

Copeland's of New Orleans

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Metairie, LA 70001

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FRANCHISE EVALUATION PROCEDURE

Al Copeland Investments, Inc. would like to thank you for your interest in becoming a Copeland's franchisee. Please remember as you review this material that this is merely an application and determination of approval by our Franchise Approval Committee. The Franchise Evaluation Form is one step in this multi-phase procedure.

Franchise Evaluation Procedures include, but are not limited to:

- Review of applicant's background (personal, professional, and financial)
- Personal meeting with Andy Gunkler, Chief Development & Franchise Officer, to discuss your level of interest, objectives, operational plan, and vision as a Copeland's franchisee
- Applicant's review of the Franchise Disclosure Document
- Discovery Day at our home office in Metairie, LA
- Presentation of Area Development Agreement for signature and execution

Once the Area Development Agreement has been completed, the site selection and evaluation process will begin with assistance from our Development Department. Individual restaurant Franchise Agreements will be signed prior to the commencement of construction for each site in accordance with the Area Development Agreement.

Important: Do not incur any expenses relative to development of a particular site as this is merely an evaluation process and is not a guarantee of an Area Development Agreement. Any expenses that are incurred prior to the formal issuance of an Area Development Agreement, relating to securing land or building location for development, will be at the applicant's own risk.

Receipt of application and additional information is not a guarantee of approval for a Copeland's Area Development Agreement.

You will not have been granted a Copeland's Area Development Agreement unless you are in receipt of an Area Development Agreement signed by the Chief Development & Franchise Officer of Al Copeland Investments, Inc. This or any other document or verbal advice is not to be construed in any way as, or to be an Area Development Agreement or the granting thereof.

**Tell Us About Yourself
Confidential**

THIS APPLICATION DOES NOT OBLIGATE EITHER PARTY IN ANY MANNER.

Please complete the following for each applicant.

Date Profile Submitted: ____/____/____

Full Legal Name: _____

Address/Street: _____

City: _____ State: _____ Zip: _____

Previous Address (within the past 7 years): _____

Dates Lived here (from/to): _____/_____

Home Phone:(____)____-_____ May we contact you here? _____

Business Phone:(____)____-_____ May we contact you here? _____

Cell Phone: (____)____-_____ May we contact you here? _____

Email Address: _____

Date of Birth: ____/____/____ Place of Birth: _____

Social Security Number: _____

Drivers License State/Number: ____/_____

If Corporation, Corporate I.D. #: _____

Spouse Name: _____

Spouse Date of Birth: ____/____/____ Place of Birth: _____

Spouse Social Security Number: _____

Spouse Driver's License State / Number: ____/_____

Are all applicants identified above citizens of the United States? Yes () No ()

If you answered "NO", which applicant(s) is/are not? _____

What is country of citizenship? _____

Your Attorney

Name: _____

Address: _____

Phone: _____

Your Accountant

Name: _____

Address: _____

Phone: _____

Educational Background

(or attach resume)

High School _____ City _____ State _____

Years completed _____ Graduated? _____

College _____ City _____ State _____

Years completed _____ Graduated? _____

Degree _____ Major _____

Graduate

School _____ City _____ State _____

Years completed _____ Graduated? _____

Degree _____ Major _____

Market Area Preference

In What area are you interested?

First Choice _____

Second Choice _____

Third Choice _____

Why do you feel a Copeland's would be successful in this area?

Number of restaurants to be developed _____

When would you like to open your first Copeland's restaurant?

Percentage of time devoted to the restaurant? _____ %

Will this be your primary source of income? Yes () No ()

Questionnaire

1. List any franchise of food service operations in which the applicant or any of the persons listed as owners, partners, operating manager, or general manager, been associated with in the past either through employment or through ownership of holdings:

2. Does the activity in item 1 above subject the applicant to any restrictive covenant?

Yes () No ()

3. If any such associated listed in item 1 have been terminated, state the date of termination and the reason for termination.

4. If proposed franchisee is an entity other than an individual:

a. Please indicate type of entity and percentage of personal ownership:

() Corporation _____% () Limited Partnership _____%

() General Partnership _____% () Other-Specify _____ %

b. Date of incorporation of organization _____

c. Country, state, or province where incorporated or organized

d. Was the entity formed for the specific purpose of purchasing a Copeland's franchise? Yes () No ()

e. Dollar value of the entity's net worth:

() \$1,000,000-\$1,999,999

() \$2,000,000-\$4,999,999

() \$5,000,000 and over

If the proposed franchisee is other than an individual, a separate questionnaire for franchise applicants must be completed by all persons indicated in application. If the proposed franchisee is other than an individual, please attach signed copies of the entity's current financial statements (balance sheets and income statements) and bank statements or other documentation supporting the liquidity position of the entity.

Please describe in detail if you have any arrangements or commitments, contractual or otherwise, that may interfere with your becoming a franchisee of Copeland's.

Are you, or any members of your family, or any proposed partner of this venture, currently or have you ever been employed by Copeland's Restaurants or related to any franchisee, supplier or vendor of Copeland's Restaurants or any subsidiary or company affiliated with any of the above?

If yes, please explain in detail.

How did you hear about Copeland's Restaurants?

Will you devote full-time to this business? Yes () No () If no, indicate how you will divide your time.

Will members of your family be directly involved with the day to day operations of this business? Yes () No () If yes, list who, in what capacity and their previous work experience:

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, shareholder, or partner) been convicted or pleaded no lo contender or been held liable in a civil action by a final judgment, or been the subject of a complaint, arbitration, or other legal proceeding, involving violation of any franchise law, embezzlement, theft, fraud, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, violation of securities law, or comparable allegations? Yes () No () If yes, please explain:

Are you (or any corporation or partnership of which you are or were a director, officer, shareholder, or partner) subject to any currently effective injunctive or restrictive order or decree relating to franchises, or under any federal, state, or Canadian franchise, securities, antitrust, trade regulations or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency?
Yes () No () If yes, please explain:

During the previous ten years, have you received any medical or psychological treatment as a result of, or related to, the above or dependence on drugs, alcohol, or controlled substances?
Yes () No ()

Please indicate any additional information you think may be helpful in enabling Copeland's to determine that your knowledge and experience in financial and business matters are sufficient to enable you to successfully operate a Copeland's restaurant.

Occupational Background

Minimum of 10 year information, or attach resume.

Company _____

Address: _____ Phone: _____

Type of business: _____

Position held: _____ Salary: _____

Description of
responsibilities _____

Employed from / to: _____ / _____ Supervisor Name: _____

Company _____

Address: _____ Phone: _____

Type of business: _____

Position held: _____ Salary: _____

Description of
responsibilities _____

Employed from / to: _____ / _____ Supervisor Name: _____

Company _____

Address: _____ Phone: _____

Type of business: _____

Position held: _____ Salary: _____

Description of
responsibilities _____

Employed from / to: _____ / _____ Supervisor Name: _____

List any professional licenses or registrations, including bar admissions, accounting certificates,
and SEC or state broker-dealer registrations held by you.

Personal Financial Information

(If separate financial statements are submitted, please sign and date, or attach bank financial statement.)

Assets

Cash on hand & unrestricted \$ _____

Stock in your business \$ _____

Publicly traded stocks, bonds

And Securities \$ _____

Real estate, your residence(s) \$ _____

Accts., Notes & Loans

Receivable \$ _____

Personal Possessions

(Auto, household, furn, etc.) \$ _____

Other Assets \$ _____

Retirement/Pension Accts. \$ _____

Total Assets \$ _____

Notes payable to banks \$ _____

Mortgage payable \$ _____

Accts. Notes & Loans

Payable to other \$ _____

Other liabilities \$ _____

Total Net Worth \$ _____

Annual Income

Salary \$ _____

Spouse's Salary \$ _____

Bonus & Commissions \$ _____

Interest & Dividends \$ _____

Other Income (Itemize) \$ _____

Bank References

Name of Bank: _____ Officer: _____

Address: _____

Phone: _____ Account#: _____

Name of Bank: _____ Officer: _____

Address: _____

Phone: _____ Account#: _____

General Information

Are you a co-signer, guarantor or endorser to anyone else's obligation(s)? Yes () No ()

If yes, explain relationship(s) and list amounts:

List any other comments or contingent liabilities not listed above, including leases:

Financial Information- Source of Equity

Please attach a signed current financial statement (balance sheet and income statement), and bank statements or other documentation supporting your liquidity position, and copies of federal income tax returns for the last (2) years.

Do you have any contingent liabilities in which you reasonably anticipate could cause the need for sudden cash requirements in excess of cash readily available to you? Yes () No ()

Do you have any reason to anticipate any significant decline in income or net worth in the next three years? Yes () No ()

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, officer, shareholder or partner) defaulted in the repayment of a loan? Yes () No ()

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, officer, shareholder or partner) made an assignment for the benefit of creditors, has a receiver appointed for any of your property, been declared insolvent, or otherwise been subject of any proceedings under any state or federal law relating to debtors and creditors? Yes () No ()

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, officer, shareholder or partner) been the subject of any "work out" arrangements with any lender as a result of failure to timely repay any loan in accordance with its original terms? Yes () No ()

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, officer, shareholder or partner) been sued for collection of any debtor or been sued for the foreclosure of any collateral securing debt? Yes () No ()

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, officer, shareholder or partner) given a deed in lieu of foreclosure to any lender, or otherwise transferred property to a lender to avoid foreclosure or collection action? Yes () No ()

During the previous ten years, have you (or any corporation or partnership of which you are or were a director, officer, shareholder or partner) been adjudged bankrupt or reorganized due to insolvency, filed a petition in bankruptcy or a had petition in bankruptcy filed against you? Yes () No ()

During the previous ten years, have you(or any corporation or partnership of which you are or were a director, officer, shareholder or partner) at the time of or within one year of the time when, such corporation or partnership was adjudged bankrupt or reorganized due to insolvency or had a petition in bankruptcy filed against it? Yes () No ()

If any part of the funds are to be borrowed, please identify the lender, amount of loan, and repayment terms. _____

The source and amount of equity to be utilized in the development of a new restaurant project is an important consideration. Copeland's established a minimum equity amount that may be greater depending on individual lender requirements, etc. Typically, 20 to 25% of the total project cost will be required as an equity investment in each project. If you are not in the financial position to solely pursue the business venture, partnerships are an acceptable business structure.

Use the following chart to identify the source of fund and the taxes, expenses, cost penalties, etc. to be deducted to arrive at the net equity amount. The source and gross amount information should match the financial statement submitted with this application. If additional space is required, please use a separate sheet of paper.

Source	Gross Amount	Taxes or other Expense Payable	Net Equity Amount
Cash	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
Securities	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
Retirement Accounts*	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
Other	\$ _____	\$ _____	\$ _____
Other	\$ _____	\$ _____	\$ _____
		Total Equity	\$ _____

**Retirement accounts must be discounted at a rate of 50%.*

I/we certify that the above represents the source(s) and amount(s) of funds to be used for the equity portion of the new restaurant project.

Date

Corporate/Partnership Name

Signature of Applicant or Authorized
Officer or Partner Thereof

Signature of Applicant or Authorized
Officer or Partner Thereof

Signature of Applicant or Authorized
Officer or Partner Thereof

Signature of Applicant or Authorized
Officer or Partner Thereof

Management & Operating Plan

Copeland's Restaurants recognizes the significance of the role of management to the successful operation of a Copeland's Restaurant. As part of the approval procedure and to assist Copeland's in determining who will be responsible for the operations, please indicate your intentions by checking the appropriate box. Copeland's will require one of the following:

_____ A. The Franchisee is either to be an "owner/operator" of the restaurant(s) and will remain active on a day-by-day basis, successfully completing the Manager In Training Program prior to the opening of the location, or;

_____ B. In the event the Franchisee will be an "investor" and not active on a day-to-day basis, the franchisee is to provide Copeland's with the following information.

- Who will be the Operating Partner? _____
- Who will be the General Manager? _____
- Please attach a resume or detailed work history.
- A written compensation program for the Operating Partner for the restaurant, to be developed by the Franchisee, must be submitted to Copeland's for its approval and be in effect on the day the restaurant opens. The development and implementation of a qualified compensation program in and of itself is not a guarantee of a successful operation. The day-to-day activities and performances of management will, in most situations, dictate the potential success of that operation.
- The "investor/franchisee" and the "designated operating partner" must attend the Discovery Day meeting at Copeland's home office in Metairie, LA, prior to the execution of the Area Development Agreement.
- The Operating Partner must attend and successfully complete the Manager In Training Program prior to the opening of the restaurant.

Business Entity Overview

Please be particularly careful that information given is accurate and that the individual, partnership or corporation making application is designated correctly.

The Partnership Agreements or Articles of Incorporation should be completed at the time of application. If they are not, the Agreement must be issued to the principles as sole proprietors. Upon completion of the Partnership Agreement or Articles of Incorporation, an assignment from the sole proprietorship to the partnership or corporation may be accomplished under the terms of "Assignment" currently in use by Copeland's Restaurants.

All Shareholders in a corporate franchise or all partners in a partnership franchise, as the case may be, must be bound by a buy-out agreement with respect to the interest in the franchise.

Please complete one of the following categories:

INDIVIDUAL

A. _____
Name Business Address State

B. _____
Name Business Address State

PARTNERSHIP- *Please complete supplemental worksheet for partnerships.

_____, "a Partnership" _____
Name of Partnership Business Address, State

CORPORATION

_____, "a _____ Corporation _____
Name of Corporation State in which incorporated State

NOTE: A copy of the Articles of Incorporation will be required prior to the execution of the Area Development Agreement.

Business Entity Overview
Supplemental Partnership Worksheet

PARTNERSHIP

_____, "a Partnership" _____
Name of Partnership Business Address, State

PARTNERSHIP INFORMATION

President or Partner

Name Phone Ownership%

Address

VP or Partner

Name Phone Ownership%

Address

Secretary or Partner

Name Phone Ownership%

Address

Treasurer or Partner

Name Phone Ownership%

Address

FINANCIAL NOTE: *If the proposed franchisee is other than an individual, a separate questionnaire for franchise applicants must be completed by all persons indicated above. If the proposed franchisee is other than individual, please attach signed copies of the entity's current financial statements (balance sheets and income statements) and bank statements or other documentation supporting the liquidity position of the entity.*

Franchisor Disclosure

Copeland’s Restaurants does not disclose certain information (average sales, volumes, average return on investment, variable expenses percentage, etc.) to prospective Franchise applicants other than information included in the Franchise Disclosure Document (FDD). Copeland’s firmly believes that access to this type of information by a prospective Franchise is critical in deciding whether or not to make application. Accordingly, Copeland’s will provide a list of its restaurant operators by region, prototype location, etc. The FDD is given to each prospective applicant and we strongly recommend that applicant contact several franchises appearing on the respective lists.

Applicant acknowledges that Copeland’s does not warrant or guarantee the accuracy or validity of information obtained from franchised contacts. Applicant further acknowledges that, other than information published in the FDD, neither Copeland’s nor its representatives have stated or suggested (orally, in writing or visually) a specific level or range of potential or actual sales, income, gross or net profits or variable expense data in connection with the making of this application. Furthermore, this application or any other document or verbal advice is not to be construed in any way as, or to be, an Area Development Agreement, Franchise Agreement or the granting thereof.

REPRESENTATION WARRANTIES

Applicant acknowledges and agrees that all information contained in this application is true and accurate. The information included in this application is for use by Copeland’s Restaurants in determining approval of a franchise. I authorize Copeland’s Restaurants to utilize other investigative sources that it considers necessary in making this determination, including credit and criminal reporting agencies. Further, I hereby authorize the bank references listed in this application to release the information necessary to assist Copeland’s Restaurants in its review.

Corporation/Partnership Name

A. _____
Signature

B. _____
Signature

Printed Name

Printed Name

Date

Date