

CONFIDENTIAL FRANCHISE APPLICATION

Date

Applicant's Name

FRANCHISE APPLICATION



CONFIDENTIAL

This application does not obligate either party in any manner. This is not an offer to sell a franchise. An offer can be made by prospectus only.

Please note that the following documents *are required* to be submitted for a Confidential Franchise Application to be considered complete:

1. Confidential Personal Application
2. Confidential Financial Application
3. Financial Verification Form

CONFIDENTIAL PERSONAL APPLICATION

The following information is the basis for your franchise application. The submission of the application does not obligate Hartz Franchise Restaurants, Ltd. and its subsidiaries ("HFR"), or you in any way. HFR will rely on the information provided to evaluate your application to acquire a franchise. Please answer all questions and use "Not Applicable", "N/A" or "None", if necessary.

Please return the completed profile in the enclosed envelope to:

Hartz® Franchise Restaurants, Ltd.
16670 Stuebner Airline Rd.
Spring, TX 77379

I. PERSONAL: *(If spouse is co-applicant, please complete an additional application.)*

Name: Last _____ First _____ Middle _____ Social Security Number _____

Address: Street _____ City _____ State _____ Country _____ Zip Code _____

Own Rent How many years at this address? _____ If less than three years, please provide previous address.

Previous Address: Street _____ City _____ State _____ Country _____ Zip Code _____

Residence Phone _____ Business Phone _____ May we contact you at Yes

Residence Fax _____ Business Fax _____ your business phone? No

Cell Phone _____ e-mail _____

Marital Status _____ Number of Children _____

Spouse's Name _____ Number of Dependents _____

Spouse's Occupation _____ Spouse's Annual Salary _____

Applicant's Height _____ Applicant's Weight _____

Physical Limitations _____

Birth Record: City & County _____ State & Country _____ Date of Birth _____ Age _____

Are you a citizen of the USA? Yes No If no, what country? _____

Languages spoken fluently _____

Military Service: Branch _____ From _____ To _____

Type of Discharge or Current Status _____ Rank or Rate _____

Education: Years of schooling 1-12 Degrees: *(List name of school, degree and year received.)*

12-16 High School _____

Over 16 Bachelor's _____

Major _____ Graduate _____

_____ Post Graduate _____

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Activities:

Memberships in professional, civic, or personal organizations (*include any governmental or other appointments*): _____

Have you ever been convicted of any misdemeanor or felony? (*other than minor traffic violations*)? Yes No

If yes, please explain _____

Have you or a corporation owned or controlled by you ever been involved in bankruptcy? Yes No

If yes, state details _____

Are you currently involved in any lawsuits or legal actions, either as plaintiff or defendant? Yes No

If yes, please state details _____

Please give three personal references. (*Do not list relatives or former employers.*)

Name	Relationship	Address	Phone
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_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

II. BUSINESS EXPERIENCE:

Present occupation	Position	Date Employed	Annual Salary
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Company	Address
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Describe duties, number of employees supervised and responsibilities _____

Previous ten years business experience (*Give exact names, address and dates. List most recent first. Attach resume, if available*):

Dates employed	Position	Company	Type of business
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Address	Name of superior	Reason left
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Responsibilities	Annual Salary
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Dates employed	Position	Company	Type of business
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Address	Name of superior	Reason left
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Responsibilities	Annual Salary
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Dates employed	Position	Company	Type of business
Address		Name of superior	Reason left
Responsibilities		Annual Salary	

III. RESTAURANT EXPERIENCE:

Do you now or have you ever owned or had an interest in a restaurant operation? Yes No Quick Service Full Service

If yes, state details _____

List companies or vendors from whom you purchase(d) goods or services:

Name	Address	Phone number

Do you presently have any commitments or arrangements that may interfere in your becoming a franchisee of HRI? Yes No

If yes, please give details _____

IV. OPERATIONAL PLAN:

How did you become interested in **Hartz® Franchise Restaurants, Ltd.** franchising program? _____

Will your **Hartz® Chicken Buffet Restaurant** be operated as a Corporation, Partnership or Sole Proprietorship?

What percent equity of this business will your own? _____

If other individuals will participate in the ownership of this venture, please provide name(s) below.
 (Each participant must complete a separate Franchise Application.)

_____ Percent Ownership _____ Active Investor Only

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To what extent will you be involved in the daily operations? _____

Will your **Hartz® Chicken Buffet Restaurant** be considered: your primary source of income?
 an investment with an operating partner?

Will members of your family be directly involved with the day to day operation of this business? Yes No

If yes, list who and in what capacity _____

What geographical area interests you? _____

If franchise not available in area of interest, will you consider another area? _____

Capital available for investment \$ _____

Sources and amounts of additional capital _____

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Name of accountant _____ Phone _____

Name of firm _____

Address: _____
Street City State Zip Code

Name of attorney _____ Phone _____

Name of firm _____

Address: _____
Street City State Zip Code

The applicant for franchise agrees that all information related to methods of operating restaurants, and all building plans, equipment and supplies, identification of preferred suppliers, cost and profit information, and other information relating to the business interest of Hartz® Franchise Restaurants, Ltd. and its subsidiaries ("HFR"), which has been or will be revealed to me in connection with any application for franchise, is a trade secret, proprietary and/or confidential to HFR. I further agree that such information is received by me in confidence, and agree that I shall not disclose to others or use for my own benefit or for the benefit of third parties any such information, without the written consent of HFR. This obligation shall continue so long as such knowledge remains legally protectable as to persons receiving it in a confidential relationship.

I further agree that all written materials, drawings, instruments or documents of any type which I may receive from HFR shall remain the property of HFR and such documents are understood to be loaned for limited purposes only. Such documents may not be reproduced in whole or part, and shall be returned to HFR upon request and in any event upon completion of the use for which loaned.

And I agree that I shall not, in any event, contest or deny the validity of the trademark or tradename rights in the marks of HFR, used by HFR, or marks confusingly similar thereto, and I shall not use any such marks except as authorized under the Franchise Agreement.

Signature:

Applicant _____ Date _____

Thank you for completing the **Confidential Personal Application**.

Please continue with the **Confidential Financial Application** portion of the **Confidential Franchise Application**.

CONFIDENTIAL FINANCIAL APPLICATION

V. PERSONAL FINANCIAL STATEMENT:

Begin this section of the application by completing **Asset Verification Schedules 1-8** on the following pages. Please complete this form answering all questions “no” or “none” where necessary. If a corporation will be involved in the ownership of the **HFR Franchise**, please also attach appropriate Balance Sheets and Income Statements.

Salary, wages	\$
Bonus, commissions	
Dividends, interest	
Real estate income	
Business profits	
Notes/accounts receivable	
Other income—specify source, e.g. trust, spouse, etc.	
Total	\$

Please provide details on the following Asset Verification Schedules (*schedule numbers in parentheses*).

Assets	
Cash on hand and in bank	\$
Vested profit sharing	
Securities (1)	
Bonds/debentures (2)	
Notes, accounts and mortgages receivable (3)	
Real estate—current market value (7)	
Net value of business interests (8)	
Other—autos and personal property, etc. (5)	
Total assets	\$

Liabilities	
Notes/loans payable to banks (4)	\$
Notes/loans payable to friends, relatives (4)	
Accounts and bills due (4)	
Real estate mortgages (7)	
Other debts or obligations (6)	
Total liabilities	\$
Net worth	\$
Total liabilities and net worth	\$

Give names of banks or financial companies where accounts are carried or where credit can be obtained or verified.

Name	Address	Account #	Phone	Fax	Highest extended credit/purpose

I submit the foregoing information as my complete and true personal and financial condition as of the date shown below. Hartz® Franchise Restaurants, Ltd. and its subsidiaries (“HFR”) is authorized to contact any appropriate third parties or credit agencies to verify the accuracy of the information submitted herein and to retain such information for its records. If requested by HFR, I agree to supply statements from my professional advisors (i.e. banker, broker, accountant or attorney) verifying the above assets. I also agree to furnish copies of Federal Income Tax Returns as filed for the last five years, if requested. I understand that HFR is relying upon all the above information as a material factor in considering my application to become a **Hartz® Chicken Buffet** and that all information contained in and pursuant to this application will be held in strictest confidence by HFR. This information has been provided for the specific purpose of obtaining a **Hartz® Chicken Buffet** and is for HFR internal use only.

Signature:

Applicant _____ Date _____

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VI. ASSET VERIFICATION SCHEDULES:

(1) Listed securities				(2) Bonds/debentures				
No. shares	Description	Pledged yes/no	Current market value	No. shares	Description	Pledged yes/no	Face value	Current market value
Total			\$	Total			\$	

(3) Notes/accounts/mortgages receivable						
Debtor	Relation to applicant	Nature of debt	Maturity date	Original face value	Monthly payment	Present balance
Total						\$

(4) Loans/notes/accounts payable (excluding mortgages)								
Lender	Account #	Nature of debt	Secured yes/no	Maturity date	Original face value	Monthly payments	Interest rate	Present balance
Total								\$

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(5) Other assets	
(e.g.: Stock options, cash value of life insurance, automobiles and other personal property, etc.)	
Description	Current fair market value
Total	\$

(6) Other debts and liabilities		
(e.g.: insurance loans, alimony, child support, leases, contracts, legal claims, judgements, chattel mortgages, taxes, co-maker or guarantor, etc..)		
Obligee	Description	Amount
Total		\$

(7) Real estate								
Address and description of property (residential, rental, vacant)	Date acquired	Title in name(s) of	Original cost	Original mortgage amount	Mo. payment (incl. taxes, assessments)	Current market value	Current mortgage balance	Net value
Total						\$	\$	\$

(8) Business interests								
Name of business	Description	Type (partner, corp., sole)	Names of all owners	Relation to applicant	Percent equity	Buy/sell agreement yes/no	Valuation method (book, earnings multiple, appraisal, agreed value)	Net value your interest
Total								\$

Does your spouse or another person have any interest in any of the above assets? If yes, please explain and list assets. _____

Have you acquired any of the above assets as a gift? If yes, specify assets, from whom and when acquired. _____

CONFIDENTIAL FINANCIAL APPLICATION

MONTHLY CASH FLOW STATEMENT

For the Year Ending _____

(Please enter amounts uniformly as monthly.)

Income	Amount
Salary/Business Income from (<i>describe</i>) _____	\$ _____
Investment Income	AMOUNT
Interest (<i>Taxable</i>) _____	_____
Interest (<i>Non-Taxable</i>) _____	_____
Dividends _____	_____
Real Estate-Gross Rental Received _____	_____
Rental expenses _____	_____
Debt Payment (<i>Schedule 7</i>) _____	_____
Net Rental Income _____	_____
Other Investment Income _____	_____
TOTAL INVESTMENT INCOME	\$ _____
Salary (<i>Spouse</i>) _____	\$ _____
Other (<i>Alimony, Child Support, etc.</i>) _____	\$ _____
TOTAL INCOME	\$ _____
Expenses & Fixed Obligations	Amount
Living Expenses	
Food _____	_____
Clothing _____	_____
Utilities _____	_____
Transportation, Car Repair _____	_____
Charitable Contributions _____	_____
Medical Bills, Prescriptions _____	_____
Entertainment, Travel _____	_____
Other _____	_____
TOTAL	\$ _____
Fixed Expenses	
Consumer Loans (<i>Schedule 4</i>) _____	_____
Taxes	
Income Taxes _____	_____
Property Taxes _____	_____
State & Local Taxes _____	_____
Mortgages (<i>Schedule 7</i>) _____	_____
Bank Loans (<i>Schedule 4</i>) _____	_____
Insurance	
Car Insurance _____	_____
Medical Insurance _____	_____
Life Insurance _____	_____
Home Insurance _____	_____
Other (<i>Alimony, Child Support, etc.</i>) (<i>Schedule 6</i>) _____	_____
TOTAL	\$ _____
TOTAL EXPENSES AND FIXED OBLIGATIONS	\$ _____
NET INCOME REMAINING	\$ _____

FINANCIAL VERIFICATION FORM FOR:

(Please print full name of company or individual.)

To Whom It May Concern:

I have made application to Hartz Franchise Restaurants, Ltd. (“HFR”) to secure a franchise license. As part of the general due diligence process, HFR has my permission to make all reasonable inquiries into my financial and professional background that they deem to be necessary. Should there be any cost associated with this, you have my permission to automatically withdraw that amount from my account. Please provide all requested information that may be required. If there is a question as to further authorization, please contact me at

_____.

Sincerely,

(signature)

Name: _____

Title: _____

SSN/Fed ID #: _____

Date: _____