



Independent Store Operator  
*Information Package*



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*As a great entrepreneur once said: "If you have to march in the band, it's better to wave the baton than to carry the drum."*

*It means that there really is no substitute for being your own boss. Circle K offers you this opportunity with a minimal initial investment, comprehensive training and unparalleled ongoing support. Circle K's parent company Couche-Tard successfully operates Convenience opportunities throughout the world. Here's your chance to join the band and continue that success. An Opportunity with Circle K can provide you and your family with a viable, lucrative business very quickly with low risk and immediate results. We look forward to working with you!*

## How to become an Independent Store Operator

The information below indicates what you need to do before you can begin working with us. Please read the information carefully.

### **To become an Independent Store Operator you will be required to:**

1. Complete the Circle K application process
2. Pay \$8,000 (\$3000 Training fee. \$5000 toward your deposit) prior to starting training
3. Complete and pass a 6-week training course
4. Become independently incorporated
5. Pass all necessary certifications and acquire municipal licenses
6. Pay up to \$30,000 as your refundable security deposit before going into your store\*
7. Sign a 3-year contract with Circle K

\*Please note that this figure could be higher or lower depending on the volume of the store.

### **Here are some details about what's required:**

- 1. Complete the Circle K application process**
  - Pass our interview, testing, reference, credit and criminal check process.
- 2. Pay \$8,000 by bank draft or certified cheque within your first week of training**
  - Details about this deposit will be on your training agreement.
  - \$3,000 will be a non - refundable training fee.
  - After completing training and signing your contract, the remaining. \$5,000 deposit is applied to your total security deposit.
  - Accommodations while in Toronto for 2 days in week 1 and 3 days in week 6 is at Circle K's expense
- 3. Complete a 6-week training course**
  - Training is done both in a classroom and store environment.
  - Training takes 6 weeks for regular stores, up to 8 weeks for stores with a gas bar.
  - Your participation and progress will be monitored weekly.
  - You will be tested regularly during classes, and you must score an overall average of at least 85% for the entire course.
  - Follow-up training will be done by our Training Store Operator and your area Market Manager.

**4. Become independently incorporated**

- You will incorporate with the Ontario government and be a majority shareholder of your business.
- You will register with the federal government to collect HST.
- You will acquire an HST Registration number from the Federal government.
- We require a Letter of Legal Opinion and a Certificate of Independent Legal Advice to validate your corporation.
- This process could cost you up to \$1200 depending on lawyer's fees (all fees are tax-deductible).
- Your corporation retains its value as long as it has no bankruptcies.
- You can keep your corporation after you leave Circle K.

**5. Obtain all necessary certifications and acquire municipal licenses**

- You will be required to obtain the following:
  - Incorporation – [www.oncorp.com/home/index.asp](http://www.oncorp.com/home/index.asp)
  - HST Registration Permit – [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca)
  - First Aid certification –(Acquired post training through St. John Ambulance)
  - AGCO- Seller application and personal disclosure form (completed during the In-class training).

***NOTE:*** You will be required to pay for and acquire business licenses to sell tobacco and food through your municipality. You must also acquire an HST number, AGCO Lottery Seller License, and any other licensing, permits and/or certifications deemed appropriate by Mac's, its subsidiaries and/or the provincial or federal government prior to being placed in a store.

**6. Pay 1.5% of the store's yearly merchandise sales (up to \$30,000 or more depending on the store's volume) towards your refundable security deposit**

- If you experience inventory loss greater than your income can cover, the difference will come out of your security deposit.
- You will be paid interest annually on your security deposit.
- Your security deposit is fully refundable when you leave according to the terms of your contract.

**7. Sign a 3-year contract with Circle K**

- The contract specifies that you must give 60 days notice of termination.
- If you leave without giving notice, you forfeit \$2,000 of your security deposit.
- If the company terminates your contract without notice and without cause, we will pay you \$2,000.
- All monies are held for 60 days after termination, until:
  - accounting is completed
  - a final statement is presented
  - release forms are signed
  - This contract is renewable.

## How to operate your store

If you successfully complete our recruitment process and training program, the information below, details the main components in operating your Circle K store successfully.

### To operate your Circle K store, you need to understand:

1. Staffing
2. Controlling overhead
3. Controlling inventory
4. Following Circle K standards
5. Who supports you
6. Getting paid

### Here are some details about what's required:

1. Staffing
  - Your staff works for your corporation, not for Circle K.
  - You are responsible for paying all staff wages and benefits. Note: these costs are tax-deductible.
  - You are responsible for hiring, training and managing the performance of your staff.
  - Your staff must follow Circle K policies on Tobacco Sales to Minors, Safety & Security, Uniforms and Customer Service.
  - You must follow all regulations laid out in the [Employment Standards Act](#) and the [Human Rights Code](#).
2. Controlling overhead

#### *Circle K pays:*

- All utilities (heat, gas, phone except long distance).
- Maintenance services as directed through your Market Manager.
- Snow and garbage removal.
- Rent and equipment.
- Property and business taxes.
- Cost of inventory purchased.

#### *You pay:*

- Float monies to establish you're operating till, usually between \$1500 and \$2500, and is fully refundable when you leave.
- Staff wages, Overtime, Vacation pay and statutory holiday pay as well as any benefits.
- Requests for inventory recounts (beyond what's allowed in the contract).
- All licenses required by your municipality.

*Note: This information is for reference only. Your contract will give you the specific and legal details.*

### 3. Controlling inventory

- You must pay for all inventory loss in your store. (Note: this is tax deductible)
- Inventory shrink is primarily caused by:
  - internal theft
  - shoplifting
  - delivery errors
  - inventory miscounts
  - paperwork errors
- Physical inventory counts are done every 8 to 10 weeks by an independent company.
- Overages/shortages are charged or credited at cost to your pay remittance.
- Your Enterprise Inventory software allows you to track everything in your store at an item level
- Circle K provides the following security equipment: tobacco lock-up, large and small drop safes, a digital monitoring suite and a P.E.T. (personal emergency transmitter).

### 4. Following Circle K standards

- Twice per quarter, your area Market Manager will complete a store and food service evaluation.
- You're required to receive a score of 90% or higher on these evaluations.
- You will receive a copy of your evaluation.
- A "mystery shopper" will come around at random to "shop" your store's customer service, food service and ensure tobacco sales to minors do not occur.
- Your mystery shop and sales results are combined to give you a net score, which determines your eligibility for our incentive program.
- You are required to comply with all Safety and Security policies.

### 5. Who supports you

- You will receive follow-up training in your store from your Training Store Operator.
- Your Market Manager provides ongoing advice and direction to ensure your success.
- Our Merchandising department informs you about promotion activities and provides signage on a per-period basis.
- Our Training department offers individualized help when needed.

### 6. How are you Remunerated

- You will be paid on a 4-week period basis: (13 Periods in a year)
  - You will receive an advance on your total remittance at two weeks.
  - You will receive the remittance at the end of the 4-week period for the previous period
  - In your first period, the remittance is held back, so you're always one remittance behind.
  - If you start during the first week of a new period, advances remittances and expenses are pro-rated accordingly.
  - You must be prepared for at least 6 weeks of Store Operation without receiving monies from Circle K
- Your remittance is based upon the sales performance of your site.
- Proforma's may be reviewed with you when you are selected to join Circle K.

## FAQ'S

### ***How long is training?***

*It is a six-week training program that consists of 5 weeks in-store and 1 week of classroom time split up over the six weeks.*

### ***As an Independent Store Operator do I get paid during training?***

*No. As an Independent Store Operator you are not a paid employee of Circle K, therefore you are not entitled to pay during training.*

### ***How long after I apply can I get a store?***

*There is a recruitment process where the applicant would need to go through a telephone prescreen and then a series of face-to-face interviews. You will also have to successfully complete the Training program to become a qualified Store Operator.*

### ***If I am selected to start training for a selected site and I change my mind, can I get a store in a different market or District?***

*No. When you are selected to become a store Operator, you are selected for a specific location and that location only. If you decide to back out of the specific site you were selected for, you will not be offered any other opportunities within Ontario.*

### ***How long will I have to wait before I am given a store, once I have completed training?***

*Not long. Sometimes it can even be within a few days of completing training.*

### ***How much money can I make as a Independent Store Operator with Circle K?***

*The amount of income you earn is based on several different factors, including your ability to drive sales, managing payroll costs, management of overhead costs, controlling shrink etc. It will also depend on the location of the store. Due to the influence of several different factors, it is not possible to clearly define how much you can earn. However, there is good income potential for talented and committed individuals.*

### ***Can I operate more than one Circle K Store?***

*Yes, you can operate up to two Circle K stores. However, this must be authorized by the Regional Director and only after you have proven your ability to run one store.*

### ***Can I own another business while I am a Independent Store Operator with Circle K?***

*No, even if the other business is not deemed as a competitor to Circle K. We expect our Independent Store Operators to be 100% dedicated to running our stores. This cannot be effectively done while managing another business.*

### ***How much time do I have to spend in my store?***

*A lot. Your greatest expense is wages. The Circle K Independent Operator structure isn't viable without a working Operator. It's stipulated in your contract that you must be in your store to sign for deliveries and are expected to work during the day Monday to Friday. However, you may need or choose to work more hours. The more you work, the more you make.*

## Notes



## **List of our upcoming dates and location**

Wednesday January 15<sup>th</sup> 2020  
Wednesday January 29<sup>th</sup> 2020  
Wednesday February 26<sup>th</sup> 2020  
Wednesday March 25<sup>th</sup> 2020

### Location:

Holiday Inn Express & Suites  
10 Nevets Drive, Brampton  
ON. L6T 5T2

### Time:

9am – 3pm