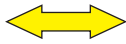
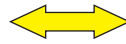


**MILK PRODUCER**



**FRIENDLY**



**CONSUMER**

# **APNI DAIRY**

**DREAM GOAL**

**OF**

**INTERNATIONAL IMPROVEMENT MISSION**

**{WHITE REVOLUTION THROUGH QUIET EVOLUTION}**

**PRIDE OF INDIA (OUR KAAMDHENU'S)**

**LIVING ON THIS EARTH  
WE NEED  
FRESH AIR & PURE WATER**



**WHAT ABOUT MILK ?**

**PROJECT INITIATED AND BEING IMPLEMENTED**

**BY**

**IMPROVEMENT INNOVATIONS UNLIMITED INC. CANADA**

**&**

**INNOVATIVE BUSINESS IMPROVEMENTS PRIVATE LIMITED INDIA**

Regd. Office : # 53-A, Sector 18-A, Chandigarh - 160 018  
Website : <http://www.apnidairy.com> Email : [iuhumber@gmail.com](mailto:iuhumber@gmail.com)

**CAMPAIGN AGAINST ADULTERATION, DILUTION & MANIPULATION IN MILK**

# 10 **Ten Good Reasons**

Why change over to ..... APNI DAIRY ?  
**Pure & Safe Milk & Dairy Products**

**Associate Member :**

International Improvement Mission  
Quality Assurance/Technical Guidance by :

IIU CANADA



**Improvement Innovations Unlimited Inc. CANADA  
&  
Innovative Business Improvements Pvt. Ltd. INDIA**

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## Pasteurized Milk



**PURITY**  
Purest among  
pure and guaranteed

**FRESHNESS**  
Preserved with hygienic  
handling at all stages

**SAFETY**  
Free from bacteria harmful  
for health & fit for consumption  
even without boiling

**SHELF LIFE**  
More than 10 days  
at or below 3°C

**DISTRIBUTION  
NETWORK**  
Consumer friendly

**QUALITY**  
Meets international  
quality requirements

**NUTRITION**  
Intact due to high tech.  
Processing & Pasteurization

**COMPOSITION**  
Strictly conforming to  
specified legal standards

**PRESERVATIVES**  
Free from all kinds  
of Preservatives

**PRICE**  
Real value for money  
and reasonable

**Please believe us only when you test and taste it yourself**

## **Unique Selling Proposition**

**International Quality  
at  
Reasonable Price**



# **APNI DAIRY**

**DREAM GOAL**

**OF**

**INTERNATIONAL IMPROVEMENT MISSION**

**{WHITE REVOLUTION THROUGH QUIET EVOLUTION}**

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**INDO-CANADIAN JOINT VENTURE**  
**(Associate of International Improvement Mission)**



**We Serve**

**“GOOD NEWS FOR DAIRY BUSINESS ENTREPRENEURS”**

IBI INDIA



**We Improve**

Innovative Business Improvements Pvt. Ltd.  
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**“APNI DAIRY FRANCHISEE”**

**HONESTY, ETHICS & BUSINESS INTELLIGENCE**

**IS GOD’S GIFT TO US**

**SERVING HOME DELIVERED APNI DAIRY MILK**

**&**

**NATUR-O-PURE AGRIFODDS**

**MEETING WITH INTERNATIONAL QUALITY STANDARDS**

**AT**

**GLOBALLY COMPETITIVE/ REASONABLE PRICE**

**TO**

**OUR COMMUNITY**

**THROUGH**

**APNI DAIRY BUSINESS UNITS {A.D.B.U.}**

**WOULD BE OUR GIFT BACK TO GOD**

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## INTRODUCTION

***Dairy Business is most profitable business among F.M.C.G. sector in India (over 10 to 20 % profits). To the delight of ethical segment of dairy business entrepreneurs, we as Indo-Canadian joint venture consider it as our proud privilege to authentically confirm that it is a true statement.***

Keeping in view the ever increasing gap between farm gate price of raw milk and retail price of pasteurized milk in India there is clear visible profit margin of more than 20% but most of the commercial dairy plants in India are either in loss or earning only nominal profits due to few unresolved core issues and complex problems.

More than 80% cost of dairy business is purchase value of raw milk. Due to techno-commercial limitation of 60:40 two axis formulae used for purchase of mixed milk (Buffalo milk+ Cow Milk) dairy plants in our country suffer hidden loss to the extent of 10% To 20% purchase value of raw milk. Unfortunately this loss remains undetected in conventional two axis milk billing system being followed by one and all. We could not find any commercial dairy plant in India not suffering such hidden loss.

Complex unresolved problems normally have simple innovative solutions hidden in the problem itself. Our company with active professional support from our associate M/S Improvement Innovations Unlimited Inc. Canada have carried out in depth study of age old chronic core issues and complex unresolved problems of dairy business in India and successfully evolved easy to implement innovative solutions for all such problems.

We have developed unique “APNI DAIRY MILK PROCUREMENT & BUSINESS MANAGEMENT SYSTEM” based on ethical concepts, green processing technology and farmer friendly/ consumer friendly marketing strategy. We have the required professional skills and expertise to provide live demonstration of our claims and contentions highlighted in our introductory statement.

In order to optimize your business profits and attain global competitiveness you may please browse through presentations on our website <http://apnidairy.com/> and contact us on our email address [iiuhumber@gmail.com](mailto:iiuhumber@gmail.com) for establishing “APNI DAIRY BUSINESS UNIT” as per our standard terms and conditions contained here in this draft agreement.

(Jaswant Singh Bhandair)

M.D Innovative Business Improvements Private Ltd Chandigarh India  
& Director Improvement Innovations Unlimited Canada



## 1. UNIQUE INNOVATIVE SYSTEM AND TECHNOLOGY.

*Our Company carried out deep probe and “S.W.O.T.” analysis of dairy business in India and developed unique innovative system based on ethical business concept, green processing technology and farmer friendly/ consumer friendly marketing strategy. We are now confident of providing live demonstration of our claims and contentions highlighted in our introductory statement. We have the technology to procure pure buffalo milk and cow milk on commercial scale to produce pasteurized milk meeting with international quality requirements (Shelf life 10-15 days) and sterilized milk having shelf life one year. Besides it our products will have perfect traceability from producer to consumer.*

### SWOT ANALYSIS OF INDIAN DAIRY INDUSTRY:

#### STRENGTHS:

- Demand for pure pasteurized milk meeting with International quality requirements is much more than its availability in the Indian Market.
- Among F.M.C.G items projected profit margin is highest in dairy business.
- Availability of raw milk is abundant especially in rich milk pockets of north India.
- Educated manpower seeking sustainable self-employment opportunities in dairy profession is easily available.

#### WEAKNESSES:

1. Hidden loss in purchase transactions due to manipulation, adulteration and dilution in raw milk is abnormally high (More than 20% of purchase value of raw milk).
2. Middlemen in the value chain are siphoning out more than 50 % of profit margin in dairy business.
3. Gap between farm gate price being paid to milk producer and price charged from consumer for pasteurized milk is very high (More than Rs. 15/Kg.)
4. Quality of milk and milk products available in the market do not strictly conform to international norms for purity of contents, microbiological safety and shelf life.
5. Gross violation of statutory laws and regulations by majority of entrepreneurs in dairy business
6. There is no product traceability between cow and consumer and prevalent system lacks accountability at all levels in the value chain.
7. Lack of awareness among milk producers and consumers especially about quality aspects and true worth of milk being traded.

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### **OPPORTUNITIES:**

There are unlimited opportunities for growth and development of ethical dairy business in India based on innovative concept called “APNI DAIRY” evolved by our organization. Unique scientific innovations, unconventional milk processing technology, consumer friendly marketing network conceived and being developed by IBI in collaboration with our business associate company in Canada provides us with distinct competitive edge over existing dairy business entrepreneurs in India and emerging global competition.

**EXPORT POTENTIAL:** There is immense scope for export of dairy foods meeting with international quality requirements. Institutions like AMUL are already exporting dairy products to Bangladesh, Sri Lanka, Nigeria, and the Middle East. Following the GATT treaty, opportunities will increase tremendously for the export of agro-products in general and dairy products in particular.

### **THREATS:**

Milk vendors, the un-organized sector: Today milk vendors are occupying the pride of place in the industry. Organized dissemination of information about the harm that they are doing to producers and consumers should see a steady decline in their importance.

SWOT analysis clearly indicates that the ‘strengths’ and ‘opportunities’ far outweigh ‘weaknesses’ and ‘threats’. Strengths and opportunities are fundamental and weaknesses and threats are transitory. Any investment idea can do well only when you have three essential ingredients: entrepreneurship (the ability to take risks), innovative approach (in product lines and marketing) and values (of quality/ethics).

Association with IBI prominently featuring the production and marketing of “APNI DAIRY” brand of dairy foods and menu items prepared with our multipurpose sterilized milk having shelf life more than one year at room temperature provides unique business advantage for our Franchisee.

The SYSTEM includes proprietary and distinctive products, product specifications, ingredients, menu items, recipes, techniques, training methods, production methods, operating methods, designs and decor, uniform apparel, color schemes, furnishings, marketing materials, promotional strategies, and customer service requirements (the “SYSTEM STANDARDS”), all of which may be modified from time to time by IBI and which are directed toward promoting “APNI DAIRY” products in a manner that will enhance the good will associated with this trade mark and the SYSTEM.

**VISION:** Glass of pure milk meeting with international quality requirements for everyone, every day, anywhere at globally competitive but reasonable price.

**MISSION:** Establish chain of state of the art DAIRY BUSINESS UNITS {D.B.U.} in India owning commercial dairy farms or procuring pure raw milk directly from milk producers and manufacturing value added dairy products or pasteurized/ sterilized milk strictly conforming to international specifications (in terms of purity of contents/ microbiological safety/ shelf life) and delivering the same to consumers on their doorsteps through consumer friendly marketing network.

**STRATEGY:** Eliminate all middlemen form conventional value chain and replace them with service

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providers financially and otherwise accountable to the organization for ensuring cost effective business operations.

**POLICY:** D.B.U associated with IBI would follow transparent ethical policies for dealing with milk producers, consumers, employees, service providers and general public.

### **SCOPE AND OBJECTIVES (MILK PROCUREMENT)**

**SCOPE:** The procedures will cover milk production/procurement activity for purchase of raw milk at competitive rates as per business needs of the DBU from target group of ethical milk producers, ensuring good quality of milk (without adulteration, dilution or manipulation)

**OBJECTIVES:**

Create sound farmer friendly infrastructure to produce/procure good quality milk directly from milk producers (eliminating all middlemen) as per “APNI DAIRY” system.

Milk procurement activity has following three critical prime performance parameters:

1. Quantity of milk procured (Total milk solids)
2. Quality of Milk (Micro biologically safe milk without adulteration, dilution or manipulation)
3. Total milk handling cost (From milk producers to dairy plant in Rs. / Kg. milk solids)

We have carried out deep probe and analytical research on different milk procurement systems being followed by AMUL, state milk co-operatives, multinational companies, private dairy plants and milk contractors in unorganized sector in India. Summary of our findings clearly indicate that original “Anand Pattern” system conceived and implemented by Dr. V. Kurien in Anand milk union was relatively more result oriented and cost effective as compared to other systems followed by others.

Modified shortcut and distorted version of this system now being implemented by many state milk cooperatives (those suffering financial losses) and private dairy institutions in different states are not only a risky propositions but least cost effective system.

Unfortunately none of these systems in the situation now prevailing in India is suitable for procuring raw milk on commercial scale strictly meeting with internationally specified standards for purity of contents (without dilution, adulteration and manipulation) and microbiological safety. Producing pasteurized milk or value added products meeting international quality requirements for purity, microbiological safety and shelf life still remains a distant dream for majority of dairy business entrepreneurs in India.

More than 80% cost of dairy business is value of raw milk purchased by dairy institutions. Success and failure in dairy business thus largely depends on this prime activity. Keeping this in mind we have designed a unique system for procuring raw milk directly from milk producers. This system titled “APNI DAIRY” “ is based on unconventional concept of informal co-operatives (N.G.O.'s), farmer friendly policies, fool proof organized system for purchasing pure raw milk without any dilution or inter-mixing of buffalo milk with cow milk. It not only eliminates almost all middlemen from the value chain but works in a cost effective and self-governing manner thus helping the beneficiary



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institution {D.B.U.} to drastically reduce its milk procurement/processing costs. “APNI DAIRY” system incorporates positive features of all successful models and eliminates inherent draw backs in those systems that could become hurdles in successfully achieving three prime objectives mentioned above.

Service providers deployed for milk collection, chilling and transportation of milk to dairy plant get reasonable remuneration for their service contribution while remaining fully accountable for milk contents in their custody while milk remains in transit, like cashiers handling cash for banking operations.

Unique advantage of “APNI DAIRY” system of milk procurement is that D.B.U. will get assured regular supply of pure and safe raw milk ideally suitable for producing dairy products conforming to international quality requirements. Comprehensive detailed document containing micro details covering all aspects from concept to commissioning including three level HR staffing pattern, duties and responsibilities for each assignment, standard operating procedures, system approach for developing milk procurement network in milk shed area, effective pricing system, benchmarks for key performance parameters, monitoring and evaluation formats etc. is I.P. of IBI company and its business associate M/S Improvement Innovations unlimited Inc. Canada. For providing techno-commercial support to “APNI DAIRY” system of milk procurement our Canadian associate has designed ‘Dairy business management software “ Doodh Ka doodh aur paani ka paani”. This software serves as effective monitoring tool in the hands of management to control hidden losses in milk purchase transactions and is the first of its kind to tackle age old major unresolved problem of Indian dairy industry relating to intermixing of buffalo milk with cow milk and then manipulating mixed milk composition by dilution with added water “.

We can share micro details of this system only with the management professionals of those DAIRY BUSINESS UNITS that find our comprehensive offer acceptable and they sign the Franchise agreement as per our standard commercial and allied terms and conditions.

Comprehensive training imparted by IBI Company will not only meet all techno-commercial business requirements but so designed to focus on the following prime management objectives:

1. Achieve specified goals and objectives with in shortest possible time span while consuming minimum financial and allied resources.
2. Deploy minimum manpower strictly as per functional needs by mainlining clear line of responsibility and authority.
3. Link monthly remuneration, perks and fringe benefits with actual achievement of budgetary targets relating to prime performance parameters.
4. Professionally designed performance evaluation system would be introduced and implemented as integral part the documented milk procurement system.
5. Concept of “Management for Results” would be introduced and implemented in all functional departments for optimizing performance results.
6. Marwari Concept of “PARTHA” would be introduced for maintaining transparency in financial accounting so as to eliminate hidden losses.
7. Cost effectiveness and result oriented monitoring of all business activities would be used as

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key drivers for optimizing quality, productivity and profitability.

## **HUMAN RESOURCE DEVELOPMENT AND TRAINING**

In modern era of cut throat global competition, human resource development and training plays prominent role in optimizing utilization of available resources and achieving time bound targeted goals and objectives.

IBI Company would provide professional support to D.B.U. for creating spear head team (group of competent trained professionals) for replicating original “APNI DAIRY” system of milk procurement in their specific milk shed area.

### **CUSTOM DESIGNED TRAINING PROGRAM FOR CORE GROUP OR SPEAR HEAD TEAM**

Program will be conducted through required number of module sessions spread over a period of three/six months. Each session will have specific learning objectives, professionally designed class room training cum coaching methodology; group discussion and question answer session to clarify basic concepts and implementation procedures.

While attending this training program based on I.S.O. concept; participants under our professional guidance will also write chapter by chapter their own “MANUAL FOR MILK PROCUREMENT AND TECHNICAL INPUTS” incorporating micro details of “APNI DAIRY” system in letter and spirit. This documented manual would subsequently be used by respective D.B.U’s for replicating original

“APNI DAIRY SYSTEM as a working guide containing specific inside the box work instructions for effective implementation and evaluation of correlated performance parameters specified as organizational goals to optimize profitability and attain global competitiveness.

Participants would also be given specific practical assignment tasks to be performed by them in actual field conditions prevailing in their specified milk shed area. Group leader among these participants will remain constantly in touch with IBI professional consultants through telephone and internet for expeditiously sorting out difficulties or problems if any faced by them while executing these assigned tasks. IBI would ensure that expert guidance and technical support is always made available to them for successful implementation of this professionally designed program.

#### **1.1 FRANCHISEE’S Desire to be Part of the SYSTEM.**

FRANCHISEE desires to be part of the SYSTEM and to establish, own and operate “APNI DAIRY” BUSINESS UNIT, subject to and in accordance with all of the terms and conditions of this AGREEMENT, and in adherence and conformity to the SYSTEM STANDARDS.

#### **1.2 IBI COMPANY’S Desire to Grant FRANCHISE.**

IBI COMPANY desires to grant FRANCHISEE to establish and operate “APNI DAIRY BUSINESS UNITS” {A.D.B.U} at specified locations, subject to the terms and conditions of this AGREEMENT, and conditioned upon FRANCHISEE’S continual adherence and conformity to the SYSTEM STANDARDS.

#### **1.3 Agreement of the Parties.**

Consistent with these introductory Sections and in consideration of the mutual promises and



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covenants contained in this AGREEMENT, IBI COMPANY and FRANCHISEE agree to be bound by the terms of this AGREEMENT.

## 2 Certain Definitions

For the purposes of this AGREEMENT, the following terms shall have the following meanings:

### 2.1 “APNI DAIRY PRODUCTS”

“APNI DAIRY PRODUCTS” means dairy products and other food items, manufactured under a license from the owner of the IBI MARKS, for distribution and sale in association with the MARKS, as modified, added to, or deleted from time to time by IBI COMPANY.

### 2.2 A.D.B.U.

“A.D.B.U.” means a dairy business entrepreneur operating as part of the SYSTEM, either directly by IBI COMPANY, or under a written franchise agreement granted by IBI COMPANY.

### 2.3 MARKS.

“MARKS” means the IBI name and trademarks, service marks, logos, trade dress, and other Commercial symbols.

### 2.4 NOTICE.

“NOTICE” means a communication satisfying the requirements of Franchise agreement

### 2.5 DAIRY BUSINESS UNIT.

Dairy business unit means the “APNI DAIRY” pattern dairy business established and operated by FRANCHISEE under the terms of this AGREEMENT. For the purposes of determining compliance with the SYSTEM STANDARDS, “ Dairy business unit also includes any facility, whether or not a part of the unit PREMISES, where IBI COMPANY permits FRANCHISEE to store, handle or display food, or other items, which are sold or used by the Dairy business unit ‘

## 3. Site Selection, Dairy business unit construction, and EXCLUSIVE TERRITORY

The terms and conditions of this AGREEMENT form a part of this AGREEMENT, and are incorporated into this AGREEMENT to the same extent as if fully set forth under this Article 3.

### 3.1 Site Selection Process; Designation of Dairy business unit premises.

If this AGREEMENT was issued in connection with a specified business unit, then the unit PREMISES will be designated under the terms as” APNI DAIRY BUSINESS UNIT” for a specific term of five years. If this AGREEMENT was issued in connection with a SUCCESSIVE TERM FRANCHISE, then the unit premises would be once again re-designated as “APNI DAIRY BUSINESS UNIT “such for a specific term of another five years.

### 3.2 DAIRY BUSINESS UNIT Design and Construction.

FRANCHISEE will adhere to IBI COMPANY’S procedures and requirements for the design and construction of the DAIRY BUSINESS UNIT as particularly described by IBI Company.

- a) In the case of a NEW DAIRY BUSINESS UNIT, FRANCHISEE will diligently construct the DAIRY BUSINESS UNIT PREMISES, if and after IBI COMPANY designates the



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DAIRY BUSINESS UNIT PREMISES in accordance with its specified description, time being of the essence.

- (b) In the case of a SUCCESSIVE TERM FRANCHISE, FRANCHISEE shall completely remodel the DAIRY BUSINESS UNIT, within one year from the COMMENCEMENT DATE prescribed by IBI Company, time being of the essence.
- (c) FRANCHISEE shall not commence (or recommence) operations at the DAIRY BUSINESS UNIT unless and until IBI COMPANY determines that the DAIRY BUSINESS UNIT reasonably conforms to the plans and specifications approved by IBI COMPANY in accordance with its prescribed basic requirements.

### 3.3 EXCLUSIVE TERRITORY

The parties acknowledge and agree that the EXCLUSIVE TERRITORY, if any, will be determined by IBI COMPANY in accordance with policy decided by management of IBI Company.

- (a) In the case of a NEW DAIRY BUSINESS UNIT, IBI COMPANY will provide FRANCHISEE with written information sufficient to determine the EXCLUSIVE TERRITORY, if any, using a specific document or some other form of written communication IBI COMPANY considers appropriate, when IBI COMPANY designates the NEW DAIRY BUSINESS UNIT PREMISES in accordance with its policy.
- (b) In the case of a SUCCESSIVE TERM FRANCHISE, information sufficient to determine the EXCLUSIVE TERRITORY, if any, would also be decided in the same manner.

## 4 Grant

### 4.1 The "FRANCHISE."

Subject to the provisions of this AGREEMENT, IBI COMPANY hereby grants FRANCHISEE the personal, limited right and license (the "FRANCHISE") to, during the TERM, operate the DAIRY BUSINESS UNIT, at the DAIRY BUSINESS UNIT PREMISES, in association with the MARKS, and in compliance with the SYSTEM STANDARDS.

### 4.2 No Right to relocate or Conduct Sales Away from the DAIRY BUSINESS UNIT.

This AGREEMENT does not grant FRANCHISEE any right to relocate the DAIRY BUSINESS UNIT. This AGREEMENT does not grant FRANCHISEE any right to sell any goods or services associated with the MARKS or the SYSTEM, except on a retail basis from the DAIRY BUSINESS UNIT. Without limiting the foregoing, this AGREEMENT does not grant FRANCHISEE any right to engage in wholesale sales, mail order sales, catalogue sales, and special events sales, catering, internet-based sales (e-Commerce), or any other sale to a customer who is not physically present in the NEW DAIRY BUSINESS UNIT at the time of purchase. If IBI COMPANY from time to time permits FRANCHISEE to engage in any sales away from the DAIRY BUSINESS UNIT, then those sales shall not result in any enlargement of the EXCLUSIVE TERRITORY, and FRANCHISEE shall fully adhere to IBI COMPANY'S requirements and policies pertaining to those sales away from the DAIRY



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BUSINESS UNIT which shall be deemed to be a part of the SYSTEM STANDARDS to which FRANCHISEE shall adhere.

## 5. Commencement, TERM and Renewal

### 5.1 The "TERM."

The term of the FRANCHISE (the "TERM") will commence on the "COMMENCEMENT DATE" determined under this Article 5, and will end on the EXPIRATION DATE determined under this Article 5; unless this AGREEMENT is sooner cancelled or terminated in accordance with its provisions.

### 5.2 NEW DAIRY BUSINESS UNIT

Each of the provisions of this Section 5.2 applies if, and only if, this AGREEMENT was entered into in contemplation of APNI DAIRY BUSINESS UNIT.

#### 5.2.1 COMMENCEMENT DATE.

The COMMENCEMENT DATE will be the day the DAIRY BUSINESS UNIT first opens for business.

#### 5.2.2 Commencement of Operations.

FRANCHISEE shall exert its best efforts to open the DAIRY BUSINESS UNIT on or before the day that is exactly 3 years from the date of this AGREEMENT (appearing on the top of the COVER SHEET) (the "OUTSIDE OPENING DATE").

#### 5.2.3 EXPIRATION DATE.

The EXPIRATION DATE is the day immediately before the tenth anniversary of:

- (a) The COMMENCEMENT DATE; or
- (b) The OUTSIDE OPENING DATE; whichever is earlier.

#### 5.2.4 Failure to Open by OUTSIDE OPENING DATE.

Irrespective of the cause of any delay, if FRANCHISEE fails to open the NEW DAIRY BUSINESS UNIT for business by the OUTSIDE OPENING DATE, then, IBI COMPANY shall have the absolute right to elect to:

- (a) Permit FRANCHISEE additional time to open DAIRY BUSINESS UNIT under this AGREEMENT, provided however that the EXPIRATION DATE shall remain the same; or
- (b) Require FRANCHISEE to enter into IBI COMPANY'S most current form of franchise agreement in replacement of this AGREEMENT, and permit FRANCHISEE additional time to open DAIRY BUSINESS UNIT, in which case IBI COMPANY may at its election require that the EXPIRATION DATE remain the same, or may extend the EXPIRATION DATE; or
- (c) Cancel this AGREEMENT and return the FRANCHISE FEE paid by FRANCHISEE under Article 7, less RS.10000, which IBI COMPANY shall have an absolute right to in, in which case IBI COMPANY shall have no further obligations to FRANCHISEE under this AGREEMENT.



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### 5.2.5 Renewal Opportunity.

FRANCHISEE shall have the opportunity to continue the operation of the DAIRY BUSINESS UNIT during a second five year term (the “RENEWAL TERM”), subject to and conditioned upon each and every one of the following provisions:

#### 5.2.5.1 Written Request for Grant of RENEWAL TERM.

If FRANCHISEE desires to continue to operate the DAIRY BUSINESS UNIT for the RENEWAL TERM, then FRANCHISEE must in writing, at least 180 days before the EXPIRATION DATE, but no more than 270 days before the EXPIRATION DATE, request that IBI COMPANY issue its then current standard form franchise agreement for renewal terms (a “RENEWAL AGREEMENT”), contemplating a single ten-year franchise term for the DAIRY BUSINESS UNIT, at the DAIRY BUSINESS UNIT PREMISES.

FRANCHISEE acknowledges and agrees that terms of a RENEWAL AGREEMENT, including the amount of the ROYALTY payable during the RENEWAL TERM, may be substantially different from the terms of this AGREEMENT, and may be substantially different from the terms of the standard form franchise agreement that IBI COMPANY is then issuing in connection with a new APNI DAIRY BUSINESS UNIT.

**5.2.5.2 Operation in Compliance with IBI COMPANY Requirements.** IBI COMPANY shall have no obligation to issue a RENEWAL AGREEMENT to FRANCHISEE, unless FRANCHISEE meets each and every one of the following conditions, each of which FRANCHISEE agrees is reasonable.

- (a) FRANCHISEE shall have continuously been, during the last 2 years of the TERM, current in its financial obligations to IBI COMPANY, IBI COMPANY’S affiliates, and IBI COMPANY’S designated suppliers, under this AGREEMENT, and under any other agreement existing between IBI COMPANY and FRANCHISEE.
- (b) FRANCHISEE shall have continuously, during the last 2 years of the TERM, operated the DAIRY BUSINESS UNIT , as well as any other APNI DAIRY BUSINESS UNIT in which FRANCHISEE has an interest, in accordance with IBI COMPANY’S operational requirements; and, in particular, during such time period shall have received only passing scores during any operational audit or inspection, irrespective of whether a non-passing score resulted in a NOTICE of default, and irrespective of whether deficiencies identified were timely corrected.
- (c) FRANCHISEE shall have, during the last 2 years of the TERM, consistently operated the DAIRY BUSINESS UNIT in accordance with each of the terms of this AGREEMENT and the DAIRY BUSINESS UNIT OPERATIONS MANUALS, and, during such period, shall not have been declared to be in default of any of the terms of this AGREEMENT, or any other franchise agreement existing between IBI COMPANY and FRANCHISEE.



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- (d) FRANCHISEE shall have, during the last 2 years of the TERM, consistently participated in all marketing promotions conducted by IBI COMPANY.
- (e) FRANCHISEE shall meet IBI COMPANY'S then current financial requirements for the grant of a RENEWAL TERM, which may require that FRANCHISEE demonstrate the financial ability to continue to operate the DAIRY BUSINESS UNIT, and to timely remodel the DAIRY BUSINESS UNIT to the extent required by IBI COMPANY, or the RENEWAL AGREEMENT.
- (f) If required by IBI COMPANY, then FRANCHISEE shall have, during the last year of the TERM, caused its DESIGNATED DAIRY BUSINESS UNIT MANAGER to attend IBI COMPANY'S training program, irrespective of any prior training and experience.
- (g) If required by IBI COMPANY, then FRANCHISEE shall have, during the last year of the TERM, completely remodeled the DAIRY BUSINESS UNIT in accordance with IBI COMPANY'S procedures to bring the DAIRY BUSINESS UNIT into conformity with IBI COMPANY'S then current design and operational requirements.

#### **5.2.5.3 RENEWAL AGREEMENT Execution.**

If IBI COMPANY issues a RENEWAL AGREEMENT to FRANCHISEE, then FRANCHISEE must timely execute that RENEWAL AGREEMENT in accordance with IBI COMPANY'S then current requirements. FRANCHISEE will not be required to pay an initial franchise fee to enter into the RENEWAL AGREEMENT.

### **5.3 SUCCESSIVE TERM FRANCHISE.**

Each of the provisions of this Section 5.3 applies if, and only if, this AGREEMENT is for a SUCCESSIVE TERM FRANCHISE.

#### **5.3.1 COMMENCEMENT DATE.**

The COMMENCEMENT DATE is set forth as prescribed earlier.

#### **5.3.2 EXPIRATION DATE.**

The EXPIRATION DATE is the day immediately before the tenth anniversary of the COMMENCEMENT DATE.

#### **5.3.3 No Opportunity to Renew.**

FRANCHISEE acknowledges and agrees that this AGREEMENT confers no right to continuation, renewal, or a subsequent franchise agreement on or after the EXPIRATION DATE.

### **5.4 Limitation on Conditional Renewal Opportunity.**

FRANCHISEE understands and agrees that in the case of a NEW APNI DAIRY BUSINESS UNIT, this AGREEMENT confers no right to continuation, renewal, or a subsequent franchise agreement on or after the EXPIRATION DATE, and IBI COMPANY shall not have any obligation to continue its relationship



with FRANCHISEE in connection with the DAIRY BUSINESS UNIT after the EXPIRATION DATE. If FRANCHISEE enters the LEASE for a tenancy extending beyond the TERM, or enters into an extension of the LEASE, a new lease for the DAIRY BUSINESS UNIT PREMISES, or any other commitment related to the DAIRY BUSINESS UNIT for a period after the TERM, then FRANCHISEE shall be doing so at its own risk.

## 6. IBI COMPANY'S Obligations

Except as explicitly set forth in this Article 6, or explicitly contemplated by a particular provision of this AGREEMENT, IBI COMPANY has no obligations to FRANCHISEE under this AGREEMENT.

### 6.1 Plans and Specifications.

In connection with the initial construction of the DAIRY BUSINESS UNIT, or a remodel of the DAIRY BUSINESS UNIT if required by IBI COMPANY shall, at no charge, provide FRANCHISEE or FRANCHISEE'S architect with standard criteria for the design and configuration of a typical APNI DAIRY BUSINESS UNIT, including exterior and interior design and layout, fixtures, furnishings, equipment and sign age, which FRANCHISEE shall, at FRANCHISEE'S expense, adapt to conform to the characteristics of the DAIRY BUSINESS UNIT PREMISES in accordance with the specified terms of agreement.

### 6.2 Training.

Before the initial opening of the DAIRY BUSINESS UNIT IBI COMPANY shall, at no charge to FRANCHISEE, provide initial training for the DESIGNATED DAIRY BUSINESS UNIT MANAGER and up to one additional person in accordance with its policy.

### 6.3 DAIRY BUSINESS UNIT OPERATIONS MANUALS.

During the TERM, IBI COMPANY shall at no charge loan one copy of the DAIRY BUSINESS UNIT OPERATIONS MANUALS to FRANCHISEE.

### 6.4 Final Inspection.

At a mutually convenient time agreed upon sufficiently in advance of the initial opening of the DAIRY BUSINESS UNIT, IBI COMPANY shall, at no charge to FRANCHISEE, inspect the DAIRY BUSINESS UNIT to determine that it reasonably conforms to the plans and specifications approved by IBI COMPANY under the procedures described by IBI company.

### 6.5 Opening Assistance.

Before and in connection with the initial opening of the DAIRY BUSINESS UNIT, IBI COMPANY shall, at no charge, provide FRANCHISEE with such pre-opening and opening assistance and guidance as IBI COMPANY deems appropriate. If FRANCHISEE is a NEW FRANCHISEE, then the assistance provided by IBI Company will include the physical presence of one or more IBI COMPANY representatives for a total of at least five person-days (based on an 8-hour work day) before, during, and/or just after the DAIRY BUSINESS UNIT first opens for business.





## 6.6 On-going Source of “APNI DAIRY” raw milk and allied products.

During the TERM IBI COMPANY will designate a source from which FRANCHISEE shall purchase raw milk and allied products, and will designate or approve sources for other items purchased by FRANCHISEE in connection with the operation of the DAIRY BUSINESS UNIT, as more particularly described in the manuals.

## 6.7 On-going Advice and Assistance.

During the TERM, IBI COMPANY shall, at no charge, from time to time provide FRANCHISEE with such advisory assistance, information, techniques, data, and instructional materials concerning the business operations relating to specified milk products, operation of the DAIRY BUSINESS UNIT, marketing programs applicable to the SYSTEM, local marketing of products and adherence to the SYSTEM STANDARDS as IBI COMPANY deems advisable.

## 7 Initial Fees

### 7.1 The “FRANCHISE FEE.”

FRANCHISEE shall pay an initial franchise fee (the “FRANCHISE FEE”) to IBI COMPANY, for the right to enter into this AGREEMENT and in consideration of the FRANCHISE, in an amount determined as follows:

- (a) If this AGREEMENT grants the Franchise to a New FRANCHISEE for a New DAIRY BUSINESS UNIT, then the full amount of the FRANCHISE FEE is Rs.50000.

The FRANCHISE FEE is due in two instalments. The first instalment, in the amount of Rs.20, 000, must be paid upon FRANCHISEE’S signing of this AGREEMENT. The second instalment, in the amount of Rs.30000, must be paid within 15 days following IBI COMPANY’S designation of the DAIRY BUSINESS UNIT PREMISES

- (b) If this AGREEMENT grants the Franchise to an Existing FRANCHISEE for a New DAIRY BUSINESS UNIT, then the full amount of the FRANCHISE FEE is Rs 30000. The FRANCHISE FEE is due in two instalments. The first instalment, in the amount of Rs.10, 000, must be paid upon FRANCHISEE’S signing of this AGREEMENT. The second instalment, in the amount of Rs.20000 must be paid within 15 days following IBI COMPANY’S designation of the DAIRY BUSINESS UNIT PREMISES under the terms of agreement

- (c) If this AGREEMENT grants a Successive Term Franchise, then the full amount of the FRANCHISE FEE shall be Rs.30000, which is due and payable upon FRANCHISEE’S signing of this AGREEMENT.

### 7.2 Failure to Timely Pay Second Instalment of FRANCHISE FEE.

If FRANCHISEE fails to timely pay the second instalment of the FRANCHISE FEE, if required under Section 7.1(a) or 7.1(b), then IBI COMPANY shall have the absolute right to declare this AGREEMENT void, retain the first instalment of the FRANCHISE FEE paid by FRANCHISEE, and shall otherwise have no remaining obligations to FRANCHISEE under this AGREEMENT.



### 7.3 **FRANCHISE FEE is Non-refundable.**

The FRANCHISE FEE is non-refundable.

### 7.4 **Partial Refund upon Failure to Satisfy Initial Training Requirement.**

If the initial DESIGNATED APNI DAIRY BUSINESS UNIT MANAGER fails to complete training to the satisfaction of IBI COMPANY, in accordance with Section 11.3.1, then IBI COMPANY will give FRANCHISEE an opportunity to designate a different initial DESIGNATED DAIRY BUSINESS UNIT MANAGER, who must complete training to the satisfaction of IBI COMPANY before the DAIRY BUSINESS UNIT first opens for business. If the second initial DESIGNATED DAIRY BUSINESS UNIT MANAGER also fails to complete training to the satisfaction of IBI COMPANY, or FRANCHISEE declines the opportunity to have a second initial DESIGNATED DAIRY BUSINESS UNIT MANAGER attend IBI COMPANY'S training program, then IBI COMPANY may cancel this AGREEMENT. If IBI COMPANY cancels this AGREEMENT under this Section 7.4, then IBI COMPANY shall refund the FRANCHISE FEE (to the extent already paid by FRANCHISEE), less Rs.10000, which amount IBI COMPANY shall have an absolute right to retain, and IBI COMPANY shall have no further obligations to FRANCHISEE under this AGREEMENT.

## 8. **GRAND OPENING Program**

### 8.1 **Optional GRAND OPENING.**

FRANCHISEE may, but shall have no obligation to, conduct a grand opening event (the "GRAND OPENING").

### 8.2 **Participation by IBI COMPANY.**

If this AGREEMENT contemplates a NEW APNI DAIRY BUSINESS UNIT, and the GRAND OPENING satisfies each of the criteria set forth by IBI COMPANY only then it will financially participate in the GRAND OPENING, by providing FRANCHISEE with goods and services as determined solely by IBI COMPANY.

#### 8.2.1 **Grand Opening Criteria.**

In order for FRANCHISEE to become entitled to IBICOMPANY'S participation in connection with the GRAND OPENING, FRANCHISEE must:

- (a) At least 30 day prior to the GRAND OPENING, submit a proposed GRAND OPENING plan to IBI COMPANY, detailing the marketing elements being proposed by FRANCHISEE

## 9 **Continuing Fees**

### 9.1 **"GROSS SALES" Defined.**

"GROSS SALES" means:

- (a) All revenue derived from the sale, at regular selling prices before any discounts or allowances, of any food, merchandise, and services, from the DAIRY BUSINESS UNIT;
- (b) All income of every kind and nature related to the DAIRY BUSINESS UNIT,

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FRANCHISE, and/or MARKS, even if derived from sales or activities not permitted by this AGREEMENT;

- (c) The fair value of any non-monetary consideration received by FRANCHISEE for any food, merchandise, and services, from the DAIRY BUSINESS UNIT, which are bartered, traded or otherwise exchanged by FRANCHISEE for valuable goods or services; and
- (d) All proceeds of any business interruption insurance policies related to the DAIRY BUSINESS UNIT or FRANCHISE.

**Specifically excluded from “GROSS SALES” are:**

- (x) the incidental sale of gift cards (or any similar redemption device), if authorized by IBI COMPANY; provided however that goods and services purchased with gift cards (or any similar redemption device) shall be included in GROSS SALES, to the same extent as if paid for with cash;
- (y) sales taxes, excise taxes, or other taxes added to the selling price of any item or service, if actually collected from customers and transmitted to a governmental taxing authority; provided however any tax rebate, allowance, or discount shall be part of GROSS SALES to the extent received, taken, or realized by FRANCHISEE;
- (z) Any extraordinary sale of equipment or fixtures used in the DAIRY BUSINESS UNIT.

**9.2 Charge Sales.**

Each charge sale or credit sale shall be included in “GROSS SALES” at the time the sale is made, without regard to whether payment is actually collected.

**9.3 Sales Away from the DAIRY BUSINESS UNIT.**

This AGREEMENT does not permit FRANCHISEE to sell any food, merchandise or services away from the DAIRY BUSINESS UNIT. If FRANCHISEE is authorized by IBI COMPANY, or without such authorization, sells food, merchandise or services associated with the MARKS away from the DAIRY BUSINESS UNIT. Then the revenues from those sales will be part of FRANCHISEE’S GROSS SALES, and FRANCHISEE shall comply with the procedures established by IBI COMPANY to ensure that any such GROSS SALES are properly captured by the POS SYSTEM, or otherwise reported to IBI COMPANY under Section 9.4.

**9.4 Reporting GROSS SALES.**

FRANCHISEE shall accurately report its GROSS SALES and such other information as IBI COMPANY requires, on a weekly basis, or some other periodic basis specified from time to time by IBI COMPANY, using a form prescribed by IBI COMPANY, supported by whatever documentation IBI COMPANY reasonable requires. Unless IBI COMPANY specifies otherwise, FRANCHISEE will report its GROSS SALES every Monday, reflecting sales for the preceding week. In lieu of requiring FRANCHISEE to report GROSS SALES, IBI COMPANY may determine FRANCHISEE’S GROSS SALES based on data IBI COMPANY obtains from the SYSTEM.



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### 9.5 Estimating GROSS SALES.

If FRANCHISEE at any time fails to timely report its GROSS SALES, then in addition to any other remedies that IBI COMPANY may have under this AGREEMENT, IBI COMPANY will have the right to in good faith estimate FRANCHISEE'S GROSS SALES, multiply the good faith estimate of GROSS SALES by 125% to arrive at an adjusted estimate of GROSS SALES, and invoice and collect amounts due from FRANCHISEE on the basis of the adjusted estimate of GROSS SALES. If FRANCHISEE, within 30 days following IBI COMPANY'S invoicing or otherwise notifying FRANCHISEE that IBI COMPANY has estimated FRANCHISEE'S GROSS SALES under this Section 9.5, reports its GROSS SALES for the period that had not been timely reported, then the parties will reconcile any difference between the amount reported and the adjusted estimate of GROSS SALES; otherwise the adjusted estimate of GROSS SALES will become final and binding. FRANCHISEE agrees that this provision is reasonable, and that the adjusted estimate of GROSS SALES shall be deemed liquidated damages, and not a penalty, based on the difficulty of accurately estimating GROSS SALES based on prior reporting periods.

### 9.6 "ROYALTY."

FRANCHISEE shall pay IBI COMPANY a continuing fee (the "ROYALTY"), equal to four per cent (4%) of GROSS SALES, for the continuing right to operate the DAIRY BUSINESS UNIT in association with the MARKS and the SYSTEM.

#### 9.6.1 Reporting ROYALTY.

FRANCHISEE shall accurately report the total ROYALTY that IBI COMPANY became entitled to receive at the same time that FRANCHISEE must report its GROSS SALES under Section 9.4, and for the same reporting period.

#### 9.6.2 When Due.

Unless IBI COMPANY establishes a different due date under Section 9.6.3, ROYALTY payments are due at the same time FRANCHISEE report its GROSS SALES under Section 9.4.

#### 9.6.3 ROYALTY Payments

IBI COMPANY may from time to time modify the requirements and system for payment and collection of the ROYALTY. By way of example, but not limitation:

- (a) IBI COMPANY may periodically invoice FRANCHISEE for the ROYALTY due, taking into account any prepayment made under Section 9.6.4, in which case the ROYALTY will not be delinquent as long as it is paid in accordance with the terms of the respective invoice; provided however that in the event FRANCHISEE fails to timely pay the ROYALTY invoiced, or fails to timely report GROSS SALES, thus impeding the ROYALTY invoicing process, then FRANCHISEE shall be deemed to have failed to timely pay the ROYALTY as of when FRANCHISEE was required to report its related GROSS SALES.
- (b) IBI COMPANY may direct FRANCHISEE to pay the ROYALTY at the same time that FRANCHISEE must report the ROYALTY payable to IBI



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COMPANY under Section 9.6.1.

- (c) IBI COMPANY may automatically deduct the ROYALTY from a financial account maintained by FRANCHISEE, using an electronic funds transfer (“EFT”) process in accordance with Section 9.9.

**9.6.4 Prepayment of ROYALTY.**

IBI COMPANY may require FRANCHISEE to prepay the ROYALTY when FRANCHISEE purchases APNI DAIRY PRODUCTS, using a formula identical to that used to calculate the royalty paid by other SYSTEM franchisees, or some other formula determined by IBI COMPANY to reasonably approximate the ROYALTY that FRANCHISEE must pay.

**9.6.5 Treatment of Overpayments.**

IBI COMPANY will periodically and no less often than quarterly, reconcile amounts it became entitled to receive from FRANCHISEE for the ROYALTY, with the ROYALTY prepayments made by FRANCHISEE under Section 9.6.4. If a reconciliation under this Section 9.6.5 establishes that FRANCHISEE overpaid the ROYALTY due for the period reconciled, then IBI COMPANY will at its option issue a payment or credit to FRANCHISEE in the amount of the overpayment. In the case of a credit, the credit may be used toward amounts due or that become due to IBI COMPANY or its affiliates, as determined by IBI COMPANY. IBI COMPANY shall have the absolute right to delay the reconciliation process to the extent of reporting delays by FRANCHISEE. IBI COMPANY may also delay issuing any payment or credit if IBI COMPANY has issued an Audit NOTICE to FRANCHISEE under Section 9.6.5, and thereafter diligently proceeds to audit FRANCHISEE’S books and records. At its option, IBI COMPANY may include amounts payable by FRANCHISEE for LOCAL MARKETING CONTRIBUTIONS under Section 9.8.2 in the reconciliation process.

**9.7 “GENERAL MARKETING CONTRIBUTION.”**

FRANCHISEE shall pay a continuing fee (the “GENERAL MARKETING CONTRIBUTION”) to be used by IBI COMPANY as more particularly described below.

**9.7.1 Amount of GENERAL MARKETING CONTRIBUTION.**

For each year of the TERM, FRANCHISEE shall pay a GENERAL MARKETING CONTRIBUTION determined in accordance with the following formula, provided, however, that in no event shall the GENERAL MARKETING CONTRIBUTION be less than Rs.30000 per year.

**9.7.2 When Due.**

FRANCHISEE shall pay GENERAL MARKETING CONTRIBUTIONS promptly, in accordance with the terms of invoices from IBI COMPANY or its designee. At least 1/12th of the annual GENERAL MARKETING CONTRIBUTION shall be paid each month.

**9.7.3 Use of GENERAL MARKETING CONTRIBUTION.**

The GENERAL MARKETING CONTRIBUTION together with amounts collected



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from other SYSTEM franchisees, will be added to a fund (the “MARKETING FUND”) used, as determined solely by IBI COMPANY, for advertising, sales promotions, research and public relations related to the SYSTEM. IBI COMPANY may select advertising and promotional materials, programs, media, and advertising and other agencies for and to which expenditures from the MARKETING FUND are made. Expenditures or benefits derived by FRANCHISEE from the MARKETING FUND may not and need not be in proportion to FRANCHISEE’S contributions. IBI COMPANY may compensate itself and/or its affiliates out of the MARKETING FUND for the reasonable expense of administering and promoting advertising and sales promotion programs. IBI COMPANY is not obligated to maintain the MARKETING FUND in a segregated financial account, shall not be deemed a trustee of the MARKETING FUND, and shall not be deemed be a fiduciary by virtue of its control over the MARKETING FUND.

#### **9.8 “LOCAL MARKETING CONTRIBUTION.”**

FRANCHISEE shall pay a continuing fee (the “LOCAL MARKETING CONTRIBUTION”), equal to one per cent (1%) of GROSS SALES, to be used by IBI COMPANY as more particularly described below.

##### **9.8.1 Reporting LOCAL MARKETING CONTRIBUTION Due.**

FRANCHISEE shall accurately report the total LOCAL MARKETING CONTRIBUTION due, for the period required to be reported, at the same time that FRANCHISEE must report its GROSS SALES under Section 9.4.

##### **9.8.2 LOCAL MARKETING CONTRIBUTION Payments.**

LOCAL MARKETING CONTRIBUTION payments shall be paid at the same time ROYALTY payments must be paid under Section 9.6.2, and in accordance with the same procedures instituted by IBI COMPANY under Section 9.6.3.

##### **9.8.3 Use of LOCAL MARKETING CONTRIBUTION.**

LOCAL MARKETING CONTRIBUTIONS will be directed toward local marketing activities that IBI COMPANY reasonably believes to be of benefit to FRANCHISEE. Without limitation, IBI COMPANY may spend LOCAL MARKETING CONTRIBUTIONS directly, make them available for cooperative marketing, or make them available to FRANCHISEE on a reimbursement basis for costs incurred by FRANCHISEE in connection with local marketing activities specified in advance by IBI COMPANY, and undertaken directly by FRANCHISEE. If IBI COMPANY makes the LOCAL MARKETING CONTRIBUTIONS collected available to FRANCHISEE on a reimbursement basis, and FRANCHISEE fails to meet the conditions for reimbursement within the time limits established from time to time by IBI COMPANY, then the LOCAL MARKETING CONTRIBUTIONS collected by IBI COMPANY and not otherwise utilized in accordance with this Section shall be considered part of the MARKETING FUND, and subject to any use permitted by Section 9.7.3. IBI COMPANY may use or make available the LOCAL MARKETING CONTRIBUTIONS collected for local marketing activities undertaken within time



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frames before and after the due date.

FRANCHISEE'S LOCAL MARKETING CONTRIBUTION, as determined by IBI COMPANY from time to time, and communicated to FRANCHISEE.

**9.9 Electronic Funds Transfer (EFT).**

If required by IBI COMPANY at any time during the TERM, then FRANCHISEE shall promptly take all necessary steps, including completing and signing necessary authorization forms, to enable:

- (a) IBI COMPANY or its designee to electronically deduct, from a financial account maintained by FRANCHISEE, any amounts that become payable to IBI COMPANY under this Article 9, or otherwise under this AGREEMENT;
- (b) IBI COMPANY'S affiliates, or their respective designee, to electronically deduct, from a financial account maintained by FRANCHISEE, any amounts that become due to such affiliates under this AGREEMENT, in connection with FRANCHISEE'S purchases of APNI DAIRY PRODUCTS, or otherwise. FRANCHISEE shall be responsible for any fees and charges assessed by FRANCHISEE'S financial institution in connection with transactions within this scope of this Section 9.9.

**9.10 No Rights of Set-Off.**

FRANCHISEE may not reduce any payment required to be made to IBI COMPANY under this Article 9, on account of any money IBI COMPANY owes FRANCHISEE under this AGREEMENT, or otherwise.

**9.11 Late Payment.**

To compensate IBI COMPANY (or its affiliates) for the loss of use of funds that FRANCHISEE must pay IBI COMPANY (or its affiliates) under this AGREEMENT, the principal portion of any payment that FRANCHISEE does not make to IBI COMPANY (or its affiliates), when due, shall bear interest from the due date until paid at, the lesser of eighteen per cent (18%) per annum or the highest contract rate of interest allowed by the law of the state where the DAIRY BUSINESS UNIT is located.

To compensate IBI (or its affiliates) for the administrative expenses incurred in connection with delinquent obligations (unless prohibited by law), IBI COMPANY may also require FRANCHISEE to pay a late charge equal to ten per cent (10%) of each payment that is late. IBI COMPANY (and its affiliates) shall also be entitled to recover the costs and expenses, including reasonable attorneys' fees, incurred in collection of past due amounts. FRANCHISEE shall also be responsible for payment of any bank charges, late fees, penalties, or similar charges incurred by IBI COMPANY (or its affiliates) as a result of any dishonored bank check, stop payment order, electronic funds debit rejection or similar occurrence in connection with any amount payable under this AGREEMENT. Without limiting the foregoing, the provisions of this Section 9.11 will apply to FRANCHISEE'S purchase of



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APNI DAIRY PRODUCTS from IBI COMPANY'S affiliates.

**10. Confidential Manual and Information**

**10.1 DAIRY BUSINESS UNIT OPERATIONS MANUALS" Defined.**

The "DAIRY BUSINESS UNIT OPERATIONS MANUAL" is a copyrighted manual of procedures, business information, confidential and proprietary information, and trade secrets pertaining to the SYSTEM, and forming a substantial portion of the SYSTEM STANDARDS

**10.2 Ownership. Possession and Control of DAIRY BUSINESS UNIT OPERATION'S MANUAL.**

The DAIRY BUSINESS UNIT OPERATIONS MANUAL shall at all times remain the property of IBI COMPANY. One copy of the DAIRY BUSINESS UNIT OPERATIONS MANUAL will be loaned to FRANCHISEE for use only in connection with the DAIRY BUSINESS UNIT. The DAIRY BUSINESS UNIT OPERATIONS MANUAL must be kept in a secure place in the DAIRY BUSINESS UNIT at all times. FRANCHISEE may not disclose the contents of the DAIRY BUSINESS UNIT OPERATIONS MANUAL, in whole or in part, to any person other than FRANCHISEE'S employees as may be necessary to discharge

FRANCHISEE'S obligations under this AGREEMENT. FRANCHISEE may not use the DAIRY BUSINESS UNIT OPERATIONS MANUAL or its contents, in whole or in part, for any purpose other than to discharge its obligations under this AGREEMENT. Except as expressly permitted by IBI COMPANY,

FRANCHISEE may not copy or disseminate the DAIRY BUSINESS UNIT OPERATIONS MANUAL, in whole or in part, and must implement reasonable security measures directed to accomplishing the requirements of this Section 10.2.

**10.3 Revisions to DAIRY BUSINESS UNIT OPERATIONS MANUAL.**

IBI COMPANY reserves the right to add to, revise or rescind various portions of the DAIRY BUSINESS UNIT OPERATIONS MANUAL periodically, and FRANCHISEE shall implement such changes when made, even if additional investment or expenditures are required. FRANCHISEE shall keep FRANCHISEE'S copy of the DAIRY BUSINESS UNIT OPERATIONS MANUAL current, and shall destroy superseded provisions of the DAIRY BUSINESS UNIT OPERATIONS MANUAL. If there is a conflict between FRANCHISEE'S copy of the DAIRY BUSINESS UNIT OPERATIONS MANUAL and the master copy of the DAIRY BUSINESS UNIT OPERATIONS MANUAL maintained by IBI COMPANY, then the master copy maintained by IBI COMPANY shall control.

**10.4 Confidential Information.**

FRANCHISEE acknowledges that IBI COMPANY will from time to time provide FRANCHISEE with information that is confidential in nature and that if disclosed to third parties might adversely impact the ability of IBI COMPANY or SYSTEM franchisees to remain competitive. FRANCHISEE agrees that, unless otherwise





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determined by IBI COMPANY, the marketing strategies and programs developed by IBI COMPANY shall be treated as confidential until publicly disseminated in accordance with the instructions of IBI COMPANY. FRANCHISEE shall not disclose any confidential information to any person other than FRANCHISEE'S employees as may be necessary to discharge FRANCHISEE'S obligations hereunder, and FRANCHISEE agrees not to use any such confidential information for any purpose other than to discharge its obligations under this AGREEMENT.

## 11. System standards

FRANCHISEE shall, at all times during the TERM, continuously and faithfully operate the DAIRY BUSINESS UNIT in full compliance with the SYSTEM STANDARDS.

### 11.1 DAIRY BUSINESS UNIT OPERATIONS MANUAL.

In order to protect and enhance the reputation and good will associated with the MARKS and the SYSTEM, and to maintain SYSTEM uniformity and the SYSTEM STANDARDS. FRANCHISEE shall at all times conduct the operations of the DAIRY BUSINESS UNIT in accordance with the DAIRY BUSINESS UNIT OPERATIONS MANUAL.

### 11.2 DESIGNATED DAIRY BUSINESS UNIT MANAGER.

FRANCHISEE shall at all times have a person designated as having primary responsibility for the day to day operation of the DAIRY BUSINESS UNIT (the "DESIGNATED DAIRY BUSINESS UNIT MANAGER") in accordance with this AGREEMENT and the SYSTEM STANDARDS, who shall be reasonably acceptable to IBI COMPANY (including, but not limited to, the requirement that such individual possess sufficient experience in the management of a retail business, as determined by IBI COMPANY in its sole discretion), and who has successfully completed the IBI COMPANY training program and continues to satisfy the training requirements under Section 11.3. Unless FRANCHISEE has more than one APNI DAIRY BUSINESS UNIT, or is a professional food service operator in the sole judgment of IBI COMPANY, the DESIGNATED DAIRY BUSINESS UNIT MANAGER must be an individual who, separately, or with others, is the FRANCHISEE under this AGREEMENT, or if the FRANCHISEE consists of no natural persons, then an officer, director, senior level employee of FRANCHISEE, or an individual who has personally guaranteed FRANCHISEE'S obligations under this AGREEMENT.

### 11.3 Training.

In order to safeguard the MARKS and the SYSTEM STANDARDS, FRANCHISEE shall at all times employ an adequately trained staff to properly operate the DAIRY BUSINESS UNIT in accordance with the SYSTEM STANDARDS.

#### 11.3.1 Initial Training

IBI COMPANY shall at the same time provide training for the first DESIGNATED DAIRY BUSINESS UNIT MANAGER and, if desired by FRANCHISEE, or necessary in order for FRANCHISEE to satisfy the best



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efforts requirements under Section 11.4, one other person selected by FRANCHISEE and reasonably acceptable to IBI COMPANY, in the principal aspects of establishing and operating a APNI DAIRY BUSINESS UNIT the handling of APNI DAIRY PRODUCTS, and the preparation and sale of APNI DAIRY PRODUCTS. Specific training procedures and requirements are set forth in the DAIRY BUSINESS UNIT OPERATIONS MANUAL. This AGREEMENT is issued on the condition that the initial DESIGNATED DAIRY BUSINESS UNIT MANAGER, and any person FRANCHISEE later desires to make the DESIGNATED DAIRY BUSINESS UNIT MANAGER, completes training to the satisfaction Of IBI COMPANY.

**11.3.2 Successive Term FRANCHISE Refresher Training.**

In the case of a Successive Term FRANCHISE, this AGREEMENT is issued on the additional condition that, if required by IBI COMPANY, then the current DESIGNATED DAIRY BUSINESS UNIT MANAGER or another person selected by FRANCHISEE and acceptable to IBI COMPANY shall successfully complete training by a date determined by IBI COMPANY, notwithstanding any prior training and experience.<sup>22</sup>

**11.3.3 On-going Training.**

If required by IBI COMPANY, then the DESIGNATED DAIRY BUSINESS UNIT MANAGER shall attend and complete mid-term training, to the satisfaction of IBI COMPANY, at a time after the fifth year of the TERM reasonably determined by IBI COMPANY.

**11.3.4 Remedial Training.**

In lieu of declaring a default under this AGREEMENT or terminating this AGREEMENT for material breach, or at the same time as declaring a default under this AGREEMENT, IBI COMPANY shall have the absolute right to direct FRANCHISEE by NOTICE to have the DESIGNATED DAIRY BUSINESS UNIT MANAGER attend training directed toward curing specific operational deficiencies.

IBI COMPANY shall have no obligation to offer training as an alternative to declaring a default or terminating this AGREEMENT. FRANCHISEE may be required to reimburse IBI COMPANY for the reasonable costs of remedial training provided by IBI COMPANY under this Section 11.3.4.

**11.3.5 Expenses of Attendance at Training.**

FRANCHISEE is solely responsible for travel and living expenses in connection with any training provided by IBI COMPANY under this AGREEMENT, as well as any wages and salaries payable to FRANCHISEE'S employees while attending training.



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#### 11.4 Best Efforts.

The DESIGNATED DAIRY BUSINESS UNIT MANAGER shall furnish personal full time and attention and best efforts to the day to day management and operation of the DAIRY BUSINESS UNIT in accordance with the requirements of this AGREEMENT.

Without limiting the foregoing, the DESIGNATED DAIRY BUSINESS UNIT MANAGER must maintain a physical presence at the DAIRY BUSINESS UNIT at least 40 hours each week during hours of operation, provided however that this requirement may be satisfied by the combined time spent at the DAIRY BUSINESS UNIT during hours of operation by the DESIGNATED DAIRY BUSINESS UNIT MANAGER and one or more other individuals, satisfactory to IBI COMPANY, who have successfully completed IBI COMPANY'S training program.

#### 11.5 DAIRY BUSINESS UNIT Employees.

The DAIRY BUSINESS UNIT shall be staffed with qualified, competent employees trained by the DESIGNATED DAIRY BUSINESS UNIT MANAGER, and who are employed solely by FRANCHISEE and not by IBI COMPANY. FRANCHISEE is solely responsible for hiring and discharging employees of the DAIRY BUSINESS UNIT, and setting their wages and terms of employment. FRANCHISEE shall comply with all applicable laws and regulations, including, but not limited to, workers' compensation laws. FRANCHISEE shall require employees to wear such uniforms or attire as IBI COMPANY prescribes periodically, and otherwise comply with the on-going SYSTEM STANDARDS.

All employment related documents, including, without limitation, employment applications, schedules, job descriptions, and pay checks, must clearly identify FRANCHISEE, and not IBI COMPANY, as the employer, and shall not contain any of the MARKS.

#### 11.6 Operations and Product Standards.

Unless IBI COMPANY specifically permits otherwise, in writing, FRANCHISEE shall offer for sale from the DAIRY BUSINESS UNIT the entire range of APNIDAIRY products prescribed periodically by IBI COMPANY for the SYSTEM. FRANCHISEE may prepare and sell from the DAIRY BUSINESS UNIT only the products and services that IBI COMPANY approves periodically for sale by SYSTEM franchisees, and no other products, services, or business may be offered or conducted at or from the DAIRY BUSINESS UNIT. FRANCHISEE will at all times maintain an inventory of dairy foods and other supplies adequate to satisfy customer demand for products and services required to be sold at the DAIRY BUSINESS UNIT. FRANCHISEE will employ only such supplies, ingredients, recipes, formulas and products, and shall offer products for sale only in such portions, appearance and packaging, as IBI COMPANY periodically designates. FRANCHISEE will adhere to the requirements for food storage, handling, preparation, merchandising, presentation, display and sale, and daily DAIRY BUSINESS UNIT operations, described in the DAIRY



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BUSINESS UNIT OPERATIONS MANUAL or otherwise communicated by IBI COMPANY. If FRANCHISEE fails to conduct its business in accordance with the requirements of this Section 11.6, then, without limiting the rights of IBI COMPANY under this AGREEMENT. IBI COMPANY may, without terminating this AGREEMENT, temporarily suspend FRANCHISEE'S right to operate under this AGREEMENT, or temporarily or permanently suspend FRANCHISEE'S right to sell certain products under this AGREEMENT, so long as such suspension is reasonably related to FRANCHISEE'S failure to comply with the requirements of this Section

**11.6. bringing FRANCHISEE into compliance with this Section 11.6, or the health or safety of the public.**

**11.7 Sources of Supply.**

In order to safeguard the integrity of the MARKS, and to maintain the uniformity and quality of items associated with the SYSTEM, FRANCHISEE shall only purchase food, supplies, fixtures, equipment, furnishing, signs and other items for use in the DAIRY BUSINESS UNIT in accordance with the following provisions.

**11.7.1 APNIDAIRY PRODUCTS.**

FRANCHISEE acknowledges that the APNIDAIRY PRODUCTS used in, and offered and sold from the DAIRY BUSINESS UNIT, as authorized by IBI COMPANY from time to time, are manufactured using proprietary recipes and processes, and are an inseparable and essential element of the FRANCHISE. In order to protect the interests of IBI COMPANY, the owner of the MARKS and their respective licensees, and to ensure the quality, uniformity, and distinctiveness of the APNIDAIRY PRODUCTS, FRANCHISEE agrees to purchase its entire requirements of APNIDAIRY PRODUCTS, from IBI COMPANY, or the supplier designated by IBI COMPANY, at prices, determined by IBI COMPANY or its designated supplier, and which may result in revenues and profits, directly or indirectly, to IBI COMPANY, the designated supplier, and the owner of the MARKS, all of whom FRANCHISEE agrees are entitled to receive such revenues and profits.

**11.7.2 Other Food and Beverage Products.**

FRANCHISEE shall purchase only food and beverage products (other than the APNIDAIRY PRODUCTS purchased in accordance with Section 11.7.1) that have been approved in advance by IBI COMPANY, in writing, in the DAIRY BUSINESS UNIT OPERATIONS MANUAL or otherwise, originating from sources that have demonstrated to the reasonable continuing satisfaction.

IBI COMPANY that they are able to manufacture the products to the standards and specifications of IBI COMPANY. Unless IBI COMPANY requires FRANCHISEE to purchase any approved product from a particular distributor, FRANCHISEE may purchase approved products from any reputable distributor.



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### 11.7.3 Supplies and Equipment

FRANCHISEE shall only purchase paper goods, packaging, fixtures, equipment, signs, uniforms, and other supplies for use in the DAIRY BUSINESS UNIT that have been approved in advance by IBI COMPANY, from sources that have been approved in advance by IBI COMPANY. IBI COMPANY will, when find it appropriate, as determined solely by IBI COMPANY grant a manufacturer of certain approved items a license to print specified text and the MARKS on those items, in the manner and format established periodically by IBI COMPANY. FRANCHISEE shall not use paper goods, packaging, fixtures, equipment, signs, uniforms, and other supplies at the DAIRY BUSINESS UNIT which do not bear the text and the MARKS required by IBI COMPANY, in the manner and format required and approved in advance by IBI COMPANY.

### 11.7.4 Procedures for Seeking Approval of Suppliers and Products.

Other than with respect to the APNI DAIRY PRODUCTS, and any other branded food and beverage items sold or used in the DAIRY BUSINESS UNIT, if FRANCHISEE desires to purchase a product that is not approved, but which FRANCHISEE believes to conform to IBI COMPANY'S specifications, then FRANCHISEE shall submit a written request for approval to IBI COMPANY with any documentation that IBI COMPANY may reasonably require to determine conformity to the relevant specifications. IBI COMPANY shall have the right to require that its representatives be permitted to inspect the proposed supplier's facilities, and that samples from the supplier be delivered to IBI COMPANY or its designee for evaluation and testing. The reasonable costs of evaluation and testing shall be paid by FRANCHISEE. Within 90 days after receipt of the request, and the completion of any evaluation and testing required by IBI COMPANY, IBI COMPANY will notify FRANCHISEE of its decision in writing. Approval shall not be unreasonably withheld, but IBI COMPANY may withhold its approval for any good reason, including that, in the opinion of IBI COMPANY, a sufficient number of products conforming to the same specification have already been approved.

### 11.7.5 Vendor Rebates.

IBI COMPANY shall have the right to periodically enter into agreements with vendors, suppliers and distributors, who provide products and services to FRANCHISEE, contemplating the payment of a rebate or other consideration to IBI COMPANY on account of FRANCHISEE'S purchases. IBI COMPANY will have the right to use rebates, and other monetary consideration received, for any purpose for which it may use the GENERAL MARKETING CONTRIBUTION under Section 9.7.3. or for any



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other purpose IBI COMPANY desires, without regard to whether such purpose is of any direct or indirect benefit to FRANCHISEE.

**11.8 Mandatory Participation in Marketing Programs.**

FRANCHISEE acknowledges that FRANCHISEE'S participation in promotions and marketing programs established by IBI COMPANY is important to enhance the value, recognition, and reputation of the MARKS and the SYSTEM. FRANCHISEE covenants and agrees that FRANCHISEE shall participate in those promotions and marketing programs established from time to time by IBI COMPANY that are appropriate to the DAIRY BUSINESS UNIT, as determined by IBI COMPANY, provided however that FRANCHISEE shall have the right and obligation to decline to participate in all or any part of any promotion or marketing program, which, due to the laws applicable to the DAIRY BUSINESS UNIT would render FRANCHISEE'S participation unlawful.

**11.9 Compliance with Laws. Health & Safety Requirements.**

FRANCHISEE shall fully, strictly and faithfully comply with all laws (including, but not limited to, statutes, ordinances, regulations, and governmental orders) affecting FRANCHISEE'S operation of the DAIRY BUSINESS UNIT in particular, FRANCHISEE shall operate and maintain the DAIRY BUSINESS UNIT and its premises in strict compliance with all applicable health, sanitation, fire and safety codes and requirements. If any law affecting FRANCHISEE'S operation of the DAIRY BUSINESS UNIT sets a standard that is different than the SYSTEM STANDARDS, then FRANCHISEE shall satisfy the higher standard; if FRANCHISEE perceives any law affecting FRANCHISEE'S operation of the SHOP to conflict with the SYSTEM STANDARDS, then FRANCHISEE shall notify IBI COMPANY in writing, identifying the specific law and SYSTEM STANDARDS requirement, so that IBI COMPANY may determine how to resolve the perceived conflict.

**11.10 Remediating Food Safety Concerns.**

If any food item dispensed at the DAIRY BUSINESS UNIT is adulterated, or does not comply with applicable law or regulations, or fails to be maintained in accordance with the requirements described in this AGREEMENT or in the DAIRY BUSINESS UNIT OPERATIONS MANUAL, then, FRANCHISEE shall immediately close and suspend operations at the DAIRY BUSINESS UNIT, destroy all contaminated or adulterated products and eliminate the source of contamination, remedy all unsanitary conditions at the DAIRY BUSINESS UNIT, and reopen for business only after an inspection by IBI COMPANY and laboratory analysis from samples obtained for that purpose by IBI COMPANY evidence compliance with all applicable governmental requirements and the SYSTEM STANDARDS. This remedy is in addition to, and not in lieu of, other rights or remedies that IBI COMPANY has for FRANCHISEE'S breach of this AGREEMENT.



#### 11.11 DAIRY BUSINESS UNIT Inspections.

In order to safeguard the MARKS and determine compliance with the SYSTEM STANDARDS, IBI COMPANY representatives shall have the absolute right to enter, remain in, and inspect the DAIRY BUSINESS UNIT whenever IBI COMPANY deems it appropriate. IBI COMPANY representatives may, without prior notice to FRANCHISEE, interview FRANCHISEE'S employees and customers, take photographs, video, and similar recordings, examine, evaluate and take representative sample of the foods, beverages, and other products stored, sold or used at the DAIRY BUSINESS UNIT .

IBI COMPANY shall have the right to use all interviews, photographs, video, and other recordings for any reason IBI COMPANY deems appropriate, including in advertising, marketing and other promotional materials. FRANCHISEE will not be entitled to, and hereby expressly waives, any right that it might otherwise have to be compensated for the use of interviews, photographs, video, and other recordings by IBI COMPANY, its advertising agencies, or other SYSTEM franchisees.

#### 11.12 Correcting Deficiencies.

FRANCHISEE shall at its own expense promptly, and within any period reasonably specified by IBI COMPANY, correct any violation of the SYSTEM STANDARDS. If, during an inspection, IBI COMPANY identifies a violation of the SYSTEM STANDARDS that:

- (a) is a reoccurrence of a previously identified violation of the System Standards, occurring at the DAIRY BUSINESS UNIT within the preceding 12 months; or
- (b) is a continuation of a previously identified violation of the System Standards, which FRANCHISEE failed to correct within the period specified by IBI COMPANY; or
- (c) is the same as a violation of the System Standards that, within the preceding 12 months, was identified by IBI COMPANY at another APNIDAIRY BUSINESS UNIT in which FRANCHISEE has an interest, and in relation to which the corrective period specified by IBI COMPANY ended before the inspection of the DAIRY BUSINESS UNIT ; then IBI COMPANY may require FRANCHISEE to reimburse IBI COMPANY for the costs of a subsequent inspection of the DAIRY BUSINESS UNIT , conducted to determine whether the reoccurring or continuing violation of the SYSTEM STANDARDS has been cured, at the rate of Rs.500 per hour of the IBI COMPANY representative's time (including travel time) plus travel and related expenses. This remedy is in addition to, and not in lieu of, other rights or remedies that IBI COMPANY has for FRANCHISEE'S breach of this AGREEMENT.



### **11.13 Immediate Removal of Non-Conforming Items.**

IBI COMPANY shall have the absolute right to direct the immediate removal of any item present in the DAIRY BUSINESS UNIT that does not conform to the SYSTEM STANDARDS. Without compensating FRANCHISEE, IBI COMPANY shall have the absolute right to confiscate, discard, or destroy any food, beverages, equipment, supplies, advertising, marketing, point of sale materials, signage, and any other items that do not conform to the SYSTEM STANDARDS. This remedy is in addition to, and not in lieu of, other rights or remedies that IBI COMPANY has for FRANCHISEE'S breach of this AGREEMENT.

### **11.14 Repair and Renovation.**

FRANCHISEE shall repair, rehabilitate, refurbish, modernize, renovate and upgrade the DAIRY BUSINESS UNIT periodically to maintain it in a clean, attractive and orderly condition, to provide efficient, high-quality service to the public, and to conform to on-going SYSTEM STANDARDS and specifications applicable generally to APNI DAIRY BUSINESS UNIT, as periodically revised by IBI COMPANY. FRANCHISEE must obtain the prior written approval of IBI COMPANY if any efforts to be taken under this Section 11.14 will result in a temporary halt of operations, or will at any time result in a change to the equipment layout, finish materials, or any other aspect of the design of the DAIRY BUSINESS UNIT. FRANCHISEE shall be solely responsible, irrespective of whether FRANCHISEE has obtained any approval from IBI COMPANY, to make certain that the DAIRY BUSINESS UNIT is accessible to the fullest extent required by the applicable statutory acts and regulations; and conforms to any applicable local building codes and other laws and regulations. Without limiting the foregoing, FRANCHISEE shall, unless required to do so more quickly by IBI COMPANY in any particular instance, repair any improper condition of the DAIRY BUSINESS UNIT PREMISES, or the equipment or furnishings in the DAIRY BUSINESS UNIT PREMISES, within 30 days after first being identified by FRANCHISEE or IBI COMPANY.

### **11.15 Remodeling.**

In addition to the continuing obligations identified in Section 11.14, if required by IBI COMPANY, then FRANCHISEE shall completely remodel the DAIRY BUSINESS UNIT so as to bring it into substantial compliance with the then current design and other operational requirements of IBI COMPANY and also in accordance with its specified requirements, provided however that IBI COMPANY will not require FRANCHISEE to remodel the DAIRY BUSINESS UNIT more than once during any 5-year period.

### **11.16 Equipment and Technology Upgrades.**

During the TERM, FRANCHISEE shall make any equipment upgrades and additions, including upgrades and additions reflecting new technologies adopted by IBI COMPANY, within 90 days of NOTICE from IBI COMPANY. The foregoing obligation is in addition to any requirements to upgrade the SYSTEM imposed by or under Section 11.20.3.





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**11.17 Sales and Product Mix Reporting Requirements.**

FRANCHISEE shall upon request periodically provide IBI COMPANY with any and all requested information related to FRANCHISEE'S sales, costs, earnings and related items. FRANCHISEE acknowledges that IBI COMPANY may request this information be provided monthly, and occasionally more often, and in some instances FRANCHISEE may be required to track certain information not regularly tracked by FRANCHISEE.

**11.18 Projecting Requirements of APNI DAIRY PRODUCTS & allied products/services.**

At the request of IBI COMPANY, FRANCHISEE shall periodically project sales, costs, and product requirements. FRANCHISEE shall endeavor to project quantities of products needed, including quantity of each of the APNI DAIRY PRODUCTS, and the anticipated timing of such need. FRANCHISEE acknowledges that this information is important to IBI COMPANY so that it or its designated supplier may project quantities of APNI DAIRY PRODUCTS to manufacture. Notwithstanding the purpose for requiring this information from FRANCHISEE, or the accuracy of FRANCHISEE'S projections,

Under no circumstances shall FRANCHISEE'S compliance with this Section 11.18 be deemed to require IBI COMPANY or its designated supplier to sell FRANCHISEE the projected quantities of any particular APNI DAIRY PRODUCTS.

**11.19 Hours of Operation.**

FRANCHISEE shall keep the DAIRY BUSINESS UNIT open and in normal operation during the days and hours IBI COMPANY from time to time specifies in the DAIRY BUSINESS UNIT OPERATIONS MANUAL or otherwise approves in writing. FRANCHISEE shall conspicuously post on or within the DAIRY BUSINESS UNIT PREMISES, at a location visible to consumers during the DAIRY BUSINESS UNIT operational and non-operational hours, and acceptable to IBI COMPANY, the DAIRY BUSINESS UNIT normal hours of operation; and FRANCHISEE shall keep the DAIRY BUSINESS UNIT open and in normal operation during the days and hours posted.

**11.20 POS SYSTEM.**

To ensure the efficient management and operation of the DAIRY BUSINESS UNIT, and the reporting of data and information to IBI COMPANY, FRANCHISEE shall, at its own expense, install, and during the TERM shall properly maintain in good working order, a computerized point of sale system (the "POS SYSTEM") consisting of one or more cash registers, a modem, software, cables, a dedicated telephone line (or alternative communications line designated by, or permitted by IBI COMPANY' and other accessories and peripheral equipment, all of which must be approved by IBI COMPANY in the DAIRY BUSINESS UNIT OPERATIONS MANUAL or otherwise in writing. Unless IBI COMPANY in writing permits otherwise, the equipment making-up the POS SYSTEM shall be purchased only from a source



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designated by IBI COMPANY; and initially programmed and from time to time reprogrammed only by someone designated by IBI COMPANY, which requirements FRANCHISEE agrees are reasonable in order to reasonably maintain POS SYSTEM uniformity among various APNI DAIRY BUSINESS UNITS.

**11.20.1 Collecting POS INFORMATION.**

FRANCHISEE shall at all times use the POS SYSTEM to accurately, consistently, and completely capture, record, and structure all data and information that IBI COMPANY prescribes in the DAIRY BUSINESS UNIT OPERATIONS MANUAL or otherwise (the "POS INFORMATION").

**11.20.2 IBI COMPANY Access to POS INFORMATION.**

FRANCHISEE agrees that IBI COMPANY will have the absolute right to retrieve, electronically and manually, any or all of the POS INFORMATION that IBI COMPANY deems necessary or appropriate, or desires. FRANCHISEE may retrieve the POS INFORMATION at intervals and times IBI COMPANY determines, and without any advance notice to FRANCHISEE. FRANCHISEE shall assist IBI COMPANY in initially establishing electronic access to the POS INFORMATION, and shall thereafter, as required by IBI COMPANY, from time to time provide further assistance in connection with the retrieval of the POS INFORMATION.

**11.20.3 Updates, Modifications and Replacements.**

FRANCHISEE shall update or replace software used by the POS SYSTEM, as directed by IBI COMPANY. FRANCHISEE shall make, or at IBI COMPANY'S direction shall permit someone else to make, any programming changes required from time to time by IBI COMPANY may, at any time, but not more frequently than once every three years, require FRANCHISEE to update or replace the entire POS SYSTEM to bring it into conformity with IBI COMPANY'S then current approved POS SYSTEM. FRANCHISEE will accomplish the required updates, replacements, changes and other modifications within the timeframes IBI COMPANY specifies.

**11.20.4 IBI COMPANY'S Ownership and Use of POS Information**

FRANCHISEE agrees that all POS INFORMATION provided to IBI COMPANY, whether electronically retrieved or otherwise received, will become IBI COMPANY'S property and may be used by IBI COMPANY in any manner IBI COMPANY considers appropriate, provided however that IBI COMPANY will not share POS INFORMATION with other SYSTEM franchisees without FRANCHISEE'S permission, unless presented in a manner that would not reasonably enable the other SYSTEM franchisees to associate the POS INFORMATION to the DAIRY BUSINESS UNIT .



#### **11.20.5 Other Requirements**

If IBI COMPANY requires, then in connection with software for the POS SYSTEM, FRANCHISEE will enter into, and abide by, any software licensing agreements with IBI COMPANY or a third-party software publisher or vendor. If IBI COMPANY requires, then FRANCHISEE will at its own expense subscribe to a regular maintenance program for the POS SYSTEM.

#### **11.21 Acceptance of Credit and Debit Cards**

The POS SYSTEM shall include equipment, software, and anything else necessary to make the POS SYSTEM capable of accepting, and FRANCHISEE shall accept, credit cards and debit cards specified by IBI COMPANY, and similar redemption devices specified by IBI COMPANY, that enable purchases to be made without the physical exchange of currency; and FRANCHISEE shall, at its own expense, subscribe to any related processing services designated by IBI COMPANY.

#### **11.22 Gift Card Program**

FRANCHISEE shall at its own expense participate in any gift card program (or similar gift redemption device program) established by IBI COMPANY, which may involve the issuance and acceptance of gift cards (or other gift redemption devices) through the POS SYSTEM, and may require FRANCHISEE to obtain additional equipment as part of its POS SYSTEM.

#### **11.23 Coupons and Discount Offers.**

FRANCHISEE will not issue coupons except those that have been approved by IBI COMPANY in accordance with Section 13.5. Coupons issued by FRANCHISEE will clearly identify the DAIRY BUSINESS UNIT, and any other APNI DAIRY BUSINESS UNITS, if any, where they are redeemable, and will state that they are not redeemable at any other APNI DAIRY BUSINESS UNIT. If FRANCHISEE elects to accept any coupons issued by IBI COMPANY, which are redeemable at participating APNI DAIRY BUSINESS UNITS, then FRANCHISEE will honor the redemption policies established from time to time by IBI COMPANY. FRANCHISEE is solely responsible for determining whether any discounts or other terms of sale offered by FRANCHISEE, coupons issued by FRANCHISEE, and coupons accepted by FRANCHISEE, including those issued by IBI COMPANY, comply with applicable laws, including local dairy laws.

#### **11.24 Promotional Materials.**

FRANCHISEE acknowledges that FRANCHISEE and other SYSTEM franchisees may benefit from the promotion of APNI DAIRY PRODUCTS, APNI DAIRY BUSINESS UNITS and the SYSTEM. FRANCHISEE acknowledges that certain supplies used in the DAIRY BUSINESS UNIT (e.g. ice cream cone wrappers; napkins; sundae and beverage cups; etc.) and point of sale communication materials displayed or used in the DAIRY BUSINESS UNIT (e.g. brochures, posters; etc.), in addition to displaying the MARKS, may, at the determination of IBI COMPANY, display information about APNI DAIRY PRODUCTS, APNI DAIRY



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BUSINESS UNITS and the SYSTEM that may be of interest to consumers, including information relating to APNI DAIRY BUSINESS UNITS franchise opportunities. If requested by IBI COMPANY, then FRANCHISEE will post, display, or make available to consumers, in a manner reasonably determined by IBI COMPANY information relating to APNI DAIRY PRODUCTS, the SYSTEM, including if requested by IBI COMPANY, the addresses of other APNI DAIRY BUSINESS UNITS, and APNI DAIRY BUSINESS UNIT franchise opportunities.

- 11.25** Access to Email & Internet; Consent to Communication Medium. FRANCHISEE acknowledges that the World Wide Web, internet, intranet, extranet, email, and similar medium are becoming an increasingly accepted and normal way of communicating. FRANCHISEE

Further acknowledges that IBI COMPANY may from time to time desire to communicate with FRANCHISEE using any of the foregoing medium. Therefore, FRANCHISEE shall at all times, before and during the TERM, have ready access to a computer (at the ADBU, FRANCHISEE'S home, or some other convenient location) with internet access and a reasonably current web browser, and:

- (a) maintain an email address to which IBI COMPANY may send electronic communications; keep IBI COMPANY apprised of FRANCHISEE'S current email address; regularly check, at a frequency specified by IBI COMPANY, which may be every day, for email communications from IBI COMPANY;
- (b) Timely respond to email communications from IBI COMPANY, which, unless a different time-period is specified, will mean within 72 hours from receipt;
- (c) In the event IBI COMPANY establishes an intranet, extranet, or other means of posting information on a web site or similar on-line medium, then regularly check, at a frequency specified by IBI COMPANY, which may be every day, for information communicated by IBI COMPANY.

Except in the case of a NOTICE, FRANCHISEE hereby consents to receiving any communication or information contemplated by AGREEMENT in any manner contemplated by this Section 11.25, which communication or information shall be deemed communicated upon sending electronically to the email address designated by FRANCHISEE for such purpose, or upon posting on any web site or other on-line medium maintained by IBI COMPANY for such purpose.

**11.26 Prompt Payment of Obligations.**

FRANCHISEE acknowledges that FRANCHISEE'S payment practices can impact the willingness of third parties to do business with, and extend credit to, other SYSTEM franchisees; the good will associated with the MARKS; and FRANCHISEE'S ability to operate the DAIRY BUSINESS UNIT in accordance with the SYSTEM STANDARDS. Therefore FRANCHISEE shall timely pay all obligations and liabilities due and payable to vendors, suppliers, distributors, the LANDLORD, and other parties to whom FRANCHISEE incurs obligations in

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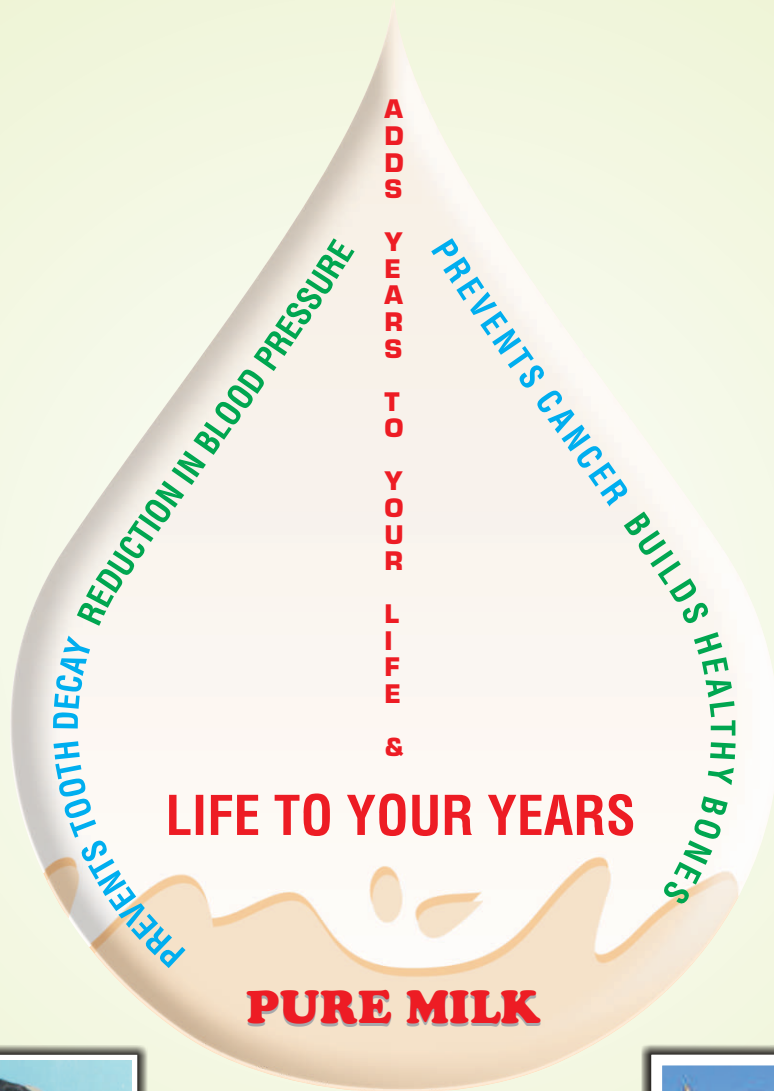
#### **11.27 Significant Event Notifications.**

FRANCHISEE will keep IBI COMPANY informed of any fact, matter or circumstance that has a significant bearing on FRANCHISEE'S ability to continue to operate the DAIRY BUSINESS UNIT in accordance with this AGREEMENT and the SYSTEM STANDARDS. Without limiting the preceding requirement, FRANCHISEE shall promptly, and in no event more than 7 days after FRANCHISEE becomes aware of any of the following situations related to the DAIRY BUSINESS UNIT provide NOTICE to IBI COMPANY of the circumstances, and provide IBI COMPANY with copies of pertinent documents, and any other information IBI COMPANY requires:

- (a) Any notice of default received with respect to the DAIRY BUSINESS UNIT PREMISES from the LANDLORD, a rental agent, mortgagee, or lender.
- (b) Any claims, lawsuits, or other legal proceedings, asserted or brought by any consumer, employee, governmental agency, or anyone else.
- (c) Any governmental inspections, notices, claims, reports, warnings, or citations.
- (d) Any fires, robberies, injuries, or similar events occurring on or at the DAIRY BUSINESS UNIT PREMISES.
- (e) Any other matters, including those not related to the DAIRY BUSINESS UNIT that could impair the good will associated with the MARKS.



APNA DUDH APNI DAIRY APNI MANDI



**Associate Member  
International Improvement Mission**



**APNA DUDH**



**APNI MANDI**

**PASTEURIZED  
(NON HOMOGENISED)  
100% COW MILK**

**INTERNATIONAL QUALITY AT REASONABLE COST  
INNOVATIVE SOLUTION FOR ENVIRONMENT POLLUTION**

**Our Core Value & Social Commitment  
Ethical care of dairy animals and protection of environment**

Net Content  
**200 ml.**



**NUTRITIONAL INFORMATION** (Amount per 100 gms.)  
Approximate values

Energy K.Cals.	58.2
Total fat g.	3.00
Saturated fat g.	2.00
Trans fat g.	0.00
Total Carbohydrate g.	4.80
Added Sugar g.	0.00
Protein g.	3.00
Calcium mg.	140

Manufactured & Packed by

Marketed by

The logo for the Food Safety and Inspection Agency of India (fssai), featuring the word 'fssai' in a stylized font with a green leaf-like element above the 'i'.

**In case of complaint or feedback please contact marketer**



## **Fat 3.00% Minimum & S.N.F. 8.5% Minimum**

Milk has been Pasteurized using innovative green technology and solar/biogas energy. Milk has been packed hygienically ensuring fool proof product traceability from milk producer to consumer and delivered through consumer friendly marketing network.

- No Preservatives added
- Best before ten to fifteen days from the date of manufacturing. when stored under refrigeration at temperature below 3°Celsius.
- Safe for consumption without boiling
- Shake well before opening for consumption
- Please do not open/consume if curdled and ask for replacement

QUALITY



ASSURANCE

See stamp for M.R.P. (including all taxes)  
Batch no. and date of manufacturing/packing

(For sale in India only)

**200ml**

Space for bar code



**APNA DUDH**



**APNI MANDI**

**MULTIPURPOSE STERILISED  
(NON HOMOGENISED)  
100% COW MILK**

**INTERNATIONAL QUALITY AT REASONABLE COST  
INNOVATIVE SOLUTION FOR ENVIRONMENT POLLUTION**

**Our Core Value & Social Commitment  
Ethical care of dairy animals and protection of environment**

Net Content  
**200 ml.**



**NUTRITIONAL INFORMATION** (Amount per 100 gms.)  
Approximate values

Energy K.Cals.	58.2
Total fat g.	3.00
Saturated fat g.	2.00
Trans fat g.	0.00
Total Carbohydrate g.	4.80
Added Sugar g.	0.00
Protein g.	3.00
Calcium mg.	140

Manufactured & Packed by

Marketed by



**In case of complaint or feedback please contact marketer**

## **Fat 3.00% Minimum & S.N.F. 8.5% Minimum**

Milk has been processed (sterilised at high temperature) using innovative green technology and solar/biogas energy. Milk has been packed hygienically ensuring fool proof product traceability from milk producer to consumer and delivered through consumer friendly marketing network.

- No Preservatives added
- Best before one year from the date of manufacturing. when stored at cool and dry place
- Needs no refrigeration till opened
- Safe for consumption without boiling
- Shake well before opening for consumption
- Please do not open/consume if curdled and ask for replacement

QUALITY



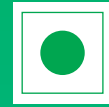
ASSURANCE

See stamp for M.R.P. (including all taxes)  
Batch no. and date of manufacturing/packing

(For sale in India only)

**200ml**

Space for bar code



**APNA DUDH**



**APNI MANDI**

**PASTEURIZED  
(NON HOMOGENISED)  
100% BUFFALO MILK**

**INTERNATIONAL QUALITY AT REASONABLE COST  
INNOVATIVE SOLUTION FOR ENVIRONMENT POLLUTION**

**Our Core Value & Social Commitment  
Ethical care of dairy animals and protection of environment**



Net Content  
**200 ml.**

**NUTRITIONAL INFORMATION** (Amount per 100 gms.)  
Approximate values

Energy K.Cals.	86.40
Total fat g.	6.00
Saturated fat g.	3.90
Trans fat g.	0.00
Total Carbohydrate g.	5.00
Added Sugar g.	0.00
Protein g.	3.10
Calcium mg.	108.0

Manufactured & Packed by

Marketed by

*fssai*

**In case of complaint or feedback please contact marketer**

**Fat 6.00% Minimum & S.N.F. 9.00% Minimum**

Milk has been pasteurized using innovative green technology and solar/biogas energy. Milk has been packed hygienically ensuring fool proof product traceability from milk producer to consumer and delivered through consumer friendly marketing network.

- No Preservatives added
- Best before ten to fifteen days from the date of manufacturing when stored under refrigeration at temperature below 3<sup>o</sup> Celsius.
- Safe for consumption without boiling
- Shake well before opening for consumption
- Please do not open/consume if curdled and ask for replacement

QUALITY



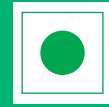
ASSURANCE

See stamp for M.R.P. (including all taxes)  
Batch no. and date of manufacturing/packing

(For sale in India only)

**200ml**

Space for bar code



**APNA DUDH**



**APNI MANDI**

**MULTIPURPOSE STERILISED  
(NON HOMOGENISED)  
100% BUFFALO MILK**

**INTERNATIONAL QUALITY AT REASONABLE COST  
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Added Sugar g.	0.00
Protein g.	3.10
Calcium mg.	108.0

Manufactured & Packed by

Marketed by

*fssai*

**In case of complaint or feedback please contact marketer**

**Fat 6.00% Minimum & S.N.F. 9.00% Minimum**

Milk has been processed (sterilised at high temperature) using innovative green technology and solar/biogas energy. Milk has been packed hygienically ensuring fool proof product traceability from milk producer to consumer and delivered through consumer friendly marketing network.

- No Preservatives added
- Best before one year from the date of manufacturing. when stored at cool and dry place
- Needs no refrigeration till opened
- Safe for consumption without boiling
- Shake well before opening for consumption
- Please do not open/consume if curdled and ask for replacement

QUALITY



ASSURANCE

See stamp for M.R.P. (including all taxes)  
Batch no. and date of manufacturing/packing

(For sale in India only)

**200ml**

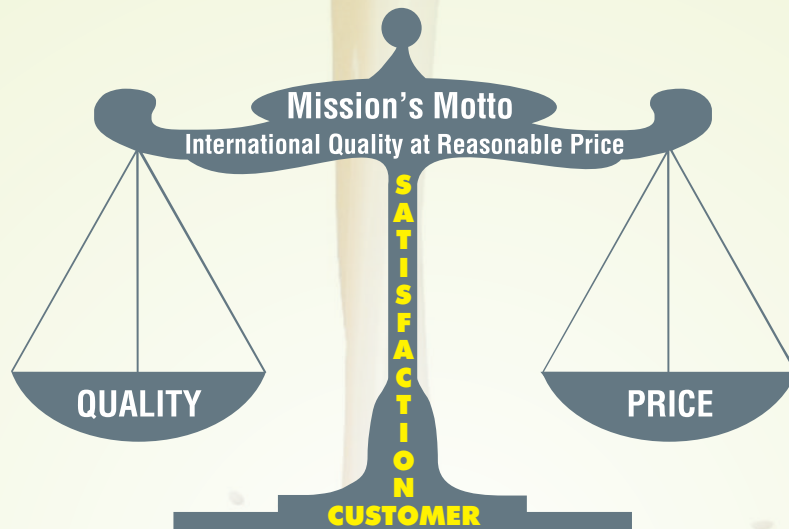
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# **MILK CONSUMERS OF INDIA (M.C.O.I.)**

**MILK IS NATURE'S BEST GIFT TO MANKIND  
PROVIDED**

**IT REMAINS SAFE & PURE**

**(LAUNCHING OF INNOVATIVE SCHEME FOR THE BENEFIT OF MILK CONSUMERS)**



## **INTERNATIONAL IMPROVEMENT MISSION**

REGD. OFFICE : # 53-A, SECTOR 18-A, CHANDIGARH INDIA-160 018  
Tel.: 0172-2724872 E-mail: iihumber@gmail.com Web: www.apnidairy.com



**ALL FOR ONE & ONE FOR ALL**

MISSION ASSOCIATES : INNOVATIVE BUSINESS IMPROVEMENTS (P) LTD., CHANDIGARH INDIA  
IMPROVEMENT INNOVATIONS UNLIMITED INC. CANADA

# WHAT IS GOOD QUALITY PASTEURIZED MILK ?

## Basic Quality Parameters

- Pure milk with natural taste having no off flavor
- Strictly conforms to all statutory regulations for composition and bacteriological quality.
- Remains good (without any preservatives or neutralizers) for at least two weeks when stored under refrigeration at temperature below 3°C.

## Pasteurization Process

Pasteurization is accomplished by heating milk below the boiling point using different temperatures and holding times as indicated below :

- a) Heating milk at 61-66°C for not less than 30 minutes (Holder method)
- b) Heating milk at 71-73°C for not less than 15 seconds (High temperature short time method)
- c) Heating milk at 85° C for fraction of a second (Flash process)

## Sterilization Process

This involves the destruction of all pathogenic bacteria. Milk is bottled, sealed and heated at 104-112°C for 20 minutes to one hour.

Thermo Electric Processing Technology and Digital Analytical Technique evolved by our Mission associates are appropriately suitable for accomplishing these objectives under prevailing Indian conditions.

## Benefits of Hygienically Processed / Packed Pasteurized milk

- Pasteurization process kills microorganisms in milk that produce disease and are harmful for our health thus making it **Safe for Drinking Even Without Boiling**.
- Improved **“Shelf Life of Milk”** as properly pasteurized milk would remain good for consumption for two/three weeks without spoilage when stored under refrigeration at temperature below 3°C.
- Pasteurized milk being in sealed pilfer proof pack so it remains safe and free from environmental contamination while in transit between processing units and consumer delivery points especially when distributed through consumer friendly marketing network.
- Real value for money if purchased from an ethical dairy business entrepreneur having third party **“Quality Assurance”** besides quality certification from National/ International Organization and sold to **“Consumers at Reasonable Price”**.

\*Issued by International Improvement Mission in the public interest as a part of its consumer awareness programs.

## About Our Mission

International Improvement Mission is a Voluntary organization initiated, established and managed by nonresident Indian dairy professionals living in Canada and U.S.A. for the benefit of poor milk producers , innocent consumers and ethical entrepreneurs in dairy business.

## Mission Strategy

Upgrade status of ethical segment of Indian dairy Industry in phased manner with cost reduction, value addition and by eliminating all middlemen from dairy business. This would be accomplished by implementing a unique strategically structured Dairy Business Management System (D.B.M.S.) specially designed by our mission associate (Improvement Innovations Unlimited Inc. Canada) implementation of this system would drastically reduce cost of milk handling between milk producer and Consumers.

## Mission Policy

Financial gains from these additional profits due to cost reduction and revenue improvement would be appropriately shared by the participating milk producers milk consumers and owners of ethical dairy business.

## Mission Goals

Mission would create working models of excellence by upgrading over all performance of ethical dairy business entrepreneurs who become “**Associate Members**” of International Improvement Mission. Mission with active participation of such “**Associate Members**” would provide live demonstration of its concept and system. Pure and safe cow milk will reach the consumers at reasonable cost under the Producers to Consumers Scheme. Similarly value added dairy products would be supplied to consumers by processing units jointly owned by milk producers, consumers and dairy businesses.

## Mission Accomplishments

Mission with the help of its associates has carried out scientific research and evolved innovative milk processing technology called Thermo Electric Processing Technique (T.E.P.T.) to pasteurize and sterilized liquid milk. They have also develop software based on Digital Analytical Technique (D.A.T.) to ensure purchase of absolutely pure buffalo or cow milk. This software popularly called D.K.D & P.K.P. (Doodh ka Doodh Aur Paani Ka Paani). Environment friendly techniques and processing technology utilizes unconventional methodology and energy resources, uses recyclable packaging materials and is quite effective in eliminating middlemen between milk producers and consumers.

## Consumer Membership

Any person as consumer of milk can become member of International Improvement Mission (Consumer Group) provided he subscribes to mission philosophy and agree to abide by following guidelines for consumer group members.

1. Knowledgeable consumer interested in purchasing only pure milk and dairy products at most competitive and reasonable prices.
2. Understands the existing marketing infrastructure dominated by middlemen and also their negative role between milk producers and consumers.
3. Conscious of his rights as consumer to demand value for his money in terms of quality, quantity and purity of milk/dairy products.
3. Willing to follow scientific guidelines for milk consumers to preserve and store raw milk, pasteurized milk and dairy products after purchase till these are finally consumed.
4. Willing to become member of International Improvement Mission on long term basis and support its policies and plans for protecting genuine rights of consumers, milk producers and ethical entrepreneurs in dairy business.

## MEMBERSHIP FORM

Name	Date of Birth
House No.	Street/Sector
Town/City	District
State	Country
Telephone (Landline)	Telephone (Mobile)
E-mail	Website
Pin Code No.	Unique Identification No.

I agree with the Mission philosophy and the guidelines for consumer group members mentioned above.

Signatures \_\_\_\_\_

Date \_\_\_\_\_

### FEED BACK REPORT FORMAT FOR CONSUMER MEMBERS

Product..... (Period from .....to .....) Brand.....

- |               |  |                                    |  |   |
|---------------|--|------------------------------------|--|---|
| 1. Taste      | <input type="checkbox"/> Excellent         | <input type="checkbox"/> Very good | <input type="checkbox"/> Average               | <input type="checkbox"/> Unsatisfactory |
| 2. Purity     | <input type="checkbox"/> Excellent         | <input type="checkbox"/> Very good | <input type="checkbox"/> Average               | <input type="checkbox"/> Unsatisfactory |
| 3. Shelf Life | <input type="checkbox"/> O.K. as specified |                                    | <input type="checkbox"/> Not O.K. as specified |   |
| 4. Quantity   | <input type="checkbox"/> O.K. as specified |                                    | <input type="checkbox"/> Not O.K. as specified |   |

**SERVICE PARAMETERS:** Please tick mark the box as per your judgement

- |                    |                                       |   |
|--------------------|---------------------------------------|---|
| 1. Timely delivery | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Not Satisfactory |
| 2. Customer care   | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Not Satisfactory |

**Overall Performance :**  Excellent  Very good  Average  Unsatisfactory

Personal comments if any \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Signatures \_\_\_\_\_

Date \_\_\_\_\_

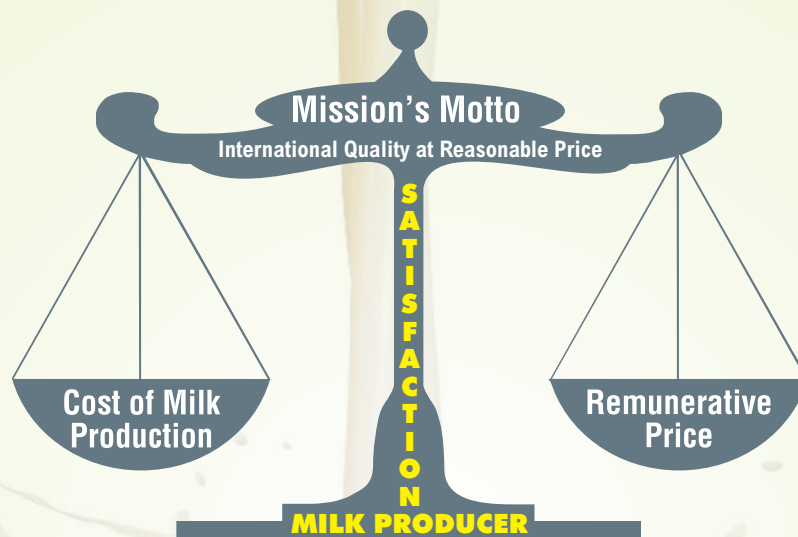
# **MILK PRODUCERS OF INDIA (M.P.O.I.)**

**Dairy Business can become Profitable Proposition  
Provided**

**Milk Producers are not Exploited  
by**

**Money Lenders & Middlemen**

**(LAUNCHING OF INNOVATIVE SCHEME FOR THE BENEFIT OF MILK PRODUCERS)**



**INTERNATIONAL IMPROVEMENT MISSION**

REGD. OFFICE : # 53-A, SECTOR 18-A, CHANDIGARH INDIA-160 018  
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MISSION ASSOCIATES : INNOVATIVE BUSINESS IMPROVEMENTS (P) LTD., CHANDIGARH INDIA  
IMPROVEMENT INNOVATIONS UNLIMITED INC. CANADA

## How can milk production become profitable proposition ?

### Basic Requirements

- Milk producers would keep only reliable breeds of milch animals.
- Year round availability of balanced feed and fodder at reasonable cost.
- Effective and professional management of milk production business.
- Value addition through low investment, high-tech milk processing units owned and managed by commercial dairy farmers.
- Milk producer and consumer friendly marketing net work to ensure supply of pure and safe raw milk/processed milk directly from milk producers to actual milk consumers.
- Reliably transparent milk purchase and marketing business transactions with proper accountability for adulteration/dilution and manipulation. (A.D.M.)

### Role of Mission and its Associate Members

Mission and its associates through management intervention and training programs would help in creating sound infrastructural network to protect the genuine rights of milk producers and consumers. They will guide the milk producers to produce micro biologically safe milk at low cost and supply the same to specified group of ethical consumers directly without any involvement of middlemen.

They will simultaneously train consumers who become members of International Improvement Mission to accurately test the milk for its milk solid contents, adulteration, dilution and manipulation. Simple but effective milk testing methods would enable them to know actual worth of milk received by them under this scheme.

Thermoelectric Processing Technology and Digital Analytical Technique evolved by Mission associates will drastically reduce the cost of milk processing / handling and the resultant benefits will be shared by milk producers, consumers and ethical dairy business entrepreneurs. Milk transactions will deal only with buffalo milk and cow milk separately to eliminate the prevailing complex problems and confusion due to intermixing thus helping both the milk producers and the consumers.

Mission has successfully implemented this scheme on pilot scale providing live demonstration of its concept and systems. Microbiologically safe and pure raw milk is reaching few milk consumers living in Sector 18, Chandigarh. Participating milk producers and consumer group purchasing pure raw milk have expressed complete satisfaction in this scheme.

Mission is now ready to launch this scheme on commercial scale for extending these benefits to residents of Chandigarh in first phase and then its worldwide application.



## About Our Mission

International Improvement Mission is a Voluntary organization initiated, established and managed by nonresident Indian dairy professionals living in Canada and U.S.A. for the benefit of poor milk producers , innocent consumers and ethical entrepreneurs in dairy business.

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## Mission Accomplishments

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## Milk Producer Membership

Any person producing buffalo milk or cow milk on commercial scale can become member of International Improvement Mission (Producer Group) provided he subscribes to mission philosophy and agrees to abide by following guidelines for milk producer group members :

1. Knowledgeable milk producer interested in producing micro biologically safe pure buffalo milk or cow milk and selling it in its purest form as such without any adulteration, dilution or manipulation (A.D.M.).
2. Understands the existing marketing infrastructure dominated by middlemen and unethical dairy business entrepreneurs and also their negative role between milk producers and consumers.
3. Conscious of his rights as milk producer to demand value for its input cost and effort for producing pure milk at reasonable cost.
4. Willing to follow scientific guidelines for the milk producers to maintain purity, freshness and natural taste of milk.
5. Willing to keep reliable breeds of milch animals, implements preventive health care measures and avoids unnecessary use of chemical fertilizers/pesticides/insecticides/harmful antibiotics/ hormones so as to produce safe milk for human beings.
6. Willing to become member of International Improvement Mission on long term basis and support its policies and plans for protecting genuine rights of consumers, milk producers and ethical entrepreneurs in dairy business.

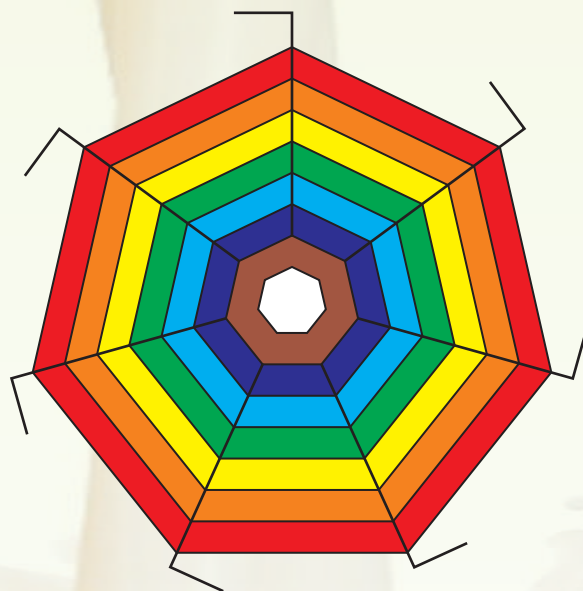
## MEMBERSHIP FORM

Name	Date of Birth
House No.	Street/Sector
Town/City	District
State	Country
Telephone (Landline)	Telephone (Mobile)
E-mail	Website
Pin Code No.	Unique Identification No.

I agree with the Mission philosophy and the guidelines for producer group members mentioned above.

# RAINBOW INTERNATIONAL COMMUNITY SERVICES {R.I.C.S.}

*Selfless Service Is Your Best Gift To Humanity*



## COMMUNITY SOCIAL SERVICES NETWORK



### **RAINBOW INTERNATIONAL COMMUNITY SERVICES (INDIA)**

Head Office : # 53-A, Sector 18-A, Chandigarh India-160 018  
Tel.: 0172-2724872 E-mail: [ibiu@hotmail.com](mailto:ibiu@hotmail.com) Web: [www.apnidairy.com](http://www.apnidairy.com)



**ALL FOR ONE & ONE FOR ALL**

MISSION ASSOCIATES : INNOVATIVE BUSINESS IMPROVEMENTS (P) LTD., CHANDIGARH INDIA  
IMPROVEMENT INNOVATIONS UNLIMITED INC. CANADA

## **POLICY**

“UNIVERSAL WELFARE”, “EQUALITY FOR ALL” & “SELFLESS SERVICE” will be the key words that will define unique core policy of “RAINBOW ASSOCIATION”.

## **MISSION**

Improve overall quality of life and standard of living of a community through selfless voluntary services by providing to its members appreciable socioeconomic benefits **FREE OF COST**.

## **GOALS**

Encourage social interaction, Induce friendly feelings, share professional wisdom, optimize available resources and integrate collective efforts of a community through self-help groups with the aim to protect fundamental rights of all individuals and creating healthy environment for harmonious, safe, peaceful co existence and comfortable living conditions for all.

## **OBJECTIVES**

Association will focus on specific socioeconomic core issues and problems of a community and make sincere efforts to find logical long term solutions for such problems through seven RAINBOW working groups each dealing with specialized tasks relating to specific need based society objectives:

1. **V (VIOLET GROUP)**: self help group to deal with all issues related to purity, quality, quantity and cost of FOOD and FAST MOVING CONSUMER GOODS.
2. **I (INDIGO GROUP)**: self help group to deal with all issues related to HEALTH, ENVIRONMENT, EDUCATION, TRAINING AND EMPLOYMENT.
3. **B (BLUE GROUP)**: self help group to deal with all issues related to essential services e.g. water, electricity, sanitation, telephone, internet, cooking gas etc. being provided by Government/ Municipal corporation/ institutions or private business entrepreneurs.
4. **G (GREEN GROUP)**: self help group to deal with all issues related to SAFETY & SECURITY of persons/personal assets and amicable resolution of social conflicts/litigation among community members.
5. **O (ORANGE GROUP)**: self help group to deal with all issues related to SOCIAL CULTURAL EVENTS, ENTERTAINMENT, TOURS & TRAVEL.
6. **Y (YELLOW GROUP)**: self help group to deal with all issues related to WELFARE OF CHILDREN, YOUNG ESTERS & SENIOR CITIZENS.
7. **R (RED GROUP)**: self help group to deal with all issues related to SOCIAL EVILS & MISCELLANEOUS SOCIAL PROBLEMS.

## MEMBERSHIP

Any citizen living in a community location and willing to contribute some time out of his daily schedule for selfless social service using his own resources would be eligible for becoming member of "RAINBOW ASSOCIATION".

### ETHICAL POWER OF SEVEN CORE VALUES -(For Rainbow Members)

- |                                     |  |
|-------------------------------------|--|
| 1. Community before self            | 2. Love and respect for all            |
| 2. Honesty of Purpose               | 4. Transparent communication           |
| 5. Prompt action and bold reaction  | 6. Generous and compassionate feelings |
| 7. Responsible and reliable conduct |  |

### MEMBERSHIP FORM

Name .....

Date of Birth ..... House Number ..... Street/Sector .....

Village/Town/City ..... District .....

State ..... Country ..... Pin Code .....

Telephone (Landline) ..... Telephone (Mobile) .....

Email ..... Website .....

Unique identification Number .....

I) I agree with RAINBOW philosophy, core values and agree to abide by guidelines for associate members of the society.

II) I would like to devote .....minutes of my time daily for honorary social work for my community using my own resources.

	Signature	Date
Applicant		
Circle Co-ordinator recommending the applicant		
Approved by Authorized member of Governing council		

MEMBERSHIP CODE NO {INA-UT-CH-Associate Member)

Membership Valid From .....to .....

# FOR ALL THE PEOPLE

## OUR INSPIRATION

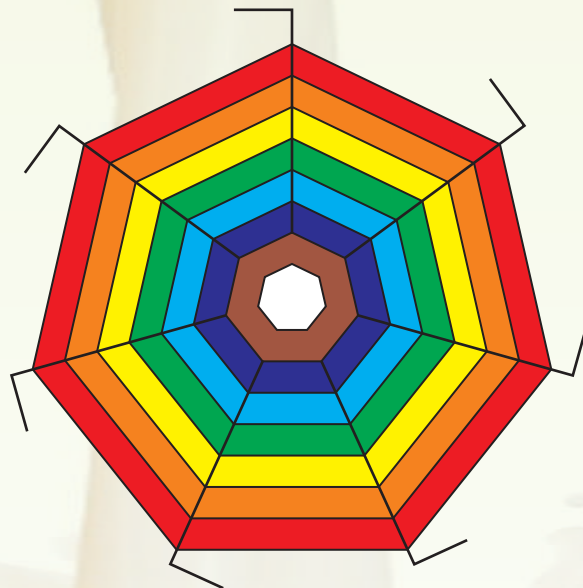
“A hundred times everyday I remind myself that my inner and outer life depend on the labors of other men, living or dead and that I must exert myself in order to give in the same measure as I have received and I am still receiving.”

*Albert Einstein*



# RAINBOW INTERNATIONAL COMMUNITY SERVICES {R.I.C.S.}

*Selfless Service Is Your Best Gift To Humanity*



## COMMUNITY SOCIAL SERVICES NETWORK



### **RAINBOW INTERNATIONAL COMMUNITY SERVICES (INDIA)**

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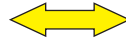
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IMPROVEMENT INNOVATIONS UNLIMITED INC. CANADA

**MILK PRODUCER**



**FRIENDLY**



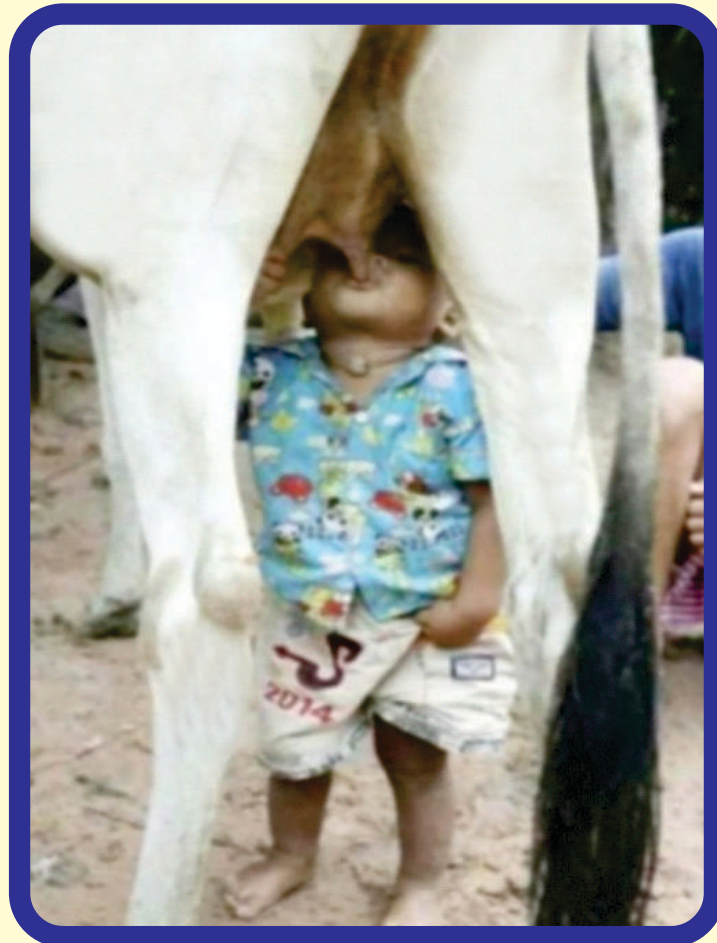
**CONSUMER**

## **INNOVATIVE APNI DAIRY BUSINESS UNIT**

**{MULTIPURPOSE PASTEURIZED/STERILIZED PURE BUFFALO & COW MILK**

**(UNIQUE SELLING PROPOSITION)**

**{INTERNATIONAL QUALITY AT REASONABLE PRICE}**



**IDEAL DAIRY BUSINESS : TRACEABILITY FROM COW TO CONSUMER**

**CAMPAIGN AGAINST ADULTERATION, DILUTION & MANIPULATION IN MILK**