial District, Dallas, TX	Pending

**SCHLOTZSKY'S, INC. ET AL**

**Case No. 04-54504**

4. Suits and administrative proceedings, executions, garnishments and attachments

CAPTION OF SUIT & CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
U.S. Restaurant Properties, Inc., et al v. Schlotzsky's, Inc. Cause No. 03-01758-B	Breach of contract	B-44th Judicial District Court of Dallas County, Texas	Pending
Schlotzsky's, Inc. v. Christopher P. Nolan a/k/a terminatorzkb and pestcontrolus, Claude Vargo a/k/a soxrateez, Patrick Conroy a/k/a managementwatch, <b>John Doe 5</b> a/k/a sammy4037, and Criste Corporation GN1-03380	Business disparagement; contract dispute	53rd Judicial District Court of Travis County, Texas (PLUS Jeff Johnson's appeal to 3rd Ct. of Appeals) (including 6/21/04 Counterclaim by Jeff and Carol Johnson)	Pending
Robert Coshott v. Schlotzsky's, Inc. Cause No. GN1-02279 (Court's January 21, 2004 ruling on election of remedies is on appeal to 3 <sup>rd</sup> Court of Appeals, Austin, TX – No 03-04-00297-CV)	Master licensee dispute	200 <sup>th</sup> Judicial District Court of Travis County Texas	Pending
Robert Coshott v. Schlotzsky's, Inc.	Master License Dispute	ICC International Court of Arbitration	Notice of intent to file
Robert Coshott v. Schlotzsky's, Inc. Case No. 12-838/JNK	Master licensee dispute	International Chamber of Commerce, International Court of Arbitration	Dismissed without prejudice on June 4, 2004
Dae W. Kim, DWK Enterprises, Inc. and Aecon International, Inc. vs. John Wooley, Schlotzsky's, Inc., Schlotzsky's Franchising Limited Partnership, and Schlotzsky's National Advertising Marketing Fund Cause No. 2001-CJ-13672, (John Wooley dismissed)	Franchise dispute	73rd Judicial District Court of Bexar County, Texas	Pending
Travis County, City of Austin, Austin Independent School District and Austin Community College v. MRO N Cross, Inc., First American Bank, Bury & Partners, Redlee, Inc. and Schlotzsky's Restaurants, Inc. Cause No. GV3-00824	Suit for property taxes	353 <sup>rd</sup> Judicial District Court of Travis County, Texas	Dismissed
Fandango Productions, LLC v. Schlotzsky's Inc. Cause No. 03-8423	Collection suit	Superior Court, District of Columbia	Settled
Southwestern Bell Yellow Pages, Inc. v. SI Cause No. 41374	Collections	Justice Court of Travis County, TX, Precinct 2	Pending
Columbia Regency Retail Partners LLC v. Ronald D. Sapp, et al. Cause No. 03-A-1196-2	3 <sup>rd</sup> Party RFP	State Court, Cobb County, GA	Dismissed
Allstate Insurance Co. v. Claude Vargo & Schlotzsky's, Inc. Cause No. 1:02-CV-2173	Insurance coverage dispute	United States District Court, Northern District of Georgia, Atlanta Division	Settled
Kimberly Garland v. Schlotzsky's, Inc., Schenk & Associates, John Wooley, Darrell Kolinek, Kelly Arnold, Joyce Cates, Brian Wieters, David Gerstner and Jeffrey Noeldner Cause No. 01-CV 2377	Franchise dispute	United States District Court for the District of Minnesota	Settled

**SCHLOTZSKY'S, INC. ET AL**

**Case No. 04-54504**

4. Suits and administrative proceedings, executions, garnishments and attachments

CAPTION OF SUIT & CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
Russell Kesterson and Steven Schmidt v. Schlotzsky's, Inc., Ron Lynch, Debra Lynch, et al. Civil No. CV-2002-02-1158	Franchisee Dispute	Superior Court of the State of Arizona, County of Maricopa, AZ	Pending but stayed, likely to be dismissed for want of prosecution (plaintiffs have not pursued arbitration as ordered by court in 2002)
Schlotzsky's, Inc. v. Earl R. Kirchner and Marilyn L. Kirchner Cause No. A02 CA 746SS	Franchise dispute; collection case	U.S. District Court for the Western District of Texas, Austin Division	Settled
Diana Maxwell v. Steven and Linda Franklin, Schlotzsky's Deli, Schlotzsky's, Inc., et al Cause No. 2002-4513	Personal injury dispute	Superior Court of the State of Arizona, County of Pima	Pending against franchisee
McKinney Independent School District / City of McKinney / Collin County / Collin County CCD v. Charles E. Reed Enterprises, Inc., Schlotzsky's Real Estate, Inc., et al Cause No. 366-759-03	Tax suit	Collin County District Court, Collin County, TX	Concluded
Schlotzsky's, Inc. v. Saghi Davoodi; Parto Enterprises, Inc., Kourosh Davoodi, & Cyrus Parto Cause No. 03-3783 SVW JTLx	Breach of contract, trademark infringement and nonpayment of royalties	U.S. District Court, Central District of California	Settled
Schlotzsky's, Inc. v. Joseph R. Pederson Cause No. A-03-CA-116 JN	Collections case	U.S. District Court for the Western District of Texas, Austin Division	Concluded
State of California, Employment Development Dept. v. Schlotzsky's, Inc. (re: Fox Marketing Corp.) Cause No. 47310461	Notice of levy on employment taxes (owed by Fox Marketing)	Employment Development Department, State of California	Dismissed
Schlotzsky's Restaurants, Inc. v. USRP Funding Cause No. 2001-A, L.P., 03-002985-CV-CCL1	Declaratory judgment re: lease termination	Brazos County District Court at Law No. 1, Brazos County, TX	Dismissed
U.S. Restaurant Properties, Inc., et al v. Schlotzsky's, Inc Cause No. 03-00965	Suite on a lease guaranty	298 <sup>th</sup> Judicial District Court of Dallas County, Texas	Settled
Ward's Fruit & Produce v. Schlotzsky's Restaurants, Inc. Cause No. 03-CV-017992	Collection suit	District Court Division-Small Claims, Wake County, N.C.	Settled
Ward's Fruit & Produce v. Schlotzsky's Restaurants, Inc. Cause No. 03-CV-017994	Collection suit	District Court Division-Small Claims, Wake County, N.C.	Settled
Travis County, City of Austin, Austin Independent School District and Austin Community College v. MRO N Cross, Inc., First American Bank, Bury & Partners, Redlee, Inc. and Schlotzsky's Restaurants, Inc. (in rem), Cause No. GV3-00824	Property Tax Suit	353 <sup>rd</sup> Judicial District Court of Travis County, Texas	Dismissed

**SCHLOTZSKY'S, INC. ET AL**  
**Case No. 04-54504**

4. Suits and administrative proceedings, executions, garnishments and attachments

CAPTION OF SUIT & CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
General Electric Capital Business Asset Funding Corporation v. Patrick J. Griffiths, Joan G. Griffiths, Lake Buns, Inc., Buns, Inc. Schlotzsky's Real Estate, Inc., The Randall Acorn Owners Association, and All Unknown Owners and Non-Record Claimants Case No. 03-CH-624	SREI was formerly shown as secured party on Financing Stmt	19 <sup>th</sup> Judicial Circuit Court of McHenry County, IL	Settled
Texas Disposal Systems v. Schlotzsky's Deli/John C. Wooley, Case No. 067680	Collections Suit	Travis County Small Claims Court, Precinct 5, Travis County, TX	Dismissed
James Wright and John D. Wright v. Schlotzsky's, Inc. and Schlotzsky's Real Estate, Inc. Case No. 02-74931-CK	Third Party Suit	Circuit Court for Genesee County, MI	Settled
Schlotzsky's, Inc. and Schlotzsky's Real Estate, Inc. v. John D. Wright and James Wright Case No. 03-CV-70244	Suit on a guaranty	U.S. District Court for the Eastern District of Michigan, Southern (Flint) Division	Settled
New Florida Markets, Ltd. and Deli Keys, Ltd. v. Schlotzsky's, Inc., Schlotzsky's Franchising Limited Partnership, Schlotzsky's Franchisor LLC, Schlotzsky's Franchise Operations LLC, Schlotzsky's N.A.M.F., Inc. and Schlotzsky's N.A.M.F. Funding LLC Case No. 70-114-00456-03	Arbitration over Area Developer Claims	American Arbitration Association	Settled
New Florida Markets, Ltd. and Deli Keys, Ltd. v. Schlotzsky's, Inc., Schlotzsky's Franchising Limited Partnership, Schlotzsky's Franchisor LLC, Schlotzsky's Franchise Operations LLC, Schlotzsky's N.A.M.F., Inc. and Schlotzsky's N.A.M.F. Funding LLC Case No. 04-16303 (Circuit Court No. 32)	Suit to enforce settlement (contract)	11 <sup>th</sup> Judicial Circuit in and for Dade County, Florida, General Civil Division, Circuit Court No. 32	Motion to Dismiss NAMF entities is pending; case is pending
Sherman Acquisition, LP v. Nathan Pfaff Case No. 03C27149	Garnishment	County Court of El Paso County, Colorado	SI was improperly served, no longer a party (franchisees were then served and are making payments)
State of Texas, County of Bexar, et al v. Jacobson Restaurant Group, LLC Cause No. 2002-CA1-4254	Tax Suit	73 <sup>rd</sup> Judicial District Court of Bexar County, Texas	Dismissed 8/13/03
J.W. Robinson Architects v. Schlotzsky's, Inc., Schlotzsky's Real Estate, Inc., Richard Higgins, personally and d/b/a Western Deli Shops, Inc., Schlotzsky's Deli and John Does 1-10 Cause No. 000900053	Contract dispute	Third Judicial District Court of Salt Lake County, Utah	Dismissed
Schlotzsky's, Inc. v. Joseph R. Pedersen, CA No. A-03-CA-116 JN	Collections case	United States District Court for the Western District of Texas, Austin Division	Dismissed

**SCHLOTZSKY'S, INC. ET AL**  
**Case No. 04-54504**

4. Suits and administrative proceedings, executions, garnishments and attachments

CAPTION OF SUIT & CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
Quality Streamline Management Services v. Schlotzsky's, Inc. Case No. CV03-03999RB	Suit over Unsolicited Faxes	South Mesa/ Gilbert Justice Court, State of Arizona, County of Maricopa	Dismissed
Quality Streamline Management Services v. Schlotzsky's, Inc. Case No. CV03-04006RB	Suit over Unsolicited Faxes	South Mesa/ Gilbert Justice Court, State of Arizona, County of Maricopa	Dismissed
Will Talley, Jr. v. Schlotzsky's Restaurants, Inc. Charge No. 131-2003-02304	Racial discrimination case	United States Equal Employment Opportunity Commission in Jackson, MS	Dismissed
Mary Sturdivant v. Schlotzsky's, Inc. Charge No. 360-2004-00651	Sexual discrimination and violation of FLSA (overtime pay)	United States Equal Employment Opportunity Commission in San Antonio, TX	Settled
Capital One Bank v. Sandra Gilbreath, Schlotzsky's Restaurants, Inc. garnishee Civil Action No. 03-GC-034051	Writ of Garnishment	State Court, Fulton County GA	Garnishment released 9/03
Jerome D. Lippman d/b/a Bonded Collections v. Laura Sellman and Tracy Sellman, Schlotzsky's, Inc. garnishee Case No. 92-004778	Writ of Garnishment	Pima County AZ Consolidated Justice Court	Garnishment satisfied 4/04
BP Acquisition d/b/a Bix Produce v. Schlotzsky's Restaurants, Inc. Case No. SO-03-1292	Collection Suit	10 <sup>th</sup> Judicial District, Washington County, MN Collection Court	Settled 9/03
Action Collection Service, Inc. v. Sonia Espinoza 536-01-1938, Schlotzsky's Deli, Garnishee Cause No. 03-0909319-CV	Writ of Garnishment	3 <sup>rd</sup> District Court of Salt Lake City, UT	Pending (but Ms. Espinoza is no longer an employee of Schlotzsky's Restaurants, Inc.)

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
CASE NO. 04-54509-LMC-11

**Statement of Financial Affairs**

**7. List all gifts or charitable contributions made within one year immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient.**

NAME & ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR	DATE OF GIFT	DESCRIPTION & VALUE OF GIFT
The Schlotzsky's Foundation 203 Colorado Street Suite 1700 Austin, TX 78704	Foundation established to fund the Championship Hearts program for the Schlotzsky's system	February-July-2004	\$ 9,000 Cash donation to Austin Heart Foundation
The Schlotzsky's Foundation 203 Colorado Street Suite 1700 Austin, TX 78704	Foundation established to fund the Championship Hearts program for the Schlotzsky's system	February-July-2004	\$ 4,412 Expenses associated with producing heart screening events
Temple Inland 1300 South Mopac Austin, TX 78746	Catering Client Goodwill	February-04	\$ 114 Food Donation
Ronald McDonald House 403 East 15th Street Austin, TX 78701	Charitable Organization	February-04	\$ 114 Food Donation
AARO 101 W. 6th Street, Suite 806 Austin, TX 78701	Catering Client Goodwill	February-04	\$ 157 Food Donation
Austin Parks and Recreation P.O. Box 1088 Austin, TX 78767	Charitable Organization	February-04	\$ 149 Food Donation
Travis County Children's Advocacy Center 1110 East 32nd Street Austin, TX 78722	Charitable Organization	February-04	\$ 162 Food Donation
Crocket High School Choir 5601 Manchaca Rd Austin, TX 78745	Charitable Organization	February-04	\$ 168 Food Donation
Blanton Muesem @ UT 23rd and San Jacinto Austin, TX 78712	Charitable Organization	March-04	\$ 134 Food Donation
Lloyd Doggett Campaign 500 W. Johanna St. Austin, TX 78704	Request of President/CEO	March-04	\$ 350 Food Donation
Davis Elementary School 5214 Duval Road Austin, TX 78727	Charitable Organization	March-04	\$ 170 Food Donation

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
CASE NO. 04-54509-LMC-11

**Statement of Financial Affairs**

**7. List all gifts or charitable contributions made within one year immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient.**

<b>NAME &amp; ADDRESS OF PERSON OR ORGANIZATION</b>	<b>RELATIONSHIP TO DEBTOR</b>	<b>DATE OF GIFT</b>	<b>DESCRIPTION &amp; VALUE OF GIFT</b>
Aguila Award Gala 13729 Research Blvd. Suite 610 Austin, TX 78750	Charitable Organization	April-04	\$ 150 Food Donation
Recording for the Blind & Dislexic 1314 W. 45th Street Austin, TX 78756	Charitable Organization	April-04	\$ 162 Food Donation
Children's Hospital of Austin 1400 N. IH 35 Austin, TX 78701	Charitable Organization	May-04	\$ 406 Food Donation
March of Dimes 901 S Mopac Expy. Austin, TX 78703	Charitable Organization	May-04	\$ 227 Food Donation
Celestica 4616 W. Howard Lane Suite 100 Austin, TX 78728	Catering Client Goodwill	May-04	\$ 191 Food Donation
Muscular Dystrophy Association Houston, TX	Charitable Organization	June-04	\$ 227 Food Donation
Young Men's Business League P.O. Box 5702 Austin, TX 78763	Annual Bun Run Co-Sponsor	March-May, 2004	\$ 33,882 Cash donation for benefit of Austin Sunshine Camp
Young Men's Business League P.O. Box 5702 Austin, TX 78763	Annual Bun Run Co-Sponsor	March-May, 2004	\$ 27,809 Printing, media, and miscellaneous costs associated with producing 2004 Bun Run

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
CASE NO. 04-54509-LMC-11

**STATEMENT OF FINANCIAL AFFAIRS**

**21b. Current Partners, Officers, Directors and Shareholders**

<b>NAME &amp; ADDRESS</b>	<b>TITLE</b>	<b>NATURE &amp; PERCENTAGE OF STOCK OWNERSHIP</b>
David Samuel Coats 203 Colorado Austin, TX 78701	President Manager/Director	0%
Darrell R. King 203 Colorado Austin, TX 78701	Secretary	0%
Matthew D. Osburn 203 Colorado Austin, TX 78701	Treasurer	0%
Vickie G. Leady 203 Colorado Austin, TX 78701	Assistant Secretary	0%
Gary Cadenhead McCombs School of Business The University of Texas at Austin 1 University Station B6300 Austin, TX 78712-0120	Manager/Director	0%
Chris Faulkner 2121 San Jacinto Street, Suite 870 Dallas, TX 75201	Manager/Director	0%
Steve Turoff 2121 San Jacinto Street, Suite 870 Dallas, TX 75201	Manager/Director	0%
Schlotsky's, Inc. 203 Colorado Austin, TX 78701	Affiliate	100%

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS (SAN ANTONIO DIVISION)

SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC  
CASE NO. 04-54509-LMC-11

**STATEMENT OF FINANCIAL AFFAIRS**

**22b. List all officers, or directors whose relationship with the corporation terminated within one year immediately preceding the commencement of this case.**

<b>NAME &amp; ADDRESS</b>	<b>TITLE</b>	<b>DATE OF TERMINATION</b>
John C. Wooley 2705 Westlake Drive Austin, TX 78746	President	06/17/04
Jeffrey J. Wooley 3003 Copper Mount Cove Austin, TX 78746	Senior Vice President Secretary	06/17/04
Joyce Cates 5604 SW Parkway, #3734 Austin, TX 78735	Senior Vice President	07/06/04
Lou Mabley 4604 Eagle Feather Austin, TX 78735	Vice President - Advertising and Marketing	07/06/04
Monica Landers 7203 Montana Norte Austin, TX 78731	Vice President - Corporate Communications	07/06/04
Orlando Figueroa 48 Wall St., 27th Floor New York, NY 10005	Director	04/01/04
Christopher Gramlich 1750 Regal Row, Suite 100 Dallas, TX 75235	Director	04/26/04
Albert Fioraranti 48 Wall St., 27th Floor New York, NY 10005	Director	07/15/04
Tori Gebron 48 Wall St., 27th Floor New York, NY 10005	Director	07/15/04