

**Squires
Loft®**

Franchise Opportunity



"The Steak Specialists"



About Squires Loft

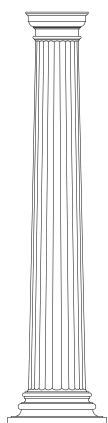
Squires Loft Formula

Squires Loft opened its first store in 1992. Its success and the demand for Squires Loft's unique flavour and quality led to substantial interest from staff and customers wanting to duplicate the business model. The result, being 10 Steakhouses presently operating using the Squires Loft model. These steakhouses are located around Victoria, Brisbane, Western Australia and Gold Coast with significant additional steakhouses in the pipeline.

The unique Squires Loft concept has a proven ability to be successfully replicated time and again without compromising the integrity of the product. Squires Loft consistently delivers on its customers' expectations in a welcoming and friendly environment.

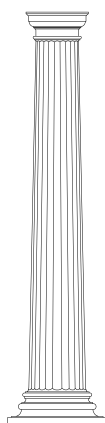
Three Pillars

Squires Loft has earned the reputation of "being one of Australia's premier Steakhouses" by being uncompromising in respect to our three pillars of operation.



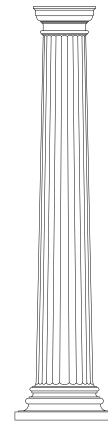
Quality

- 6 Star Meats
- Dedicated Factory
- Exclusively Making
- Proprietary Sauces and Baste
- Custom Built Grills



Taste

- Unique Proprietary Baste
- Tailor Made Australian Market



Consistency

- Product
- Delivery
- Service
- Environment



Knifeless Kitchen

All Squires Loft branded products arrive in store prepared under contract by our suppliers. The tastes and flavours, processes and formulæ are unique to Squires Loft and are protected by intellectual property laws. Marinates and bastes, sauces, dressings and toppings only require opening, or in some cases heating, before serving. Meat products are cut Squires Loft precise specification, vacuum sealed to enhance the beef's aging process, then delivered ready to grill.

Operational Skills & Know How

All necessary skills pertaining to the successful and profitable running of a Squires Loft Steakhouse are provided in a full and comprehensive training program. This is undertaken in an existing venue. Each and every aspect of the business is covered and further backed up in a hands on way when the new Steakhouse opens. This training can be provided to prospective owners, or their nominated staff.

The training consists of the following;

Operational Training

Kitchen
Front of Shop
Administration

Infrastructure/ Network

Supply Chain
Set Up
Product Knowledge

Support

Ongoing Training
Product Updates
Quality Control
Franchise Support



Locations

Confidence and comfort with a stores location is paramount. To this end we advise and assist in finding a store that has the ability to reach its full potential. We consider the stores flow of traffic, potential revenue, short/medium and long term viability and potential. We can assist with lease negotiations should it be required once a location is found.

South Yarra

South Yarra Steakhouse
166 Toorak Road
South Yarra, Victoria
+61 3 9824 0999

St. Kilda Towers

St. Kilda Road Towers
1 Queens Road, cnr Kingsway
Melbourne, Victoria
+61 3 9863 7700

Docklands

Shop 1 Ericsson Building
Down Enterprize Way
818 Bourke Street
Docklands, Victoria
+61 3 9670 9968

Tooronga Village

Level 1, Shop1
Tooronga Village Shopping Centre
Glen Iris, Victoria
+61 3 9822 8882

Robina, Gold Coast

Robina Town Centre
Shop 1002 The Promenade
21-23 Robina Town Drive
Robina, Queensland
+61 7 5575 8850

Subiaco, WA

Shop 12F, 531 Hay Street
Subiaco, Western Australia
+61 8 6380 1978



Corporate Materials

We can assist in the production of:

- Business Cards
- Menu Design & Printing
- Compiling Wine Lists & Printing
- Internet Hosting, Search Engine Optimisation Strategy and content updating
- Corporate branding of wine glasses, napkins and other livery

Menu

The menu offering is simple, set and non seasonal. Core menu products offered are determined by Squires Loft. However allowances for individual store modifications and item additions may be provided subject to Squires Loft approval.

Marketing Support

Over the years, Squires Loft has built strong relationships with our suppliers who are often willing to assist with in store promotional items as well as some equipment items. When opening a steakhouse a number of awareness campaigns and promotional tools are available which are beneficial, in fast tracking the success of the steakhouse.



Fees & Charges

We have a simple and cost effective structure that makes our business unique and affordable with 'no hands in your till' or regular monitoring of your turnover/sales. There is a one off establishment fee and once trading commences, a set monthly fee irrespective of sales.

Business Opportunity

- We will divulge more about our business subject to you signing a Confidentiality Agreement.
- Detailed estimations of establishment costs for the different venue types, projected sales estimations and operating cost forecasts will then be provided.
- If you wish to pursue a Squired Loft Business, we will consider your application which will require an Assets and Liability Disclosure Statement.

Confidentiality Agreement

Date

Parties

Name	Squires Loft Franchise PTY LTD ABN 60 152 539 672
Short Form Name	Company
Notice Details	cl-Rubin Partners PTY LTD, 152 Chapel Street, St Kilda VIC 3182 - fax:9525 6561
Name	
Short Form Name	Recipient
Notice Details	

Background

- A. The Recipient wishes to evaluate the Proposed Transaction to determine whether to enter into the Proposed Transaction.
- B. The Company has agreed, on the terms and conditions of this agreement, to disclose to the Recipient information for the Recipient's evaluation.
- C. The Recipient has agreed to keep confidential all Confidential Information disclosed to it by the Disclosing Parties.

1. DEFINED TERMS AND INTERPRETATION

1.1 Defined Terms

In this agreement:

Authorised Persons means:

- (a) the officers and employees of the Recipient;
- (b) the financial or legal advisers of the Recipient; and
- (c) the respective officers and employees of those financial or legal advisers who comply with the requirements of clause 2.2(a).

Business means the business carried on by the Company.

Company Representatives means any director, officer, employee or agent of the Company, including any adviser or consultant.

Confidential Information means the following, whether or not in material form:

- (a) the existence of the Proposed Transaction and the fact that the Disclosing Parties are interested in considering the Proposed Transaction or that the Disclosing Parties and the Recipient or any Authorised Person have had, will have or are having discussions in connection with the Proposed Transaction or the Business;
- (a) existence and terms of any negotiations, discussions or agreements between a Disclosing Party, any Related Person and the Recipient or any Authorised Person;
- (b) all information of, related to or connected with the Business, the Company or a Related Person or their transactions, operations and affairs (including, without limitation, all past, current and prospective financial, accounting, trading, marketing, technical and business information, trade secrets and know-how) directly or indirectly disclosed by or on behalf of a Disclosing Party to the Recipient or any Authorised Person, whether before or after execution of this agreement and whether through any officers, employees, agents, or advisers of any Disclosing Party;
- (c) all other information of a confidential or proprietary nature directly or indirectly disclosed by or on behalf of a Disclosing Party to the Recipient or any Authorised Person;
- (d) that part of all notes, analyses, compilations, forecasts, studies and other documents prepared by the Recipient or any Authorised Person in connection with the information referred to in paragraphs (a) to (d) inclusive; and
- (e) all copies of the information and those parts of the notes, analyses, compilation, forecasts, studies and other documents referred to in any of paragraphs (a) to (e) inclusive.

Disclosing Parties means each of the Company, the Related Persons, the Company Representatives, and **Disclosing Party** means any one of them.

Permitted Purpose means carrying out due diligence, to assess whether or not to carry out a Proposed Transaction.

Proposed Transaction means an agreement, offer or invitation to enter into an agreement or proposal pursuant to which the Recipient or any entity nominated by it (with the prior approval of the Company) acquires any rights from the Disclosing Parties.

Related Person means a person or corporation that is related to the Company by virtue of section 50 of the Corporations Act 2001 (Cth), and **Related Persons** means all of them.

2. DISCLOSURE AND USE OF CONFIDENTIAL INFORMATION

2.1 Use of confidential information

In consideration for the Disclosing Parties (or any of them) disclosing Confidential Information to the Recipient, the Recipient agrees:

- a. to use all Confidential Information solely for the Permitted Purpose;
- b. to keep confidential all Confidential Information (subject to disclosure permitted under clause 2.2); and
- c. to comply with the provisions of this agreement.

2.2 Disclosure of confidential information

- d. The Recipient may disclose Confidential Information only to those of the Authorised Persons who:
 - e. in the Recipient's reasonable opinion, have a need to know (but only if and to the extent that they have a need to know) Confidential information for the Permitted Purpose;
 - f. are aware that Confidential Information must be kept confidential; and
 - g. have agreed with the Company and the Recipient in writing under a document in the form of the Schedule to this agreement, or such other form as the Company approves, to comply with the terms of this agreement as if the employee or officer were a party to this agreement.

2.3 Recipient's obligations

The Recipient:

- a. must at its expense ensure that, at all times, each Authorised Person to whom Confidential Information is disclosed, keeps the Confidential Information confidential; and
- b. must, and must ensure that each Authorised Person to whom Confidential Information is disclosed does, at its or their respective expense, establish and maintain effective security measures to safeguard Confidential Information from access, copying, disclosure or use not authorised by this agreement.

2.4 Return of confidential information

On request at any time from a Disclosing Party at its discretion, the Recipient must and will procure that all Authorised Persons at the Company's option:

- a. return to the relevant Disclosing Party;
 - b. destroy and certify in writing to the relevant Disclosing Party the destruction of; or
 - c. destroy and permit a representative of the relevant Disclosing Party to witness the destruction of,
- all Confidential Information and all copies of such Confidential Information in the Recipient's and each Authorised Person's possession or control.

3. PERMITTED DISCLOSURE

3.1 Non-confidential information

The obligations of confidentiality under this agreement do not extend to information which (whether before or after this agreement is executed):

- a. is rightfully known to or in the possession or control of the Recipient or an Authorised Person and not subject to an obligation of confidentiality on the Recipient or that Authorised Person; or
- b. is public knowledge (otherwise than as a result of a breach of this agreement or the obligations of confidentiality under this agreement).

4. LIMITATIONS

4.1 No warranties

In respect of any information (including, without limitation, Confidential Information) directly or indirectly provided by or on behalf of any Disclosing Party to the Recipient or any Authorised Person, other than in accordance with the terms of any agreement executed to document a Proposed Transaction:

- a. none of the Disclosing Parties makes or gives any representation, warranty or assurance that it is accurate, complete, current, has been audited or independently verified; and
- b. the Recipient and each Authorised Person must make and rely upon its own evaluation.

4.2 Limitation of liability

The Recipient agrees that except as and to the extent required by law, no Disclosing Party is liable for direct or indirect loss or damage (whether foreseeable or not) arising in any way out of:

- a. the use of, or purported reliance, on information (including, without limitation, Confidential Information) by the Recipient or any Authorised Person directly or indirectly provided by or on behalf of any Disclosing Party; or
- b. the termination of this agreement,

whether the loss or damage arises in connection with any negligence, default or lack of care on the part of the Disclosing Party, any misrepresentation or any other cause whatsoever.

4.3 Disclaimer

The Recipient acknowledges that:

- a. in considering whether to enter into any transaction in relation to the Proposed Transaction, it is and will rely on its own independent assessment and not any Confidential Information;
- b. the Disclosing Parties do not accept any responsibility for any inaccuracy or misleading information in, or any omission from, the Confidential Information;
- c. the Disclosing Parties are not under any legal obligation nor shall have any liability to the Recipient of any nature whatsoever with respect to the Proposed Transaction by virtue of this agreement or otherwise except as set out in the terms of any agreement executed to document a Proposed Transaction;
- d. the Company may conduct the process that may or may not result in a transaction contemplated by the Proposed Transaction in such manner as the Company, in its absolute discretion, may determine;
- e. the Company reserves the right (in its absolute discretion, at any time, and without notice to the Recipient) to deal, to conclude a transaction, or not to deal, with any person or entity, and to refuse or accept any and all proposals, and to change the procedures relating to the Recipient's consideration of the Proposed Transaction and to cease discussions with the Recipient for any reason;
- f. the Disclosing Parties do not accept any responsibility for any interpretation that the Recipient may place on the Disclosing Parties' Confidential Information or for any opinion or conclusion that the Recipient or any Authorised Person may form as a result of examining the Confidential Information; and
- g. any opinions expressed in any Confidential Information are based on the knowledge and approach of the persons forming the opinion at the date that the opinion was formed and may have ceased or may in the future cease to be appropriate in the light of subsequent knowledge or attitudes.

5. NO TRANSFER OF INTELLECTUAL PROPERTY

5.1 No transfer

The parties acknowledge that this agreement does not convey any interest of a proprietary nature, and in particular but without limitation, does not transfer any interest in any intellectual property.

5.2 Confidential Information property of Disclosing Party

The Recipient acknowledges that the Confidential Information of a Disclosing Party constitutes valuable and proprietary information of the Disclosing Party and all intellectual property rights in that Confidential Information (including copyright, design and patent rights) are the exclusive property of and will remain the exclusive property of the Disclosing Party.

6. MISCELLANEOUS

6.1 Survival

Any indemnity or any obligation of confidence under this agreement is independent and survives termination of this agreement. Any other term by its nature intended to survive termination of this agreement survives termination of this agreement.

6.2 Entire agreement

This agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

6.3 Severability

A term or part of a term of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining terms or parts of the term of this agreement continue in force.

6.4 Governing law and jurisdiction

This agreement is governed by the law of Victoria and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria.

Schedule – confidential undertaking

To:

Squires Left Franchise PTY LTD ABN 60 152 539 672

OF cl-Rubin Partners PTY LTD, 152 Chapel Street, St Kilda VIC 3182 (Company)

AND

(Recipient)

Date:

I, _____ of _____
having the title of _____ agree with the Company and the Recipient as legally binding obligations that:

1. I have received a copy of the Confidentiality Agreement between the Company and the Recipient (**Confidentiality Agreement**).
2. I am:
 - a. an officer or employee of;
 - b. an adviser to; or
 - c. an officer or employee of an adviser to, the Recipient.
3. I will be bound by all provisions of the Confidentiality Agreement which apply to Authorised Persons as if I were a party to the Confidentiality Agreement.
4. In particular (but without limitation), I will not disclose or communicate any Confidential Information (as defined in the Confidentiality Agreement) to any person who has not entered into a Confidentiality Undertaking in the same terms as this Confidentiality Undertaking unless first I have obtained the written consent of the Company to do so and have complied with all conditions of that consent.

Signed sealed and delivered by
name of signatory in the presence of

Signature of witness

Name of witness (print)

EXECUTED as an agreement.

Signed for: Squires Loft Franchise PTY LTD
by an authorised officer in the presence of

Signature of witness

Name of witness (print)

Signed by: _____

Signature of _____

Signature of witness

Name of witness (print)

Name of signatory

Signature of officer

Name of officer (print)

Office held

Issues To Consider When Choosing A Location

Note* The information described below is a guideline only. Each State and Territory will have different regulations. You will be required through your builders and designers to comply with regulations that may be applicable.

The process of fitting out a restaurant is fairly complex. You are going to acquire a venue in a variety of possible configurations. The most work is required if the site has never been a restaurant. A lease will only usually be entered into subject to a liquor license being granted. If the premises had a liquor license previously, this usually is not a problem, however, a liquor license will need the appropriate trading flexibility written into the license.

Once we have inspected a location and it is found to be suitable we will either obtain a detailed floor plan from the owner or get our draughtsman to complete one. It will require details of substructures and if any load bearing walls need to be re-configured the plans will require a structural specification.

1. Restaurant Design and Layout - Planning Permit - Local Council

This is particularly relevant if the premises have never been used as a restaurant previously. The council will require plans of any intended renovation to the premises. If the store was previously a restaurant and the space is being overhauled, no planning permit will be required as it has been previously approved for such usage.

Included for consideration in the granting of planning permit are some of the following issues;

- Toilets and Handicapped toilets
- Handicapped access
- Fire Escapes
- Space requirements for a Sanitary Kitchen
- Seating Numbers
- Engineering Computation where required

2. Building Permit

This will allow for the works of the Planning Permit. After the works are completed, council could inspect works to ensure all requirements of the building permit have been satisfied.

3. Health Department

Prior to opening the health department will have to approve the premises and will inspect some of the following items;

- Health and Safety Plan
- Basins and taps are in working order
- Toilets and change room facilities are in order
- Reduce hazards systems are in place
- Floor coverings and seals are correctly installed

4. Food Safety Plan

Food Safety Plan needs to be submitted to council. A person in the venue will be required to complete a Responsible Food Handling Course and become the appointed person lodged with council responsible for safe food handling practices.

- Systems for receipt of food
- Systems for storage of goods
- Systems for safe handling of food
- Temperature logs
- Equipment maintenance
- Supplier Listings

5. Grease Trap

Governing body is the local water authority. They will require a kitchen plan that specifies the equipment installed, the type of food prepared in order for them to calculate fat discharge. Usually an applicable Grease Trap is 1000-1500 litres. We however always require 2000 litre systems to be installed.

6. Air Extraction

An important component of finding suitable premises is to ensure it has the capability of ducting smoke out without incurring unreasonable costs. The height of the building, provisions for extraction and physical ease of installation should be quoted on by the relevant contractors prior to a lease being entered into.

7. Liquor License

It is only feasible to open a Squires Loft restaurant if a liquor license is granted. This will need to be lodged with the Liquor License authority. A notice will be erected on the premises to allow local residents to object if they feel so inclined. In Victoria, the licensee will need to do a Responsible Serving of Alcohol course and a First Steps course and get police clearance. It is recommended to appoint an expert in the area to lodge the application with the Liquor Licensing Authorities.

Fit Out Cost Schedule - Guide Only*

	Shell To Shop	Existing Restaurant
Kitchen Fit out- Includes range hood, cool room, steel counters, sinks, fabricated metal walls, dishwasher, grill, under bench fridge, double pass with heat lamps, oven, heating oven	\$125000	\$90000
Flooring Kitchen	\$25000	
Vacuum sealer	\$3000	\$3000
Extraction	\$40000	\$25000
Grease Trap	\$25000	
Stock	\$35000	\$35000
Bar Construction	\$15000	\$15000
Drinks Dishwasher	\$3000	\$3000
Ice Machine	\$4500	\$4500
Bar Fridge	\$3000	\$3000
Plumbing	\$35000	\$20000
Electrical	\$35000	\$20000
Toilets	\$25000	\$8000
Air Conditioning/heating	\$20000	
Flooring restaurant	\$20000	\$15000
Tables & Chairs	\$20000	\$20000
Crockery, Cutlery, Bowls "Restaurant Supplies"	\$30000	\$30000
Designers, Architects, Liquor License fees	\$35000	\$10000
Carpentry, Painting etc.	\$140000	\$50000
Alarm, Tills, Hi Fi	\$12000	\$12000
Small Equipment-vacuum cleaner, light fittings, blender etc.	\$15000	\$15000
Printing & Stationery	\$3000	\$3000
Franchise establishment Fee	\$50000	\$50000
Total- Excluding GST	\$718500	\$431500

*Costs Projected are ESTIMATES ONLY-Each Project Varies in scale and complexity

"The Steak Specialists"

www.squiresloft.com.au