



**DRYVAR FOODS FRANCHISE
DRIVER AGREEMENT**

Entered into between

DRYVAR (PTY)LTD

(Registration No. 2017/440546/07)

(Address: Unit 202, 2nd Floor, The Ridge 6, 20 Ncondo Place, Umhlanga, 4319)

(Who shall be referred to herein after as "the company")

And

Name and Surname : THETHELANI MELUSI GODKIN MUGOSOSHI
Identity Number : DBNZKJEOOS100909
Physical Address : 27 GALWAY ROAD
Cellphone Number : 062 969 776
E-mail address : MELUSI1994@gmail.com

(The FRANCHISEE OWNER who shall be referred to hereinafter as "subscriber/franchisee owner")
(hereinafter referred to as the parties)

The company DRYVAR Foods, has created an online platform known as DRYVAR Foods, which is in the form of an application, which sole purpose is to provide an affordable and easily accessible mode of food delivery.

The company DRYVAR Foods wishes to make available to its franchisee's the application with the intention to provide individuals with an opportunity to offer such services by subscribing to the application to utilize it to procure such work.

By signing or committing to be a franchisee it enables the franchisee to provide individuals in the general public sector/corporate sector to commute via the application. The company wishes to empower all franchisee owners to work via a platform which will allow them to earn revenue due to the design of the DRYVAR Foods application.

The purpose of DRYVAR Foods was to create one seamless platform on which food delivery demands may be booked and confirmed. The franchisee owner will be responsible to accept client's requests within the stipulated amount of time as per this document.

Dryvar Foods is as such offering Franchise business models to potential franchisees. The franchise is being offered as a turn key business model with close to zero oversight necessary. Included in the Franchise fee and monthly management fee is everything one would need to operate a Franchise on the Dryvar Foods platform i.e. A vehicle, a driver, a franchise license and monthly revenue management services.

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THEREFORE the parties agree to the following terms and conditions.

1. INTRODUCTION

- 1.1. This agreement shall formulize the business relationship between the company and the subscriber/franchisee owner driver to regulate all aspects of the parties' relationship.
- 1.2. More specifically the subscriber/franchisee owner driver, agrees to access and utilize the DRYVAR Foods application ("the application") and acknowledges that such application is licensed and not sold to the Subscriber, it is for use only under the terms and conditions of this agreement.
DRYVAR Foods is fully licensed and is not permitted to be sold by the franchisee in any form or fashion other than this terms and conditions of this agreement (which is to access only what is permitted to the driver or the general public or corporate sector as per this agreement.
- 1.3. The franchisee owner driver license is per region and cannot be transferred or sold.

2. DURATION

- 2.1. This agreement shall come in to effect upon the company and franchisee owner signing this agreement and shall remain in full force and effect for a period of 24 (twenty four) months upon the DRYVAR Foods application going live on the relevant app stores (whichever date is the latest).
- 2.2. Where the franchisee owner does not inform the company in writing of its election to renew this agreement, this agreement shall automatically terminate after the 24-month period if there has been no renewal.

RIGHTS AND OBLIGATIONS

- 3.1 The purchase of a Dryvar Foods Franchise will entitle/provide the holder the following:
- One brand new Dryvar Foods approved delivery vehicle, fitted accordingly
 - Provision of a vetted and suitable driver
 - A license to operate one delivery vehicle in the area of choice
 - Dryvar Foods insulated delivery bags
 - Monthly driver, order and revenue management with reports
 - 5% of all orders successfully completed in a satisfactory manner, as deemed so by Dryvar Foods

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3.1.1 The Franchise owner will take complete responsibility for:

- All late orders as a result of their driver
- All orders deemed damaged or unsatisfactory by clients (cold, messy etc.)
- The agreed upon salary for their designated driver will receive a salary of R2500.00 per month for the first two months only and they will receive 50% of the delivery fee.
- Work Times from 9am to 10pm Monday to Sunday
- All fuel, maintenance, repairs and any other costs relating to delivery of food for Dryvar Foods.
- Drivers will be held liable for any damages to the bikes, bags and uniform.
- Poor service, mannerisms, hygiene and other actions that may deteriorate the brands reputation, drivers will pay a penalty fee of R300.00.
- Drivers can only deliver for Dryvar Foods no other company.
- The delivery bag is only to be used when collecting or delivering food to a customer. (Drivers are not to carry the bag around if they have no order to collect).
- Drivers to fill own fuel
- Drivers to purchase own data and stay line for their shift.
- Every Morning the driver has to send me his pin location, a uniform picture and a vehicle picture to his Field Manager.
- Random video calls to be conducted by the Field Manager.
- Sick Leave needs to be communicated to the Field Manager.
- All drivers agree that they are not employed by Dryvar Foods or any of our companies and they will be working as a contractor.
- We will not be liable for any loss or injury that they may occur while performing their delivery duties in line of using the platform.
- Drivers cannot use the bike for personal use.
- Drivers are not allowed to use any DRYVAR FOODS branded attire if they are not working.
- Cost on bike: R23000.00
- Registration: R1500.00
- Bike Signage: R500.00
- Helmet with Signage: R1000.00
- Branded Delivery Bag: R600.00
- Six Branded Golfers: R700.00
- One Branded Cap: R50.00
- Branded Lanyard: R50.00
- Branded Jacket: R600.00
- Total Cost: R28000.00
- Payment Over 24 Months: R1168 per month.
- Motor Bike Insurance: R300 per month
- Drivers will be liable to replace the branded uniform if lost.

3.1.2 The subscriber/franchisee owner:

3.1.3 May not rent, lease, lend, sell, redistribute or sublicense the Licensed Application;

3.1.4 May not drive, subscribe or partner with any other competitor or related companies that offer similar services either in part or in whole, whilst under a DRYVAR Foods franchise agreement. The franchisee owner agrees that the vehicle will be used for the sole purpose of rendering of the DRYVAR Foods services, **unless** already subscribed to an agreement provided by a competitor prior to this DRYVAR Foods.

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- 3.2. Any attempt or actual breach of the rights of the company as mentioned above shall result in legal action being taken against the subscriber/franchisee owner.
- 3.3. The terms of the license will govern any upgrades provided by the company that replace and/or supplement the original Product or Licensed Application, unless such upgrade is accompanied by a separate license in which case the terms of that license will apply.
- 3.4. Will take complete responsibility in providing quality services and acknowledges neither the franchise owner, staff or their representatives are allowed to publicly post negative comments or express negative personal opinion on social media, blogs, websites, reviews systems or platforms without consulting with our legal team first. Failure to provide superior services and/or where the subscriber/franchisee owner brings the company in to disrepute, the company may terminate this agreement with immediate effect. The subscriber/franchisee owner will be held financially liable for any damages to the image or brand of DRYVAR Foods if he fails to comply with any of the terms and conditions as well as rules set out by DRYVAR Foods.
- 3.5. The company :-
- 3.5.1 May offer an initial group training programme within the respected province to the subscriber/franchisee owner/driver, upon signature of this agreement.
- 3.5.2. May provide reasonable and appropriate initial and continuing advice and assistance to the subscriber in the operations and promotion of the application.
- 3.5.3. May make available to the subscriber/franchisee owner, all new or improved products, services, methods and procedures developed for the DRYVAR Foods app.

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4. TERMS OF USE

4.1 The subscriber/franchisee owner expressly acknowledge and agree that:

- 4.1.1. The application as well as any and all modifications made there to shall and remain the sole and exclusive property of the company.
- 4.1.2. Will use a vehicle that is roadworthy and approved by DRYVAR Foods management.
- 4.1.3. They/he/she is fluent in English.
- 4.1.4. Should the subscriber/franchisee owner/driver cancel any request, after acceptance on the application without valid reason, the company reserves the right to suspend the subscriber/franchisee owner from usage of the application.
- 4.1.5. Use of the licensed application is at its own risk.
- 4.1.6. Unless expressly stated to the contrary in this agreement, the company hereby disclaims all representations, warranties and conditions with respect to the licensed application and any services, whether express, implied or statutory, including, but not limited to, the implied warranties and/or conditions of merchantability, of satisfactory quality, of fitness for a particular purpose, of accuracy, of quiet enjoyment.
- 4.1.7. He/she will always be polite to all clients using the DRYVAR Foods platform.

5. NO WARRANTY

- 5.1. The company licenses and supplies the application and/or Software "as is" and does not warrant that the operation there of will be uninterrupted or error free, or that the application and/or software will be suitable for any particular purpose notwithstanding that any such purpose may be known or ought reasonably to have been known by the company.
- 5.2. The company does not warrant against interference with your enjoyment of the licensed application, that the functions contained in, or services performed or provided by, the licensed application will meet your requirements, that the operation of the licensed application or services will be uninterrupted or error-free, or that defects in the licensed application or services will be corrected.

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- 5.3. To the maximum extent permitted by law, no oral or written information or advice given by the company or its authorized representative shall create a warranty.

6. RESTRICTION

- 6.1. The subscriber/franchisee owner agrees that he/she shall not enter in to any agreement with a third party who offers similar or same services as that of the company nor shall it be for another company who offers such services. **Unless** contracts or agreements have been signed prior to joining the DRYVAR Foods platform.

- 6.2. A breach of this clause shall result in immediate termination of this agreement and a penalty fee of R 25 000-00 which shall be due, owing and payable to the company for such breach within three (3) working days.

7. PAYMENT AND PAYMENT TERMS

- 7.1. The subscriber/franchisee owner acknowledges and accepts that the end-client shall be liable for all payments due to the DRYVAR Foods subscriber/franchisee owner and further that the application may have two payment options, which shall be via debit/credit card.
- 7.2. Where the end client elects to make payment via debit/credit card, payment shall be made to the company and the company undertakes to pay to the subscriber/franchisee owner the payments received by it within 7-10 days of receipt, after relevant deductions for transactional fees are complete.
- 7.3. The subscriber/franchisee owner shall provide the company with its nominated banking details upon signature of this agreement.

8. CRIMINAL CHECK

- 8.1. The Parties agree that DRYVAR Foods shall have the right to do a criminal check on franchisee owners/subscribers before or after signing this agreement and further, that the costs of such criminal check shall be borne by the subscriber.
- 8.2. The costs for such criminal check shall be R 250-00 per additional driver/subscriber.

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9. INSURANCE

- 9.1. The parties acknowledge that due to the nature of its business relationship, certain insurances are required and more specifically that of vehicle insurance for business use.
- 9.2. The costs of such insurance shall be borne by the subscriber/franchise owner (as stated above in 10.1).
- 9.3. Where the insurance is provided, the subscriber/franchise owner shall pay to the designated insurance company/brokerage the costs of such insurances, on a per monthly basis as stipulated on that specific contract. DRYVAR Foods will not be responsible for this in any way.

10. LIABILITY

- 10.1. The parties agree that the company shall not, for any reason whatsoever, be liable for any damages, directly or indirectly incurred by the subscriber/franchise owner or driver as a result of this agreement or as a result of the subscriber/franchise owner services.
- 10.2. More specifically (but not limited to the below), the parties agree that the company shall not be held liable for:-
- 10.2.1. Any loss or damage of the subscriber/franchise owner vehicle.
- 10.2.2. Any loss or damage of a third party's vehicle as a result of a collision or accident between the subscriber/franchise owner/driver and such third party.

11. TERMINATION

- 11.1. The license granted in terms of this agreement is effective until terminated by either party and the subscriber's rights under this Agreement will terminate automatically without notice from the Company if the Subscriber fails to comply with any term(s) of this Agreement (as stated in 2.1).

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- 11.2. Upon termination of the license, the Subscriber shall cease all use of the Licensed Application, alternatively, the company reserves its right to terminate the subscriber/franchise owner's access.
- 11.3. The company DRYVAR Foods may terminate this agreement, either wholly or in part, by written notice to the subscriber/franchisee owners.
If any one or more of the following events occur:
- 11.3.1. The subscriber/franchise owner is in material breach of any of its obligations in terms of this agreement, and in the case of a remediable breach, fails to remedy that breach within 7 (seven) work days of receipt of a notice requiring that the breach be remedied;
- 11.3.2. The subscriber/franchisee owner commits an act of insolvency, is placed under judicial management, or be placed in liquidation (whether provisionally or finally); compromises with any of its creditors or endeavors or attempts to do so.
- 11.3.3. If found guilty of a criminal offence as per the discretion of DRYVAR Foods.
- 11.3.4. The subscriber ceases or threatens to cease to carry on business and suspends payment of all or substantially all of its debts or is unable to pay its debts as and when they fall due; and in the event of the company electing to cease the application for any other reason whatsoever.
- 11.4. Where the customer lodges 3 complaints against the same driver within a 2-month period. DRYVAR Foods reserves the right to officially block the driver from the platform pending an official investigation into the complaints lodged against them.

12. WHOLE AGREEMENT

- 12.1. This Agreement constitutes the whole agreement between the Parties as to the subject- matter hereof and no agreements, representations, or warranties between the Parties other than those set out herein are binding on the Parties.
- 12.2. The terms of use may be updated electronically from time to time on our website and use of the mobile application/software system for DRYVAR Foods deems acceptance of the latest terms and conditions applicable to a subscriber/franchisee owner

Banking details

Account holder name : THETHELANI M-G MUGOGASHI
Bank Name : CAPITEC BANK
Account Number : 1412978139
Branch code : 470010

THUS DONE AND SIGNED BY THE PARTIES ON THE DATES AND AT THE PLACES SET OUT HEREUNDER
AND IN THE PRESENCE OF THE UNDERSIGNED WITNESSES

FOR AND ON BEHALF OF THE COMPANY
WHO WARRANTS HIS/HER AUTHORITY HERETO

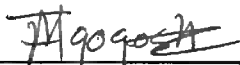
Name : _____

Place : _____

Date : _____

WITNESS

Witness 1: _____


FOR AND ON BEHALF OF THE SUBSCRIBER
WHO WARRANTS HIS/HER AUTHORITY HERETO

Name : THELMA MURAHUE

Place : BEREA DURBAN

Date : 01/07/2020

Witness 1: _____