



Thank you for your inquiry regarding a Quik Stop Franchise. We appreciate your interest in our Company and the opportunity we offer.

Since 1966, Quik Stop Markets has provided its Franchisees with the resources to be "the Customer's First Choice." Today, more than ever, Quik Stop is committed to that goal.

While the success of any business is dependent on the owner's ability, the association with an established and well-respected company provides distinct advantages in obtaining experience, reputation, brand recognition, training expertise, marketing support and operations assistance.

Enclosed is an application package to complete, which is the first step in our franchising process. Also enclosed is basic information regarding the Quik Stop Franchise System and answers to some frequently asked questions.

If you are presently engaged in or will become involved in negotiations with an existing Quik Stop Franchisee, please do not make final financial commitments until we have had the opportunity to review and discuss your application. You must be made aware of many items including the full specifics of the Quik Stop Franchise. Any financial arrangements with an existing Quik Stop Franchisee are in addition to Quik Stop's Franchise requirements.

The investment required by Quik Stop will vary between \$75,000 and \$200,000 depending upon the market involved. This would be in addition to any goodwill payment to the seller. The average range of investment is between \$200,000 and \$500,000. Quik Stop does not provide financing. Quik Stop's review and final approval of your application to become a franchise owner will involve several personal meetings and interviews. It is important that you be comfortable with our program, as well we must be comfortable with your planned operation of the store.

Quik Stop requires your authorization for a credit and background check. All applicants will be required to successfully complete an English and grammar competency test during their first meeting at the Quik Stop offices.

Quik Stop is looking for owner operators who are dedicated to the full time operation of their market. You must have the ability to understand financial statements, be computer literate and complete a business plan for the market. English language skills must meet Quik Stop's standards.

Please fully complete and return the enclosed application package via mail, faxed applications will not be considered. Incomplete or illegible applications will not be considered. After an initial review of your application, you will be contacted by phone or mail as to your preliminary qualification status. **Please allow a minimum of ten business days for us to respond to your application.** Thank you.

Sincerely,

Brad Baker
Director of Franchising



Quik Stop Markets first opened for business in 1966. The founders believed there was a need for an alternative to the traditional supermarket. As the supermarkets changed the face of grocery shopping by becoming larger, they also became less "convenient". In the ensuing years many revolutionary changes have been made in both the "grocery", "convenience" and now the "petroleum" industries in the constantly changing retail world.

Quik Stop Markets, a California corporation, is owned by Kroger Companies of Cincinnati, Ohio. The Kroger Companies combined operations make it the largest food retailer in the United States operating more than 2,200 supermarkets and 800 convenience stores. Kroger first opened for business in 1883.

Quik Stop Markets operates 105 convenience stores in Northern California and Nevada. Seventy-nine also sell gasoline through self-service facilities.

A franchise is a continuing relationship in which a **franchisor** (Quik Stop) provides a licensed privilege to do business, plus assistance in providing the facility, organizing, training, merchandising and management in return for a consideration from the **franchisee** (you).

The management team of Quik Stop is committed to growing our business in conjunction with our franchising partners. We can only succeed if our partners do as well. Quik Stop is looking for persons who can demonstrate management ability, computer literacy, the ability to understand financial statements and budgets. Excellent English skills are required.

The Quik Stop franchise provides a full business system to our franchisees. Your commitment to operating the Franchise within the guidelines of the business system will be key to your success in our Franchise. We will provide the facility including all necessary equipment for the operation of your store. Our Marketing Department will assist you in merchandising the store and provide marketing support, programs and materials. Our Accounting Department provides a number of services in managing your business. The Operations Department will offer on-going support of your daily business. We will discuss these in detail as we introduce you to our franchise.

Our experience is that full-time hands-on ownership is best for both the franchisee and Quik Stop. For that reason we do not allow absentee ownership. At a minimum you must be personally involved full-time during normal business hours, which we consider to be Monday through Friday 8:00 a.m. to 5:00 p.m. As a 24-hour, seven day a week business, please also understand the need for investing additional time in managing your investment.

Our markets are often family operated. They are not intended to be partnerships other than husband and wife.

Quik Stop requires all franchisees to complete a comprehensive five-week training program. You will need to make arrangements to attend our Training Center located in Fremont, CA. Two persons are required to successfully complete the five-week program. One trainee must be a franchisee with the second trainee to be appointed by the franchisee. Training is six days per week Monday thru Saturday.

As a franchisor we cannot legally make any representations or commitments to you as far as expected sales or earnings. We will provide you with complete financial statements for the market you are interested in purchasing. With that information we would urge you to consult any advisor, current Quik Stop franchisee, accountant or attorney to discuss it.

At our first meeting we will provide you with Quik Stop's Franchise Offering Circular, which will provide detailed information regarding all aspects of the Quik Stop franchise. It is important that you have a complete understanding of our franchise before you make any commitment. At the same time Quik Stop will not make any commitment to you until such time as we feel you understand our franchise.

The attitude, personality and business skills of the franchisees truly can take the opportunity and turn it into a **SUCCESS**. We look forward to introducing you to our franchise **OPPORTUNITY**.



Quik Stop Markets, Inc. Franchise Requirements

- All involved parties must be fluent in English
 - Husband and wife only partnerships
 - Have permanent resident status
 - Qualify for Alcoholic Beverage and Lottery, licenses and permits
 - Be computer literate
 - Understand the franchising concept
 - Understand financial statements/complete a business plan
 - Retail/management/employee experience recommended
 - Have liquid assets of \$100,000. Ability to invest a minimum of \$300,000
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- Be retail/customer service oriented (friendly/outgoing personality)
 - Be committed to excellence in store image/appearance
 - Be able to devote full business time to operation of the store
 - Reside or relocate to within 30 miles or 30 minutes from the store
 - Willing to operate a 24 hour store, 365 days a year
 - Willing to abide by the terms of the Franchise Agreement
 - Willing to follow the Quik Stop Markets Franchise System
 - Willing to work with the Quik Stop Business Advisor
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- Complete and pass Quik Stop English Comprehension Test
 - Two persons are required to complete the five week training program
 - Both persons must be able to devote full time to the training schedule
 - Both persons must successfully complete the training program
 - Training time is Monday thru Saturday beginning at 6:00am
 - Training is headquartered in Fremont, CA
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- Average time necessary to complete the qualification and training requirements to franchise a store is 16-18 weeks



QuikStop

FRANCHISE APPLICATION

INTRODUCTION

The purpose of this Quik Stop Market franchise application is to provide information to Quik Stop Markets, Inc. for initial evaluation of the applicant(s) qualifications and background. Completing and submitting this application is for consideration purposes only, and is not a guarantee of approval. Please complete each question accurately and legibly. It is understood that Quik Stop Markets, Inc. may verify any references or other information included in this application.

PERSONAL DATA

Date _____

Applicant

Name (First, MI, Last) _____ Social Security # _____

Home Address _____ City, State, ZIP _____

Own Rent Years _____

If rented - Current landlord: Name _____ Phone # _____

Home Phone _____ Cell Phone _____ Email _____

Date of Birth _____ Birthplace _____

Previous Address _____ City, State, ZIP _____

Own Rent Years _____

If rented - Current landlord: Name _____ Phone # _____

Are you a US Citizen? Yes No If NO, do you have permanent residence status? Yes No

Any medical conditions that could impair your working full time? _____

Spouse

Name (First, MI, Last) _____ Social Security # _____

Home Address _____ City, State, ZIP _____

Own Rent Years _____

If rented - Current landlord: Name _____ Phone # _____

Home Phone _____ Cell Phone _____ Email _____

Date of Birth _____ Birthplace _____

Previous Address _____ City, State, ZIP _____

Own Rent Years _____

If rented - Current landlord: Name _____ Phone # _____

Are you a US Citizen? Yes No If NO, do you have permanent residence status? Yes No

Any medical conditions that could impair your working full time? _____



PERSONAL DATA - cont.

Please list information for person to whom you contribute support:

Name _____	Age _____	Relationship _____
Name _____	Age _____	Relationship _____
Name _____	Age _____	Relationship _____
Name _____	Age _____	Relationship _____
Name _____	Age _____	Relationship _____

Have you or your spouse ever been convicted, forfeited bail, fined (excluding minor traffic violations) or placed on probation for any law violation? Yes No If YES, give details: _____

Do you or your spouse have any legal judgments, liens or suits pending or outstanding? Yes No If YES, give details: _____

Have you or your spouse ever filed for bankruptcy? Yes No If YES, give details: _____

PERSONAL REFERNCES

(Please provide two *unrelated* persons)

Name _____	Phone # _____
Home Address _____	City, State, ZIP _____
Name _____	Phone # _____
Home Address _____	City, State, ZIP _____

EDUCATION

Applicant

Name of High School _____	Years completed _____
Name of College _____	Degree _____
Name of College _____	Degree _____

Spouse

Name of High School _____	Years completed _____
Name of College _____	Degree _____
Name of College _____	Degree _____



QuikStop

EMPLOYMENT HISTORY

(Last 10 years)

Applicant

Name of company _____ From _____ To _____

Address _____ City, State, ZIP _____

May we contact employer? YES NO if NO, give reason _____

Contact Name _____ Phone # _____

Position title _____ Bi-weekly salary _____

Describe duties _____

Name of company _____ From _____ To _____

Address _____ City, State, ZIP _____

May we contact employer? YES NO if NO, give reason _____

Contact Name _____ Phone # _____

Position title _____ Bi-weekly salary _____

Describe duties _____

Spouse

Name of company _____ From _____ To _____

Address _____ City, State, ZIP _____

May we contact employer? YES NO if NO, give reason _____

Contact Name _____ Phone # _____

Position title _____ Bi-weekly salary _____

Describe duties _____

Name of company _____ From _____ To _____

Address _____ City, State, ZIP _____

May we contact employer? YES NO if NO, give reason _____

Contact Name _____ Phone # _____

Position title _____ Bi-weekly salary _____

Describe duties _____



QuikStop

FINANCIAL STATEMENT

As of _____

Assets

Cash on hand/banks \$ _____

Stocks and bonds \$ _____

Notes or accounts receivable \$ _____

Real estate (FMV) \$ _____

Automobiles (FMV) \$ _____

Life insurance (CSV) \$ _____

Other assets, property or investments (itemize):

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL ASSETS \$ _____

Liabilities

Mortgage payable on real estate \$ _____

Monthly payments \$ _____

Notes, loans payable to others \$ _____

Monthly payments \$ _____

Credit card balances \$ _____

Monthly payments \$ _____

Auto Loans \$ _____

Monthly payments \$ _____

Other Debts (itemize):

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL LIABILITIES \$ _____

Other income

Applicant annual salary \$ _____

Spouse's annual salary \$ _____

Other Income (itemize below)

_____ \$ _____

_____ \$ _____

_____ \$ _____

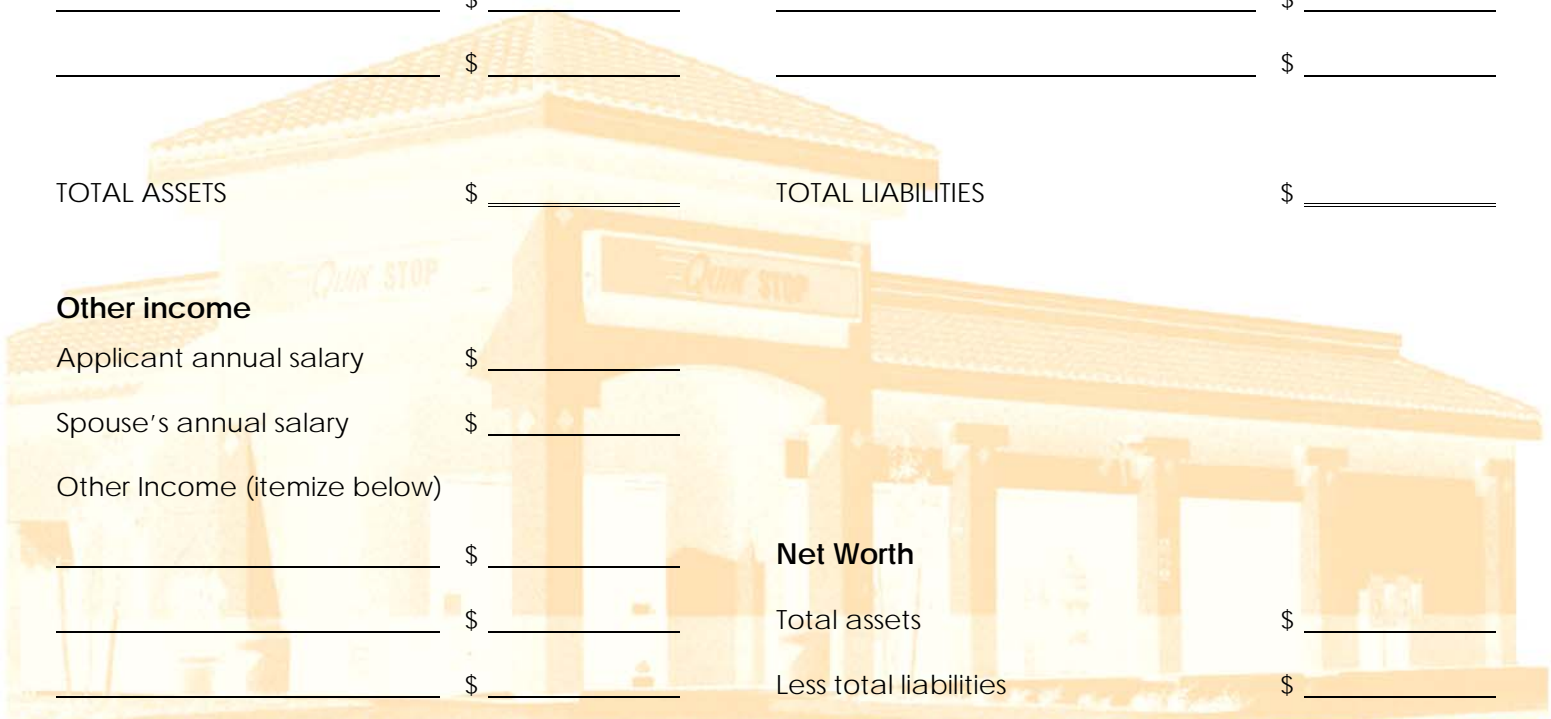
_____ \$ _____

Net Worth

Total assets \$ _____

Less total liabilities \$ _____

Net Worth \$ _____





QuikStop

MANAGEMENT PROFILE

Describe your experience and qualifications as they relate to operating a retail convenience market.

Describe how you will operate your business in terms of your involvement, family members, and employee staffing.

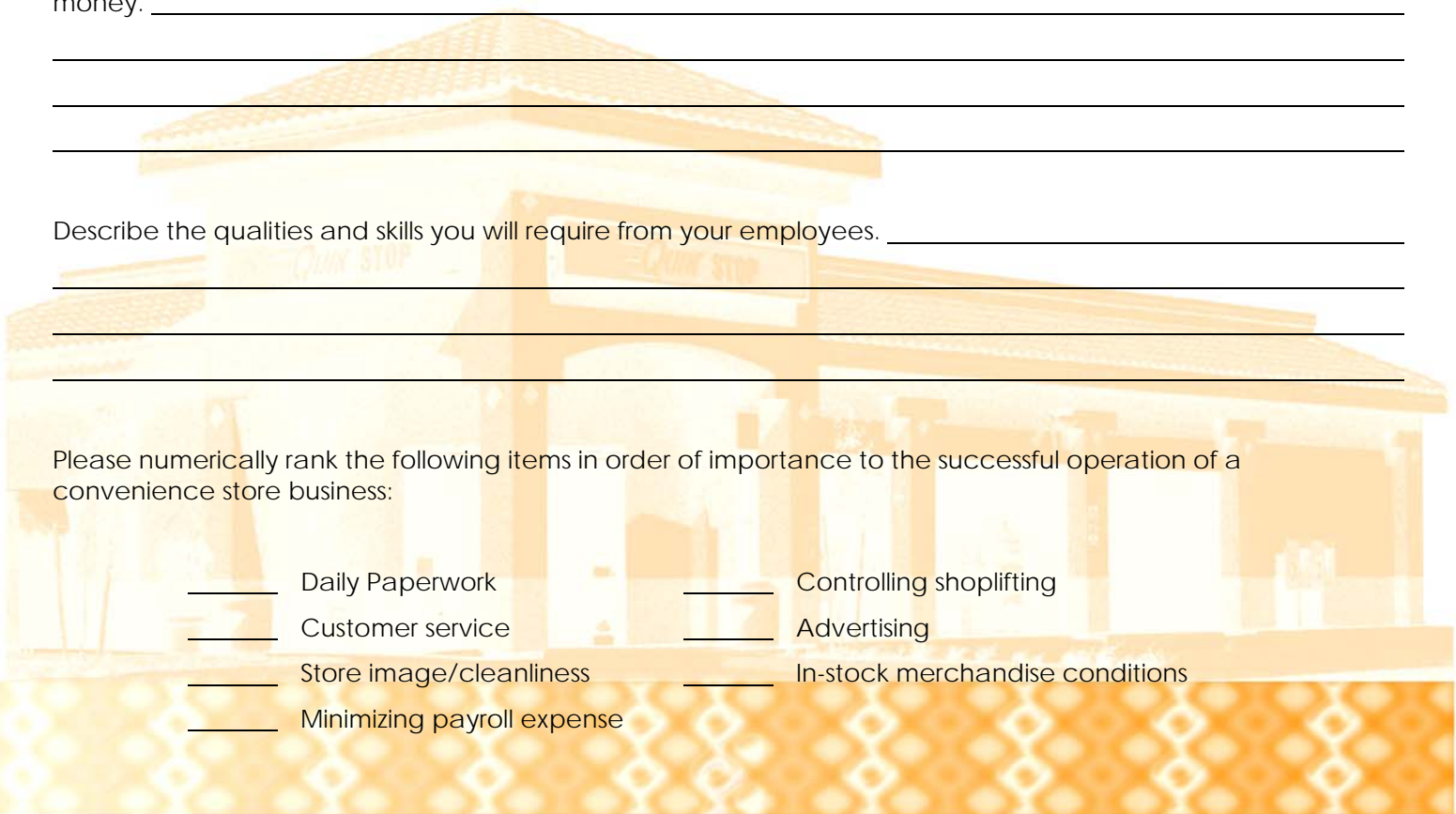
What is the source(s) of your capital for the investment in the business? Will you need to finance part of the investment? What type of financing?

Do you have an income reserve for a minimum period of 3 to 6 months? Please explain the source of this money.

Describe the qualities and skills you will require from your employees.

Please numerically rank the following items in order of importance to the successful operation of a convenience store business:

- | | |
|----------------------------------|---------------------------------------|
| _____ Daily Paperwork | _____ Controlling shoplifting |
| _____ Customer service | _____ Advertising |
| _____ Store image/cleanliness | _____ In-stock merchandise conditions |
| _____ Minimizing payroll expense | |





QuikStop

MARKETING PROFILE

How do you plan to attract and keep customers? _____

How will you determine what prices to charge for store merchandise? _____

QUESTIONNAIRE

Would you consider moving to another community for the right opportunity? YES NO

Preferred location: 1st Choice _____
2nd Choice _____
3rd Choice _____

If you own another business at this time, are you planning to sell it should you become a Quik Stop Franchisee?
YES NO Business name and address _____

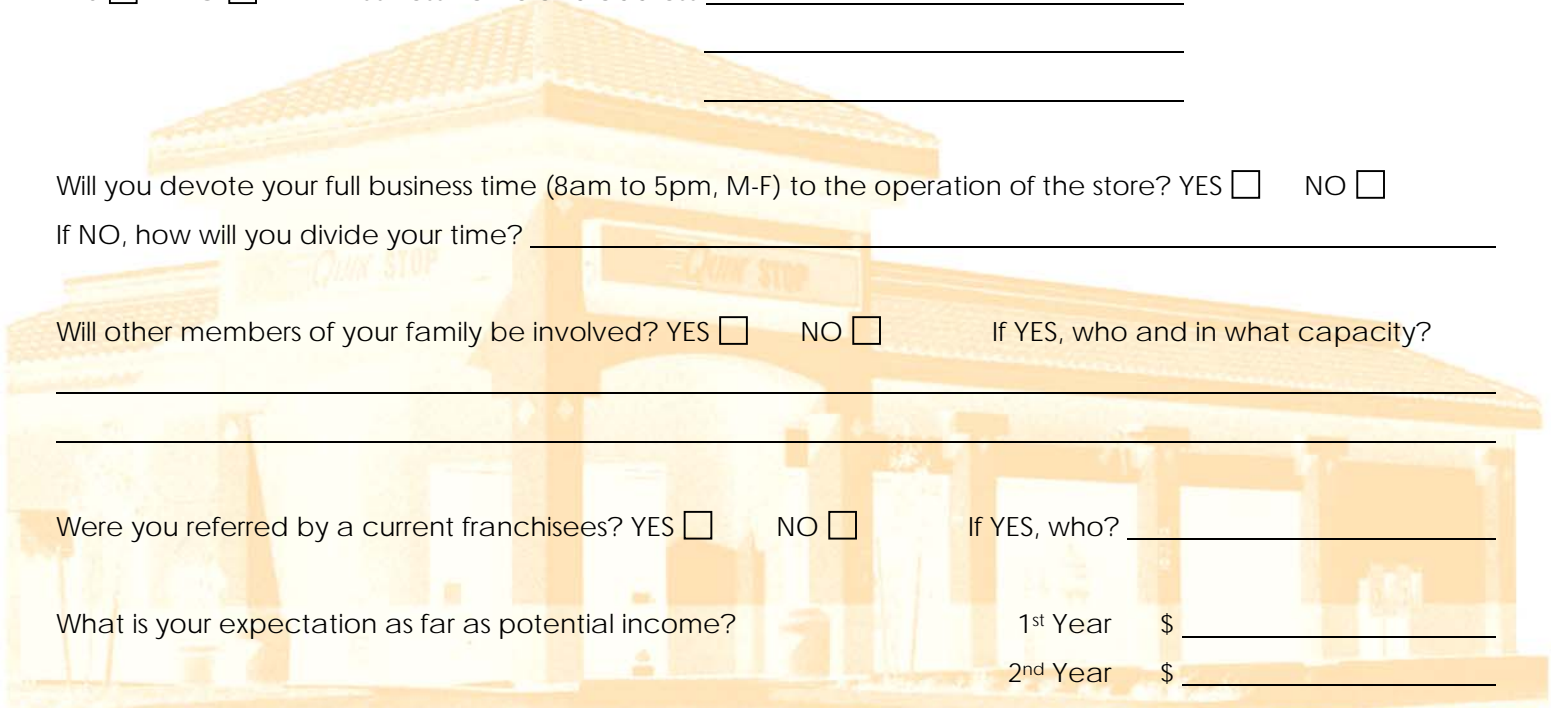
Will you devote your full business time (8am to 5pm, M-F) to the operation of the store? YES NO

If NO, how will you divide your time? _____

Will other members of your family be involved? YES NO If YES, who and in what capacity?

Were you referred by a current franchisees? YES NO If YES, who? _____

What is your expectation as far as potential income?
1st Year \$ _____
2nd Year \$ _____
3rd Year \$ _____





CERTIFICATION

The undersigned in making this Application to Quik Stop hereby represent and assert that all information furnished in this entire application concerning Personal, Medical, Educational, Employment, Business and Financial information is true and correct to the best of our knowledge and belief. We fully understand that Quik Stop relies upon all statements made herein by Applicant(s) and agree that any falsehoods or misstatements may, at Quik Stop's option, constitute cause for revocation or termination of any Agreements entered into with Quik Stop immediately upon notification to the undersigned after discovery by Quik Stop Markets, Inc.

Applicant's signature

Date

Spouse's signature

Date

CREDIT AUTHORIZATION

The undersigned are requesting credit of Quik Stop Markets, Inc. and authorize Quik Stop Markets, Inc. to investigate their financial and legal status. Photographic copies of originals shall constitute valid duplicate originals.

Applicant's signature

Date

Spouse's signature

Date

Witness's signature

Date

After completing the application, please mail to:

Quik Stop Markets, Inc.
Attn: Director of Franchising
4567 Enterprise Street
Fremont, CA 94538

PLEASE INCLUDE COPIES OF YOURS AND YOUR SPOUSE'S DRIVER'S LICENSES AND SOCIAL SECURITY CARDS

Please answer the following questions only AFTER deciding on a specific location that you are interested in franchising.

Market Store Review

Review the market's interior and exterior physical image and appearance. Please comment on this stores cleanliness, merchandising, stock levels and organization. _____

Competition Review

Evaluate and comment on any competition to the store. Comment on their operation in the areas of cleanliness, merchandising, stock levels and organization. _____

How do our current store prices compare to the competition's prices? _____

Market Area

What are the current or future opportunities in this store's marketing area that would contribute to sales growth?

What are the opportunities you see for increasing customer traffic and/or sales and profits at this location?

