

Dear Applicant

RE: SUPA QUICK FRANCHISE APPLICATION

The set-up costs of a Supa Quick Franchise vary according to the size of the shop and equipment needed, however they usually range between R 2,5million and R3,5million of which 50% must be unencumbered.

The following costs are relevant:

1. The prospective Franchisee should have sufficient Capital or the ability to raise the Capital for the equipment. Presently, an 6-bay operation would require approximately R 2,400 000
2. Credit facilities will have to be obtained from our nominated suppliers, who typically require security on a Rand-for-Rand basis or a bank guarantee to that effect. This can take up to a month to open, provided all relative information is supplied. Please note that this information will be shared with Bridgestone South Africa (Pty) Ltd.
3. Cash on hand would be required for the following:
 - 3.1 Working Capital.
 - 3.2 Set-up costs for miscellaneous items e.g. office and waiting area furnishings, stocks of stationery and consumables, layout of air lines etc.
 - 3.3 Deposits for rental, water and electricity etc.
 - 3.4 Initial deposit on equipment, which varies according to your credit history with Financial Institutions.
 - 3.5 The Initial Franchise Fee of R 75 000 (excl. VAT), plus waiting area, reception area ± R250 000 plus ongoing monthly royalties on turnover of 0.75% Monthly License Royalty and 3% Monthly Marketing advertising.
4. In the event of purchasing an existing Supa Quick outlet, a change of ownership fee of R 40 000 (excl. VAT) will apply.

Kindly complete and sign the attached application form in full (failure to do so will delay the process) and submit by post or fax to the abovementioned address On receipt of the application and after a brief interview we will require you to send a refundable (less direct costs) fee of R 10000 excl. VAT (which will be offset against the Initial Franchise Fee should application be successful) – this is the first step.

Should you wish to send a cheque with your application, please make cheques payable to Bridgestone SA Retail (Pty) Ltd.

Cnr. Quality & Isando
Roads, Isando
Tel: (011) 966-5900
Fax: (011) 392-3358
Toll Free: 0800 110 504

Should you wish to do an EFT, here are the details:

Account Name: Bridgestone SA Retail (Pty) Ltd, Standard Bank Midrand.
Account Number: 202510239, Branch code 001155

Kindly fax confirmation of deposit, using surname or company name as reference to 011 392 3358.

Best Regards

Brett Lovell Greene
Franchise development
011 966 5904

RE: Commitment Undertaking

Introduction

This document serves to obtain initial commitment from candidates who intend investing in a Supa Quick franchise. Due to the large numbers of interested parties we are only able to invest time and resources with candidates who are serious about investing.

Consequently a payment to signify the candidate's commitment to thoroughly investigating the franchise opportunity is required. This is not a non-refundable deposit as only direct costs will be deducted should you not be a successful Supa Quick franchisee candidate.

Franchise Development

The Supa Quick franchise is an opportunity whereby a franchisee will be responsible for the owning and management of a Supa Quick franchise.

Financial Commitment

The initial commitment fee is R10000.00 excluding VAT.

In the case of a new store, this payment will be set off against the Initial Franchise Fee of R65000 (excluding VAT) upon signature of the franchise agreement.

In the case of a change of ownership, this payment will be set off against the Change Of Ownership Fee of R40 000 (excluding VAT) upon signature of the franchise agreement.

Should the franchise not be concluded within 12 weeks from signature hereof the following costs (plus VAT) but not limited to, will be set off against the commitment fee:

Bank administration, Credit verification, Psychometric screening, Travel cost incurred by the franchisor, Other direct costs Note: The costs incurred should not amount to more than 50% of the deposit

Best
Regards,

Brett Lovell Greene
Franchise Development

011 966 5904

Cnr. Quality & Isando
Roads, Isando
Tel: (011) 966-5900
Fax: (011) 392-3358
Toll Free: 0800 110 504

Applicant details

Full name and title: _____

Identity number: _____

Physical address: _____

Postal address: _____

VAT registration number: _____

Area for which applicant is applying: _____

Acceptance of terms and conditions

I, _____, accept the terms and conditions
of

this Commitment Undertaking.

Signature: _____

Date: _____

Bridgestone Representative: _____

Signature: _____

Date: _____

Steps to owning a SUPA QUICK Franchise:

1. Contact Bridgestone S.A. Retail ("BSAR") to discuss your requirements and how they may be met with our management team – (011) 966-5900.
 2. Complete the application form, on receipt of the application form and after an initial interview,(face to face or telephonic),
 3. On our mutual agreement to proceed with the process, we will request that a Refundable (less direct costs) fee of R 10 000 which will be offset against the initial Franchise fee if accepted.
 4. Sign the Commitment Letter and Non-Disclosure Agreement.
 5. Provisional acceptance will be granted / rejected on information supplied in application form.
 6. Arrange a projected business plan depending on size and location of the proposed store. Finance, where applicable, to be confirmed by financial institutions as well as accounts with nominated suppliers.
 7. Source a suitable site and location in your preferred available area. If more than one applicant is considered for a particular area, management reserves the right to allocate the Franchise.
 8. Final acceptance or rejection of application will be determined at this stage.
 9. Once site has been secured all legal documents to be signed such as Franchise Agreement, Lease Agreement, etc and Initial Franchise Fee is now due.
 10. BSAR will provide details of optimum store layout, equipment and shop fitting required.
 11. Commercial Training of all commercial staff must be completed prior to opening of the store. Where courses have been scheduled, travelling costs and accommodation are for the Franchisee's account.
 12. Technical Staff, where possible, will be assessed two weeks prior to the store opening and on-site training will be given.
 13. Our nominated computer supplier, at Franchisee's cost, will provide computer Training.
 14. Order stock from our nominated suppliers.
 15. Plan opening specials and promotions – adverts, pamphlets, etc.
 16. Open your store for trading.
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Supa Quick Franchise Application

2. PERSONAL INFORMATION (This information must be completed for each Principal)

2.1 First Name: _____

2.2 Surname: _____

2.3 In what capacity will you be connected with the business? _____

2.4 Date of Birth: _____

2.5 ID Number: _____

2.6 Citizenship: _____

2.7 Marital Status: _____

2.7.1 In Community of Property Out of Community of Property Islamic Other:

2.7.2 Date of Marriage: _____

2.7.3 Spouse's Name: _____

2.7.4 Date of Birth (spouse): _____

2.7.5 Name of Employer (spouse): _____

2.7.6 Present Position (spouse): _____

2.7.7 ID Number (spouse): _____

2.8 Home Address: _____

At above address since: _____

2.9 Postal Address: _____

Postal code: _____

2.10 Contact Telephone Numbers:

(H)

(W)

(C) _____

2.11 Next of Kin (not of same address): _____

Relationship: _____

Address: _____

Telephone: _____

Supa Quick Franchise Application

3. EDUCATION

Please list highest education qualification obtained: _____

4. GENERAL INFORMATION

4.1 Personal References: (other than relatives or employers)

Full Name	Address	Tel No	Occupation	Years Known

5. CIVIC AND COMMUNITY ACTIVITIES

Describe any civic or community activities in which you participate; any offices held:

6. INTERESTS / HOBBIES

What are your major interests or hobbies outside of your work? How much time do you spend on these hobbies?

Supa Quick Franchise Application

7. BUSINESS EXPERIENCE

7.1. Present Occupation:

(a) Position: _____

(b) Company: _____

(c) Address: _____

(d) Describe duties, number of employees supervised and responsibilities:

7.2. Previous business experience (beginning with most recent):

Dates Employed: _____

Position: _____

Company: _____

Type of Business: _____

Responsibilities: _____

Supervisor: _____

Reason Left: _____

Dates Employed: _____

Position: _____

Company: _____

Type of Business: _____

Responsibilities: _____

Supervisor: _____

Reason Left: _____

Dates Employed: _____

Position: _____

Company: _____

Type of Business: _____

Responsibilities: _____

Supervisor: _____

Reason Left: _____

Supa Quick Franchise Application

8. PERSONAL FINANCIAL STATEMENT

8.1 Income statement for year ending: _____

	PER ANNUM
Salary / Wages	R
Bonus / Commissions	R
Dividends / Interest	R
Real estate income	R
Business profits	R
Notes / Accounts receivable	R
Other Income (specify source):	R
	R
	R
	R
	R
	R
TOTAL	R

8.2 Balance sheet for year ending: _____

ASSETS		LIABILITIES	
Cash on hand and in banks (Schedule A)	R	Accounts payable – current Portion (Schedule J&K)	R
Accounts receivable – current (Schedule B)	R	Notes/loans payable – current Portion (Schedules F&K)	R
Notes receivable – current (Schedule B)	R	<u>Total current liabilities</u>	R
<u>Total current assets</u>	R	Balance other notes and loans (Schedule K)	R
<u>Total non-current receivables / notes</u>	R	Balance real estate loan (Schedule F)	R
Furniture, household items (Schedule C)	R	Balance other debts or Obligations (Schedule J)	R
Listed securities (Schedule D)	R	<u>Total long term liabilities</u>	R
Debentures (Schedule E)	R	<u>Total Liabilities</u>	R
Real estate – current market value (Schedule F)	R	<u>Net Worth</u>	R
Insurance cash value (Schedule G)	R	<u>Total Liabilities and Net Worth</u>	R
Net value of business Interests (Schedule H)	R		
Other assets (auto, personal property. etc.) (Schedule I)	R		
<u>TOTAL ASSETS</u>	R		

8.3 Schedule A - Cash on hand and in Banks

Supa Quick Franchise Application

Name of Bank	Branch	Type of Account	Balance
TOTAL			R

8.4 Schedule B – Accounts /Notes / Mortgage Receivable

Debtor	Relation	Nature of Debt	Maturity Date	Original Face Value	Monthly Payment	Present Balance
TOTAL				R	R	R

8.5 Schedule C – Furniture, Fixtures and Equipment

DESCRIPTION	COST
TOTAL	R

8.6 Schedule D – Listed Securities

No. of Shares	Description	Pledged Yes / No	Current Market Value
TOTAL			R

Supa Quick Franchise Application

8.7 Schedule D – Unlisted Securities

No. of Shares	Description	Pledged Yes / No	Current Market Value
TOTAL			R

8.8 Schedule E - Debentures

No.	Description	Pledged Yes / No	Face Value	Current Market Value
TOTAL				R

8.9 Schedule F – Real Estate

Address and Description of Property	Date Purchased	Title in Name of	Original Cost	Bond Balance	Current Value	Equity
TOTAL					R	R

8.10 Schedule G – Life Insurance CASH VALUE

Name of Insurance Co.	Type of Policy (e.g. Life / Endowment / RA)	Face Amount	Cash Value
TOTAL		R	R

Supa Quick Franchise Application

TOTAL	R
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8.15 Schedule L – Business Interests (Please provide the latest Income statements and Balance sheets for each Business

Institution	Account Number	Asset Acquired	Total Amount	Monthly Payments	Period of Agreement	Dates

8.16 Present Bankers

Bank	Branch Name	Nature of Account	Account Number	Current Balance

8.17 Available Finance For Immediate Investment

Financing	Nature of	Secured By	Repayable over what period	Amount of	Monthly

8.18 How much are you in a position to invest for the following?

Total capital: _____

Working capital: _____

Inventory: _____

Equipment: _____

Nature of Funds (Please explain where Funds will be sourced and whether they will incur finance costs or not?)

8.19 How much more could you raise in 90 days? _____

8.20 Please explain source of funds: _____

8.21 Does your spouse or another person have any separate interest in any of the previously listed assets? If yes, please explain and list assets.

Supa Quick Franchise Application

8.22 BEE Applicants: Please state whether you have applied to any institutions dealing with loans for the previously disadvantaged (provide details and contact details):

8.23 Have you ever been self-employed? If so, give details:

8.24 Have you ever had a business failure? If so, give details:

8.25 Do you have any outstanding liabilities as a result of such previous failures? If so, give details:

8.26 Do you hold any other interests in other business venture e.g. partner / shareholder? List details of business and interest:

8.27 Are you a defendant in any legal actions? YES NO

8.28 Have you ever been declared insolvent? YES NO

If yes, specify detail:

If yes, are you now rehabilitated? YES NO

8.29 Surety – Have you signed surety on behalf of anyone? YES NO

Specify detail:

Supa Quick Franchise Application

I represent and warrant to Bridgestone SA Retail (Pty) Ltd, that the information in this application presents my true financial and/or personal condition as of the date shown below and includes all information that is necessary to make the information in this application not misleading. I understand that Bridgestone SA Retail (Pty) Ltd will rely on this information to decide whether to enter a franchise agreement with me. Accordingly, any material misrepresentation shall be adequate grounds for Bridgestone SA Retail (Pty) Ltd to rescind any agreement that Bridgestone SA Retail (Pty) Ltd and I enter. I will promptly advise Bridgestone SA Retail (Pty) Ltd of any material change in the information in this application.

I authorize Bridgestone SA Retail (Pty) Ltd to seek and rely upon information from financial institutions, my professional advisors, credit bureaus and other third parties to verify the accuracy and completeness of the information in this application. I authorize Bridgestone SA Retail (Pty) Ltd to retain for its records information that Bridgestone SA Retail (Pty) Ltd obtains from such third parties.

In consideration of Bridgestone SA Retail (Pty) Ltd considering this application I agree, upon Bridgestone SA Retail (Pty) Ltd request, to supply statements from my professional advisors and financial institutions verifying the above assets. I agree also to furnish promptly upon Bridgestone SA Retail (Pty) Ltd request true copies of my (and, if applicable, my spouse's) income tax returns as filed for the last five years.

I hereby authorize Bridgestone SA Retail (Pty) Ltd to share all information with Bridgestone South Africa (Pty) Ltd required to open a trading account with Bridgestone South Africa (Pty) Ltd, and I understand that the franchise is granted up on my qualifying for a trading account with Bridgestone South Africa (Pty) Ltd.

Signature (Applicant)

Signature (Spouse)

Date:

Date:

Place:

Place:

Witness:

Witness:

Date:

Date:

Place:

Place:

Supa Quick Franchise Application

COPIES OF THE FOLLOWING DOCUMENTATION WILL BE NEEDED IF APPROVED IN PRINCIPLE AS A FRANCHISEE

Certified Copies of the Following:

1. Closed Corporation: CK1 Document
 2. Company: Certificate of Incorporation
 3. All members, shareholders or partners' Identity Documents Approval of all financing by Financial Institution, if Applicable. Regional Service Council Certificate
 4. Receiver of Revenue – VAT Receiver of Revenue – PAYE Receiver of Revenue – Company Tax Department of Manpower – UIF Workmen's Compensation
 5. Supporting proof for financial information. (i.e. Banking institution: verified statements / documents) Business Plan
(template is available on request)
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ANNEXURE 1
ADDENDUM TO FRANCHISE APPLICATION
Change Of Ownership

Please supply the following:

1. Copy of the sale agreement.
2. Copy of the income statement balance sheet used to value the business.
3. Method used to value the business:

4. How much of purchase price will be paid from unencumbered cash?

5. How much of the purchase price will be loaned?

6. What will the loan payments amount to and what interest will they attract?

7. What will the extra business expenses incurred by changing ownership amount to on a monthly basis?

8. What collateral will be available to the businesses suppliers by new owners?

9. Who will run the business?

10. Please supply the person in point above ID number: _____

11. Please supply details of the person mentioned above experience's in the Auto Fitment Industry:

Name _____
Signed _____
Date _____

Witness _____
Signed _____
Date _____