



INFORMATION AND DUE DILIGENCE LIST

- ___ The shareholders must sign Consent forms which are included in the Pinnacle Loan Application (attached as a file)

Corporate Financial Information

FOR EACH COMPANY BY COMPANY

- ___ Most recent interim and comparative detailed consolidated financial statements (P&L's) rolling 12-months ("TTM"), including G&A detail with balance sheets
- ___ Most recent (three) years detailed FYE statements (P&L's), including G&A broken out in detail
- ___ Three years Federal tax returns for each Company including all schedules
- ___ Current debt schedule including all fixed obligations, i.e. mortgage payments, capital leases—include specific details
- ___ Detail of non-recurring expenses and written explanation for each non-recurring expense
- ___ Provide a list and detail of any real estate where the operating company leases the property.

Store Financial Information

FOR EACH UNIT IN EACH COMPANY

- ___ Most recent interim and comparative TTM detailed financial statements for all stores
- ___ Most recent (three) years detailed FYE statements
- ___ Pro-Forma projections for any new units or units open less than one year as well as opening dates and detail of non-recurring pre-opening expenses (in detail) on

each unit. [In other words, we want to look at a seasoned unit economic profile after a 12-18 month operating period.]

- ___ Written explanation of any temporary negative effect on sales or on operating expenses for each restaurant (i.e. construction projects, or road projects, change in management, when commenced, estimated completion dates, etc.) along with estimated sales decline, and initiatives to address any negative trend

General Information

- ___ Up-to-date personal financial statement for all individuals owning more than 20% of the borrowing entity
- ___ Three years of personal tax returns for all individuals owning more than 20% of the borrowing entity regardless of ownership including all schedules and K-1's
- ___ Resumes on senior management with human resources flow chart within the organization, including tenure of each of the GM's
- ___ Brief history of business
- ___ List of shareholders in each entity with their respective ownership positions
- ___ Operating agreements between any and all parties related to the business
- ___ Copy of corporate articles and bylaws, including amendments. [This can be provided following the underwriting.]
- ___ Copy of any agreements related to the business including vendor commitments or contracts or purchase contracts or service provider contracts. [This can be provided following the underwriting.]
- ___ Copies of permits or licenses necessary to operate the businesses. [This can be provided following the underwriting.]
- ___ Complete listing of franchise agreements, dates, expirations, amendments, etc. [A summary of each of the franchise agreements can be submitted now and a copy of the actual agreements can be provided following the underwriting.]
- ___ Complete listing of all real estate leases with addresses. [A summary of each property—including term, monthly rent, options, CAM charges, etc.—can be submitted now, and a copy of each lease agreement can be provided following the underwriting. Use the Pinnacle Loan Application as a template if necessary.]

- ___ Information relating to Development Agreement(s), including requirements and territories
- ___ New store development package information—demographic, site selection criteria, etc.
- ___ Most recent FDD
- ___ New store detailed development construction budget (in detail if this is to open soon)
- ___ New store projected operating budget for Years 1 and 2