

Acknowledgment of Duties, Responsibilities and Standards

Chief Operating Officer

The CEO reports directly to the Shareholders (or a board of directors). The CEO is responsible for all of the operations of the Bike Realty franchise, the buck stops here. Operations activities will be delegated by the CEO to the appropriate staff members as required; but ultimately, the CEO is responsible for everything.

Under normal operating conditions, the CEO shall do little more than oversee operations. Typically, the CEO delegates to the GM as to the desired company operations. But at times, the CEO is the final stop Gap measure to insure proper operations.

The CEO may be a salaried employee or a contracted consultant, as determined by the shareholders and their agreement with the CEO.

The following are items for which the CEO is specifically accountable.

- ❖ The CEO is required to report to the Shareholders at quarterly shareholder meetings. He will report on the state of the company and make any recommendations for future changes and activities. This meeting shall include reporting of all financial matters and discussion of specific future goals and benchmarks.
- ❖ The CEO may be required to sign items such as leases and rental agreements, and other documents during the normal course of business. This may require a personal guarantee.
- ❖ The CEO is responsible to make sure the franchise location is on the required growth path. The CEO is held accountable for growth as specified by the shareholders.
- ❖ Supervision and accountability of the General Manager. The CEO is required to make sure the GM is doing his job well. This includes confirmation of items such as licensing, tax filing, insurance coverage, payroll and more.
- ❖ The CEO has the authority make recommendations to the shareholders to fire, hire, and set salary and bonus levels for all staff members, especially the General Manager and the CEO himself.
- ❖ The CEO makes recommendations to the shareholders on issues regarding the operation of the franchise such as location, capitol expenses, resource requirements, etc.
- ❖ The CEO is accountable for all financial matters. Ultimately, the CEO is required to produce the shareholder specified profits.
- ❖ The CEO should take steps toward the appropriate education, such as the IFREC Pre-Broker Class, watching The Secret, etc.

Signature

Date