

Benchmark

MANAGEMENT GROUP, INC.

1730 Park Street, Suite 214 Naperville, IL 60563
Phone: (630) 778-7000 Fax: (630) 778-7007

FRANCHISERS SUPPLEMENTAL APPLICATION

Applicant Name: _____

1. a. How long has the Applicant been franchising? _____
b. How many units does the Applicant own? _____
c. What is the total number of franchised units? _____

2. Does any subsidiary of the applicant provide services to the franchises?
Yes _____ No _____ If yes, provide details.

3. a. Does the Applicant have a franchise directors compliance program?
Yes _____ No _____ If yes, provide details.

- b. Does the Applicant have a franchise disclosure regulation or general compliance office?
Yes _____ No _____ If yes, what is there name? _____
Does this person have additional responsibilities? Yes _____ No _____
If yes, describe other responsibilities. _____

- c. Provide the background and the employment history of the person identified above. _____

4. Briefly describe the process for selecting and qualifying prospective franchisers. _____

5. Does the Applicant debrief prospective franchisers prior to execution of the franchise agreement? _____

6. For each franchise sold, does the Applicant maintain records of the following information?
 - a. Date of first contact. Yes _____ No _____ Not Applicable _____
 - b. Method of contact. Yes _____ No _____ Not Applicable _____
 - c. Date and place of first personal meeting.
Yes _____ No _____ Not Applicable _____
 - d. Identity of persons who met with franchisers and subjects discussed. Yes _____ No _____ Not Applicable _____
 - e. Date in which franchise learned about franchiser.
Yes _____ No _____ Not Applicable _____
 - f. Franchise Applications. Yes _____ No _____ Not Applicable _____
 - g. Investigative reports or test regarding prospective franchises.
Yes _____ No _____ Not Applicable _____

- h. Rates, related correspondence, memoranda and notes of conference. Yes___ No___ Not Applicable___
 - i. Identify and investigate professional advisor(s) to franchise. Yes___ No___ Not Applicable___
 - j. Copies of franchise offering and contracts delivered and dates of delivery. Yes___ No___ Not Applicable___
 - k. Description of any negotiations of the terms of a Franchise contract. Yes___ No___ Not Applicable___
 - l. Copies of all executed agreements and riders, addenda and exhibits. Yes___ No___ Not Applicable___
 - m. Properly completed, signed receipts to all offering circulars, contracts and other disclosure materials delivered to franchisers. Yes___ No___ Not Applicable___
 - n. Date(s) any agreements were executed by each party. Yes___ No___ Not Applicable___
 - o. Consideration and date paid. Yes___ No___ Not Applicable___
 - p. Date and prices(s) franchise was commenced and completed. Yes___ No___ Not Applicable___
 - q. Evidence that franchisers successfully completed training. Yes___ No___ Not Applicable___
 - r. Applicants assistance in connection with the opening of the franchisers business. Yes___ No___ Not Applicable___
7. a. Does the Applicant sell franchisers utilizing salespersons whoe are not employed by the applicant? Yes___ No___
If yes, identify the sales personnel. _____
- b. Has the applicant conducted a background check on its sales personnel? Yes___ No___
If yes, briefly explain the procedure. _____

8. Describe any established procedure, precautions or safeguards the Applicant has in place with respect to resolving disputes with franchises. _____

9. Provide the name of the law firm(s) (if any) which has assisted, or currently assists the Applicant with franchise contracts and/or franchise registration/disclosure statements and/or franchise disputes

10. Provide the name and address of the Applicant's current accounting firm. _____

It is understood and agreed that this supplemental application shall become part of the application for Professional Liability Errors & Omissions Insurance.

Date: _____ Name of Applicant: _____

Signature of person authorized
to execute on behalf of the
Applicant

WORLD WIDE WEB ADDRESS: _____