

FORM B1	United States Bankruptcy Court Western District of Texas	Voluntary Petition
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Name of Debtor (if individual, enter Last, First, Middle): Schlotsky's Franchise Operations, LLC	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names):	All Other Names used by the Joint Debtor in the last 6 years (include married, maiden, and trade names):
Soc. Sec./Tax I.D. No. (if more than one, state all): 06-1697532	Soc. Sec./Tax I.D. No. (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): 203 Colorado Street Suite 100 Austin, Texas 78701	Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
County of Residence or of the Principal Place of Business: Travis	County of Residence or the Principal Place of Business:
Mailing Address of Debtor (if different from street address):	Mailing Address of Joint Debtor (if different from street address):
Location of Principal Assets of Business Debtor (if different from street address above):	

Information Regarding the Debtor (Check the Applicable Boxes)

Venue (Check any applicable box)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

<p>Type of Debtor (Check all boxes that apply)</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Railroad</p> <p><input type="checkbox"/> Corporation <input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Partnership <input type="checkbox"/> Commodity Broker</p> <p><input checked="" type="checkbox"/> Other <u>Limited Liability Company</u></p>	<p>Chapter or Section of Bankruptcy Code Under Which the Petition is Filed (Check one box)</p> <p><input type="checkbox"/> Chapter 7 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Sec. 304 - Case ancillary to foreign proceeding</p>
<p>Nature of Debts (Check one box)</p> <p><input type="checkbox"/> Consumer/Non-Business <input checked="" type="checkbox"/> Business</p>	<p>Filing Fee (Check one box)</p> <p><input checked="" type="checkbox"/> Full Filing Fee attached</p> <p><input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.</p>
<p>Chapter 11 Small Business (Check all boxes that apply)</p> <p><input type="checkbox"/> Debtor is a small business as defined in 11 U.S.C. § 101</p> <p><input type="checkbox"/> Debtor is and elects to be considered a small business under 11 U.S.C. § 1121(c) (Optional)</p>	

Statistical/Administrative Information (Estimates only)

Debtor estimates that funds will be available for distribution to unsecured creditors.

Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be funds available for distribution to unsecured creditors.

Estimated Number of Creditors (consolidated basis)	1-15	16-49	50-99	100-199	200-999	1000-over	
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Estimated Assets (consolidated basis)	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10,000,001 to \$10 million	\$50,000,001 to \$100 million	More than \$100 million
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estimated Debts (consolidated basis)	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,001	\$500,001 to \$1 million	\$1,000,001 to \$10,000,001 to \$10 million	\$50,000,001 to \$100 million	More than \$100 million
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THIS SPACE IS FOR COURT USE ONLY

EXHIBIT 1 FOR SCHLOTZSKY'S FRANCHISE OPERATIONS, LLC

	Debtors	District	Date	Case Number	Judge	Relationship
1	SCHLOTZSKY'S, INC.	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
2	SCHLOTZSKY'S RESTAURANTS, INC.	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
3	SCHLOTZSKY'S REAL ESTATE, INC.	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
4	SCHLOTZSKY'S FRANCHISOR, LLC	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
5	SCHLOTZSKY'S BRAND PRODUCTS, LLC	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
6	DFW RESTAURANT TRANSFER CORP.	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
7	56 TH AND 6 TH , INC.	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
8	RAD ACQUISITION CORP.	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate
9	SAN FELIPE, LLC	Western District of Texas	3-Aug-04	TBD	TBD	Affiliate

United States Bankruptcy Court

Western District Of Texas

In re

Schlotszky's Franchise Operations, LLC

Case No. _____

Debtor

Chapter _____

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

1. Pursuant to 11 U.S.C. § 329(a) and Fed. Bankr. P. 2016(b), I certify that I am the attorney for the above-named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept ~~payment as approved by the Court~~ _____

Prior to the filing of this statement I have received \$ 197,227.91 in fees*

Balance Due \$ _____

2. The source of the compensation paid to me was:

Debtor Other (specify)

* and a retainer of
\$72,772.09

3. The source of compensation to be paid to me is:

Debtor Other (specify)

4. I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

I have agreed to share the above-disclosed compensation with a other person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statements of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR (Continued)

- d. Representation of the debtor in adversary proceedings and other contested bankruptcy matters;
- e. [Other provisions as needed]

6. By agreement with the debtor(s), the above-disclosed fee does not include the following services:

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceedings.

August 3, 2004

Date

/s/ Robert D. Albergotti

Signature of Attorney

Haynes and Boone, LLP

Name of law firm

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or dept. of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim (if secured also state value of security)
<p>New Florida Markets, Ltd. and Deli Keys, Ltd. Frank Cole 4806 Heatherbrook Dallas, TX 75244</p> <p>Joe and Pam Russo 1750 Choctaw Trail Maitland, FL 32751</p>	<p>Robert Zarco Zarco Einhorn & Salkowski 100 S.E. 2nd Street Ste 2700 Miami, FL 33131 Ph: 305-374-5418 Fax: 305-374-5428</p>	<p>Litigation</p>	<p>Disputed</p>	<p>600,000</p>
<p>Jeff And Carol Johnson, 2330 S. 75th Street, Lincoln, NE 68506</p>	<p>Eric Taube Jarnie Rose Hohmann Taube & Sommers 100 Congress Ave, Ste 1600, Austin TX 78701 Ph: 512-472-5997 Fax: 512-472-5248</p> <p>Robert Zarco Zarco Einhorn & Salkowski 100 S.E. 2nd Street Ste 2700 Miami, FL 33131 Ph: 305-374-5418 Fax:</p>	<p>Litigation</p>	<p>Disputed</p>	<p>425,000</p>
<p>Austin Business Journal 111 Congress Avenue Suite 750 Austin, TX 78701</p>		<p>Trade Payable</p>		<p>34,560</p>
<p>Global Compliance Services PO Box 609410 Charlotte, NC 28260-0941</p>	<p>Geneva Love Ph: 800-528-5745 geneva.love @globalcomplianceservices.com</p>	<p>Trade Payable</p>		<p>24,536</p>

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or dept. of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim (if secured also state value of security)
Gunnarson Outdoor Advertising PO Box 7460 San Marcos, TX 78667		Trade Payable		17,820
General Mills Finance Inc. PO Box Ch-100410, Palatine, IL 60055-0041		Trade Payable		11,215
Wildwood, Inc. 10001 Wildwood Hills Ln. Austin, TX 78737	CJ Romberger Ph: 512-288-2830 Fax:	Trade Payable		9,692
Austin Heart Foundation 3801 N. Lamar Blvd Suite 3000 Austin, TX 78756		Trade Payable		9,000
Deepcoolclear 606 West Lynn Suite 20 Austin, TX 78703	Girish Alteker Ph: 512-413-5871 Fax:	Trade Payable		6,083
The Lithoprint Co. 1825 IH-35 South Austin, TX 78741	Ph: 512-440-8822	Trade Payable		5,640
Schmeltzer, Aptaker & Shepard 2600 Virginia Ave. NW Suite 1000 Washington, DC 20037-1922	Robert Zisk Ph: 202-333-8800 Fax:	Trade Payable		5,086
McGuckin Entertainment 500 E. Riverside Dr. Suite 115 Austin, TX 78704		Trade Payable		4,800
Glyphics Communications PO Box 301610 Salt Lake City, UT 84130-0161		Trade Payable		4,784

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Franchise Times, Inc. 2500 Cleveland Ave., N. Suite D South Roseville, MN 55113-2728		Trade Payable		3,206
Capital Spectrum Inc PO Box 1435860 Austin, TX 78714-3856		Trade Payable		3,156
Vistar Corporation PO Box 963720 Chicago, IL 60693-6372	Vistar Corporation, Elizabeth Z. Krause 12650 E. Arapahoe Road, Building D Centennial, Co 80112 Ph: 800-671-0022 ext. 7129 Fax: 303-662-7540 elizabethkrause@vistarvsa.com	Trade Payable		3,121
Sierra Deli, Inc. PO Box 34690 Reno, NV 89533	Gerry Reynolds	Trade Payable		2,592
Austin Business Computers, Inc PO Box 1623250 Austin, TX 78716-2325		Trade Payable		2,380
Marcoa Publishing – Austin Inc 7600 Burnet Road Suite 110 Austin, TX 78757	Ph: 512-453-8005 Fax:	Trade Payable		2,355
Accugraphics 7801 North Lamar Suite C-51 Austin, TX 78752	Sheila Grigsby Ph: 512-459-4929 Fax:	Trade Payable		2,133

In re: Schlotsky's Franchise Operations, LLC
06-1697532

Case No. _____
Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

I, David Samuel Coats, the Chief Executive Officer of the Corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: August 3, 2004

Signature: 
David Samuel Coats