

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

Dear Sir/ Madam

RE : SUPA QUICK FRANCHISE APPLICATION

The set-up costs for a Supa Quick Franchise vary according to the size of the shop and the equipment needed.

Total costs ± R1,5 million of which 50% must be unencumbered.

The following costs are relevant:

1. The prospective Franchisee would have to be in a position to have sufficient Capital or the ability to raise the Capital for the equipment. Presently, an 8-bay operation would require R850 000.00.
2. Credit facilities would have to be obtained from our nominated suppliers, who typically require security on a Rand-for-Rand basis.
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 R40 000.00 (excl. VAT), plus waiting area, reception area ± R75,000.00 plus ongoing monthly royalties on turn over of 1,25% management and 2,5% advertising.
4. In the event of purchasing an existing Supa Quick outlet, a change of ownership fee of R5 000.00 (excl. VAT) will apply.

Kindly complete the attached application form and submit by post or fax to the abovementioned address together with a non-refundable fee of R1000,00 (which will be offset against the Initial Franchise Fee should your application be successful) - this is the first step. Should you wish to send a cheque with your application, please make cheques payable to Bridgestone S.A. Retail (Pty) Ltd. Should you wish to make a direct deposit, herewith details: Account name – Bridgestone S.A. Retail (Pty) Ltd, Standard Bank, Midrand Branch, Account number 202510239, Branch code 001155 (kindly fax confirmation of deposit, using surname or company name as reference to (011) 392-3358).

Kind Regards

Gavin Cruickshank
GM Franchise Development
gavinc@bsaretail.com

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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 and submit with Non-Refundable Fee of R1000.00, which will be offset against Initial Franchise Fee, if accepted.
3. Provisional acceptance will be granted / rejected on information supplied in application form.
4. Arrange, with BSAR involvement, 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.
5. 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.
6. Final acceptance or rejection of application will be determined at this stage.
7. 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.
8. BSAR will provide details of optimum store layout, equipment and shop fitting required.
9. 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.
10. Technical Staff, where possible, will be assessed two weeks prior to the store opening and on-site training will be given.
11. Our nominated computer supplier, at Franchisee's cost, will provide computer Training.
12. Order stock from our nominated suppliers.
13. Plan opening specials and promotions – adverts, pamphlets, etc.
14. Open your store for trading.

A DIVISION OF



FRANCHISE APPLICATION FORMS

1. **APPLICATION FOR SUPA QUICK FRANCHISE**

1.1 Full Name(s) of Applicant(s) - all principal owners in proposed dealership:

- (a) _____
- (b) _____
- (c) _____
- (d) _____

1.2 Is this Application for a **New** **Conversion of existing Business** **Change of Ownership** Franchise (please complete attached Annexure1 if change of ownership is applicable).

1.3 Nature of Business and Name: _____

- Sole Proprietorship: **Yes** **No**
- Partnership: **Yes** **No**
- Limited Company: **Yes** **No**
- Close Corporation: **Yes** **No**

1.4 If other than a Sole Proprietor:
Details of Partners / Members / Shareholders

Name	Address	Tel No	Percentage

Do any of the above Partners/Members/Shareholders have any interests in existing Auto Fitment Centres?: (Please state))

1.5 Proposed Location of Dealership: _____

1.6 Location of Existing Dealership (Where Applicable): _____

1.7 Who will be the Franchisee's:

	Name	Address	Tel No
Bookkeeper			
Accounting Officer			
Auditor			
Banker			

1.8 What experience have you (Franchisee) of the Tyre industry? _____

1.9 Will someone other than the Franchisee manage the Outlet?? Yes No

Name of the Manager: _____

What experience of the Tyre Industry does he/she have: _____

1.10 If you are awarded a franchise, do you undertake to pay the Initial Franchise Fee as well as the monthly royalties required by the Franchise Agreement as well as any monies required to develop the site. Yes No

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: _____ (Work) _____ (Home)
_____ (Cell) _____ (Fax)
_____ (E Mail)

2.11 Next of Kin (not of same address):

Relationship: _____ Name: _____

Address: _____

Telephone: _____

2.12 Describe any Physical Limitations: _____

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?

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: _____

7.3 May we contact employers listed above? If not, indicate which ones you do not wish us to contact:

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 (<i>specify source</i>):	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

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

8.7 Schedule D1 – 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					<i>R</i>	<i>R</i>

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		<i>R</i>	<i>R</i>

8.11 Schedule H – Business Interest *(Please provide latest income statement & balance sheet for each business)*

Name of Business	Description	Name of Owners	% Equity	Buy / Sell Agreement	Valuation Method	Nett Value Your Interest
TOTAL						R

8.12 Schedule I – Other Assets *(e.g. Stock Options, Automobiles, Personal Property)*

Description	Current Fair Market Value
TOTAL	R

8.13 Schedule J – Other Debts, Liabilities, Assets Pledged (e.g. Alimony, Child Support, Loans, Taxes, Legal Claims, Credit Cards, etc.)

To Whom Owed	Type of Obligation	Amount
TOTAL		<i>R</i>

8.14 Schedule K – Accounts / Loans / Notes Payable (excl. Real Estate)

Lender	Relation	Nature of Debt	Secured Yes/No	Maturity Date	Original Face Value	Monthly Payments	Interest Rate	Present Balance
TOTAL								<i>R</i>

8.15 Lease / Hire Purchase Agreements – Past and Current

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 Institution	Nature of Finance	Secured By	Repayable over what period	Amount of Finance	Monthly Repayment

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.

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: _____

8.30 Have you had any default judgments against you or an entity you have been involved with? Yes No

Specify detail: _____

8.31 Have you ever been found guilty of a criminal offence? Yes No

If yes, specify details: _____

9. **ACCOMPLISHMENTS**

What are the things you have done either in your work or outside of which you are most proud of?

10. **FUTURE**

What are your general impressions of the future for the tyre business? What kinds of things would you like to see done to improve the opportunities in this field? What can you personally do to see that such things happen? Add any other comments you feel that are significant.

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 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.

Signature (Applicant)

Signature (Spouse)

Witness: _____

Witness: _____

Date: _____

Date: _____

Place: _____

Place: _____

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

Certified Copies of the Following:

Closed Corporation: CK1 Document

Company: Certificate of Incorporation

All members, shareholders or partners' Identity Documents

Approval of all financing by Financial Institution, if Applicable.

Regional Service Council Certificate

Receiver of Revenue – VAT

Receiver of Revenue – PAYE

Receiver of Revenue – Company Tax

Department of Manpower – UIF

Workmen's Compensation