



WHY CHOOSE POSTAL CONNECTIONS?

Q. What is the initial investment cost?

The estimated initial investment range is \$122,700 to \$153,900. The average initial investment has been \$137,500. This includes our franchise fee, start-up costs, construction, equipment, software, supplies, training, and working capital. Actual costs vary depending on individual locations and other circumstances.

Q. Does Postal Connections offer financing assistance?

Yes.

SBA Loans: Postal Connections has an arrangement with Diamond Financial Services a commercial loan brokerage to provide a quick-qualification analysis for Small Business Administration (SBA) loans for up to 70% of the total initial investment. Diamond also identifies SBA lenders to make your loan. This includes everything from build out to working capital. (See the FAQ above: "What is the initial investment cost?") We also offer our franchisees a template and guidance for submitting your business plan and application. Postal Connections has been approved by the SBA's Franchise Registry Program, which enables SBA loan applications to be rapidly processed. We also encourage franchisees to seek financing at local banks where they have business relationships.

Capital Lease: Postal Connections has organized its turn-key store installation package (standard price \$99,000) as a leasable asset. This has been possible due to the cooperation of vendors and a business credit source. When you qualify and choose the Postal Connections store capital lease, you will have a five year lease with approximately the same monthly payments as a 70% SBA loan. You do not collateralize the lease with your personal assets, but secure it with the tangible assets of the store and a personal guarantee. At the end of the five year lease you buy the store for \$1.00. The store is a standard turn-key model, with no changes from stores financed with a loan. Ask us for more details.

Q. Will I get a protected territory for my store?

Yes.

Each Postal Connections store has a protected territory based on population density that ensures no other Postal Connections store will be placed in that territory without your approval.



Q. Will Postal Connections help with the design and build-out of my store?

Yes.

Postal Connections has an arrangement with Total Resources Group (TRG) store builders. TRG is a professional, quality builder and installer of retail space with clients that include Walgreens, TMobile, Cold Stone Creamery, and others. TRG creates a space plan for you to approve and this enables you to direct local installers of phones, internet and power. The space plan is what you use to acquire local permits. TRG builds out all permanent fixtures-cabinets, counters, decor and other fixtures. TRG also installs the flooring for your store. They oversee all aspects of the construction for your store. All this is done according to a proprietary process we call Instant Postal Centers which enables your store to be built quickly and efficiently.

Postal Connections helps you through every step of this process. We provide personal attention to your questions and assist with sourcing and guidance on how to acquire local items that need to be included in your new store. Both Postal Connections company owners will be available to you at their personal phone numbers when you need help.

Q. How long does it take to get open for business?

Your new store can be open within 45 to 90 days, in most cases, from the time you sign a location lease. Because of our unique build out system and arrangement with TRG we can move quickly and have our staff trainer on site when you open. (See FAQ above: "Will Postal Connections help with the design and build-out of my store?")

Financing can often delay the opening of your store. SBA lending institutions have become very thorough and deliberate in accepting loans and require very detailed paperwork and back up to finally fund. If you qualify and choose to use the Postal Connections Capitol Lease plan the paperwork and funding is usually done in a few weeks. Ask us for more details>

Q. What does my training include?

Postal Connections business training begins when you receive our manuals for opening operating and marketing your store.

Then a total of nine days of comprehensive training is provided. This includes 5-days of live action training in one of our regional training stores working with customers, operating the business management system, and learning how the equipment works. You will also be spending time with one of our franchise sales and operations leaders learning about customer service and marketing.

Your Comprehensive training also includes 4-days in your store when it opens with our staff trainer. Your trainer an expert in our business, will be with you to help set



up software systems, check that installations have been done correctly, shipping accounts are in place, supplies have arrived, retail items are set up in displays and be there when you serve your first customers. Your trainer will also spend one day training with you on your Xerox printer/copier equipment.

You also have a week-by-week grand opening campaign planned for your new store with advertising, special sale promotion and a sweepstakes to bring in new customers. Of course, you have a complete set of manuals but also access to our private franchisee online system www.postalconnections.net

Postal Connections includes many sources for ongoing training updates and coaching that provides franchisees with business guidance. One you will have access to and coaching to implement is a proprietary operations and marketing system- Act (Action Controlled Techniques) This system helps franchisees analyze the store's sales potential and provide techniques for operating and marketing to improve results.

Q. What support will I receive after training?

Postal Connections provides ongoing support from our Headquarters Office. This includes direct access to our senior management team and all key company personnel via telephone, fax, email, and use of our private franchisee internet system: www.postalconnections.net We will always return calls, usually within 24 hours.

Our franchisee private Internet-www.postalconnections.net-gives franchisees 24-hour, seven-day a week access to updated operations and marketing materials, store manuals, industry best practices, store operating tips, trade marked graphics, links to vendors, a franchisee message board, and even enables do-it-yourself printing of stationery and marketing tools that saves you cost.

Additionally, many support activities are delivered through franchisee network meetings. The most important of these, our Annual Franchisee Conference is where experts and business skills are brought to our franchisees. New products are also unveiled at the Conference. There are local franchisee meetings and Headquarters staff regularly visits stores.

Postal Connections is proud of a strong affiliation with our industry's trade associations that also provide additional assistance to franchisees. The associations provide another level of business expertise to Postal Connections franchisees

We also buy each new store a proprietary accounting package, SAMS, based on Quick Books and designed specifically for Postal Connections store accounting. This product provides valuable management tools and will help organize the business for your tax advisor.

Beginning with a subsidized grand opening campaign, stores are able to access five to six national marketing campaigns each year. These are provided without assessing stores a national advertising fee. These marketing campaigns are optional for stores and are offered to enable franchisees to create their own materials using their color



printer/copiers to lower printing costs while producing customized marketing items. Business strategy and materials are delivered on www.postalconnections.com

Our internal communications system gives franchisees 24-hour, 7-days a week access to updated marketing materials, operations manuals, best practices tips, newsletters, press releases, graphics, links to vendors, links to other Postal Connections franchisees, customer brochures, a message board and much more. Every new store is provided with an individual store web site in the Postal Connections domain as part of the turn-key package.

Postal Connections' goal is to provide all the tools needed to start up your store and be there on an ongoing basis to help you operate your store.

Q. How easy is it to own multiple stores?

Postal Connections encourages multi-store ownership. Several of our franchisees own more than one store. In fact, we have financial incentives for you or your family to own multiple stores. Our franchise fee for the 2nd store is reduced to \$12,900 and beyond that each store's franchise fee is \$10,900.

Q. What is Postal Connections' vision for the future?

Postal Connections plans to grow to over a thousand locations in the U.S.A. and become a nationally recognized brand name. We see our opportunity is great with millions of potential customers still undeserved. Postal Connections believes customers come to our stores to find choices of carriers, alternative prices, and personal attention. Postal Connections franchisee owners have a sophisticated and proven business model and tools to serve their neighborhood market. With franchise owner operator dedication to meet customer needs for convenience and customized service Postal Connections stores are well equipped to compete

Q. How Do I get started?

Just call 1.800.767.8257 and speak with David Hurley, Franchise Development Officer. Or email us at info@postalconnections.com But the fastest way to get started is apply online. It is simple, confidential to do, and we have added security software on our Web site to protect your privacy. You can also fax us at 1.619.294.4550. However, you choose to reach us, we will respond rapidly.