

## 9 Easy Steps

### Applying for a Farmers Insurance Agency Loan from Capital Resources

- \_\_\_ 1. Complete the credit application in its entirety. (*Capital Resources cannot move forward on any application without a complete and signed credit application.*)
- \_\_\_ 2. Attach all supporting documents to your credit application that are listed, in detail, on page 3 of the application. (*Capital Resources **WILL NOT** move forward on any application without **ALL** supporting documents.*)
- \_\_\_ 3. Forward your complete credit application with attachments in an organized and presentable manner to:  

**Capital Resources**  
**Attn: Underwriting**  
**7960 W 135<sup>th</sup> Street - Suite 200**  
**Overland Park, KS 66223**
- \_\_\_ 4. Once your application has been received you will be contacted by one of our courteous representatives to address any questions they may have specific to your request.
  - a. During this step it may be necessary, if your transaction is an acquisition, to have questions answered directly by the seller of your targeted agency.
  - b. During this time it may also be necessary for an onsite visit by someone within our due diligence team to the agency being purchased.
- \_\_\_ 5. Once all questions have been addressed and your complete application has been reviewed our loan officers will then submit your transaction to our Loan Committee in a timely manner.
- \_\_\_ 6. Once a decision has been made by our Loan Committee you will be contacted by one of our representatives to be notified of your loan approval or denial.
- \_\_\_ 7. If your loan is approved then you will receive a formal letter of commitment detailing the basic terms and conditions of your loan.
- \_\_\_ 8. Upon you returning a signed copy of the commitment letter we will ship loan documents for you to review with your legal counsel.
- \_\_\_ 9. Once we have received your loan documents then loan proceeds will be sent to the appropriate parties via wire transfer on the scheduled day of closing.

## Application for Credit

**Date of Application:** \_\_\_\_\_**Individual Name:** \_\_\_\_\_**Occupation:** \_\_\_\_\_**Social Security Number:** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_**Home Phone:** ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Birth date: \_\_\_\_\_

Driver's License #: \_\_\_\_\_

State of Issuance: \_\_\_\_\_

Home Address: \_\_\_\_\_

Work Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

ZIP: \_\_\_\_\_ County: \_\_\_\_\_

Cell Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

EXACT NAME as will be or is issued by Farmers on your Agent Appointment Agreement:

\_\_\_\_\_

Address where YOUR agency is/will be located: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_ County: \_\_\_\_\_

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**If Borrower is an entity (Note, Lender reserves the right to require an individual borrower to form a business entity):**

Entity Name (Exact Spelling/Punctuation): \_\_\_\_\_

Entity Type: \_\_\_\_\_

State of Organization: \_\_\_\_\_

Tax Identification Number: \_\_\_\_\_

Business Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Business Address: \_\_\_\_\_

Business Fax: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

ZIP: \_\_\_\_\_ County: \_\_\_\_\_

Cell Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

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**If applying for credit jointly (Note, Lender will require any individual with a 5% or more interest in the agency to offer an unlimited and unsecured personal guarantee):**

Joint Applicant's Name: \_\_\_\_\_

Occupation: \_\_\_\_\_

Joint Applicant's SSN#: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Home Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Joint Applicant's Birth Date: \_\_\_\_\_

Driver's License #: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Work Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

Joint Applicant's Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_ County: \_\_\_\_\_

**Desired Loan Information:**

**\*\*Standard Minimum Down Payment Requirement = 15% of agency purchase price.**

Loan Purpose: Farmers Agency Acquisition or Refinance of Existing Farmers Agency Debt (select one)

Proposed Loan Origination Date: \_\_\_\_\_ \*\*Requested Loan Amount: \$ \_\_\_\_\_

\*\*Proposed Down Payment: \$ \_\_\_\_\_ Requested Loan Term: \_\_\_\_\_

\*\*Source of Down Payment (specify % of cash, IRA, stocks, etc): \_\_\_\_\_

Proposed Collateral (agency business, real estate, etc.): \_\_\_\_\_

**Agency Contract Value Information:**

Agency now owned: Policies in Force \_\_\_\_\_ Agency Contract Value: \$ \_\_\_\_\_

Agency to be acquired: Policies in Force \_\_\_\_\_ Agency Contract Value: \$ \_\_\_\_\_

Post-Acquisition (all): Policies in Force \_\_\_\_\_ Agency Contract Value: \$ \_\_\_\_\_

**If Proposed Collateral is Farmers Agency Being Acquired Then:**

Annual Commission Revenues: \_\_\_\_\_ Purchase Price: \_\_\_\_\_

Years in Existence: \_\_\_\_\_ Applicant's Total Years of Insurance Experience: \_\_\_\_\_

Agency Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Why is seller selling Agency (i.e. retirement, move)? \_\_\_\_\_

**If Proposed Collateral is Farmers Agency Already Owned by Applicant Then:**

Annual Commission Revenues: \_\_\_\_\_ Purchase Price: \_\_\_\_\_

Years in Existence: \_\_\_\_\_ Years of Ownership: \_\_\_\_\_ Applicant's Total Years of Ins Experience \_\_\_\_\_

Agency Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**Where will agencies be located post – acquisition (check one):**

Staying at Seller's Location: \_\_\_\_\_ Relocating Agency: \_\_\_\_\_ New Address: \_\_\_\_\_

Merging Selling Agency to My Currently Owned Agency: \_\_\_\_\_ Merging My Agency to Seller's \_\_\_\_\_

Please include any other agency location information here: \_\_\_\_\_

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**Note: In addition to proposed collateral, lender will require a collateral assignment of a life insurance policy equal to the proposed loan amount.**

If you are the current owner, how many years have you owned this agency? \_\_\_\_\_

Estimated Value of Proposed Collateral: \_\_\_\_\_

Is the proposed collateral currently encumbered: **Yes** or **No** (select or circle one)

If yes, name of secured party and amt of debt: \_\_\_\_\_

How did you hear about Capital Resources? \_\_\_\_\_

Please include any other information here: \_\_\_\_\_

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**SIGNATURES:** 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. 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 manger 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:** \_\_\_\_\_ **Signature of Applicant:** \_\_\_\_\_

**Date:** \_\_\_\_\_ **Signature of Joint Applicant:** \_\_\_\_\_  
(as applicable)

**Individual or Joint Credit**

I/We are applying for \$ \_\_\_\_\_ on \_\_\_\_\_ with Capital Resources, LLC.  
(*\$00.00*) (MM/DD/YY)

*Please Check or Select Applicable Statement:*

- ( ) I am applying for individual credit in my own name and I am relying on my own income and assets and not the income asset of another person. As such, the attachments to this Credit Application reflect my income and assets only.
- ( ) I am applying for individual credit and I am relying on my income or assets, as well as income or assets from other sources.
- ( ) We are applying for joint credit.

Signature(s)

\_\_\_\_\_ Date \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

***In order to ensure timely response to your application, attach the documents listed below and submit along with this fully completed and signed application via facsimile or mail to Capital Resources, LLC.***

**From the Loan Applicant:**

1. Fully completed and signed credit application (the CR provided form).
2. Fully completed and signed personal financial statement (the CR provided form).
3. A current resume for applicant(s). Please include work history with cities and dates, insurance licenses held, insurance industry honors and community involvement.
4. A copy of the most recent 3 years personal federal income tax returns of applicant (with all supporting schedules).
5. If applicant is a corporate entity, a copy of the Articles of Organization/ Incorporation and Operating Agreement/By-laws for entity Borrower.
6. Written verification from Farmers approving Applicant to Purchase the Subject Agency (if new purchase).
7. Written verification from Farmers stating the total policies in force and the total contract value of the Farmers agency after agency acquisition.

**If Applicant Owns a Farmers Agency Now:**

8. A copy of the most recent 3 years of agency federal income tax returns (with all supporting schedules).
  - a. If the most recent December year end tax return in not yet filed, a year end December profit and loss statement for the agency/agencies currently owned.
9. A current year to date profit and loss statement (income and expenses) of agency/agencies currently owned.
10. The following Farmers Reports:
  - a. Statement of Operations – Commission/Financial Data for:
    - i. Current year to date, and 3 most recent years ended December.
  - b. Agent Achievement Awards – On Schedule Report:
    - i. Current year to date, and December of most recent year end.

**From the agency SELLER:**

11. A copy of the most recent 3 years of agency federal income tax returns (with all supporting schedules).
  - a. If the most recent December year end tax return in not yet filed, a year end December profit and loss statement for the agency/agencies currently owned.
12. A current year to date profit and loss statement (income and expenses) of agency/agencies currently owned.
13. The following Farmers Reports:
  - a. Statement of Operations – Commission/Financial Data for:
    - i. Current year to date, and 3 most recent years ended December.
  - b. Agent Achievement Awards – On Schedule Report:
    - i. Current year to date, and December of most recent year end.