Capital Resources
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FINANCIAL ADVISOR CREDIT APPLICATION:

Date of Application: ________________ APPLYING AS: ☐ Individual ☐ Joint (both must sign pg 5)

PRIMARY APPLICANT INFORMATION:

Primary Applicant's Name: ________________________________ Current Occupation: ____________________

Years of Financial Advisory Experience: ______ Soc Sec Number: ____________________ Birthdate: ____________

E-mail Address: ________________________________ Primary Phone: ____________________________

Secondary Phone: ________________________ Drivers License #: ______________________ State: ________

Address: __________________________ City: __________________________ State: ______ Zip: __________

JOINT APPLICANT INFORMATION:

Note, If the proposed borrower is a corporate entity, Lender requires anyone with 5% or more ownership in that entity to be a co-borrower with the entity.

Joint Applicant's Name: ________________________________ Current Occupation: ____________________

Years of Financial Advisory Experience: ______ Soc Sec Number: ____________________ Birthdate: ____________

E-mail Address: ________________________________ Primary Phone: ____________________________

Secondary Phone: ________________________ Drivers License #: ______________________ State: ________

Check if Joint Applicant Address is the same as Primary Applicant address ☐ (*If not, please complete below*)

Joint Address:________________________ City: __________________________ State: ______ Zip: __________

DESIRED LOAN INFORMATION:

Loan Purpose (check all that apply):

☐ Acquisition ☐ *Debt Consolidation/Refinance

☐ **Working Capital ☐ Other:____________________________________

Proposed Loan Origination Date: ________________ Requested Loan Term: ______________ Total Requested Loan Amount: $____________________

☐ *Capital will be used to pay off existing debt (Seller Note, Credit Cards, Taxes, etc.)
Please fill out corresponding ***Schedules*** *found on the separate* ***Personal Financial Statement(PFS)***

☐ **Distribution of Capital will be used for the Firm expenses (upgrades, staffing, advertising, etc):____

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IF PROPOSED COLLATERAL IS A FIRM ALREADY *OWNED* THEN:

Note: In addition to proposed collateral, lender will require a collateral assignment of life insurance policy equal to the proposed loan amount.
If you do not currently own an firm, please skip to the next page.

Exact name of your Entity: ____________________

☐ RIA ☐ Broker/Dealer -- Name of Broker/Dealer: ____________________

Effective date of your Entity: ____________ Entity Type (Corp, Sole Prop, LLC): ____________ State of Org: ________ Tax ID #: ____________

AUM: $____________ Number of Clients: ____________ Percentage of reoccurring revenue: ________%

Annual Fee Revenue (*trailing 12 months*): $____________ Years of Firms Existence: ________ Years of Ownership: ________

Firm Phone: ____________ Firm Email: ____________

Firm Address: ____________ City: ____________ State: ________ Zip: ________

Is Firm Currently Encumbered? ☐ NO ☐ YES If **YES**, Please complete **Section E** on separate Personal Financial Statement

<u>NOTE:</u> **Revenue Mix Chart** for any Firm <u>you currently own</u>
must be filled out below to process the application. *(if applicable)*

REVENUE MIX CHART

REOCCURRING FEE REVENUE	**AMOUNTS**
Standard	$
Non-Standard	$
COMMISSION TYPE: *(please enter)*	
____________	$
____________	$
____________	$
____________	$
____________	$
TOTAL REVENUE	$ $ 0.00

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IF PROPOSED COLLATERAL IS A FIRM BEING *ACQUIRED* THEN:

Note: In addition to proposed collateral, lender will require a collateral assignment of life insurance policy equal to the proposed loan amount. Lender reserves the right to require an individual borrower to form a business entity.

NOTE: Minimum Down Payment Requirement= **20%**

Purchase Price before down Payment: ______________________

Targeted Acq. Date: ______________

Proposed Down: Payment (Specify Amount) $______________________

Source of Down Payment: (Specify: Cash, Sellers Note, Equity, etc) ______________________________

Firm to be acquired name: ____

Firm to be acquired Address: ______________________ City: ______________________ State: ______ Zip: __________

POST ACQUISITION:

SELECT ONE BELOW

- ☐ Merging Seller's Firm into my currently owned Firm
- ☐ Merging my Firm into the Seller's Firm

SELECT ONE BELOW

- ☐ Post Acquisition, Firm will stay at Seller's Location
- ☐ Post Acquisition, Firm will be relocating to new location below

Relocation Address: ______________________ City: ______________________ State: ______ Zip: __________

Years of firms existence:__________ AUM: $________________________ Number of Clients: __________

Percentage of reoccurring revenue: __________%

Annual Fee Revenue (*trailing 12 months*) $______________________

Average tenure of the staff within the firm? __________yrs

Number of producers currently in the firm? __________

Will the producers be staying post transaction? __________

Reason the Advisor/Owner is selling the Firm? (Retire, Relocation, etc): ______________________________

Reasons for purchasing the Firm: (ties/relationship to Firm/clientele, etc): ______________________________

NOTE: **Revenue Mix Chart** for Firm being acquired must be filled out completely to process the application. *(acquisitions only)*

REVENUE MIX CHART

REOCCURRING FEE REVENUE	AMOUNTS
Standard	$
Non-Standard	$
COMMISSION TYPE: *(please enter)*	
______________________	$
______________________	$
______________________	$
______________________	$
______________________	$
TOTAL REVENUE	$ $ 0.00

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INDIVIDUAL OR JOINT CREDIT

I/We are applying for $________________________________ on _________________ with Capital Resources, LLC.
(total requested amount) MM/DD/YY

☐ I am applying for individual credit in my own name and I am relying on my own income and assets and not the income and assets of another person. As such, the attachments to this Credit Application reflect my income and asset only.

☐ I am applying for individual credit and I am relying on my own income or assets, as well as income or assets from another source.

☐ We are applying for joint credit. (Both signatures required)

DATE: ______________ SIGNATURE OF APPLICANT:____

DATE: ______________ SIGNATURE OF JOINT APPLICANT:______________________________________

ACKNOWLEDGMENT

I acknowledge that acceptance of this Credit Application should not be considered as a commitment by Capital Resources to extend credit and that I shall be notified of the approval or denial of the credit applied for herein by Capital Resources. I certify that the answers to the questions on this application and the information provided in connection therewith (including business and financial information, and that information contained in any attachments hereto) are true and complete and that I (we) intend to apply for joint credit (if proper box is checked at top of page #1 of this application). Permission is granted to Capital Resources, and/or its affiliates, to investigate my personal history (including criminal history, Executive Order 13224 and the US PATRIOT Act), business history, employment history, credit history, education and backgrounds, and authorize any school, former employer, reference, or other individual or entity to respond to such inquiries. This permission extends to any entities of which I am a principal or member of. Permission is also granted to provide information about me to Capital Resources, its affiliated companies, financiers, suppliers and professional consultants. I agree to hold harmless any person or entity which provides information to you from any claims, liability, damages or other amounts incurred as a result of doing so. I represent and warrant that neither I, nor any owner, affiliate, partner, director, officer or manager of an entity of which I am a principal or member of, nor any affiliate, parent, child or spouse of any individual applicant and/or guarantor (collectively for this paragraph, "Applicant") supports terrorism, provides money or financial services to terrorists, or is engaged in terrorism, is on the current U.S. government list of organizations that support terrorism, nor has engaged in or been convicted of fraud, corruption, bribery, money laundering, narcotics trafficking or other crimes, and all are eligible under applicable U.S. immigration laws to be in the U.S. and perform contracts in the U.S. Applicant further warrants and represents that applicant is not identified by a government or legal authority as a person with whom Capital Resources would be prohibited from transacting business and that Applicant will notify Capital Resources in writing immediately of the occurrence of any event that renders the foregoing representations and warranties incorrect. I understand and agree that any misrepresentation by me on this application or in the information provided in connection therewith, will result in cancellation of the application and that Capital Resources shall not be held liable in any respect if false statements or omissions made by me in this application or in the information provided in connection therewith are made. If I am approved for the loan requested hereby, I hereby agree to comply with all policies and procedures set forth in the loan documents executed by me in conjunction therewith.

DATE: ______________ PRINTED NAME OF APPLICANT:____

SIGNATURE OF APPLICANT:____

DATE: ______________ PRINTED NAME OF JOINT APPLICANT:__________________________________

SIGNATURE OF JOINT APPLICANT:______________________________________

CHECKLIST:

FROM THE LOAN APPLICANT: APPLIES TO EACH PERSON WITH WITH 5% OR MORE OWNERSHIP IN BORROWING ENTITY

- ☐ 1- Fully completed and signed Credit Application (only accepted on the CR form).
- ☐ 2- Fully completed and signed Personal Financial Statement(s) (only accepted on the CR form).
- ☐ 3- A current FINRA Broker Check report
- ☐ 4- Two Forms of ID from applicant(s) One form must have photo. Second form does not require photo.
  Acceptable forms: Drivers License, School ID, Credit Card, Passport, Membership Card, Insurance Card, Military ID, etc.
- ☐ 5- Last 3 years of Personal tax returns of applicant(s) with ALL supporting schedules. FEDERAL ONLY

IF APPLICANT OWNS AN FIRM NOW:

- ☐ 6- Last 3 years of Firm's tax returns with ALL supporting schedules. FEDERAL ONLY
  - ☐ 6a- If the most recent December year-end tax return is not yet filed, a December year-end Profit & Loss Statement AND Balance Sheet for the firm(s) currently owned is required.
- ☐ 7- Last 3 years of Profit & Loss Statement AND Balance Sheets of firm(s) currently owned.
- ☐ 8- Current year-to-date Profit & Loss Statement AND Balance Sheets of firm(s) currently owned.
- ☐ 9- Articles of Organization/Incorporation for firm(s) currently owned.
- ☐ 10- Operating Agreement/By-Laws for firm(s) currently owned.
- ☐ 11- Agreements with Broker/Dealer(s) for firm(s) currently owned.
- ☐ 12- Top ten(10) Client List by AUM for firm(s) currently owned.
- ☐ 13- AUM Summary

FROM THE FIRM SELLER: **(FOR ACQUISITION LOANS ONLY)**

- ☐ 14- Last 3 years of Firm's tax returns with ALL supporting schedules. FEDERAL ONLY
  - ☐ 14a- If the most recent December year-end tax return is not yet filed, a December year-end Profit & Loss statement for the firm/firms currently owned is required.
- ☐ 15- Last 3 years of Profit & Loss Statement AND Balance Sheets of firm(s) being acquired.
- ☐ 16- Current year-to-date Profit & Loss Statement AND Balance Sheets of firm(s) being acquired.
- ☐ 17- Articles of Organization/Incorporation for firm(s) being acquired.
- ☐ 18- Operating Agreement/By-Laws for firm(s) being acquired.
- ☐ 19- Agreements with Broker/Dealer(s) for firm(s) being acquired.
- ☐ 20- Top ten(10) Client List by AUM for firm(s) being acquired.
- ☐ 21- AUM Summary