FRANCHISE AGREEMENT

THIS AGREEMENT is made on the *[insert day]* day of *[insert month] [insert year]*

BETWEEN: Apollo Design UK 15 Buckingham St. Milton Keynes, Buckinghamshire MK12 5JA, ("the Franchisor")

AND

[Insert name and address of the organisation or individual that has been granted a Franchise by the Franchisor], ("the Franchisee")

WHEREBY IT IS AGREED as follows:

1. Definitions
1.1 "Territory" shall mean the area or areas listed in Schedule 1.

1.2 "Trade Mark" shall mean those trademarks and all other intellectual property listed in Schedule 2.

1.3 "Fees" shall mean all charges made by the Franchisor to the Franchisee as part of granting the franchise, supplying goods and services to the Franchisee, managing and overseeing the Franchise and marketing the Franchise.

1.4 "Franchisee Manual" shall mean the operational manual given to the Franchisee by the Franchisor at the commencement of this Agreement.

2. Appointment
2.1 The Franchisor appoints the Franchisee on *an* ***exclusive basis*** in the Territory.

2.2 The Franchisor hereby grants to the Franchisee all the relevant rights to carry on business as a Franchisee.

3. Location
The Franchisee will operate the franchised business from the following business address *[Insert business address]*.

4. Contract Term
4.1 This Agreement shall remain in force for the period of *5 years* from the date of signature by the parties.

4.2 The Franchisor agrees to allow the Franchisee to renew the Franchise subject to renewal terms being agreed and where the Franchisee has operated the Franchise

successfully and in accordance with the terms of this Agreement and the Franchisee Manual.

5. Fees & Payment Terms
5.1 On the signing of this Agreement the Franchisee will pay to the Franchisor the sum of *Ten Thousand Pounds, £10,000* - the Initial Franchise Fee.

5.2 After six months, Franchisee shall pay a *quarterly* Management Fee of *two hundred pounds £200.00* to be deducted from profit percentage fees.

5.3 The Franchisee shall pay 10% of net profits from all business generated from the website. The franchisee will also generate his own business of which no payments need be paid.

5.31 The franchisor will oversee and advise on any installation difficulties with a video call on site free for the first six months. Thereafter £20.00 per hour.

5.4 The Franchisee shall pay a *quarterly* Marketing Fee for the costs of marketing the Franchise in the Territory after the first six months. The amount of this fee shall vary according to the level of marketing proposed by the Franchisor.

5.5 All fees must be paid within thirty (30) days of the invoice date.

5.6 The Franchisor reserves the right to charge interest on all overdue payments at a rate of 5% per annum above the base lending rate of Barclays Bank plc from time to time.

5.7 The Franchisee shall also pay the Franchisor all reasonable expenses incurred by the Franchisor in obtaining payment from the Franchisee where any payment due to the Franchisor is overdue. Such costs to include (but not be limited to) legal fees, court fees and enforcement fees.

6. Franchisor's Responsibilities
6.1 The Franchisor will carry out the following during the term of this Agreement:

6.1.1 provide a copy of the Franchisee Manual and a replacement copy of the Franchisee Manual if and when it is updated during the course of this Agreement.

6.1.2 provide adequate initial training to the Franchisee, so that the Franchisee can successfully operate the Franchise.

6.1.3 provide further ongoing training where the Franchisor deems it necessary.

6.1.4 keep the Franchisee regularly informed of marketing carried out by the Franchisor.

6.1.5 regularly monitor and audit the Franchisee to ensure that quality standards are met and that sales targets are achieved by the Franchisee.

6.1.6 provide ad hoc advice where the Franchisee encounters operational problems that they are unable to overcome. This will be carried out with video calls for closer inspection if necessary.

7. Franchisee's Responsibilities
7.1 The Franchisee will undertake the following during the term of this Agreement:

7.1.1 observe and follow the Franchisee Manual at all times.

7.1.2 to develop the Franchise and build-up the business.

7.1.3 conduct business in a proper and responsible manner in order to protect the name and goodwill of the business and the Franchise.

7.1.4 fit out the business premises and other Franchise property, including vehicles as directed by the Franchisee Manual and the Franchisor from time to time.

7.1.5 only carry on the Franchise business from the business Territory.

7.1.6 to use the business name and Franchise assets solely for the purpose of the Franchise business.

7.1.7 not during the term of this Agreement to be directly or indirectly involved with a third-party business that competes with the Franchise.

7.1.8 to deal with all customer complaints promptly and efficiently. Where such complaints cannot be resolved the Franchisor should be informed immediately.

7.1.9 to observe all national, regional and local laws for the Territory.

7.1.10 to take out business insurance, including public liability insurance with a reputable insurance provider and to ensure at all times that premiums are paid.

7.1.11 to ensure that the Franchise is registered (where required) for Value Added Tax (VAT) or any other sales tax that may apply in the Territory.

7.1.12 to obtain all necessary licenses required to operate the Franchise in the Territory.

8. Franchisee's Reporting Responsibilities
8.1 Furthermore the Franchisee will undertake the following during the term of this Agreement:

8.1.1 to provide the Franchisor with access to the Franchisee accounts books on the Franchisor giving *Thirty (30)* days notice to the Franchisee.

8.1.2 to provide the Franchisor with details of all marketing plans carried out by the Franchisee and the results of those marketing plans.

9. Intellectual Property

9.1 The Franchisor grants to the Franchisee a non-exclusive, royalty free licence to use its logos, trademarks, service marks, trade names, literature, copyrights, database rights and patents as set out in Schedule 2 of this Agreement subject to the restrictions in Clause 9.2.

9.2 The Trade Mark shall not be used in any manner liable to invalidate the registration of the Trade Mark and the Franchisee shall not permit them to be used by third parties.

9.3 This Agreement does not convey or transfer to the Franchisee any ownership or interest in any intellectual property owned by the Franchisor.

9.4 On expiry of this Agreement all licences referred to in this Clause 9 shall expire and the Franchisee agrees to immediately cease use of all of the Franchisor's intellectual property.

10. Confidentiality

10.1 The Franchisee shall keep confidential the specific terms of this Agreement and all confidential information relating to the Franchisor's Products and Services.

10.2 Confidential information shall consist of, but not necessarily be limited to: technical, commercial, financial, operational, marketing, promotional or sales information or data.

10.3 The Franchisee may not disclose the Franchisor's confidential information to third parties save to such third parties or contractors as need to know the relevant information for the purposes of performing this Agreement or where such disclosure is required by Law or by Order of a Court in the jurisdiction of England.

10.4 This Clause shall survive the termination of this Agreement and remain in force for a period of *Two (2) years* from the date of termination.

11. Limitation of Liability

11.1 The Franchisee agrees to indemnify the Franchisor against all damage, loss or liability suffered by the Franchisor as a result of the actions (or failure to act) of the Franchisee.

11.2 The Franchisor shall not be liable to the Franchisee for any direct or indirect damages, lost profits, lost business or anticipated savings, whether actual or reasonably foreseen.

11.3 Both parties shall indemnify each other for fraud, personal injury or death caused by the negligence of its employees whilst performing their duties under the terms of this Agreement.

11.4 All other liability not expressly assumed within this Agreement is hereby excluded.

11.5 Both parties hereby agree that the limitations and exclusions of liability set out in this clause are reasonable and take into consideration the commercial value of this Agreement to both parties and the commercial standing of both parties.

12. Termination

12.1 This Agreement may be terminated without prejudice to any right or remedy either party may have against the other for breach or non-performance of this Agreement if any of the following circumstances arise:

12.1.1 Either party commits a serious or grave breach of this Agreement or persistent breaches of this Agreement including, but not limited to, non-performance, default or neglect of that party's duties under this Agreement and such breach remains un-remedied for Thirty (30) days after notice of such breach has been given by the non-defaulting party.

12.1.2 Where the conduct of the Franchisee is likely to have a serious or detrimental effect upon the business, products and affairs of the Franchisor.

12.1.3 Either party is unable or has no reasonable prospects of paying their debts or enters into a compromise for the benefit or their creditors, or being a company become subject to an Administration Order or goes into liquidation or has the Receiver of any of its property or assets appointed or ceases or threatens to cease to carry on business.

12.2 Such termination will take place with immediate effect on written notice to the other party and without prejudice to any remedy either party may have against the other for any breach committed prior to the date of such termination or which gave rise to the termination.

12.3 Upon termination of this Agreement for whatever reasons, the Franchisee shall at the request of the Franchisor promptly return all documentation in the possession or control of the Franchisee relating to the Products, Services or business activities and affairs of the Franchisor.

12.4 All clauses intended by the Franchisor to survive the termination of this Agreement shall survive, including, but not limited to Confidentiality and Intellectual Property.

13. Restrictive Covenants

13.1 The Franchisee shall not for a period of *One (1) year* after the termination of this Agreement be directly or indirectly involved with a third-party business that competes with the Franchise. This shall include, but not be limited to, the development, promotion, sale or supply of any products or services that compete with the Products and Services supplied by the Franchisor.

13.2 The Franchisee shall not for a period of *One (1) year* after the termination of this Agreement approach or canvass customers or former customers of the Franchise.

14. Notices

14.1 Any notice given by either of the parties shall be served on the other party by personal delivery, pre-paid recorded delivery, first class post, telex or facsimile transmission to the receiving party's address set out in this Agreement or such subsequent addresses as may be notified by the parties to each other.

14.2 Any such notices shall be deemed to be effectively served as follows:

14.2.1 In the case of service by pre-paid recorded delivery or first-class post forty-eight hours after posting.

14.2.2 In the case of service by telex or facsimile transmission on the next working day.

15. Force Majeure

Neither party shall be liable for delay or failure to perform any obligation under this Agreement if the delay or failure is caused by any circumstances beyond its reasonable control, including but not limited to Acts of God, war, civil disorder or industrial disputes. If such delay or failure continues for a period of at least Sixty (60) days the party not subject to the force majeure shall be entitled to terminate this Agreement by written notice to the other.

16. Assignment

Neither party may assign their rights under this Agreement without the prior consent in writing of the other party.

17. General

17.1 IT IS HEREBY DECLARED that the foregoing paragraphs, sub paragraphs and clauses of this Agreement shall be read and construed independently of each other. Should any part of this Agreement or its paragraphs, sub paragraphs or clauses be found invalid it shall not affect the remaining paragraphs, sub paragraphs and clauses.

17.2 The Schedules to this Agreement constitute an integral part thereof.

17.3 Failure by either party to enforce any accrued rights under this Agreement is not to be taken as or deemed to be a waiver of those rights unless the waiving party acknowledges the waiver in writing.

17.4 No addition to or modification of any clause in this Agreement shall be binding on the parties unless made in writing and signed by the signatories to this Agreement or their duly authorised representatives.

17.5 This Agreement sets out the entire agreement and understanding of the parties and is in substitution of any previous written or oral agreement between the parties.

17.6 Reference to any Statutory Provisions in this Agreement shall include any Statutory Provisions, which amends or replaces it.

18. Jurisdiction
This Agreement shall be construed in accordance with the Laws of England and shall be subject to the exclusive jurisdiction of the English Courts.

IN WITNESS of which the parties have signed this Agreement the day, month and year first above written.

Apollo Design UK
A K Boswell
Proprietor

Signature:_____

[Insert Client name]
[Insert name or person signing on Client's behalf]
[Insert their position]

Signature:_____

Schedule 1 - Territory
The geographical area will be:
[Specify the Territory where The Franchisee will operate]

Schedule 2 - Trademarks
Trade marks licensed to the Franchisee by the Franchisor: