Kwikwap Mobile CC
CK2008/158406/23

Trading As

&

Disclosure Document
2016

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DETAILS OF LICENSOR

Kwikwap Mobile CC
CK2008/158406/23
Trading As

SHAREHOLDERS:	Eduard Marais CA(SA) 70%
	Chris Fahy 30%
REGISTERED ADDRESS:	76 Paradys Street, Arauna, 7560 Brackenfell, Cape Town
STREET ADDRESS OF OFFICE:	76 Paradys Street, Arauna, 7560 Brackenfell, Cape Town
POSTAL ADDRESS:	PO Box 189, Stellenbosch, 7599

LICENSE BUSINESS OFFICE

STREET ADDRESS:	76 Paradys Street, Arauna, 7560 Brackenfell, Cape Town
POSTAL ADDRESS:	PO Box 189, 7599 Stellenbosch
TELEPHONE NUMBER:	021 - 072 03 03
FACSIMILE NUMBER:	086 508 4303
INTERNET ADDRESS:	www.kwikwap.co.za or www.kwikweb.co.za
E-MAIL:	info@kwikwap.co.za

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Background

Since 2007 **KWIKWEB®** has made it their mission to make it possible for a layman to build a functional and professional website.

KWIKWEB® maintains and develops the software and cloud infrastructure, whilst independent resellers do the distribution, implementation and support of the product.

KWIKWEB® 's success can be attributed to a **great product**, the **generous revenue sharing model** and **countrywide** footprint.

> This business model gives you the opportunity to earn **recurring revenue** from **other people's efforts.**

The world is in the midst of the biggest technology revolution in history:

- **Social Media** such as YouTube, Facebook, Twitter, etc..

- **Search engines** such as Google, Bing and Yahoo.

- The use of **smartphones, tablets** and **apps**.

- The **GPS** capabilities of mobile devices.

- **Searches** on mobile devices have now surpassed searches done on desktop computers.

- There are many SMME businesses and organisations that have **not yet fully embraced** websites, e-commerce or mobile/local searching.

- Companies are starting to spend more on electronic marketing than on traditional marketing.

> It is in **this space** that **KWIKWEB®** has seized its opportunity.

The KWIKWEB® concept, explained in a nutshell:

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- Because our tool is extremely user-friendly, we can train laypersons how to build websites.
- There are no distribution hurdles, because our program is web based. This program can be used instantly and anywhere in the world.
- We have a countrywide network of existing users who train each other.
- We are enforced with a comprehensive back office and support system.

The KWIKWEB® platform creates a website in two simple steps. The platform makes use of the latest "responsive technology" which means the website changes shape according to the size of the screen that it is being viewed on.

A WEBSITE WOULD APPEAR LIKE THIS ON A DESKTOP

AND THE SAME WEBSITE WILL AUTOMATICALLY APPEAR LIKE THIS ON A MOBILE DEVICE

Because the **KWIKWEB®** tool is so user friendly, our clients can also use interactive web portals to add, change or manage the following information and/or modules:

- About us, logos, contact details, FAQ's.

- Upload photos and logos.

- Upload product & services lists or manually enter product information.

- Brochures & documents.

- Send SMS's to members on the mailing lists.

- Post newsletters and specials.

- Add links and sidebars.

- Events calendar.

- Mailing list management system.

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- E-Commerce system, accessible by the public to place orders or request quotes via computer or cell phone.

- Measured advertisings spots

- Announcements.

- Custom Pages.

- Online forms, online ticket selling and digital downloads.

- Ready-made industry specific modules (e.g. estate agents, loan companies, appointments booking module, classifieds, car dealers, restaurants, guest houses, recruitment module, etc…)

- Facebook and Twitter integration

The following electronic marketing tools are included in the system:

- ✓ Quick Response Code generator (i.e. the square barcode images)

- ✓ Fax-to-email

- ✓ Bulk Mailing systems (basic and advanced)

- ✓ Bulk SMS systems (including various automatic modules)

- ✓ SMS short codes

- ✓ SMS reminders

- ✓ Online chat plug-ins

KWIKWEB® approach and technology has the following advantages:

- Hassle free.

- Quick.

- Affordable.

- Search engine compliant.

- Adding genuine value.

- Provided with personal on-site attention.

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KWIKWEB® will surprise you with a rich source of knowledge of local market needs, marketing expertise and systems-related capability, that paves the way for instant interacting with customer's needs. These attributes, in conjunction with quality service and unassailable leadership, should transform into a fair degree of market dominance over the next ten years.

KWIKWEB® has opted for Licensing / Franchising as a vehicle for market development, based on various successful roll-outs and experience in this industry. A limited number of opportunities are presented to select individuals to own a substantial part of the **electronic marketing commerce** in South Africa.

KWIKWEB® is unique for several reasons:

- Competitive products cost much more and do not nearly have all the facilities and capabilities.

- The product is very well priced at between R500 to R3,500 for a 100+ page website and is furthermore extremely functional. Both users and resellers are enabled to make changes easily and free of charge.

- We have an established network of resellers all around South Africa.

- **KWIKWAP's®** delivery and support channels are through personal contact by

    o a Web Design Consultant (Consultant) and/or
    o registered Kwikwap Sales Agent and/or
    o Kwikwap License Holder and/or
    o Kwikwap Head Office

- Many small to mediums sized businesses either :
    o do not have a website or domain name,
    o or need a new website, or
    o need a responsive mobi-site or
    o need to make their website e-commerce enabled

Most SMME's can afford a initial R500 – R3,500 and between R59 and R150 per month for such a phenomenal product.

- The mobile site and/or e-commerce website that we are creating for the client is not intended to replace their existing website, but rather to enhance it.
  It provides the opportunity to experiment with e-commerce at low cost and risk.
  Once it is proven successful, the upgrade can be installed at the touch of a button.

- **KWIKWEB®** has overcome many technical challenges over the past eight years and this results today in our "tried and tested" solid mobile and server technologies

- The **KWIKWEB®** product is **very user friendly.** Even a person with very basic computer skills will be able to create and update these mobi and e-commerce websites.

- **KWIKWEB®** has advanced SEO (Search Engine Optimisation) knowledge, which is incorporated into the system in order to deliver real tangible benefits to clients (i.e. receive actual visitors to their site, what harvests into revenue).

- The landing page of each business's website is designed to be quick, informative and invites viewers to make contact (for example the phone numbers are "speed dial links" and there are strategically placed contact forms).

- People can access wireless internet from just about everywhere these days. Our resellers use this technology to deliver the service / product on the spot.

- The product is already being used by a number of overseas clients, which makes it the ideal product for South Africans wishing to earn foreign currency.

- The **KWIKWEB®** product generates revenue without physical intervention.
Clients can easily join and pay over the internet by using their unique code.

The KWIKWEB® offer

The Kwikwap network covers the whole country. The successful strategy allows its members to benefit and to continuously learn from each other.
It builds a collective brand which drives profits and secures continuity. It allows for centralised marketing campaigns and economies of scale shared throughout the system.

Licensing also provides a measure of centralised control over aspects such as the price and quality of the product and service level aspects incorporated into the offer. In a competitive business environment, effective and proven systems, professional sales techniques and customer service methodology are the pillars of excellence and advantage.

The **KWIKWEB®** solution and state of the business model constitutes such a platform.

A **KWIKWEB®** Licensee can expect the following from its Licensor:

- a simple but effective business plan;

- comprehensive product, systems, market training, technical and management support;

- quality products & services with technical backup where required ;

- assistance with establishment of the Licensed business;

- regularly updated promotional materials;

- centralised marketing campaigns, that generate valuable local business leads ;

- access to state of the art online business systems; and

- a sound return on investment in as far it is under the Licensee and Licensor's control.

Business protocol and ethics

KWIKWEB® is a company based on high value principles, beyond the engagement rules prescribed by recognized business ethics. We endeavour to be professional, diligent, responsible and profitable, but we also believe that chasing money alone is an empty goal that leads to futility. We rather pursue the good that sharing success with others can bring. This includes money, friendship, achievement, and simple good fun.
We trust that you will experience us as flexible in approach but rigid in determination.
We strive to optimize our clients,' shareholders' and employees' interests.

WE WALK OUR TALK

KWIKWEB® meets all of our customer requirements, will you meet ours? If you do, by being a committed and ambitious individual, than this may just be the opportunity you have been looking for.

IS IT AFFORDABLE?

The **KWIKWEB®** License isn't just affordable; it's moreover a fantastic opportunity to own a business with a unique selling proposition. How many times have we not heard this business statement   "unique selling points or propositions"? In this case it is not just some more sales talk, but fact!

KWIKWEB® has a unique selling proposition.

The entire KWIKWEB® business offer is one big selling proposition:
- We have an unbelievable business system.
- We have a fantastic product offering.
- We have strong financial backing.
- We have an 8 year track record
- We have very competent strategic partners.
- We have all the support structures.
- We have some of the best experts in the industry on stand by.
- We offer you value for money and excellent support.

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- We have a simple yet very effective business plan just for you.
- **After having all of these - ALL WE NEED IS YOU!**

- **Why Licenses?**

  KWIKWEB® is aggressively pursuing expansion and growth opportunities to extend its operations countrywide.
  It is in a position to offer investors a sound and tested formula for success. **KWIKWEB®** is fully geared with an extensive and comprehensive training, back up, marketing, ongoing support and management system.
  Past financial results of existing Licenses reveal the opportunity for a sound return on investment. The opportunity is open for any individual, who realizes that opportunities never come to those who wait but are captured by those who dare to attack.
  For the hard worker who wants to realize his or her dreams, this opportunity offers exactly that! A Small investment, good product, adequate training and hard work will guide you to financial freedom.

How does everyone make money?

From the outset the **KWIKWEB®** business model was built on the promise to be fair to everyone involved.

  A **client** pays an initial fee of between R500 and R3,500 for the set up, training and design of a website. The client also pays between R59 and R150 per month for hosting, license fee and support.

  The **web design consultant** earns the whole R 500 to R 3500 set-up and design fee, ensuring that he or she is well remunerated. The consultant also earns 50% of the monthly fee, paid by the client. The consultant is responsible for ongoing client support.

Consultants also have the option to work with our list of sales reps (sales agents) to find leads. The consultant and sales agent agree on the split of the setup fee.

The **license holder** earns 50% of the gross monthly fees of all the clients in his group less 6.5% royalties. He/she can also perform the duties of consultant, which will allow them to earn nearly 100% of the monthly fees.
KWIKWEB® Head Office earns a 6,5% royalty per month on all clients' monthly fees.

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A candidate, that wants to become a consultant, has to be trained by an existing consultant or licensee. A few hundred **KWIKWEB®** training videos are also available on Youtube.

The training fee is R2,500 and is entirely distributed to the trainer (Consultant or Licensee).

A consultant must pay a monthly commitment fee of R150. The trainer earns R100 per month of this fee and the balance of R50 goes to the licensee. This system ensures continued support from the trainer as well as the license holder.

In summary, a consultant makes money from :
- Signing up new clients from R 500 to R 3500 for the webs design fee
- Signing up and training new consultants for R 2500
- Monthly commission of 50%
- Incentives; R 10 000 for every 15 clients

The consultants can generate sufficient income from the above methods, in order to do this work full time from the start. **Motivated and well-paid consultants are key to the licence holder's success.**

The **licensees** are in the same position as the consultants plus
   o They receive 50% of all the monthly fees of all the clients in their whole network (i.e. from ALL the clients that ALL the consultants in their group have signed up).
   o They receive the 33% share of the monthly fee of all consultants in his or her group.
   o They receive 100% of the monthly fees of their own direct clients.
   o A 6.5% royalty is payable on gross revenue.

Explanation of Monthly Revenue Split of the website fees

Product Name	Total Monthly Fee Excl VAT	Portion to Consultant	Portion to Franchise / License holder	Portion to Head Office (Royalty)
Basic/Starter	R59.00	R29.50	R25.66	R3.84
SME	R150.00	R75.00	R65.25	R9.75

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The consultants are responsible for first line of support and they only receive their commission if the client's payment was successful. The licensees are responsible for both collecting the money via debit order as well as for paying the consultants' monthly commission.

Consultants are very motivated with this model and are supported by comprehensive training and tools. Licensees earn repetitive lucrative revenue from the consultants' efforts, what will snowball eventually.

What is the difference between being a consultant and being a license holder?

A consultant only receives monies from his **own efforts** whilst a license holder receives monies from the **efforts** of all the **consultants in his network**. A license holder's network can quickly cover the whole country with numerous consultants, working for him or her.

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KWIKWEB® Corporate Image and Marketing

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To dominate a long-term market segment, it is important that **KWIKWEB®** maintains a high quality standard on all its products and services. These high standards will ensure future brand loyalty and decrease marketing expenses.

KWIKWEB® licenses are service orientated businesses, that can only be successful if they offer value for money as well as be committed to the standards of outstanding products and services.

Licensees will be responsible for managing and motivating their employees. They have to strive continuously to be the best in terms of customer relations, professionalism and outstanding service.

KWIKWEB® Vision Statement

Our goal is to be South Africa's largest web design and electronic marketing tool resellers network.

KWIKWEB® Mission Statement

Our 5 year Targets:

- Be the largest provider of online marketing, communication and publication tools in Africa.

- Be the essential partner in growth of small businesses.

- Be the creator of a viral and self-sustaining business.

- Be a business built on a highly stable and dynamic reseller network and system.

KWIKWEB® Management Resumes

Eduard J Marais, Hons B Compt, CA(SA)

Eduard has been deeply involved with the internet for the past 14 years. He has special interest in Search Engine Optimisation and electronic marketing. He was a license holder in a large accommodation web system as well as the architect of one of South Africa's largest photographic websites. He started developing the framework for the KWIKWAP system in 2007, after having been involved in various information technology systems.

Chris Fahy

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Chris specializes in mobile and web programming and has developed many of KWIKWEB'S proprietary technologies. Chris is leading the KWIKWEB development team, with more than 12 years of experience in web development. He has developed many web surveys for clients such as MTN and Barloworld. He is the author of Vodacom's and Nashua's business systems. Chris has advanced experience on the Google system and has been Kwikwap Mobile's predecessor since 2004.

KWIKWEB® Viability Statement

KWIKWEB® is in a healthy and sound financial position and is always able to pay its debts. Furthermore is it able to support a national License network, geared with marketing campaigns, training, backup and ongoing support.

Signed: Managing Member
Name: EJ Marais CA(SA)

KWIKWEB® Existing Licensees

NO	NAME	CITY	PROVINCE/COUNTRY
1	Head Office (Sentido)	Cape Town	Western Cape
2	Umlingo Academy CC	Cape Town	Western Cape
3	Wapcell CC	Pretoria	Gauteng
4	Aspigon CC	Centurion	Gauteng
5	Deon Myburgh	Brisbane	Australia
6	iCentre (Pty) Ltd	Pretoria	Gauteng
7	Dion Naicker	Johannesburg	Gauteng
8	Rudi Neethling	Johannesburg	Gauteng
9	IT Solutions	Durban	KZN
10	Francois & Melani Marais	Cape Town	Western Cape
11	Goldweb	Durban	KZN
12	Giel Bosshoff	Kroonstad	Freestate
13	Pierre Bothma	Ermelo	Mpumalanga
14	Johan & Mariette Malan	Centurion	Gauteng
15	Jimpro (Pty) Ltd	Boksburg	Gauteng
16	Peter Moutzouris	Pathos	Cyprus

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KWIKWEB® Invitation to become a Licensee

The prospective Licensee is invited to contact or visit any of the existing Licensees in order to determine the viability of the License opportunity.

There are no unresolved claims, that are currently in litigation concerning any existing or former Licensees. The Licensor has not been cited as a defendant or a respondent and has not been involved in any material debt, criminal, civil or administrative law suit, during the past five years.

KWIKWEB® Site Location

With a **KWIKWEB®** License, it is not important to emphasise on "*site location*". The Licensee has the mobility and flexibility to promote **KWIKWEB®** wherever and whenever necessary by making use of advertising, referrals, the web and other marketing tools available.
This business can be run from a home-office, internet-cafe or from a notebook anywhere and at any time.
A Kwikwap Licence holder's main task is to recruit and manage his or hers consultants via email or telephone.

KWIKWEB® Main Products & Services

In order to achieve the objectives of increased profitability and business growth , **KWIKWEB®** provides an integrated system for its Licensees , that meets the needs of the market place.

TRAINING
We offer a 3 day comprehensive hands-on training course for **KWIKWEB®** licensees, that includes online manuals.

MARKETING PROGRAMS & MATERIALS
We offer an extensive range of marketing tools, which have specific applications. Some of them form part of advanced marketing and educational programs and systems.

REFERRAL NETWORK
We are on the first page of Google SA for search terms like "mobile website design", "cheap website design", "start your own business" and "business opportunity". The client, consultant and cales Agent leads generated from this and from other advertising, are

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automatically logged in the system, to be harvested by the license holders, on a first come first serve basis.

ONLINE TOOLS
A comprehensive online client management tool is provided, what ensures easy administration and management of the business.

BUSINESS DEVELOPMENT SUPPORT
We offer our Licensees permanent support, assisting them in building their business and profitability.

EXPERTISE
Thanks to our experienced management team, we can offer a wide range of expertise, ideas and programs to our Licensees.

EVENTS
A wide variety of regional and national events shared with experts, will allow licensees, to enhance their skills through training and idea-sharing forums.

Important Success Factors of a KWIKWEB® Licensee

We believe that the following facilities will ensure the permanent success of our Brand:

- Alliances with our service providers, and affiliates;

- Alliances with various Associations;

- Successful strategies and techniques in finance, legal, marketing & sales;

- The ability to pro-actively develop strategies for a fast changing environment;

- A strong support system for members to ensure permanent success;

- A continuous web presence;

- An online management system;

- Unique new products & services;

- Ongoing product & service development

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- A fair business model for clients, consultants and licensees.

Initial and ongoing Support Factors of a KWIKWEB® licensee

The main obligations and support of the Licensor in terms of the License Agreement are the following:

- General obligation related to the goodwill and reputation of the **KWIKWEB®** organisation and general assistance to the licensees , what enables them to enjoy the benefits of the license.

- Management and business consulting to assist the licensee to increase his sales and installations and to build a profitable business.

- Hands-on training for Licensees.

- The provision of documentation and support materials to assist the licensee in conducting his/her business.

The License Agreement makes provision for the participation in a National Marketing Fund. Elected members from the license network will manage this Fund. The licensor will utilise the Fund for national and regional advertising, marketing, promotion, events, public relations and any administrative costs or any related research or production costs in respect of the Trademarks and the System. In general, the Fund will be utilised to the mutual benefit of **KWIKWEB®** and the licensees.

Training and Support

A training course, which includes extensive:

- Pre-course homework.

- Hands on training.

- System training.

Classroom theory of the following:

- Legal matters.

- Financial Matters.

- Rules & Regulations.

- Contracts.

Finally:

- Business development.

- Marketing strategies.

Details of the KWIKWEB® Logo

The logos and names are registered Trademarks:

Country: Republic of South Africa

Applications Numbers 2014/07275, 2014/07274, 2014/07273, 2014/07272

Payments by the KWIKWEB® Licensee

The following payments are payable by the Licensee to the Licensor:

1. Costs of a License is **R 150 000 plus VAT**

   (Advertising Fee of R250 pm is paid separately into an Advertising Trust Fund, controlled by the Licensee committee comprising elected License Members within the License network)

2. A deposit of **R 75 000.00** (seventy five thousand rand) is payable to secure a license and to have access to confidential information of the Licensor.

3. The FINAL Payment on the day of signature of the main license agreement.

4. A Royalty Fee of **6,5**% plus VAT of the monthly fees of all Active and Real websites on all Basic Starter and SME clients (no royalty is payable on Demo or Inactive Websites).

5. A monthly fee of **R10** (VAT included) per month for each consultant in the licensee's group

6. A licensee must contribute to **R250** per month to the advertising fund (VAT included)

What is included in a KWIKWEB® license?

- Business System.

- Use of Trade-marks.

- Training.

- Trade license.

- E-mail address.

Summary of Terms & Conditions relating to Termination, Renewal, Goodwill & assignment of a KWIKWEB® License

1. **Goodwill**: - In consideration of the goodwill attached to the licensed business, the licensee will be required to pay the initial payment on the day of signature of the license agreement.

2. **Renewal**: - The licensee shall be entitled to operate the licensed business for an initial period of **5** years, starting from the effective date and renewing will be free of cost.

3. **Termination**: - The licensor retains the right to terminate the agreement in case of breach, misrepresentation, liquidation of the licensee etc. The prospective licensee is referred to the license agreement for the stipulations on which the agreement can be terminated.

4. **Assignment**: - The licensee may not sell, cede, assign, alienate or encumber the license outlet or any assets of the license outlet without the prior written consent of the licensor, which will not be unreasonably withheld by the licensor.

Full Details, Requisites, Equipment and Lay-out required for a KWIKWEB® License

Office: Most licensees run their business from their homes

Technology: Website, Business System, Financial System, Other Supporting System; all supplied by licensor

Equipment: Computer / Notebook, Printer, Photocopier or scanner; Telephone

Stationery: Electronic email signature

Admin: Access to web tools,
Training Manuals

Materials: Various items as per the **KWIKWEB®** marketing department's campaigns and informative material,

Staff: Approximately one admin staff, 2 sales reps and unlimited number of consultants.

Projections of Sales & Income of a KWIKWEB® License

KWIKWEB® can provide projections of income for new Licenses, that may however vary due to used assumptions and preferences of licensees. Projections for each individual License will differ, due to the following factors :
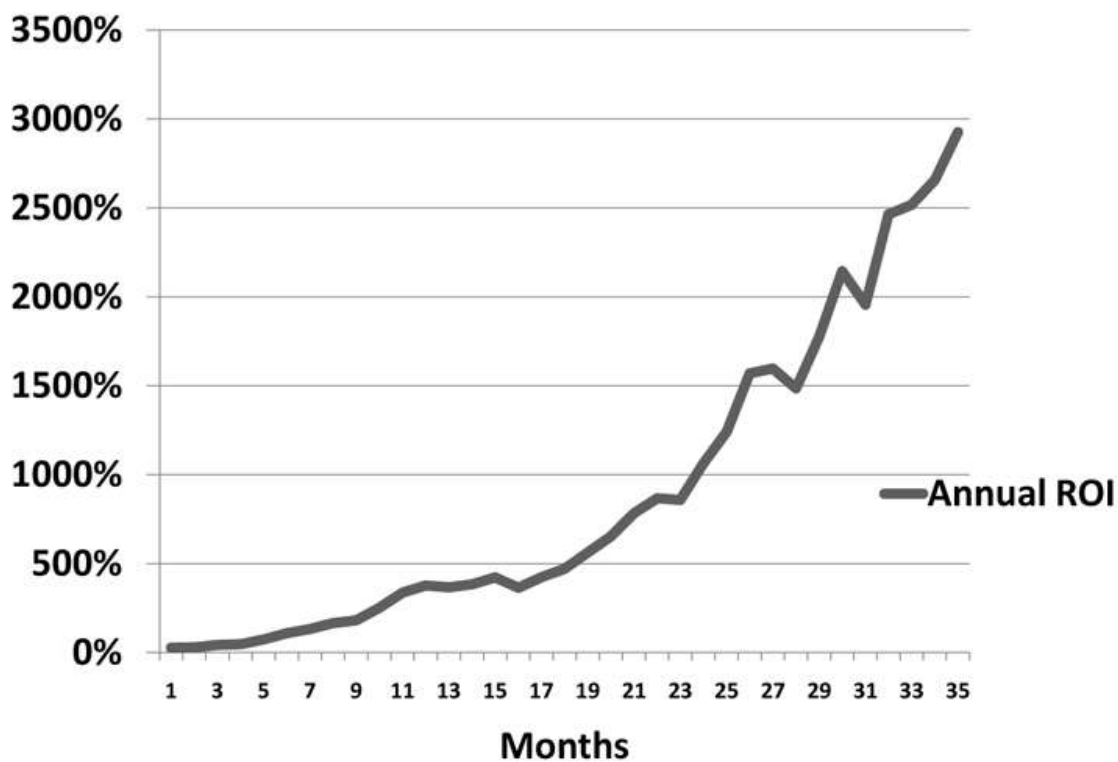
- Consultant's preference and the number of consultants used.

- Own sales team set-up and the size thereof.

- The charging of set-up fees by the licensee, as well as the percentage due by the clients .

- Number of consultants appointed.

- Whether to charge consultants a training fee or not.

Potential sales figures should not be relied upon as a guarantee in the case where written projections were provided in respect of potential sales, income, profits etc. The licensor does not warrant that these figures will be achieved.

Graphic showing the licensee's first Return on Investment:

Audited Annual Return on Investment

ANNEXURE : A LICENSE AGREEMENT — to follow