

7-Eleven's Zero Franchise Fee Initiative

For a limited time, 7-Eleven is offering several low-cost investment opportunities to highly motivated Franchisees who know what it takes to succeed. **Now through June 30, 2015**, select stores in select markets nationwide will be offered with **no initial franchise fees**. It's a great opportunity for anyone with a head for business and a heart for 7-Eleven.

To qualify for a Zero Franchise Fee, a candidate must meet our basic Franchisee requirements.



Our **Zero Franchise Fee Initiative** includes select corporate stores only. If you qualify for one of these stores, you will be responsible for:

- The initial change fund
- The initial down payment of inventory
- All licensing expenses
- Training expenses and other initial fees

In addition to this special initiative, 7-Eleven always offers programs for U.S. military veterans. Also, keep in mind that some stores may qualify for our **Gross Income* Support Program**. You can read more about it on our website at www.franchise.7-eleven.com

*The term "Gross Income" means gross profit less 7-Eleven charge.

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© 2015 7-Eleven, Inc. This is not an offer to sell a franchise. For complete details on any of these programs, please refer to the Gross Income Support or Franchise Assistance Amendments. 7-Eleven Inc., One Arts Plaza, 1722 Routh St., Suite 1000, Dallas, Texas 75201

Q: What is the Zero Franchise Fee Initiative?

A: The Zero Franchise Fee Initiative is our goal to increase the opportunity for existing Franchisees, store managers, and other prospective Franchisees to either expand their current business or become a Franchisee by eliminating the franchise fee on select Corporate Stores with less than \$400,000 in annual gross profit during the prior calendar year.

Q: Why is 7-Eleven providing Gross Income Support for select Corporate Stores in addition to waiving the Franchise Fee?

A: 7-Eleven is committed to provide support to Franchisees while they invest in the system to grow sales in low volume stores.

Q: How would I qualify to franchise a Zero Franchise Fee store?

A: The process to qualify for a zero franchise fee store will be the standard qualification process for both existing Franchisees and prospective Franchisees. To get started, please contact your local Franchise Sales Representative.

Q: How can I find out what Corporate Stores qualify for the Zero Franchise Fee?

A: You can visit the Franchise website at Franchise.7-Eleven.com. The Franchising Team will post a specific listing of Corporate Stores that qualify for the Zero Franchise Fee Initiative.

Q: How can I determine if a Zero Franchise Fee Corporate Store I am interested in franchising will benefit from the Gross Income Support Program?

A: Corporate Stores on this program can be found on the Franchise website at Franchise.7-Eleven.com. They are labeled as Gross Income Support (GIS) stores.

Q: Why would someone franchise a store that did not qualify for the Zero Franchise Fee Initiative?

A: There are many reasons to consider, such as proximity to current business, distance to where you live, the trade area in which you would conduct business and current store sales. Stores that have not opened, or have been operating via corporate operations for less than 12 months, would not qualify for the Zero Franchise Fee Initiative. In addition, Corporate Stores that exceed \$400,000 in annual gross profit dollars would not qualify for the Zero Franchise Fee, but they are attractively priced using our market based pricing methodology. For details, please contact your local Franchise Sales Representative.

Q: What impact will the Zero Franchise Fee Initiative have on an existing Franchisee's ability to sell their current store for goodwill?

A: The Zero Franchise Fee Initiative will only be offered until June 30, 2015. In the long-term, we hope the franchising of more Corporate Stores will have a positive impact on goodwill as fewer stores should be available for franchise.

Q: How would 7-Eleven determine who will be awarded the Zero Franchise Fee Corporate Store in the event of multiple applicants?

A: Your local Franchise Sales Representative will review all applications and where applicable, will consult with the local Operations team to help determine the selected applicant.

Q: Who is the ideal candidate for the Zero Franchise Fee Corporate Stores?

A: The ideal candidate is an individual willing to invest time in using the system to grow these stores' volume and profitability.

Q: How much money can a Franchisee expect to make in these stores?

A: The net income of these stores is dependent on the Franchisee and their ability to grow an existing base of business. Factors such as demographics, competition, in stock levels, pricing and more help contribute to any potential success of the operation.

Q: How long will 7-Eleven offer the Zero Franchise Fee Initiative?

A: All candidates, both existing Franchisees and prospective Franchisees will need to submit 7-Eleven's standard franchise application through our Franchise website (Franchise.7-Eleven.com) no later than June 30, 2015.

Q: What will happen if I want to sell a store that I franchised through this Zero Franchise Fee Initiative?

A: These stores can be listed through the goodwill process we currently have in place. If you have any questions on the current goodwill selling process, please contact your local Franchise Sales Representative.

Q: Can I give the store back if it is not successful?

A: Per your Franchise Agreement, you can surrender your store at any time provided that you give 7-Eleven 72 hours prior written notification.

Q: Do these Zero Franchise Fee Corporate Stores come fully staffed?

A: No, the stores will not come fully staffed. As an independent contractor it will be your responsibility to develop a staff to operate the store. The existing employees in the store may elect to apply to work for you at your location.

Q: Why have these select Corporate Stores that qualify for the Zero Franchise Fee Initiative, not been able to exceed \$400,000 in gross profit in the prior calendar year?

A: There are various factors that influence the gross profitability of a store. There are no common elements as to why these Corporate Stores have not exceeded \$400,000 in gross profit during the prior calendar year.

Q: What types of neighborhoods are these Corporate Stores located in?

A: Every neighborhood is different and we encourage you to conduct local due diligence to ensure you understand the community.

Q: Can an existing Franchisee or prospective Franchisee qualify to franchise more than one Zero Franchise Fee Corporate Store?

A: Yes. By using our standard Franchisee qualification process, we will review the possibility in franchising more than one store.