

## Checklist for Drafting a Franchise Application

1. Name.
2. Address.
3. Telephone number.
4. Date of birth.
5. Social Security number.
6. Marital status.
7. Name of spouse.
  - Will spouse be active in business.
8. Number of children.
9. Will children be active in business.
10. Other dependents.
11. Present employment.
  - A. Employer.
  - B. Address.
  - C. Position.
  - D. Responsibilities and duties.
  - E. Accomplishments.
  - F. Supervisor.
  - G. Telephone number.
  - H. Salary.
  - I. Term of employment.
12. Past employment.
  - A. Employers.
  - B. Addresses.
  - C. Positions.
  - D. Responsibilities and duties.
  - E. Accomplishments.
  - F. Supervisors.
  - G. Telephone numbers.
  - H. Salary.
  - I. Term of employment.
  - J. Reason for leaving.

13. Business experience.
  - A. Prior ownership of non-franchise business.
  - B. Prior franchise ownership.
  - C. Type of business.
  - D. Address.
  - E. Term of ownership.
  - F. Reason for termination of ownership.
  
14. Location preference for franchise.
  - Other choices.
  
15. Prior debt problems.
  - A. Bankruptcy.
  - B. Insolvency.
  - C. Compromise with creditors.
  
16. Litigation.
  - A. Past.
  - B. Present.
  - C. Pending.
  
17. Criminal convictions.
  
18. Treatment for alcohol or substance abuse.
  
19. Other parties to be involved with franchise.
  - A. Names.
  - B. Addresses.
  - C. Telephone numbers.
  - D. Percent of ownership.
  - E. Extent of active participation in business.
  
20. Personal and business references.
  - A. Names.
  - B. Addresses.
  - C. Telephone numbers.
  - D. Relationships.
  
21. Financial information -- Assets.
  - A. Cash on hand and unrestricted in banks.
  - B. Stocks.
  - C. Bonds.
  - D. Certificates of deposit.
  - E. Life insurance.
  - F. Vested retirement plan(s).
  - G. Real estate.

- H. Accounts, notes, and loans receivable.
  - I. Personal possessions.
  - J. Other assets.
22. Financial information -- Liabilities.
- A. Notes payable to banks or others.
  - B. Mortgages/deeds of trust payable.
  - C. Accounts, notes, and loans payable to others.
  - D. Other liabilities, actual and contingent.
23. Annual income.
- A. Salary.
  - B. Spouse's salary.
  - C. Bonus and commissions.
  - D. Interest.
  - E. Dividends.
  - F. Other income.
24. Banking activity.
- A. Names of banks.
  - B. Addresses.
  - C. Types of accounts.
25. Physical condition.
- A. Present state of health.
  - B. Handicaps or physical limitations.
  - C. Time lost from work due to illness.
26. Military service.
- A. Branch of service.
  - B. Length of service.
  - C. Rank at time of discharge.
  - D. Citations or awards.
27. Education.
- A. High school.
  - B. College.
  - C. Vocational or trade school.
  - D. Courses of study.
  - E. Degrees received.
  - F. Scholastic standing.
  - G. Special activities and awards.
  - H. Grant of permission to franchisor to investigate applicant's credit, character, business experience, and ability.
28. Release from liability or damages incurred from investigation of applicant.

29. Certification that information supplied on application is true and correct.
30. Date.
31. Signature.