

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

In re:)	
)	Chapter 11
)	
FRIENDLY ICE CREAM CORPORATION, <i>et al.</i> , ¹)	Case No. 11-13167 (KG)
)	
Debtors.)	(Joint Administration)
)	

**GLOBAL NOTES AND STATEMENT OF
LIMITATIONS, METHODOLOGY AND DISCLAIMER
REGARDING THE DEBTORS' SCHEDULES OF ASSETS
AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

Friendly Ice Cream Corporation ("**FICC**") and certain of its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (the "**Debtors**"), have filed their respective Schedules of Assets and Liabilities (the "**Schedules**") and Statements of Financial Affairs (the "**Statements**," and collectively with the "**Schedules**," the "**Schedules and Statements**") in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"). The Debtors, with the assistance of their advisors, prepared the Schedules and Statements in accordance with section 521 of title 11 of the United States Code (the "**Bankruptcy Code**") and Rule 1007 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**").

Harshavardhan V. Agadi has signed each set of the Schedules and Statements. Mr. Agadi serves as the Chief Executive Officer and President for all of the Debtors. In reviewing and signing the Schedules and Statements, Mr. Agadi has necessarily relied upon the efforts, statements and representations of various personnel of the Debtors with assistance from the Debtors' advisors. Mr. Agadi has not (and could not have) personally verified the accuracy of each such statement and representation, including statements and representations concerning amounts owed to creditors.

In preparing the Schedules and Statements, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have made reasonable efforts to ensure the accuracy and completeness of such financial information, subsequent information or discovery may result in material changes to the Schedules and Statements. As a result, inadvertent errors or omissions may exist. The Debtors reserve all rights to amend or supplement the Schedules and Statements as is necessary and appropriate.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Friendly Ice Cream Corporation (3130); Friendly's Restaurants Franchise, LLC (3693); Friendly's Realty I, LLC (2580); Friendly's Realty II, LLC (2581); and Friendly's Realty III, LLC (2583). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1855 Boston Road, Wilbraham, Massachusetts 01095.

1. **Description of Cases.** On October 5, 2011 (the “*Petition Date*”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On October 6, 2011, an order was entered directing procedural consolidation and joint administration of these chapter 11 cases [Docket No. 47]. Notwithstanding the joint administration of the Debtors’ cases for procedural purposes, each Debtor has filed its own Schedules and Statements. All asset and liability information contained in the Schedules and Statements, except where otherwise noted, is reported as of the close of business on October 2, 2011, which is the date prior to the Petition Date in which the Debtors closed their financial books and records.
2. **Purpose of Global Notes.** These Global Notes and Statement of Limitations, Methodology and Disclaimer Regarding the Debtors’ Schedules of Assets and Liabilities and Statements of Financial Affairs (the “*Global Notes*”) pertain to, are incorporated by, reference in, and comprise an integral part of all of the Schedules and Statements. The Global Notes should be referred to and reviewed in connection with any review of the Schedules and Statements.²
3. **Methodology.**
 - (a) **Basis of Presentation.** The Schedules and Statements do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles in the United States (“*GAAP*”), nor are they intended to be fully reconciled to the financial statements of each Debtor. The Schedules and Statements contain unaudited information that is subject to further review and potential adjustment. The Schedules and Statements reflect the Debtors’ reasonable efforts to report the assets and liabilities of each Debtor on an unconsolidated basis.
 - (b) **Confidential Information.** There may be instances in the Schedules and Statements where the Debtors deemed it necessary and appropriate to redact from the public record information such as names, addresses or amounts. Typically, the Debtors have used this approach because of an agreement between the Debtors and a third party, proprietary concerns, concerns of confidentiality or concerns for the privacy of an individual.
 - (c) **Insiders.** For purposes of the Schedules and Statements, the Debtors define “insiders” pursuant to section 101(31) of the Bankruptcy Code as (a) directors; (b) officers; (c) shareholders holding in excess of 5% of the voting shares; and (d) relatives of directors, officers, or shareholders of the Debtors. For the purposes of the Schedules and Statements, the Debtors define “directors” as members of the Board of Directors, and “officers” as individuals appointed by the Board of Directors. The Debtors’ response to Statement 3c includes payments made to such creditors who are or were insiders to the extent such payments were

² The Global Notes are in addition to any specific notes contained in each Debtor’s Schedules and Statements.

made during the time in which the creditor was an insider and only in such creditor's capacity as an insider.

Persons listed as "insiders" have been included for informational purposes only. The Debtors do not take any position with respect to: (a) such person's influence over the control of the Debtors, (b) the management responsibilities or functions of such individual, (c) the decision-making or corporate authority of such individual, or (d) whether such individual could successfully argue that he or she is not an "insider" under applicable law, including, without limitation, the federal securities laws, or with respect to any theories of liability or for any other purpose.

- (d) **Current Market Value - Net Book Value.** In certain instances, current market valuations for individual items of property and other assets are neither maintained by, nor readily available to, the Debtors. Accordingly, unless otherwise indicated, the Debtors' Schedules and Statements reflect net book values. Market values may vary, at some times materially, from net book value. As applicable, assets that have been fully depreciated or were expensed for accounting purposes have no net book value. The Debtors reserve the right to amend or adjust the value of any asset or liability set forth herein.
- (e) **Liabilities.** The Debtors allocated liabilities between the prepetition and postpetition periods based on the information and research conducted in connection with the preparation of the Schedules and Statements. As additional information becomes available and further research is conducted, the allocation of liabilities between the prepetition and postpetition periods may change. The Debtors reserve all rights to modify, amend and supplement the Schedules and Statements as is necessary and appropriate.
- (f) **Undetermined Amounts.** The description of an amount as "unknown," "TBD" or "undetermined" is not intended to reflect upon the materiality of such amount.
- (g) **Totals.** All totals that are included in the Schedules and Statements represent totals of all known amounts. To the extent there are unknown, unliquidated or undetermined amounts, the actual total may be different than the listed total.
- (h) **Paid Claims.** The Debtors have authority to pay certain outstanding prepetition payables pursuant to bankruptcy or other Court order. As such, (i) outstanding liabilities listed in Schedules D, E and F have been reduced by any Court approved postpetition payments made (or to be made) on prepetition payables, and (ii) liabilities owed on the Petition Date that have been satisfied in full postpetition or will be satisfied in full in the ordinary course of business have been excluded from the Schedules altogether. To the extent the Debtors later pay any amount of the claims listed in the Schedules and Statements pursuant to any orders entered by the Bankruptcy Court, the Debtors reserve all rights to amend or supplement the Schedules and Statements or take other action such as filing

claims objections or notices of satisfaction, as is necessary and appropriate to avoid over payment or duplicate payments for liabilities.

- (i) **Intercompany Claims.** Receivables and payables among the Debtors in these chapter 11 cases and their affiliates are reported on the Schedules. The listing of any amounts with respect to such receivables and payables is not and shall not be construed as an admission of the characterization of such balances, as debt, equity or otherwise.
- (j) **Excluded Assets and Liabilities.** The Debtors have excluded the following categories of assets and liabilities from the Schedules and Statements: capitalized interest; certain deferred charges, accounts or reserves recorded only for purposes of complying with the requirements of GAAP; deferred tax assets and liabilities; goodwill; and certain accrued liabilities including, but not limited to, accrued salaries and employee benefits. Other immaterial assets and liabilities may also have been excluded. Additionally, capital leases have been listed on Schedule G as opposed to Schedule B. However, not listing capital leases or other immaterial assets on Schedule B is not an admission that such leases or assets are not assets of the Debtors, and the Debtors reserve their rights with respect to such leases and assets.
- (k) **Liens.** The inventories, property and equipment listed in the Schedules and Statements are presented without consideration of any liens.

4. **Reservations and Limitations.** Nothing contained in the Schedules and Statements shall constitute a waiver of any of the Debtors' rights or an admission with respect to their chapter 11 cases, including, without limitation, any issues involving substantive consolidation, equitable subordination, defenses or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant applicable laws to recover assets or avoid transfers.

- (a) **No Admission.** Nothing contained in the Schedules and Statements is intended or should be construed as an admission or stipulation of the validity of any claim against the Debtors, assertion made therein or herein or a waiver of the Debtors' rights to dispute any claim or assert any cause of action or defense against any party.
- (b) **Recharacterization.** Notwithstanding that the Debtors have made reasonable efforts to correctly characterize, classify, categorize or designate certain claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and Statements, the Debtors nonetheless may have improperly characterized, classified, categorized or designated certain items. Thus, the Debtors reserve all rights to recharacterize, reclassify, recategorize or redesignate items reported in the Schedules and Statements at a later time as is necessary and appropriate.

- (c) **Classifications.** Listing a claim (i) on Schedule D as “secured,” (ii) on Schedule E as “priority,” (iii) on Schedule F as “unsecured,” or (iv) listing a contract on Schedule G as “executory” or “unexpired,” does not constitute an admission by the Debtors of the legal rights of the claimant, or a waiver of the Debtors’ right to recharacterize or reclassify such claim or contract.

Although a Debtor may have scheduled claims of various creditors as secured claims for informational purposes, no current valuation of the Debtor’s assets in which such creditors may have a lien has been undertaken. The Debtors reserve all rights to dispute or challenge the secured nature of any such creditor’s claims or the characterization of the structure of any transaction, or any document or instrument related to such creditor’s claim.

- (d) **Claims Description.** Any failure to designate a claim on a given Debtor’s Schedules and Statements as “disputed,” “contingent” or “unliquidated” does not constitute an admission by the Debtor that such amount is not “disputed,” “contingent” or “unliquidated.” The Debtors reserve all rights to dispute any claim reflected on their respective Schedules and Statements on any grounds, including, without limitation, liability or classification, or to otherwise subsequently designate such claims as “disputed,” “contingent” or “unliquidated” or to modify, amend and supplement the Schedules and Statements as is necessary and appropriate.
- (e) **Estimates and Assumptions.** The preparation of the Schedules and Statements required the Debtors to make reasonable estimates and assumptions with respect to the reported amounts of assets and liabilities, the amount of contingent assets and contingent liabilities on the date of the Schedules and Statements and the reported amounts of revenues and expenses during the applicable reporting periods. Actual results could differ from those estimates.
- (f) **Causes of Action.** Despite reasonable efforts, the Debtors may not have identified and/or set forth all of their causes of action or claims (filed or potential) against third parties as assets in their Schedules and Statements. The Debtors reserve all rights with respect to any causes of action or claims and nothing in the Global Notes or the Schedules and Statements shall be deemed a waiver of any such causes of action or claims.
- (g) **Executory Contracts.** The Debtors have not set forth executory contracts as assets in the Schedules and Statements. The Debtors’ executory contracts have been set forth in Schedule G.
- (h) **Intellectual Property Rights.** Exclusion of certain intellectual property shall not be construed to be an admission that such intellectual property rights have been abandoned, have been terminated or otherwise expired by their terms or have been assigned or otherwise transferred pursuant to a sale, acquisition or other transaction. Conversely, inclusion of certain intellectual property shall not be construed to be an admission that such intellectual property rights have not been

abandoned, have not been terminated or otherwise expired by their terms, or have not been assigned or otherwise transferred pursuant to a sale, acquisition or other transaction.

5. Specific Schedules and Statements Disclosures.

- (a) **Schedule B1.** Cash on hand information reflects estimated amounts of cash at individual store locations for use in cash registers and for limited petty cash purposes.
- (b) **Schedule B2.** Balance information for the Debtors' bank accounts is taken from their books and records, and is as of October 2, 2011. Certain of the accounts on Schedule B2 have negative balances. These are disbursement accounts in which the Debtors are required to fund on the day (or the day after) the checks are presented for payment.
- (c) **Schedule B3:** By order dated October 24, 2011, the Bankruptcy Court approved certain adequate assurance of payment for future utility service and associated procedures. In connection therewith, if the Debtor made a security deposit, such deposit is not listed on Schedule B, which is prepared as of the Petition Date.
- (d) **Schedules B13 and B14.** Ownership interests in subsidiaries and affiliates have been listed in these Schedules at an undetermined amount because the current fair market value of such ownership is unavailable.
- (e) **Schedule B16:** The Debtors have presented their retail customer accounts receivable totals on a net basis. All other accounts receivable have been presented on a gross basis, and they remain subject to offset, promotions and rebates. All accounts receivable on Schedule B16 are subject to reduction on account of bad or uncollectable accounts, and the amounts shown are as of October 2, 2011.
- (f) **Schedule B28 and B29:** Dollar amounts are presented net of accumulated depreciation and other adjustments.
- (g) **Schedule B30:** The value of the inventories provided for the individual restaurants is as of October 2, 2011. The value of the inventories for the distribution centers, manufacturing and storage facilities is as of October 4, 2011.

The Debtors use a standard cost system to value their inventory for both goods manufactured internally and finished goods purchased directly from vendors. Purchase price variances for materials and finished goods are calculated monthly, and at the end of each month they are capitalized based on inventory turn rate. These variances are not included in the inventory amounts by distribution center.

The foodservice division of FICC sells manufactured and purchased product to company-operated restaurants. The inventory values for each restaurant includes the intercompany profit on items sold internally.

- (h) **Schedule B35:** Dollar amounts are net of impairments and other adjustments.
- (i) **Schedule D.** Except as otherwise agreed pursuant to a stipulation or order entered by the Bankruptcy Court, the Debtors reserve their rights to dispute or challenge the validity, perfection or immunity from avoidance of any lien purported to be granted or perfected in any specific asset to a secured creditor listed on Schedule D. Moreover, although the Debtors have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any such creditor's claim or the characterization of the structure of any such transaction or any document or instrument related to such creditor's claim.

The descriptions provided in Schedule D are intended only to be a summary. Reference to the applicable agreements and other related relevant documents is necessary for a complete description of the collateral and the nature, extent, and priority of any liens. In certain instances, a Debtor may be a co-obligor, co-mortgagor or guarantor with respect to scheduled claims of other Debtors, and no claim set forth on Schedule D of any Debtor is intended to acknowledge claims of creditors that are otherwise satisfied or discharged by other entities.

The Debtors have not included on Schedule D parties that may believe their claims are secured through setoff rights or inchoate statutory lien rights.

Pursuant to the *Final Order (I) Authorizing Debtors to Obtain Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code, (II) Authorizing the Use of Cash Collateral Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code, (III) Granting Adequate Protection to the Prepetition Secured Parties Pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code, and (IV) Granting Liens and Superpriority Claims on a Permanent Basis Pursuant to Bankruptcy Rules 4001(B) and 4001 (C)*, entered on October November 2, 2011 [Docket No. 282], the Debtors obtained approval of approximately \$71 million in secured debtor-in-possession financing. This amount is not included on the Schedules, as the Schedules reflect amounts incurred as of October 2, 2011, the date prior to the Petition Date in which the Debtors closed their financial books and records.

- (j) **Schedule E.** By orders of the Bankruptcy Court on October 6, 2011, October 24, 2011 and November 1, 2011, the Debtors received authority to pay certain prepetition obligations including to pay employee wages, severance and other employee benefits in the ordinary course of business (the "*Employee Wages Orders*"). The Debtors believe that most, if not all, employee claims for prepetition amounts related to ongoing payroll, severance and benefits, whether allowable as a priority or nonpriority claim, have been or will be satisfied, and such satisfied amounts are not listed.
- (k) **Schedule F.** The liabilities identified in Schedule F are derived from the Debtors' books and records and are as of October 4, 2011. The Debtors made a reasonable

attempt to set forth their unsecured obligations, although the actual amount of claims against the Debtors may vary from those liabilities represented on Schedule F. The listed liabilities may not reflect the correct amount of any unsecured creditor's allowed claims or the correct amount of all unsecured claims.

The Debtors generally allocate individual liabilities to particular Debtors. However, in certain cases, it would be a time-consuming and inefficient use of the assets of the Debtors' estates, or impracticable, to assign a given liability to a particular Debtor. To the extent the debt could not be attributed to a specific Debtor, the liability has been listed on Schedule F of FICC.

Schedule F contains information regarding threatened or pending litigation involving the Debtors. The amounts for these potential claims are listed as "unknown" and marked as contingent, unliquidated and disputed in the Schedules and Statements.

On October 6, 2011, the Bankruptcy Court entered the following orders: (1) order authorizing payment of certain prepetition amounts relating to customer programs; (2) one of the Employee Wages Orders, which authorized the Debtors to continue to honor their workers' compensation program; (3) order authorizing the Debtors to pay certain prepetition obligations, including Perishable Agricultural Commodities Act ("*PACA*") claims, claims of shippers and warehouseman, mechanic's lien claims and claims under section 503(b)(9) of the Bankruptcy Code; and (4) order authorizing the Debtors to pay prepetition claims of media stations operating in franchisee markets. Accordingly, certain debts that have been satisfied pursuant to these orders have not been included in the Debtors' Schedules and Statements.

Schedule F may reflect the prepetition amounts owing to counterparties to executory contracts and unexpired leases. Such prepetition amounts, however, may be paid in connection with the assumption or assumption and assignment of an executory contract or unexpired lease. In addition, Schedule F does not include rejection damages claims, if any, of the counterparties to executory contracts and unexpired leases that may be rejected.

- (I) **Schedule G.** While every effort has been made to ensure the accuracy of Schedule G, inadvertent errors or omissions may have occurred. Listing a contract or agreement on Schedule G does not constitute an admission that such contract or agreement is an executory contract or unexpired lease or that such contract or agreement was in effect on the Petition Date or is valid or enforceable. The Debtors hereby reserve all of their rights to dispute the validity, status, effectiveness or enforceability of any contracts, agreements or leases set forth in Schedule G and to amend or supplement such Schedule as necessary. Certain of the leases and contracts listed on Schedule G may contain renewal options, guarantees of payment, indemnifications, options to purchase, rights of first refusal and other miscellaneous rights. Such rights, powers, duties and obligations are not set forth separately on Schedule G. In addition, the Debtors

may have entered into various other types of agreements in the ordinary course of their business, such as supplemental agreements, amendments and letter agreements. Such documents may not be set forth in Schedule G.

The Debtors reserve all rights to dispute or challenge the characterization of the structure of any transaction or any document or instrument related to a creditor's claim.

The Debtors may be party to certain agreements that have expired by their terms, but all parties continue to operate under the agreement. Out of an abundance of caution, the Debtors have listed such agreements on Schedule G. The Debtors inclusion of such contracts or agreements on Schedule G is not an admission that such contract or agreement is an executory contract or unexpired lease.

Omission of a contract or agreement from Schedule G does not constitute an admission that such omitted contract or agreement is not an executory contract or unexpired lease. The Debtors' rights under the Bankruptcy Code with respect to any such omitted contracts or agreements are not impaired by the omission. Certain Debtors are guarantors and parties to guaranty agreements regarding the Debtors' prepetition credit facilities. The guaranty obligations arising under these agreements are reflected on the Schedules.

In some cases, the same supplier or provider may appear multiple times in Schedule G. Multiple listings, if any, reflect distinct agreements between the applicable Debtor and such supplier or provider.

- (m) **Schedule H.** The Debtors have not listed any litigation-related Co-Debtors on Schedule H. Instead, all such listings can be found on the Debtors' Schedule F and Statement 4a.

The Debtors may have co-debtors or co-obligors under their various leases, contracts and/or other agreements. They have made an attempt to list all such material co-obligations on Schedule H. Any omission of a co-debtor or co-obligor on Schedule H or elsewhere in the Debtors' Schedules does not constitute an admission that such omitted co-debtor or co-obligor is not obligated or liable under the relevant debt. The Debtors' rights under the Bankruptcy Code and non-bankruptcy law with respect to any such omitted co-debtor or co-obligor are not impaired by the omission.

The Debtors also have insurance policies that potentially cover various claims and surety bonds that guaranty performance of certain obligations. These insurance policies and surety bonds have been listed on Schedule G, but not on Schedule H. Not listing such insurance policies and surety bonds on Schedule H does not constitute an admission that such insurance carriers and sureties are not obligated or liable under the relevant policy or bond, and the Debtors' rights under the Bankruptcy Code and non-bankruptcy law with respect to any such policies or bonds are not impaired by them not being listed on Schedule H.

- (n) **Statement Questions 3b and 3c.** Receipts and disbursements are made through a centralized and consolidated cash management system. The obligations of the Debtors are primarily paid by and through FICC, notwithstanding the fact that certain obligations may be obligations of one or more affiliated Debtors. To the extent that the Debtors report disbursements at an individual Debtor level, those Debtor-level disbursements are reflected in the Statements. In certain circumstances, however, payments made are listed by the entity making such payment, notwithstanding that certain payments will have been made on behalf of another entity. As such, only certain Debtors include a response to Statements questions 3b and 3c.

Due to confidentiality concerns and because of prepetition wage payments made pursuant to Bankruptcy Court authority, the list of payments under Statement 3b does not include payments for wages, compensation, or expenses made to non-executive employees, contract employees, or temporary employees in the ordinary course of business. To the extent that such an employee is a creditor, that employee may be entitled to priority treatment in accordance with section 507 of the Bankruptcy Code.

The relocation costs listed on Statement 3c for Mr. Agadi were paid to a third party administrator, who then paid them to Mr. Agadi.

- (o) **Statement Question 7.** The Debtors gave gifts and charitable contributions at the restaurant level, including product and gift cards, in the year prior to the Petition Date. However, these gifts and charitable contributions are not included on Statement 7 because it is believed that they aggregate less than \$100 per recipient and it would be unduly burdensome to identify each one.

The Debtors do not have addresses for all of the entities listed on Statement 7 because they do not maintain that information for certain small gifts or charitable contributions, such as gift cards, coupons and certificates, and in some instances the recipients pick-up the donated products themselves at the restaurant locations.

- (p) **Statement Question 8.** The Debtors occasionally incur losses for a variety of reasons, including theft and property damage. Certain of these losses may not have been tracked and, thus, the Debtors have only listed losses that were identifiable in their books and records.

The Debtors self insure for property damage up to a certain amount. The losses identified in Statement 8 consist of minor damages that fell within the self insured retention and were lumped together with other maintenance expenses or small replacement capital projects. Therefore, the Debtors are not able to determine the value of the loss or damage to property listed in Statement 8.

- (q) **Statement Question 10.** The Debtors sell company-operated restaurants to franchisees, including all existing equipment and franchise rights. In the last 2 years, the Debtors have "refranchised" 1 and 43 restaurants, respectively.

Because the Debtors are in the business of franchising restaurants and these refranchisings are in the ordinary course of business, they have not been included on Statement 10.

- (r) **Statement Question 13.** Setoffs in the ordinary course of business, including setoffs made by the Debtors' retail customers, have been excluded from the response to this question.
- (s) **Statement Questions 19a and 19c.** The Debtors employ many individuals who have certain bookkeeping responsibilities. Ultimately all of these individuals report to FICC's Executive Vice President and Chief Financial Officer and other managers as the primary individuals who directly kept or were in possession of the books and records of the Debtors.

The information listed in Statements 19a and 19c is as of the Petition Date.

- (t) **Statement Question 19d.** Although not listed on Statement 19d because of confidentiality concerns and because it would be too burdensome to compile the list, the Debtors also provided financial statements to all prospective franchisees.
- (u) **Statement Question 20a.** The Debtors perform routine cycle counts of inventory in their Chicopee and York distribution centers and Wilbraham Freezer and Raw Materials manufacturing facility. The Chicopee and York inventories include all items (approximately 750) that are distributed to restaurants, including finished goods that are manufactured in Wilbraham and items that are purchased from outside vendors. The cycle count process in the distribution centers results in all items in stock being counted on a 6-8 week basis. All produce items are counted daily, and frozen, small wares and refrigerated items are cycle counted weekly.

Wilbraham inventories are classified as raw material parts (approximately 335) for manufacturing or finished goods for distribution (freezer). The Wilbraham process results in a cycle count for each of the raw material parts once every 6-8 weeks. New parts and parts that have recurring out of tolerance results due to usage variances receive extra counts until out of tolerance performance is corrected.

The Debtors have not included the results of cycle counts for inventory in their distribution centers, manufacturing and storage facilities on Statement 20a because preparing such information would be unduly burdensome. They have included the custodian of the cycle count inventory records on Statement 20b.

The Debtors perform physical inventories at their restaurants for food on a weekly basis and for non-food items, consisting only of reusable whip top cans, on a monthly basis. The last 2 inventories at the restaurants prior to the Petition Date are identified on Statement 20a, and were performed on September 25, 2011, which only consists of food, and October 2, 2011, which consists of both food and non-food items.

Please also see the Global Note regarding Schedule B30.

- (v) **Statement Question 21b.** The information listed in Statement 21b is as of the Petition Date.
 - (w) **Statement Question 25.** FICC maintains the Friendly Ice Cream Corporation Cash Balance Pension Plan. Benefits under the Plan have been frozen since 2004; however, until the Petition Date, FICC has continued to make contributions to the Plan because it is underfunded.
6. **Global Notes Control.** In the event that the Schedules and Statements differ from the foregoing Global Notes, the Global Notes shall control.

END OF GLOBAL NOTES

SCHEDULES AND STATEMENTS BEGIN ON THE FOLLOWING PAGE

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re: Friendly's Restaurants Franchise, LLC

Case No. 11-13166

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. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

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 six 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 full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"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

1. Income from employment or operation of business

None ☐ 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.)

<u>AMOUNT</u>	<u>SOURCE</u>
\$8,351,792.36	YTD 2011 REVENUE
\$10,011,888.91	FYE 2010 REVENUE
\$10,459,321.34	FYE 2009 REVENUE

2. Income other than from employment or operation of business

None ☒ 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.)

<u>AMOUNT</u>	<u>SOURCE</u>
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3. Payments to creditors

- None ☒ a. Individual or joint debtor(s) with primary consumer debts: 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.)

<u>NAME AND ADDRESS OF CREDITOR</u>	<u>DATE OF PAYMENTS</u>	<u>AMOUNT PAID</u>	<u>AMOUNT STILL OWING</u>
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- None ☒ b. Debtor whose debts are not primary consumer debts: List each payment or other transfer to any creditor made within 90 days immediately preceding the commencement of the case if the aggregate value of all property that constitutes or is affected by such transfer is not less than \$5,850. (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.)

<u>NAME AND ADDRESS OF CREDITOR</u>	<u>DATES OF PAYMENTS/ TRANSFERS</u>	<u>AMOUNT PAID OR VALUE OF TRANSFERS</u>	<u>AMOUNT STILL OWING</u>
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- None ☒ c. All debtors: 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.)

<u>NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR</u>	<u>DATE OF PAYMENTS</u>	<u>AMOUNT PAID</u>	<u>AMOUNT STILL OWING</u>
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4. Suits and administrative proceedings, executions, garnishments and attachments

- None ☐ 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.)

<u>CAPTION OF SUIT AND CASE NUMBER</u>	<u>NATURE OF PROCEEDING</u>	<u>COURT OR AGENCY AND LOCATION</u>	<u>STATUS OR DISPOSITION</u>
FRENCH, CAROLYN V. FRIENDLY'S RESTAURANTS FRANCHISE, INC. D/B/A FRIENDLY'S ICE CREAM SHOP; CASE NO: 06-2607B	GENERAL LIABILITY LITIGATION	SUPERIOR COURT, COMMONWEALTH OF MASSACHUSETTS	PENDING

SEARS, ROEBUCK & CO.
V. FRIENDLY'S
INTERNATIONAL, INC.;
FRIENDLY'S
RESTAURANTS
FRANCHISE, LLC;
FRIENDLY'S ICE CREAM
CORPORATION;
FRIENDLY'S REALTY I,
LLC; FRIENDLY'S REALTY
II, LLC; FRIENDLY'S
REALTY III, LLC; ET AL.;
CASE NO:
11-CV-30139-KPN

GENERAL LIABILITY
LITIGATION

UNITED STATES
DISTRICT COURT,
DISTRICT OF
MASSACHUSETTS

DISMISSED

- 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 AND ADDRESS OF PERSON FOR
WHOSE BENEFIT PROPERTY WAS SEIZED

DATE OF
SEIZURE

DESCRIPTION AND
VALUE OF PROPERTY

5. Repossessions, foreclosures and returns

- None ☒ 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 AND ADDRESS OF
CREDITOR OR SELLER

DATE OF REPOSSESSION,
FORECLOSURE SALE,
TRANSFER OR RETURN

DESCRIPTION
AND VALUE OF
PROPERTY

6. Assignments and receiverships

- None ☒ 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 AND 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 AND ADDRESS
OF CUSTODIAN

NAME AND LOCATION OF COURT
CASE TITLE & NUMBER

DATE OF
ORDER

DESCRIPTION AND
VALUE OF PROPERTY

7. Gifts

- None ☒ 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.)

<u>NAME AND ADDRESS OF PERSON OR ORGANIZATION</u>	<u>RELATIONSHIP TO DEBTOR, IF ANY</u>	<u>DATE OF GIFT</u>	<u>DESCRIPTION AND VALUE OF GIFT</u>
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8. Losses

- None ☒ 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.)

<u>DESCRIPTION AND VALUE OF PROPERTY</u>	<u>DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS</u>	<u>DATE OF LOSS</u>
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9. Payments related to debt counseling or bankruptcy

- None ☐ 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.

<u>NAME AND ADDRESS OF PAYEE</u>	<u>DATE OF PAYMENT, NAME OF PAYER IF OTHER THAN DEBTOR</u>	<u>AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY</u>
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SEE RESPONSE TO STATEMENT 9 FOR FRIENDLY ICE CREAM CORPORATION; CASE NO. 11-13167

10. Other transfers

- None ☒ a. 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 two years 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.)

<u>NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR</u>	<u>DATE</u>	<u>DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED</u>
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- None ☒ b. List all other property transferred by the debtor within ten years immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

<u>NAME OF TRUST OR OTHER DEVICE</u>	<u>DATE(S) OR TRANSFER(S)</u>	<u>AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY</u>
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11. Closed financial accounts

None



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.)

<u>NAME AND ADDRESS OF INSTITUTION</u>	<u>TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE</u>	<u>AMOUNT AND DATE OF SALE OR CLOSING</u>
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12. Safe deposit boxes

None



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.)

<u>NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY</u>	<u>NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY</u>	<u>DESCRIPTION OF CONTENTS</u>	<u>DATE OF TRANSFER OR SURRENDER, IF ANY</u>
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13. Setoffs

None



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.)

<u>NAME AND ADDRESS OF CREDITOR</u>	<u>DATE OF SETOFF</u>	<u>AMOUNT OF SETOFF</u>
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14. Property held for another person

None



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

<u>NAME AND ADDRESS OF OWNER</u>	<u>DESCRIPTION AND VALUE OF PROPERTY</u>	<u>LOCATION OF PROPERTY</u>
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15. Prior address of debtor

None



If the debtor has moved within the three 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.

<u>ADDRESS</u>	<u>NAME USED</u>	<u>DATES OF OCCUPANCY</u>
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16. Spouses and Former Spouses

- None ☒ 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 eight-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:

<u>SITE NAME AND ADDRESS</u>	<u>NAME AND ADDRESS OF GOVERNMENT UNIT</u>	<u>DATE OF NOTICE</u>	<u>ENVIRONMENTAL LAW</u>
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-
- 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.

<u>SITE NAME AND ADDRESS</u>	<u>NAME AND ADDRESS OF GOVERNMENT UNIT</u>	<u>DATE OF NOTICE</u>	<u>ENVIRONMENTAL LAW</u>
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- 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.

<u>NAME AND ADDRESS OF GOVERNMENT UNIT</u>	<u>DOCKET NUMBER</u>	<u>STATUS OR DISPOSITION</u>
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18. Nature, location and name of business

- None ☒ 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 or equity securities within the six years immediately preceding the commencement of this case.

<u>NAME</u>	<u>LAST FOUR DIGITS OF SOCIAL-SECURITY OR INDIVIDUAL TAXPAYER-ID NO. (ITIN)/ COMPLETE EIN</u>	<u>ADDRESS</u>	<u>NATURE OF BUSINESS</u>	<u>BEGINNING AND ENDING DATES</u>
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- 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.

<u>NAME</u>	<u>ADDRESS</u>
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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 **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 self-employed in a trade, profession, or other activity, either full- or part-time.

*(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 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.)*

19. Books, records and financial statements

- None ☐ 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.

<u>NAME AND ADDRESS</u>	<u>DATE SERVICES RENDERED</u>
ABNEY H. SEYLER 1855 BOSTON ROAD WILBRAHAM, MA 01095	1995 - PRESENT
FLORENCE A. TASSINARI 1855 BOSTON ROAD WILBRAHAM, MA 01095	1991 - PRESENT
STEVEN C. SANCHIONI 1855 BOSTON ROAD WILBRAHAM, MA 01095	2005 - PRESENT
VICTORIA A. MUELLER 1855 BOSTON ROAD WILBRAHAM, MA 01095	2006 - PRESENT

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.

<u>NAME</u>	<u>ADDRESS</u>	<u>DATE SERVICES RENDERED</u>
GRANT THORNTON LLP	226 CAUSEWAY STREET 6TH FLOOR BOSTON, MA 02114	2007 - PRESENT
MEYERS BROTHERS KALICKA, PC	330 WHITNEY AVENUE SUITE 800 HOLYOKE, MA 01040	2007 - PRESENT

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.

<u>NAME</u>	<u>ADDRESS</u>
FLORENCE A. TASSINARI	1855 BOSTON ROAD WILBRAHAM, MA 01095
STEVEN C. SANCHIONI	1855 BOSTON ROAD WILBRAHAM, MA 01095

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.

<u>NAME AND ADDRESS</u>	<u>DATE ISSUED</u>
226 MARKET REALTY, LLC C.O RUBEN ACOSTA 15 EAST KINNEY STREET NEWARK, NJ 07102	STORE PROFIT & LOSS FOR THE RETAIL SALES OPERATIONS LOCATED ON THE PREMISES ISSUED ANNUALLY
226 MARKET REALTY, LLC C.O RUBEN ACOSTA 15 EAST KINNEY STREET NEWARK, NJ 07102	CORPORATE FINANCIAL STATEMENT ISSUED ANNUALLY
43 LANCASTER PIKE, LLC	STORE PROFIT & LOSS FOR THE RETAIL SALES OPERATIONS LOCATED ON THE PREMISES ISSUED ANNUALLY
43 LANCASTER PIKE, LLC	CORPORATE FINANCIAL STATEMENT ISSUED ANNUALLY
55 WALL STREET REALTY, INC.	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
55 WALL STREET REALTY, INC.	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
8712, LLC	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
8712, LLC	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY

ANNA MARRETTA	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
ANNA MARRETTA	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
ANTHONY FIORE AND DEBORAH FIORE	STORE PROFIT & LOSS FOR THE RETAIL SALES OPERATIONS LOCATED ON THE PREMISES ISSUED ANNUALLY
ANTHONY FIORE AND DEBORAH FIORE	CORPORATE FINANCIAL STATEMENT ISSUED ANNUALLY
ATTLEBORO, INC.	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
ATTLEBORO, INC.	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
BNY MELLON ASSET SERVICING NINA LENTZ	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
CAIRO PROPERTIES 2, LLC 11 ELKINS ROAD EAST BRUNSWICK, NJ 08816	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
CAIRO PROPERTIES 2, LLC 11 ELKINS ROAD EAST BRUNSWICK, NJ 08816	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
CAPITOL INSURANCE COMPANIES TONY CRAFT	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
CARL MARRETTA	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
CARL MARRETTA	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
CARMELA WESTERLY, LLC ATTN: MARIO D'URSO 148-25 29TH AVE. FLUSHING, NY 11354	STORE PROFIT & LOSS ISSUED ANNUALLY
CARMELA WESTERLY, LLC ATTN: MARIO D'URSO 148-25 29TH AVE. FLUSHING, NY 11354	CORPORATE FINANCIAL STATEMENT ISSUED ANNUALLY
COCA COLA PERRY LAVERGNE	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
CPG PARTNERS, L.P. 105 EISENHOWER PARKWAY ROSELAND, NJ 07068	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY

DRAKE TOWERS CORP.	STORE PROFIT & LOSS FOR THE RETAIL SALES OPERATIONS LOCATED ON THE PREMISES ISSUED ANNUALLY
DRAKE TOWERS CORP.	CORPORATE FINANCIAL STATEMENT ISSUED ANNUALLY
DUNBAR HOLDINGS I, LLC	GROSS RETAIL SALES ISSUED QUARTERLY
DUNBAR HOLDINGS I, LLC	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
DUNBAR HOLDINGS I, LLC	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
ENTERPRISE CREDIT MANAGEMENT DON WRIGHT	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
ENVOY COLONIAL PARTNERS, LLC	STORE PROFIT & LOSS FOR THE RETAIL SALES OPERATIONS LOCATED ON THE PREMISES ISSUED ANNUALLY
ENVOY COLONIAL PARTNERS, LLC	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
FISHKILL CRYSTAL PROPERTIES, LLC	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
FISHKILL CRYSTAL PROPERTIES, LLC	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
FREEMALL ASSOCIATES, LLC ATTENTION: LEGAL DEPT 401 WILSHIRE BLVD. SUITE 700 SANTA MONICA, CA 90401	CORPORATE FINANCIAL STATEMENT ISSUED ANNUALLY
FRIENDLY LION REALTY, LLC	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
FRIENDLY LION REALTY, LLC	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
G.B. KRESSON, LLC	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY
G.B. KRESSON, LLC	STORE PROFIT & LOSS ISSUED QUARTERLY AND ANNUALLY
GARELICK FARMS ANGELICA SALEEBA 1199 WEST CENTRAL ST FRANKLIN, MA 02038	CORPORATE FINANCIAL STATEMENT ISSUED QUARTERLY AND ANNUALLY

GKS PROPERTY MANAGEMENT, LLC

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

GKS PROPERTY MANAGEMENT, LLC

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

HENRY G. KARA

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

HENRY G. KARA

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

HERBERT HARRIS
625 WASHINGTON BLVD.
LONG BEACH, NY 11561

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

HERBERT HARRIS
625 WASHINGTON BLVD.
LONG BEACH, NY 11561

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

ILLINOIS FRANCHISE BUREAU
OFFICE OF THE ATTORNEY GENERAL
500 SOUTH SECOND STREET
SPRINGFIELD, IL 62706

ANNUALLY

J & T TSAI, INC.

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

J & T TSAI, INC.

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

JILLY C, LLC

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

JILLY C, LLC

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

KEVTON HOLDING, LLC

CORPORATE FINANCIAL
STATEMENTS ISSUED
QUARTERLY AND ANNUALLY

KEVTON HOLDING, LLC

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

MACERICH DEPTFORD, LLC
ATTN: LEGAL DEPT
401 WILSHIRE BLVD, SUITE 700
SANTA MONICA, CA 90401

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

MALVERNE REALTY, LLC
4007 MERRICK ROAD
SEAFORD, NY 11783

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

MALVERNE REALTY, LLC
4007 MERRICK ROAD
SEAFORD, NY 11783

MARIETTA, LLC
ATTN: MARIO D'URSO
148-25 29TH AVE.
FLUSHING, NY 11354

MARIETTA, LLC
ATTN: MARIO D'URSO
148-25 29TH AVE.
FLUSHING, NY 11354

MARILYN MATLIN

MARILYN MATLIN

MARSH SURETY
JOHN B. O'KEEFE
20 CHURCH ST
HARTFORD, CT 06103

MARYLAND OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION
200 ST. PAUL PLACE
BALTIMORE, MD 21202-2021

MJDP, LLC

MJDP, LLC

NTN REALTY LLC

NTN REALTY LLC

NYS DEPT OF LAW BUREAU OF INVESTOR PROTECTION &
SECURITIES
120 BROADWAY, 23RD FL
NEW YORK, NY 10271

O ICE, LLC
600 LA TERRAZA BOULEVARD
ESCONDIDO, CA 92025

O ICE, LLC
600 LA TERRAZA BOULEVARD
ESCONDIDO, CA 92025

OCEAN SPRAY CRANBERRIES
BEVERLY VASI
ONE OCEAN SPRAY DR
LAKEVILLE, MA 02349

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

ANNUALLY

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

ANNUALLY

CORPORATE FINANCIAL
STATEMENT REPORT ISSUED
QUARTERLY AND ANNUALLY

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

P & M REALTY TRUST
PARASKEVAS HATZIGIANNIS AND MARIANTHI HATZIGIANNIS,
TRUSTEES
44 TERRACE ROAD
MEDFORD, MA 02155

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

P & M REALTY TRUST
PARASKEVAS HATZIGIANNIS AND MARIANTHI HATZIGIANNIS,
TRUSTEES
44 TERRACE ROAD
MEDFORD, MA 02155

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

P & P REALTY TRUST
ATTN: PETER CAVALLARO
7 MOORLAND ROAD
GLOUCESTER, MA 01730

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

P & P REALTY TRUST
ATTN: PETER CAVALLARO
7 MOORLAND ROAD
GLOUCESTER, MA 01730

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

PARIS P, LLC

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

PARIS P, LLC

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

REALTY INCOME
M. DEPONTE

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

REALTY INCOME CORP.
600 LA TERRAZA BOULEVARD
ESCONDIDO, CA 92025

CORPORATE FINANCIAL
STATEMENT REPORT ISSUED
QUARTERLY AND ANNUALLY

REALTY INCOME CORP.
600 LA TERRAZA BOULEVARD
ESCONDIDO, CA 92025

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED QUARTERLY AND
ANNUALLY

RHODE ISLAND DEPT OF BUSINESS REGULATION
DIV OF BANKING & SECURITIES
1511 PONTIAC AVENUE
JOHN O. PASTORE COMPLEX, BLDG. 69-1
CRANSTON, RI 02920

ANNUALLY

RIGHTON INVESTMENT LLC

CORPORATE FINANCIAL
STATEMENTS ISSUED
QUARTERLY AND ANNUALLY

RIGHTON INVESTMENT LLC

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

SARAH'S WAY FAIRHAVEN, LLC AND KARGER REALTY, INC.

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

SPIRIT MASTER FUNDING, LLC
ATTENTION: LEGAL DEPT
401 WILSHIRE BLVD. SUITE 700
SANTA MONICA, CA 90401

CORPORATE FINANCIAL
STATEMENTS ISSUED
QUARTERLY AND ANNUALLY

SPIRIT MASTER FUNDING, LLC
ATTENTION: LEGAL DEPT
401 WILSHIRE BLVD. SUITE 700
SANTA MONICA, CA 90401

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

SPRINGFIELD RENTAL, LLC

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

SPRINGFIELD RENTAL, LLC

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

STORE NO. 329, LLC

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

STORE NO. 329, LLC

STORE PROFIT & LOSS ISSUED
QUARTERLY AND ANNUALLY

SUMIRAN, LLC

CORPORATE FINANCIAL
STATEMENT ISSUED
ANNUALLY

SUMIRAN, LLC

STORE PROFIT & LOSS FOR THE
RETAIL SALES OPERATIONS
LOCATED ON THE PREMISES
ISSUED ANNUALLY

TD BANKNORTH
KEVIN PATTISON

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

THE HERSHEY COMPANY
EMILY MOYER
19 EAST CHOCOLATE AVE., PO BOX 819
HERSHEY, PA 17033

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

VALASSIS
GABRIEL GRIJALVA
19975 VICTOR PARKWAY
LIVONIA, MI 48152

CORPORATE FINANCIAL
STATEMENT ISSUED
QUARTERLY AND ANNUALLY

VIRGINIA STATE CORPORATION COMMISSION
DIV. OF SECURITIES & RETAIL FRANCHISING
1300 E MAIN ST, 9TH FL
RICHMOND, VA 23219

ANNUALLY

20. Inventories

- None ☒ 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
(Specific 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 AND ADDRESSES OF CUSTODIAN OF
INVENTORY RECORDS

21. Current Partners, Officers, Directors and Shareholders

- None ☒ a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND 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 AND ADDRESS

TITLE

NATURE AND PERCENTAGE
OF STOCK OWNERSHIP

HARSHAVARDHAN V. AGADI
1855 BOSTON ROAD
WILBRAHAM, MA 01095

CHAIRMAN, CEO AND
PRESIDENT

N/A

ROBERT K. SAWYER, JR.
1855 BOSTON ROAD
WILBRAHAM, MA 01095

SENIOR VICE
PRESIDENT &
SECRETARY

N/A

STEVEN C. SANCHIONI
1855 BOSTON ROAD
WILBRAHAM, MA 01095

EXECUTIVE VICE
PRESIDENT, CFO,
TREASURER &
ASSISTANT
SECRETARY

N/A

FRIENDLY ICE CREAM
CORPORATION
1855 BOSTON ROAD
WILBRAHAM, MA 01095

PARENT COMPANY

100%

22. Former partners, officers, directors and shareholders

- None ☒ 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 AND ADDRESS

TITLE

DATE OF TERMINATION

23. Withdrawals from a partnership or distributions by a corporation

None



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 perquisite during one year immediately preceding the commencement of this case.

NAME & ADDRESS OF
RECIPIENT, RELATIONSHIP
TO DEBTOR

DATE AND PURPOSE
OF WITHDRAWAL

AMOUNT OF MONEY OR
DESCRIPTION AND VALUE
OF PROPERTY

24. Tax Consolidation Group

None



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 (EIN)

FREEZE GROUP HOLDING CORP.
5200 TOWN CENTER CIRCLE,
SUITE 600
BOCA RATON, FL 33486

26-0343232

25. Pension Funds

None



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 (EIN)

[If completed by an individual or individual and spouse]

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.

Date _____ Signature of Debtor _____

Date _____ Signature of Joint Debtor (if any) _____

* * * * *

[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 November 14, 2011 Signature H. V. Agadi

Print Name and Title HARSHAVARDHAN V. AGADI
CHIEF EXECUTIVE OFFICER AND PRESIDENT

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

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