

FRANCHISE SALES PACK

Occupational Health & Safety Division: Edition 2013



VLAME
OCCUPATIONAL HEALTH & SAFETY
TRAINING - EVENTS - MEDICAL RESCUE



INITIAL INFO-PACK WITH NON-DISCLOSURE

086 11 85263

ISSUED BY VLAME OHS (SA) Pty LTD
8 Pierneef Street Private Bag X3018
Helena Heights Suite 101
Somerset West STRAND
7139 7140

www.vlame.co.za

FRANCHISE SALES PACK

Occupational Health & Safety Division: Edition 2013



Introduction

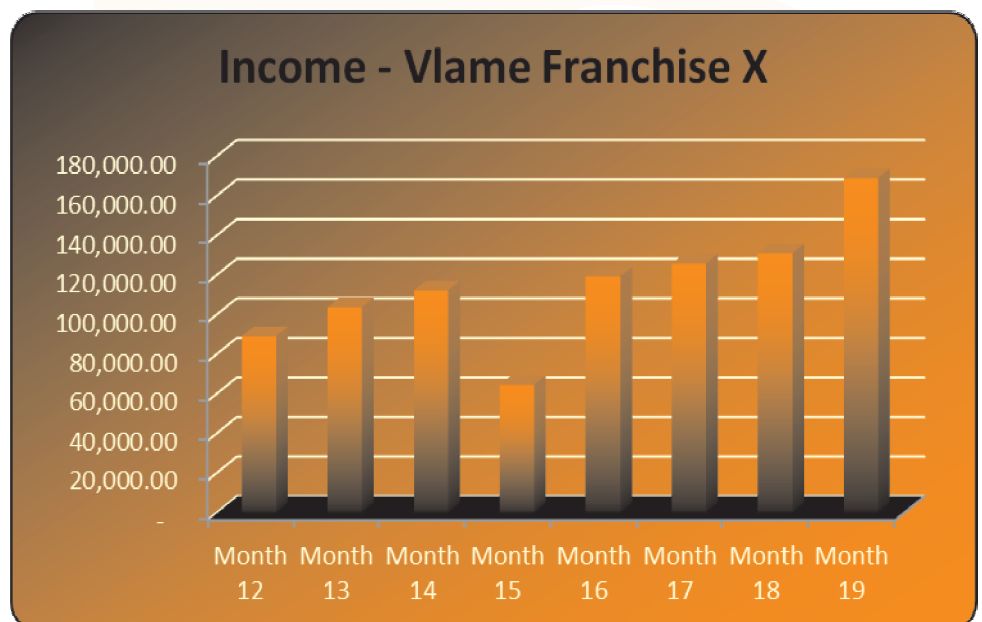
Firstly, from all of us at **Vlame OHS SA (Pty) Ltd**, a big thank you for showing interest in our exciting business, we have been going since 2008, and we have grown consistently in both franchise footprint and individual franchise turnover despite the strenuous economic conditions of the past 5 years. Thanks to careful planning, unique positioning, and a very strong team, both on the ground and in terms of support, we are undoubtedly one of the very few success stories.

Please find below the **INITIAL INFO PACK**. This document is merely a short introduction to our business, with a **Non-Disclosure agreement** forming part hereof. We would like to give you an opportunity to decide whether our business may spark an interest with you, while at the same time not taking up to much of your time with the full and comprehensive document set. If you find yourself interested to learn more of our group, please complete the non-disclosure agreement page at the bottom hereof, and fax it back to us on 0866 75 66 49, and we will dispatch the comprehensive document set to you soonest. Alternatively, if more convenient, you may also scan and email the completed non-disclosure agreement to franchise@vlame-sa.co.za. Please ensure the scanned document is in "Pdf" format.

Should you have any queries in this regard, or otherwise pertaining to our business, please feel free to contact us on either **074 58VLAME** (074 58 85263) or during office hours on **086 11 VLAME** (086 11 85263).

Buying into any business is an important step, both parties (you and us) have to be sure that the business and background of the individuals are compatible with each other. We are convinced that our business holds great value for the right person(s), approaching the business in the correct manner.

But, the success of our business is at least in part based on confidential know-how and intellectual property, and as such we have to protect this whilst allowing serious candidates access to as much information as they need to make an informed and educated decision. The confidential info relating to the success of our business, is exactly what sets us apart from any of our competitors, and also why our franchise model can boast such high income yields compared to the competitors we have to compete with in the open market. The following graph shows operational certified figures from an actual operational **Vlame OHS SA (Pty) Ltd** franchise, please note this refers to already operational and is **NOT** the start-up



FRANCHISE SALES PACK

Occupational Health & Safety Division: Edition 2013

figures, start-up figures of an actual franchise is supplied in the **COMPREHENSIVE INFO PACK** sent upon receiving your Non-Disclosure, all figures supplied herein and in subsequent documents can be verified by an independent accounting firm if required:

What makes us stand out even more so from the rest of the players out there, is that the above figures are achieved by a team of people consisting of only the Franchisee (who has no formal background in Occupational Health & Safety) assisted by two consultants. This is a typical achievement when you are part of a dynamic team who can deliver to you all the support and back-up you need to achieve and maintain the “edge” over your competitors.

Therefore, you will find this to be only the first step in getting to know us better, and moving towards buying into our business.

As a general rule of thumb, the following processes are applied to allow you the opportunity to ascertain whether you wish to buy into our group, whilst at the same time allowing us the opportunity to evaluate you as a potential part of our group:

1. You are allowed the opportunity to read through our **COMPREHENSIVE INFO PACK**, which include not only the figures and workings of the business, but also the pro-forma franchise agreement as well as an obligation-free Franchise Application.
2. While studying our **COMPREHENSIVE INFO PACK**, you may also study the terms of our franchise agreement, or if you prefer, have it read by your attorney to allow you peace of mind.
3. Once you are happy to proceed with the process, you will then complete the Franchise Application form, and return it to us by fax or email. We will then do a preliminary evaluation, and should we be happy to proceed, we will schedule an interview with yourself to answer any questions to may still have, while at the same time addressing any questions we may have.
4. Following the interview, we will do a final evaluation of your application, and should we approve your application, you will be notified as soon as possible, and may then decide whether you wish to proceed or not.
5. From experience the entire process from first contact to signing of the franchise agreement usually take around 14 days.

Regards,

Jaco Wessels
Group CEO



The Occupational Health & Safety Industry In South Africa

Occupational Health & Safety has evolved greatly in the South African context since the mid 80's.

Originally known and commonly referred to as the “Factory Act”, it now encompasses every aspect of the business world in South and Southern Africa. There are no exemptions, and apply equally from a one-man proprietary business to the large multi-national conglomerate. Equally so there is no industry or

FRANCHISE SALES PACK

Occupational Health & Safety Division: Edition 2013

occupation not compelled to apply, from residential rentals to mining.

The applicable legislation has equally increased over time, and some of the Acts and Regulations now applicable to OHS are:

Occupational Health & Safety Act (83 of 1993)

Electrical Installation Regulations

Unfair Practise Regulations (Western Cape)

Rental Housing Act

Asbestos Regulations

CoC-Regulations

Construction Regulations

Driven Machinery Regulations

Electrical Machinery Regulations

Environmental Regulations for Workplace

Explosive Regulations

Facilities Regulations General Safety Regulations

Hazardous Biological Agents

Hazardous Chemical Substances

Passenger Conveyer Regulations

Major Hazard Installations

Noise Induced / Hearing Loss

General Machinery Regulations

Pressure Equipment Regulations

Compensation for Occupational Injuries & Diseases Act No.130 of 1993,

Amended Act No. 61 of 1997

Basic Conditions of Employment Act, Amendment Act of 2002

And there is even more applicable to this maze of Regulations, Acts and Legislation. It has therefore become industry-norm to appoint professional OHS Consultants to safeguard business-owners from prosecution due to non compliance.

Even the role-players in the industry has seen significant changes to their environment. NOSA used to be a statutory organisation, part of government, but today it is a private organisation and just another OHS consultancy practise.

While there is as yet no statutory body or organisation for OHS consultancies, the law is quite clear and direct in requiring you to appoint COMPETENT persons under the Act. The competency is determined by Education, Training and Experience. Under the OHS Act, appointing a non-competent person will leave the business-owner unshielded and unprotected from prosecution.



Business Background

While there are a number of small operations offering similar services to that of **Vlame OHS SA (Pty) Ltd**, being part of a national firm, like ours, with the necessary back-up, franchise & client support, and the ability to negotiate contracts with national clients, and also enjoy the benefit of national clients within your franchise area, are just a few of the benefits of becoming a franchise of **Vlame OHS SA (Pty) Ltd**, and reaping all the benefits of a highly successful business. As was shown in the graph earlier in this document

FRANCHISE SALES PACK

Occupational Health & Safety Division: Edition 2013

This opportunity holds equal opportunities for someone already active in the field of occupational health & safety, as to someone who would consider embarking on a new venture. You need not have any formal background in Occupational Health & Safety to reap the benefits. You just need to be willing to contribute fully to the team, yours and ours.

Being part of a National Franchise Group, you have the benefit of collective Advertising, Marketing, HR Sourcing, National Financial Management & Accounting, Continued Support & a Dynamic Group which is constantly striving to remain on the cutting edge and which is very sensitive for developing the requirements of your target market through research & development of innovative and new services. Thus our other Training Division, Medical Rescue Division, Event Management Division, all contribute to the Occupational Health & Safety Division, and vice versa.

Often Training Requirements are the first entry into a clients awareness of Health & Safety, and as such the other divisions work and exist independently as wholly owned subsidiaries of the **Vlame Group**, but share information and resources as and when required. In the same manner, where Occupational Health & Safety is the first issue to be addressed in a clients OHS portfolio, the requirement of various training programmes and modules are identified in the process, and then referred to the **Vlame Training Division**. Who in turn will deliver upon the client's requirements, while the referring franchise of our **Vlame OHS Division** will share in a percentage of the invoice delivered for training.

The same applies to **Vlame Event Management Division** which is a requirement of many corporate clients, under the OHS Act, which in turn has to rely heavily on the **Vlame Medical Rescue Division** as well as the **Vlame OHS Division** to deliver a comprehensive package to the client.



Financial Costing

The Franchise fee is set at R350,000 (excl VAT), of which **Vlame Group** can, by means of own resources, finance 50% (Excl VAT Portion) at a rate equal to prime. Included in the franchise fee is a virtual turn-key operation, which includes all requirements, like your Laptop, all contracts and manuals, travel and accommodation for the duration of your training, and many more.

Royalty is calculated as 12% of total monthly bankable turnover, and the National Financial Management & Accounting service incorporated in our business model makes running your business easy, with national involvement in invoicing and collection of money from your clients on your behalf, minimizing time spent on administrative duties, and also limiting time spent on recovering debt from clients. Allowing you to focus on generating your desired income, and delivering the service **Vlame OHS SA** is famous for.

If you are still interested in learning more about **Vlame OHS SA**, and what benefits you will reap as part of our team, then please complete the Non-disclosure document attached hereunder, and return this, accompanied with a copy of your ID or Passport. You may fax this to **0866 75 66 49**, or alternatively you can scan and email the required documents to us. Either way, please make a note of the email address at which you would like to receive the complete Info Pack. Once received we will send you the **COMPREHENSIVE INFO PACK**, explaining all aspects of your new business.



Non-Disclosure & Confidentiality Agreement

This document is a Confidentiality Agreement between the following Parties:

Please Complete With Your Full Name(s) & Surname

(Buyer)

and;

VLAME OHS SA, who herein will be referred to as The **Franchise Company**

On the subject of the **Franchise Company** supplying information, business plans, training, handbooks, copies of documents, specifications, drawings, access to consultants/researchers etc. during the course of **Buyer's** involvement the **Buyer** hereby confirms as follows:

1. That all information whenever disclosed by the **Franchise Company** to the **Buyer** shall remain the property of the **Franchise Company** and on the termination of the **Buyer's** interest the **Buyer** will on request return all information to the **Franchise Company** and shall at the same time if requested hand over to the **Franchise Company** written confirmation that all documents, specifications, know-how, information handbooks and drawings relating to the information in the **Buyer's** possession have been returned to the **Franchise Company** and where applicable have been destroyed.

2. The **Buyer** will not use the Information for any purpose other than in connection with The **Buyer's** involvement with the **Franchise Company** and on its behalf. The **Buyer** shall keep all information secret and confidential. The client shall not without consent of the **Franchise Company** communicate or allow to be communicated any confidential information to anyone, except as otherwise authorised by the **Franchise Company**

3. On the termination of the **Buyer's** involvement the **Buyer** shall forthwith cease all further use of the information.

4 The **Buyer** confirms its acceptance of retention by the **Franchise Company** of all The **Franchise Company** and the Company's existing intellectual property, confidential know-how and other rights and/or patents.

5 The **Buyer's** agreement to the confidentiality aspect of this agreement is subject to:

- (i) Any information becoming common knowledge
- (ii) The information contained in individual patent applications being published

When any of the above two possibilities occur then The **Buyer** may regard as ceasing to be confidential Information only to the extent that i) or ii) has occurred

Signed: _____

Position: _____

Name: _____

for and on behalf of: _____

Telephone: _____

Cell phone: _____

Email address: _____

Alternative Email address: _____