A2Z Services

DISCLOSURE DOCUMENT

Logo, company name

Description automatically generated

A2Z SERVICES (FRANCHISE) PTY LTD  
ACN: 661 642 557

Click or tap here to enter text.

1. First page
   1. **DISCLOSURE DOCUMENT FOR FRANCHISEE OR PROSPECTIVE FRANCHISEE**

|  |  |
| --- | --- |
| * + 1. **the franchisor’s:** |  |
| * + - 1. **name; and** | A2Z Service (Franchise) Pty Ltd t/a A2Z Services |
| * + - 1. **business address; and**   **phone number; and** | **Business Address:** 1765 Davidson Road, Munro Plains, QLD 4854  **Phone Number:** 1300 229 476 |
| * + - 1. **ABN, ACN or ARBN (or foreign equivalent if the franchisor is a foreign franchisor).** | ACN: 661 642 557 |

|  |  |
| --- | --- |
| Michael De Jong – Director  Franchisor~~/director/officer/ authorised agent of the franchisor~~ | Date of preparation |

|  |
| --- |
| * + 1. This disclosure document contains some of the information you need in order to make an informed decision about whether to enter into a franchise agreement. It should be read together with the key facts sheet and the information statement you have received.   Entering into a franchise agreement is a serious undertaking. Franchising is a business and, like any business, the franchise (or franchisor) could fail during the franchise term. This could have consequences for the franchisee.  A franchise agreement is legally binding on you if you sign it.  You are entitled to a waiting period of 14 days (not 14 business days) before you enter into this agreement.  If this is a new franchise agreement (not the renewal of a franchise agreement, nor the extension of the term or the scope of a franchise agreement), you will be entitled to a “‘cooling off’ period of 14 days (not 14 business days)” after signing the agreement, during which you may terminate the agreement. (In some circumstances a ‘cooling off’ period may end later.)  If you decide to terminate the agreement during the cooling off period, the franchisor must, within 14 days, return all payments (whether of money or of other valuable consideration) made by you to the franchisor under the agreement. However, the franchisor may deduct from this amount the franchisor’s reasonable expenses, if the expenses or their method of calculation have been set out in the agreement.  Take your time, read all the documents carefully, talk to other franchisees and assess your own financial resources and capabilities to deal with the requirements of the franchised business. You should make your own enquiries about the franchise and about the business of the franchise.  You should get independent legal, accounting and business advice before signing the franchise agreement.  It is often prudent to prepare a business plan and projections for profit and cash flow.  You should also consider educational courses, particularly if you have not operated a business before.  If you request the franchisor to give you this disclosure document, any attachments to it, the key facts sheet, the proposed franchise agreement and the Franchising Code of Conduct in printed form, electronic form or both, the franchisor must comply with your request. |

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1. Franchisor details
   1. **The franchisor’s:**

|  |  |
| --- | --- |
| * + 1. **name; and** | A2Z Services |
| * + 1. **address, or addresses, of franchisor’s registered office and principal place of business in Australia; and** | **Registered Office:** Odyssey Accounting and Tax 580 Stanley Street South Brisbane QLD 4101  **Principal place of business:** 1765 Davidson Road, Munro Plains, QLD 4854 |
| * + 1. **ABN, ACN or ARBN (or foreign equivalent if the franchisor is a foreign franchisor).** | ACN: 661 642 557 |

* 1. **The name under which the franchisor carries on business in Australia relevant to the franchise:**

|  |
| --- |
| A2Z Services |

* 1. **A description of the kind of business operated under the franchise:**

|  |
| --- |
| A2Z Services are committed to delivering premier indoor and outdoor maintenance and pest control solutions. They always strive to go above and beyond for our customers. Our dedicated cleaning team, expert maintenance and pest control workers offer the highest standard of service.  Whether it’s a one-off clean or long-term solution to keeping your property neat and tidy, A2Z Services should be your service of choice. |

* 1. **The number of years that the franchise or franchise system has operated in Australia**

|  |
| --- |
| A2Z Services has not previously operated as a franchise. It has however been operating as a business since 2010. |

* 1. **The name, ABN, ACN or ARBN, address of registered office and principal place of business of each associate of the franchisor that is a body corporate (if any):**

|  |  |
| --- | --- |
| **Name** | A2Z Services (Franchise) Pty Ltd |
| **ABN, ACN or ARBN** | ACN: 661 642 557 |
| **Address of registered office** | Odyssey Accounting and Tax 580 Stanley Street South Brisbane QLD 4101 |
| **Principal place of business** | 1765 Davidson Road, Munro Plains, QLD 4854 |

|  |  |
| --- | --- |
| **Name** | A2Z Services (Holdings) Pty Ltd |
| **ABN, ACN or ARBN** | ACN: 661 642 495 |
| **Address of registered office** | Odyssey Accounting and Tax 580 Stanley Street South Brisbane QLD 4101 |
| **Principal place of business** | 1765 Davidson Road, Munro Plains, QLD 4854 |

* 1. **The name and address of each associate of the franchisor that is not a body corporate (if any), and if applicable, each associate’s ABN or ARBN:**

|  |  |
| --- | --- |
| **Name** | Michael De Jong |
| **ABN or ARBN** | Not applicable |
| **Address** | 1765 Davidson Road, Munro Plains, QLD 4854 |

* 1. **A description of the relationship between:** 
     1. **each associate mentioned in item 2.5 and the franchisor; and**
     2. **each associate mentioned in item 2.6 and the franchisor; and the relevance of the relationship to the franchise system and the franchise:**

|  |  |
| --- | --- |
| A2Z Services (Holdings) Pty Ltd | A2Z Services (Holdings) Pty Ltd is the holding company for A2Z Services franchise.  A2Z Services (Holdings) Pty Ltdowns and holds all of the intellectual property of A2Z Services franchise and licences the intellectual property to the franchisor for the purposes of operating A2Z Services franchise and granting the A2Z Services franchises.  Please see item 8.1(f) for additional information. |
| A2Z Services (Franchise) Pty Ltd | A2Z Services (Franchise) Pty Ltd is the operating company of the A2Z Services franchise. |
| Michael De Jong | Director of A2Z Services (Holdings) and A2Z Services (Franchise) Pty Ltd |

* 1. **For each officer of the franchisor—name, position held and qualifications (if any):**

|  |  |
| --- | --- |
| **Name** | Michael De Jong |
| **Position held** | Director |
| **Qualifications** | Year 12 – 2006 Damascus College Ballarat  2012 Pest Control License Rapid Training Solutions  Certificate 3 in urban pest management NT  2021 Certificate 3 in urban pest management |

1. Business experience
   1. **A summary of the relevant business experience of each person mentioned in item 2.8 for the past 10 years, including length of experience in:**

|  |  |
| --- | --- |
| **Name** | Michael De Jong  2010 – Managing Director of A2Z Business Services |
| * + 1. **working the franchise system; and** |
| * + 1. **working for the franchisor.** |

* 1. **A summary of relevant business experience of the franchisor for the past 10 years, including**

|  |  |  |
| --- | --- | --- |
| * + 1. **length of experience in:** |  | |
| * + - 1. **operating a business that is substantially the same as that of the franchise; and**       2. **offering other franchises that are substantially the same as the franchise; and** | The franchisor has been operating the franchised business as a company since 2010. | |
| NIL | |
| * + 1. **whether the franchisor has offered franchises for other businesses** | No |  |
| **If yes to (b):** |  | |
| * + - 1. **a description of each such business; and** | Not applicable | |
| * + - 1. **for how long the franchisor offered franchises for each such business.** | Not applicable | |

1. Litigation
   1. **Details of:**

|  |  |  |
| --- | --- | --- |
| * + 1. **current proceedings by a public agency, criminal or civil proceedings or arbitration, relevant to the franchise, against the franchisor, a franchisor director, an associate of the franchisor or a director of an associate of the franchisor, in Australia alleging:** | | |
| * + - 1. **breach of a franchise agreement; or** | No |  |
| * + - 1. **contravention of trade practices law; or** | No |  |
| * + - 1. **contravention of the *Corporations Act 2001*; or** | No |  |
| * + - 1. **unconscionable conduct; or** | No |  |
| * + - 1. **misconduct; or** | No |  |
| * + - 1. **an offence of dishonesty; and** | No |  |
| * + 1. **proceedings against the franchisor, a franchisor director, an associate of the franchisor or a director of an associate of the franchisor, other than for unfair dismissal of an employee, under:** | | |
| * + - 1. **section 12 of the *Independent Contractors Act 2006*; or** | No |  |
| * + - 1. **a law of a State or Territory that regulates workplace relations or independent contractors.** | No |  |

* 1. **Whether the franchisor, a franchisor director, an associate of the franchisor or a director of an associate of the franchisor, has been:**

|  |  |  |
| --- | --- | --- |
| * + 1. **in the last 10 years—convicted of a serious offence, or an equivalent offence outside Australia; or** | No |  |
| * + 1. **in the last 5 years—subject to final judgment in civil proceedings for a matter mentioned in paragraph 4.1(a); or** | No |  |
| * + 1. **in the last 10 years—bankrupt, insolvent under administration or a Chapter 5 body corporate in Australia or elsewhere.** | No |  |

* 1. **For items 4.1 and 4.2—the following details (where relevant):**

|  |  |
| --- | --- |
| * + 1. **the names of the parties to the proceedings;** | Not applicable |
| * + 1. **the name of the court, tribunal or arbitrator;** | Not applicable |
| * + 1. **the case number;** | Not applicable |
| * + 1. **the general nature of the proceedings;** | Not applicable |
| * + 1. **the current status of the proceedings;** | Not applicable |
| * + 1. **the date and content of any undertaking or order under section 87B of the *Competition and Consumer Act 2010*;** | Not applicable |
| * + 1. **the penalty or damages assessed or imposed;** | Not applicable |
| * + 1. **the names of the persons who are bankrupt, insolvent under administration or externally administered;** | Not applicable |
| * + 1. **the period of the bankruptcy, insolvency under administration or external administration.** | Not applicable |

* 1. **The percentage of franchisees in the franchise system that were a party to a mediation, conciliation or arbitration process that was conducted, or was pending, in the previous financial year (whether the disputes to which the mediation, conciliation or arbitration processes relate were initiated by the franchisor or one or more franchisees).**

|  |
| --- |
| Click or tap here to enter text. |

1. Payments to agents
   1. **For any agreement under which the franchisor must pay an amount, or give other valuable consideration, to a person who is not an officer, director or employee of the franchisor in connection with the introduction or recruitment of a franchisee—the name of the person:**

|  |
| --- |
| The franchisor does not make any payments to any persons in connection with the introduction or recruitment of a franchisee. |

1. Existing franchises
   1. **Number, sorted by State, Territory or region, of:**
      1. **existing franchised businesses; and**
      2. **existing franchisees; and**
      3. **businesses owned or operated by the franchisor or an associate of the franchisor in Australia that are substantially the same as the franchised business:**

|  |  |  |  |
| --- | --- | --- | --- |
| **State/Territory/region** | **(a) existing franchised businesses; and** | **(b) existing franchisees; and** | **(c) businesses owned or operated by the franchisor or an associate of the franchisor in Australia that are substantially the same as the franchised business.** |
| **NSW** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **VIC** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **QLD** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **SA** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **WA** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **TAS** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **ACT** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **NT** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| **TOTAL** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |

* 1. **For each existing franchisee:**

|  |  |  |
| --- | --- | --- |
| **(a) business address, if this is not the franchisee’s residential address; and** | **(b) business phone number; and** | **(c) year when the franchisee started operating the franchised business.** |
| Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |

* 1. **However, if there are more than 50 franchises, the franchisor may instead give details under item 6.2 for all franchisees in the State, Territory, region or metropolitan area in which the franchise is to be operated:**

|  |  |  |
| --- | --- | --- |
| **(a) business address, if this is not the franchisee’s residential address; and** | **(b) business phone number; and** | **(c) year when the franchisee started.** |
| Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |

* 1. **For each of the last 3 financial years and for each of the following events—the number of franchised businesses for which the event happened:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Details of events of each of the last three years** | **Year 1**  **Period:**  Financial year ending 2019 | **Year 2**  **Period:**  Financial year ending 2020 | **Year 3**  **Period:**  Financial year ending 2021 |
| * + 1. **the franchise was transferred;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **the franchised business ceased to operate;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **the franchise agreement was terminated by the franchisor;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **the franchise agreement was terminated by the franchisee;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **the franchise agreement was not extended;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **the franchised business was bought back by the franchisor;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **the franchise agreement was terminated and the franchised business was acquired by the franchisor.** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |

***NOTE: An event may be counted more than once if more than one paragraph applies.***

* 1. **Subject to subclause 32(1), the franchisor must supply, for each event mentioned in item 6.4 the name, location and contact details of each franchisee if the information is available:**

|  |
| --- |
| **Year 1**  **Period:** Financial year ending 2019 |
| Click or tap here to enter text. |

|  |
| --- |
| **Year 2**  **Period:** Financial year ending 2020 |
| Click or tap here to enter text. |

|  |
| --- |
| **Year 3**  **Period:** Financial year ending 2021 |
| Click or tap here to enter text. |

1. Master franchises
   1. **If the franchisor is also a subfranchisor—the master franchisor’s:**

|  |  |
| --- | --- |
| * + 1. **name; and** | Click or tap here to enter text. |
| * + 1. **address, or addresses, of registered office and principal place of business; and** | Click or tap here to enter text. |
| * + 1. **ABN, ACN or ARBN (or foreign equivalent if applicable).** | Click or tap here to enter text. |

* 1. **The name under which the master franchisor carries on business relevant to the franchise:**

|  |
| --- |
| Click or tap here to enter text. |

* 1. **For each officer of the master franchisor—name, position held and qualifications (if any):**

|  |  |
| --- | --- |
| **Name** | Click or tap here to enter text. |
| **Position held** | Click or tap here to enter text. |
| **Qualifications** | Click or tap here to enter text. |

* 1. **For each of the last 3 financial years and each of the following events—the number of:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Details of events of each of the last 3 years** | **Year 1**  **Period:**  Click or tap here to enter text. | **Year 2**  **Period:**  Click or tap here to enter text. | **Year 3**  **Period:**  Click or tap here to enter text. |
| * + 1. **franchise agreements terminated by the master franchisor;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **franchise agreements terminated by the franchisor;** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
| * + 1. **franchise agreements that were not extended by the master franchisor.** | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |

***NOTE: An event may be counted more than once if more than one paragraph applies.***

* 1. **The following details about the master franchise:**

|  |  |
| --- | --- |
| * + 1. **the term of the franchise agreement, including the date that it began;** | Click or tap here to enter text. |
| * + 1. **the territory of the franchise;** | Click or tap here to enter text. |
| * + 1. **whether the franchise agreement may be renewed;** | Click or tap here to enter text. |
| * + 1. **whether the term of the franchise agreement may be extended and if so, any preconditions applying to an extension;** | Click or tap here to enter text. |
| * + 1. **whether the scope of the franchise agreement may be extended;** | Click or tap here to enter text. |
| * + 1. **whether the franchise agreement may be transferred, and if so, whether the franchisee is required to become a party to a franchise agreement with the transferee;** | Click or tap here to enter text. |
| * + 1. **the grounds on which the franchise agreement may be terminated;** | Click or tap here to enter text. |
| * + 1. **if the franchise agreement is terminated, how a subfranchisor’s franchise agreement with a franchisee is affected.** | Click or tap here to enter text. |

1. Intellectual property
   1. **For any trade mark used to identify, and for any patent, design or copyright that is material to, the franchise system (intellectual property):** 
      1. **description of the intellectual property; and:**

|  |  |
| --- | --- |
|  | **Description** |
| **Trade marks** | As set out in the table at item 8.1(c) below |
| **Patents** | Nil |
| **Designs** | Nil |
| **Copyright** | Capitalised words used in this item 8.1(a) have the same meaning as used in the franchise agreement. Please refer to the Dictionary in franchise agreement for all definitions.  Copyright in:   * the system by which the Franchisor promotes and offers the Approved Products and Approved Services; * registered and unregistered rights in relation subsisting in the Franchisor’s name and logo; * the Manuals and any other related manuals or materials; * the Franchisor’s Image; * the Franchisor’s corporate identity; * the Business Name and the words “A2Z Services”; * the Confidential Information including confidential memos or other communications distributed by the Franchisor; * all inventions and discoveries made by the Franchisor, the Franchisee or other franchisees in the Franchise Network; * the Website or such other domains and websites owned or controlled by the Franchisor from time to time which are used by the Franchise Network; * any material in any form, whether electronic or print used for marketing, advertising or any other form of promotion of the Franchise Network; * the Franchisor’s Social Media Accounts, including without limitation, Facebook, Twitter, LinkedIn and Instagram, owned or controlled by the Franchisor from time to time which are used to promote the Franchise Network; * any technology used or developed by the Franchisor; and * any trade secrets, know-how, and goodwill in connection with a Franchise owned, used or licensed by the Franchisor. |

* + 1. **details of the franchisee’s rights and obligations in connection with the use of the intellectual property; and:**

|  |
| --- |
| The franchisee has a licence (derived from the franchise agreement) to use the intellectual property.  The franchisee does not have any rights in the intellectual property, except for its use and which must be strictly in accordance with the franchise agreement or as otherwise approved by the franchisor.  The franchisor at its discretion may modify or discontinue the use of any component of the intellectual property.  The franchisee must cease using the intellectual property once the franchise agreement comes to an end. |

* + 1. **whether the intellectual property is registered in Australia, and if so, the registration date, registration number and place of registration; and:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Trade mark** | **Class** | **Filing date** | **Registration number** | **Place of registration** |
| A2Z Services | 35, 37, 44 | 29 August 2022 | 2295189  Status: Awaiting examination | Australia |
|  | 35, 37, 44 | 29 August 2022 | 2295189  Status: Awaiting examination | Australia |

* + 1. **any judgment or pending proceedings that could significantly affect ownership or use of the intellectual property:**

|  |  |  |
| --- | --- | --- |
| No |  |  |

**If yes, provide the following details:**

|  |  |
| --- | --- |
| * + - 1. **name of court or tribunal; and** | Not applicable |
| * + - 1. **matter number; and** | Not applicable |
| * + - 1. **summary of the claim or judgement; and** | Not applicable |

* + 1. **if the intellectual property is not owned by the franchisor—who owns it; and:**

|  |
| --- |
| A2Z Services (Holdings) Pty Ltd Australia |

* + 1. **details of any agreement that significantly affects the franchisor’s rights to use, or to give others the right to use, the intellectual property, including:**

|  |  |  |  |
| --- | --- | --- | --- |
| **(i) parties to the agreement; and** | **(ii) nature and extent of any limitation; and** | **(iii) duration of the agreement; and** | **(iv) conditions under which the agreement may be terminated; and** |
| The Franchisor’s right to use the franchise’s intellectual property ultimately comes from a Franchise Agreement between A2Z Services and its franchisees., who in turn uses the intellectual property as a licence to be granted use and operate within the A2Z Services network. | | | |

* 1. **The franchisor is taken to comply with item 8.1 for any information that is confidential if the franchisor gives:**
     1. **a general description of the subject matter; and**
     2. **a summary of conditions for use by the franchisee.**

1. Franchise site or territory
   1. **Whether the franchise is:**

|  |  |
| --- | --- |
| * + 1. **for an exclusive or non-exclusive territory; or** | Non-exclusive territory. |
| * + 1. **limited to a particular site.** | No – the franchise is a mobile franchise and does not operate from a particular site. |

* 1. **For the territory of the franchise:**

|  |  |
| --- | --- |
| * + 1. **whether other franchisees may own or operate a business that is substantially the same as the franchised business; and** | No – in the usual course of business, other franchisees may not own or operate a business that is substantially the same as the franchised business in the territory.  As a non-exclusive territory however, other franchisees may offer goods or services to customers within the franchisee’s territory. This includes purchasing another A2Z Approved Service such as Pest Control |
| * + 1. **whether the franchisor or an associate of the franchisor may own or operate a business that is substantially the same as the franchised business; and** | Yes – the franchisor or an associate of the franchisor may own or operate a business that is substantially the same as the franchised business within the territory.  As a non-exclusive territory, the franchisor or an associate of the franchisor may offer goods or services to customers within the franchisee’s territory. However, if a potential customer located inside the franchisee’s territory has made an enquiry or booking through the website or the franchisor’s central number the franchisor may, at its absolute discretion, refer that customer to the franchisee. |
| * + 1. **whether the franchisor or an associate of the franchisor may establish other franchises that are substantially the same as the franchise; and** | Yes. |
| * + 1. **whether the franchisee may own or operate a business that is substantially the same as the franchised business outside the territory of the franchise; and** | No. |
| * + 1. **whether the franchisor may change the territory or site of the franchise and if so, the circumstances in which such a change may occur.** | Capitalised words used in this item 9.2(e) have the same meaning as used in the franchise agreement. Please refer to the Dictionary in franchise agreement for all definitions.  The franchisor may change the territory of the franchise if the franchisee:   * fails to achieve the Minimum Performance Criteria or the Adjusted Minimum Performance Criteria; * fails to actively promote the Franchised Business; * engages in any conduct that adversely affects the Franchisor; or * otherwise breaches the franchise agreement, and   following written notice from the franchisor, the franchisee fails to rectify the issue within 30 days. The franchisee will be given 20 days notice of any change to the territory. |

1. Supply of goods or services to a franchisee
   1. **For the franchisor’s requirements for supply of goods or services to a franchisee—details of:**

|  |  |
| --- | --- |
| * + 1. **any requirement for the franchisee to maintain a level of inventory or acquire an amount of goods or services; and** | No – however, in order to operate the franchised business the franchisee will be required to use certain equipment, supplies and use certain software.  The franchisee is only required to ensure there is sufficient inventory and supplies to operate the franchised business. |
| * + 1. **restrictions on acquisition of goods or services by the franchisee from other sources; and** | The franchisee may only acquire goods or services from suppliers approved by the franchisor. This includes the use of certain software. Approved suppliers can be located in the A2Z Services Operating Manual |
| * + 1. **ownership by the franchisor or an associate of the franchisor of an interest in any supplier from which the franchisee may be required to acquire goods or services; and** | Not applicable. |
| * + 1. **the obligation of the franchisee to accept goods or services from the franchisor, or from an associate of the franchisor; and** | The franchisee may only accept supplies from suppliers approved by the franchisor unless express permission is given by the franchisor to use other suppliers. |
| * + 1. **the franchisor’s obligation to supply goods or services to the franchisee; and** | The franchisor must supply supplies to the franchisee if the franchisor is the approved supplier for these goods or services. |
| * + 1. **whether the franchisee will be offered the right to be supplied with the whole range of the goods or services of the franchise; and** | Yes. |
| * + 1. **conditions under which the franchisee can return goods, and to whom; and** | The franchisee may return goods to the supplier under the terms of trade agreed upon between the supplier and the franchisee.  Where the supplier is the franchisor or an associate of the franchisor, then the franchisee’s rights will be compliant with those available to the franchisee under the Australian Consumer Law and may be exercised against the relevant franchisor or associate of the franchisor. |
| * + 1. **conditions under which the franchisee can obtain a refund for services provided by the franchisor, and from whom; and** | For services provided by the franchisor or an associate of the franchisor, the franchisee’s rights to a refund will be compliant with those available to the franchisee under the Australian Consumer Law and may be exercised against the relevant franchisor or associate of the franchisor. |
| * + 1. **whether the franchisor may change the range of goods or services, and if so, to what extent; and** | Yes – any changes will be made by notice to the franchisee or by a change to the operations manual.  Products and services may be removed or new products and services may be added. |
| * + 1. **whether the franchisor, a master franchisor (if different from the franchisor), or an associate of the franchisor or master franchisor, will receive a rebate or other financial benefit from a supplier of goods or services to the franchisee; and** | No. |
| * + 1. **if the franchisor, master franchisor or associate will receive a rebate or other financial benefit described in paragraph (j) from one or more suppliers:**        1. **the nature of the rebate or other financial benefit received from each supplier; and**        2. **the name of each business providing the rebate or other financial benefit; and**        3. **the total amount of rebates or other financial benefits received in the previous financial year from each supplier, expressed as a single aggregate percentage of total group purchases from that supplier (not including any purchases made by units of the franchised business operated by the franchisor, master franchisor or associate); and** | Not applicable. |
| * + 1. **whether a rebate or other financial benefit referred to under paragraph (j) is shared, directly or indirectly, with the franchisee.** | Not applicable. |
| * + 1. **if a rebate or other financial benefit described in paragraph (j) is shared directly or indirectly with the franchisee:**        1. **the method for working out how much of the rebate or other financial benefit is retained by the franchisor, master franchisor or associate, and how much is shared, directly or indirectly, with the franchisee, described by reference to a percentage of the rebate or other financial benefit, or another method for working out how much is retained, and how much is shared with the franchisee; and**        2. **a description of each direct and indirect benefit received by the franchisee.** | Not applicable. |

***NOTE: Before a requirement is made under paragraph (b) or (c), the franchisor may notify, or seek authorisation from, the Australian Competition and Consumer Commission (see Part VII of the Act).***

* 1. **For the purposes of paragraphs 10.1(j) to (m), a rebate or other financial benefit does not include:**
     1. **the price paid by the franchisee, or a part of that price, for the supply of goods or services by the franchisor, master franchisor or associate; or**
     2. **any incentive or other financial benefit that the franchisor, master franchisor or associate is entitled to receive in connection with a lease of premises or the franchisee’s right to occupy premises.**
  2. **The franchisor is not required to disclose the details referred to in subparagraph 10.1(k)(iii) in relation to a supplier if:** 
     1. **the franchisee is permitted to acquire goods or services from sources other than the franchisor without the franchisor’s approval; or**
     2. **the whole of the rebate or other financial benefit that will be received by the franchisor, master franchisor or associate from that supplier is to be returned to the franchisee directly as a payment into a cooperative fund controlled or administered by or for the franchisor.**

1. Supply of goods or services by a franchisee
   1. **For the franchisor’s requirements for supply of goods or services by a franchisee—details of:**

|  |  |
| --- | --- |
| * + 1. **restrictions on the goods or services that the franchisee may supply; and** | The franchisee may only supply the Approved Service(s) they have selected and that has been approved by the franchisor and which are set out in the operation manuals.  In addition, the franchisee may only supply the approved services that are related to the franchisee’s business. |
| * + 1. **restrictions on the persons to whom the franchisee may supply goods or services; and** | The franchisee may engage in any promotional activities outside of their territory. However, the franchisee may only sell the approved products and services within the territory if:   * a potential customer located outside the franchisee’s territory has made an enquiry or booking through the website or the franchisor’s central number and, * the potential customer is referred to the franchisee and, * the franchisee accepts the potential customer. |
| * + 1. **whether the franchisee must supply the whole range of the goods or services of the franchise.** | Yes – however, a franchisee must not provide the approved services for which it does not have the relevant experience, qualifications, accreditations, training and know how. |

***NOTE: Before a requirement is made under paragraph (a) or (b), the franchisor may notify, or seek authorisation from, the Australian Competition and Consumer Commission (see Part VII of the Act).***

1. Supply of goods or services—online sales
   1. **Details of whether the franchisee may make available online:**

|  |  |
| --- | --- |
| * + 1. **goods of the same type or brand; or** | No. |
| * + 1. **services of the same type.** | No – the Franchisee may not make the approved services available for sale online.  However, the franchisor operates a website that allows customers to make an enquiry for any approved services online. |

* 1. **If goods or services may be made available online by the franchisee, the following information:**

|  |  |
| --- | --- |
| * + 1. **whether the franchise agreement restricts, or places conditions on, the franchisee’s ability to make those goods and services available online;** | Not applicable |
| * + 1. **whether goods or services may be made available via a third party website, and if so, specified restrictions or conditions by the franchisor on the franchisee’s use of a third party website;** | Not applicable |
| * + 1. **the extent to which those goods or services may be supplied outside the territory of the franchise.** | Not applicable |

* 1. **Details of whether:**

|  |  |
| --- | --- |
| * + 1. **the franchisor or an associate of the franchisor makes, or expects to make, goods or services available online; or** | The nature of the services provided by the franchise means that the services cannot be bought directly online, customers will need to be quoted for the services before they can purchase the services. The franchisor does however, through its website and a central number, allow potential customers to contact the franchisor for a quote. |
| * + 1. **other franchisees make, or expect to make, goods or services available online.** | Not applicable. |

* 1. **If goods or services are made, or are expected to be made, available online by the franchisor, an associate of the franchisor or other franchisees, the following information:**

|  |  |
| --- | --- |
| * + 1. **the extent to which those goods or services may be supplied in the territory of the franchise;** | Customers may enquire for the approved services via the franchisor’s website, a subdomain of the franchisor’s website or central number.  If a lead located inside the franchisee’s territory has made an enquiry through the website or the franchisor’s central number the franchisor will (at its discretion) refer that customer to the franchisee subject to clause 19 of the franchise agreement. |
| * + 1. **in the case of goods or services made available via a third party website—the domain name or URL of the third party website.** | Not applicable. |

* 1. **Details of any profit sharing arrangements that apply in relation to goods or services made available online and would affect the franchisee, and whether these arrangements may be unilaterally changed by the franchisor.**

|  |  |
| --- | --- |
| **Is there a profit sharing arrangement?** | Not applicable |

1. Sites or territories
   1. **The policy of the franchisor, or an associate of the franchisor, for selection of as many of the following as are relevant:**

|  |  |
| --- | --- |
| * + 1. **the site to be occupied by the franchised business;** | Click or tap here to enter text. |
| * + 1. **the territory in which the franchised business is to operate.** | The franchisor does have a formal policy for selecting a territory. |

* 1. **Details of whether the territory or site to be franchised has, in the previous 10 years, been subject to a franchised business operated by a previous franchise granted by the franchisor and, if so, details of the franchised business, including the circumstances in which the previous franchisee ceased to operate.**
  2. **Details of whether the franchisor, or an associate of the franchisor, has an interest in a lease that will be used for the operation of the franchised business, including an interest as a landlord or head lessee, or another interest disclosed under clause 13 of this code.**
  3. **The details mentioned in items 13.2 and 13.3 must be provided:** 
     1. **in a separate document; and**
     2. **with the disclosure document.**

|  |
| --- |
| Refer to Annexure A and Annexure B |

1. Other payments

***Prepayments***

* 1. **If the franchisor requires a payment before the franchise agreement is entered into:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Expenditure** | **Why the money is required** | **How the money is to be applied** | **Who will hold the money** | **14.2**  **The conditions under which a payment will be refunded** |
| Documentation Fee - $3,200 + GST | Fee for the franchisor’s costs of legal services relating to preparing, negotiating or executing the franchise documents. | The documentation fee will be become payable once the franchisee instructs the franchisor to prepare the franchise document in the form which it is to be executed. | The franchisor | The documentation fee is not refundable. |

***Establishment costs***

* 1. **Details of the range of costs to start operating the franchised business, based on current practice, for the following matters:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Expenditure** | **14.4(a)**  **description of the payment; and** | **14.4(b)**  **the amount of the payment or the formula used to work out the payment (if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount);[[1]](#footnote-1) and** | **14.4(c)**  **to whom the payment is made; and** | **14.4(d)**  **when the payment is due; and** | **14.4(e)**  **whether the payment is refundable and, if so, under what conditions.** |
| * + 1. **real property, including property type, location and building size;** | | | | | |
|  | Storage costs for any equipment and materials.  The franchisee may elect where to store any equipment or materials including at the franchisees residence or the franchisee may elect use a business providing storage services. | Nil - $1,000 per month | If applicable, to the business providing storage services. | If applicable, according to the terms of trade of the business providing storage services. | If applicable, according to the terms of trade of the business providing storage services. |
| * + 1. **equipment, fixtures, other fixed assets, construction, remodelling, leasehold improvements and decorating costs;** | | | | | |
|  | Computer/POS System | $500 - $2,000 | To the business providing the computer/POS system | According to the terms of trade of the business providing the computer/POS system | According to the terms of trade of the business providing the computer/POS System |
|  | Initial equipment  Refer to Annexure D of the Franchise Agreement. | Included as part of the Franchise Fee.  The franchise fee is $35,000 + GST. | The franchisor. | On the contract date of the franchise agreement. | If the franchisee exercises its cooling off rights, then the franchisor will refund the franchise fee less the retainable reasonable expenses which will be $3,200 and comprised of:   * documentation fee - $3,200 (+ GST |
|  | Vehicle | $15,000-$30,000 | To the relevant supplier. | On the contract date of the franchise agreement. |  |
|  | Trailer | $15,000-$30,000 | To the relevant supplier. | On the contract date of the franchise agreement. |  |
| * + 1. **inventory required to begin operation;** | | | | | |
|  | Initial supplies | $500-$5,000 | To the relevant supplier. | According to the terms of trade of the supplier. | According to the terms of trade of the supplier. |
| * + 1. **security deposits, utility deposits, business licences, insurance and other prepaid expenses;** | | | | | |
|  | Insurance premiums for:   * Public Liability Insurance | $5,000+ per year (dependant on the level of cover and the insurance provider) | The insurance provider | According to the terms of the insurance provider. | According to the terms of the approved supplier. |
|  | Workers Compensation | 2-8% of Wages  Actual amount depends on wages paid. | The relevant workers insurance policy provider | According to the terms of the workers’ insurance policy provider. | According to the terms of the workers’ insurance policy provider. |
|  | Insurance premium for comprehensive motor vehicle insurance. | $500-$5,000 per year dependent upon the insurance provider | The insurance provider | According to the terms of the insurance provider. | According to the terms of the insurance provider. |
| * + 1. **additional funds, including working capital, required by the franchisee before operations begin;** | | | | | |
|  | Working capital for day to day expenses | $20,000 per month | Not applicable | From commencement of the franchised business | Not applicable |
| * + 1. **other payments by a franchisee to begin operations;** | | | | | |
|  | Software subscriptions   * Workbuddy * Xero * Deputy * Dext | Workbuddy - $143 per month  Xero - $27 - $54 per month  Deputy - $5.50 per employee (if required)  Dext – $32-$95 per Month | Workbuddy to be paid to the Franchisor.  Deputy and Xero to be paid to the software provider. | According to the terms of trade of the software provider and the franchisor | According to the terms of trade of the software provider and the franchisor |
|  | Electronic payment provider   * Stripe | 1-2% + a per transaction fee | To the payment provider. | According to the terms of trade of the payment provider. | According to the terms of trade of the payment provider. |
|  | Miscellaneous items  (for example, stationery and cleaning products) | $500-$5000 per month | Miscellaneous suppliers | According to the terms of trade of the suppliers | According to the terms of trade of the supplier. |
|  | Transportation and accommodation costs for initial training | $100 - $2,000  Dependent upon the location of the franchisee | To the relevant transportation and accommodation provider. | According to the terms of the relevant transportation and accommodation provider. | According to the terms of the relevant transportation and accommodation provider. |
|  | Franchisees own legal, financial and business advice | $100 - $600 (+ GST) per hour | The franchisee’s lawyer, financial advisor (including accountant) and business advisor. | According to the terms of the franchisee’s lawyer, financial advisor (including accountant) and business advisor. | According to the terms of the franchisee’s lawyer, financial advisor (including accountant) and business advisor. |
|  | Telephone and internet | $1,000 - $2,000 per year | To the relevant provider. | According to the terms of trade of the provider. | According to the terms of trade of the provider. |

* 1. **For item 14.4(b), if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount.**

***Other payments***

* 1. **For each recurring or isolated payment payable by the franchisee to the franchisor or an associate of the franchisor or to be collected by the franchisor or an associate of the franchisor for another person:**

*Capitalised words used in this item have the same meaning as used in the franchise agreement. Please refer to the dictionary in franchise agreement for all definitions.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **(a) description of the payment; and** | **(b) amount of the payment or formula used to work out the payment (if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount);[[2]](#footnote-2) and** | **(c) to whom the payment is made; and** | **(d) when the payment is due; and** | **(e) whether the payment is refundable and, if so, under what conditions.** |
| Documentation Fee | $3,200 (+ GST) | The franchisor | On instruction by the franchise to the franchisor to prepare the franchise agreement in the form to be executed. | Not refundable. |
| Franchise fee | Click or tap here to enter text. (+ GST) | The franchisor | On the contract date of the franchise agreement, or upon completion and attainment of all required licences | If the franchisee exercises its cooling off rights, then the franchisor will refund the franchise fee less the retainable reasonable expenses which will be $3,200 and comprised of:   * documentation fee - $3,200 (+ GST) |
| Royalty Fees | The greater of:   * 1. 1 Click or tap here to enter text. (+GST) of Gross Revenue per Month; or   2. A flat fee of:      1. $300 per Month during the first three (3) Months commencing on the Contract Date;      2. $600 per Month during the period commencing on the fourth to sixth (4 – 6) Month following the Contract Date; and      3. $800 per Month during the remainder of the Term onwards.   The flat fee will be increased by CPI or 3% whichever is greater on 1 July each year | The franchisor | Each Month | Not refundable unless there has been overpayment by the franchisee. |
| Local Marketing Expenditure | $500 (+ GST) per Month  The flat fee will be increased by CPI or 2.5% whichever is greater on 1 July each year | To the business providing local marketing services or promotional material. | Each month | Dependent upon the terms of trade of the business providing local marketing services or promotional material. |
| Marketing Fund Fee | Click or tap here to enter text. (+ GST) of Gross Revenue per Month. | To the franchisor | On the Commence Date of the Franchise Agreement and each week thereafter | Not refundable. |
| Additional Training Fee | $500 (+GST) per hour.  This fee is only payable if:  any of the initial training or any ongoing training is not completed to the franchisor’s satisfaction; or  the Franchisee requests, or the Franchisor the Franchisee to undertake, additional training in accordance with this Agreement. | The franchisor | Prior to the provision of the additional training. | Not refundable. |
| Renewal Fee | N/A | The franchisor | On approval of the renewal of the franchise agreement by the franchisor and no later than 3 months before the end of the current franchise agreement. | Not refundable. |
| Transfer Fee | If the Franchisee Transfers the Franchised Business, then the greater of:   * 1. $10,000 (+ GST);   OR   * 1. an amount equal to 10% of the price paid for the Franchised Business. | The franchisor | On the same date as the settlement date of the sale of the franchised business. | Not refundable. |
| Approved products supplied by the franchisor | Non Supplied by Franchisor | The franchisor | Concurrently with ordering the equipment and approved products. | The franchisee will have the benefit of all consumer guarantees for all equipment and approved products supplied by the franchisor otherwise not refundable. |
| Security Retention Amount | $3,000 (+ GST) for a 3-month period | The franchisor | At the end of the franchise agreement. | The Security Retention Amount will be held by the franchisor to pay any outstanding amounts owed by the franchisee. The franchisor will refund the balance of the Security Retention Amount (if any) no later than 24 months following the date the franchised business is transferred or comes to an end. |

* 1. **For each recurring or isolated payment, that is within the knowledge or control of the franchisor or is reasonably foreseeable by the franchisor, that is payable by the franchisee to a person other than the franchisor or an associate of the franchisor:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **(a) description of the payment; and** | **(b) amount of the payment or formula used to work out the payment (if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount);[[3]](#footnote-3) and** | **(c) to whom the payment is made; and** | **(d) when the payment is due; and** | **(e) whether the payment is refundable and, if so, under what conditions.** |
| Telephone and internet | $500 - $2,000 per Month | The relevant provider | According to the terms of trade of the provider. | According to the terms of trade of the provider. |
| Software subscriptions   * Workbuddy * Xero * Deputy * Dext | Workbuddy - $143 per month  Xero - $27 - $54 per month  Deputy - $5.50 per employee (if required)  Dext – $32-$95 Per Month | Workbuddy to be paid to the Franchisor.  Deputy and Xero to be paid to the software provider. | According to the terms of trade of the software provider and the franchisor | According to the terms of trade of the software provider and the franchisor |
| Electronic payment provider  Stripe | 1-3% + a per transaction fee | To the payment provider. | According to the terms of trade of the payment provider. | According to the terms of trade of the payment provider. |
| Insurance premiums for:   * Public Liability Insurance | $5,000+ per year (dependant on the level of cover and the insurance provider) | The insurance provider | According to the terms of the insurance provider. | According to the terms of the approved supplier. |
| Workers Compensation | 2%-8% of employees wages  Actual amount depends on wages paid. | The relevant workers insurance policy provider | According to the terms of the workers’ insurance policy provider. | According to the terms of the workers’ insurance policy provider. |
| Insurance premium for comprehensive motor vehicle insurance. | $500-$5,000 per year dependent upon the insurance provider | The insurance provider | According to the terms of the insurance provider. | According to the terms of the insurance provider. |
| ASIC Annual Company Review Fee & Business Name Renewals | $267 - $350 per year | ASIC | Annually on the due date set out by ASIC. | According to ASIC’s terms. |
| Cost of supplies | Dependent upon the amount of work carried out. |  |  |  |
| Equipment service | $5,000 - $20,000 per vehicle per year | The relevant supplier. | According to the terms of trade of the supplier. | According to the terms of trade of the supplier. |
| Equipment repair | Dependent on the item of equipment. | The repairer. | According to the terms of trade of the repairer. | According to the terms of trade of the repairer. |
| Equipment replacement  Please also see Annexure D | $500 - $5,000 per year  Dependent on the item of equipment. | The relevant supplier. | According to the terms of trade of the supplier. | According to the terms of trade of the supplier. |
| Franchisees own legal, financial and business advice | $100 - $600 (+ GST) per hour | The franchisee’s lawyer, financial advisor (including accountant) and business advisor. | According to the terms of the franchisee’s lawyer, financial advisor (including accountant) and business advisor. | According to the terms of the franchisee’s lawyer, financial advisor (including accountant) and business advisor. |
| Alternative dispute resolution fees | $100 - $600 (+ GST) per hour | The party providing alternative dispute resolution services. | Normally on completion of the alternative dispute resolution services. | According to the terms of the party providing alternative dispute resolution services. |
| Miscellaneous items  (for example, stationery and cleaning products) | $500 - $1,000 per month | Miscellaneous suppliers | According to the terms of trade of the suppliers | According to the terms of trade of the supplier. |
| Transportation and accommodation costs for ongoing training | $100 - $2,000  Dependent upon the location of the franchisee | To the relevant transportation and accommodation provider. | According to the terms of the relevant transportation and accommodation provider. | According to the terms of the relevant transportation and accommodation provider. |

* 1. **For item 14.5 or 14.6, if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount.**
  2. **If 2 or more of items 14.1, 14.3 and 14.5 apply to a payment, the information required by those items in relation to that payment need be set out only once.**
  3. **To avoid doubt, this item covers a payment of significant capital expenditure.**

1. Marketing FUND or other cooperative funds
   1. **For each marketing fund or other cooperative fund, controlled or administered by or for the franchisor or a master franchisor, to which the franchisee may be required to contribute, the following details:**

|  |  |
| --- | --- |
| * + 1. **the kinds of persons who contribute to the fund (e.g. franchisee, franchisor, outside supplier);** | The franchisee is required to spend at least $500 (+ GST) per month to promote the franchised business in the territory.  The Franchisor has established a marketing fund during the term of the franchise agreement. Accordingly, the franchisee will be required to pay a contribution equivalent to Click or tap here to enter text. (+GST) of Gross Revenue per Month to the marketing fund.  *Capitalised words used in this item 16.1 have the same meaning as used in the franchise agreement. Please refer to the dictionary in franchise agreement for all definitions.* |
| * + 1. **how much the franchisee must contribute to the fund and whether other franchisees must contribute at a different rate;** | Click or tap here to enter text. (+GST) of Gross Revenue per Month. |
| * + 1. **who controls or administers the fund;** | The Franchisor |
| * + 1. **whether the fund is audited and, if so, by whom and when;** | Yes – the Franchisor will prepare audited financial statements for the Marketing Fund at the end of each Tax Year. |
| * + 1. **how the fund’s financial statements can be inspected by franchisees;** | The Franchisor will provide the audited financial statements to each Franchisee within 30 days of the audited financial statements being prepared unless exempted from doing so pursuant to clause 15(2) of the Franchising Code. |
| * + 1. **the kinds of expense for which the fund may be used;** | The Franchisor may use the Marketing Fund at any time for any costs incurred by the Franchisor in respect of marketing for the Franchise Network including, but not limited to:   * retaining advertising agents, copy writers, graphic artists, web designers, marketing consultants and other expert advisors; * developing and producing advertising and promotional material in any media including, but not limited to, sound and video recordings, printed material, online positioning and software; * developing and managing the Customer Database; * developing and managing public and Customer relations programs, including any customer reward program, customer loyalty program or gift certificate scheme; * conducting an annual conference for the Franchise Network; * accountancy, legal and other fees in respect of bookkeeping and auditing of the records of the Marketing Fund; * any taxation liabilities or other such Costs incurred by the Franchisor in relation to the Marketing Fund; * conducting research including research in relation to products and Customers; * conducting telemarketing activities; * design and maintenance of the Website and the Franchise Network’s online strategies; * developing and managing Customer messaging systems; and * reasonable overhead and administration Costs related to marketing activities for the Franchise Network. |
| * + 1. **the fund’s expenses for the last financial year, including the percentage spent on production, marketing, administration and other stated expenses;** | Not applicable |
| * + 1. **whether the franchisor, master franchisor or an associate of either of them supplies goods or services for which the fund pays and, if so, details of the goods or services;** | Not applicable |
| * + 1. **whether the franchisor or master franchisor must spend part of the fund on marketing or promoting the franchisee’s business.** | No – at the Franchisor’s discretion. |

1. Financing
   1. **The material conditions of each financing arrangement that the franchisor, its agent or an associate of the franchisor offers to the franchisee for establishment or operation of the franchised business.**

|  |
| --- |
| Not applicable – the franchisor, its agents or an associate of the franchisor do not offer financing of any form. |

* 1. **For item 16.1, the material conditions of a financing arrangement include the following:**

|  |  |
| --- | --- |
| * + 1. **any requirement that the franchisee must provide a minimum amount of unborrowed working capital for the franchised business;** | Not applicable |
| * + 1. **any requirement that a franchisee must meet a stated debt to equity ratio in relation to the franchised business.** | Not applicable |

1. Unilateral variation of franchise agreement
   1. **The circumstances in which the franchisor has unilaterally varied a franchise agreement in the last 3 financial years (including, if applicable, financial years before this code came into force), other than variations of a minor nature:**

|  |  |
| --- | --- |
| **Date of variation/s** | **Details of unilateral variation** |
| Not applicable | Not applicable. |

* 1. **The circumstances in which the franchise agreement may be varied, unilaterally, by the franchisor in the future:**

|  |
| --- |
| The franchisor may not vary the franchise agreement unilaterally. Variations however may be made to the operations manual from time to time.  Variations to the operations manual will be made by written notice to the franchisee and the franchisee must implement any such variation provided that:   * the variation had been disclosed to the franchisee before the commencement date of the franchised business; * the amendment is required to comply with a legislative obligation; or * the amendment is in the franchisor’s reasonable opinion necessary for the operation of the franchisees franchised business and/or the franchise network generally. |

17A ARBITRATION OF DISPUTES

**17A.1 Whether the franchise agreement provides for arbitration of disputes in a manner consistent with Subdivision C of Division 3 of Part 4.**

|  |
| --- |
| Yes – the franchise agreement requires disputes to be resolved in accordance with the franchising code of conduct and this includes by allowing disputes to be resolve by arbitration in a manner consistent with the franchising code of conduct. |

**17B WAYS OF ENDING THE FRANCHISE AGREEMENT EARLY**

**17B.1 A summary of the rights the franchisor has under the franchise agreement to terminate the franchise agreement before it expires, and the circumstances in which those rights may be exercised.**

|  |
| --- |
| The franchisor has the right to terminate the franchise agreement if:   * (mutual agreement) the franchisor and franchisee agree to terminate the franchise agreement; * (breach) the franchisee breaches the franchise agreement and fails to remedy the breach within a reasonable time despite the franchisee being notified of the breach and what is required to remedy the breach; * (particular grounds) any of the following occurs and the franchisee does not dispute the proposed termination within 7 days:   + no longer holds a licence, permit or authority that the franchisee requires to carry on the franchised business;   + becomes bankrupt, an insolvent under administration or a Chapter 5 body corporate;   + becomes deregistered as a corporation;   + voluntarily abandons the franchised business;   + is convicted of a serious offence (as defined in the franchising code of conduct);   + operates the franchised business in a way that endangers public health or safety; or   + acts fraudulently in connection with the operation of the franchised business; or * (event of default) if any of the following occur, in which case, the franchisee will be considered in breach of the franchise agreement and the franchisee does not remedy the breach within a reasonable time (despite the franchisee being notified of the breach and what is required to remedy the breach):   + (cross default) the franchisee breaches any related agreements (for example, any other agreement entered into by the franchisee with the franchisor or its associates);   + the franchisee not complying with the operations manual;   + the franchisee not being able to pay its debts as and when they fall due;   + the franchisee no longer holding any qualifications or accreditations required to operate the franchised business;   + the franchisee no longer passing any checks as required to operate the franchised business;   + a change in the guarantors not approved by the franchisor;   + the franchisee permits to occur or suffers a substantial change in the management, or any change in the franchisee’s ownership or control which is not first disclosed to and approved in writing by the franchisor;   + the franchisee declares any trust or otherwise creates any beneficial interest in the franchised business or any part of the assets of the franchised business without the franchisor’s approval;   + the franchisor receives serious, continual or a significant number of genuine complaints from customers relating to the operation of the franchised business by the franchisee or by the franchisee’s personnel and the franchisee fails to comply with any of the franchisor’s requirements to implement procedures and conduct to prevent complaints continuing;   + the franchisee breaching the payment terms in respect of any approved supplier; or   + the franchisee failing to maintain the appropriate and mandatory insurance policies.   In addition the franchisor may require the franchisee to assign the franchise agreement to another party. |

**17B.2 A summary of the rights the franchisee has under the franchise agreement to terminate the franchise agreement before it expires, and the circumstances in which those rights may be exercised.**

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| The franchisee has the right to terminate the franchise agreement if:   * (mutual agreement) the franchisor and franchisee agree to terminate the franchise agreement; or * (proposal) the franchisee gives the franchisor a written proposal for termination of the franchise agreement:   + setting out the terms of the proposed termination; and   + the reason for the proposed termination, and   the franchisor agreeing to the proposal.  The franchisee may propose to terminate the franchise agreement at any time. If the franchisor does not agree to the proposal to terminate, the franchisor must give the franchisee a substantive written response to the proposal within 28 days of receipt of the proposal. If the franchisor’s response is to refuse to terminate or agree to terminate this agreement on the terms of the proposal, the franchisor’s response must include the reasons for the refusal. |

1. TERMS OF AGREEMENT AND ARRANGMENTS to apply at the end of the franchise agreement
   1. **Details of arrangements to apply at the end of the franchise agreement, including:**

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| **(aa) the term of the franchise agreement; and** | The initial term of the franchise agreement will be for 5 years. |
| * + 1. **whether the prospective franchisee will have an option to:**        1. **renew the franchise agreement; or**        2. **enter into a new franchise agreement; and** | The franchisee may have the option to renew the franchise agreement for a further 5 years if:   * the option is set out in the franchise agreement; * there are no outstanding breaches; * the franchisee complies with any other terms of renewal as set out in the franchise agreement; and * the franchisee notifies the franchisor of their intention to renew the franchise agreement at least 7 months prior to the end of the current term.   On receipt of the franchisee’s notice, the franchisor will review the franchised business and provide a response to the franchisee’s request for a renewal no later than 6 months prior to the end of the franchise agreement.  The franchisor will not unreasonably refuse to renew the franchise agreement.  If the franchise agreement is renewed, then the franchisee will be required to enter into a new franchise agreement in the then current version which may contain different terms and conditions. This new franchise agreement may not contain a further renewal option. |
| * + 1. **whether the prospective franchisee will be able to extend the term of the franchise agreement, and if so, the process the franchisor will use to determine whether to extend the term of the franchise agreement; and** | In most cases, the franchise agreement will either be renewed or come to an end at the end of the term.  The franchisee may however, extend the franchise agreement on a month by month basis if approved in writing (prior to the end of the franchise agreement) by the franchisor.  The franchisor will have absolute discretion in determining whether the franchisee can continue to operate the franchise on a month by month basis.  In most cases, the month by month arrangement will only be approved to take into account any gap or delay between the end of the current term and start of the new renewal term.  Both the franchisor and franchisee may end the month by month agreement with 30 days notice. |
| * + 1. **if the prospective franchisee will have an option to renew the franchise agreement—whether the prospective franchisee will be entitled to compensation at the end of the agreement if it is not renewed and, if so, how that compensation will be determined; and** | The franchisee will not be entitled to any compensation if the franchisor refuses to renew the franchise agreement.  The franchisor will not unreasonably refuse the renewal of the franchise agreement. |
| * + 1. **details of the arrangements that will apply to unsold stock, marketing material, equipment and other assets purchased when the franchise agreement was entered into, including:**        1. **whether the franchisor will purchase the stock, marketing material, equipment and other assets; and**        2. **if the franchisor is to purchase the stock, marketing material, equipment and other assets—how prices will be determined; and** | The franchisor will have an option to purchase any equipment and other assets of the franchise at the end of the franchise agreement.  This option will be open for 60 days after the end of the franchise agreement.  The price paid will be the lesser of:   * the maximum written down value (at the time the option is exercised); * the fair market value (at the time the option is exercised); or * where a value cannot be determined, as valued by an independent third party valuer appointed by the president of the Institute of Chartered Accountants Australia.   The price paid will also take into consideration (by way of a deduction on the price) any:   * costs or estimated costs for any work required to service or repair any of the equipment or other assets; or * contribution the franchisor receives from any party for the purchase. |
| * + 1. **whether the prospective franchisee will have the right to sell the business at the end of the franchise agreement; and** | The franchisee will not have the right to sell the franchised business at the end of the franchise agreement.  The franchisee may however during the term of the franchise agreement, sell the franchised business subject to:   * the franchisee complying with their obligations under the franchise agreement for selling the franchised business; * the potential franchisee satisfying any of the franchisor’s requirements; and * obtaining the franchisor’s consent to the sale.   The franchisor will not unreasonably refuse the sale of the franchised business. |
| * + 1. **if the prospective franchisee will have the right to sell the business at the end of the franchise agreement—whether the franchisor will have first right of refusal, and how market value will be determined; and** | Yes – the franchisor will have the first right of refusal.  If the franchisee receives an arm’s length bona fide offer from a third party, the franchisee must first offer the business to the franchisor on the same terms and price.  The franchisor will have 30 days to accept or reject the offer. |
| **(fa) the prospective franchisee’s rights relating to any goodwill generated by the franchisee (including, if the franchisee does not have a right to any goodwill, a statement to that effect); and** | The franchisee does not have any rights relating to any goodwill generated by the franchisee except if goodwill is payable by the franchisor to the franchisee in order to enforce any restraint of trade, then the goodwill payable by the Franchisor to fully enforce the restraint will be equal to:   * the reported net profit after tax of the franchised business for the past 2 financial years prior to termination;   minus   * an amount that, in the franchisor’s reasonable opinion, is equal to the value of all of the goodwill attributable to the intellectual property provided by the franchisor during the term of the franchise agreement. |
| * + 1. **whether the franchisor will consider any significant capital expenditure undertaken by the franchisee during the franchise agreement, in determining the arrangements to apply at the end of the franchise agreement; and** | No |
| * + 1. **whether the franchise agreement includes a restraint of trade or similar clause.** | Yes – the franchisee, guarantors and any managers of the franchised business will be required to enter into a separate restraint of trade deed.  The maximum extent of the restraint will be for a period of 36 months after the end of the franchise agreement and for the following area:   * the whole of Australia * the State or Territory the franchised business is located; or if this is held to be unreasonable * the franchised business’s territory (i.e. local marketing area). |

* 1. **Details of whether the franchisor has, in the last 3 financial years, considered any significant capital expenditure undertaken by franchisees, in determining the arrangements to apply at the end of franchise agreements between the franchisor and those franchisees:**

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| No |

* 1. **If the franchisee does not have the option to renew the franchise agreement, the following statement must be included in bold 12 point type:**

**The franchisee does not have the option to renew the franchise agreement. At the end of the franchise agreement, the franchisor may, but does not have to, extend the term of the agreement. If the franchisor does not extend the term of the agreement, the franchise agreement ends and the franchisee no longer has a right to carry on the franchised business.**

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| Not applicable |

* 1. **If the franchisee cannot extend the term of the franchise agreement, the following statement must be included in bold 12 point type:**

**The franchisee cannot extend the term of the franchise agreement. At the end of the franchise agreement, the franchisor may, but does not have to, extend the term of the agreement. If the franchisor does not do so, the franchise agreement ends and the franchisee no longer has a right to carry on the franchised business.**

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| Not applicable |

* 1. **If the franchisee:**
     1. **does not have the option to renew the franchise agreement; and**
     2. **cannot extend the term of the franchise agreement;**

**the following statement must be included in bold 12 point type:**

**The franchisee does not have the option to renew the franchise agreement and cannot extend the term of the franchise agreement. At the end of the franchise agreement, the franchisor may, but does not have to, extend the term of the agreement. If the franchisor does not extend the term of the agreement, the franchise agreement ends and the franchisee no longer has a right to carry on the franchised business.**

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| Not applicable |

1. Amendment of franchise agreement on transfer of franchise
   1. **Whether the franchisor will amend (or require the amendment of) the franchise agreement on or before the transfer of the franchise.**

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| The franchisor will require any potential franchisee to enter into the then current version of the franchise agreement which may have different terms and conditions as the franchisees franchise agreement. |

1. Earnings information
   1. **If the franchisor proposes to give earnings information, the franchisor must give it in the disclosure document or in a separate document attached to the disclosure document.**

**20.1A If the franchisor gives earnings information to a prospective transferee or a franchisee before giving the prospective franchisee or franchisee a copy of the disclosure document relating to the franchise, the franchisor must also give the prospective franchisee or franchisee earnings information in the disclosure document or an attachment to it.**

* 1. **Earnings information includes the following information:**
     1. **historical earnings data for:**
        1. **the franchised business; or**
        2. **a franchise in the franchise system;**
     2. **if subparagraph (a)(ii) applies—any differences between the franchise in the franchise system and the franchised business;**
     3. **projected earnings for the franchised business and the assumptions on which those projections are based;**
     4. **any other information from which historical or future earnings information of the franchised business can be assessed.**

**20.2A If earnings information is given by the franchisor in the disclosure document or an attachment to it—the following statement:**

**To the best of the franchisor’s knowledge, the earnings information given is accurate (other than particular earnings information specified in the document as earnings information that the franchisor knows is not accurate).**

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| Not applicable. |

* 1. **If earnings information is not given—the following statement:**

**The franchisor does not give earnings information about a [*insert type of franchise*] franchise.**

**Earnings may vary between franchises.**

**The franchisor cannot estimate earnings for a particular franchise.**

*The franchisor does not give earnings information about a A2Z Services franchise.*

*Earnings may vary between franchises.*

*The franchisor cannot estimate earnings for a particular franchise.*

* 1. **Earnings information that is a projection or forecast must include the following details:**

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| * + 1. **the facts and assumptions on which the projection or forecast is based;** | Not applicable |
| * + 1. **the extent of enquiries and research undertaken by the franchisor and any other compiler of the projection or forecast;** | Not applicable |
| * + 1. **the period to which the projection or forecast relates;** | Not applicable |
| * + 1. **an explanation of the choice of the period covered by the projection or forecast;** | Not applicable |
| * + 1. **whether the projection or forecast includes depreciation, salary for the franchisee and the cost of servicing loans;** | Not applicable |
| * + 1. **assumptions about interest and tax.** | Not applicable |

1. Financial details
   1. **A statement of the franchisor’s solvency that:**
      1. **reflects the franchisor’s position:**
         1. **at the end of the last financial year; or**
         2. **if the franchisor did not exist at the end of the last financial year—at the date of the statement; and**
      2. **is signed by at least one director of the franchisor; and**
      3. **gives the directors’ opinion as to whether there are reasonable grounds to believe that the franchisor will be able to pay its debts as and when they fall due.**

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| **Statement**  As of the date of this statement, I Michael De Jong, as a director of A2Z SERVICES (FRANCHISE) PTY LTD (ACN 661 642 557) am of the opinion that there are reasonable grounds to believe that A2Z SERVICES (FRANCHISE) PTY LTD (ACN 661 642 557) will be able to pay its debts as and when they fall due.  Text, letter  Description automatically generated  Michael De Jong - Director  Click or tap here to enter text.  Date |

* 1. **Financial reports for each of the last 2 completed financial years in accordance with sections 295 to 297 of the *Corporations Act 2001*, or a foreign equivalent of that Act applicable to the franchisor, prepared by the franchisor.**

***NOTE: See also items 21.4 to 21.6.***

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| Not applicable |

* 1. **If:**
     1. **the franchisor is part of a consolidated entity that is required to provide audited financial reports under the *Corporations Act 2001*, or a foreign equivalent of that Act applicable to the consolidated entity; and**
     2. **a franchisee requests those financial reports;**

**financial reports for each of the last 2 completed financial years, prepared by the consolidated entity.**

***NOTE: See also items 21.4 to 21.6.***

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| Not applicable |

* 1. **Items 21.2 and 21.3 do not apply if:**
     1. **the statement under item 21.1 is supported by an independent audit provided by:**
        1. **a registered company auditor; or**
        2. **if the franchisor is a foreign franchisor—a foreign equivalent for that franchisor;**

**within 4 months after the end of the financial year to which the statement relates; and**

* + 1. **a copy of the independent audit is provided with the statement under item 21.1.**

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| Not applicable |

* 1. **If the franchisor or consolidated entity (the *entity*) has not existed for 2 or more financial years, then instead of providing the financial reports mentioned in item 21.2 or 21.3, the following:**
     1. **a statutory declaration of the entity’s solvency;**
     2. **an independent audit report on the entity’s solvency as at the date of the entity’s declaration.**

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| Refer to Annexure D |

* 1. **If the franchisor or consolidated entity (the *entity*) was insolvent in either or both of the last 2 completed financial years, the following:**
     1. **a statement of the period during which the entity was insolvent;**
     2. **a statutory declaration of the entity’s solvency;**
     3. **an independent audit report on the entity’s solvency as at the date of the entity’s declaration.**

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| Not applicable |

1. Updates
   1. **Any information given under clause 17 that has changed between the date of the disclosure document and the date the disclosure document is given under the code:**

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| Not applicable |

1. Receipt
   1. **On the last page of the disclosure document:**
      1. **a statement to the effect that the prospective franchisee may keep the disclosure document; and**
      2. **a form on which the prospective franchisee can acknowledge receipt of the disclosure document.**

ANNEXURE A

* Details of whether the territory or site to be franchised has, in the previous 10 years, been subject to a franchised business operated by a previous franchise granted by the franchisor and, if so, details of the franchised business, including the circumstances in which the previous franchisee ceased to operate.

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| Click or tap here to enter text. |

ANNEXURE B

* Details of whether the franchisor, or an associate of the franchisor, has an interest in a lease that will be used for the operation of the franchised business, including an interest as a landlord or head lessee, or another interest disclosed under clause 13 of this code.

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| Click or tap here to enter text. |

ANNEXURE C

* Details of any significant capital expenditure

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| Click or tap here to enter text. |

**FORM TO ACKNOWLEDGE RECEIPT OF DISCLOSURE DOCUMENT**

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| I acknowledge receipt of this disclosure document dated Click or tap to enter a date. attaching:   1. Copy of A2Z Services franchise agreement in the form in which it is to be executed; 2. The Key Facts Sheet; 3. The Franchising Code of Conduct; 4. Annexure A – details of the franchise history of the territory; 5. Annexure B – details of any interest by the franchisor or its associate in any lease; 6. Annexure C – information on significant capital expenditure; and   from the franchisor on the            day of                     20    On behalf of the prospective franchisee/franchisee    Print name    Date |

**The franchisee or prospective franchisee may keep this disclosure document.**

1. **Item 14.5 of Annexure 1 of the Code.** [↑](#footnote-ref-1)
2. **Item 14.8 of Annexure 1 of the Code.** [↑](#footnote-ref-2)
3. **Item 14.8 of Annexure 1 of the Code.** [↑](#footnote-ref-3)