



## *ANZ's Easy-to-Follow Guide for Retailing and Franchising Finance*

*ANZ Retailing and Franchising*

*ANZ Business Banking*





## *Retailing and Franchising Finance made simple*

Starting your own franchise, newsagent or independent supermarket is an exciting time, but to give your business every chance of success it pays to have the right financial support behind you.

ANZ Retailing and Franchising understands your business. Our team of dedicated specialists have the knowledge and expertise to design financial solutions for new businesses and provide the know-how to help your business grow.

To help you through the process of establishing your own business, we have put together this simple step-by-step guide. To make your application as straightforward and trouble-free as possible, take some time to read through the guide, and if you have any questions please contact one of our ANZ Retailing & Franchising specialists.

An average application takes approximately 20 working days from start to finish, although it is important to be aware that more complex applications may take longer. When lodging your application please remember to allow for delays in documentation and dealing with third parties.

It is important to know that all applications for credit are subject to ANZ's normal credit approval criteria.

# *Step 1*

## *Prepare*

Before seeking finance, make sure you do plenty of research. Get to know your industry, your customer and your competition. When choosing a franchise, newsagency, independent supermarket or licensed business, it's always best to choose one that suits your needs and aspirations:

- › Make sure you understand the business you are planning to buy. It can be useful talking to several existing operators in your chosen industry. Issues to consider include:
  - ~ Business reputation
  - ~ Track record
  - ~ Anticipated working hours per week and how this fits in with your lifestyle, family and other commitments
  - ~ Anticipated financial benefits and outlays i.e. cost/benefit analysis
  - ~ Your personal goals and plans for the business

- › Clarify why you have chosen this particular business over other opportunities. This is a good way to confirm you are making the right decision and also helps when articulating your financial needs to us
- › If your chosen business is a franchise, ask the franchisor for a franchisee's information kit and any other disclosure material that explains the financial viability, selection processes and available sites (and other information) for your franchise
- › Speak to a financial adviser or accountant about the financial viability of your proposed purchase. If you don't already have a financial adviser, ANZ has professional financial planners who can help you. Simply contact your Retailing and Franchising specialist for a referral
- › To discuss your financial requirements, and any special offers that may apply, contact one of our ANZ Retailing and Franchising specialists. We can show you financial solutions designed specifically for franchises, independent supermarkets and newsagencies. Speak to an ANZ Retailing and Franchising specialist today to discuss how we can help you.

# Step 2

## Application

Once you have done your groundwork and confirmed this is the right business opportunity for you, it's time to start the loan application process. Your ANZ Retailing and Franchising specialist will provide the necessary forms and discuss the process with you.

### The paperwork

At this stage, you will need to complete the following documents:

#### › ANZ Retailing and Franchising Business Credit Application

The Business Credit Application covers all the financial aspects of your business so we can develop a financial solution that is designed to work best for your business. Information we need at this stage includes:

- ~ Details of parties to the franchise/ license agreement. This might be you, a company, a partnership or a trust
- ~ Details of all ANZ and non-ANZ debt. Please specify exact 'pay-out figures' of all facilities you are applying to have refinanced with ANZ
- ~ If your business requires working capital, please specify this in your application
- ~ Details of rental guarantee (security bond) to your landlord, if required. Check with the vendor or franchisor whether this is needed.

You will then need to complete and sign the application document.

**Time saver tip 1:** ANZ will need you to confirm the legal entity you wish to borrow under and whether you need a rental security deposit or bond. We will need this to prepare your letter of offer. This could be you, a company, a partnership or trust.

#### › Personal Statement of Financial Position

The ANZ Retailing and Franchising Business Credit Application also includes a 'Personal Statement of Financial Position Form'.

Please provide all details requested on the form and sign where indicated.

#### › Business Plan

A Business Plan helps us to gain a better understanding of your business strategy and long-term goals. It doesn't have to be too complicated, but should address issues such as your business objectives, performance measures and timeframes. It should also cover how you plan to achieve your objectives through product, pricing, marketing, sales and distribution initiatives.

For further information on what to include in your plan visit [www.anz.com](http://www.anz.com) or speak to your ANZ Retailing and Franchising specialist.

#### › Cash Flow Forecast

You will need to provide us with your cash flow projections for the next 12 months. Forecasts should include details of your likely cash and overdraft requirements and trading position once your business has been established.

Please include the assumptions behind your data so we can fully understand your projected financial position. You may need your accountant's help at this stage. Make a point of understanding the financials and your business.

#### › Personal Tax Returns or Trading Figures

We need this information so we can verify your income for the past two years. If you are purchasing an existing business, we will also need the vendor's trading results for the last two years.

# Step 4

## Initial Approval

Your ANZ Retailing and Franchising specialist will contact you to let you know the outcome of your application. If approved, your application may be subject to satisfaction of certain conditions. For example, we may need additional information or evidence of contractual agreements with your franchisor/ licensor/ vendor.

Delays at this stage can impact your proposed settlement date. Please contact your ANZ Retailing and Franchising specialist immediately if you are unable to provide additional information requested or you are experiencing delays.

If your loan has been declined, we will contact you to explain the reasons for our decision. Where possible, we will advise you if other financial arrangements are available.

**Time saver tip 2:** *Make sure your opening goes according to plan. Organise your business cheque books, merchant facilities and personal and business credit cards before you open your doors. Your ANZ Retailing and Franchising specialist can help you set up these business tools.*

### › Franchise/License/Purchase Agreements and Lease Details

Let us know the length of your franchise/license/purchase agreement (as applicable), lease agreement and any option(s) to renew. While these documents are not required at the application stage, they need to be provided before your loan is drawn down.

### › Security for the loan

Let us know if you are proposing to provide security in support of your loan application. It might be your house, investment property or another asset.

Have you thought about how you are going to protect your business or your family's lifestyle if something happened to you? Now is a good time to make sure you have sufficient insurance in place to protect your business and personal assets and income.

A qualified ANZ Insurance Manager is available for an obligation free discussion about your insurance needs, including:

- › Life and/or disability insurance
- › Income protection insurance
- › Business and public liability insurance

# Step 3

## Assessment

Now that we have all the documentation, we will assess your application. This normally takes around 5-10 working days.

Your ANZ Retailing and Franchising specialist will contact you during this assessment period if we need further information.



# Step 5

## Formal Approval

Once your loan is approved we will issue the formal documentation. If you have any questions about these documents, or have any information outstanding, make sure you call your ANZ Retailing and Franchising specialist, as this will speed up the settlement process.

You will need to:

- › Read the Letter of Offer detailing the terms and conditions of your finance approval carefully and make sure you are happy with it. Then, sign and return it to us as soon as possible. Please contact your ANZ Retailing and Franchising specialist if you have any questions or concerns about the offer
- › If you haven't already done so, please provide us with your security documents
- › If your home loan or other personal accounts form part of your approval, start transferring them to ANZ. Your ANZ Retailing and Franchising specialist can guide you through this process.

After ANZ has received this information it takes us around 3 to 5 working days to produce security documents for you to sign.

### Open Accounts

Cheque books, merchant facilities and account opening authorities can take time. Make sure you allow sufficient time to get these up and running before your planned starting date.

Some documents may need to be signed by a third party – such as your previous bank or landlord.

**Time saver tip 3:** *Right of entry agreements (if needed) must be signed by your landlord and their bank. This can take time as these parties will seek legal advice.*

**Time saver tip 4:** *ANZ will need to finalise any existing loans you are transferring to us, business or personal, before the business settlement date. Your current bank will need around 10 working days notice to arrange a refinance or payout settlement.*

Your ANZ Retailing and Franchising specialist is here to help. So you have everything ready in time, you should:

- › Complete a merchant facilities application 15 working days before the installation date
- › Register you and your business for ANZ Internet Banking. You should do this at least 10 working days before your business commences

It is a good idea to have all documents signed and delivered to ANZ at least 15 working days before settlement. We recommend that you seek independent legal advice on all documentation.

**Time saver tip 5:** *Ensure all security documents are correctly signed where indicated. Incorrectly signed documents can delay the drawdown of funds.*

# Step 6

## Settlement

For your settlement to take place on time, the following items will need to be in place:

- › Check that any insurance requirements detailed in your Letter of Offer are in place
- › Once all of your documentation has been signed (including documents by third parties) ANZ will confirm your settlement date
- › Security documents should be signed and held by ANZ at least five working days before settlement
- › ANZ requires a draft copy (at a minimum) of your franchise agreement/license agreement/purchase agreement (as applicable) and lease agreement on the day of your settlement and before drawing down funds.



# Step 7

## Drawdown

Once all of your documentation has been received by ANZ and all lending conditions have been met, your loan(s) can be made available for settlement. It's a good idea to test your ANZ Internet Banking and merchant facilities before opening your business.

# Step 8

## Enjoy

Congratulations, you are now ready for business. Your ANZ Retailing and Franchising specialist is available to help you with your business finance needs. Feel free to call us whenever you have any questions or would like to discuss future requirements.

You can call us on **1800 309 379** between 8am and 5pm AEST Monday to Friday.

### Countdown to Settlement

Don't get caught out. Make sure you allow sufficient time to finalise your finances before settlement. Here is a quick guide on what to expect from us. Please note these are indicative timeframes only and when third parties are involved, you may experience some delays.

Days to settlement	Action	Estimated timeframe
20	Lodge your application	Depends on information supplied
15	> Our assessment of your situation > Apply for credit card and merchant solutions	5 to 10 days
10	> Prepare security documents > Arrange third party documents > Register for ANZ Internet Banking	3 to 5 days Depends on third party 1 day
5	Sign Security Documents	
Before Drawdown	Provide final franchise/license/purchase agreement and lease agreement	

If you have any questions on how ANZ can help you in retailing or franchising, please contact us.

Our State Retailing and Franchising specialists welcome your call on **1800 309 379** between 8am and 5pm AEST Monday to Friday.