



NKUKHU-BOX

Grilled Kasi Flavour

LETTER OF INTENT

Nkukhu Box Head Office

Tel: +27 11 805 0232

Fax: 086 619 6706

Email: info@nkukhubox.com

Web: www.nkukhubox.com



nkukhuboxsa



@nkukhuboxsa



nkukhuboxsa

LETTER OF INTENT

Prospective Franchise

Full Names / Company Name:	
Identity Number / Company Registration Number:	
Address:	
Tel no:	Cell:
Date:	Email:

LETTER OF INTENT & CONFIDENTIALITY UNDERTAKING I.R.O NKUKHU BOX FRANCHISE

The hereinafter mentioned Prospective Franchisee ("the Applicant") has expressed interest in acquiring a Nkukhu Box franchise and by doing so would receive the non-exclusive rights to trade under the name, logo and colours of Nkukhu Box and to promote the product supplied by Nkukhu Box.

Take note of the below requirements

1. Take your time in completing this application form.
2. Read each question carefully.
3. Print **clearly**.
4. All the information you provide must be accurate and up-to-date.
5. This is not a franchise agreement but merely a summary of critical terms & conditions
6. The following should be submitted to franchise@nkukhubox.com if not yet submitted with the franchise application form.
 - Completed & Signed Letter of Intent
 - Company Registration Certificate / Trust Documents
 - Clear copy of your Identity Document / all Company Directors
 - Proof of Residence of all Members, Directors, Trustees
 - 3 Months Bank Statement
 - Copy of All Shareholders Certificates
 - If married In Community of property (Spouse must also send copy of his/her ID)
 - Proof of Franchise Deposit Payment

Please attach all the above to keep in our files together with any other documentation you feel may be important for us to have and evaluate.

Banking Details for the Application Fee Payment

FNB

Account Name: Nkukhu Box Head Office

Account Number: 62550422895

Branch Code: 230732

Reference: Your Name & Surname or Company Name

PRELIMINARY DETAILS OF PROSPECTIVE FRANCHISEE:

A. Intended Nature of Proposed Business (Mark with an X):

Sole Proprietorship		Partnership		Closed Corporation		Private Company	
Company Registration Number:				Tax Number:			
Business Account Number:		Bank Name:		Branch Name:			

If Sole Proprietor

Full Names:	
Surname:	Identity Number:

B. If other than a Sole Proprietor, please provide details of all Partners / Members / Shareholders

Where the applicant is other than a sole proprietor, please submit an individual copy of the below for each individual partner, member, or shareholder.

Full Names:		Equity %:
Surname:	Identity Number:	
Address:		
Tel no:	Email:	Cell:

Full Names:		Equity %:
Surname:	Identity Number:	
Address:		
Tel no:	Email:	Cell:

Full Names:		Equity %:
Surname:	Identity Number:	
Address:		
Tel no:	Email:	Cell:

Full Names:		Equity %:
Surname:	Identity Number:	
Address:		
Tel no:	Email:	Cell:

C. In priority sequence, please provide 3 areas where you would like to open a Nkukhu Box outlet.

	Province	City / Town	Township
1			
2			
3			

Have you identified a potential site? If yes, where?

D. Amount Payable

- Please note that the below Franchise Setup Cost amount is based on up to a maximum of a 250sqm open land.
- The Setup Cost excludes extras, per attached "Schedule A"
- The deposit should be unencumbered funds, unsecured by any creditor and available for immediate investment.

E. Payable as follows:

- On signature of this document the refundable deposit should be paid. A 60 days notice period shall be applicable in respect to any refunds in the event that either Party cancels the present Letter of Intent and which cancellation shall be in writing.
- A R 10 000.00 administrative fee shall be deducted from any deposit upon any cancellation as contemplated in the Letter of Intent.
- Should a franchisee request a feasibility study, they will be quoted accordingly.
- After the R 236 400.00 (excl VAT) deposit paid, the full total balance amount of R 905 600.00 (excl VAT) should be payable at least 45 days prior to shop fitting.
- The stock deposit is held as security against any possible stock, royalty & advertising invoice non payment. This amount is refundable at the end of your franchise agreement and it will NOT be interest bearing.
- Training Fees are included in the set up cost, but excludes accommodation which is for franchisee's account.

Total Franchise Setup Cost	R 1 182 000.00
Refundable Deposit	R 236 400.00
Admin Fee	R 10 000.00
Stock Deposit – Gauteng	R 40 000.00
Are you applying for funding?	Yes / No
Stock Deposit outside Gauteng & Other Countries	R 60 000.00
Do you require funding Application Assistance?	Yes / No

All above costs are exclusive of VAT

F. Payment Details

All payments should be made into the following account and proof of payment must be e-mailed to Chantal Reyneke (finance@nkukhubox.com) and Itumeleng Mpatlanyana (Itu@nkukhubox.com) or Faxed to **086 619 6706**.

Bank:	First National Bank
Account Name:	Nkukhu Box Head Office Pty Ltd
Account Number:	62550422895
Branch Name:	Woodlands
Branch Code:	230732
SWIFT Code:	FIRNZAJJ
Reference: Please quote your company name or full names in case of a natural person	

- A monthly Royalty Fee of 7% of Turnover is payable to Nkukhu Box Head Office.
- A monthly Marketing Fee is included on the above royalty fee.
- The first royalty and marketing fee payment is due 30 days after shop opening, thereafter monthly on or before the 7th day of each succeeding month.

G. This offer to purchase is made subject to the following terms and conditions

- The evaluation of the personal details of, questionnaire responses by and personal interview with the Applicant. Nkukhu Box has the sole right to accept or decline this letter of intent.
- In the event that Nkukhu Box accepts this letter of intent, a standard formal and comprehensive Franchise Agreement will be entered into.
- Payment shall be made by the Applicant as detailed above. Payment shall be by EFT in favour of Nkukhu Box Head Office, and Nkukhu Box reserves the right to effect clearance of the payment before undertaking any of its obligations.
- Only when the deposit payment is received by Nkukhu Box, will the company team members show the prospective Franchisee all available sites in the area or areas as indicated by the prospective Franchisee on date of clearance of deposit.
- Also team members will only come evaluate a potential site once the franchise deposit is received.
- While Nkukhu Box will assist in drafting all relevant documentation relating to securing the site, it is the franchisees sole responsibility to obtain any necessary authority from relevant persons or officials/institutions to use the premises.
- Commencement of store construction and training will commence as soon as it's agreed by the franchisee and Nkukhu Box, but not before the signed Franchise Agreement has been received by the Franchisor and all fees have been paid in full.
- This offer is made by the Applicant with the full understanding of the Terms and Conditions set out in this document. Should Nkukhu Box not accept this expression of interest, the Applicant shall be automatically released from his obligations in terms hereof and the deposit paid to Nkukhu Box shall be refunded to the following account:

Bank:	
Account Name:	
Account Number:	
Branch Name:	
Branch Code:	
SWIFT Code:	

H. Non-Disclosure

The Franchisee acknowledges that:

- The system under which Nkukhu Box operates (“the System”) is the sole beneficial property of Nkukhu Box and that the applicant has no rights in such system save as is provided for or contemplated in this agreement.
- Neither the Applicant nor any of its employees have any prior knowledge of the system or any aspect of the intellectual property including without limitation all know-how and trade secrets pertaining to the business and affairs of Nkukhu Box or to the manner in which Nkukhu Box renders its service.

The Applicant undertakes to:

- Keep secret all information, records, guides and in particular any training files, documentation and information as well as all other information supplied by or obtained from Nkukhu Box in relation to the manner in which Nkukhu Box operates the System and/or its business.
- Not divulge or permit the disclosure of the manner in which Nkukhu Box operates, the System and in particular but without limitation, the contents of any training files to any third party other than employees employed by the Applicant to conduct Nkukhu Box business and then only to extend absolutely necessary.
- Not divulge or permit the disclosure of any site information provided by Nkukhu Box, including but not limited to: address of site visited or been made aware of by Nkukhu Box, any negotiations between Nkukhu Box and landlord, rent etc., to any third party other than its employees employed in respect of the business and them only to the extend absolutely necessary.
- Upon termination of this agreement for any reason whatsoever, the Applicant shall forthwith return to Nkukhu Box the Franchise Agreement/Training Manual as well as copies of each of the foregoing and any other written information supplied or obtained from Nkukhu Box during currency of this agreement.

I. Consent and Declaration – Credit Bureau

The Applicant hereby:

- Consents and approved Nkukhu Box Head Office (Pty) Ltd to carry out a credit enquiry in respect of the Applicant and/or any of its members, shareholders, directors, partners or trustees, either by accessing any credit agency’s database or making inquiries with any credit grantors for purposes of making any risk management decision regarding this application;
- Declares that the information supplied herein or attached hereto, is true and complete in every aspect;
- Is aware that should any information be found to be false or incomplete this could lead to the refusal of this application.

Signed aton this..... day of..... 20.....

For and on behalf of the Franchisee

.....

Witness Signature

Name:

Surname:

Id No:

Signed aton this..... day of..... 20.....

For and on behalf of the Franchisor

.....

Witness Signature

Name:

Surname:

Id No:



Schedule A

Schedule of Extra's, not included in the Franchise Setup Fee

Dear Franchisee,

Please find below listed items that are NOT included in the Franchise Setup Fee of R 1 182 000.00 (excl VAT):

Set up cost of R 1 182 000.00 (excl VAT) is for store site up to 250 sqm. Should the store site be over 250 sqm an amount of R 1,200.00 (excl. VAT) per square meter will be invoiced, for payment, for the Franchisee account.

The cost of the below listed items needs to be negotiated with the relevant party, either be landlord, council or Nkukhu Box Head Office; on the site concerned and it will be an added cost to the Franchisee/Owner of the store. These payments will be required prior to shop opening/fitting.

Once full payment is received, and a Franchise Agreement signed, store set up will commence and will take 8 weeks for completion, regardless of the beneficial occupation date.

The following extra's shall be paid by the Franchisee:

1. Fees payable to the landlord/council (rental deposit and monthly rentals or incentive)
2. 3 (Three) Phase Electricity upgrades – minimum 60amp per phase
3. Security Systems or Security fencing around the store
4. Soft Serve/Ice Cream Machines
5. Front of house hand wash basin
6. Delivery Scooters
7. Branding of the Soft Serve/Ice Cream Section
8. Drop Safe
9. Granite Counters
10. Point-of-Sale Rentals
11. Staff Toilets
12. Extra Furniture
13. Insurance
14. Any plans that are required in respect to any particular shop that requires to be signed off and/or approved by any local and/or other authority shall be paid for by the Franchisee.

Signed aton this..... day of..... 20.....

For and on behalf of the Franchisee

.....
Witness Signature

Name:

Surname:

Id No:

THANK YOU

Thank you for taking the time to go through our information.

If there are any questions or comments, please feel free to contact us.

Tel: +27 11 805 0232

Fax: 086 619 6706

Email: info@nkukhubox.com

Web: www.nkukhubox.com

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