

Overview of the REVITASIZE® Franchise for Ontario, Canada

The REVITASIZE® Franchise Concept: Low investment - low overhead - simple operation (no cooking involved) - alternative to what other quick service restaurants are offering.

Investment Requirements

Franchise Fees: The initial fee is \$30,000 plus TAX. The franchise agreement is for 10 years and is renewable for an additional 10 years with a fee (50% of the initial franchise fee) at which time you would sign a new franchise agreement. The franchisee can sell their store at anytime, provided the company approves of the buyer.

Capital Requirements: The total investment can range from \$250,000 and up for locations. Figures included are for a turnkey operation, which are inclusive of the franchise fee. They do not require any leasing of equipment reducing interest and monthly payment burdens. We suggest that storeowners have half of the amount in cash and finance the other half. We prefer that a franchisee does not carry a large debt service.

Equipment Ownership: The REVITASIZE® franchise system offers competitive pricing on all necessary equipment. All equipment expenditures are included in the start up costs and require no monthly payments or interest paid. This strategy will help reduce monthly overhead, helping achieve profitable earlier.

Financing: Financing is obtained by the applicant

Before You Open Your Business

Training: Training is for 4 weeks and is to be conducted in store. All franchisees named on the franchise agreement must satisfactorily complete training at a REVITASIZE® corporate store, before the store will be allowed to open. The Franchisee and its employees will be responsible for all meals, travel, lodging or other expenses incurred in attending the Franchisor's training program

Site Selection Assistance: It is recommended that after training is completed the franchisee should begin the site location process. Sites range from 800 to 1,200 square feet, with the average site being 1,000 square feet. If a location exceeds 1,300 square feet an approval is required. A location should have a nearby business and residential community. The franchisor, or a corporation it designates, will lease the site and sublease on the same terms and conditions as in the master lease. The Franchising Director must approve all sites. The franchisee, with the assistance of the Franchising Director negotiates the economics of the lease with the landlord. The objective is to secure the best possible location for a reasonable rent. An ideal lease term would consist of five years followed by 3 consecutive 5-year periods. This would effectively secure the property for 20 years with maximum liability of five years.

Advantages of Subleasing: (1) it may be possible for the REVITASIZE® franchise system to obtain more favorable terms during lease negotiations given its substantial presence in the real estate market. (2) If you decide to sell your store the transition will be easier and you will not need to renegotiate the lease.

Store Design: The Company provides custom floor plans for the location free of charge. However, local laws may require you to have plans either redrawn or certified.

Store Placement: The factors we consider in evaluating sites include the potential customer base, traffic patterns, proximity to strong population back-ups, visibility, and parking. We also consider proximity of a proposed satellite restaurant. For further information refer to our Franchise Disclosure Document.

After You Open Your Business

Menu and Operations: The menu offers gluten-free, dairy-free, vegan, and organic cold pressed juices, smoothies, salads, acai bowls, soups, raw good, baked goods, kombucha, coconut yogurt, kefir, cheesecakes and latte's. The franchisor determines the pricing for items in the store. Revitasize Commissary Inc. is the sole distributor and supplier of all food products and paper products for any location existing under the REVITASIZE trademark. All menu items will be delivered based on in store forecasting conducted by the Franchisee. The advantages of a internalized distribution center are: (1) consistent high quality products that don't vary per location, (2) No minimum order forecasting, will help reduce food waste, (3) saved labor costs of skills kitchen workers, (4) massive capital investment savings on expensive juicing equipment. All smoothies, acai bowls, coconut yogurt bowls and Latte's will be made in store using approved methods and products purchased from Revitasize Commissary Inc.

All updates made to the menu screens will be done by Revitasize's head office and will be consistent at every location. This includes product pricing, advertisements, photo layout, and the overall direction of the design and implementation.

Hours of Operations: The restaurant must be opened a mandatory 76 hours a week, opening hours are Monday thru Friday at 7 am, Saturday at 9 am and Sunday at 9 am. The closings hours are Monday thru Thursday at 8 pm, Friday thru Sunday at 6 pm. This policy may be changed or eliminated at the franchisor's discretion. Exceptions to the mandatory hour requirements are city ordinances, lease restrictions, and enclosed shopping malls.

Ongoing Support: The Franchising Director or designated representative will be with the storeowner during the first week of opening and from then on will provide a monthly evaluation and inspection. In addition, the company provides daily back-up support in the form of a coordinator, whom the storeowner can call toll-free from 9:00 a.m. to 5:00 p.m. EST for assistance. Ongoing education comes in the form of newsletters and ongoing onsite training to all franchise owners, providing useful operational, marketing and advertising information along with updates.

Franchising Director: The franchising director duties include franchise sales, site selection, training and operational assistance to franchisees. The franchising director can also make recommendations as to whether a prospective franchisee in their territory should be granted a franchise.

Royalties: You will pay 4% of sales minus sales tax to REVITASIZE FRANCHISING INC. on a monthly basis.

Advertising: You will contribute 3% of sales minus sales tax to the REVITASIZE MARKETING INC. on a monthly basis.

Conducting Your Research

Obligation to Participate: We strongly recommend you personally devote a substantial amount of time to the franchise business. Franchisees who do not devote their full time to the establishment, operation, and supervision of their restaurants, may have lower sales, higher costs, and less name recognition than franchisees who do devote their full time to their business. Your day-to-day tasks could include supervising employees, checking inventories, reviewing sales and food costs, bookkeeping, and making reasonable efforts to ensure smooth and efficient operations. You must keep your restaurant open within the hours specified in the Operation Manual, subject to local regulations, unless we approve different hours in writing. Further information pertaining to this, can be found in our Franchise Disclosure Document under the table of contents entitled "Obligation to Participate in The Actual Operation of The Franchise Business."

Earnings Claims: In our Franchise Disclosure Document we further explain why we cannot provide an earnings claim. We do not furnish or authorize our employees, salespeople, or franchising director to furnish any oral or written information concerning the actual or potential sales. Actual results vary from restaurant to restaurant and we cannot estimate the results of any particular franchise

Advantages of Franchising with the REVITASIZE® chain

- * Strong brand name recognition
- * Groundwork is already completed for you
- * Creates a better impact than when tried alone
- * Provides a training program