

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

In re:

THE WET SEAL, LLC

Debtors.<sup>1</sup>

Chapter 11

Case No. 17-10229 (CSS)

(Jointly Administered)

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

The Wet Seal, LLC ("Wet Seal") and its affiliated debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively with Wet Seal, the "Debtors") hereby submit their respective Schedules of Assets and Liabilities (collectively, the "Schedules") and Statements of Financial Affairs (collectively, the "Statements" and, together with the Schedules, the "Schedules and Statements") pursuant to section 521 of the Bankruptcy Code (as defined below) and Rule 1007 of the Federal Rules of Bankruptcy Procedure.

On February 2, 2017 (the "Petition Date"), the Debtors commenced the above-captioned chapter 11 cases by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered under case number 17-10229 (CSS). The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

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<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: The Wet Seal, LLC (2741) The Wet Seal Gift Card, LLC (3286); Mador Financing, LLC (1377). As of April 1, 2017, the Debtors' mailing address is P.O. Box 421, 1278 Glenneyre Street, Laguna Beach, CA 92651-3103.

The Schedules and Statements were prepared by the Debtors' management and are unaudited. While those members of management responsible for the preparation of the Schedules and Statements have made a reasonable effort to ensure that the Schedules and Statements are accurate and complete based on information known to them at the time of preparation after reasonable inquiries, inadvertent errors or omissions may exist and/or the subsequent receipt of information may result in material changes in financial and other data contained in the Schedules and Statements. Accordingly, the Debtors reserve their right to amend and/or supplement their Schedules and Statements from time to time as may be necessary or appropriate; but there can be no guarantees that the Debtors will do so.

The Debtors and their agents, attorneys and financial advisors do not guarantee or warrant the accuracy or completeness of the data that is provided herein and shall not be liable for any loss or injury arising out of or caused in whole or in part by the acts, errors, or omissions, whether negligent or otherwise, in procuring, compiling, collecting, interpreting, reporting, communicating or delivering the information contained therein. While commercially reasonable efforts have been made to provide accurate and complete information in the Schedules and Statements, inadvertent errors or omissions may exist. The Debtors and their agents, attorneys and financial advisors expressly do not undertake any obligation to update, modify, revise, or re-categorize the information provided in the Schedules and Statements, or to notify any third party should the information be updated, modified, revised, or re-categorized. In no event shall the Debtors or their agents, attorneys and financial advisors be liable to any third party for any direct, indirect, incidental, consequential, or special damages (including, but not limited to, damages arising from the disallowance of a potential claim against the Debtors or damages to business reputation, lost business or lost profits), whether foreseeable or not and however caused, even if the Debtors or their agents, attorneys, and financial advisors are advised of the possibility of such damages. These Global Notes and Statements of Limitations, Methodology and Disclaimers Regarding the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs (these "Global Notes") are incorporated by reference in, and comprise an integral part of, the Schedules and Statements, and should be referred to and reviewed in connection with any review of the Schedules and Statements. In the event that the Schedules and Statements differ from these Global Notes, these Global Notes shall control.

### **General Comments**

***Reservation of Rights.*** The Debtors reserve the right to dispute, or to assert setoff or other defenses to, any claim reflected in the Schedules and Statements as to amount, liability, and classification. The Debtors also reserve all rights with respect to the values, amounts, and characterizations of the assets and liabilities listed in the Schedules and Statements.

***Basis of Presentation.*** The Schedules and Statements reflect the separate assets and liabilities of each individual Debtor. For financial reporting purposes, Wet Seal and its affiliated debtors and debtors in possession historically prepared consolidated financial statements. These Schedules and Statements do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), nor are they intended to reconcile to the financial statements previously distributed to lenders major creditors, or various equity holders on an intermittent basis (to the extent applicable). It should also be noted that the Debtors use a consolidated cash management system through which the Debtors pay substantially all liabilities and expenses. The Schedules and Statements have been signed by Judd Tirnauer, Executive Vice President and Chief Financial Officer of Wet Seal. In reviewing and signing the Schedules and Statements, Mr. Tirnauer necessarily relied upon the efforts, statements and representations of the Debtors' accounting and non-accounting personnel who report to, or work with, Mr. Tirnauer, either directly or indirectly. Mr. Tirnauer 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.

***Date of Valuations.*** Except as otherwise noted in the Schedules and Statements, all liabilities, as well as cash, inventory and vendor debit balances, are valued as of the Petition Date. All other assets are valued as of the Debtors' January 2017 month-end close, January 28, 2017. The Schedules and Statements reflect the Debtors' best effort to allocate the assets, liabilities, receipts, and expenses to the appropriate Debtor entity "as of" such dates. All values are stated in United States currency. In certain instances, the Debtors used estimates or pro-rated amounts where actual data as of the aforementioned dates was not available. The Debtors made a reasonable effort to allocate liabilities between the pre- and post-petition periods based on the information and research that was conducted in connection with the preparation of the Schedules and Statements. As additional information becomes available and further research is conducted,

the Debtors may modify the allocation of liabilities between the pre- and post-petition periods and amend the Schedules and Statements accordingly.

**The asset information provided in the Schedules and Statements, except as otherwise noted, represents the asset data of the Debtors as of January 28, 2017, and the liability information provided therein, except as otherwise noted, represents the liability data of the Debtors as of February 2, 2017, excluding operational accruals.**

***Book Value.*** Except as otherwise noted, each asset and liability of each Debtor is shown on the basis of net book value of the asset or liability in accordance with such Debtor's accounting books and records. Therefore, unless otherwise noted, the Schedules and Statements are not based upon any estimate of the current market values of the Debtors' assets and liabilities, which may not correspond to book values. It would be cost prohibitive and unduly burdensome to obtain current market valuations of the Debtors' property interests. Except as otherwise noted, the Debtors' assets are presented, in detail, as they appear on the Debtors' accounting sub-ledgers. As such, the detail may include error corrections and value adjustments (shown as negative values or multiple line items for an individual asset). The Debtors believe that certain of their assets, including intangible assets, may have been significantly impaired by, among other things, the events leading to, and the commencement of, the Debtors' chapter 11 cases. The Debtors have not yet formally evaluated the appropriateness of the carrying values ascribed to their assets prior to the Petition Date.

***Re-characterization.*** Notwithstanding the Debtors' reasonable efforts to properly characterize, classify, categorize or designate certain Claims, assets, executory contracts, unexpired leases and other items reported in the Schedules and Statements, the Debtors may, nevertheless, have improperly characterized, classified, categorized, designated, or omitted certain items due to the complexity and size of the Debtors' businesses. Accordingly, the Debtors reserve all of their rights to re-characterize, reclassify, re-categorize, re-designate, add or delete items reported in the Schedules and Statements at a later time as is necessary or appropriate as additional information becomes available, including, without limitation, whether contracts or leases listed herein were deemed executory or unexpired as of the Petition Date and remain executory and unexpired postpetition.

***Property and Equipment.*** Owned property and equipment are recorded at cost and are shown net of depreciation. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets, which range from three to four years for furniture, fixtures, equipment, and software.

***Causes of Action.*** The Debtors have made their best efforts to set forth known causes of action against third parties as assets in their Schedules and Statements. The Debtors reserve all of their rights with respect to causes of action they may have, whether disclosed or not disclosed, and neither these Global Notes nor the Schedules and Statements shall be deemed a waiver of any such causes of action.

***Materialman's/Mechanic's Liens.*** The assets listed in the Schedules and Statements are presented without consideration of any materialman's or mechanic's liens.

***Litigation.*** Certain litigation actions (collectively, the "Litigation Actions") reflected as claims against a particular Debtor may relate to any of the other Debtors. The Debtors made reasonable efforts to accurately record the Litigation Actions in the Schedules and Statements of the Debtor that is the party to the Litigation Action. The inclusion of any Litigation Action in the Schedules and Statements does not constitute an admission by the Debtors of liability, the validity of any Litigation Action or the amount of any potential claim that may result from any claims with respect to any Litigation Action, or the amount and treatment of any potential claim resulting from any Litigation Action currently pending or that may arise in the future.

***Application of Vendor Credits.*** In the ordinary course of their businesses, the Debtors apply credits against amounts otherwise due to vendors. These credits arise because, among other matters, (i) materials ordered and paid for may not be delivered, (ii) materials delivered may be damaged or unusable and, (iii) vendor provided volume rebates and cash discounts. Certain of these credits are subject to change. Vendor claims are listed at the amounts entered on the Debtors' books and records, which may or may not all reflect credits or allowances due from such creditors to the Debtors. The Debtors reserve all of their rights with respect to such credits and allowances.

***Claims.*** Wet Seal's Schedule lists creditors and sets forth the Debtors' estimate of the claims of creditors as of the Petition Date. The claim amounts reflected on the Schedules may include the

Debtors' estimates for vendor charges not yet invoiced. By estimating certain invoices, the Debtors are not representing that they have sought to identify and estimate all un-invoiced vendor charges.

The Debtors intentionally have not included "non-cash" accruals, i.e. accruals to recognize expense or liability over multiple periods where no specific obligation to perform is established, such as accruals to equalize lease payments, in the Schedules and Statements.

The Bankruptcy Court has authorized the Debtors, among other matters, to (i) pay certain prepetition wages, salaries, employee benefits and other related obligations, (ii) pay certain prepetition sales, use and other taxes, (iii) pay certain prepetition shipping charges, and (iv) pay certain lienholders. While the Debtors have made their best efforts to reflect the claims, by vendor, net of these various adjustments as well as "vendor credits" discussed above, the actual unpaid claims of creditors that may be allowed in these cases may differ from the amounts set forth in the Schedules and Statements. Moreover, the Debtors have not attempted to reflect any alleged recoupments in the claims of utility companies or other parties holding prepetition deposits that may assert (or have asserted) a recoupment right.

Certain claims held by certain vendors against the Debtors were satisfied by third parties. In some instances, the Debtors have attempted to adjust the amounts of such claims based on information received from the third party that paid on behalf of the Debtors. If the information received from the third party is incorrect, the resulting claim amounts may also be incorrect.

Any failure to designate a claim listed on a Debtor's Schedule as "disputed," "contingent," "or" "unliquidated" does not constitute an admission by the Debtors that the claim is not "disputed," "contingent," or "unliquidated." The Debtors reserve the right to (i) object to or otherwise dispute or assert setoff rights, cross-claims, counterclaims or defenses to, any claim reflected on the Schedules as to amount, liability or classification or (ii) otherwise to designate subsequently any claim as "disputed," "contingent" or "unliquidated."

The claims listed on the Schedules do not reflect any analysis of claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve all of their rights to dispute or challenge the validity of any asserted claims under section 503(b)(9) of the Bankruptcy Code or

the characterization of the structure of any such transaction or any document or instrument related to any creditor's claim.

The Debtors have excluded potential rejection damage claims of counterparties to executory contracts and unexpired nonresidential real property leases that may or may not be rejected, to the extent such damage claims exist.

***Employee Claims.*** The Bankruptcy Court entered a final order granting authority to, but not requiring, the Debtors to pay prepetition employee wages, salaries, benefits and other related obligations. With the exception of any prepetition severance, deferred compensation, and certain unused vacation obligations, as applicable, the Debtors currently expect that most prepetition employee claims for wages, salaries, benefits and other related obligations either have been paid or will be paid in the ordinary course of business and, therefore, the Schedules and Statements do not include such claims. Post-petition, the Debtors notified all employees that all employee benefit plans were being terminated, and affected employees received instructions in conjunction therewith.

***Addresses of Employees.*** The Debtors have attempted to list each of their current employees' addresses as the Debtors' previous corporate address<sup>2</sup> where reasonably possible to protect the privacy of the Debtors' employees. The Debtors have served and will continue to serve all necessary notices, including notice of the claims bar date (as applicable), to the actual address of each of the Debtors' employees.

***Reporting Policies.*** The description of an amount as "unknown," "TBD" or "undetermined" is not intended to reflect upon the materiality of such amount. All totals that are included in the Schedules and Statements represent totals of all known amounts. To the extent that there are unknown or undetermined amounts, the actual total may be different than the listed total.

***Currency.*** Unless otherwise indicated, all amounts are reflected in U.S. Dollars.

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<sup>2</sup> The Debtors surrendered their corporate headquarters to the applicable landlord and sought to reject the underlying lease, effective as of March 31, 2017.

## **Schedules of Assets and Liabilities**

### **Schedule A/B – Real and Personal Property**

Item 1a. The Debtors do not own any real property. In response to this question, the Debtors have listed all leasehold interests for nonresidential real property leases as of the Petition Date which, in part, reflects leases for which the Debtors had surrendered underlying premises prior to the commencement of these chapter 11 cases. The Debtors' leasehold improvements are listed in response to Item 40.

Item 7. The Bankruptcy Court authorized the establishment of an adequate assurance account for payment of postpetition utility services, if needed. Such deposit is not listed in response to Item 7, which is prepared as of the Petition Date.

Item 11 – Accounts Receivable. The amount disclosed includes "Other Receivables" and excludes credit card receivables as of the Petition Date. "Other Receivables" consist of medical stop loss reimbursements (less than 90 days old) and a related party expense deposit receivable (greater than 90 days old).

Item 15 – Non-Publicly Traded Stock and Interests in Incorporated and Unincorporated Businesses. Debtor Mador Financing, LLC's ownership interests in its affiliated Debtors are reflected in Mador Financing, LLC's Schedule. The Debtors have not performed a valuation regarding such ownership interests.

Item 21 - Finished Goods, Including Goods Held for Resale. Inventory is shown as of the Petition Date and is shown net of reductions for shrink, lower of cost or market, and inventory write-off reserves. Goods are presented in Wet Seal's main style categories, valued at net book value, and listed in Wet Seal's Schedule.

Item 22 - Other Inventory or Supplies. Supplies at retail locations and distribution centers include items such as signage and shelving which are recorded on the Debtors' books and records at net book value, and listed in Wet Seal's Schedule.

Item 40 - Office Fixtures. The Debtors' owned leasehold improvements are included within Office Fixtures on Wet Seal's Schedule, and are designated as "LI" in applicable descriptions.



Item 41 – Office Equipment. The Office Equipment listed on Wet Seal’s Schedule primarily consists of computers, tablets and IT-related equipment.

Item 47 – Automobiles, Vans, Trucks, Motorcycles, Trailers and Titled Farm Vehicles. As of the Petition Date, Wet Seal owned a 2001 Chevrolet Suburban which, prior to the termination of the Debtors’ operations, was utilized for various non-merchandise delivery purposes.

Item 54 – Owned or Leased Real Property. Item 54 lists the Debtors’ leasehold interests, as of the Petition Date, by store number, including those leases for which stores were unequivocally surrendered to landlords prior to the Petition Date. As of the filing hereof, all retail locations have been surrendered to applicable landlords, and underlying leases rejected by Bankruptcy Court order.

Items 74 and 75 – Causes of action and other claims. The Debtors attempted to list known causes of action and other claims. Potential preference actions and/or fraudulent transfer actions were not listed because the Debtors have not completed an analysis of such potential claims. The Debtors’ failure to list any cause of action, claim, or right of any nature is not an admission that such cause of action, claim, or right does not exist, and should not be construed as a waiver of such cause of action, claim, or right.

#### **Schedule D – Creditors Holding Claims Secured by Property**

Except as otherwise ordered 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 for the benefit of a secured creditor listed on a Debtor's Schedule D. Moreover, although the Debtors may 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 (including without limitation, any intercompany agreement) related to such creditor's claim.

The claims listed on Schedule D arose or were incurred on various dates; a determination of the date upon which each Claim arose or was incurred would be unduly burdensome and cost

prohibitive. Accordingly, not all such dates are included. All claims listed on Schedule D, however, were incurred before the Petition Date.

The descriptions provided in Schedule D are intended only to be a summary. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. Nothing in these Global Notes or the Schedules and Statements shall be deemed a modification or interpretation of the terms of such agreements.

Except as specifically stated herein, real property lessors, utility companies and other parties which may hold security deposits have not been listed on Schedule D. The Debtors have not included parties that may believe their Claims are secured through setoff rights or inchoate statutory lien rights.

#### **Schedule E/F – Creditors Holding Unsecured Claims**

Certain claims held by state and local taxing authorities set forth in Schedule E ultimately may be deemed to be secured claims pursuant to state or local laws. Certain of the claims owing to various taxing authorities to which the Debtors may be liable may be subject to ongoing audits. The Debtors reserve their right to dispute or challenge whether claims owing to various taxing authorities are entitled to priority and the listing of any claim on Schedule E/F Part 1 does not constitute an admission that such claim is entitled to priority treatment pursuant to section 507 of the Bankruptcy Code.

In certain instances, a Debtor may be a guarantor with respect to scheduled claims of other Debtors. No claim set forth on the Schedule E/F of any Debtor is intended to acknowledge claims of creditors that are may be otherwise satisfied or discharged.

Schedule E/F does not include certain deferred charges, deferred liabilities, accruals, or general reserves. Such amounts are, however, reflected on the Debtors' books and records as required in accordance with GAAP. Such accruals are general estimates of liabilities and do not represent specific Claims as of the Petition Date.

Landlords identified on Schedule F are listed in numerical order by store number. Claim amounts reflect the Debtors' calculation of base rent owed as of the Petition Date to applicable

landlords inclusive of, among other things, CAM, real estate taxes, and trash removal. Landlord claims exclude percentage rent calculations.

Schedule F claims are bifurcated by landlord claims (listed by numerical store number) and, subsequent thereto, vendor or other third party claims.

The Debtors used reasonable efforts to assign address information to potential claimants identified in Schedule F who are party to litigation with the Debtors. However, where unknown, this address information has not been provided. The Debtors will continue to use reasonable efforts to locate contact information for these parties. Some of the litigation claims listed on Schedule F may be subject to subordination pursuant to section 510 of the Bankruptcy Code.

Item 4 – Others to Be Notified. The Debtors have listed their known creditors in Schedule E/F. To the extent attorneys have entered appearances on behalf of such creditors, those appearances are noted on the docket of the Debtors' chapter 11 cases and are not separately listed in Item 4.

#### **Schedule G – Executory Contracts and Unexpired Leases**

The businesses of the Debtors are complex and, while every effort has been made to ensure the accuracy of Schedule G, inadvertent errors or omissions may have occurred. The Debtors hereby reserve all of their rights to (i) dispute the validity, status or enforceability of any contracts, agreements or leases set forth in Schedule G and (ii) amend or supplement such Schedule as necessary. Furthermore, the Debtors reserve all of their rights, claims and causes of action with respect to the contracts and agreements listed on the Schedules, including the right to dispute or challenge the characterization or the structure of any transaction, document or instrument. The presence of a contract or agreement on Schedule G does not constitute an admission that such contract or agreement is an executory contract or an unexpired lease.

The contracts, agreements and leases listed on Schedule G may have expired or may have been modified, amended or supplemented from time to time by various amendments, restatements, waivers, estoppel certificates, letter and other documents, instruments and agreements that may not be listed therein. Certain of the real property leases listed on Schedule G may contain renewal options, guarantees of payments, options to purchase, rights of first refusal, rights to lease additional space and other miscellaneous rights. Such rights, powers, duties and

obligations are not set forth on Schedule G. Additionally, the Debtors may be parties to various other agreements concerning real property, such as easements, rights of way, subordination, non-disturbance, supplemental agreements, amendments/letter agreements, title documents, consents, site plans, maps and other miscellaneous agreements. Such agreements, if any, are not set forth in Schedule G. Certain of the agreements listed on Schedule G may be in the nature of conditional sales agreements or secured financings.

The Debtors have used reasonable efforts to assign a “title” to the contracts listed on Schedule G. However, in many instances, the purpose of the contract, identified immediately below the “title” field, provides the most accurate description for the subject agreement. The contracts listed on Schedule G are presented in alphabetical order, by contract counterparty name.

The Debtors have not identified the term date for each leasehold interest. Given that each lease has been effectively rejected by Bankruptcy Court order, and the limited resources at the Debtors’ disposal when preparing the Schedules and Statements, the Debtors determined that completing this field would not be cost efficient or useful to parties reviewing the Schedules and Statements.

Purchase orders outstanding as of the Petition Date are not listed in Schedule G.

#### **Schedule H – Co-Debtors**

For purposes of Schedule H, the Debtors that are either the principal obligors or guarantors under the prepetition debt facilities are listed as Co-Debtors on Schedule H. The Debtors may not have identified certain guarantees associated with the Debtors’ executory contracts, unexpired leases, secured financings, debt instruments and other such agreements. The Debtors reserve all of their rights to amend the Schedules to the extent that additional guarantees are identified or such guarantees are discovered to have expired or be unenforceable.

In the ordinary course of their businesses, the Debtors may be involved in pending or threatened litigation. These matters may involve multiple plaintiffs and defendants, some or all of whom may assert cross-Claims and counter-Claims against other parties. Because all such Claims are contingent, disputed, or unliquidated, such Claims have not been set forth individually on Schedule H.

### **Statements of Financial Affairs**

Question 1 - Gross revenue from business. As is customary in the retail industry, sales are reflected net of returns and allowances, discounts, and shipping and handling.

Question 3 – Payments to Creditors Within 90 Days of Petition Date. The Debtors have listed all payments made to creditors in the 90 days prior to the Petition Date on an individual payment basis, and have not aggregated payments by unique creditor. The data is presented in numerical order by store number with respect to lease-related payments and, subsequent thereto, in alphabetical order by vendor name for all other payments.

Question 3 includes any disbursement or other transfer made by the Debtors within 90 days before the Petition Date except for those made to insiders (which payments appear in response to Statement question 4), employees, and bankruptcy professionals (which payments appear in response to Question 9 and include any retainers paid to bankruptcy professionals). The amounts listed in Question 3 reflect the Debtors' disbursements netted against any check level detail. All disbursements listed in response to Question 3 were made through the Debtors' cash management system.

Question 4 – Payments or other transfers of property made within 1 year before filing that benefitted any insider. Solely for purposes of these Schedules and Statements, the Debtors define "insiders" to include the following: (a) managing members; (b) senior level officers; (c) significant equity holders, and/or their affiliates; (d) Debtor affiliates; and (e) relatives of any of the foregoing (to the extent known by the Debtors). Entities listed as "insiders" have been included for informational purposes and their inclusion shall not constitute an admission that those entities are insiders for purposes of section 101(31) of the Bankruptcy Code.

The Debtors have listed the corporate headquarters' address, in effect as of the Petition Date, for each of the Debtors' officers.

The listing of a party as an Insider in the Schedules and Statements, however, is not intended to be, nor shall be, construed as a legal characterization or determination of such party as an actual insider and does not act as an admission of any fact, claim, right or defense, and all such rights, claims, and defenses are hereby expressly reserved.

Question 7 - Legal Actions, Administrative Proceedings, Court Actions, Executions, Attachments, or Governmental Audits. The Debtors have identified “Case Title”, in some instances, by the applicable plaintiff’s name. As of mid-February 2017, the Debtors no longer had an operating legal department and, accordingly, used reasonable efforts to identify all pending litigation and assign appropriate descriptions thereto. In the event that the Debtors discover additional information pertaining to these legal actions identified in response to Question 7, the Debtors will use reasonable efforts to supplement the Statements in light thereof.

Question 10 - Losses. The Debtors occasionally incurred losses for a variety of reasons, including theft and property damage. The Debtors, however, may not have records of all such losses if such losses do not have a material impact on the Debtors’ business or are not reported for insurance purposes. Accordingly, in this context, the Debtors have left the response to Question 10 blank.

Question 14 - Previous Addresses. Due to the voluminous nature of the Debtors’ store base and the undue burden involved in identifying and documenting all changes to store addresses over the last three years, the Debtors have not included store or distribution center addresses in Wet Seal’s Statement.

Question 26 - Books, Records and Financial Statements.

Question 26b: KPMG LLP provided audit services to the Debtors through the fiscal year 2015 audit. KPMG LLP had begun preliminary audit procedures on the fiscal 2016 year, but services were terminated due to the Debtors’ chapter 11 filing. For fiscal year 2014, an audit was not conducted due to the Debtors’ predecessor’s chapter 11 filing.

Question 26d: From time to time, the Debtors provided financial statements in the ordinary course of business to certain parties for business, statutory, credit, financing and other reasons. Recipients have included regulatory agencies, financial institutions, investment banks, vendors, debtholders and their legal and financial advisors. Due to the confidentiality requirements of the non-disclosure agreements, such parties are not listed in response to this question.

Question 27 - Have any inventories of the debtor's property been taken within 2 years before filing this case? The Debtors' conduct two physical inventories per year: one in June and one in January.

Question 30 – Payments, Distributions, or Withdrawals Credited or Given to Insiders. The Debtors have included a comprehensive response to Question 30 in Wet Seal's Statement Question 4.

\*\*\*END OF GLOBAL NOTES\*\*\*

\*\*SCHEDULES AND STATEMENTS BEGIN ON THE FOLLOWING PAGE\*\*

**Fill in this information to identify the case:****Debtor name:** The Wet Seal Gift Card, LLC**United States Bankruptcy Court for the:** District of Delaware**Case number (if known):** 17-10230☐ Check if this is an amended filing

Official Form 206Sum

**Summary of Assets and Liabilities for Non-Individuals**

12/15

**Part 1: Summary of Assets****1. Schedule A/B: Assets—Real and Personal Property** (Official Form 206A/B)

1a. <b>Real property:</b> Copy line 88 from Schedule A/B .....	\$0.00
1b. <b>Total personal property:</b> Copy line 91A from Schedule A/B .....	\$0.00
1c. <b>Total of all property:</b> Copy line 92 from Schedule A/B .....	\$0.00

**Part 2: Summary of Liabilities**

2. <b>Schedule D: Creditors Who Have Claims Secured by Property</b> (Official Form 206D) Copy the total dollar amount listed in Column A, Amount of claim, from line 3 of Schedule D .....	\$25,336,833.00
3. <b>Schedule E/F: Creditors Who Have Unsecured Claims</b> (Official Form 206E/F)	
3a. <b>Total claim amounts of priority unsecured claims:</b> Copy the total claims from Part 1 from line 5a of Schedule E/F .....	\$0.00
3b. <b>Total amount of claims of nonpriority amount of unsecured claims:</b> Copy the total of the amount of claims from Part 2 from line 5b of Schedule E/F .....	+ \$0.00
4. <b>Total liabilities</b> Lines 2 + 3a + 3b .....	\$25,336,833.00



**Fill in this information to identify the case:****Debtor name:** The Wet Seal Gift Card, LLC**United States Bankruptcy Court for the:** District of Delaware**Case number (if known):** 17-10230☐ Check if this is an amended filing

Official Form 206A/B

**Schedule A/B: Assets — Real and Personal Property**

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on Schedule G: Executory Contracts and Unexpired Leases (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

**Part 1: Cash and cash equivalents****1. Does the debtor have any cash or cash equivalents?**☒ No. Go to Part 2.☐ Yes. Fill in the information below**All cash or cash equivalents owned or controlled by the debtor****Current value of debtor's interest****2. Cash on hand**

2.1. \_\_\_\_\_ \$ \_\_\_\_\_

**3. Checking, savings, money market, or financial brokerage accounts (Identify all)**

Name of institution (bank or brokerage firm)

Type of account

Last 4 digits of account number

Current value of debtor's interest

3.1. \_\_\_\_\_ \$ \_\_\_\_\_

**4. Other cash equivalents (Identify all)**

Description

Name of institution

Type of account

Last 4 digits of account number

Current value of debtor's interest

4.1. \_\_\_\_\_ \$ \_\_\_\_\_

**5. Total of part 1**

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

\$0.00

**Part 2: Deposits and prepayments****6. Does the debtor have any deposits or prepayments?**☒ No. Go to Part 3.☐ Yes. Fill in the information below

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****7. Deposits, including security deposits and utility deposits**

Description, including name of holder of deposit

Current value of  
debtor's interest

7.1. \_\_\_\_\_ \$ \_\_\_\_\_

**8. Prepayments, including prepayments on executory contracts, leases, insurance, taxes, and rent**

Description, including name of holder of prepayment

Current value of  
debtor's interest

8.1. \_\_\_\_\_ \$ \_\_\_\_\_

**9. Total of part 2**

Add lines 7 through 8. Copy the total to line 81.

\$0.00

**Part 3: Accounts receivable****10. Does the debtor have any accounts receivable?**

No. Go to Part 4.



Yes. Fill in the information below.

Current value of  
debtor's interest**11. Accounts receivable**

Face amount

Doubtful or uncollectible  
accounts

11a. 90 days old or less: \$ \_\_\_\_\_ - \$ \_\_\_\_\_ = ..... → \$ \_\_\_\_\_

Face amount

Doubtful or uncollectible  
accounts

11b. Over 90 days old: \$ \_\_\_\_\_ - \$ \_\_\_\_\_ = ..... → \$ \_\_\_\_\_

**12. Total of part 3**

Current value on lines 11a + 11b = line 12. Copy the total to line 82.

\$0.00

**Part 4: Investments****13. Does the debtor own any investments?**

No. Go to Part 5.



Yes. Fill in the information below.

Valuation method used  
for current valueCurrent value of  
debtor's interest**14. Mutual funds or publicly traded stocks not included in Part 1**

Name of fund or stock

14.1. \_\_\_\_\_ \$ \_\_\_\_\_

**15. Non-publicly traded stock and interests in incorporated and unincorporated businesses, including any interest in an LLC, partnership, or joint venture**

Name of entity

% of ownership

15.1. \_\_\_\_\_ % \_\_\_\_\_ \$ \_\_\_\_\_

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****16. Government bonds, corporate bonds, and other negotiable and non-negotiable instruments not included in Part 1**

Describe

16.1. \_\_\_\_\_ \$ \_\_\_\_\_

**17. Total of part 4**

Add lines 14 through 16. Copy the total to line 83.

\$0.00

**Part 5: Inventory, excluding agriculture assets****18. Does the debtor own any inventory (excluding agriculture assets)?**☒ No. Go to Part 6.☐ Yes. Fill in the information below.

General description	Date of the last physical inventory	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
---------------------	-------------------------------------	--	---	------------------------------------

**19. Raw materials**

19.1. \_\_\_\_\_ \$ \_\_\_\_\_

**20. Work in progress**

20.1. \_\_\_\_\_ \$ \_\_\_\_\_

**21. Finished goods, including goods held for resale**

21.1. \_\_\_\_\_ \$ \_\_\_\_\_

**22. Other inventory or supplies**

22.1. \_\_\_\_\_ \$ \_\_\_\_\_

**23. Total of part 5**

Add lines 19 through 22. Copy the total to line 84.

\$0.00

**24. Is any of the property listed in Part 5 perishable?**☐ No☐ Yes**25. Has any of the property listed in Part 5 been purchased within 20 days before the bankruptcy was filed?**☐ No☐ Yes Book value: \$ \_\_\_\_\_ Valuation method: \_\_\_\_\_ Current value: \$ \_\_\_\_\_**26. Has any of the property listed in Part 5 been appraised by a professional within the last year?**☐ No☐ Yes**Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)****27. Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?**☒ No. Go to Part 7.☐ Yes. Fill in the information below.

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230**

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
<b>28. Crops—either planted or harvested</b>			
28.1. _____	\$ _____	_____	\$ _____
<b>29. Farm animals.</b> Examples: Livestock, poultry, farm-raised fish			
29.1. _____	\$ _____	_____	\$ _____
<b>30. Farm machinery and equipment</b> (Other than titled motor vehicles)			
30.1. _____	\$ _____	_____	\$ _____
<b>31. Farm and fishing supplies, chemicals, and feed</b>			
31.1. _____	\$ _____	_____	\$ _____
<b>32. Other farming and fishing-related property not already listed in Part 6</b>			
32.1. _____	\$ _____	_____	\$ _____
<b>33. Total of part 6</b>			\$0.00

Add lines 28 through 32. Copy the total to line 85.

**34. Is the debtor a member of an agricultural cooperative?**

- ☐ No
- ☐ Yes. Is any of the debtor's property stored at the cooperative?
- ☐ No
- ☐ Yes

**35. Has any of the property listed in Part 6 been purchased within 20 days before the bankruptcy was filed?**

- ☐ No
- ☐ Yes Book value: \$ \_\_\_\_\_ Valuation method: \_\_\_\_\_ Current value: \$ \_\_\_\_\_

**36. Is a depreciation schedule available for any of the property listed in Part 6?**

- ☐ No
- ☐ Yes

**37. Has any of the property listed in Part 6 been appraised by a professional within the last year?**

- ☐ No
- ☐ Yes

**Part 7: Office furniture, fixtures, and equipment; and collectibles****38. Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?**

- ☒ No. Go to Part 8.
- ☐ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
<b>39. Office furniture</b>			
39.1. _____	\$ _____	_____	\$ _____
<b>40. Office fixtures</b>			
40.1. _____	\$ _____	_____	\$ _____

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****41. Office equipment, including all computer equipment and communication systems equipment and software**

	Net book value of debtor's interest	Valuation method used for current value	Current value of debtor's interest
41.1. _____	\$ _____	_____	\$ _____

**42. Collectibles.** Examples: Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles

42.1. _____	\$ _____	_____	\$ _____
-------------	----------	-------	----------

**43. Total of part 7**

Add lines 39 through 42. Copy the total to line 86.

\$0.00

**44. Is a depreciation schedule available for any of the property listed in Part 7?**

- ☐ No  
☐ Yes

**45. Has any of the property listed in Part 7 been appraised by a professional within the last year?**

- ☐ No  
☐ Yes

**Part 8: Machinery, equipment, and vehicles****46. Does the debtor own or lease any machinery, equipment, or vehicles?**

- ☒ No. Go to Part 9.  
☐ Yes. Fill in the information below.

General description Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
	(Where available)		

**47. Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles**

47.1. _____	\$ _____	_____	\$ _____
-------------	----------	-------	----------

**48. Watercraft, trailers, motors, and related accessories.** Examples: Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels

48.1. _____	\$ _____	_____	\$ _____
-------------	----------	-------	----------

**49. Aircraft and accessories**

49.1. _____	\$ _____	_____	\$ _____
-------------	----------	-------	----------

**50. Other machinery, fixtures, and equipment (excluding farm machinery and equipment)**

50.1. _____	\$ _____	_____	\$ _____
-------------	----------	-------	----------

**51. Total of part 8**

Add lines 47 through 50. Copy the total to line 87.

\$0.00

**52. Is a depreciation schedule available for any of the property listed in Part 8?**

- ☐ No  
☐ Yes

**53. Has any of the property listed in Part 8 been appraised by a professional within the last year?**

- ☐ No  
☐ Yes

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****Part 9: Real property****54. Does the debtor own or lease any real property?**

- ☒ No. Go to Part 10.
- ☐ Yes. Fill in the information below.

Description and location of property Include street address or other description such as Assessor Parcel Number (APN), and type of property (for example, acreage, factory, warehouse, apartment or office building), if available.	Nature and extent of debtor's interest in property	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
--	--	--	---	------------------------------------

**55. Any building, other improved real estate, or land which the debtor owns or in which the debtor has an interest**

55.1. \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

**56. Total of part 9**

Add the current value on lines 55. Copy the total to line 88.

\$0.00

**57. Is a depreciation schedule available for any of the property listed in Part 9?**

- ☐ No
- ☐ Yes

**58. Has any of the property listed in Part 9 been appraised by a professional within the last year?**

- ☐ No
- ☐ Yes

**Part 10: Intangibles and intellectual property****59. Does the debtor have any interests in intangibles or intellectual property?**

- ☒ No. Go to Part 11.
- ☐ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
---------------------	--	---	------------------------------------

**60. Patents, copyrights, trademarks, and trade secrets**

60.1. \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

**61. Internet domain names and websites**

	Net book value of debtor's interest	Valuation method	Current value of debtor's interest
61.1. _____	\$ _____	_____	\$ _____

**62. Licenses, franchises, and royalties**

62.1. \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

**63. Customer lists, mailing lists, or other compilations**

63.1. \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

**64. Other intangibles, or intellectual property**

64.1. \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

**65. Goodwill**

65.1. \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****66. Total of part 10**

Add lines 60 through 65. Copy the total to line 89.

\$0.00

**67. Do your lists or records include personally identifiable information of customers (as defined in 11 U.S.C. §§ 101(41A) and 107)?**

- ☐ No  
☐ Yes

**68. Is there an amortization or other similar schedule available for any of the property listed in Part 10?**

- ☐ No  
☐ Yes

**69. Has any of the property listed in Part 10 been appraised by a professional within the last year?**

- ☐ No  
☐ Yes

**Part 11: All other assets****70. Does the debtor own any other assets that have not yet been reported on this form?**

Include all interests in executory contracts and unexpired leases not previously reported on this form.

- ☒ No. Go to Part 12.  
☐ Yes. Fill in the information below.

**Current value of debtor's interest****71. Notes receivable**

Description (include name of obligor)	Total face amount	Doubtful or uncollectible amount		Current value of debtor's interest
71.1. _____	\$ _____	- \$ _____	= ..... →	\$ _____

**72. Tax refunds and unused net operating losses (NOLs)**

Description (for example, federal, state, local)	Tax refund amount	NOL amount	Tax year	Current value of debtor's interest
72.1. _____	\$ _____	\$ _____	_____	\$ _____

**73. Interests in insurance policies or annuities**

Insurance company	Insurance policy No.	Annuity issuer name	Annuity account type	Annuity account No.	Current value of debtor's interest
73.1. _____	_____	_____	_____	_____	\$ _____

**74. Causes of action against third parties (whether or not a lawsuit has been filed)**

	Nature of claim	Amount requested	Current value of debtor's interest
74.1. _____	_____	\$ _____	\$ _____

**75. Other contingent and unliquidated claims or causes of action of every nature, including counterclaims of the debtor and rights to set off claims**

	Nature of claim	Amount requested	Current value of debtor's interest
75.1. _____	_____	\$ _____	\$ _____

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****76. Trusts, equitable or future interests in property**

76.1. \_\_\_\_\_ \$ \_\_\_\_\_

**77. Other property of any kind not already listed**

Examples: Season tickets, country club membership

77.1. \_\_\_\_\_ \$ \_\_\_\_\_

**78. Total of part 11**

Add lines 71 through 77. Copy the total to line 90.

\$0.00

**79. Has any of the property listed in Part 11 been appraised by a professional within the last year?**☐ No☐ Yes



Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****Part 12: Summary**

In Part 12 copy all of the totals from the earlier parts of the form.

Type of property	Current value of personal property	Current value of real property
80. <b>Cash, cash equivalents, and financial assets.</b> <i>Copy line 5, Part 1.</i>	\$0.00	
81. <b>Deposits and prepayments.</b> <i>Copy line 9, Part 2.</i>	\$0.00	
82. <b>Accounts receivable.</b> <i>Copy line 12, Part 3.</i>	\$0.00	
83. <b>Investments.</b> <i>Copy line 17, Part 4.</i>	\$0.00	
84. <b>Inventory.</b> <i>Copy line 23, Part 5.</i>	\$0.00	
85. <b>Farming and fishing-related assets.</b> <i>Copy line 33, Part 6.</i>	\$0.00	
86. <b>Office furniture, fixtures, and equipment; and collectibles.</b> <i>Copy line 43, Part 7.</i>	\$0.00	
87. <b>Machinery, equipment, and vehicles.</b> <i>Copy line 51, Part 8.</i>	\$0.00	
88. <b>Real property.</b> <i>Copy line 56, Part 9.</i> ..... →		\$0.00
89. <b>Intangibles and intellectual property.</b> <i>Copy line 66, Part 10.</i>	\$0.00	
90. <b>All other assets.</b> <i>Copy line 78, Part 11.</i> +	\$0.00	
91. <b>Total.</b> Add lines 80 through 90 for each column. ....91a.	\$0.00	+ 91b. \$0.00
92. <b>Total of all property on Schedule A/B.</b> Lines 91a + 91b = 92. ....		\$0.00

**Fill in this information to identify the case:**

**Debtor name:** The Wet Seal Gift Card, LLC

**United States Bankruptcy Court for the:** District of Delaware

**Case number (if known):** 17-10230

☐ Check if this is an  
amended filing

Official Form 206D

**Schedule D: Creditors Who Have Claims Secured by Property**

12/15

Be as complete and accurate as possible.

**1. Do any creditors have claims secured by debtor's property?**

- ☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.
- ☒ Yes. Fill in all of the information below.

**Part 1: List Creditors Who Have Secured Claims**

**2. List in alphabetical order all creditors who have secured claims.** If a creditor has more than one secured claim, list the creditor separately for each claim.

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****Column A  
Amount of  
Claim**Do not deduct  
the value of  
collateral.**Column B  
Value of  
collateral that  
supports this  
claim****2.1. Creditor's name and address**CRYSTAL FINANCIAL, LLC  
TWO INTERNATIONAL PLACE  
17TH FLOOR  
BOSTON MA 02110**Creditor's email address, if known****Date debt was incurred:** 4/15/15**Last 4 digits of account number:****Do multiple creditors have an interest in the same property?**☐ No☒ Yes. Have you already specified the relative priority?☒ No. Specify each creditor, including this creditor, and its relative priority.  
CRYSTAL FINANCIAL LLC HAS A FIRST PRIORITY SECURITY INTEREST AND MADOR FUNDING LLC HAS A SECOND PRIORITY SECURITY INTEREST☐ Yes. The relative priority of creditors is specified on lines: \_\_\_\_\_**Describe debtor's property that is subject to a lien**

SUBSTANTIALLY ALL ASSETS, INCLUSIVE OF INVENTORY AND ACCOUNTS RECEIVABLE

**Describe the lien**

\$9,736,833.00

UNDETERMINED

**Is the creditor an insider or related party?**☒ No☐ Yes**Is anyone else liable on this claim?**☐ No☒ Yes. Fill out Schedule H: Codebtors (Official Form 206H).**As of the petition filing date, the claim is:**  
Check all that apply.☐ Contingent☐ Unliquidated☐ Disputed

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****2.2. Creditor's name and address**

MADOR FUNDING, LLC  
2929 ARCH STREET  
SUITE 1800  
PHILADELPHIA PA 19104

Creditor's email address, if known

Date debt was incurred: 7/6/16

Last 4 digits of account number:

Do multiple creditors have an interest in the same property?

☐ No☒ Yes. Have you already specified the relative priority?☐ No. Specify each creditor, including this creditor, and its relative priority.☒ Yes. The relative priority of creditors is specified on lines: 2.1

Describe debtor's property that is subject to a lien

SUBSTANTIALLY ALL ASSETS, INCLUSIVE  
OF INVENTORY AND ACCOUNTS  
RECEIVABLE

\$15,600,000.00 UNDETERMINED

Describe the lien

Is the creditor an insider or related party?

☐ No☒ Yes

Is anyone else liable on this claim?

☐ No☒ Yes. Fill out Schedule H: Codebtors (Official Form 206H).As of the petition filing date, the claim is:  
Check all that apply.☐ Contingent☐ Unliquidated☐ Disputed

3. Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any. **\$25,336,833.00**

**Part 2: List Others to Be Notified for a Debt Already Listed in Part 1**

List in alphabetical order any others who must be notified for a debt already listed in Part 1. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for secured creditors.

If no others need to be notified for the debts listed in Part 1, do not fill out or submit this page. If additional pages are needed, copy this page.

	Name and address	On which line in Part 1 did you enter the related creditor?	Last 4 digits of account number for this entity
3.1.	GREENBERG TRAUIG LLP DENNIS A MELORE; THE NEMOURS BUILDING 1007 NORTH ORANGE ST STE 1200 WILMINGTON DE 19801	Line 2.2	
3.2.	GREENBERG TRAUIG LLP BRUCE STEINERT 4 EMBARCADERO CTR STE 3000 SAN FRANCISCO CA 94111-5983	Line 2.2	
3.3.	GREENBERG TRAUIG LLP NANCY A. PETERMAN 77 WEST WACKER DR STE 3100 CHICAGO IL 60601	Line 2.2	

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230**

3.4. MORGAN LEWIS & BOCKIUS LLP  
JULIA FROST-DAVIES; SANDRA VREJAN  
ONE FEDERAL STREET  
BOSTON MA 02110-1726

Line 2.1

---

3.5. MORGAN LEWIS & BOCKIUS LLP  
CHRISTOPHER L CARTER  
ONE FEDERAL ST  
BOSTON MA 02110

Line 2.1

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3.6. REED SMITH LLP  
KURT F. GWYNNE; EMILY K DEVAN  
1201 MARKET STREET, SUITE 1500  
WILMINGTON DE 19801

Line 2.1

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**Fill in this information to identify the case:****Debtor name:** The Wet Seal Gift Card, LLC**United States Bankruptcy Court for the:** District of Delaware**Case number (if known):** 17-10230☐ Check if this is an amended filing

Official Form 206E/F

**Schedule E/F: Creditors Who Have Unsecured Claims**

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY unsecured claims and Part 2 for creditors with NONPRIORITY unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

**Part 1: List All Creditors with PRIORITY Unsecured Claims****1. Do any creditors have priority unsecured claims?** (See 11 U.S.C. § 507).☒ No. Go to Part 2.☐ Yes. Go to line 2.**2. List in alphabetical order all creditors who have unsecured claims that are entitled to priority in whole or in part.** If the debtor has more than 3 creditors with priority unsecured claims, fill out and attach the Additional Page of Part 1.

2.1. Priority creditor's name and mailing address	As of the petition filing date, the claim is: <i>Check all that apply.</i>	Total claim \$ _____	Priority amount \$ _____
_____	<input type="checkbox"/> Contingent		
_____	<input type="checkbox"/> Unliquidated		
_____	<input type="checkbox"/> Disputed		
			<b>Nonpriority amount</b> \$ _____
<b>Date or dates debt was incurred</b> _____	<b>Basis for the claim:</b> _____		
<b>Last 4 digits of account number:</b> _____	<b>Is the claim subject to offset?</b> <input type="checkbox"/> No <input type="checkbox"/> Yes		
<b>Specify Code subsection of PRIORITY unsecured claim:</b> 11 U.S.C. § 507(a) (_____)			

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****Part 2: List All Creditors with NONPRIORITY Unsecured Claims**

- 3. List in alphabetical order all of the creditors with nonpriority unsecured claims.** If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

3.1.	<b>Nonpriority creditor's name and mailing address</b> _____ _____ _____ _____	<b>As of the petition filing date, the claim is:</b> <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	<b>Amount of claim</b> \$ _____
	<b>Date or dates debt was incurred</b> _____	<b>Basis for the claim:</b> _____	
	<b>Last 4 digits of account number:</b> ____ ____ ____ ____	<b>Is the claim subject to offset?</b> <input type="checkbox"/> No <input type="checkbox"/> Yes	

Debtor **The Wet Seal Gift Card, LLC**Case number (if known) **17-10230****Part 4: Total Amounts of the Priority and Nonpriority Unsecured Claims**

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**5. Add the amounts of priority and nonpriority unsecured claims.**

			Total of claim amounts
<b>5a. Total claims from Part 1</b>	5a.		\$0.00
<b>5b. Total claims from Part 2</b>	5b.	+	\$0.00
<b>5c. Total of Parts 1 and 2</b> Lines 5a + 5b = 5c.	5c.		\$0.00



**Fill in this information to identify the case:****Debtor name:** The Wet Seal Gift Card, LLC**United States Bankruptcy Court for the:** District of Delaware**Case number (if known):** 17-10230☐ Check if this is an amended filing

Official Form 206G

**Schedule G: Executory Contracts and Unexpired Leases**

12/15

Be as complete and accurate as possible. If more space is needed, copy and attach the additional page, numbering the entries consecutively.

**1. Does the debtor have any executory contracts or unexpired leases?**

- ☒ No. Check this box and file this form with the court with the debtor's other schedules. There is nothing else to report on this form.
- ☐ Yes. Fill in all of the information below even if the contracts or leases are listed on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B).

**2.1. Title of contract****State what the contract or lease is for****Nature of debtor's interest****State the term remaining****List the contract number of any government contract**

**Fill in this information to identify the case:****Debtor name:** The Wet Seal Gift Card, LLC**United States Bankruptcy Court for the:** District of Delaware**Case number (if known):** 17-10230☐ Check if this is an amended filing

Official Form 206H

**Schedule H: Codebtors**

12/15

Be as complete and accurate as possible. If more space is needed, copy the Additional Page, numbering the entries consecutively. Attach the Additional Page to this page.

**1. Does the debtor have any codebtors?**

- ☐ No. Check this box and submit this form to the court with the debtor's other schedules. Nothing else needs to be reported on this form.
- ☒ Yes

**2. In Column 1, list as codebtors all of the people or entities who are also liable for any debts listed by the debtor in the schedules of creditors, Schedules D-G. Include all guarantors and co-obligors. In Column 2, identify the creditor to whom the debt is owed and each schedule on which the creditor is listed. If the codebtor is liable on a debt to more than one creditor, list each creditor separately in Column 2.**

Column 1: Codebtor		Column 2: Creditor	
Name	Mailing address	Name	Check all schedules that apply:
2.1. MADOR FINANCING, LLC	7555 IRVINE CENTER DRIVE IRVINE CA 92618	CRYSTAL FINANCIAL, LLC	<input checked="" type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2.2. MADOR FINANCING, LLC	7555 IRVINE CENTER DRIVE IRVINE CA 92618	MADOR FUNDING, LLC	<input checked="" type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2.3. THE WET SEAL, LLC	7555 IRVINE CENTER DRIVE IRVINE CA 92618	CRYSTAL FINANCIAL, LLC	<input checked="" type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2.4. THE WET SEAL, LLC	7555 IRVINE CENTER DRIVE IRVINE CA 92618	MADOR FUNDING, LLC	<input checked="" type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G

**Fill in this information to identify the case:****Debtor name:** The Wet Seal Gift Card, LLC**United States Bankruptcy Court for the:** District of Delaware**Case number (if known):** 17-10230Official Form 202**Declaration Under Penalty of Perjury for Non-Individual Debtors**

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

**WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**

**Declaration and signature**


I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☒ *Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- ☒ *Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- ☒ *Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- ☒ *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- ☒ *Schedule H: Codebtors* (Official Form 206H)
- ☒ *Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- ☐ Amended Schedule \_\_\_\_\_
- ☐ *Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- ☐ Other document that requires a declaration \_\_\_\_\_

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 4/03/2017  
MM/DD/YYYY

 /s/ Judd Tirnauer  
Signature of individual signing on behalf of debtor

Judd Tirnauer  
Printed name

Executive Vice President & CFO  
Position or relationship to debtor