### Franchise Steps

### Franchiser cooperative qualification and flows

## Franchise cooperative qualification:

- 1. Has well commercial morality and team work spirit.
- 2. Has strong operational ability and brand awareness
- 3. Has a certain financial strength and well credibility.
- 4. Has legal operative qualification of a natural person or a corporate body.
- 5. Has strong ambition of success and enterprising.
- 6.Agree with operation concept of headquarter, comply with management regulations and accept the guidance and supervision from headquarter.

## Cooperation flow:

### First step: Consultation and inspection

Interested investor consults franchising matters, relevant materials from headquarter by the ways of telephone, fax and online message etc, engage business communication with company's staffs, suggest investor to visit company for inspection and business negotiation.

### Second step: Application

Investor needs to bring personal ID to company or apply online, confirm investment intension, get final reply after verification by headquarter.

#### Third step: Qualification Verification

Headquarter needs to examine all kinds of materials of investor, verify investor's qualification.

## Forth step: Sign an agreement

Once both parties have agreed uncontested consequence of examination, then sign a formal agre ement based on the principals of reciprocity and mutual benefits, equality, trustworthy and win-win.

## Fifth step: shop preparation

The company will arrange experts to give guidance for the unified store decoration and interior s et up, also to offer free posters, pictures, display rack design plan, propaganda discs, product br ochures, brand use authorization etc.

## Sixth step: opening guidance

The company will give systematic technological training to franchiser, provides long term technical consultation, guidance and industrial information.

## Seventh step: logistics distribution

Our company will offer suggestion of initial distribution to franchiser, once shop preparation completed that franchiser gives notification to headquarter by telephone, fax or internet one week in ad vance, afterwards the company will deliver products timely to your appointed place, and for sure will supply setup suggestion of opening store for you.

## Eighth step: official operation

Products on shelves, staffs on position, headquarter is going to provide professional pre-opening advertising campaign and the advice of promotions.

### Ninth step: after-sale service

Once business started, the follow up after-sale services and marketing guidance from headquarter are available, continuously gives franchiser new products that adequate for the market demand.

100% warrantee or equivalent replacement in the period of quality guarantee, in order to reduce the risks of operation and investment for alliance business.

### Intermediates Cooperative Qualification

- 1. Has well commercial morality and team work spirit.
- 2. Has strong operational ability and brand awareness.
- 3. Has strong ambition of success and enterprising.
- 4. Has legal operative qualification of a natural person or a corporate body.
- 5.Agree with operational concept of headquarter, comply with management regulations and accept the guidance and supervision from headquarter.

#### Cooperation flow:

### First step: Consultation and inspection

Interested investor consults franchising matters, relevant materials from headquarter by the ways of telephone, fax and online message etc, engage business communication with company's staffs, suggest investor to visit company for inspection and business negotiation.

#### Second step: Application

Investor needs to bring personal ID to company or apply online, confirm investment intension, get final reply after verification by headquarter.

# Third step: Qualification Verification

Headquarter needs to examine all kinds of materials of investor, verify investor's qualification.

### Forth step: Sign an agreement

Once both parties have agreed uncontested consequence of examination, then sign a formal agre ement based on the principals of reciprocity and mutual benefits, equality, trustworthy and win-win.

### Fifth step: Searching for target franchiser and direct-sale major clients

Coordinates headquarter to sign an agreement with franchiser or direct-sale major client, tracking service, transmit information, and deal with transaction procedures.

## Sixth step: Shop preparation

The company will arrange experts to give guidance for the unified store decoration and interior s et up, also to offer free posters, pictures, display rack design plans, propaganda discs, product b rochures, brand use authorization etc. Furthermore, we will provide systematic technology training to investor, long term technological consultation, guidance and industrial information.