

TO: THE DEALER DEVELOPMENT MANAGER  
FORD MOTOR COMPANY OF SOUTHERN AFRICA (MANUFACTURING) (PTY) LTD - (FMCSA)  
P O BOX 411  
PRETORIA  
0001

**APPLICATION FOR FRANCHISE AND DEALER CREDIT**

**DEALER AREA OF RESPONSIBILITY** (AREA/CITY/TOWN) \_\_\_\_\_

**FRANCHISE(S) APPLIED FOR:** \_\_\_\_\_

**APPLICANT:**

TYPE OF INSTITUTION:

COMPANY      CLOSE CORPORATION      PARTNERSHIP      PROPRIETOR

REGISTERED NAME OF INSTITUTION: \_\_\_\_\_

REGISTERED OFFICE ADDRESS OF INSTITUTION: \_\_\_\_\_

PROPOSED TRADING NAME: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

POSTAL ADDRESS: \_\_\_\_\_ CODE: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_ CODE: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_ CODE: \_\_\_\_\_

CURRENT FRANCHISES HELD

DIRECT/SUB

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

1. **CAPITAL STRUCTURE:**

(a) **COMPANY**

Authorised share capital \_\_\_\_\_ Shares of R \_\_\_\_\_ each

Issued Capital \_\_\_\_\_ Shares of R \_\_\_\_\_ each  
*(Certified copy of Memorandum and Articles of Association to be attached)*

(b) **CLOSE CORPORATION**

Total value of  
Membership interest: R \_\_\_\_\_

Number of Members: \_\_\_\_\_  
*(Copy of Association Agreement, if any, to be attached)*

(c) **PARTNERSHIP**

Capital value: R \_\_\_\_\_

Number of partners: \_\_\_\_\_  
*(Copy of Partnership Agreement, if any, to be attached)*

2. **DETAILS OF REGISTRATION:**

Registration No.: \_\_\_\_\_

Certificate of Incorporation/  
Founding Statement No.: \_\_\_\_\_  
*(Certified copy to be attached)*

3. **DETAILS OF TRADE PREMISES:**

Landlord's Name: \_\_\_\_\_

Landlord's Postal Address: \_\_\_\_\_

Landlord's Telephone No: \_\_\_\_\_

Expiry Date/Period of Lease: \_\_\_\_\_

4. **DETAILS OF BANK:**

Name of Bank and Branch: \_\_\_\_\_

Address of Bank: \_\_\_\_\_

Branch Telephone No: \_\_\_\_\_

Name of Bank Manager: \_\_\_\_\_

Bank Account Number: \_\_\_\_\_

5. **INSURANCE DETAILS:**

Name of Insurance Co.: \_\_\_\_\_  
*(To cover Vehicles, Parts and Accessories inventory)*

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

Policy Number: \_\_\_\_\_

6. **PARTICULARS OF SHAREHOLDERS/PARTNERS/MEMBERS:**

**IMPORTANT NOTE:**

Buy and sell of existing dealership require a minimum of 10% BBBEE shareholding.

New dealership require a minimum of 25% BBBEE shareholding.

FULL NAME	NATIONAL ID NUMBER	% SHARE HOLDING	ACTIVE YES/NO	RESIDENTIAL ADDRESS	NAME AND BRANCH OF BANK

**INVESTMENT**

I/We acknowledge that the owner's investment required for the contemplated Dealership per the financial prospectus is:

(000's)

R \_\_\_\_\_

I/We intend funding my/our investment as follows:

Non-Interest Bearing Funds

- \* Share capital reserves
- \* Members funds (Close Corporation)
- \* Owner's capital a/c (Sole Proprietor/Partnership)
- \* Owner's loans R \_\_\_\_\_

Interest Bearing Funds

- \* Owner's loans R \_\_\_\_\_  
Rate of interest \_\_\_\_\_ %  
Repayment terms \_\_\_\_\_

- \* Outside loans R \_\_\_\_\_  
From whom \_\_\_\_\_  
Rate of interest \_\_\_\_\_ %  
Escalation terms \_\_\_\_\_  
Repayment terms \_\_\_\_\_  
Security \_\_\_\_\_

**TOTAL INVESTMENT** R \_\_\_\_\_

**CREDIT FACILITIES**

*Ford Credit South Africa (Pty) Ltd. is an independent company which advances credit facilities to FMCSA Dealers in respect of the purchase price of vehicles, including the provision of credit during the interest free period. Such floorplan credit facilities may be advanced to the applicant only after:*

1. *an analysis of the applicant's audited financial statements and/or the personal wealth statements of persons associated with the applicant, together with such other information as may be required by Ford Credit South Africa (Pty) Ltd; and*

2. *the provision of such securities as may be required by Ford Credit South Africa (Pty) Ltd.*

NEW VEHICLE FLOORPLAN PER FINANCIAL PROSPECTUS R \_\_\_\_\_

PARTS CREDIT LINE PER FINANCIAL PROSPECTUS R \_\_\_\_\_

**BANK OVERDRAFT FACILITIES**

My/our overdraft facility is R \_\_\_\_\_

Bank and branch \_\_\_\_\_

This facility is secured as follows \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**NOTE:**

*A letter from the bank confirming the above **MUST** accompany this application.*

**SECURITIES**

I/We certify that with the exception of the securities securing the outside loans and the bank overdraft facilities referred to above and the following (detail other securities given)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

We have neither:

- \* Bonded our fixed properties nor
- \* Ceded or factored our debtors nor
- \* Ceded our stocks/inventories nor
- \* Given the company's guarantee nor
- \* Given shareholders/members/partners personal guarantee nor
- \* Given any other form of security

**FINANCIAL STATEMENTS OF APPLICANT**

The signed Annual Income Statements and Balance Sheets of the Applicant for the past 2 (two) financial years together with current interim financial statements and current interim Balance Sheet are attached hereunto. I/We warrant the correctness of the information set in the attached Annual Income Statements and Balance Sheets.

**PERSONAL FINANCIAL STATEMENTS**

The current signed Balance Sheets of the Shareholders/Members/Partners/Guarantors are attached hereunto.

*It is affirmed that aforementioned given in this application is correct and complete and that there are no claims, liens, judgements or executions against the applicant, present or pending, or any obligations relevant to this application which have not been fully disclosed, other than the following:*

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SOURCE OF INCOME

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*It is understood that this application does not obligate FMCSA in any way to enter into a Franchise Agreement in terms of which the Applicant is appointed as a Dealer in Ford Products. Any obligations undertaken, or expense incurred by the applicant in contemplation of this application is done solely on the applicant's accord and does not obligate FMCSA or any of its representatives in any way. It is further understood that should FMCSA enter into a Dealership Agreement with the Applicant in consequence of information given or represented in this application, and such information or any representation is later found to be incorrect, for whatever reason, FMCSA may terminate its Franchise Agreement with the Applicant.*

NOTE:

1. *All attached documents are deemed to be part of this Schedule and subject to the terms and conditions set out in this Schedule.*
2. *During the negotiations with the Applicant, certain information, including projected sales forecast, was furnished to the Applicant by FMCSA to assist the Applicant in assessing the commercial viability of the appointment of the Applicant to sell certain nominated Ford products. The Applicant acknowledges that it is not entitled to rely on any information furnished to it by FMCSA in making the decision as to whether to accept the appointment as a Dealer and to enter into a Dealer Agreement.*

SIGNATURE OF PERSON DULY AUTHORISED TO APPLY ON BEHALF OF THE APPLICANT

\_\_\_\_\_ DATE \_\_\_\_\_

*Documents per the attached schedules MUST accompany this application. If any is omitted or incomplete, it could delay appointment.*

**PROPOSED FACILITY PHOTOGRAPHS**

**LOCATION OF APPLICANT'S PROPOSED FACILITY**

(Map showing location of premises and other competitive dealers)

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**CURRICULUM VITAE**

DEALER PRINCIPAL

**PERSONAL DETAILS:**

Name: \_\_\_\_\_  
Date of birth: \_\_\_\_\_  
Identity number: \_\_\_\_\_



**QUALIFICATIONS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EXPERIENCE:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OTHER RELEVANT DATA:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**DEPARTMENT MANAGERS**

**NEW VEHICLE SALES MANAGER:**

NAME: \_\_\_\_\_ AGE: \_\_\_\_\_

EXPERIENCE: \_\_\_\_\_

**USED VEHICLE SALES MANAGER:**

NAME: \_\_\_\_\_ AGE: \_\_\_\_\_

EXPERIENCE: \_\_\_\_\_

**PARTS MANAGER:**

NAME: \_\_\_\_\_ AGE: \_\_\_\_\_

EXPERIENCE: \_\_\_\_\_

**SERVICE MANAGER:**

NAME: \_\_\_\_\_ AGE: \_\_\_\_\_

EXPERIENCE: \_\_\_\_\_

**ADMINISTRATION/ACCOUNTING MANAGER**

NAME: \_\_\_\_\_ AGE: \_\_\_\_\_

EXPERIENCE: \_\_\_\_\_

**DEALERSHIP PERSONNEL REQUIREMENTS**

ESTIMATED PERSONNEL REQUIREMENTS FOR THIS DEALERSHIP ARE:

	<u>PROSPECTUS</u>	<u>PLANNED</u>
DEALER PRINCIPAL	_____	_____
GENERAL MANAGER	_____	_____

**ADMINISTRATION**

ACCOUNTANT/ADMIN MNGR	_____	_____	_____	_____
CREDIT MANAGER	_____	_____	_____	_____
CLERICAL	_____	_____	_____	_____
OTHER	_____	_____	_____	_____

**SALES DEPARTMENT**

SALES MANAGER	_____	_____	_____	_____
SALESSTAFF - NEW	_____	_____	_____	_____
SALESSTAFF - USED	_____	_____	_____	_____
CLERICAL	_____	_____	_____	_____
DRIVER/CLEANER	_____	_____	_____	_____

**PARTS DEPARTMENT**

MANAGER	_____	_____	_____	_____
SALESSTAFF	_____	_____	_____	_____
SUPERVISOR	_____	_____	_____	_____
CLERKS	_____	_____	_____	_____
LABOURERS	_____	_____	_____	_____

**DEALERSHIP PERSONNEL REQUIREMENTS (CONTINUED)**

	<u>PROSPECTUS</u>	<u>PLANNED</u>
<b><u>SERVICE DEPARTMENT</u></b>		
MANAGER	_____	_____
FOREMAN	_____	_____
RECEPTIONIST	_____	_____
TECHNICIANS	_____	_____
APPRENTICES	_____	_____

REPAIR SHOP ASSISTANTS	_____	_____	_____	_____
LUBE OPERATORS	_____	_____	_____	_____
LABOURERS	_____	_____	_____	_____
OTHER	_____	_____	_____	_____
<b><u>TOTAL PERSONNEL</u></b>	_____	_____	_____	_____

**REMARKS:**

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**APPLICANT'S BUSINESS PLAN FOR THE FIRST 12 MONTHS OF OPERATION**

<u>PROFIT POTENTIAL</u>	<u>NEW</u>	<u>USED</u>	<u>PARTS</u>	<u>SERVICE</u>	<u>D/WAY</u>	<u>TOTAL</u>	<u>% T/O</u>
RETAIL UNIT SALES	_____	_____	(R 000's)	_____	_____	_____	_____
TURNOVER	_____	_____	_____	_____	_____	_____	_____
GROSS PROFIT	_____	_____	_____	_____	_____	_____	_____
VAR & DIRECT EXP	_____	_____	_____	_____	_____	_____	_____
CONTROLLABLE GROSS	_____	_____	_____	_____	_____	_____	_____
LESS INDIRECT EXPENSES						_____	_____

LESS INTEREST EXPENSES	_____	_____
PLUS HOLDBACK AND FIN. & INS INCOME	_____	_____
PROFIT BEFORE TAX	_____	_____

*Above projections to reflect the results of the Applicant's business plan for the first 12 months of operation. The business plan, including a balance sheet, MUST accompany this application.*

**REMARKS:**

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**LIST OF UNENCUMBERED SECURITIES AVAILABLE FOR THIS CREDIT APPLICATION:**

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**RECOMMENDED GENERAL SERVICE EQUIPMENT**

	<u>EQUIPMENT AVAILABLE</u>	<u>SUGGESTED QUANTITY FOR BAY COUNT</u>			
		<u>5</u>	<u>10</u>	<u>20</u>	<u>30</u>
Toe - in Gauge	_____	*	1	1	1
Wheel alignment equipment	_____	*	*	1	1
Lubrication hoist	_____	1	1	1	2
General repair hoist	_____	1	3	7	10
Engine stands	_____	1	1	1	2
Trolley jack up to 2 ton	_____	1	2	4	6
Trolley jack up to 5 ton	_____	-	-	1	1
Transmission jack	_____	-	-	-	1
Dual rear wheel trolley (Truck shop only)	_____	-	-	1	1
Mobile crane	_____	1	1	1	1
Axle stands (set of 4)	_____	3	6	13	20
Gear oil dispenser	_____	-	1	1	1
Chassis lube dispenser	_____	-	1	1	2

Waste oil receptacle		-	2	4	6
Impact wrench 13mm drive		2	3	6	10
Impact wrench 20mm drive		-	-	1	1
Impact cutter		-	-	-	1
V - belt tension gauge		-	1	1	1
Fuel storage drum (portable)		-	1	1	1
Bench grinder/buffer		1	1	1	2
Electric drill up to 13mm		1	1	1	2
Electric drill up to 25mm		-	-	1	1
Car washing equipment		-	1	1	1
Steam cleaner		-	-	-	1
High pressure cleaner		1	1	1	1
Parts cleaner		-	-	1	1
Alt, gen, regulator test bench		-	-	1	1
Valve refacer and seat		-	-	-	1
Workbenches		2	5	10	15
Vises		2	5	10	15
Air compressor		1	1	1	1
Timing light		1	1	1	1
Spark plug cleaner		-	-	-	1
Floor creepers		3	3	6	10
Cylinder bore deglazer		-	-	1	1
Ring groove cleaner set		-	1	1	1
Piston ring expander		-	1	1	1
Piston ring compressor		1	1	1	1
Thermostat tester		1	1	1	1
Vacuum and fuel pump tester		1	1	1	1
Oil pressure gauge		1	1	1	1
Vacuum cleaner		1	1	1	1
Torque wrench 20mm drive		-	-	-	1
Torque wrench 13mm drive		1	1	1	2

\* NOT REQUIRED IF WORK CAN BE SUBLET

### RECOMMENDED GENERAL SERVICE EQUIPMENT

<u>EQUIPMENT AVAILABLE</u>	<u>SUGGESTED QUANTITY FOR BAY COUNT</u>			
	<u>5</u>	<u>10</u>	<u>20</u>	<u>30</u>
Socket wrench set 20mm drive	-	-	-	1
Arc welder	-	-	-	1
Gas welding equipment	-	-	1	1
Tube cutter and flaring tool set	-	1	1	1
Soldering iron	1	1	1	1
Pressure brake bleeder	-	-	1	1
Wheel balancer on car	*	1	1	1
Wheel balancer off car	-	-	-	1
Tyre repair equipment	*	1	1	1
Valve seat run out gauge	-	-	-	1
Tap and die set	1	1	1	1
Screw extractor set	1	1	1	1
Inside and outer micrometer	1	1	1	1
Headlamp tester	-	1	1	1
Fire extinguisher	2	3	5	7

Waste bins		3	5	10	15
Air hoses		1	5	10	15
Lead lights		3	6	13	20
Extension cords		1	1	1	2
Radial runout gauge (Tyre)		-	-	-	1
Valve guide kit		-	-	1	1
Engine analyser with scope		-	-	-	1
Distributor tester		-	-	1	1
Exhaust analyser		1	1	1	1
Dwell-tach volt meter		1	1	1	1
Ohmmeter		1	1	1	1
Compression tester		1	1	1	1
Battery charger		1	1	1	1
Battery starter tester		-	1	1	1
Battery service kit		-	1	1	1

\* NOT REQUIRED IF WORK CAN BE SUBLET

NB:- All Special Tools and Diagnostic Equipment as required from time to time by franchised Dealers is mandatory.

**ESTIMATE OF PREMISES REQUIRED (SQUARE METERS)**

	PROSPECTUS			AVAILABLE		
	UNITS	COVER m2	OPEN m2	UNITS	COVER m2	OPEN m2
<b><u>VEHICLE SHOWROOM</u></b>						
CAR AND LCV						
<b><u>SERVICE DEPARTMENT</u></b>						
CAR AND LCV	BAYS			BAYS		
<b><u>PARTS DEPARTMENT</u></b>						
ALL REQUIREMENTS						
<b><u>OFFICE AREA</u></b>						
ADMINISTRATION AND SALES						
<b><u>TOTAL COVERED</u></b>						

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**NEW UNIT STORAGE**

CAR AND LCV

**USED UNIT DISPLAY**

CAR AND LCV

**CUSTOMER PARKING**

BAYS

BAYS

ALL DEPARTMENTS

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**TOTAL OPEN AREA**

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**GRAND TOTAL AREA**

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**REMARKS:**

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**ANALYSIS OF PROPOSED FUNDING**

	R 000's
Owners funds per existing balance sheet	
- Capital	_____
- Retained earnings	_____
- Owners loans	_____
- Other (Specify)	_____
<b>TOTAL OWNERS FUNDS</b>	R _____
<b>PLUS - ANY UNDER VALUATION OF EXISTING ASSETS</b>	_____
<b>LESS - Intangible assets (goodwill etc.)</b>	_____
- Net assets included in above but of a nature not included in the prospectus (land, buildings, etc. - show net of mortgage or associated funding)	_____
- The value of any net fixed asset which is above prospectus level and which cannot be sold readily (show value less any special funding)	_____
<b>NET FUNDS AVAILABLE FOR FRANCHISE</b>	R _____

FUNDS REQUIRED PER THE PROSPECTUS

\_\_\_\_\_

SURPLUS/(SHORTFALL)

\_\_\_\_\_

Plans to make good any shortfall (Specify)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

**NET SHORTFALL**

**R** \_\_\_\_\_