

# SECURITIES AND EXCHANGE COMMISSION

## FORM PRRN14A

Revised preliminary proxy statement filed by non-management

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### SUBJECT COMPANY

#### FRISCHS RESTAURANTS INC

CIK: **39047** | IRS No.: **310523213** | State of Incorporation: **OH** | Fiscal Year End: **0530**  
Type: **PRRN14A** | Act: **34** | File No.: **001-07323** | Film No.: **96620538**  
SIC: **5812** Eating places

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### FILED BY

#### RUYAN JERRY L

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SCHEDULE 14A

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

Filed by the Registrant [ ]

Filed by a Party other than the Registrant [x]

Check the appropriate box:

[x] Preliminary Proxy Statement

[ ] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material Pursuant to Section 240.14a-11(c) or  
Section 240.14a-12

Frisch's Restaurants, Inc.

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(Name of Registrant as Specified In Its Charter)

Jerry L. Ruyan and Barry S. Nussbaum

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(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

[ ] \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or  
14a-6(j)(2).

[ ] \$500 per each party to the controversy pursuant to Exchange  
Act Rule 14a-6(i)(3).

[ ] Fee computed on table below per Exchange Act Rules 14a-  
6(i)(4) and 0-11.

1) Title of each class of securities to which transaction  
applies:

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2) Aggregate number of securities to which transaction

applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:(1)

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4) Proposed maximum aggregate value of transaction:

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(1)Set forth the amount on which the filing fee is calculated and state how it was determined.

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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AMENDED PRELIMINARY COPY

WOLVERINE PARTNERS

BARRY S. NUSSBAUM

JERRY L. RUYAN

To Shareholders of Frisch's Restaurants, Inc.:

We are soliciting proxies for the 1996 Annual Meeting of Frisch's Restaurants, Inc. to be held October 7, 1996 at 10:00 a.m. Eastern Time at the Quality Hotel Riverview, 668 W. Fifth Street, Covington, Kentucky pursuant to the attached Proxy Statement.

Our purpose is to adopt structural and management changes which we believe will make the Company more responsive to shareholders and increase shareholder value.

We need your support. All shareholders of record on August 9, 1996 are entitled to vote. You may revoke any proxy previously given by executing our proxy on the enclosed BLUE proxy card.

Call us if you have questions or suggestions.

Sincerely,

BARRY S. NUSSBAUM  
(619) 481-3000

JERRY L. RUYAN  
(513) 984-9730

August 27, 1996

NON-MANAGEMENT PROXY STATEMENT  
OF  
WOLVERINE PARTNERS

1996 ANNUAL MEETING OF SHAREHOLDERS  
OF  
FRISCH'S RESTAURANTS, INC.  
2800 Gilbert Avenue  
Cincinnati, Ohio 45206

This Proxy Statement, the accompanying letter to shareholders of Frisch's Restaurants, Inc. and the enclosed BLUE proxy card are furnished in connection with the solicitation of proxies by Wolverine Partners for use at the 1996 Annual Meeting of Shareholders of Frisch's to be held on October 7, 1996 at 10:00 a.m. Eastern Time. at the Quality Hotel Riverview, 668 W. Fifth Street, Covington, Kentucky and at any adjournments or postponements thereof. As of August 9, 1996, the partners of Wolverine Partners, Barry S. Nussbaum and Jerry L. Ruyan, together owned 443,600 shares, or approximately 6.5%, of Frisch's Common Stock.

Four Directors are to be elected at the 1996 Annual Meeting. Wolverine Partners is seeking proxies for its non-management nominees, namely, Barry S. Nussbaum, Jerry L. Ruyan, Thomas W. Doan and Arthur Engel.

In addition, Wolverine Partners is proposing:

(1) To amend the Code of Regulations of Frisch's to eliminate the classified Board of Directors and to provide that all directors be elected annually for one-year terms; and

(2) To amend the Code of Regulations of Frisch's to require that a majority of the directors of Frisch's and a majority of each committee of the directors be composed of non-management directors.

Shareholders of record at the close of business on August 9, 1996 are entitled to vote at the Annual Meeting and any adjournment thereof. As of the record date, there were 6,882,609 shares issued and outstanding.

This Proxy Statement, the accompanying letter to Shareholders and the BLUE proxy card are first being furnished on or about August \_\_, 1996.

August \_\_, 1996  
Cincinnati, Ohio

#### IMPORTANT

We urge you to complete, sign, date and return the enclosed BLUE proxy card to vote for the election of our nominees and for the amendments to Frisch's Code of Regulations.

We urge you not to sign any proxy card sent to you by Frisch's. If you have already done so, those proxies will be automatically revoked if you sign and return the enclosed BLUE proxy card to us. You can also revoke the earlier proxies by written revocation sent to the Company or by appearing at the Annual Meeting and voting in person.

We are not aware of any matters that will come before the meeting other than the election of Directors and the matters specified on our BLUE proxy card. Our proxy holders will vote in accordance with their discretion on matters that may come before the meeting which are not identified on the accompanying BLUE proxy card.

#### Voting at the Annual Meeting

Shareholders may vote in person or by proxy at the Annual Meeting. Proxies given may be revoked at any time by filing either a written revocation or a duly executed proxy card bearing a later date, or by appearing at the meeting and voting in person.

Each share is entitled to one vote, together with the right to cumulate votes, in electing directors. The proxies we are soliciting will give us the right to cumulate votes.

#### Election of Directors

Frisch's has eight directors. The terms of Alfred M. Cohen, Jack C. Maier, William A. Mauch and Louis J. Ullman will expire at the Annual Meeting. We propose that shareholders elect our nominees as the four directors to be elected at the Annual Meeting. If elected, our nominees would hold office for two years unless the proposal to amend the Code of Regulations to eliminate the classified Board is adopted at the meeting. In that case, the terms of all Directors would expire in 1997. Although we have no reason to believe that any of our nominees will be unable to serve as directors, if any one or more of our nominees shall not be available to serve, the persons named on the BLUE proxy card have agreed to vote for the election of such substitute nominees as may be proposed by us.

The four nominees receiving the greatest number of votes will be elected as Directors. Proxies which are marked "Withhold Authority" or on which a broker has indicated a lack of discretionary authority will be counted as present for the purpose of determining a quorum but will not be voted in the election of Directors.

Shareholders have cumulative voting rights in the election

of Directors. We have given notice as required by law that cumulative voting be invoked for the meeting. This means that each vote to which you are entitled is multiplied by the number of directors being elected, which in this case is four. The total votes may then be cast for any one nominee or distributed among nominees in any manner desired. Except to the extent votes are withheld for any of our nominees, the persons named as proxies on the BLUE proxy card intend to cumulate such votes in a manner so as to maximize representation on the Frisch's Board of our nominees.

We are soliciting the discretionary authority to cumulate votes, and the persons named in the accompanying BLUE proxy will have the authority to cumulate votes at their discretion. We have not determined the order of priority in which we will cast our cumulative votes among our nominees, reserving that judgment until the time of the meeting at which point we will establish our strategy based on the number of votes we hold. We reserve the right to change the priority of our nominees once determined, depending upon the manner in which we believe other votes will be cast and such other factors as we may deem appropriate in our discretion consistent with the goal of maximizing the number of our nominees elected to the Frisch's Board of Directors.

The persons named as proxies on the BLUE proxy card do not intend to vote any shares for the election of the nominees proposed by Frisch's. Instead, they will cumulate votes in respect of such shares to elect the maximum number of our nominees.

The accompanying BLUE proxy card will be voted at the Annual Meeting in accordance with your instructions on such card. You may vote FOR the election of our nominees as the directors of Frisch's or withhold authority to vote for the election of our nominees by marking the proper box on the BLUE proxy card. You may also withhold your vote from any of our nominees by striking the name of such nominee in the list provided on the BLUE proxy card.

If no marking is made and you have signed and dated the proxy card, you will be deemed to have given a direction to cumulate and vote the shares represented by the BLUE proxy card for the election of our nominees, which votes will be cumulatively allocated among our nominees at the discretion of the proxies named on the BLUE proxy card.

The following are our nominees as Directors:

BARRY S. NUSSBAUM, age 41, has been for the last 19 years a private investor specializing in the acquisition, renovation and turn around of undervalued assets, primarily in the real estate area. He is also a director of PR Nutrition, Inc., a company in the sports food business. He has also been involved in professional sports operations, primarily as director of sales for the San Diego Clippers from 1978 to 1979. He holds a BA degree from Claremont Men's College and a JD from the University of San Diego School of Law. As of the record date for the Annual Meeting he owned directly 95,600 shares of Frisch's Common Stock.

JERRY L. RUYAN, age 50, has been a director of Meridian Diagnostics, Inc. since March 1977 and served as its Chief Executive Officer from July 1992 through April 1995. He resigned as Secretary of the company in June 1996 and his primary occupation now is as a private investor. He has a BS degree from Ashland College and a MS degree from The Ohio State University. As of the record date for the Annual Meeting he owned directly 348,000 shares of Frisch's Common Stock.

THOMAS W. DOAN, age 56, is the owner of the Rockin' Baja Lobster Bar & Grill, a Southern California restaurant chain. He has been in the restaurant business since 1971 with Continental Restaurant Systems from 1971 to 1975 as a Vice President and from 1975 to 1984 as Chief Operating Officer. From 1984 through 1986 he was President and Chief Operating Officer of Vicorp Specialty Restaurants, which he and other investors purchased through a leveraged buyout transaction in 1986. From that time until 1991 he was President, Chief Operating Officer and a principal shareholder of the business which was renamed Paragon Restaurant Group and which reached \$250 million in sales through 132 restaurants during that period. He has a BA degree from Denison College and an MBA from the University of Chicago. As of the record date for the Annual Meeting Mr. Doan owned no shares of Common Stock of Frisch's.

ARTHUR ENGEL, age 50, is Chairman and Chief Executive Officer of Southwest Marine, Inc., which is the largest West Coast network of ship repair yards. His other business interests include an operator of a fleet of bay cruisers in the San Diego harbor area and as developer of the Ferry Landing Marketplace, a speciality shopping and dining center in Coronado, California. From 1990 to 1994 he was Vice Chairman and a partner of the San



Diego Padres until that team was sold. He is a director of Mutual Risk Management, a NYSE company. He has degrees in Economics and Business Administration from the University of California - Santa Barbara. As of the record date for the Annual Meeting he owned directly 80,000 shares of Frisch's Common Stock.

Proposal to Amend the Code of Regulations to Eliminate the Classified Board of Directors and to Provide That Each Director Shall Serve One Year Terms

Frisch's Code of Regulations does not allow for the election of all Directors at each Annual Shareholders' Meeting. Instead, it separates the Board into two classes, with each class serving for two years.

We believe that it is in the best interests of Frisch's and its shareholders to eliminate the classified Board of Directors which would permit shareholders to elect all Directors annually. We believe that this will ensure that all Directors will be more accountable to all shareholders each year. If this proposal is adopted, it will govern the next election of directors.

Approval of this amendment to the Code of Regulations requires the affirmative vote of a majority of the outstanding shares of Frisch's Common Stock. Abstentions and broker non-votes will have the effect of a "no vote" to our proposal. Therefore, you should not check the abstention box on the proxy card for this proposal unless you are opposed to it.

The resolutions to be considered by the shareholders in connection with this proposal are annexed as Annex A to this Proxy Statement.

Proposal to Amend the Code of Regulations to Provide That a Majority of the Directors and of Each Committee of the Directors Be Composed of Non-management Persons

Frisch's Code of Regulations does not establish any qualifications for Directors. Currently, six of the eight Directors are members of management.

As a shareholder of Frisch's, Jerry Ruyan had requested that the Board of Directors of Frisch's include a proposal in their proxy statement requesting the Board of Directors to amend the Code of Regulations to provide that a majority of Directors be independent. Mr. Ruyan has withdrawn this request in favor of the following proposal.

We propose that shareholders amend the Code of Regulations to require the majority of the Directors and each committee of the Directors of Frisch's be persons who are not, and have not been within the three years prior to their selection, an officer or employee of Frisch's, a relative of any such person or a person having a material relationship with the Company as an advisor or consultant. The resolutions to be considered by shareholders in connection with our proposal are annexed as Annex B to this Proxy Statement.

We believe that it is in the best interests of Frisch's and its shareholders to require that a majority of the Directors and each committee of the Directors be composed of non-management persons. We believe that this will better align Frisch's Board of Directors and its committees with the interests of the non-management shareholders.

As with the prior proposal, approval of this amendment to the Code of Regulations requires the affirmative vote of a majority of the outstanding shares of Frisch's Common Stock. Abstentions and broker non-votes will have the effect of a "no vote." Do not check the abstention box unless you are against the proposal.

## Background and Reasons for the Solicitation

### Background

We sometimes operate under the name Wolverine Partners with respect to our investment activities, and we have acquired our present 6.5% ownership of Frisch's Common Stock as an investment which we believe is capable of increasing in value through improved management of Frisch's business.

By letter from our counsel dated May 24, 1996 to Frisch's, we proposed that Frisch's present management take steps to

eliminate the classification of directors, to set the number of directors to be elected and to provide that all directors be elected annually for one-year terms. In addition, we stated our intention to nominate ourselves or other qualified outside individuals with significant business experience as directors at the 1996 Annual Meeting of Shareholders.

On June 7, 1996, we met with Craig Maier, President and Chief Executive Officer of Frisch's, and Louis J. Ullman, Chief Financial Officer of Frisch's, and proposed changes in Frisch's business designed to enhance shareholder value. These proposals included the disposition of assets that we do not consider consistent with Frisch's core restaurant business such as certain real estate investments, including one property that has been operated as a horse farm and two Cincinnati hotel properties. We also proposed a computerized ordering and sales and marketing system, a public announcement of Frisch's intention to sell its interest in the Cincinnati Reds and a number of other proposals designed to result in the production of significant income to Frisch's. These proposals were all designed to further our goal of enhancing shareholder value. However, primarily because of the lack of access to relevant data, we have not made a financial analysis of the cost and benefits of these proposals so our conclusion that they would generate income and enhance shareholder value are based on our general observations and beliefs.

We have received negative responses from current management to all of our proposals for structural and business changes to Frisch's.

By letter dated July 9, 1996, Mr. Ruyan made a formal demand for a shareholder list pursuant to Ohio Revised Code Section 1701.37(C) in order to enable him to make copies or extracts thereof for the purpose of obtaining the names, addresses and holdings of other shareholders with whom he may desire to communicate regarding the affairs of Frisch's. Ohio Revised Code Section 1701.37(C) provides, in pertinent part, that "any shareholder of the corporation, upon written demand stating the specific purpose thereof, shall have the right to examine in person or by agent or attorney at any reasonable time and for any reasonable and proper purpose the ... records of shareholders ... and to make any copies or extracts thereof." Mr. Ruyan has received access to the shareholders list determined as of the

record date of August 9, 1996.

Barry S. Nussbaum is President of Barry Nussbaum Company and his business address is 2775 Via De La Valle, Suite 205, Del Mar, California 92014. He is primarily engaged in the business of investing through this company. As of the record date for the Annual Meeting on August 9, 1996, he owned directly 95,600 shares of Common Stock of Frisch's and shared voting power with Mr. Ruyan as to 443,600 shares. Other than his relationship with Mr. Ruyan he has not, within the last year, been a party to any arrangements or understandings with respect to the Frisch' Common Stock.

Jerry L. Ruyan's principal occupation is investment in business ventures, primarily privately held organizations. He is a Partner in Redwood Ventures, LLC. and conducts his business primarily from 8730 Red Fox Lane, Cincinnati, Ohio 45243 and also through Redwood Ventures at 10260 Alliance Road, Suite 350, Cincinnati, Ohio 45242. As of the record date for the Annual Meeting on August 9, 1996, he owned directly 348,000 shares of Common Stock of Frisch's and shared voting power with Mr. Nussbaum as to 443,600 shares. Other than his relationship with Mr. Nussbaum he has not, within the last year, been a party to any arrangements or understandings with respect to the Frisch's Common Stock.

#### Certain Additional Information

The Frisch's Proxy Statement contains additional information with respect to the record date, the number of shares outstanding on the record date, the voting and revocation of proxies, cumulative voting for the election of directors, Frisch's nominees for election of directors, the proposals of Frisch's Board of Directors, the vote required to approve proposals of Frisch's Board of Directors, the beneficial owners of more than 5% of the Common Stock of Frisch's, the share ownership of directors and officers of Frisch's, and the date by which shareholder proposals intended to be submitted at Frisch's 1997 Annual Meeting of Shareholders must be received by Frisch's for inclusion in its proxy statement for that meeting. Such information, which we have not independently verified, is incorporated by reference in this Proxy Statement.

## Solicitation of Proxies

Proxies may be solicited by mail, advertisement, telephone, telecopier or in person. Solicitations are expected to be made by us and other persons we hire who will be compensated for their efforts. We have requested banks, brokerage firms and other custodians, nominees and fiduciaries to forward all of their solicitation materials to the beneficial owners of the shares they hold of record. We will reimburse these record holders for customary clerical and mailing expenses incurred by them in forwarding these materials to their customers.

We have engaged Beacon Hill Partners, Inc. as our proxy solicitors and anticipate that their fees for that service will be approximately \$20,000. Through August 22, 1996 we have expended approximately \$10,000 in preparing for this solicitation and anticipate that we will spend approximately \$75,000, including the proxy solicitor's fee, during the entire process.

We will bear the costs of our proxy solicitation. If our efforts through this proxy solicitation result in a change in the policies and procedures of Frisch's to the advantage of shareholders, we intend to seek reimbursement from Frisch's Board of Directors for our expenses without submission of the matter to a vote of shareholders.

### SCHEDULE I

#### SHARES HELD BY WOLVERINE PARTNERS AND OTHER PERSONS NOMINATED AS DIRECTORS BY THIS PROXY STATEMENT

Messrs. Ruyan and Nussbaum, the partners of Wolverine Partners, are the beneficial and record holder of Shares purchased in open market transactions executed on the American Stock Exchange in the amount and on the dates set forth below:

Jerry L. Ruyan:  

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<u>Date</u>	<u>Purchase or Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>
1/6/95	Purchase	1,000	\$ 9.00
1/6/95	Purchase	2,000	\$ 9.13
1/6/95	Purchase	3,000	\$ 9.25
1/6/95	Purchase	5,100	\$ 8.75
5/13/96	Purchase	9,300	\$ 9.63
5/20/96	Purchase	7,900	\$ 9.88
5/20/96	Purchase	10,100	\$10.00
5/21/96	Purchase	51,700	\$10.00
5/22/96	Purchase	1,000	\$10.50
5/22/96	Purchase	73,500	\$10.55
5/29/96	Purchase	52,200	\$10.94
6/3/96	Purchase	900	\$11.50
6/4/96	Purchase	1,900	\$11.50
6/5/96	Purchase	7,200	\$11.50
6/7/96	Purchase	5,000	\$11.50
7/2/96	Purchase	10,000	\$11.50
7/10/96	Purchase	10,000	\$11.25
7/16/96	Purchase	12,600	\$11.75
7/17/96	Purchase	12,400	\$12.19
7/17/96	Purchase	5,000	\$13.71
7/17/96	Purchase	1,700	\$12.25
7/22/96	Purchase	600	\$13.88
7/22/96	Purchase	6,100	\$14.00
7/23/96	Purchase	24,100	\$13.88
7/24/96	Purchase	10,000	\$13.88
7/29/96	Purchase	5,000	\$15.00
7/29/96	Purchase	5,000	\$14.90
8/01/96	Purchase	4,100	\$14.50
8/05/96	Purchase	20,700	\$14.63

Barry S. Nussbaum:

<u>Date</u>	<u>Purchase or Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>
10/5/95	Purchase	5,200	\$ 9.50
2/21/96	Purchase	4,000	\$ 8.06

2/23/96	Purchase	5,000	\$ 8.18
3/14/96	Purchase	1,000	\$ 8.63
3/14/96	Purchase	3,000	\$ 8.75
3/18/96	Purchase	3,000	\$ 8.63
3/21/96	Purchase	5,000	\$ 8.63
3/22/96	Purchase	5,000	\$ 8.50
4/17/96	Purchase	18,800	\$ 8.88
4/19/96	Purchase	9,000	\$ 9.00
4/23/96	Purchase	10,400	\$ 9.00
4/24/96	Purchase	500	\$ 9.00
4/25/96	Purchase	10,000	\$ 9.50
5/2/96	Purchase	100	\$10.13
5/31/96	Purchase	10,000	\$11.50
7/19/96	Purchase	100	\$13.88
7/19/96	Purchase	5,000	\$13.80
7/26/96	Purchase	500	\$14.00

The shares listed below are registered in the name of Arthur Engel, trustee for the Arthur Engel Trust, dated May 5, 19 88 for the benefit of Arthur Engel.

<u>Date</u>	<u>Purchase or Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>
5/23/95	Purchase	10,400	\$ 9.21
7/11/95	Purchase	5,616	\$ 8.83
7/21/95	Purchase	3,016	\$ 8.89
7/28/95	Purchase	1,040	\$ 8.89
7/31/95	Purchase	728	\$ 8.89
9/15/95	Purchase	15,600	\$ 8.89
10/31/95	Purchase	6,760	\$ 9.50
11/1/95	Purchase	1,248	\$ 9.49
5/20/96	Purchase	2,200	\$10.25
5/20/96	Purchase	92	\$10.25
5/21/96	Purchase	3,300	\$10.25
6/6/96	Purchase	10,000	\$11.50
6/21/96	Purchase	10,000	\$12.25
8/9/96	Purchase	3,000	\$13.50
8/9/96	Purchase	7,000	\$13.43

Except as disclosed in above, none of these persons owns any securities of Frisch's, beneficially or of record, has purchased or sold any of such securities within the past two years or is or was within the past year a party to any contract, arrangement or understanding with any person with respect to any such

securities. Except as disclosed in this Proxy Statement, to the best knowledge of Messrs. Ruyan and Nussbaum, none of those nominated as Directors of Frisch's herein or any of their associates beneficially owns, directly or indirectly, any securities of Frisch's.

Except as disclosed above, none of these persons, or, to their best knowledge, their associates has any arrangement or understanding with any person (1) with respect to any future employment by Frisch's or its affiliates or (2) with respect to future transactions to which Frisch's or any of its affiliates will or may be a party, other than sales of products and services in the ordinary course of business.

YOUR VOTE IS EXTREMELY IMPORTANT

1. Please SIGN, MARK, DATE and MAIL your BLUE proxy card in the enclosed postage-paid envelope. If you wish to vote for our Nominees, you must submit the enclosed BLUE proxy card and must NOT submit Frisch's proxy card, even if you wish to vote for any of Frisch's Nominees.
2. If you have already voted Frisch's proxy card, you have every legal right to change your mind and vote FOR our Nominees on the BLUE proxy card. Only your latest dated proxy card will count.
3. If your shares are held for you by a bank or brokerage firm, only your bank or broker can vote your shares and only after receiving your instructions. Please call your bank or broker and instruct your representative to vote FOR our Nominees on the BLUE proxy card.
4. Time is short. Please vote today!

If you have questions or need assistance in voting your shares or in changing your vote, please contact Beacon Hill Partners, Inc. at the toll-free number listed below.

BEACON HILL PARTNERS  
90 Broad Street  
New York, New York 10004



(212) 843-8500 (call Collect)  
or  
Call toll-free (800) 755-5001

ANNEX A

WHEREAS, Article II, Section 2 of the Code of Regulations of Frisch's currently provides as follows:

The Board of Directors shall be elected at the annual meeting of the shareholders, or, if not then elected, or if such meeting be not held at the time fixed therefore, then at a special meeting held for the purpose of electing directors. The Board of Directors shall be divided into two classes consisting of not less than three directors each. Directors elected at the first election of the first class shall hold office for a term of one year. Directors elected at the first election of the second class shall hold office for a term of two years. In each instance, such Directors shall hold office until their successors are elected and qualified. Upon expiration of the terms of office of the Directors as set forth above, their successors shall be elected for a term of two years and until their successors are elected and qualified. The election of directors shall, if the number of persons nominated be greater than the number of directorships to be filled, be by ballot. At all election of directors the candidates receiving the greatest number of votes shall be elected. In the event that less than nine (9) be elected at any annual meeting of shareholders any vacancy or vacancies left open may be filled at anytime by the Board.

NOW, THEREFORE, BE IT RESOLVED, that Article II, Section 2 of the Code of Regulations of the Corporation be amended to read as follows:

The Board of Directors shall be elected at the annual meeting of the shareholders, or, if not then elected, or if such meeting be not held at the time fixed therefore, then at a special meeting held for the purpose of electing directors. The election of directors shall, if the number of persons nominated be

greater than the number of directorships to be filled, be by ballot. At all election of directors the candidates receiving the greatest number of votes shall be elected. Directors shall be elected for a term of one year and until their successors are elected and qualified. In the event that less than nine (9) be elected at any annual meeting of shareholders any vacancy or vacancies left open may be filled at anytime by the Board.

#### ANNEX B

RESOLVED, that Article II, Section 1 of the Code of Regulations of the Corporation be amended by adding a new sentence to read as follows: "A majority of the Directors and of each committee of the Directors of the Corporation shall be persons who are not, and have not been within three years of the date of their selection, an officer or employee of the Corporation or a relative of any such person or a person having a material relationship with the Corporation as an advisor or consultant."

FRISCH'S RESTAURANTS, INC.

PROXY FOR ANNUAL MEETING

The undersigned hereby appoints JERRY L. RUYAN and BARRY S. NUSSBAUM, or either one of them, proxies of the undersigned, each with the power of substitution, to vote cumulatively or otherwise all shares of Common Stock which the undersigned would be entitled to vote at the Annual Meeting of Shareholders of Frisch's Restaurants, Inc. to be held on October 7, 1996 at 10:00 Eastern Time at the Quality Hotel Riverview, 668 W. Fifth Street, Covington, Kentucky 41011 and any adjournment of such meeting on the matters specified below and in their discretion with respect to such other business as may properly come before the meeting or any adjournment thereof. This proxy revokes all prior proxies given by the undersigned.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED HEREIN. WITH RESPECT TO THE ELECTION OF DIRECTORS (PROPOSAL 1). WHERE NO VOTE IS SPECIFIED OR WHERE A VOTE FOR

ALL NOMINEES IS MARKED, THE CUMULATIVE VOTES REPRESENTED BY A PROXY WILL BE CAST AT THE DISCRETION OF THE PROXIES NAMED HEREIN IN ORDER TO ELECT AS MANY OF THE FOUR NOMINEES AS BELIEVED POSSIBLE UNDER THE THEN PREVAILING CIRCUMSTANCES. IF YOU WITHHOLD YOUR VOTE FOR A NOMINEE, ALL OF YOUR CUMULATIVE VOTES WILL BE DISTRIBUTED AMONG THE REMAINING NOMINEES IN THE DISCRETION OF THE PROXIES NAMED HEREIN. WITH RESPECT TO PROPOSALS 2, 3 AND 4, IF NO MARKING IS MADE, THIS PROXY WILL BE VOTED FOR THE ADOPTION OF THE AMENDMENTS TO THE CODE OF REGULATIONS. THE INDIVIDUALS NAMED ABOVE ARE AUTHORIZED TO VOTE IN THEIR DISCRETION ON ANY OTHER MATTERS THAT PROPERLY COME BEFORE THE MEETING.

(This proxy is continued and is to be signed and dated  
on the reverse side)

Proxy for Annual Meeting (continued)

1. ELECTION OF DIRECTORS

FOR ALL NOMINEES LISTED BELOW (EXCEPT AS MARKED TO THE CONTRARY)

WITHHOLD AUTHORITY TO VOTE FOR ALL NOMINEES LISTED BELOW

(INSTRUCTION: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDIVIDUAL NOMINEE, STRIKE A LINE THROUGH THAT NOMINEE'S NAME IN THE LIST BELOW.)

Jerry L. Ruyan

Barry S. Nussbaum

Arthur Engel

Thomas W. Doan

2. APPROVAL OF THE PROPOSAL TO AMEND THE CODE OF REGULATIONS TO ELIMINATE THE CLASSIFIED BOARD OF DIRECTORS AND TO PROVIDE THAT ALL DIRECTORS BE ELECTED ANNUALLY FOR ONE YEAR TERMS.

FOR

AGAINST

ABSTAIN

3. APPROVAL OF THE PROPOSAL TO AMEND THE CODE OF REGULATIONS TO REQUIRE THAT A MAJORITY OF THE DIRECTORS AND OF EACH COMMITTEE THEREOF BE NON-MANAGEMENT PERSONS.

FOR  AGAINST  ABSTAIN

4. THE PROPOSAL TO RATIFY AND APPROVE THE APPOINTMENT OF GRANT THORNTON LLP AS INDEPENDENT AUDITORS.

FOR  AGAINST  ABSTAIN

5. IN THEIR DISCRETION THE PROXIES ARE AUTHORIZED TO VOTE FOR THE ELECTION OF SUCH SUBSTITUTE NOMINEE FOR DIRECTOR AS SUCH PROXIES SHALL SELECT IF ANY NOMINEE NAMED ABOVE BECOMES UNABLE TO SERVE AND UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING AND ANY ADJOURNMENT THEREOF.

Please date this Proxy and sign exactly as your name appears hereon. When signing as attorney, executor, administrator, trustee, guardian or other representative, give your full title as such. If a corporation, sign the full corporate name by an authorized officer, stating his/her title. If a partnership, sign in partnership name by authorized person.

Date \_\_\_\_\_, 1996

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature If held jointly

THIS PROXY IS SOLICITED ON BEHALF OF BARRY S. NUSSBAUM  
AND JERRY L. RUYAN