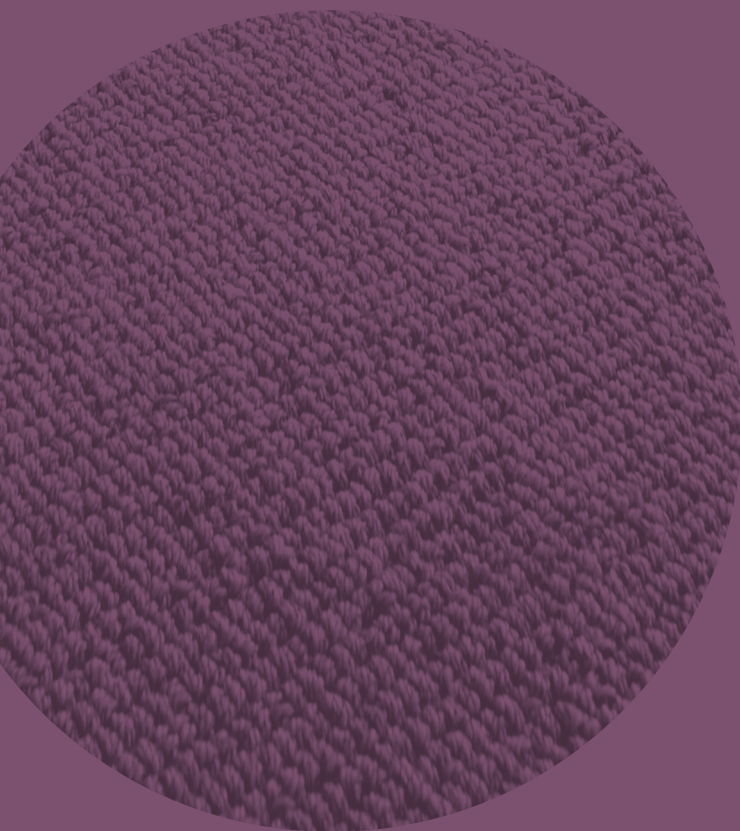


newfurn

Newfurn Floor Coverings Ltd

+ disclosure document 2021



Newfurn Floor Coverings Ltd

Disclosure Document

1.(a) DISCLOSURE DOCUMENT FOR *FRANCHISEE OR PROSPECTIVE FRANCHISEE

*For the purposes of this Disclosure Document, a Franchisee and a Member have the same meaning, and Franchisor and Newfurn have the same meaning. Further, a Franchise Agreement and a Membership Agreement have the same meaning.

Choices and Choices Flooring are the marketing banners of Newfurn Floor Coverings Limited ("Newfurn"). Newfurn is a co-operative floor coverings buying group. All Newfurn members are independent owner operators who have joined the group for the buying, marketing and group services it offers.

Store owners wishing to join the group are required to purchase shares in Newfurn and sign a standard Membership Agreement. All members own 4,000 ordinary shares in Newfurn.

(b) The Franchisor's:

Company Name	Newfurn Floor Coverings Ltd ("Newfurn")
Group Trading Name	Choices and Choices Flooring
ACN	004 650 668
ABN	63 004 650 668
Business address of company	5-9 Hobbs Court, Rowville, VIC 3178
Phone number of company	(03) 9850 9311

(c)



Shane Chillingworth, Chairman

Signed for and on behalf of Newfurn Floor Coverings

8 September 2021

Date of Preparation

This disclosure document contains some of the information you need in order to make an informed decision about whether to enter into a franchise agreement. It should be read together with the key facts sheet and the information statement that you have received.

Entering into a franchise agreement is a serious undertaking. Franchising is a business and, like any business, the franchise (or franchisor) could fail during the franchise term. This could have consequences for the franchisee.

A franchise agreement is legally binding on you if you sign it.

You are entitled to a waiting period of 14 days (not 14 business days) before you enter into this agreement.

If this is a new franchise agreement (not the transfer or renewal of a franchise agreement, nor the extension of the term or scope of a franchise agreement), you will be entitled to 'cooling off' period of 14 days (not 14 business days) after signing the agreement, during which you may terminate the agreement. (In some circumstances a 'cooling off' period may end later).

If you decide to terminate the agreement during the cooling off period, the franchisor must, within 14 days, return all payments (whether of money or of other valuable consideration) made by you to the franchisor under the agreement. However, the franchisor may deduct from this amount the franchisor's reasonable expenses, if the expenses or their method of calculation have been set out in the agreement.

Take your time, read all the documents carefully, talk to other franchisees and assess your own financial resources and capabilities to deal with the requirements of the franchised business.

You should make your own enquiries about the franchise and about the business of the franchise. You should get independent legal, accounting and business advice before signing the franchise agreement.

It is often prudent to prepare a business plan and projections for profit and cash flow.

You should also consider educational courses, particularly if you have not operated a business before.

If you request the franchisor to give you this disclosure document, any attachments to it, the key facts sheet, the proposed franchise agreement and the Franchising Code of Conduct in printed form, electronic form or both, the franchisor must comply with your request.

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2 Newfurn Details

2.1	Name	Newfurn Floor Coverings Ltd
	Registered Office	5-9 Hobbs Court, ROWVILLE, Vic 3178
	Principal place of business:	5-9 Hobbs Court, ROWVILLE, Vic 3178 03 9850 9311
	ABN:	63 004 650 668
2.2	Name under which franchisor carries on business in Australia relevant to the group	Choices Choices Flooring; and Newfurn Training Academy
2.3	A description of kind of business operated under the franchise	Co-operative buying group for floor covering retailers
2.4	The number of years that the franchisor has operated in Australia	Since 1959 (over 60 years). <i>Please refer to 3.2 for details</i>
2.5	The name, ABN, ACN or ARBN, address of registered office and principal place of business of each associate of the franchisor that is a body corporate (if any):	The Wool Set Pty Ltd ABN 14 073 819 637 Choices Flooring Limited <i>(incorporated in New Zealand)</i>
	Registered office and principal place of business and New Zealand registered office:	5-9 Hobbs Court, ROWVILLE, Vic 3178
2.6	The name and address of each associate of the franchisor that is not a body corporate (if any), and if applicable, each associate's ABN or ARBN	Shane Michael Chillingworth Gemma O'Brien Rod Preston Lincoln Smith Scott Anthony Shearer Mark Winterton Graham Kevin Meecham Andrew Lewis Helen Nguyen Terry James Triggs Timothy Paul Drew Jason Andrew Verstak John Nicholls Andrew Verstak
2.7	A description of the relationship between:	
	(a) each associate mentioned in item 2.5 and the franchisor	The Wool Set Pty Ltd is a wholly owned subsidiary company of Newfurn and carries on an independent floor covering wholesaling business unrelated to the Choices Flooring brand.
	(b) each associate mentioned in item 2.6 and the franchisor;	
	and the relevance of the relationship to the franchise system and the franchise.	Choices Flooring Limited is the New Zealand entity which carries on the Choices Flooring brand in New Zealand.

2.8 For each officer of the franchisor – name, position, held and qualifications (if any):

Name	Position	Qualifications
Shane Michael Chillingworth	Chairman	
Gemma O'Brien	Director	
Rod Preston	Director	
Lincoln Smith	Director	
Scott Anthony Shearer	Director	
Mark Winterton	Director	
Graham Kevin Meecham	Director	
Andrew Lewis	Chief Executive Officer	
Helen Nguyen	CFO /Company Secretary	B. Bus, MPA, MBL, CPA, NTAA, CGP
Terry James Triggs	Group Manager Product	
Timothy Paul Drew	Group Manager Retail Development	
Jason Andrew Verstak	Group Manager Marketing	B. Bus, CPM
John Nicholls	Group Manager Retail Development NZ,	PGDip.Mgt
Andrew Verstak	Group Manager Style Flooring & Interiors	B.Bus

3 Business Experience

3.1 (a)	Summary of the relevant business experience of persons other than executive officers mentioned in item 2.8 for the past 10 years, including length of experience in working in the franchise system and working for the franchisor:	
	Shane Michael Chillingworth	<ul style="list-style-type: none"> Owner and manager of a retail floor coverings store in Tamworth, New South Wales Newfurn member for over 10 years
	Gemma O'Brien	<ul style="list-style-type: none"> Daughter & future successor of owner of a retail floor coverings store in Alderley, Queensland Over 8 years retail experiences in the floor covering industry with her parents being Newfurn members since 2000
	Roderick Douglas Preston	<ul style="list-style-type: none"> Owner and manager of a retail floor coverings store in Southern Highlands, and Goulburn, New South Wales Newfurn member since 2014
	Lincoln Smith	<ul style="list-style-type: none"> Owner and manager of retail floor coverings stores in Geelong, Victoria Newfurn member since 2016, with his parents being the former owners of the store and Newfurn member since 1993
	Scott Anthony Shearer	<ul style="list-style-type: none"> Owner and manager of 2 retail floor coverings stores in Niddrie and Doncaster, Victoria Newfurn member since 2001
	Mark Winterton	<ul style="list-style-type: none"> Owner and manager of retail floor coverings stores in Dandenong and Hawthorn, Victoria Newfurn member since 1998
	Graham Kevin Meecham	<ul style="list-style-type: none"> Owner and manager of retail floor coverings store in Hamilton, New Zealand Newfurn member since 2017

3.1 (b)	<p>Summary of the relevant business experience of executive officers mentioned in item 2.8 for the past 10 years, including length of experience in working in the franchise system and working for the franchisor:</p> <table border="1"> <tr> <td data-bbox="193 215 592 320">Andrew John Lewis</td> <td data-bbox="596 215 1489 320">Held various senior positions, including managing director at an international floor coverings company before joining Newfurn in November 2012 as CEO</td> </tr> <tr> <td data-bbox="193 327 592 398">Helen Nguyen</td> <td data-bbox="596 327 1489 398">Held various senior positions, including Senior Management Accountant at Crown Resorts before joining Newfurn in October 2018.</td> </tr> <tr> <td data-bbox="193 405 592 477">Terry James Triggs</td> <td data-bbox="596 405 1489 477">Joined Newfurn in 1994 and held position of Group Manager Product since October 1997</td> </tr> <tr> <td data-bbox="193 483 592 589">Timothy Paul Drew</td> <td data-bbox="596 483 1489 589">Held various senior positions with major telecommunication companies before joining Newfurn in April 2011 as Group Manager Retail Development</td> </tr> <tr> <td data-bbox="193 595 592 667">Jason Andrew Verstak</td> <td data-bbox="596 595 1489 667">Held various senior marketing positions in national companies before joining Newfurn in December 2012 as Group Manager Marketing</td> </tr> <tr> <td data-bbox="193 674 592 779">John Nicholls</td> <td data-bbox="596 674 1489 779">Owned and managed various wholesale and retail business. Joined Carpet Court NZ managing insurance portfolio before moving to Group Manager Retail Development for Choices Flooring New Zealand</td> </tr> <tr> <td data-bbox="193 786 592 891">Andrew Verstak</td> <td data-bbox="596 786 1489 891">Held various senior positions in carpet manufacturing for over 35 years and has held the position of Group Manager Style Flooring & Interiors since 2012</td> </tr> </table>	Andrew John Lewis	Held various senior positions, including managing director at an international floor coverings company before joining Newfurn in November 2012 as CEO	Helen Nguyen	Held various senior positions, including Senior Management Accountant at Crown Resorts before joining Newfurn in October 2018.	Terry James Triggs	Joined Newfurn in 1994 and held position of Group Manager Product since October 1997	Timothy Paul Drew	Held various senior positions with major telecommunication companies before joining Newfurn in April 2011 as Group Manager Retail Development	Jason Andrew Verstak	Held various senior marketing positions in national companies before joining Newfurn in December 2012 as Group Manager Marketing	John Nicholls	Owned and managed various wholesale and retail business. Joined Carpet Court NZ managing insurance portfolio before moving to Group Manager Retail Development for Choices Flooring New Zealand	Andrew Verstak	Held various senior positions in carpet manufacturing for over 35 years and has held the position of Group Manager Style Flooring & Interiors since 2012
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Andrew Verstak	Held various senior positions in carpet manufacturing for over 35 years and has held the position of Group Manager Style Flooring & Interiors since 2012														
3.2	<p>Summary of relevant business experience of the franchisor for the past 10 years, including:</p> <ul style="list-style-type: none"> (a) length of experience in: <ul style="list-style-type: none"> (i) operating a business that is substantially the same as that of the franchise; and (ii) offering other franchises that are substantially the same as the franchise; and (b) whether the franchisor has offered franchises for other businesses. <ul style="list-style-type: none"> If yes to (b): <ul style="list-style-type: none"> (i) a description of each such business; and (ii) for how long the franchisor offered franchises for each such business. <p>Newfurn was established in 1959 as an unincorporated co-operative furnishings buying group, to assist independent furnishing retailers in their buying and marketing activities, in order to make them more competitive in the marketplace. In 1959 there were approximately 20 members, all Victorian and predominantly country based.</p> <p>In 1965, another buying group, Independent Buying Group, merged with Newfurn and the operation of the co-operative was formalised with the incorporation of Newfurn Pty Ltd. In 1965 there were approximately 40 members, all Victorian, with a stronger metropolitan Melbourne presence than previously. In 1976, due to membership growth, Newfurn changed its incorporation status from a proprietary company to an unlisted public company.</p> <p>Newfurn offered membership under the 'Carpet Choice' banner from 1993 to 2011. Prior to the launch of the 'Carpet Choice' banner, member stores were marketed under the 'Newfurn' name and later the 'First Choice Furnishings' banner. Member stores operated in these circumstances retailed both furniture and/or floor coverings. The concentration on retailing floor coverings commenced two years after the launch of 'Carpet Choice' in 1993. Existing members at the time were given the opportunity to progressively upgrade their store to 'Carpet Choice' status.</p> <p>The company re-branded all retail stores to Choices/Choices Flooring in September 2011. The current method of member store operation has evolved from 1993 but has remained substantially the same in substance.</p> <p>Newfurn has not offered group membership for other businesses. However, Newfurn's wholly owned subsidiary company, The Wool Set Pty Ltd, offers wholesaling services to retailers under 'Style Flooring and Interiors' brand.</p>														

4 Litigation

4.1 (a)	Current proceedings by a public agency, arbitration or criminal or civil proceedings relevant to the franchise, against the franchise, a franchise director, an associate of the franchise or a director of an associate of the franchisor, in Australia alleging:	
	(i) breach of a franchise agreement:	Nil
	(ii) contravention of trade practices law:	Nil
	(iii) contravention of Corporations Act 2001:	Nil
	(iv) unconscionable conduct:	Nil
	(v) misconduct:	Nil
	(vi) an offence of dishonesty:	Nil
4.1 (b)	Proceedings against the franchisor, a franchisor director, an associate of the franchisor or a director of an associate of the franchisor, other than for unfair dismissal of an employee, under:	
	(i) section 12 of the <i>Independent Contractors Act 2006</i> ; or;	Nil
	(ii) a law of a State or Territory that regulates workplace relations or independent contractors.	Nil
4.2	Whether the franchisor, a franchise director, an associate of the franchisor or a director of an associate of the franchisor has been:	
	(i) in the last 10 years- convicted of a serious offence, or and equivalent offence outside Australia	Nil
	(ii) in the last 5 years- subject to final judgement in civil proceedings for a matter mentioned in paragraph 4.1(a); or	Nil
	(iii) in the last 10 years- bankrupt, insolvent under administration or an externally administered body corporate in Australia or elsewhere.	Nil
4.3	For items 4.1 and 4.2 – the following details (where relevant)	
	(a) the names of the parties to the proceedings;	N/A
	(b) the name of the court, tribunal or arbitrator;	N/A
	(c) the case number;	N/A
	(d) the general nature of the proceedings;	N/A
	(e) the current status of the proceedings;	N/A
	(f) the date and content of any undertaking or order under section 87B of the <i>Competition and Consumer Act 2010</i> ;	N/A
	(g) the penalty or damages assessed or imposed;	N/A
	(h) the names of the persons who are bankrupt, insolvent under administration or externally administered;	N/A
	(i) the period of the bankruptcy, insolvency under administration or external administration	N/A
4.4	The percentages of franchisees in the franchise system that were a party to mediation, conciliation or arbitration process that was conducted, or was pending, in the previous financial year (whether the dispute to which the mediation, conciliation or arbitration processes relate were initiated by the franchisor or one or more franchisees):	Nil

5 Payment to Agents

5.1	For any agreement under which the franchisor must pay an amount, or give other valuable consideration, to a person who is not an officer, director or employee of the franchisor in connection with the introduction or recruitment of a franchisee – the name of the person
	No persons, including officers, directors or employees of Newfurn, are paid an amount in connection with the introduction or recruitment of a member.

6 Existing Members

6.1	Number, sorted by State, Territory or region, of:																																														
	Type	Existing Franchised Businesses (STORES)		Existing Franchisees (FRANCHISEES)		Businesses owned or operated by the franchisor or an associate of the franchisor in Australia substantially same as the franchised business																																									
	State/Territory	NSW	38	NSW	34	NSW	Nil																																								
		ACT	3	ACT	2	ACT	Nil																																								
		VIC	40	VIC	32	VIC	Nil																																								
		SA	8	SA	8	SA	Nil																																								
		WA	14	WA	13	WA	Nil																																								
		TAS	7	TAS	6	TAS	Nil																																								
		NT	2	NT	2	NT	Nil																																								
		QLD	20	QLD	19	QLD	Nil																																								
	Total	132		116		Nil																																									
6.2	<p>For each existing franchisee:</p> <ul style="list-style-type: none"> (a) business address, if this is not the franchisee's residential address; and (b) business phone number; and (c) year when the franchisee started operating the franchised business. <p>Details attached at Annexure 1</p>																																														
6.3	<p>However, if there are more than 50 franchises, the franchisor may instead give details under item 6.2 for all franchisees in the State, Territory, region or metropolitan area in which the franchise is to be operated.</p> <p>Details attached at Annexure 1</p>																																														
6.4	<p>For each of the last 3 financial years and for each of the following events—the number of group businesses for which the event happened:</p> <table border="1"> <thead> <tr> <th colspan="2">Store name</th> <th>Year ended 30 June 2021</th> <th>Year ended 30 June 2020</th> <th>Year ended 30 June 2019</th> </tr> </thead> <tbody> <tr> <td>(a)</td> <td>Group memberships transferred</td> <td>4</td> <td>5</td> <td>3</td> </tr> <tr> <td>(b)</td> <td>Group members business ceased to operate</td> <td>2</td> <td>2</td> <td>1</td> </tr> <tr> <td>(c)</td> <td>Membership Agreements terminated by Newfurn</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>(d)</td> <td>Membership Agreement terminated by member</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>(e)</td> <td>Membership Agreement not extended</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>(f)</td> <td>Member business bought back by Newfurn</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>(g)</td> <td>Membership Agreement was terminated and group business acquired by Newfurn</td> <td>NA</td> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>							Store name		Year ended 30 June 2021	Year ended 30 June 2020	Year ended 30 June 2019	(a)	Group memberships transferred	4	5	3	(b)	Group members business ceased to operate	2	2	1	(c)	Membership Agreements terminated by Newfurn	0	0	0	(d)	Membership Agreement terminated by member	0	1	0	(e)	Membership Agreement not extended	N/A	N/A	N/A	(f)	Member business bought back by Newfurn	0	0	0	(g)	Membership Agreement was terminated and group business acquired by Newfurn	NA	N/A	N/A
Store name		Year ended 30 June 2021	Year ended 30 June 2020	Year ended 30 June 2019																																											
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(d)	Membership Agreement terminated by member	0	1	0																																											
(e)	Membership Agreement not extended	N/A	N/A	N/A																																											
(f)	Member business bought back by Newfurn	0	0	0																																											
(g)	Membership Agreement was terminated and group business acquired by Newfurn	NA	N/A	N/A																																											
	NOTE: An event may be counted more than once if more than one paragraph applies.																																														
6.5	<p>Subject to subclause 32(1), the franchisor must supply, for each event mentioned in item 6.4, the name, location and contact details of each franchisee if the information is available.</p> <p>Details attached at Annexure 2</p>																																														

7 Master Franchises

7.1	If the franchisor is also a sub-franchisor – the master franchisor’s: (a) name; and (b) address, or addresses, of registered office and principal place of business; and (c) ABN, ACN or ARBN (or foreign equivalent if applicable). Not applicable
7.2	The name under which the master franchisor carries on business relevant to the franchise. Not applicable
7.3	For each officer of the master franchisor – name, position held and qualifications (if any). Not applicable
7.4	For each of the last 3 financial years and each of the following events—the number of: (a) franchise agreements terminated by the master franchisor; (b) franchise agreements terminated by the franchisor; (c) franchise agreements that were not extended by the master franchisor. Not applicable
	The following details about the master franchise: (a) the term of the franchise agreement, including the date that it began; (b) the territory of the franchise; (c) whether the franchise agreement may be renewed; (d) whether the term of the franchise agreement may be extended and if so, any preconditions applying to an extension; (e) whether the scope of the franchise agreement may be extended; (f) whether the franchise agreement may be transferred, and if so, whether the franchisee is required to become a party to a franchise agreement with the transferee; (g) the grounds on which the franchise agreement may be terminated; (h) if the franchise agreement is terminated, how a sub-franchisor’s franchise agreement with a franchisee is affected. Not applicable

8 Intellectual Property

8.1	For any trade mark used to identify, and for any patent, design or copyright that is material to, the franchise system (intellectual property): (a) description of the intellectual property: Significant and material intellectual property owned by Newfurn, and whether it is registered in Australia, including, details of the registration date, registration number and place of registration are included in Annexure 15
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8.1 (b)	Details of the franchisee's rights and obligations in connection with the use of the intellectual property:		
	Group member's right to use		Group member's obligations in connection to use
	Trademarks	Right to Use - Non-exclusive licence granted for use in a manner directed by Newfurn solely in connection with sale of floor coverings from the Licensed Outlet. Refer clause 2.1 Membership Agreement - attached.	Obligations - To use in a manner directed by Newfurn. Refer clause 2.3 Membership Agreement - attached.
	Patents	N/A	N/A
	Designs	N/A	N/A
	Copyright	Various Training and Administration Manuals, Product Price Book, Product Profile Manual, Marketing strategies and advertising copy and materials.	Obligations - To use in a manner directed by Newfurn. Refer clause 2.3 Membership Agreement - attached.
8.1 (c)	Whether the intellectual property is registered in Australia, and if so, the registration date, registration number and place of registration		
	See above at 8.1 (a)		
8.1 (d)	Any judgment or pending proceedings that could significantly affect ownership or use of the intellectual property.		
	There are no judgments or pending proceedings that could significantly affect ownership or use of the intellectual property.		
8.1 (e)	If the intellectual property is not owned by the franchisor, who owns it.		
	Not applicable		
8.1 (f)	Details of any agreement that significantly affects the franchisor's rights to use, or give others the right to use the intellectual property, including parties to the agreement; nature and extent of any limitation; duration of the agreement; and conditions under which the agreement may be terminated:		
	There are no restrictions on Newfurn's ability to use the intellectual property or to grant to the members the right to use it.		
8.2	The franchisor is taken to comply with item 8.1 for any information that is confidential if the franchisor gives:		
	(a) a general description of the subject matter; and		
	(b) a summary of conditions for use by the franchisee.		
	Due to confidentiality issues in relation to the intellectual property disclosed at item 8.1, only a general description of the subject matter and a summary of the conditions of use have been provided.		

9 Franchise site or Territory

9.1	Whether the Franchise is:
	(a) For an exclusive or non-exclusive territory; or
	(b) Is limited to a particular site.
	The member has a territory that is non-exclusive. Newfurn does not define exclusive territories for each member or store. However, members are assigned areas in which they may distribute catalogues and are also granted an area from which consumer searches from the internet are directed to the store. Members are required to confine their own local advertising to the catalogue areas.

9.2	<p>For the territory of the franchise:</p> <p>(a) Whether other franchisees may own or operate a business that is substantially the same as the franchised business.</p> <p>Other members may not own or operate a business in the territory which is substantially the same as the member's business.</p> <p>(b) Whether the franchisor or an associate of the franchisor may own or operate a business that is substantially the same as the franchised business.</p> <p>Neither Newfurn nor an associate of Newfurn may own or operate a business that is substantially the same as the member's business.</p> <p>(c) Whether the franchisor or an associate of Newfurn may establish other franchises that are substantially the same as the franchise.</p> <p>Neither Newfurn nor an associate of Newfurn may establish other businesses that are substantially the same as the member's business.</p> <p>(d) Whether the franchisor may own or operate a business that is substantially the same as the franchised business outside the territory of the franchise.</p> <p>The member may own or operate a business that is substantially the same as the member's business outside the territory, provided that territory is available and the proposal is otherwise acceptable to Newfurn.</p> <p>(e) Whether the franchisor may change the territory or site of the franchise and if so, the circumstances in which such a change may occur.</p> <p>The member's territories may be amended by Newfurn in the event of new members joining, store relocations and so on. Consultation with members takes place if an impact may occur on the above territories, when an application is received from a potential member.</p>
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10 Supply of Goods or Services to a Franchisee

10.1	<p>(a) Any requirement for the franchisee to maintain a level of inventory or acquire an amount of goods or services.</p> <p>The member is not required to maintain a level of inventory or acquire an amount of goods and services, except to the extent that an appropriate minimum level of catalogues must be distributed in the member's name, and the marketing levies applicable thereto paid, and as detailed in point (d) below.</p> <p>(b) Restrictions on acquisition of goods or services by the franchisee from other sources.</p> <p>The member is discouraged from acquiring goods or services from non-preferred suppliers.</p> <p>(c) Ownership by the franchisor or an associate of the franchisor of an interest in any supplier from which the franchisee may be required to acquire goods or services.</p> <p>There are no suppliers of goods or services that are associates of Newfurn.</p>
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<p>10.1 (cont)</p>	<p>(d) The obligation of the franchisee to accept goods or services from the franchisor, or from an associate of the franchisor</p> <p>The member is obliged to accept goods or services from Newfurn where required under the Membership Agreement. Refer clause 5.3(a), 5.4 and 5.5 of the Membership Agreement - attached.</p> <p>(e) The franchisor's obligation to supply goods or services to the franchisee</p> <p>Newfurn is obligated to supply goods or services to the member. Refer to clause 3.1(a) of the Membership Agreement but subject to clause 6.4 of the Membership Agreement - attached.</p> <p>(f) Whether the franchisee will be offered the right to be supplied with the whole range of the goods or services of the franchise.</p> <p>The member is offered the right to be supplied with the whole range of the goods or services of Newfurn. Goods or services are discouraged from being acquired from non-preferred suppliers.</p> <p>(g) Conditions under which the franchisee can return goods, and to whom</p> <p>Conditions for the return of goods vary from third party supplier to supplier. Members should read the terms and conditions of any contract relating to the supply of goods and services from each supplier.</p> <p>Goods supplied by Newfurn can be returned only if they are incorrectly supplied or supplied in a damaged or defective state. Returns for incorrectly supplied goods must be made within seven days of supply with clear notification of reason for return.</p> <p>(h) Conditions under which the franchisee can obtain a refund for services provided by the franchisor, and from whom</p> <p>Subject to the Australian Consumer Laws, the member cannot obtain a refund for services provided by Newfurn.</p> <p>(i) Whether the franchisor may change the range of goods or services, and if so, to what extent</p> <p>Newfurn can change the range of goods or services supplied in accordance with the general market forces and directives by the majority of Members.</p> <p>(k) If the franchisor, master franchisor or associate will receive a rebate or other financial benefit described in paragraph (j) from one or more suppliers:</p>
	<p>(i) the nature of the rebate or other financial benefit receive from each supplier; and</p> <p>(ii) the name of each business providing the rebate or other financial benefit; and</p> <p>(iii) the total amount of rebates or other financial benefits received in the previous financial year from each supplier, expressed as a single aggregate percentage of total group purchases from that supplier (not including any purchases made by units of the franchised business operated by the franchisor, master franchisor or associate) and</p>

10.1 (cont)	<p>(l) Whether any rebate or financial benefit referred to under paragraph (j) is shared, directly or indirectly, with the franchisees.</p> <p>The rebates or financial benefits may be shared with members directly or utilised by the franchisor, which may indirectly benefit members.</p> <p>(m) if a rebate or other financial benefit described in paragraph (j) is shared directly or indirectly with the franchisees:</p> <p>i) the method for working out how much of the rebate or other financial benefit is retained by the franchisor, master franchisor or associate, and how much is shared, directly or indirectly, with the franchisee, describe by reference to a percentage of the rebate or other financial benefit or another method for working out how much is retained, and how much is shared with the franchisee; and</p> <p>(ii) a description of each direct and indirect benefit received by the franchisee.</p> <p>Refer to ANNEXURE 3</p> <p>NOTE: Before a requirement is made under paragraph (b) or (c), the franchisor may notify, or seek to notify authorisation from, the Australian Competition and Consumer Commission (see Part VII of the Act).</p>
10.2	<p>For the purposes of paragraphs 10.1(j) to (m), a rebate or other financial benefit does not include:</p> <p>(a) the price paid by the franchisee, or a part of that price, for the supply of goods or services by the franchisor, master franchisor or associate; or</p> <p>(b) any incentive or other financial benefit that the franchisor, master franchisor or associate is entitled to receive in connection with a lease of premises or the franchisee's right to occupy premises.</p>
10.3	<p>The franchisor is not required to disclose the details referred to in subparagraph 10.1(k)(iii) in relation to a supplier if:</p> <p>(a) The franchisee is permitted to acquire goods or services from sources other than the franchisor without the franchisor's approval; or</p> <p>(b) The whole of the rebate or other financial benefit that will be received by the franchisor, master franchisor or associate from that supplier is to be returned to the franchisee directly as a payment into a cooperative fund controlled or administrated by or for the franchisor.</p>

11 Supply of Goods or Services by a Franchisee

11.1	For the franchisor's requirements for the supply of goods or services by a franchisee—details of:	
(a)	Restrictions on goods or services the franchisee may supply.	Complimentary lines that don't dominate. Refer clause 4.5(a)-(c) of the Membership Agreement - attached.
(b)	Restrictions on the persons to whom the franchisee may supply goods or services.	Must not supply exclusive product to non-Choices Flooring resellers. There are no restrictions on retail sales. Refer clauses 4.2(f) and (g) of the Membership Agreement - attached.
(c)	Whether the franchisee must supply the whole range of the goods or services of the franchise.	No. However, the member is expected to give adequate and reasonable support to lines available from the group's preferred suppliers. Refer clause 5.4 and 5.5 of the Membership Agreement - attached.

12 Supply of Goods or Services – Online Sale

12.1	Details of whether the franchisee may make available online:	
	(a) goods of the same type or brand	No
	(b) services of the same type	No
12.2	If goods or services may be made available online by the franchisee, the following information:	
	(a) whether the franchise agreement restricts, or places conditions on, the franchisee's ability to make those goods and services available online	N/A
	(b) whether goods or services may be made available via a third-party website, and if so, specified restrictions or conditions by the franchisor on the franchisee's use of a third party website	N/A
	(c) the extent to which those goods or services may be supplied outside the territory of the franchise	N/A
12.3	Details of whether:	
	(a) the franchisor or an associate of the franchisor makes, or expects to make, goods or services available online	Yes
	(b) other franchisees make, or expects to make, goods or services available online	No
12.4	If goods or services are made, or are expected to be made, available online by the franchisor, an associate of the franchisor or other franchisees, the following information:	
	(a) the extent to which those goods or services may be supplied in the territory of the franchise	The franchisor may make goods available online in Australia on behalf of member with proceeds directed to the relevant member, per 12.5 below.
	(b) in the case of goods or services made available via a third-party website—the domain name or URL of the third-party website	N/A
12.5	Details of any profit-sharing arrangements that apply in relation to goods or services made available online and would affect the franchisee, and whether these arrangements may be unilaterally changed by the franchisor.	
	All proceeds from online sale will be directed to the member based on PMA.	

13 Sites or Territories

13.1 The policy of the franchisor, or an associate of the franchisor, for selection of as many of the following as are relevant:

- (a) the site to be occupied by the franchised business;
- (b) the territory in which the franchised business is to operate.

Generally, Newfurn does not select sites. Prospective members with an existing site are assessed for their suitability in terms of location, exterior presence and quality, size, internal appearance, and signage potential. If the site is deemed unsuitable, the prospective member will not be admitted unless an alternative site is adopted, or if possible, alterations made to the site.

13.2 Details of whether the territory or site to be franchised has, in the previous 10 years, been subject to a franchised business operated by a previous franchise granted by the franchisor and, if so, details of the franchised business, including the circumstances in which the previous franchisee ceased to operate.

Has the territory or site to be occupied by a member been subject to a previous membership granted by Newfurn?

NO *(delete as appropriate)*

YES *(provide details below)*

Name of the Store:

Address:

If the territory or site to be offered to a member has been subject to a membership agreement operated by a previous member, then details of the business, including the circumstances in which the previous member ceased to operate that business are attached to this document at Annexure 11.

13.3 Details of whether the franchisor, or an associate of the franchisor, has an interest in a lease that will be used for the operation of the franchised business, including an interest as a landlord of head lessee, or another interest disclosed under section 13 of the Franchising Code.

If Newfurn, or an associate of Newfurn, has an interest in a lease that will be used for the operation of the franchised business, including an interest as a landlord or head lessee, or another interest disclosed under section 13 of the Franchising Code, this information will be provided at the same time that this Disclosure Document is provided to the franchisee.

13.4 The details mentioned in item 13.2 and 13.3 must be provided:

- (a) in a separate document; and
- (b) with the disclosure document.

Refer to ANNEXURE 11 if applicable

14 Other Payments

<i>Prepayments</i>									
14.1	If the franchisor requires a payment before the franchise agreement is entered into—why the money is required, how the money is to be applied and who will hold the money.								
14.2	The conditions under which a payment will be refunded. Newfurn requires a payment before the Membership Agreement is entered into, in accordance with the following details.								
	<table border="1"> <tr> <td>Why is the money required?</td> <td>For purchase of shares in Newfurn Floor Coverings Limited and to apply to initial costs in relation to joining e.g. signage, orientation and administration.</td> </tr> <tr> <td>How is the money to be applied?</td> <td>\$4,000 toward 4,000 ordinary shares of \$1.00 each in Newfurn Floor Coverings Ltd. Up to \$20,000 (plus 10% GST) toward joining costs includes an allowance for external signage and training.</td> </tr> <tr> <td>Who will hold the money?</td> <td>Newfurn Floor Coverings Ltd</td> </tr> <tr> <td>What are the conditions under which the payment will be refunded?</td> <td>Entire amount will be refunded if a potential member declines membership during the cooling off period. (i.e., within 7 days after the earlier of entering the Agreement or paying money under the Agreement). If a member leaves the group after admission and after the cooling off period, \$4,000 will be refunded, representing the investment in 4,000 ordinary shares of \$1.00 each.</td> </tr> </table>	Why is the money required?	For purchase of shares in Newfurn Floor Coverings Limited and to apply to initial costs in relation to joining e.g. signage, orientation and administration.	How is the money to be applied?	\$4,000 toward 4,000 ordinary shares of \$1.00 each in Newfurn Floor Coverings Ltd. Up to \$20,000 (plus 10% GST) toward joining costs includes an allowance for external signage and training.	Who will hold the money?	Newfurn Floor Coverings Ltd	What are the conditions under which the payment will be refunded?	Entire amount will be refunded if a potential member declines membership during the cooling off period. (i.e., within 7 days after the earlier of entering the Agreement or paying money under the Agreement). If a member leaves the group after admission and after the cooling off period, \$4,000 will be refunded, representing the investment in 4,000 ordinary shares of \$1.00 each.
Why is the money required?	For purchase of shares in Newfurn Floor Coverings Limited and to apply to initial costs in relation to joining e.g. signage, orientation and administration.								
How is the money to be applied?	\$4,000 toward 4,000 ordinary shares of \$1.00 each in Newfurn Floor Coverings Ltd. Up to \$20,000 (plus 10% GST) toward joining costs includes an allowance for external signage and training.								
Who will hold the money?	Newfurn Floor Coverings Ltd								
What are the conditions under which the payment will be refunded?	Entire amount will be refunded if a potential member declines membership during the cooling off period. (i.e., within 7 days after the earlier of entering the Agreement or paying money under the Agreement). If a member leaves the group after admission and after the cooling off period, \$4,000 will be refunded, representing the investment in 4,000 ordinary shares of \$1.00 each.								
<i>Establishment costs</i>									
14.3	<p>Details of the range of costs to start operating the member’s business, based on current practice, for the following matters:</p> <ul style="list-style-type: none"> (a) real property, including property type, location and building size; (b) equipment, fixtures, other fixed assets, construction, remodelling, leasehold improvements and decorating costs; (c) inventory required to begin operation; (d) security deposits, utility deposits, business licences, insurance and other prepaid expenses; (e) additional funds, including working capital, required by the franchisee before operations begin; (f) other payments by a franchisee to begin operations. 								
14.4	<p>For item 14.3, the details for each payment must include:</p> <ul style="list-style-type: none"> (a) a description of the payment; and (b) the amount of the payment or the formula used to work out the payment; and (c) to whom the payment is made; and (d) when the payment is due; and (e) whether the payment is refundable and, if so, under what conditions. 								
14.5	<p>For item 14.4, if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount.</p> <p>The following items detail the broad estimated range of costs to start operating a Choices Flooring business based on the current practice of existing members. All information disclosed is an indicative guide only.</p> <p>It is recommended that the member seeks independent financial advice in relation to these items prior to signing the membership agreement.</p>								

14.5	<i>For a new site...</i>	
(cont)	Expenditures	Comment
	(a) Real property including property type, location building size.	No guide is given in relation to the value of a property that is chosen to be purchased or leased. This would depend on its location and size. However, generally a site of 300 to 400 square metres is considered ideal. If leased, the rental cost should ideally not exceed 5% of retail turnover. Rentals are usually payable monthly in advance to the owner of the premises, or their agent. These payments are non-refundable.*
	(b) Equipment fixtures, other fixed assets, construction, remodelling, leasehold improvements, decorating costs.	This is very dependent on the standard and size of the building. Ideally it should feature a suspended ceiling (or similar) in the retail area. A full fitout conducted in accordance with the group's preferred guidelines, generally costs between \$150,000 and \$300,000 (plus 10% GST). Most of the costs will be incurred by Newfurn and recharged to the member. It is either repayable in full at the completion of the works or over a period of up to eighteen months if a loan facility is offered. The costs are generally not refundable, although if the membership was terminated by either party, Newfurn may consider purchasing some of the fittings. The costs associated with equipment, such as computers, furniture, storage racking, forklift, etc. may range between \$10,000 and \$50,000 (plus 10% GST).*
	(c) Inventory required to begin operation.	Newfurn would suggest that some inventory is required. This includes some basic and popular carpet styles, underlay and accessories. Newfurn suggests that inventory required to begin operation would range between \$50,000 and \$150,000 (plus 10% GST). If purchased in the month of commencement, the inventory will be payable 30 days after the end of the commencement month by electronic funds transfer, principally to Newfurn, except for any purchases from non-preferred suppliers. Purchases of inventory are usually only refundable in accordance with any goods return procedures of the various suppliers.*
	(d) Security deposits, utility deposits, business licences, insurance and other prepaid expenses.	This amount will vary depending upon a number of operational factors, in particular - inventory holdings, level and aging of debtors and operational costs. The prospective member should undertake a full financial analysis and prepare fully detailed budgets, with the assistance of financial advisors.*
	(e) Additional funds, including working capital, required by the member before operations begin.	This amount will vary depending upon a number of operational factors, in particular - inventory holdings, level and aging of debtors and operational costs. The prospective member should undertake a full financial analysis and prepare fully detailed budgets, with the assistance of financial advisors.*

14.5 (cont)	(f) Other payments by a member to begin operations	Joining and ongoing membership costs – refer to other payments below. Security for the trading account up to two months' purchase.
<p><i>**The amount of expenditure for each of these items will be determined depending on a number of factors including physical size of the store, location of the store, particularly whether it is in a country, regional or metropolitan location, size of the territory, and</i></p> <p><i>(i) in the case of the equipment, the member's preference as to quality of equipment, particularly whether the equipment is new or second-hand, and</i></p> <p><i>(ii) in the case of inventory, whether immediate delivery is available to the store.</i></p>		
For an existing site...		
Expenditures		Comment
(a)	Real property including property type, location, building size	Generally, the prospective member's existing premises remain as the place of business. Newfurn takes no financial or legal interest in the premises. The cost to the member of the premises will depend on its location and size. However, generally a site of 300 to 400 square metres is considered ideal. If leased, the rental cost should ideally not exceed 5% of retail turnover. Rentals are usually payable monthly in advance to the owner of the premises, or their agent. These payments are non-refundable.*
(b)	Equipment fixtures, other fixed assets, construction, remodelling, leasehold improvements, decorating costs	This is very dependent on the standard and size of the building. Ideally it should feature a suspended ceiling (or similar) in the retail area. A full fit-out conducted in accordance with the group's preferred guidelines, generally costs between \$100,000 and \$250,000 (plus 10% GST). Most of the costs will be incurred by Newfurn and recharged to the member. It is either repayable in full at the completion of the works or over a period of up to eighteen months if a loan facility is offered. The costs are generally not refundable, although if the membership was terminated by either party, Newfurn may consider purchasing some of the fittings. The costs associated with equipment, such as computers, furniture, storage racking, forklift, etc may range between \$10,000 and \$50,000 (plus 10% GST).*
(c)	Inventory required to begin operation	There is no requirement to maintain or increase the level of inventory upon a prospective member joining the group. Generally, prospective members reduce their inventory holdings in the medium term (12 months) upon joining. Newfurn suggests that inventory required to begin operation would range between \$50,000 and \$150,000 (plus 10% GST). If purchased in the month of commencement, the inventory will be payable 30 days after the end of the commencement month by electronic funds transfer, principally to Newfurn, except for any purchases from non-preferred suppliers. Purchases of inventory are usually only refundable in accordance with any goods return procedures of the various suppliers.*

14.5 (cont)	(d)	Security deposits, utility deposits, business licences, insurance and other prepaid expenses	Newfurn does not require any change to existing arrangements already in place by the member, and the member will have details of these expenses.*
	(e)	Additional funds, including working capital, required by the member before operations begin	This amount will vary depending upon a number of operational factors, in particular – inventory holdings, level and aging of debtors and operational costs. The prospective member should undertake a full financial analysis and prepare fully detailed budgets, with the assistance of financial advisors. As a consequence of group membership, the prospective member's working capital needs are likely to change due to inventory levels and sales turnover varying.*
	(f)	Other payments by a member to begin operations	Joining and ongoing membership costs – refer to other payments below. Security for the trading account up to two months' purchase.
	<p><i>*The amount of expenditure for each of these items will be determined depending on a number of factors including physical size of the store, location of the store, particularly whether it is in a country, regional or metropolitan location, size of the territory, and</i></p> <p><i>(i) in the case of the equipment, the member's preference as to quality of equipment, particularly whether the equipment is new or second-hand, and</i></p> <p><i>(ii) in the case of inventory, whether immediate delivery is available to the store.</i></p>		

Other payments

- 14.6 For each recurring or isolated payment payable by the franchisee to the franchisor or an associate of the franchisor or to be collected by the franchisor or an associate of the franchisor for another person:
- (a) description of the payment; and
 - (b) amount of the payment or formula used to work out the payment; and
 - (c) to whom the payment is made; and
 - (d) when the payment is due; and
 - (e) whether the payment is refundable and, if so, under what conditions.

Isolated or recurring payments by member to be collected by Newfurn.

Description of payment	Estimated amount or estimated low-high range or formula	To whom the payment is made	When the payment is due	Whether refundable, if so under what conditions
Membership Levy	\$570 per store (plus 10% GST) with 50% discount on additional store owned by the same member	Newfurn Floor Coverings Ltd	Monthly in arrears 30 days from date of statement	No
Group Support Levy	1% on the total amount of floor coverings purchased through the Group	Newfurn Floor Coverings Ltd	Monthly in arrears 30 days from date of statement	No
Point of Sale Levy	\$140 per store (plus 10% GST)	Newfurn Floor Coverings Ltd	Monthly in arrears 30 days from date of statement	No

14.6 (cont)	Marketing Fund Contribution	Base levies are between \$739 to \$7523 per month, dependant on regional locations within Australia (plus 10% GST). Additional contributions range between \$0 to \$295 per month dependant on regional locations within Australia (plus 10% GST)	Newfurn Floor Coverings Ltd	Monthly in arrears 30 days from date of statement	No
14.7	For each recurring or isolated payment, that is within the knowledge or control of the franchisor or is reasonably foreseeable by the franchisor, that is payable by the franchisee to a person other than the franchisor or an associate of the franchisor:				
	<ul style="list-style-type: none"> (a) a description of the payment; and (b) the amount of the payment or formula used to work out the payment; and (c) to whom the payment is made; and (d) when the payment is due; and (e) whether the payment is refundable and, if so, under what conditions. 				
	Other foreseeable payments				
	Isolated or recurring payment by member that is within the knowledge or control of Newfurn or is foreseeable by Newfurn				
	Description of payment	Estimated amount or estimated low-high range or formula	To whom the payment is made	When the payment is due	Whether refundable, if so under what conditions
	BOS & MYOB License fee	\$520 (plus 10% GST)	Newfurn Floor Coverings Ltd	Monthly in arrears 30 days from date of statement	No
	Unforeseen significant capital expenditure				
	The Member may be required to carry out refurbishment to the premises to the standard and quality determined from time to time by Newfurn under the Membership Agreement. The relevant lease that the Member signs to may also specify refurbishment requirements. The amount of this payment will depend on the size, condition, location and scale of refurbishment, but may range from costs between \$150,000 and \$300,000 (plus 10% GST).				
14.8	For item 14.6 or 14.7, if the amount of the payment cannot easily be worked out—the upper and lower limits of the amount.				
14.9	If 2 or more of items 14.1, 14.3 and 14.6 apply to a payment, the information required by those items in relation to that payment need be set out only once.				
14.10	To avoid doubt, this item covers a payment of significant capital expenditure.				

15 Marketing or Other Co-operative Funds

15.1	For each marketing or other cooperative fund, controlled or administered by or for the franchisor, to which the franchisee may be required to contribute, the following details: Newfurn, by itself or on its behalf, controls and administers a marketing fund for members.
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15.1 (cont)	(a) The kinds of persons who contribute to the fund (e.g. franchisee, franchisor, outside supplier)	Members, Suppliers and Newfurn				
	(b) How much the franchisee must contribute to the fund and whether other franchisees must contribute at a different rate	<p>Depends whether metropolitan or country location. See details at 14.3 of this document.</p> <p>Base levies are between \$739 to \$7523 per month, dependant on regional locations within Australia (plus 10% GST).</p> <p>Additional contributions range between \$0 to \$295 per month dependant on regional locations within Australia (plus 10% GST) A concession also applies for each branch store for an establishment period. However, the members in each region agree on the level of additional regional levies contribution by a majority vote.</p>				
	(c) Who controls or administers the fund?	Newfurn				
	(d) Whether the fund is audited and, if so, by whom and when Name of Auditor: Firm: Financial Year Audited: Date of Audit Report:	<p>Yes.</p> <p>Kristian Lunardello Haines Muir Hill Year ended 30 June 2021 27 September 2021</p>				
	(e) How the fund's financial statements be inspected by franchisees	The funds financial statements can be inspected by or given to members and is provided within the annual report distributed in October of each year.				
	(f) The kinds of expenses for which the fund may be used	Advertising campaigns, members events, local special funding e.g. launches of new member stores, point of sale material etc.				
	(g) The fund's expenses for the last financial year, including the percentage spent on production, advertising, administration, and other stated expenses.	<table> <tr> <td>Production</td> <td>26% (\$2,190,435)</td> </tr> <tr> <td>Media</td> <td>74% (\$6,283,149)</td> </tr> </table> <p>(includes POS, product branding, Google, on hold music, research, store identification, miscellaneous)</p> <p>A breakdown of these figures is provided at Annexure 5.</p>	Production	26% (\$2,190,435)	Media	74% (\$6,283,149)
	Production	26% (\$2,190,435)				
	Media	74% (\$6,283,149)				
(h) Whether the franchisor, master franchisor or an associate of either of them supplies goods or services which the fund pays, and if so, details of the goods or services?	No					
(i) (i) Whether the franchisor or master franchisor must spend part of the fund on marketing or promoting the member's business?	Yes. All the funds are spent either promoting the group as a whole, or individual members, generally on a regional basis.					

15.1 (cont)	(j) If Newfurn were to own or operate a business that is substantially the same as the member's business would the contribution be worked out in the same way as for a member?	Yes. Newfurn would be required to make contributions as if it were a member.
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16 Financing

16.1	The material conditions of each financing agreement that the franchisor, its agent or an associate of the franchisor offers to the franchisee for establishment or operation of the franchised business.	
16.2	For item 16.1, the material conditions of a financing arrangement include the following:	
	(a) any requirement that the franchisee must provide a minimum amount of unborrowed working capital for the franchised business;	Newfurn may or may not offer financing arrangements to the member for the establishment or operation of the member business, in the form of an interest free or interest-bearing loan to fund a store refit to a standard acceptable to Choices Flooring.
	(b) any requirement that a franchisee must meet a stated debt to equity ratio in relation to the franchised business.	If financing arrangements are offered, please refer to the sample agreement attached. In the event that Newfurn does provide finance to a member by way of a loan or otherwise, then Newfurn may require the Member to agree to certain restraints that are set out in the Membership Agreement.

17 Unilateral Variation of Franchise Agreement

17.1	The circumstances in which the franchisor has unilaterally varied a franchise agreement in the last 3 financial years (including, if applicable, financial years before this code came into force), other than variations of a minor nature. Not Applicable.	
17.2	The circumstances in which the franchise agreement may be varied, unilaterally, by the franchisor in the future. Not Applicable.	

17B Ways of ending the franchise agreement early

17B.1	<p>A summary of the rights the franchisor has under the franchise agreement to terminate the franchise agreement before it expires, and the circumstances in which those rights may be exercised.</p> <p>Newfurn may terminate the Membership Agreement and the membership if:</p> <p>(a) a default event occurs; and</p> <p>(b) Newfurn gives to the member a written notice which:</p> <ul style="list-style-type: none"> (i) specifies the event of default; (ii) tells the member what Newfurn wants the member to do to remedy the event of default; (iii) gives the member a reasonable time (which need not be more than 30 days) to remedy the event of default; (iv) states that Newfurn proposes to terminate the membership agreement and the membership if the event of default is not remedied within that time; and <p>(c) the member does not remedy the event of default within the time allowed by a notice used under clause 21 of the Membership Agreement.</p>	
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17B.1 (cont)	<p>Termination for special circumstances</p> <p>(a) Newfurn may terminate the Membership Agreement by giving the member no less than 7 days written notice of the proposed termination and the ground for it:</p> <ul style="list-style-type: none"> (i) if the member no longer holds a licence which the member must hold to carry on the membership; or (ii) if the member becomes bankrupt, under administration or a Chapter 5 body corporate; or (iii) in the case of a member that is a company – become deregistered by the Australian Securities and Investment Commission; or (iv) voluntarily abandons the business or the membership; or (v) is convicted of a serious offence (as defined in the Franchising Code of Conduct); or (vi) operates the business in a way that endangers public health or safety; or (vii) is fraudulent in connection with the operation of the business.
17B.2	<p>A summary of the rights the franchisee has under the franchise agreement to terminate the franchise agreement before it expires, and the circumstances in which those rights may be exercised.</p> <p>Termination during cooling off period – the member may terminate the Membership Agreement during any applicable cooling off period in accordance with the Franchising Code of Conduct.</p> <p>The Member may terminate the Membership Agreement at any time on 30 days prior written notice to Newfurn.</p> <p>Request for early termination – the member may request an early termination of the Membership Agreement and give reasons for doing so. Newfurn must respond to this request within 28 days and, if the request is denied, provide reasons.</p>

18 Term of agreement and arrangements to Apply at the End of the Franchise Agreement

18.1	<p>Details of arrangements to apply at the end of the franchise agreement, including:</p> <ul style="list-style-type: none"> aa) the term of the franchise agreement. a) whether the prospective franchisee will have an option to: <ul style="list-style-type: none"> (i) renew the franchise agreement; or (ii) enter into a new franchise agreement; and b) whether the prospective franchisee will be able to extend the term of the franchise agreement, and if so, the process the franchisor will use to determine whether to extend the term of the franchise agreement; and c) if the prospective franchisee will have an option to renew the franchise agreement—whether the prospective franchisee will be entitled to compensation at the end of the agreement if it is not renewed and, if so, how that compensation will be determined; and d) details of the arrangements that will apply to unsold stock, marketing material, equipment and other assets purchased when the franchise agreement was entered into, including: <ul style="list-style-type: none"> (i) whether the franchisor will purchase the stock, marketing material, equipment and other assets; and (ii) if the franchisor is to purchase the stock, marketing material, equipment and other assets—how prices will be determined; and
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18.1 (cont)	<p>e) whether the prospective franchisee will have the right to sell the business at the end of the franchise agreement; and</p> <p>f) if the prospective franchisee will have the right to sell the business at the end of the franchise agreement—whether the franchisor will have first right of refusal, and how market value will be determined; and</p> <p>fa) the prospective franchisee’s rights relating to any goodwill generated by the franchisee (including, if the franchisee does not have a right to any goodwill, a statement to that effect); and</p> <p>g) whether the franchisor will consider any significant capital expenditure undertaken by the franchisee during the franchise agreement, in determining the arrangements to apply at the end of the franchise agreement; and</p> <p>h) whether the franchise agreement includes a restraint of trade or similar clause.</p> <p>Not applicable. There is no set end date for the Membership Agreement and it continues until a party terminates it, by Newfurn on unremedied breach or by the Member on giving 30 days’ notice.</p>
18.2	<p>Details of whether the franchisor has, in the last 3 financial years, considered any significant capital expenditure undertaken by franchisees, in determining the arrangements to apply at the end of franchise agreements between the franchisor and those franchisees.</p> <p>Not applicable. There is no end date for the Membership Agreement</p>
18.3	<p>If the franchisee does not have the option to renew the franchise agreement, the following statement must be included in size 12 font and bold:</p> <p>The franchisee does not have the option to renew the franchise agreement. At the end of the franchise agreement, the franchisor may, but does not have to, extend the term of the agreement. If the franchisor does not extend the term of the agreement, the franchise agreement ends and the franchisee no longer has a right to carry on the franchised business.</p>
18.4	<p>If the franchisee cannot extend the term of the franchise agreement, the following statement must be included in size 12 font and bold:</p> <p>The franchisee cannot extend the term of the franchise agreement. At the end of the franchise agreement, the franchisor may, but does not have to, extend the term of the agreement. If the franchisor does not do so, the franchise agreement ends and the franchisee no longer has a right to carry on the franchised business.</p>
18.5	<p>If the franchisee:</p> <p>(a) does not have the option to renew the franchise agreement; and</p> <p>(b) cannot extend the term of the franchise agreement;</p> <p>the following statement must be included in size 12 font and bold:</p> <p>The franchisee does not have the option to renew the franchise agreement and cannot extend the term of the franchise agreement. At the end of the franchise agreement, the franchisor may, but does not have to, extend the term of the agreement. If the franchisor does not extend the term of the agreement, the franchise agreement ends and the franchisee no longer has a right to carry on the franchised business.</p>

19 Amendment of Franchise Agreement on Transfer of Franchise

19.1 Whether the franchisor will amend (or require the amendment of) the franchise agreement on or before the transfer of the franchise.

New Membership Agreement must be signed by the new member.

20 Earnings Information

20.1 If the franchisor proposes to give earning information, the franchisor must give it in the disclosure document or in a separate document attached to the disclosure document.

Not applicable. Newfurn does not give earning information.

20.1A If the franchisor gives earnings information to a prospective transferee or a franchisee before giving the prospective franchisee or franchisee a copy of the disclosure document relating to the franchise, the franchisor must also give the prospective franchisee or franchisee earnings information in the disclosure document or an attachment to it.

Not applicable. Newfurn does not give earning information.

20.2 Earnings information includes the following information:

(a) historical earnings data for:

- (i) the franchised business; or
- (ii) a franchise in the franchise system;

(b) if subparagraph (a)(ii) applies—any differences between the franchise in the franchise system and the franchised business;

(c) projected earnings for the franchised business and the assumptions on which those projections are based;

(d) any other information from which historical or future earnings information of the franchised business can be assessed.

20.2A If earnings information is given by the franchisor in the disclosure document or an attachment to it – the following statement:

To the best of the franchisor's knowledge, the earnings information given is accurate (other than particular earnings information specified in the document as earnings information that the franchisor knows is not accurate).

20.3 If earnings information is not given, the following statement;

The franchisor does not give earnings information about a group business.

Earnings may vary between franchises.

The franchisor cannot estimate earnings for a particular franchise.

In the case of a sale of an existing business by a Newfurn member, if any earnings information is provided, it may be provided by the existing member or its agents to the prospective purchaser. Newfurn provides no warranty or representation whatsoever for the accuracy, validity or appropriateness of such information. Newfurn strongly recommends that the prospective member seek independent advice from a qualified accountant and business consultant with reference to any information that has been provided.

20.4	<p>Earnings information that is a projection or forecast must include the following details:</p> <ul style="list-style-type: none"> (a) the facts and assumptions on which the projection or forecast is based; (b) the extent of enquiries and research undertaken by the franchisor and any other compiler of the projection or forecast; (c) the period to which the projection or forecast relates; (d) an explanation of the choice of the period covered by the projection or forecast; (e) whether the projection or forecast includes depreciation, salary for the franchisee and the cost of servicing loans; (f) assumptions about interest and tax.
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21 Financial Details

21.1	<p>A statement of the franchisor's solvency that:</p> <ul style="list-style-type: none"> (a) reflects the franchisor's position: <ul style="list-style-type: none"> (i) at the end of the last financial year; or (ii) if the franchisor did not exist at the end of the last financial year – at the date of the statement; and (b) is signed by at least one director of the franchisor; and (c) gives the director's opinion as to whether there are reasonable grounds to believe that the franchisor will be able to pay its debts as and when they fall due. <p>Statement attached at Annexure 7.</p>
21.2	<p>Financial reports for each of the last 2 completed financial years in accordance with sections 295 to 297 of the <i>Corporations Act 2001</i>, or as a foreign equivalent of that Act applicable to the franchisor, prepared by the franchisor.</p> <p>Not applicable.</p> <p><i>NOTE:</i> See also items 21.4 to 21.6</p>
21.3	<p>If:</p> <ul style="list-style-type: none"> (a) the franchisor is part of a consolidated entity that is required to provide audited financial reports under the <i>Corporations Act 2001</i>, or a foreign equivalent of that Act applicable to the consolidated entity; and (b) a franchisee requests those financial reports; <p>financial reports for each of the last 2 completed financial years, prepared by the consolidated entity.</p> <p>Not applicable.</p> <p><i>NOTE:</i> See also items 21.4 to 21.6</p>

21.4	<p>Items 21.2 and 21.3 do not apply if:</p> <ul style="list-style-type: none"> (a) the statement under item 21.1 is supported by an independent audit provided by: <ul style="list-style-type: none"> (i) a registered company auditor; or (ii) if the franchisor is a foreign franchisor – a foreign equivalent for that franchisor; within 4 months after the end of the financial year to which the statement relates; and (b) a copy of the independent audit is provided with the statement under item 21.1. <p>Audit statement attached at Annexure 8.</p>
21.5	<p>If the franchisor or a consolidated entity (the <i>entity</i>) has not existed for 2 or more financial years, then instead of providing the financial reports mentioned in item 21.2 or 21.3, the following:</p> <ul style="list-style-type: none"> (a) a statutory declaration of the entity's solvency; (b) an independent audit report on the entity's solvency as at the date of the entity's declaration. <p>Not applicable.</p>
21.6	<p>If the franchisor or a consolidated entity (the <i>entity</i>) was insolvent in either or both of the last 2 completed financial years, the following:</p> <ul style="list-style-type: none"> (a) a statement of the period during which the entity was insolvent; (b) a statutory declaration of the entity's solvency; (c) an independent audit report on the entity's solvency as at the date of the entity's declaration. <p>Not applicable.</p>

22 Updates

22.1	Any information given under clause 17 that has changed between the date of the disclosure document and the date the disclosure document is given under the code is attached in Annexure 4 .
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23 Receipt

23.1	<p>On the last page of the disclosure document:</p> <ul style="list-style-type: none"> (a) a statement to the effect that the prospective franchisee may keep the disclosure document; and (b) a form on which the prospective franchisee can acknowledge receipt of the disclosure document. <p>23.1 (b) Please refer to Annexure 16 for the acknowledgement of the receipt of this Disclosure Document.</p>
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24 Other Relevant Disclosure Information

24.1	Copy of the Membership Agreement attached at Annexure 9 .
24.2	Copy of the Franchise Code of Conduct attached at Annexure 10 .
24.3	Financial reports for last 2 financial years attached at Annexure 14 .
24.2	Copy of example Loan Refurbishment Agreement attached (if applicable) attached at Annexure 6 .

ANNEXURE 1

Details of all existing Members (franchisee stores)

	Member Store	Business address if not the members residential address	Business phone number	Store Number	Year member started or joined the group business
1.	Choices Flooring Wagga	44 Hammond Avenue, WAGGA WAGGA NSW 2650	(02) 6931 9500	1206	1995
2.	Choices Flooring by Brights	61 George Street, BATHURST NSW 2795	(02) 6331 4866	1207	1996
3.	Choices Flooring by Bel Air	170 Dalton Street, ORANGE NSW 2800	(02) 6361 7575	1208	1996
4.	Choices Flooring Young	Shop 6, 103 Lovell Street, YOUNG NSW 2594	(02) 6382 3991	1209	1996
5.	Choices Flooring Tamworth	Longyard Homemakers Centre, 383-391 Goonoo Goonoo Road, TAMWORTH NSW 2340	(02) 6765 5513	1210	1996
6.	Choices Flooring Parkes	Cnr Clarke & Royal Street, PARKES NSW 2870	(02) 6863 4463	1211	2017
7.	Choices Flooring Coffs Harbour	48 Park Avenue, COFFS HARBOUR NSW 2450	(02) 6652 2473	1212	1997
8.	Choices Flooring Fyshwick	Unit 2, 4 Wiluna Street, FYSHWICK ACT 2609	(02) 6280 4500	1216	1997
9.	Choices Flooring Batemans Bay	79 Princes Highway, BATEMANS BAY NSW 2536	(02) 4472 7001	1217	2019
10.	Choices Flooring Tuggerah	Shop 3, 128 Pacific Hwy, TUGGERAH NSW 2259	(02) 4351 1550	1219	1997
11.	Choices Flooring Penrith	131 Coreen Avenue, PENRITH NSW 2750	(02) 4731 4242	1222	1998
12.	Choices Flooring Blacktown	71 Richmond Road, BLACKTOWN NSW 2148	(02) 9671 1800	1222.2	1998
13.	Choices Flooring by Godfreys	26A Riverview Street, NORTH RICHMOND NSW 2754	(02) 4571 2300	1227	1998
14.	Choices Flooring Albion Park Rail	21 Princes Highway, ALBION PARK RAIL NSW 2527	(02) 4257 1877	1229	1998
15.	Choices Flooring Erina	3/188 The Entrance Road, ERINA NSW 2250	(02) 4367 7329	1233	2017
16.	Choices Flooring North Bega	32-34 West Street, NORTH BEGA NSW 2550	(02) 6492 4496	1239	2000
17.	Choices Flooring Greenhills East Maitland	Shop 2, 4 Molly Morgan Drive, East Maitland NSW 2323	(02) 4932 5122	1241.4	2001
18.	Choices Flooring Heatherbrae	2310 Pacific Highway, HEATHERBRAE NSW 2324	(02) 4983 1883	1241.8	2009
19.	Choices Flooring Adamstown	5/122 Garden Grove Parade, Adamstown Heights NSW 2289	(02) 4952 1835	1241.9	2010
20.	Choices Flooring Port Stephens	Homemaker Centre, 86 Port Stephens Drive, TAYLORS BEACH NSW 2316	(02) 4982 2522	1242	2001
21.	Choices Flooring Caringbah	U1, 59 Captain Cook Drive, CARINGBAH NSW 2229	(02) 9524 3755	1243	2002
22.	Choices Flooring Silverwater	113 Silverwater Road, SILVERWATER NSW 2128	(02) 9748 6846	1245	2016
23.	Choices Flooring Fairy Meadow	81 Princess Highway, FAIRY MEADOW NSW 2519	(02) 4225 0900	1247	2004
24.	Choices Flooring Alexandria	591 Botany Road, ALEXANDRIA NSW 2015	(02) 9319 0551	1248	2004
25.	Choices Flooring Castle Hill	Unit 9, 7-13 Victoria Avenue, CASTLE HILL NSW 2154	(02) 9680 1340	1250	2005
26.	Choices Flooring Armidale	53 Bundarra Road, ARMIDALE NSW 2350	(02) 6772 7999	1255	2007
27.	Choices Flooring Narellan	Units 2&3, 1 Yarmouth Place, NARELLAN NSW 2567	(02) 4647 2888	1256	2008

	Member Store	Business address if not the members residential address	Business phone number	Store Number	Year member started or joined the group business
28.	Choices Flooring Mitchell	23-41 Lysaght Street, MITCHELL ACT 2911	(02) 6241 9555	1258	2009
29.	Choices Flooring Belconnen	Cnr Lathlain & Cohen Streets, BELCONNEN ACT 2617	(02) 6251 1030	1258.1	2009
30.	Choices Flooring Nowra South	212 Princes Hwy, NOWRA SOUTH NSW 2541	(02) 4421 3833	1260	2011
31.	Choices Flooring Port Macquarie	191 Lake Road, PORT MACQUARIE NSW 2444	(02) 6581 1851	1261	2012
32.	Choices Flooring Balgowlah	192 Condamine Street, BALGOWLAH NSW 2093	(02) 9907 9077	1262	2014
33.	Choices Flooring Southern Highlands	Shop 1, Cavendish Centre, Cavendish Street, MITTAGONG NSW 2575	(02) 4872 2158	1263	2014
34.	Choices Flooring Forster	31 Breese Parade, FORSTER NSW 2428	(02) 6555 5334	1264	2014
35.	Choices Flooring Hornsby	55 Hunter Street, HORNSBY NSW 2077	(02) 9477 3857	1265	2015
36.	Choices Flooring St Leonards	30 Albany Street, ST LEONARDS NSW 2065	(02) 8355 5925	1266	2015
37.	Choices Flooring Dubbo	138 Erskine Street, DUBBO NSW 2830	(02) 6885 3397	1267	2017
38.	Choices Flooring Warners Bay	Unit 4A/10 Medcalf Street, WARNERS BAY NSW 2282	(02) 4954 5511	1268	2019
39.	Choices Flooring Goulburn	Unit 3, 104-110 Hume Street, Coulburn NSW 2580	(02) 4822 2795	1269	2020
40.	Choices Flooring Byron Bay	12/70 Centennial Circuit, BYRON BAY, NSW 2481	(02) 6685 5503	1271	2021
41.	Choices Flooring Niddrie	400 Keilor Road, NIDDRIE VIC 3042	(03) 9379 2900	1301	2003
42.	Choices Flooring Moorabbin	893 Nepean Highway, MOORABBIN VIC 3189	(03) 9557 3300	1302	2003
43.	Choices Flooring Wodonga	47 High Street, WODONGA VIC 3690	(02) 6024 2200	1303	2004
44.	Choices Flooring by Lamberts	211 Settlement Road, THOMASTOWN VIC 3074	(03) 9466 1444	1308	2010
45.	Choices Flooring Shepparton	186 High Street, SHEPPARTON VIC 3630	(03) 5822 2777	1309	2005
46.	Choices Flooring by Smiths	Shop 1, Cnr Bruce Street & Tyabb Road, MORNINGTON VIC 3931	(03) 5975 2600	1310	1993
47.	Choices Flooring by Westside (Horsham)	58 McPherson Street, HORSHAM VIC 3400	(03) 5382 3374	1315	2014
48.	Choices Flooring Colac	229-239 Murray Street, COLAC VIC 3250	(03) 5231 4526	1318	2007
49.	Choices Flooring Bendigo Home Centre	88-94 Strickland Road, EAST BENDIGO VIC 3550	(03) 5443 0144	1319	1993
50.	Choices Flooring by Fletchers	15 Gordon Avenue, GEELONG WEST VIC 3218	(03) 5222 1555	1320	2016
51.	Choices Flooring Hoppers Crossing	230 Old Geelong Road, HOPPERS CROSSING VIC 3029	(03) 8742 2299	1321	2007
52.	Choices Flooring Torquay	Shop 3, 10-12 Winki Way, Torquay Vic 3228	(03) 5261 6279	1322	2020
53.	Choices Flooring Wonthaggi	5 Carneys Road, WONTHAGGI VIC 3995	(03) 5672 2148	1324	2009
54.	Choices Flooring Narre Warren	Shop 1, 1 Vesper Drive, NARRE WARREN VIC 3805	(03) 9796 7733	1325	2011
55.	Choices Flooring Leongatha	10 Koonwarra Road, LEONGATHA VIC 3953	(03) 5662 5030	1326	1994
56.	Choices Flooring by Knights	67-69 Union Street, KYABRAM VIC 3620	(03) 5852 2388	1328	1993
57.	Choices Flooring Nunawading	339 Whitehorse Road, NUNAWADING VIC 3131	(03) 9878 1921	1329	2013
58.	Choices Flooring Frankston	Showroom 2, 24 McMahons Rd, FRANKSTON VIC 3199	(03) 9781 1466	1330	2013
59.	Choices Flooring Parkdale	Shope 2, 355-359 Nepean Highway, PARKDALE VIC 3195	(03) 9590 9322	1332	2016
60.	Choices Flooring by Pughs	295 High Street, ASHBURTON VIC 3147	(03) 9885 6000	1333	2018

	Member Store	Business address if not the members residential address	Business phone number	Store Number	Year member started or joined the group business
61.	Choices Flooring Sunbury	71-73 Vineyard Road, SUNBURY VIC 3429	(03) 9744 2364	1334	2021
62.	Choices Flooring by Stolz (Benalla)	70-80 Nunn Street, BENALLA VIC 3672	(03) 5762 6062	1335	1994
63.	Choices Flooring Albury	516 Nurigong Street, ALBURY NSW 2640	(02) 6042 4828	1339	1993
64.	Choices Flooring by Max Miller (Mildura)	Shop 8, 764 15th Street, MILDURA VIC 3500	(03) 5021 1116	1340	1993
65.	Choices Flooring by Max Miller (Robinvale)	83 Perrin Street, ROBINVALE VIC 3549	(03) 5026 4095	1340.2	1999
66.	Choices Flooring by Thomsons (Euroa)	80 Binney Street, EUROA VIC 3666	(03) 5795 1211	1338	2018
67.	Choices Flooring by Thomsons (Seymour)	8 Station Street, SEYMOUR VIC 3660	(03) 5799 1905	1341.1	2018
68.	Choices Flooring by Swintons (Swan Hill)	120 Campbell Street, SWAN HILL VIC 3585	(03) 5032 3701	1342	1993
69.	Choices Flooring by Aggenbachs	16-20 Tone Road, WANGARATTA VIC 3677	(03) 5721 8900	1361	1993
70.	Choices Flooring by Paulls	54 Langford Street, MOE VIC 3825	(03) 5127 2499	1362	1993
71.	Choices Flooring Ballarat	8 Humffray Street South, BALLARAT VIC 3350	(03) 5332 7584	1367	1993
72.	Choices Flooring Ararat	274-276 Barkly Street, ARARAT VIC 3377	(03) 5352 2899	1375	1994
73.	Choices Flooring Dandy	68 Amberley Crescent, DANDENONG VIC 3175	(03) 9791 9422	1377	1995
74.	Choices Flooring Lilydale	24C John Street, LILYDALE VIC 3140	(03) 9739 5755	1381	1995
75.	Choices Flooring Ferntree Gully	Unit 2B, 881-887 Burwood Highway, FERNTREE GULLY VIC 3156	(03) 9758 8182	1383	2021
76.	Choices Flooring by Westside (Stawell)	38 Ararat Road, STAWELL VIC 3380	(03) 5358 3374	1386	2014
77.	Choices Flooring by Swintons (Warrnambool)	264 Timor Street, WARRNAMBOOL VIC 3280	(03) 5561 1411	1388	2019
78.	Choices Flooring by Watsons	146 Queen Street, WARRAGUL VIC 3820	(03) 5622 3558	1389	1997
79.	Choices Flooring Doncaster	22-24 Manningham Rd West, BULLEEN VIC 3105	(03) 9850 8500	1391	1998
80.	Choices Flooring Hawthorn	544 Burwood Road, Hawthorn Vic 3122	(03) 9859 0300	1392	2020
81.	Choices Flooring Echuca	1/188 Annesley Street, ECHUCA VIC 3564	(03) 5482 3883	1395	2001
82.	Choices Flooring by Braithwaites	155 Commercial Street East, MT GAMBIER SA 5290	(08) 8723 1234	1502	2016
83.	Choices Flooring by Fred Cetta & Sons	635 Lower North East Road, CAMPBELLTOWN SA 5074	(08) 8365 3494	1513	1996
84.	Choices Flooring Keswick	36-38 Richmond Road, KESWICK SA 5035	(08) 8293 3833	1516	2000
85.	Choices Flooring by Kym Woolford	89 Washington Street, PORT LINCOLN SA 5606	(08) 8682 4194	1517	2001
86.	Choices Flooring Parafield	17 Lawrence Hargrave Way Comm Estate, PARAFIELD AIRPORT SA 5106	(08) 8281 0292	1518	2002
87.	Choices Flooring Blackwood	167 Main Road, BLACKWOOD SA 5051	(08) 8370 3899	1526	2011
88.	Choices Flooring by Peter Kay	6 Smart Road, MODBURY SA 5092	(08) 8396 7600	1527	2011
89.	Choices Flooring Eastwood	121 Glen Osmond Road, EASTWOOD SA 5063	(08) 8373 1064	1530	2019
90.	Choices Flooring by Gundrys	143 Great Eastern Highway, MIDLAND WA 6056	(08) 9274 3244	1601	2007
91.	Choices Flooring Joondalup	Unit 2, 182 Winton Road, JOONDALUP WA 6027	(08) 9300 0911	1606	1993

	Member Store	Business address if not the members residential address	Business phone number	Store Number	Year member started or joined the group business
92.	Choices Flooring Kalgoorlie	293 Hannan Street, KAIGOORLIE WA 6430	(08) 9021 4741	1610	2002
93.	Choices Flooring by Dallimores	258 Fitzgerald Street, NORTHAM WA 6401	(08) 9622 1154	1612	1995
94.	Choices Flooring by Kym Nisbet	23 Barlee Street, BUSSELTON WA 6280	(08) 9754 4929	1614	1998
95.	Choices Flooring Margaret River	30 Station Street, MARGARET RIVER WA 6285	(08) 9758 8348	1622	2000
96.	Choices Flooring by G & A	Unit 1, 28 Frobisher Road, OSBORNE PARK WA 6017	(08) 9444 9955	1623	2006
97.	Choices Flooring by Albany Interiors	165 Albany Highway, ALBANY WA 6330	(08) 9841 5555	1624	2011
98.	Choices Flooring Esperance	5A Sheldon Road, ESPERANCE WA 6450	(08) 9071 1200	1627	2013
99.	Choices Flooring Rockingham	11 Dixon Road, ROCKINGHAM WA 6168	(08) 9527 1260	1628	2013
100.	Choices Flooring Geraldton	Shop 1, 74 North West Coastal Hwy, GERALDTON WA 6530	(08) 9964 1866	1629	2013
101.	Choices Flooring Myaree	98 McCoy Street, MYAREE WA 6154	(08) 9330 6001	1630	2013
102.	Choices Flooring Bunbury	Units 2 & 3, 9 Hennessey Road, Bunbury BUNBURY WA 6230	(08) 9791 3522	1631	2014
103.	Choices Flooring Cannington	Shop 2, 34 William Street, BECKENHAM WA 6107	(08) 9458 8334	1633	2017
104.	Choices Flooring Launceston	61 Boland Street, LAUNCESTON TAS 7250	(03) 6344 9555	1702	2009
105.	Choices Flooring Devonport	37 Formby Road, DEVONPORT TAS 7310	(03) 6423 6555	1702.5	2013
106.	Choices Flooring Hobart	79 Brisbane Street, HOBART TAS 7000	(03) 6231 1922	1707	1994
107.	Choices Flooring Kingston	6 Mertonvale Circuit, KINGSTON TAS 7050	(03) 6229 5544	1708	2005
108.	Choices Flooring Burnie	131 Bass Hwy, COOEE TAS 7320	(03) 6431 1555	1709	2008
109.	Choices Flooring by Advance	34 Albert Road, MOONAH TAS 7009	(03) 6228 0028	1710	2020
110.	Choices Flooring by Boxall	13c Tasman Highway, MIDWAY POINT TAS 7171	(03) 6265 2008	1711	2012
111.	Choices Flooring Darwin	406 Stuart Highway, WINNELLIE NT 0820	(08) 8984 3402	1816	2017
112.	Choices Flooring Alice Springs	Shop 3, 1 Colson Street, ALICE SPRINGS NT 0871	(08) 8953 8166	1818	2011
113.	Choices Flooring Alderley	37 Pickering Street, ALDERLEY QLD 4051	(07) 3354 1544	1908	2000
114.	Choices Flooring by Mallets	156 Brisbane Street, IPSWICH QLD 4305	(07) 3282 9555	1918	2010
115.	Choices Flooring Cannon Hill	S2, Cannon Hill H/Cr, 1881 Creek Rd, CANNON HILL QLD 4170	(07) 3399 4644	1919	2003
116.	Choices Flooring Fortitude Valley	167 Robertson Street FORTITUDE VALLEY QLD 4006	(07) 3257 3377	1921	2004
117.	Choices Flooring by Campbells	51 Tanby Road, YEPPOON QLD 4703	(07) 4939 5505	1923	2005
118.	Choices Flooring Maroochydore	3/32 Wises Road, MAROOCHYDORE QLD 4558	(07) 5443 6280	1931	2010
119.	Choices Flooring Bundaberg	46 Princess Street, BUNDABERG EAST QLD 4670	(07) 4151 2241	1933	2010
120.	Choices Flooring Mackay	14 Discovery Lane, NORTH MACKAY QLD 4740	(07) 4942 0700	1934	2011
121.	Choices Flooring Burleigh Heads	128 Kortum Drive, BURLEIGH HEADS QLD 4220	(07) 5535 1744	1936	2013
122.	Choices Flooring Bundall	Shop 5, 47 Ashmore Road, BUNDALL QLD 4217	(07) 5561 0355	1937	2016
123.	Choices Flooring Capalaba	Shop 3, 120 Redland Bay Road, CAPALABA QLD 4157	(07) 3245 6683	1939	2014

	Choices Flooring Capalaba	Business address if not the members residential address	Business phone number	Store Number	Year member started or joined the group business
124.	Choices Flooring Noosaville	Shop 1 /14 Eenie Creek Road, NOOSAVILLE QLD 4566	(07) 5449 9319	1941	2014
125.	Choices Flooring Hervey Bay	24 Boat Harbour Road, PIALBA QLD 4655	(07) 4124 2689	1942	2015
126.	Choices Flooring Atherton	5 McConaghie Street, ATHERTON QLD 4883	(07) 4091 1482	1943	2017
127.	Choices Flooring Helensvale	Unit 10, 178 Siganto Drive, HELENSVALE QLD 4212	(07) 5580 0711	1945	2019
128.	Choices Flooring Cairns	209 Mulgrave Road, WESTCOURT QLD 4870	(07) 4041 1271	1946	2017
129.	Choices Flooring Centenary	Shop 10, Homemaker City 34 Goggs Road, JINDALEE QLD 4074	(07) 3279 6566	1947	2019
130.	Choices Flooring Bald Hills	Shop 4.5, Carseldine Home Centre, 1925 Gympie Road, BALD HILLS, QLD 4036	(07) 3261 6677	1948	2019
131.	Choices Flooring Toowoomba	37 Prescott Street, TOOWOOMBA QLD 4350	(07) 4638 7019	1949	2019
132.	Choices Flooring Warwick	61 Wood Street, WARWICK QLD 4370	(07) 4661 1466	1950	2020

ANNEXURE 2

Details of all past Members (For Past 3 Years)

	Member Store	Business address if not the members residential address	Business phone number	Store Number	Reason	Year ceased
1.	Choices Flooring Eastwood NSW	121 Glen Osmond Road, EASTWOOD SA 5063	0424 196 932	1225	Ceased to operate	2019
2.	Choices Flooring Helensvale	Unit 10, 178 Siganto Drive, HELENSVALE QLD 4212	0437 582 757	1924	Group memberships transferred	2019
3.	Choices Flooring Bald Hills	S4.5, Carseldine H/Cr, 1925 Gympie Road, BALD HILLS QLD, 4036	0407 129 799	1917	Group memberships transferred	2019
4.	Choices Flooring Centenary	Shop 10, Homemaker City 34 Goggs Road, JINDALEE QLD 4074	0410 568 625	1925	Group memberships transferred	2019
5.	Choices Flooring Toowoomba	37 Prescott Street, Toowoomba QLD 4350	(07) 4638 7019	1940	Group memberships transferred	2020
6.	Choices Flooring Warners Bay	Shop 3, 395 Hillsborough Road, WARNERS BAY NSW 2282	(02) 4960 1466	1241.3	Group memberships transferred	2020
7.	Choices Flooring by Swintons (Warrnambool)	264 Timor Street, WARNAMBOOL VIC 3280	(03) 5032 3701	1316	Group memberships transferred	2020
8.	Choices Flooring Eastwood SA	248 Unley Road, Hyde Park SA 5061	(08) 8373 1064	1529	Group memberships transferred	2020
9.	Choices Flooring by Advance	34 Albert Road, Moonah TAS 7009	(03) 6228 0028	1705	Group memberships transferred	2020
10.	Choices Flooring by Southside	Shop 2/3361 Pacific Highway, Slacks Creek QLD 4127	(07) 3118 5850	1944	Ceased to operate	2020
11.	Choices Flooring Mt Barker	21 Mount Barker Road, MOUNT BARKER SA 5251	(08) 8391 2222	1519	Membership Agreement terminated by member	2020
12.	Choices Flooring Port Adelaide	31 Old Port Road, QUEENSTOWN SA 5014	(08) 8241 1109	1514	Ceased to operate	2020
13.	Choices Flooring by Wallaces	12/70 Centennial Circuit, Byron Bay NSW 2481	(02) 6685 5503	1246	Group memberships transferred	2021
14.	Choices Flooring Sunbury	71-73 Vineyard Road, Sunbury VIC 3429	(03) 9744 2364	1317	Group memberships transferred	2021
15.	Choices Flooring Warwick	61 Wood Street, Warwick QLD 4370	(07) 4661 1466	1938	Group memberships transferred	2021
16.	Choices Flooring Griffith	56a Jondaryan Avenue, Griffith NSW 2680	(02) 6964 4111	1251	Ceased to operate	2021
17.	Choices Flooring Ferntree Gully	Unit 2B, 881-887 Burwood Highway, Ferntree Gully VIC 3156	(03) 9758 8182	1331	Group memberships transferred	2021
18.	Choices Flooring Mansfield	15 Highett Street, Mansfield VIC 3722	(03) 5775 2688	1335.2	Ceased to operate	2021

ANNEXURE 3

Rebates and other financial Benefits

Business	Nature of Rebate	Total amount of rebates or other financial benefits received in previous financial year (%)
Acoufelt Pty Ltd	Central billings levies for payment on invoices	0.12% *Not including any purchases made by company owned stores
Australian Flooring Supplies	Central billings levies for payment on invoices	0.47% *Not including any purchases made by company owned stores
Airstep Australia Pty Ltd	Central billings levy for payment on invoices & MCR subsidy for periodic payment	5.65% *Not including any purchases made by company owned stores
Belgotex Floorcoverings	Central billings levies for payment on invoices	1.75% *Not including any purchases made by company owned stores
Ardex Australia Pty Ltd	Central billings levies for payment on invoices	0.03% *Not including any purchases made by company owned stores
Armstrong World Industries Pty Ltd	Central billings levies for payment on invoices	0.72% *Not including any purchases made by company owned stores
Aussie Floorcovering Distributors Pty Ltd	Central billings levies for payment on invoices	0.02% *Not including any purchases made by company owned stores
Beaulieu of Australia Pty Ltd	Central billings levies for payment on invoices	7.21% *Not including any purchases made by company owned stores
Betta Blinds	Central billings levies for payment on invoices	0.27% *Not including any purchases made by company owned stores
Brady Trade Imports	Central billings levies for payment on invoices	0.01% *Not including any purchases made by company owned stores
Brintons Pty Ltd	Central billings levies for payment on invoices	0.26% *Not including any purchases made by company owned stores
Cavalier Bremworth Pty Ltd	Central billings levies for payment on invoices	3.52% *Not including any purchases made by company owned stores
Classic Flooring Distributors P/L	Central billings levies for payment on invoices	0.40% *Not including any purchases made by company owned stores
Complete Floors	Central billings levies for payment on invoices	1.01% *Not including any purchases made by company owned stores
DTA Australia Pty Ltd	Central billings levies for payment on invoices	0.02% *Not including any purchases made by company owned stores
Dunlop Flooring	Central billings levies for payment on invoices	6.88% *Not including any purchases made by company owned stores
DW Tiles	Central billings levies for payment on invoices	0.03% *Not including any purchases made by company owned stores
EC Group	Central billings levies for payment on invoices	3.37% *Not including any purchases made by company owned stores
Embelton	Central billings levies for payment on invoices	0.07% *Not including any purchases made by company owned stores
Feltex Australia Pty Ltd	Central billings levies for payment on invoices	1.52% *Not including any purchases made by company owned stores
Flooring Distributors of Aust P/L	Central billings levies for payment on invoices	0.29% *Not including any purchases made by company owned stores
Floors of Tasmania	Central billings levies for payment on invoices	0.01% *Not including any purchases made by company owned stores
Forbo Floorcoverings Pty Ltd	Central billings levies for payment on invoices	0.38% *Not including any purchases made by company owned stores
George Low Of Melb Pty Ltd	Central billings levies for payment on invoices	0.12% *Not including any purchases made by company owned stores

Business	Nature of Rebate	Total amount of rebates or other financial benefits received in previous financial year (%)
Gerflor Australasia	Central billings levies for payment on invoices	0.88% *Not including any purchases made by company owned stores
Ghadamian & Co.	Central billings levies for payment on invoices	0.01% *Not including any purchases made by company owned stores
Glendene Dist. (SA) Pty Ltd	Central billings levies for payment on invoices	0.00% *Not including any purchases made by company owned stores
GNS Ceramics	Central billings levies for payment on invoices	0.07% *Not including any purchases made by company owned stores
Godfrey Hirst Australia Pty Ltd	Central billings levies for payment on invoices	9.12% *Not including any purchases made by company owned stores
Himalaya Carpets Pty Ltd	Central billings levies for payment on invoices	0.08% *Not including any purchases made by company owned stores
Inspired Floorcoverings	Central billings levies for payment on invoices	0.09% *Not including any purchases made by company owned stores
Interface Aust Pty Ltd	Central billings levies for payment on invoices	0.93% *Not including any purchases made by company owned stores
J&G Bayliss & Son Pty Ltd	Central billings levies for payment on invoices	0.20% *Not including any purchases made by company owned stores
Karndean Australia Pty Ltd	Central billings levies for payment on invoices	7.13% *Not including any purchases made by company owned stores
Lifestyle Blinds & Shutters	Central billings levies for payment on invoices	0.01% *Not including any purchases made by company owned stores
M.J. Sturgess & Co Pty Ltd	Central billings levies for payment on invoices	1.87% *Not including any purchases made by company owned stores
Manag Distributors	Central billings levies for payment on invoices	0.15% *Not including any purchases made by company owned stores
Mapei Australia Pty Ltd	Central billings levies for payment on invoices	0.70% *Not including any purchases made by company owned stores
Milliken (Australia) Pty Ltd	Central billings levies for payment on invoices	0.25% *Not including any purchases made by company owned stores
Newton Ceramic Centre Pty Ltd	Central billings levies for payment on invoices	0.00% *Not including any purchases made by company owned stores
Palladio Marble & Mosaics	Central billings levies for payment on invoices	0.00% *Not including any purchases made by company owned stores
Pegulan Floor Coverings Ltd	Central billings levies for payment on invoices	0.53% *Not including any purchases made by company owned stores
Polyflor Australia Pty Ltd	Central billings levies for payment on invoices	3.33% *Not including any purchases made by company owned stores
Premium Floors Pty Ltd	Central billings levies for payment on invoices	9.88% *Not including any purchases made by company owned stores
Proline Floors	Central billings levies for payment on invoices	2.34% *Not including any purchases made by company owned stores
Protecta Group Australia Pty Ltd	Central billings levies for payment on invoices	0.01% *Not including any purchases made by company owned stores
Quest Carpet Manufacturers Pty Ltd	Central billings levies for payment on invoices	5.62% *Not including any purchases made by company owned stores
Signature Floorcoverings Pty Ltd	Central billings levies for payment on invoices	12.62% *Not including any purchases made by company owned stores
Tarkett Australia Pty Ltd	Central billings levies for payment on invoices	0.75% *Not including any purchases made by company owned stores
The Victoria Carpet Co Pty Ltd	Central billings levies for payment on invoices	4.19% *Not including any purchases made by company owned stores

Business	Nature of Rebate	Total amount of rebates or other financial benefits received in previous financial year (%)
Tile Mart (VIC) Pty Ltd	Central billings levies for payment on invoices	0.02% *Not including any purchases made by company owned stores
Total Window Concepts Pty Ltd	Central billings levies for payment on invoices	2.83% *Not including any purchases made by company owned stores
Tuftmaster Carpets Pty Ltd	Central billings levies for payment on invoices	1.77% *Not including any purchases made by company owned stores
United Ceramics	Central billings levies for payment on invoices	0.06% *Not including any purchases made by company owned stores
Unitex International Pty Ltd	Central billings levies for payment on invoices	0.11% *Not including any purchases made by company owned stores
VI Flooring	Central billings levies for payment on invoices	0.27% *Not including any purchases made by company owned stores
Volare Concepts Pty Ltd	Central billings levies for payment on invoices	0.03% *Not including any purchases made by company owned stores
Warwick Fabric (Australia) Pty Ltd	Central billings levies for payment on invoices	0.02% *Not including any purchases made by company owned stores

ANNEXURE 4

Updates to Disclosure Statement

ANNEXURE 5

Copy of Marketing Fund expenditures

General Advertising Expenses Budget (Production)		
Network Development	\$80,300	
Member Services	\$420,000	
Traditional Marketing Support (Campaigns)	\$1,237,854	
Design Services	\$70,000	
Communications	\$5,000	
Commercial	\$70,000	
New Zealand	\$0	
Network Events	\$50,000	
Newfurn Training Academy	\$100,000	
Product Marketing Development	\$150,000	
General Advertising Expenses (Production)	\$2,179,404	25%

Australasian Online Expenses (Media)		
Australasian Online Services	\$2,774,009	
Total Australasian Online Services	\$2,774,009	32%
Australasian Media Expenses (Media)		
Australasian Media Expenses	\$1,034,650	12%
Australasian Regional Media Expenses	\$2,660,675	31%
Total Australasian Media Services (Media)	\$3,695,325	43%
Total Australasian Media Expenses	\$8,648,738	100%

Further Breakdown

General Advertising Expense (Production)	TOTAL
Network Development	
Discovery Day Presentations and Kits	\$30,000
New Member Assistance Fund	\$25,000
Recruitment Advertising and Communications	\$5,000
iPad Application	\$10,000
Newfurn Development	\$2,500
SEEK Commercial and LinkedIn	\$7,800
	\$80,300
Member Services	
In-Store Signage	\$140,000
Brand Guides	\$18,000
Member Store Assistance Fund (LAM Support)	\$15,000
Promotional Goods/Uniforms	\$60,000
On Hold Messages and 1800 Number	\$72,000
GEMS Awards	\$30,000
Community Support and Partnerships	\$85,000
	\$420,000

Further Breakdown

General Advertising Expense (Production)	TOTAL
Traditional Marketing Support (Campaigns)	
In-Store POS	\$270,000
Television and Radio Production	\$180,000
Campaign Prizes	\$20,000
Online Catalogue & Magalogue - Printed Instore Copies	\$40,000
Photography Shoots	\$280,000
IMD and CAD	\$30,000
ICM, Maga, Online Cat - Integrations	\$417,854
	\$1,237,854
Design Services	
Equipment Upgrades	\$5,000
Design Services Overflow	\$50,000
Media, Music Files and Subscriptions	\$7,500
Product Photography and Stock Images	\$7,500
	\$70,000
Communications	
On the Surface + Style Flooring & Interiors (incl. TV)	\$5,000
	\$5,000
Commercial	
Commercial Booth - Maintenance and Setup	\$30,000
Brochures and Display Collateral	\$20,000
Store Material	\$20,000
	\$70,000
New Zealand	
New Zealand Development	\$0
	\$00
Network Events	
Magic Carpet Ride	\$50,000
National Members Meeting	\$0
	\$50,000
Newfurn Training Academy	
Newfurn Training Academy	\$100,000
	\$100,000
Product Marketing Development	
Product Brochures	\$140,000
Product Launches	\$10,000
	\$150,000
Total Marketing Expenses	\$2,179,404

The Newfurn Group's vision is centred around digital transformation for the Newfurn group of retailers.

This basically means more than simply adding digital technologies to the standard marketing strategy. Instead, we need to rethink our business models, talent strategies, information management and the technologies and processes by which we engage our customers. In recent times it has been identified with the implementation of BOS, introductions to CRM and CMS and the future possibility of eCommerce. But in order to maintain a pace of innovation that is going to attract and retain our customers, we need to think more strategically.

We cannot ignore the future generation of shoppers. Their expectation on the delivery of goods, services and inspiration needs to be instant and as a group we must focus on creating customer-valued solutions. The media and marketing strategy within this plan are very different to that of previous years. We reworked every key focus area and integrated how the consumer reacts to our brand from a traditional to a digital method.

As Australasia's most progressive floor coverings group, we offer consumers the best products and service. Being the most progressive floor coverings group does not mean being the biggest, but it does mean being the best in terms of consumer value, consumer service, member and brand strength, and quality products.

Planned strategies and initiatives will allow Newfurn to continue to grow over the coming years, solidifying our vision. To further consolidate the group's marketing direction, we will continue to enhance those key focus areas. The Marketing and Online key focus areas are:

- Network Development – The recruitment for members
- Member Services (Retention) – Supporting current members
- Traditional Marketing Support (Campaigns) – Campaign Management
- Design Services – Internal design services
- Commercial – Enhancing our commercial position
- Communications – Internal and external communications
- Business Operating System (BOS)
- Network Events – Major event management
- Newfurn Training Academy (NTA) – Evolving our online internal training service
- Online Services – Providing support to members via our main call to action
- Product Marketing Development
- New Zealand – Supporting all marketing and online needs for NZ members
- Style Flooring & Interiors
- National and Regional Media

Within the above focus areas is the delivery of member benefits and consumer awareness as identified via member forums and market research. Also contained within each focus area is the traditional marketing support provided to members.

ANNEXURE 6

Example Loan Refurbishment Agreement

ANNEXURE 7

Statement by a Director of Newfurn Pty Ltd

I, Shane Michael Chillingworth, a Director of Newfurn Floor Coverings Ltd, make the following statement:

Newfurn Floor Coverings Ltd as at the end of the last financial year ended 30 June 2021, in the opinion of its directors has reasonable grounds to believe that it will be able to pay its debts as and when they fall due.



Signed by Shane Micheal Chillingworth
For and on behalf of Newfurn Floor Coverings Ltd

27 September 2021

Dated

ANNEXURE 8

Auditor Statement

Scope

We have been requested by the Directors of Newfurn Floor Coverings Ltd to verify the Directors Statement made in Annexure 7 of the Disclosure Document, that there are reasonable grounds to believe that Newfurn Floor Coverings Ltd will be able to pay its debts as and when they fall due.

Opinion

Based on our audit of the financial statements of Newfurn Floor Coverings Ltd for the year ended 30 June 2021, we confirm that there are reasonable grounds to believe that Newfurn Floor Coverings Ltd will be able to pay its debts as and when they fall due and accordingly the Directors Statement in respect thereto is verified.

HAINES MUIR HILL
Chartered Accountants
888 Doncaster Road,
DONCASTER EAST, VICTORIA

Kristian Lunardello
Partner

Dated 27/09/2021

ANNEXURE 9

Membership Agreement

(separate document)

ANNEXURE 10

Franchising Code of Conduct

(separate document - 90 pages F2021C00644 registered 13 July, 2021)

ANNEXURE 11

Details of previously franchised territory or site

(section 13.2 and 13.3 of Disclosure Document)

ANNEXURE 12

Information Statement for Prospective Franchisees (ACCC)

(See separately attached document)

ANNEXURE 13

Items of the Disclosure Document that are not Relevant

- Item 7 Master franchises
- Item 18 Arrangements to apply at the end of the franchise agreement

ANNEXURE 14

To be included from Audit

Separate document - Financial Statements for the last 2 years

ANNEXURE 15

Trade Marks

Trade Mark No.	Trade Mark	Classes	Status
605583		42	Registered
654471	Carpetmax	42	Registered
703867	Performance Choice	27	Registered
704019	FloorMAX	24 & 42	Registered
732968		27	Registered
747282		27	Registered
760282		27	Registered
857231		27 & 35	Registered
857237		27	Registered
865387	TileChoice	19 & 35	Registered
1011075	Eternity	27	Registered
1245530	Windsor Wool	27	Registered
1369532		23, 24, 27 & 35	Registered
1405279		23, 24, 27 & 35	Registered
1405283		23, 24, 27 & 35	Registered
1431408	BREASE	27 & 35	Registered
1431417		27 & 35	Registered

Trade Marks

Trade Mark No.	Trade Mark	Classes	Status
1431418		27 & 35	Registered
1537628		27 & 35	Registered
1565850		27 & 35	Registered
1568753	Plantino	19, 27 & 35	Registered
1568754	Genero	27 & 35	Registered
1604166		27 & 35	Registered
1624223		27 & 35	Registered
1647456	The Eclipse Collection	19 & 35	Registered
1647457	Eternity Inception	27 & 35	Registered
1647458		19 & 35	Registered
1647459		27 & 35	Registered
1666203	HAVEN	27	Registered
1668970	WOOL SET	27 & 35	Registered
1668971		27 & 35	Registered
1675261	Af.floor.da.ble	27 & 35	Registered
1694664	SERENITY	27 & 35	Registered
1711160		9 & 42	Registered

Trade Marks

Trade Mark No.	Trade Mark	Classes	Status
1717048	 your floor 	9	Registered
1768582	 	27 & 35	Registered
1835279	DIGIDO LEARNING SYSTEM	9, 41 & 42	Registered
1835280	 	9, 41 & 42	Registered
1846456		19 & 27	Registered
1847916	 	6, 7, 9, 12, 19, 20, 22, 24, 26 & 37	Registered
2055132	THE HARLOW COLLECTION	27 & 37	Registered
2055572	ETERNITY	37	Registered
2055583	RENDEZVOUS	27 & 37	Registered
2055590		27, 35 & 37	Registered
2075681	INSPIRING CHOICES	16 & 41	Accepted
2091149	  RoomView RoomView	9 & 42	Accepted - awaiting advertising
2091885	CHOICES FLOORING	6, 19, 20, 22, 23, 24, 27, 35 & 37	Under examination - deferred
2188229	EZITILE	27	Accepted -awaiting advertisement

ANNEXURE 16

Acknowledgement of Receipt

To: **Newfurn Floor Coverings Ltd**

I/We _____
[Insert name(s) in block letters]

of _____
[Insert address in block letters]

being a prospective member or the director(s) of a prospective member, acknowledge receipt from Newfurn Floor Coverings Ltd of this disclosure document, current at 8 September 2021, including the following annexures:

- (a) Annexure 1: Details of the existing members;
- (b) Annexure 2: Details of the past members (for the past 3 years);
- (c) Annexure 3: Rebates and Other Financial Benefits
- (d) Annexure 4: Updates to Disclosure Document;
- (e) Annexure 5: Marketing Fund expenditures
- (f) Annexure 6: Example Loan Refurbishment Agreement;
- (g) Annexure 7: Statement by a Director of Newfurn Floor Coverings Ltd;
- (h) Annexure 8: Audit Statement;
- (i) Annexure 9: Membership Agreement;
- (j) Annexure 10: Franchising Code of Conduct;
- (k) Annexure 11: Details of previously franchised territory or site;
- (l) Annexure 12: Information Statement (which has been provided as a separate two-page Document compliant with the Franchising Code of Conduct);
- (m) Annexure 13: Items of the Disclosure Document that are not Relevant
- (n) Annexure 14: Copy of Financial Reports of Newfurn Pty Ltd (for the last 2 years), and
- (o) Annexure 15: Trade Marks
- (p) Annexure 16: Acknowledgement of Receipt (this document)

the _____ day of _____ 20____
[Insert day] [Insert month]

[Signed]

[Signed]

[Name of member (block letters)]

[Name of member (block letters)]

ONE COPY OF THIS DISCLOSURE DOCUMENT MAY BE KEPT BY THE PROSPECTIVE MEMBER