

Union Capital Finance Corporation

2 Kings Court

Little Rock, AR 72211

(501) 224-9050 fax (501) 224-9048

www.unioncapitalfinance.net

SECTION I:

What credit information will we require to approve your financing request?

First Time Franchisee

- Complete and sign the application for financing
- Personal financial statement on all principals, signed and dated (no more than 90 days old)
- 2 years personal tax returns on all principals, signed and dated, with all schedules
- Proof of liquidity: Copies of bank and investment statements
- A business plan and pro forma are required for all startups & acquisitions
- "Sources and Uses" worksheet
- Franchise Questionnaire
- \$1000 application fee. Not refunded if Applicant cancels after signing the pre-approval form or if loan application is not approved after applicant sign the pre-approval form.

For Acquisitions and existing franchisees requesting financing for additional locations

- All of the above
- 3 years business income tax returns and accountant prepared financial statements, if applicable. Tax returns and statements should be provided for all locations owned and/or to be acquired. If the financial statements are "Reviewed or Audited" statements, tax returns may not normally be required
- Most recent interim statement
- Purchase/Sale agreement (if acquisition)
- Details on existing business debt: Identify lender, balance, payment, purpose, and whether or not debt is to be refinanced.
- \$1000 application fee. Not refunded if Applicant cancels after signing the pre-approval form or if loan application is not approved after applicant sign the pre-approval form.

We will verify all information, including correct legal name and business structure. If your firm is an LC or an LLC, we will require a copy of your LLC Agreement. If your firm is a corporation, we will verify with the Secretary of State – if you have been incorporated in a state other than where your business is located, please advise. If you are a sole proprietor, we may request a business license.

From time to time, Union Capital Finance Corporation may require additional information as needed to amplify or clarify items listed above. Every attempt will be made to request additional information expeditiously and comprehensively.

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SECTION II: Statement of Sources and Use of Funds

Firm Name: _____ Franchise Concept: _____
 Store#: _____
 Franchise Location: _____

A. List All major costs to be incurred in opening this location:

	Total Dollar Amount Needed	Paid To Date	Unpaid
Real Estate (if you own location)			
Purchase price (if acquiring existing location)			
Franchise Fee (or Transfer Fee)			
Furniture, Fixtures, and Equipment			
Leasehold Improvements			
Signage			
Inventory			
Training			
Deposits			
Other (Describe with Breakdown)			
Working Capital			
TOTALS			

B. List the source of funds for all costs to be used to complete this project:

	Total Dollar Amount (Sources)	Paid to Date	Available and Intended for Use on this Project
Bank Deposit Accounts			
Sale of Securities			
Union Capital Finance Corporation Financing			
Unsecured Bank Loan/Line (circle)			
Home Equity Loan/Line (circle)			
Seller Financing			
Leaseholds Paid by Landlord			
Third Party Personal Loan			
Gift (Provide gift letter)			
Other i.e. : investor, etc (describe)			
TOTALS			

Prepared By: _____ **Date:** _____

TOTALS FROM TABLE A SHOULD MATCH TOTALS FROM TABLE B

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SECTION III: QUESTIONNAIRE

Firm Name: _____

DBA/Franchise Name: _____

1. What is your motivation for opening a franchise at this time? _____

2. How did you select this particular franchise concept? _____

3. Please summarize your credit profile over the past 5 years? _____

a. Any outstanding tax liens, bankruptcy or judgments? Yes___ No___

b. Do you know your credit score/FICO score? Yes___ Score:_____ No___

4. Has the franchise fee been paid? Yes___ No___ Store # _____

a. Who is/are the Franchisee(s) of Record? _____

b. Location: _____

(Street address, city, state, zip code)

5. Has the above location been secured for this franchise? Yes___ No___

(If so, please provide a copy of the space lease)

6. What do you feel are the strengths and weaknesses of this location? _____

7. Who will manage the day to day operation at this location? _____

(Please summarize the manager's relevant experience or attach a resume)

8. Is this the first location that you will open? Yes___No___ (If YES, please go on to #9, if NO, please complete a, b, c)

a. Timeline (Dates) of opened locations: _____

b. Name and type (Corp, LLC, etc.) of operating entity for each LOCATION:

Name: _____ Name: _____

Type: _____ Type: _____

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c. Debt schedule(s) on existing franchised locations: (if applicable)

USE ADDITIONAL SHEET IF NECESSARY (if more than 3 locations)

Lender: _____	Lender: _____	Lender: _____
Opening Date: _____	Opening Date: _____	Opening Date: _____
Original Amt: _____	Original Amt: _____	Original Amt: _____
Balance: _____	Balance: _____	Balance: _____
Mo. Payment: _____	Mo. Payment: _____	Mo. Payment: _____
Maturity Date: _____	Maturity Date: _____	Maturity Date: _____
Collateral: _____	Collateral: _____	Collateral: _____
Balloon/Residual: (if applicable) _____	Balloon/Residual: (if applicable) _____	Balloon/Residual: (if applicable) _____

9. Do you own any other franchise agreements that are not yet opened? Yes ___ No ___

10. Have you ever owned a business before, franchise or other? _____

a. If YES provide details of that business _____

b. Do you still own that business? _____ If not, how did you dispose of it? _____

11. Will any of the owners (and/or spouses) of this business keep their existing employment?

a. If YES, which owner(s)/spouse(s)? Please use additional page if needed.

Name: _____	Name: _____	Name: _____
Relationship: _____	Relationship: _____	Relationship: _____
Occupation: _____	Occupation: _____	Occupation: _____
Employer: _____	Employer: _____	Employer: _____
How Long: _____	How Long: _____	How Long: _____
Annual Income: _____	Annual Income: _____	Annual Income: _____

b. If this is a family business, which family members work full time in the business? _____

c. If working full time, will they have an employment contract, earn ownership, or otherwise be compensated with ownership? _____

d. How much of your total family income do you expect to generate as a result of this business? _____

e. How much equity do you plan to invest in this business? _____

f. Will you be borrowing any funds in addition to this request? _____

g. Does your landlord have an allowance for tenant improvements? Yes ___ No ___

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h. What is the dollar limit of the allowance for tenant improvements? _____

i. What items does the allowance cover? _____

j. Is the landlord due repayment if the lease is terminated early? Yes _____
No _____ Amount _____

12. What is the anticipated opening date for this location? _____

13. Who is your contact person (area director or development agent) at franchise?

Name: _____ Telephone Number: _____

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APPLICATION FOR FRANCHISE FINANCING

Company Name: _____
(Exact legal name)

DBA/Franchise Name: _____ Store #: _____

Business Address: _____

Telephone: _____ Fax: _____

Years in Business: _____ Years under current ownership: _____

Type of organization: Sole Proprietor Corporation Partnership Limited Liability Corp/Partnership

Bank Name: _____ Account Number: _____

Contact Name: _____ Telephone Number: _____

Bank Name: _____ Account Number: _____

Contact Name: _____ Telephone Number: _____

Personal Information on Owners, Officers, Partners or Guarantors:

Owner/Officer Name: _____

% Owned: _____ Home Address: _____

Title: _____ Social Security#: _____

Owner/Officer Name: _____

% Owned: _____ Home Address: _____

Title: _____ Social Security#: _____

Owner/Officer Name: _____

% Owned: _____ Home Address: _____

Title: _____ Social Security#: _____

Owner/Officer Name: _____

% Owned: _____ Home Address: _____

Title: _____ Social Security#: _____

Amount Requested: \$ _____ Number of Months you wish to finance: _____

Check one: Start-up (new store) Acquisition of existing store Re-finance Re-model Equipment only

Important Notice:

By completing and signing this application, you hereby authorize Union Capital Finance Corporation, its agents or assignees to investigate your credit. You authorize Union Capital Finance Corporation to obtain personal credit report(s) on all Principal(s), and authorize the release of bank and financial information necessary to complete this investigation. You also warrant that the information provided above is true and accurate. You have rights with respect to this credit application. If your application for credit is denied, you have a right to a written statement of the specific reasons for the denial. To obtain this statement, you must write to Union Capital Finance Corporation at 2 Kings Court, Little Rock, AR 72211. Your request must be received within 60 days from the date you are notified of our decision. We will respond within 30 days of receipt of your request with a written statement.

We are an Equal Opportunity Creditor

The Federal Equal Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, creed, color, religion, national origin, marital status or age (provided the applicant has the capacity to enter into a binding contract); or because all or part of the applicants income derives from public assistance programs or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington DC 20580.

(Signature and authorization to release information)

Date: _____

(Signature and authorization to release information)

Date: _____

(Signature and authorization to release information)

Date: _____

(Signature and authorization to release information)

Date: _____

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PERSONAL FINANCIAL STATEMENT

Submitted To: _____ Date: _____

IMPORTANT: Read these directions before completing this Statement

- ___ If you are applying for individual credit in your own name and are relying on your own income, or assets and not the income or assets of another person as the basis for repayment of the credit requested, or if this statement relates to your guaranty of the indebtedness of other person(s), firm(s), or corporation(s), complete only Sections 1,3, and 4.
- ___ If you are applying for individual credit but are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as a basis for repayment of the credit requested, complete all Sections. Provide information in Section 2 about the person whose alimony, support, or maintenance payments or income or assets you are relying on. Alimony, child support, or separate maintenance income, need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.

Section 1 - Individual Information (type or print)				Section 2 - Other Party Information (type or print)				
Name _____		Address _____		City, State & Zip _____		Social Security # _____		
Date of Birth _____		Position or occupation _____		Business name _____		Business address _____		
City, State & Zip _____		Length at present address _____		Length of employment _____		Res. Phone _____ Bus. Phone _____		
Have (either of) you or any firm in which you were a major owner ever declared bankruptcy, or settled any debts for less than the amounts owed? _____ YES _____ NO				Are (either of) you a defendant in any suit or legal action? _____ YES _____ NO				
Are (either of) you presently subject to any unsatisfied judgements or tax liens? _____ YES _____ NO				When, if ever, have (either of) you been audited by IRS? _____				
Section 3 - Statement of Financial Condition as of _____ (date)								
Assets - (Do not include assets of doubtful value)	In dollars		If Joint, with whom	Liabilities	In dollars		If Joint, with whom	
	(Individual)	(Joint)			(Individual)	(Joint)		
Cash, Checking & Savings, CD's - Sched A				Notes payable to banks & others-Sched H				
US Govt & marketable securities-Sched B				Due to brokers				
Non-marketable securities - see Sched C				Amts payable to others-secured				
Securities held by broker in margin accounts				Amts payable to others-unsecured				
Restricted, control or margin account stocks				Accounts & bills due				
Real estate owned - Sched D				Unpaid income tax				
Accounts, loans & notes receivable								
Automobiles								
Cash surrender value-life insurance-Sched E				Other unpaid taxes & interest				
Vested interest in deferred compensatory profit-sharing plans - see Sched F				Real estate mortgages payable-Sched D & H				
Business ventures - Sched G								
Other assets/personal property itemize - Sched G if applicable								
				Total Liabilities				
				Net Worth				
Total Assets				Total Liabilities and Net Worth				
Section 4 - Annual Income For Year Ended _____								
Annual Income	(Individual)	(Joint)	Annual Expenditures	(Individual)	(Joint)	Contingent Liabilities Estimated Amounts	(Individual)	(Joint)
Salary, bonuses & commissions \$			Mortgage/rental pmts			Do you have any.... Yes No		
Dividends & Interest			Real estate taxes & assessments			Contingent liabilities (as endorser,co-maker or guarantor?)		
Real estate income			Taxes-federal,state & local			On leases? on contracts?		
Other income*			Insurance payments			Involvement in pending legal actions?		
			Other contact pymts (car pymts, charge cards, etc)			Contested income tax liens?		
			Alimony, child support, maintenance			Any estimated capital gains tax on the unrealized asset appreciation?		
			Other expenses			Other special debt or circumstances?		
Total Income \$			Total Expenditures			If yes to any questions(s) describe:		
*Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.								
							Total Contingent Liabilities	\$

(COMPLETE SCHEDULES AND SIGN ON NEXT PAGE)

SCHEDULE A - CASH, CHECKING AND SAVINGS ACCOUNTS, CERTIFICATE OF DEPOSIT, MONEY MARKET FUNDS, ETC.

Name of Financial Institution	Type of Account	Owner	(J)	If Pledged, to Whom?	Balance

SCHEDULE B - U.S. GOVERNMENT & MARKETABLE SECURITIES (Use additional sheet if necessary)

Number of Shares or Face Value of Bonds	Description	In Name of	Are these Registered, Pledged, or Held by Others?	Market Value	Exchanges Where Traded

SCHEDULE C - NON-MARKETABLE SECURITIES (Use additional sheet if necessary)

Number of Shares	Description	In Name of	Are these Registered, Pledged, or Held by Others?	Value	Method of Valuation

SCHEDULE D - INVESTMENTS IN REAL ESTATE (Use additional sheet if necessary)

Description/Location of Real Estate Investment	(J)	Date of Original Investment/Amount	% Owned By You	Market Value of Your % of Investment	Present Balance	Monthly Payment	Mortgage Maturity Date	Mortgage Owed To

SCHEDULE E - LIFE INSURANCE CARRIED, INCLUDING GROUP INSURANCE

Name of Insurance Company	Owner of Policy	Beneficiary & Relationship	Face Amount	Policy Loans	Cash Surrender Value

SCHEDULE F - VESTED INTEREST IN DEFERRED COMPENSATION/PROFIT-SHARING PLANS

% Vested	Company Name	Account Number	Manner of Payout (Annuity, Lump Sum, etc.)	Distribution Date	Beneficiary	Amount

SCHEDULE G - BUSINESS VENTURES (Use additional sheets if necessary)

List Name and Address of Any Business Venture In Which You Are a Principal or Partner	Your Position/Title in the Business	Line of Business	Years in Business	Total Assets Listed in Section 3	Your % of Ownership	Net Worth of Business	Present Net Value of Your Investment

SCHEDULE H - LOANS OWING BANKS, BROKERS, FINANCE COMPANIES, AND OTHER (MASTERCARD, VISA, ETC.)

Owing to (Acct. No.)	(J)	Date of Original Borrowing/Amount	Present Balance	Due	Monthly Payment	Date of Final Payment	Secured By

The information contained in this statement is provided to induce you to extend or to continue the extension of credit to the undersigned or to others upon the guaranty of the undersigned. The undersigned acknowledges and understands that you are relying on the information provided herein in deciding to grant or continue credit or to accept a guaranty thereof. Each of the undersigned represents, warrants, and certifies that (1) the information provided herein is true, correct and complete and gives a correct and complete showing of the financial condition of the undersigned, (2) the undersigned has no liabilities direct, indirect or contingent except as set forth in this statement, and (3) legal and equitable title to all assets listed herein is in the undersigned's sole name, except as may be herein otherwise noted. Each of the undersigned agrees to notify you immediately and in writing of any change in name, address, or employment and of any material adverse change (1) in any of the information contained in this statement or (2) in the financial condition of any of the undersigned or (3) in the ability of any of the undersigned to perform its (or their) obligations to you. In the absence of such notice or a new and full written statement, this should be considered as a continuing statement and substantially correct. You are authorized to make all inquiries you deem necessary to verify the accuracy of the information contained herein, and to determine the credit-worthiness of the undersigned and the undersigned hereby authorizes all persons of whom you make such inquiries to respond thereto in full. Each of the undersigned authorized you to answer questions about your credit experience with the undersigned.

Date Signed _____ Signature (individual) _____

Date Signed _____ Signature (other party) _____