



INFORMATION: PROSPECTIVE LOAN CLIENTS

Requiring financing for a New Franchise Unit

In order to serve your needs we need the following information:

- A. The name of the franchise. If you can provide us with a copy of the UFOC, that would be appreciated. If you do not have an extra copy, we will contact the franchisor to receive one.
- B. A copy of any business plan that the franchisor may have provide to you (many franchisors do not provide this for legal reasons).
- C. If they do not provide you with a business plan, please give us your best estimates for the following numbers.
 - 1. Cost of the franchise Agreement
 - 2. Estimated cost of lease hold improvements
 - 3. Estimated cost of equipment and signage
 - 4. Estimated cost opening inventory
- D. Do you have a location secured yet...and if so, when do you anticipate beginning construction?
- E. We will send you a personal financial statement form to complete and return to us.
- F. Once we receive this preliminary information, we can quickly pre-qualify your financing needs. If we expect to be able to arrange you financing, then and only then do we ask to be engaged by you.
- G. Our fee from you, the Borrower, for arranging an SBA loan is only \$1,000. This payment is due when you engage Siegel Capital. Our fee from you is earned upon the issuance of a loan proposal from a lender. We will refund ninety (90%) of the fee to you if we do not timely obtain a loan proposal for you, so long as this is not due to your materially altering your credit profile, your providing to us information which is materially incorrect, your failing to timely notify us of materially important information which could effect the approval of the loan by a lender, or your electing to seek other financing options on your own.

Siegel Capital is able to keep its fees to the borrower down in SBA loans, because Siegel Capital accepts referral fees from the lender with whom Siegel Capital places the SBA loan. These referral fees are earned only after the SBA loan is successfully closed and come from the lender and not from you.

- H. Upon being engaged:



1. We will send you forms to complete (with our assistance if necessary).
 2. Along with the completed forms, we will require copies of your last three years personal federal tax returns.
 3. If you have any other partners that will own 20% or more of the business that will be required of them as well.
 4. Please sign the bottom of the first page of these returns, in **BLUE** ink.
- I. Our staff is available to answer any of your questions or concerns.
- J. You grant to us the continuing right to interact with the Franchisor, including without limitation, the ability to report on the status of your loan and to share all loan proposal(s), commitment(s) and/or approval(s) that you receive from any lender.
- K. Some hints:
1. It is important that you determine the name of your new corporation, LLC or other business entity soon. The SBA application requires the name of the business entity, and changes of that name may cause delays in processing.
 2. All partners or stock holders with 20% interest in the business or more will require life insurance in the amount of the loan. Obtaining a hard copy policy may take several weeks. You should apply for additional insurance (if needed) immediately after we pre-qualify your loan request.
 3. Term insurance is acceptable. You should name your own beneficiary....not the lender. Once the loan is approved, and the policy issued, Siegel Capital or the lender will provide you with a form merely providing the lender with a Collateral Assignment of the Life Insurance Policy, to the extent of the debt.
 4. It is an SBA requirement that the lender have what is referred to as a Landlord Waiver. The form will be provided after the loan is approved. However, it is a good idea to let the landlord know about this. It is a good idea to ask who in the Landlord's organization should be sent the form. Send us the information when you receive it.
 5. Make an additional copy (or obtain one from your franchisor) of the Uniform Franchise Offering Circular (UFOC). The lender will typically require a copy.

We look forward to assisting you.

Siegel Capital, LLC

Initials of Borrower(s): _____