



WORLD LEADERS IN EDUCATION AGES 1-5

CONFIDENTIAL QUALIFICATION REPORT

Thank you for your initial inquiry about our franchise opportunity. The information you provide to us will assist in determining if you qualify to become a franchisee of CEFA Systems Inc. All information will be held in strict confidence. The completion of this form will not obligate you, your co-applicant or CEFA Systems Inc. in any manner.

Applicant's Full Name: _____

Spouse's/Partner's Full Name: _____

Home Address: _____

City: _____ Province / State: _____ Postal/ZIP Code: _____

Primary Phone: _____ Additional Phone: _____

Email: _____

Citizenship: _____

Your Current Employer: _____ Date Started: _____

Position / Title: _____ Yearly Gross Compensation: _____

Your Previous Employer: _____ Date Started: _____

Position / Title: _____ Yearly Gross Compensation: _____

***Please attach resume if available.

LEGAL HISTORY

Have you ever been convicted of any offense that a pardon has not been granted? If yes, please explain: _____

Are you currently a party to any pending legal action or administrative investigation or hearing? If yes, please explain: _____

Have you ever been charged with and/or investigated for a crime or professional misconduct of any type whatsoever (regardless of whether the outcome was resolved in your favor)? If yes, please explain: _____

In the last 5 years have you or your company filed any legal action or has any legal action been filed against you or your company? If yes, please explain: _____

Have you ever failed in a business, filed for bankruptcy or had pending or threatened lawsuits against you? If yes, please explain: _____

Is there anything else we should know to assist us in assessing your fit as a CEFA franchise partner? _____

BUSINESS ANALYSIS

Opening a CEFA franchise will likely require an initial investment of \$495,000 to \$900,000. Are you capable of making an investment this size? _____

Where are the funds going to come from to meet the requirements of the estimated start up costs? Please list the source and amounts.

Will you have a business partner? _____

If so, please provide the name(s) of your partner(s), their relationship to you and the percentage of ownership that they will have:

Will you be responsible for the day-to-day operations of the business? _____

If not, who will? _____

Are you interested in multiple unit opportunities? _____

Location preferences (city/town): _____

Briefly describe your qualifications to own and manage a CEFA franchise:

What traits and skills, in your opinion, characterize an efficient business owner?

Why are you interested in running and operating a CEFA franchise?

How did you first learn about CEFA?

To become a franchisee, you will be required to sign an Franchise Agreement and opening a school will require you to sign Lease or Sale Agreements. You should obtain your own legal and/or financial counsel for such matters.

Legal Counsel

Name: _____

Phone number: _____

Mailing address: _____

Email address: _____

Accountant

Name: _____

Phone number: _____

Mailing address: _____

Email address: _____

Source of Funds or Financing (example)	Amount of Funds	Date Accessible
i.e. Royal Bank of Canada approved loan	\$ 200,000	30-March-2015
i.e. Cash on hand	\$ 50,000	15-April-2015
i.e. Borrowing cash from parents or partner (include names)	\$ 50,000	1-March-2015
TOTAL ACCESSIBLE FUNDS	\$ 300,000	By 15-April-2015

SOURCE OF FUNDS STATEMENT

Source of Funds or Financing	Amount of Funds	Date Accessible
TOTAL ACCESSIBLE FUNDS		

**The information I am submitting to CEFA is for the purpose of confirming my financial viability. This information is true and correct to the best of my knowledge and hereby give CEFA authorization to request my bank records and financial history. **

 Signed

 Dated

 Print Name

Net Worth Statement for:		Date:
Assets		
Liquid Assets		
Cash on hand		\$
Checking Accounts		\$
Savings Accounts		\$
GICs & T-Bills		\$
Cash Value of Life Insurance Policies		\$
Money Market Mutual Funds		\$
Other Liquid Assets		\$
Long Term Assets		
Mutual Funds (non-money market)		\$
Stocks		\$
Bonds		\$
RRSPs/RRIFs/RESPs		\$
Company Pension Plan		\$
Other Long Term Assets		\$
Property Assets		
Principal Residence		\$
Vacation Property		\$
Other Real Estate		\$
Vehicles		\$
Jewelry/Art/Collectibles		\$
Other Property Assets		\$
TOTAL ASSETS		\$
Liabilities		
Mortgage (principal residence)		\$
Other Mortgages		\$
Personal Line of Credit		\$
Auto Loans		\$
RRSP Loans		\$
Investment Loans		\$
Average Credit Card Balance		\$
Other Loans		\$
TOTAL LIABILITIES		\$
TOTAL NET WORTH (TOTAL ASSETS – TOTAL LIABILITIES)		\$

REFERENCES

Business:

1. _____

Contact Name: _____

Email Address: _____

Phone #: _____

2. _____

Contact Name: _____

Email Address: _____

Phone #: _____

Bank:

1. _____

Contact Name: _____

Email Address: _____

Phone #: _____

2. _____

Contact Name: _____

Email Address: _____

Phone #: _____

Clients:

1. _____

Contact Name: _____

Email Address: _____

Phone #: _____

2. _____

Contact Name: _____

Email Address: _____

Phone #: _____

****The applicant hereby authorizes CEFA Educational Systems to contact any or all of the above named references for purposes of evaluating this application and confirming or assessing the applicant's qualifications. The applicant acknowledges and agrees that CEFA Educational Systems may engage third parties to conduct such reference inquiries on its behalf. ****

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

We have developed certain business assets, of an intellectual property nature and otherwise, including operations and procedures manuals (the “Manuals”) relating to the operation of the Core Education and Fine Arts (“CEFA”) system of operating an Early Learning School.

In the course of discussions or dealings between you and us regarding your potential purchase of a CEFA franchise, we may disclose to you or you may otherwise learn Confidential Information, concerning our business generally or related to the Manuals specifically. In this letter, “Confidential Information” means any information relating to CEFA or its products, characteristics or design, business, or other of our activities, that is not generally known to the public or to other persons who are not bound by obligations of confidentiality, and which derives economic value, actual or potential, from not being generally known or in respect of which we otherwise have a legitimate interest in maintaining secrecy, it being specifically agreed and understood that we have already imparted Confidential Information to you and such past incidences are deemed incorporated into this agreement, for good and valuable consideration.

As a precondition to discussions between you and us, either related to those past discussions or going forward, we require your agreement, on your own behalf and on behalf of anyone you represent, to the following:

1. You will keep strictly confidential all Confidential Information that you acquire, see, or are informed of as a direct or indirect consequence of discussions with us.
2. Unless we first give you written permission to do so, you will not use or duplicate any Confidential Information or recollections thereof for any purpose other than the evaluation of CEFA to determine if you will enter into a business arrangement with us, and for such purpose you may disclose Confidential Information to your lawyers, accountants and bankers on a “need to know” basis provided each such person agrees to be bound by the same obligations of secrecy and confidentiality to which you are bound under this agreement and provided further that you shall be directly responsible to us for any losses or damages suffered as a result of the breach of such obligations by your said representatives.
3. Except as set out in paragraph 2 above, you shall not, directly or indirectly, now or in the future, use, modify, alter, disseminate, disclose, publish, copy, reproduce, summarize or record any Confidential Information or recollections thereof, nor shall you use or modify any Confidential Information as the basis for the design or creation of any product or information or allow any third party to do any of the foregoing.

4. You will take all reasonable precautions, and such other precautions as you would reasonably be expected to employ for protection of your own secret and confidential information, to prevent material in your possession or control that contains or refers to Confidential Information from being discovered, used, or copied by third parties.

5. As between you and us, all right, title, and interest in, to and associated with CEFA is and shall remain our sole and exclusive property subject only to the terms of any subsequent agreement in writing between us.

If the foregoing is acceptable to you, please execute and return a fully executed copy of this letter, which will constitute our binding agreement with respect to the subject matter above.

ACCEPTED AND AGREED this _____ day of _____, 20_____

Signature: x _____

Print Name: _____

Signature: x _____

Print Name: _____

CONSENT AND STATEMENT OF TRUTH

It is understood that the purpose of this application is for information only, and it is in no way binding upon either CEFA Educational Systems or the applicant. It is, however, understood that the applicant supplies the information contained herein, that is true and correct to the best of his/her knowledge and ability and that CEFA Educational Systems relies on the contents herein in making a meaningful evaluation of the applicant's qualifications to open and operate a CEFA franchise to be granted by CEFA.

By signing below, the applicant is giving CEFA Educational Systems authorization to check the applicant's employment history, criminal record and financial history including an Equifax credit check. This investigation may occur during the application process and, if a franchise is granted, from time to time thereafter as deemed necessary.

'I verify' or 'I do not verify':

Your signature

Date (dd/mm/yyyy)

Spouse's / Partner's signature

Date
