

FREQUENTLY ASKED QUESTIONS

Q. What is Under 500 franchise?

A. UNDER500® opened its first store in Dubai in Spring 2016 and has since signed over 28 units across the GCC & UK, with more locations set to open in 2018.

The brand is a healthy concept that offers a wide variety of wholesome and delicious options nutritionally balanced UNDER500® calories. Merging worldwide tastes & trends to create a fast casual environment for today`s ever busy professionals & health conscious.

The size of a typical UNDER500® outlet is between 700 sq. feet and 1,500 sq. feet. UNDER500® serves multicultural middle to high-end income customers with a flow of 100 to 200 orders per day.

Q. How much does the franchise cost?

A. The initial investment for an individual UNDER500® outlet ranges from \$250,000 to \$350,000 this includes Franchise Fee, 6 months rental, working capital, training and others.

Q. How much does the franchise Fee cost?

A. Based on the level of support UNDER500® intends to provide to its franchisees, the Franchise Fee for a Startup Franchise (Individual) is \$25,000

The Franchise Fee schedule for an Area Development:

Event	Franchise Fee	Remarks
Upon signing	\$60,000	Development Fee Includes the Franchise Fee for the 1st unit & 50% of next 4 units
Upon opening 2 nd unit	\$10,000	50% balance of the Franchise Fee
Upon opening 3 rd unit	\$10,000	50% balance of the Franchise Fee
Upon opening 4 th unit	\$10,000	50% balance of the Franchise Fee
Upon opening 5 th unit	\$10,000	50% balance of the Franchise Fee
TOTAL	\$100,000	

Q. How much is the fee for continuing support services “Royalty Fee”?

A. The continuing services, or “royalty fee,” is 6% of your gross sales and is paid monthly. This fee entitles you to use the UNDER500® service mark, use of distinctive system, marketing assistance, ongoing business development and counseling, and other benefits that come with being an UNDER500® franchisee.

Q. Will I have an exclusive territory?

A. UNDER500® grants an exclusive territory for a minimum of 5 outlets and agreed upon case-by-case basis.

Q. What about advertising?

A. The UNDER500® name and reputation is an important part of our business. You will spend at least 2% of your gross sales per month on local advertising. In addition, if we should establish fees for a Marketing Fund, you will be expected to make Marketing Fund contributions of up to 1.5% of your monthly gross sales.

Q. How much training is provided in the UNDER500® system?

A. UNDER500® Management will provide area developers franchisees with approximately 14 to 21 days of initial training at UNDER500® headquarters or at a location designated by the UNDER500® Management, beginning approximately 6 to 9 weeks before the franchisee is scheduled to open for business.

Phase I - Instruction will pertain to administrative, operational, and sales/marketing matters; it will also include a liberal amount of on-the-job training. This training will be provided for the franchisee and one (1) to two (2) designated attendees.

Phase II - On-site training typically takes place when the franchisee commences operations. Experienced trainers from UNDER500® will provide on-site training for a period of 10 to 14 days to assist the franchisee in the commencement of operations.

Q. What is the term of the UNDER500® Franchise Agreement?

A. The initial term of the Franchise Agreement is five years from the date the Franchise Agreement is signed. The franchise is renewable for four additional terms of five years each, providing you have complied with the provisions of the Franchise Agreement.



Q. What are the Support Systems provided by UNDER500®?

A. In addition to field support, members of UNDER500® organization will provide the services listed below:

Operational Support - UNDER500® Management will provide ongoing training and support in many areas critical to the success of the franchisee's business, including unit operations and maintenance, customer-service techniques, product ordering, suggested pricing guidelines, and administrative procedures.

Site Selection - Prior to approving a site for UNDER500® outlet, UNDER500® Management will provide franchisees with clear guidelines for a suitable location. UNDER500® will require franchisees to follow these instructions to ensure that an appropriate site is located.

Marketing Support - UNDER500® Management coordinates development of advertising materials and strategies for the benefit of all members of the franchise network. It should also supply franchisees with consumer marketing plans and materials for use at the local or regional level, and retains the right to approve all local advertising materials that the franchisee chooses to develop.

Purchasing - UNDER500® Management or its affiliate will negotiate quantity discounts on behalf of all of its members, passing some or all of these savings on to the franchisees.

Accounting/Audit/Legal - Reporting directly to administration, this department is responsible for the financial and legal oversight of franchisees.

Internal Support - The functional areas of training, purchasing, franchisee communications, and research and development are typically included in such a department.

Ongoing Research and Development - UNDER500® Management continues to research methods and techniques for franchise operations (including purchasing and promotional schemes) that enhance unit-level profitability.

Overall Program Oversight - UNDER500® Management provides the overall coordination and planning for the UNDER500® franchise system.

FRANCHISEE EVALUATION FORM

PRIVACY POLICY: ALL INFORMATION PROVIDED IS KEPT CONFIDENTIAL AND WILL NOT BE DISCLOSED EXCEPT FOR PURPOSES OF VERIFICATION

PRIMARY CONTACT INFORMATION

FIRST NAME	MIDDLE NAME	LAST NAME
DATE OF APPLICATION	PHONE NUMBER	EMAIL
CURRENT ADDRESS	CITY	COUNTRY

APPLICANT'S FRANCHISE PLAN

ACTIVE / PASSIVE FRANCHISE OWNERSHIP?		
COMPANY NAME		
DATE OF ESTABLISHMENT	TYPE OF BUSINESS	PRODUCTS/SERVICES
PLEASE EXPLAIN OWNERSHIP STRUCTURE/ SHAREHOLDERS OF THE FRANCHISE		
AMOUNT OF CAPITAL AVAILABLE FOR THIS BUSINESS		
TERRITORY FOR WHICH APPLICATION IS MADE	WOULD YOU CONSIDER ANY OTHER AREA?	
AREA(S)?		

THE MANAGEMENT TEAM

GIVE A COMPLETE RECORD OF YOUR POSITION, CONTACT INFORMATION, AND RESPONSIBILITIES WITHIN THE ORGANIZATION.

FULL NAME	
POSITION TITLE AND DUTIES	
PHONE NUMBER	EMAIL
ADDRESS	LENGTH OF SERVICE TO THE COMPANY

CONFIDENTIAL FINANCIAL INFORMATION

BANKING RELATIONS

Name and Location of Bank	Cash Balance	Amt. of Loan	Maturity of Loan	How Endorsed, Guaranteed or Secured

ACCOUNTS, LOANS AND NOTES RECEIVABLE

Name and Address of Debtor	Amount Owing	Age of Debt	Description of Nature of Debt	Description of Security Held	Date Payment Expected

STOCKS AND BONDS

Face Value (Bonds) No. of Shares (Stocks)	Description of Security	Registered in Name of	Description of Nature of Debt	Cost	Present Market Value	Income Received Last Year	To Whom Pledged

BANK REFERENCES

NAME ADDRESS

In submitting the foregoing application and statement, the undersigned guarantees its accuracy with the intent that it be relied upon in granting a franchise to the undersigned and warrants that he/she has not knowingly withheld any information that might affect his/her credit risk, and the undersigned expressly agrees to notify Franchisor immediately in writing of any material change in his/her financial and in the absence of such written notice, it is expressly agreed that Franchisor in granting a franchise or credit may rely on this statement as having the same force and effect.

The undersigned consents and authorizes Franchisor to conduct a background check which may include investigation credit history. All information derived from the above shall be kept confidential and be used by Franchisor for internal evaluation purposes only.

The undersigned certifies that each part of the application and financial statements hereof and the information inserted herein has been carefully read and is true and correct.

Date: Name: Signed.....