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**INKOSI AUTO PARTS FRANCHISE INFORMATION (CROSS BORDER)**

Dear Sir /Madam

Thank you for your enquiry and welcome to **INKOSI AUTO PARTS**

**A brief explanation of the processes involved in setting up an INKOSI AUTO PARTS FRANCHISE STORE is as follows**:

• A once off Application fee will be required.

• After processing your application, we will provide you with a preliminary letter of approval (**subject to all necessary criteria being met**).

•A once off Security Deposit is required.

• You locate premises and you initiate intent with the landlord.

• An Inkosi representitive will then visit and approve the premises.

• We will then provide you with a franchise agreement for your perusal and signature, to be returned to Inkosi for processing.

• We will then provide you with a franchise disclosure document.

• A payment for the **Opening Stock**, **Signage**, **Computer Systems**, **Uniforms & Stationery Pack** will be required**.**

• You then install your **Shelving** and **Counter** etc, according to the **Floor Plan** layout as provided to us by yourself.

• We then facilitate the setup of your store and have you ready for trading within **3 months or less**.

**Estimated start-up costs based on a 200msq store: (ALL AMOUNTS ARE EXCLUDING VAT)**

• **Once off Application Fee** (R30 000.00)

• **Once off Security Deposit** (R20 000.00)

• **Standard Signage Pack** (R150 000.00) - Indoor and Outdoor

* **Computer Package** (350 000.00) - Hardware and software, dependant on the number of users.

• **Shelving** To be acquired by Franchisee(As per Inkosi spec).

• **Fixture & Fittings** To be aquired by Franchisee (As per Inkosi spec)

• **Branded Uniform & Stationery** (R50 000.00) 5 sets of Branded Uniforms, 500 Business Cards, 2 Invoice books, 1000 Branded Plastic Bags,

2000 Pamphlets, designed and printed for initial advertising.

**Software Package :**

• 5 x workstation & user license. The IT company affiliated to us provides this service. You will be provided with all relevant IT support, software training, electronic catalogues and updates. **An ADSL line is mandatory.**

• 5 Days (estimated on site training) – for Client’s account.

• R5 000,00+ vat per month (this is charged by our software provider for your computer system) support/license fee, which is payable directly to the IT company.

**Opening Stock:**

• The initial stock will cost you approximately R350 000.00 - To be paid up front (Stock is re-sold by you at a market related price depending on factors affecting your market share, supply and demand etc.).

**Franchise Fees:**

• R3 500.00 + vat per month. Annual escalation 10% per annum (this is a flat fee irrespective of turnover).

**Working Capital:**

• You will require R3500.00 as working capital for your daily business expenses - eg: salaries, electricity bill, telephone bill, internet bill, stock orders etc.

**Optional Marketing:**

• Marketing Launch - estimate R 60 000.00

• Local newspaper advert, promotional give-aways, pamphlet distribution, official launch day event etc.

**Inkosi Auto Parts is currently the most affordable auto parts retail franchise available in the country.**

Please forward the completed application form by e-mail to [inkosi@telkomsa.net](mailto:inkosi@telkomsa.net) , or digital fax to **086 541 9664** this will not obligate you in any way.

Kind regards

Franchise Dept

57/63 Milne Street, Durban, 4001

Tel: +27 31 319 4000

E-mail: [inkosi@telkomsa.net](mailto:inkosi@telkomsa.net) **All prices exclude 14% VAT**

**All prices quoted above are estimates and are subject to change**

Ref: Inkosi Auto Parts Information- January 2015

**INKOSI FRANCHISE INFO**

Dear Sir /Madam

Thank you for your enquiry.

Welcome to the fastest growing **Automotive Retail Franchise** in South Africa.

A brief explanation of the processes involved in setting up Store is as follows:

1.Please complete a **Franchise Application Form**, available from our **website**.

2.After processing your application, we will provide you with Letter **of Approval for Franchiseeship**.

(3 days to process application). Subject to site availability & approval.

3.You may attend a **presentation** that explains in detail all you need to know about the Franchise.

4.You **locate premises** or we suggest available premises and you initiate intent with landlord.

5.You then make payment towards the **License Fee** (**R17 100.00** incl. vat).

6.We then **visit and approve** the premises. Then you sign lease agreement.

7.You will then receive a **Franchise Agreement** for your signature and return it to us.

8.You will then receive a **Franchise Disclosure Document**.

9.You then make payment towards the **Signage, Fixture & fittings, Computer Systems, Stationery Pack, Uniforms and**

**Stock**.

10.You then install your **shelving and counter** according to the **Floor Plan Layout** as provided by us.

11.We then **install and prepare** the necessary elements for your store and have you ready for trading within 2 months or less.

**Below is a brief introduction to the Franchise:**

**Royalties:**

**R3’000. 00** + vat per month. Annual escalation 10% per annum (We charge a **flat rate** irrespective of what your turnover is)

6. ***Software Package*** - **R100 000.00** - **5** x workstation & user license

Our IT COMPANY provides this service, where you will be able to get full IT support, software training, electronic catalogues

and updates. An **ADSL** line is one of the **requirements**. Monthly support fee, which is payable directly to the IT company.

**Software Support and Upgrades Fee:**

**R2’ 250.00** + vat per month (This is charged by our **Software Provider** for your Computer Systems)

Training – 5 Days (at Durban) - (Software)

Start Up Costs are as follows, **R302 000.00** is an estimated cost which will enable you to set up a **200msq** store, inclusive of:

1. A once off License Fee (**R15 000.00**) for the Rights to use the Brand and Trade Name

2. First months Subscriptions (**R3 000.00**)

3. Three months advance Rent **(R57’000. 00)** Paid to your landlord by yourself - if premises is leased.

4. Standard Signage **(R50’000. 00)** – Estimate Indoor and Outdoor

5. Fixtures & fittings **(R60’000. 00)-**You may acquire this by yourself and we will provide you with the specifications by

means of a detailed **floor plan** of your store, after we have inspected your premises)

6. Computer Package **(R 100’000. 00)** - software and hardware

7. Branded Stationery **(R16’500. 00)** (business cards, Invoice books, letterheads and Branded Plastic Bags

Branded Uniforms -5 sets

2000 Pamphlets, Designed and Printed - for initial advertising

**All pricing are exclusive of 14% VAT**.