

InSource Capital Services

4335 Van Nuys Blvd, Suite 201, Sherman Oaks, CA 91403

Office: 818-783-7462 Fax: 818-479-9722

www.InSourceCapital.com

SECTION I:

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

PERSONAL INFORMATION

- **Resume of principals owning 20% or more of the corporate stock**
- **Last three years personal tax returns of principals owning 20% or more of the corporate stock**
- **Copy of Warranty Deed and Title Insurance on personal property pledged as collateral**
- **Clear copy of valid Drivers License for all principals owning 20% or more of the corporate stock along with mother's maiden name**

CORPORATE INFORMATION

- **Last three years corporate tax returns (if available)**
- **Current Balance Sheet and Income Statement (within 60 days)**
- **A/R and A/P report (to match most recent Balance Sheet)**
- **Last two months corporate bank statements**
- **Articles of Incorporation and Corporate By-Laws**
- **Copy of current lease. Options must be included to match length of loan request**

OTHER INFORMATION

- **Copy of all notes to be paid, on the credit cards, the most recent statements**
- **Evidence of all checks written on behalf of the business, ie: cash advance checks.**
- **Please complete the attached Business Debt Schedule – copies of all notes to be refinanced with proceeds**
- **Please complete the attached personal financial statement**
- **DBA Filing – if applicable**

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, InSource Capital Services may require additional information as needed to amplify or clarify items listed above.

Every attempt will be made to request additional information expediently and comprehensively.

Please Call Our Office with any Questions

(888) 578-7449

APPLICATION FOR FRANCHISE FINANCING

Check One: [] Start-Up (new store) [] Acquisition of Existing Store [] Re-Finance [] Re-Model [] Equipment Only

InSource Capital Services, Inc. Office: 818-783-7462 Fax: 818-479-9722
4335 Van Nuys Blvd, Suite 201, Sherman Oaks, CA 91403 www.InSourceCapital.com

Company Name: (exact legal name)

DBA/Franchise Name: Store #:

Business Address:

Telephone: Fax: Email:

Years in Business: Years under current Ownership:

Type of Organization: [] Sole Proprietor [] Corporation [] Partnership [] Limited Liability Corp/Partnership

Bank Name: Account #:

Contact Name: Telephone #:

Bank Name: Account #:

Contact Name: Telephone #:

****Personal Information on Owners, Officers, Partners or Guarantors:

Owner/Officer Name:

Home Address: City: State Zip:

% Owned:

Title: Social Security #:

Owner/Officer Name:

Home Address: City: State Zip:

% Owned:

Title: Social Security #:

Owner/Officer Name:

Home Address: City: State Zip:

% Owned:

Title: Social Security #:

Owner/Officer Name:

Home Address: City: State Zip:

% Owned:

Title: Social Security #:

Amount Requested: Number of months you wish to finance:

Important Notice:

By completing and signing this application, you hereby authorize InSource Capital Services, its agents or assignees to investigate your credit. You authorize InSource Capital Services to obtain personal credit report(s) on all Principal(s), and authorize the release of bank and financial information necessary to complete this credit 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 InSource Capital Services at 4335 Van Nuys Blvd, Suite 201, Sherman Oaks, CA 91403. 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

X Signature and Authorization to Release Information Date:

X Signature and Authorization to Release Information Date:

X Signature and Authorization to Release Information Date:

X Signature and Authorization to Release Information Date:

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.

<p>Section 1-Individual Information (type or print)</p> <p>Name: _____</p> <p>Address: _____</p> <p>City/State/Zip: _____</p> <p>Social Security #: _____</p> <p>Date of Birth: _____</p> <p>Position or Occupation: _____</p> <p>Business Name: _____</p> <p>Business Address: _____</p> <p>City/State/Zip: _____</p> <p>Length at present address: _____</p> <p>Length of Employment: _____</p> <p>Res. Phone: _____ Bus. Phone: _____</p> <p>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? <input type="checkbox"/> Yes (if yes, please provide details on a separate sheet) <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Are (either of) you a defendant in any suit or legal action? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Are (either of) you presently subject to any unsatisfied judgments to tax liens? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>When, if ever, have (either of) you been audited by the IRS?</p>	<p>Section 2-Other Party Information (type or print)</p> <p>Name: _____</p> <p>Address: _____</p> <p>City/State/Zip: _____</p> <p>Social Security #: _____</p> <p>Date of Birth: _____</p> <p>Position or Occupation: _____</p> <p>Business Name: _____</p> <p>Business Address: _____</p> <p>City/State/Zip: _____</p> <p>Length at present address: _____</p> <p>Length of Employment: _____</p> <p>Res. Phone: _____ Bus. Phone: _____</p>
---	--

Section 3-Statement of Financial Condition as of							
Assets (Do not include assets of doubtful value)	In dollars (omit cents) (Individual)	(Joint)	If joint, with whom	Liabilities	In dollars (omit cents) (Individual)	(Joint)	If joint, with whom
Cash, Checking & Savings, CD's-see Schedule A				Notes payable to banks & others-see Schedule H			
U.S. Gov't. & marketable securities-see Schedule B				Due to Brokers			
Non-marketable Securities-see Schedule C				Amounts payable to others - secured			
Securities held by broker in margin accounts				Amounts payable to others - unsecured			
Restricted, control or margin account stocks				Accounts & bills due			
Real Estate owned-see Schedule D				Unpaid income tax			
Accounts, loans & notes receivable				Other unpaid taxes & interest			
Automobiles				Real Estate mortgages payable-see Schedules D & H			
Cash surrender value-life insurance-see Schedule E							
Vested interest in deferred compensation/profit-sharing plans-see Schedule F							
Business ventures-see Schedule G							
Other assets/personal property itemize-see Schedule 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 payments			Do you have any...	Yes	No	\$	
Dividends & Interest			Real Estate taxes & assessments			Contingent liabilities (as endorser, co-maker or guarantor?)	<input type="checkbox"/>	<input type="checkbox"/>		
Real Estate income			Taxes-federal, state & local			(On leases? On contracts?)	<input type="checkbox"/>	<input type="checkbox"/>		
Other Income (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)			Insurance payments			Involvement in pending legal actions?	<input type="checkbox"/>	<input type="checkbox"/>		
			Other contract payments (car payments, charge cards, etc.)			Contested income tax liens?	<input type="checkbox"/>	<input type="checkbox"/>		
			Alimony, child support, maintenance			Any estimated capital gains tax on the unrealized asset appreciation?	<input type="checkbox"/>	<input type="checkbox"/>		
			Other Expenses			Other special debt or circumstances?	<input type="checkbox"/>	<input type="checkbox"/>		
Total Income	\$		Total Expenditures	\$		If "yes" to any question(s) describe:				
							Total Contingent Liabilities		\$	

(Complete Schedules and sign on Reverse Side)

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

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

SCHEDULE B-US 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 and 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 OTHERS (MASTERCARD, VISA, ETC.)

Owing to (Acct. No.)	(J)	Date of Original Borrowing/Amount	Present Balance	Due	Monthly Payment	Date of Final Pay't	Secured By

The information contained in this statement is provided to induce you to extend or 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 (2) 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 authorizes you to answer questions about your credit experience with the undersigned.

Date Signed: _____ Signature (Individual): _____

Date Signed: _____ Signature (Other Party): _____

InSource Capital Services, Inc.

4335 Van Nuys Blvd, Suite 201, Sherman Oaks, CA 91403

(818) 783-7462 fax (818) 479-9722

www.InSourceCapital.com

SECTION II: Statement of Sources and Uses 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			

List the sources 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			
InSource Capital Services 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 ie: investor, etc (describe)			
TOTALS			

Prepared By: _____ Date: _____

TOTALS FROM TABLE A SHOULD MATCH TOTALS FROM TABLE B

InSource Capital Services

4335 Van Nuys Blvd, Suite 201, Sherman Oaks, CA 91403

(818) 783-7462 fax (818) 479-9722

www.InSourceCapital.com

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 #: _____

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

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: _____

QUESTIONNAIRE (continued)

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 Amount: _____	Original Amount: _____	Original Amount: _____
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 if more than 3 owners

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 will 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? _____

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: _____