*Please note this is a draft agreement prepared by GSPU for your reference. You may amend it suiting to your requirement. GSPU expressly disclaims any liability arising out of the reliance on this draft.*

**FRANCHISE AGREEMENT**

This Franchise agreement is made on this \_\_\_\_ day of \_\_\_\_\_\_, 2020 (Effective day) by and between

M/s. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ a Proprietary/partnership firm/company represented by its sole proprietor/duly authorized partner/authorized signatory Mr./Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having its registered/branch office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereinafter referred to as “the Franchisor” (which expression shall unless repugnant to the context or meaning thereof, mean and include its heirs, executors, administrators, legal representatives, successors, and assigns) of the Other Part;

And

M/s. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ a Proprietary/partnership firm/company represented by its sole proprietor/duly authorized partner/authorized signatory Mr./Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having its registered/branch office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereinafter referred to as “the Franchisee” (which expression shall unless repugnant to the context or meaning thereof, mean and include its heirs, executors, administrators, legal representatives, successors, and assigns) of the Other Part;

The Franchisor and the Franchisee shall hereinafter be jointly referred to as the "Parties” and individually as the "Party”.

**WHEREAS**

1. Franchisor is engaged in the business of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;
2. The Franchisee is engaged in the business of \_\_\_\_\_\_\_\_\_\_\_\_
3. Franchisor desires to grant Franchisee a franchise to establish and operate a outlet at the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ premises, subject to the terms and conditions of this Agreement and conditioned upon Franchisee's continual adherence and conformity to the Franchisor’s standards.
4. Franchisee desires to be exclusive part of the Franchisor’s Business Chain and to establish, own and operate an Outlet at the \_\_\_\_\_\_\_\_\_\_\_ Premises, subject to and in accordance with all of the terms and conditions of this Agreement, and in adherence and conformity to the Franchisor’s standards.

**NOW THEREFORE**, in consistent with these introductory Sections and in consideration of the mutual promises and covenants contained in this agreement, Franchisor and the Franchisee agree to be bound by the terms of this Agreement. The parties hereto agree as follows:

**1. DEFINITIONS**

For the purpose of this Agreement, the following terms shall have the following meanings:

**1.1 Agreement:** means this Franchise Agreement.

1.2 \_\_\_\_\_\_\_\_\_\_ (Brand name of the Product) **Product:** means the \_\_\_\_\_\_\_\_\_\_ items /products manufactured under a license from the owner of the marks for distribution and sale in association with the marks as modified, added to or deleted from time to time by Franchisor

1.3 \_\_\_\_\_\_\_\_\_\_ (Brand name of the Product**) Shop:** "\_\_\_\_\_\_\_\_\_\_\_\_\_ SHOP" means a \_\_\_\_\_\_\_\_\_\_\_\_ store operated as part of the Franchisor, either directly by Franchisor Company or under a written franchise agreement granted by Franchisor.

**1.4 Business day:** means a day on which banks are open for trading in India

**1.5 Business Name:** means the name set by the Franchisor for the Business Product line which is the only name under which the Franchisee shall conduct the business.

**1.6 Franchise fee:** means the fee payable by a Franchisee as described under Clause 6

**1.7 Intellectual property:** includes all licensed copyright design, trademarks, patent, process & corporate name, computer software licensed by Franchisor and the goodwill of any licensed business name, secret process or confidential information licensed by the Franchisor including the any other Trademark or Copyrights of Franchisor.

**1.8 Month:** means a calendar month

**1.9 Services:** means these services forming part of the system from time to time

**1.10 System:** means Franchisors System

**1.11 System Standard:** means Franchisor’s Standards aligned to his business

**1.12 Response time:** to respond to all enquires by customers or potential customers on the same day as they are made.

**1.13 Communication:** the Franchisee agrees to use such communication technology as the Franchisor may from time to time require.

**1.14 Franchisee meeting:** To convene meeting of Franchisees as the Franchisor considers necessary.

**1.15 Advertising:** to refer the Franchisor for its prior approval the contents, style and media proposed to be used by the Franchisee (including signage) for any advertising what so ever including the system and the business in the customer contracts premises or a proposed sale of a franchise business advertising approved by the company will be the cost of the Franchisee.

**1.16 Inspection by Franchisor**: to permit the Franchisor and its servant and agents (including the field consultant) at all reasonable times upon the provision of reasonable notice by the Franchisor to inspect and copy all books, financial other records relating to the business.

**1.17 Confidential information :** means but not limited to the operation manual is , trade secrets, information , methods , ideas , concepts, price, forms, techniques , data base , copy right materials and all records relating to the Business of Franchisor.

**1.18 Field consultant:** means any person nominated by the Franchisor from time to Time, visit the Franchisee and facilitate the commercialization.

**2. SITE SELECTION, SHOP CONSTRUCTION, AND EXCLUSIVE TERRITORY**

**2.1. SITE SELECTION PROCESS; DESIGNATION OF SHOP PREMISES**

If this Agreement was issued in connection with a New Shop/Unit/Outlet, then the Shop Premises will be designated under the terms of Agreement and more particularly described by EXHIBIT A.

**2.2. SHOP DESIGN AND CONSTRUCTION**

Franchisee will adhere to Franchisor’s procedures and requirements for the design and construction of the Shop/Unit/Outlet, as.

(a) In the case of a New Shop/Unit/Outlet, Franchisee will diligently construct the Shop/Unit/Outlet at the premises so finalized by the parties, if and after Franchisor designates the shop premises in accordance with EXHIBIT A, time being of the essence.

(b) Franchisee shall not commence (or recommence) operations at the shop unless and until Franchisor determines that the SHOP reasonably conforms to the plans and specifications approved by Franchisor in accordance with EXHIBIT B.

**2.3. EXCLUSIVE TERRITORY**

The parties acknowledge and agree that the Exclusive Territory shall be \_\_\_\_\_\_\_\_\_ as determined by Franchisor for the Franchise of the Shop.

**3. GRANT**

**3.1. THE "FRANCHISE"**

Subject to the provisions of this agreement, Franchisor hereby grants Franchisee the personal, limited right and license (the "Franchise") to, during the TERM, operate the SHOP, at the Shop Premises, in association with the Franchisor’s IPR and in compliance with the Franchisor’s Standards.

The Franchise Agreement is an Exclusive Agreement whereby Franchisee shall not sell or accept any other Franchisee of any other products nor sell products of any other Seller in the Franchise Shop Premises/Outlet/Unit and shall be committed throughout the tenure with the Franchisor and this Franchise

**3.2. NO RIGHT TO RELOCATE, OR CONDUCT SALES AWAY FROM THE SHOP**

This Agreement does not grant Franchisee any right to relocate the Shop. This Agreement does not grant Franchisee any right to sell any goods or services associated with the IPR of Franchisor, except on a retail basis from the Shop. Without limiting the foregoing, this Agreement does not grant Franchisee any right to engage in wholesale sales, mail order sales, catalogue sales, special events sales, catering, internet-based sales (e-Commerce), or any other sale to a customer who is not physically present in the Shop at the time of purchase. If Franchisor from time to time permits FRANCHISEE to engage in any sales away from the SHOP, then those sales shall not result in any enlargement of the Exclusive Territory, and FRANCHISEE shall fully adhere to Franchisor’s requirements and policies pertaining to those sales away form the Shop, which shall be deemed to be a part of the Franchisor STANDARDS to which Franchisee shall adhere.

**4. TERM, RENEWAL AND TERMINATION**

**4.1. TERM**

4.1.1. This Agreement shall be deemed to have come into force with effect from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_ (“Effective Date”) and shall be valid for a period of Five (05) years thereafter i.e. From \_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_ till \_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_ (“Term”) unless terminated earlier in accordance with the provisions of Article\_\_\_\_ of this Agreement.

4.1.2. The Agreement may be extended/renewed for such further period and on such terms & conditions as may be mutually agreed by the Parties in writing.

**4.2. OPERATION IN COMPLIANCE WITH FRANCHISOR REQUIREMENTS**

Franchisor 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.

1. Franchisee shall have continuously been, during the last 5 years of the Term, fulfilled its financial obligations to Franchisor, Franchisor’s affiliates, and Franchisor’s designated suppliers, under this Agreement, and under any other agreement existing between Franchisor and Franchisee.
2. Franchisee shall have continuously, during the last 5 years of the Term, operated the Shop in which Franchisee has an interest, in accordance with Franchisor's operational requirements;
3. Franchisee shall have, during the last 5 years of the Term, consistently operated the Shop in accordance with each of the terms of this Agreement and the Shop Operations Manual, 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 Franchisor and Franchisee.
4. Franchisee shall have, during the last 5 years of the Term, consistently participated in all marketing promotions conducted by Franchisor.
5. Franchisee shall meet Franchisor'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 Shop, and to timely remodel the SHOP to the extent required by Franchisor under the Renewal Agreement.
6. If required by Franchisor, then Franchisee shall have, during the last year of the Term, caused its Designated Shop Manager to attend Franchisor's training program, irrespective of any prior training and experience.
7. If required by Franchisor, then Franchisee shall have, during the last year of the Term, completely remodel the Shop in accordance with Franchisor’s procedures to bring the SHOP into conformity with Franchisor’s then current design and operational requirements.
8. Franchisee shall Insure the Products and the assets in the Shop/Outlet/Unit and ensure that the payments towards premiums and duly paid and that the Compliance attributable to the said Franchise Agreement from Franchisee’s end are met at all times

**4.3. RENEWAL AGREEMENT EXECUTION**

If Franchisor issues a Renewal Agreement to Franchisee, then Franchisee must timely execute that Renewal Agreement in accordance with Franchisor’s then current requirements. Franchisee will not be required to pay an initial franchise fee to enter into the Renewal Agreement.

**4.4. 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.

**4.5. TERMINATION**

This agreement may be terminated by either Party without assigning any reason by giving \_\_ (\_\_\_\_\_\_\_\_) months written notice to the other party.

In the event of a breach/violation of the any of the terms, conditions and obligations of the Agreement, Franchisee Security fee shall be forfeited alongwith penalty of Rs.\_\_\_\_\_\_\_\_\_\_\_/- as damages.

In case of Business Loss, such loss shall be Franchisee’s Loss and not attributable to Franchisor. Business Loss for two consecutive years would lead to takeover of business by Franchisor from the Franchisee. The Franchise shall stand terminated.

**FAILURE TO SATISFY FRANCHISOR’S REQUIREMENT/ BREACH OF THE AGREEMENT**

If the initial Designated Shop Manager fails to complete training to the satisfaction of Franchisor, in accordance with provisions of this Agreement, then Franchisor will give Franchisee an opportunity to designate a different initial Designated Shop Manager who must complete training to the satisfaction of Franchisor before the Shop first opens for business. If the second initial Designated Shop Manager also fails to complete training to

the satisfaction of Franchisor, or Franchisee declines the opportunity to have a second initial Designated Shop Manager attend Franchisor’s training program, then Franchisor may cancel this Agreement and Franchisor shall have no further obligations to Franchisee under this Agreement.

**5. FRANCHISOR’S OBLIGATIONS**

Except as explicitly set forth in this Article or explicitly contemplated by a particular provision of this Agreement, Franchisor has no obligations to Franchisee under this Agreement.

**5.1. PLANS AND SPECIFICATIONS**

In connection with the initial construction of the Shop, or a remodel of the Shop if required, Franchisor shall, at no charge, provide Franchisee or Franchisee's architect with standard criteria for the design and configuration of a typical Franchisor’s Shop, including exterior and interior design and layout, fixtures, furnishings, equipment and signage, which Franchisee shall, at Franchisor's / Franchisee’s expense, adapt to conform to the characteristics of the Shop Premises in accordance with the terms of the agreement.

**5.2. TRAINING**

Before the initial opening of the Shop, Franchisor shall, at no charge to Franchisee, provide initial training for the Designated Shop Manager and up to one additional person in accordance with Franchisor’s guidelines in this regards

**5.3. SHOP OPERATIONS MANUAL.**

During the Term, Franchisor shall at no charge loan one copy of the Shop Operations Manual to Franchisee and that the Franchisee shall strictly maintain the confidentiality and usage of the manual to itself and not share the same to any third party (including its relative).

**5.4. FINAL INSPECTION**

At a mutually convenient time agreed upon sufficiently in advance of the initial opening of the Shop, Franchisor shall, at no charge to Franchisee, inspect the Shop to determine that it reasonably conforms to the plans and specifications approved by Franchisor under the procedures described by EXHIBIT B.

**5.5. OPENING ASSISTANCE**

Before and in connection with the initial opening of the SHOP, Franchisor shall, at no charge, provide Franchisee with such pre-opening and opening assistance and guidance as Franchisor deems appropriate. If Franchisee is a New Franchisee, then the assistance provided by Franchisor under this Section will include the physical presence of one or more Franchisor’s representatives for a total of at least five working days (based on an 8-hour work day) before, during, and/or just after the SHOP first opens for business.

**5.6. ONGOING SOURCE OF FRANCHISOR’S PRODUCTS AND OTHER PRODUCTS**

During the Term Franchisor will designate a source from which Franchisee shall purchase Products, and will designate or approve sources for other items purchased by Franchisee in connection with the operation of the SHOP, as more particularly described under this agreement

**5.7. ONGOING ADVICE AND ASSISTANCE**

During the TERM, Franchisor shall, at no charge, from time to time provide FRANCHISEE with such advisory assistance, information, techniques, data and instructional materials concerning the sale of items from the shop, operation of the shop, marketing programs applicable to the Franchisor’s system, local marketing of the shop, and adherence to the Franchisor’s system standards as Franchisor deems advisable.

**6. INITIAL FEES**

**6.1. The "FRANCHISE FEE"**

Franchisee shall pay an initial franchise fee (the "FRANCHISE FEE") as Security to Franchisor of Rs.\_\_\_\_\_\_\_\_/- (Rupees \_\_\_\_\_\_\_\_\_\_\_\_ Only) plus applicable taxes hereto, for the right to enter into this AGREEMENT and in consideration of the FRANCHISE in \_\_\_\_ installments paid timely as decided by mutually between the parties in writing.

**6.2. FRANCHISE FEE IS NON REFUNDABLE**

The FRANCHISE FEE is non-refundable except to the extent specifically described in EXHIBIT A.

**7. CONTINUING FEES**

**7.1. "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 SHOP;

b. All income of every kind and nature related to the Shop, 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 Shop, 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 Shop or Franchise.

Specifically excluded from "Gross Sales" are:

1. The incidental sale of gift cards (or any similar redemption device), if authorized by Franchisor; 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;
2. 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, of discount shall be part of Gross Sales to the extent received, taken, or realized by Franchisee;
3. Any extraordinary sale of equipment or fixtures used in the Shop.

**7.2 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.

**Sales Away from the Shop**

This Agreement does not permit Franchisee to sell any food, merchandise or services away from the Shop. If Franchisee is authorized by Franchisor, or without such authorization, sells food, merchandise or services associated with the Marks away from the Shop, then the revenues from those sales will be part of Franchisee's Gross Sales, and Franchisee shall comply with the procedures established by Franchisor to ensure that any such Gross Sales are properly captured by the POS System, or otherwise reported to Franchisor

**7.3. REPORTING GROSS SALES**

Franchisee shall accurately report its Gross Sales and such other information as Franchisor requires, on a weekly basis, or some other periodic basis specified from time to time by Franchisor, using a form prescribed by Shoppe Company, supported by whatever documentation Franchisor reasonable requires. Unless Franchisor 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, Franchisor may determine Franchisee's Gross Sales based on data Franchisor obtains from the POS System under Section 11.20.2.

**7.4. ESTIMATING GROSS SALES**

If Franchisee at any time fails to timely report its Gross Sales, then in addition to any other remedies that Franchisor may have under this Agreement, Franchisor 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 Shoppe Company's invoicing or otherwise notifying Franchisee that Franchisor has estimated Franchisee's Gross Sales under this Agreement, 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.

**8. "ROYALTY"**

FRANCHISEE shall pay Franchisor a continuing fee {the "Royalty"), equal to \_\_\_\_\_\_\_ percent (\_\_\_\_\_ %) of Gross Sales, for the continuing right to operate the Shop in association with the Marks and the System.

**8.1. REPORTING ROYALTY**

Franchisee shall accurately report the total Royalty that Franchisor became entitled to receive at the same time that Franchisee must report its Gross Sales in detail alongwith the Accounting period.

**8.2. WHEN DUE**

Unless Franchisor establishes a different due date, Royalty payments are due at the same time Franchisee report its Gross Sales as per terms of this Agreement

**8.3. ROYALTY PAYMENTS**

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

1. Franchisor may periodically invoice FRANCHISEE for the Royalty due, taking into account any prepayment made, 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.
2. Franchisor may direct FRANCHISEE to pay the Royalty at the same time that FRANCHISEE must report the Royalty payable to Franchisor.
3. Franchisor may automatically deduct the Royalty from a financial account maintained by FRANCHISEE, using an electronic funds transfer ("EFT") process in accordance with this agreement.

**8.4. PREPAYMENT OF ROYALTY**

Franchisor may require FRANCHISEE to prepay the Royalty when FRANCHISEE purchases PRODUCTS, using a formula identical to that used to calculate the royalty paid by other SYSTEM Franchisees, or some other formula determined by Franchisor to reasonably approximate the Royalty that FRANCHISEE must pay.

**8.5. TREATMENT OF OVERPAYMENTS**

Franchisor 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. If are conciliation under this establishes that FRANCHISEE overpaid the Royalty due for the period reconciled, then Franchisor 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 Franchisor or its affiliates, as determined by Franchisor. Franchisor shall have the absolute right to delay the reconciliation process to the extent of reporting delays by FRANCHISEE. Franchisor may also delay issuing any payment or credit if Franchisor has issued an Audit NOTICE to FRANCHISEE, and thereafter diligently proceeds to audit FRANCHISEE'S books and records. At its option, Franchisor may include amounts payable by FRANCHISEE for LOCAL MARKETING CONTRIBUTIONS in the reconciliation process.

**9. ELECTRONIC FUNDS TRANSFER (EFT)**

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

1. Franchisor or its designee to electronically deduct, from a financial account maintained by Franchisee, any amounts that become payable to Franchisor under this Article , or otherwise under this Agreement;
2. Franchisor’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 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 Agreement

**10. NO RIGHTS OF SET-OFF**

Franchisee may not reduce any payment required to be made to Franchisor under this Article, on account of any money Franchisor owes Franchisee under this Agreement, or otherwise.

**11. LATE PAYMENT**

To compensate Franchisor (or its affiliates) for the loss of use of funds that Franchisee must pay Franchisor (or its affiliates) under this Agreement, the principal portion of any payment that Franchisee does not make to Franchisor (or its affiliates), when due, shall bear interest from the due date until paid at, the lesser of eighteen percent (18%) per annum or the highest contract rate of interest allowed by the law of the state where the Shop is located. To compensate Franchisor (or its affiliates) for the administrative expenses incurred in connection with delinquent obligations (unless prohibited by law), Franchisor may also require Franchisee to pay a late charge equal to ten percent (10%) of each payment that is late. Franchisor (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 Franchisor (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 Products from Franchisor’s affiliates.

**12. CONFIDENTIAL MANUAL AND INFORMATION**

**12.1. "SHOP OPERATIONS MANUAL" DEFINED**

The "Shop 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.

**12.2. OWNERSHIP, POSSESSION AND CONTROL OF SHOP OPERATIONS MANUAL**

The Shop Operations Manual shall at all times remain the property of Franchisor. One copy of the Shop Operations Manual will be loaned to Franchisee for use only in connection with the Shop. The Shop Operations Manual must be kept in a secure place in the Shop at all times. Franchisee may not disclose the contents of the Shop

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 Shop 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 Franchisor, Franchisee may not copy or disseminate the Shop Operations Manual, in whole or in part, and must implement reasonable security measures directed to accomplishing the requirements of this Section.

**12.3. REVISIONS TO SHOP OPERATIONS MANUAL**

Franchisor reserves the right to add to, revise or rescind various portions of the Shop 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 Shop Operations Manual current, and shall destroy superseded provisions of the Shop Operations Manual. If there is a conflict between Franchisee's copy of the Shop Operations Manual and the master copy of the Shop Operations Manual maintained by Franchisor, then the master copy maintained by Franchisor shall control.

**13. FRANCHISOR’S STANDARD (SYSTEM STANDARDS)**

Franchisee shall, at all times during the Term, continuously and faithfully operate the Shop in full compliance with the System Standards.

**13.1. SHOP OPERATIONS MANUAL**

In order to protect and enhance the reputation and goodwill 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 Shop in accordance with the Shop Operations Manual.

**13.2. DESIGNATED SHOP MANAGER**

Franchisee shall at all times have a person designated as having primary responsibility for the day to day operation of the Shop (the "Designated Shop Manager") in accordance with this Agreement and the System Standards, who shall be reasonably acceptable to Franchisor (including, but not limited to, the requirement that such individual possess sufficient experience in the management of a retail business, as determined by Franchisor in its sole discretion), and who has successfully completed the Franchisor training program and continues to satisfy the training requirements under Section. Unless Franchisee has more than one Shop, or is a professional service operator in the sole judgment of Franchisor, the Designated Shop 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.

**13.3. 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 Shop in accordance with the System Standards.

**13.4. INITIAL TRAINING**

Franchisor shall at the same time provide training for the first Designated Shop Manager and, if desired by Franchisee, or necessary in order for Franchisee to satisfy the best efforts requirements under Section, one other person selected by Franchisee and reasonably acceptable to Franchisor, in the principal aspects of establishing and operating a Shop, the handling of Products, and the preparation and sale of Shop items. Specific training procedures and requirements are set forth in the Shop Operations Manual. This Agreement is issued on the condition that the initial Designated Shop Manager, and any person Franchisee later desires to make the Designated Shop Manager, completes training to the satisfaction Of Franchisor.

**13.5. 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 Franchisor, then the current Designated Shop Manager or another person selected by Franchisee and acceptable to Franchisor shall successfully complete training by a date determined by Franchisor, notwithstanding any prior training and experience.

**13.6. ONGOING TRAINING**

If required by Franchisor, then the Designated Shop Manager shall attend and complete mid-Term training, to the satisfaction of Franchisor, at a time reasonably determined by Franchisor.

**13.7. 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, Franchisor shall have the absolute right to direct Franchisee by Notice to have the Designated Shop Manager attend training directed toward curing specific operational deficiencies. Franchisor shall have no obligation to offer training as an alternative to declaring a default or terminating this Agreement. Franchisee may be required to reimburse Franchisor for the reasonable costs of remedial training provided by Franchisor under this Section.

**13.8. EXPENSES OF ATTENDANCE AT TRAINING**

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

**13.9. BEST EFFORTS**

The Designated Shop Manager shall furnish personal full time and attention and best efforts to the day to day management and operation of the Shop in accordance with the requirements of this Agreement. Without limiting the foregoing, the Designated Shop Manager must maintain a physical presence at the Shop 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 Shop during hours of operation by the Designated Shop Manager and one or more other individuals, satisfactory to Franchisor, who have successfully completed Franchisor’s training program.

**13.10. SHOP EMPLOYEES**

The Shop shall be staffed with qualified, competent employees trained by the Designated Shop Manager, and who are employed solely by Franchisee and not by Franchisor. Franchisee is solely responsible for hiring and discharging employees of the Shop, 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 Franchisor prescribes periodically, and otherwise comply with the ongoing System Standards. All employment related documents, including, without limitation, employment applications, schedules, job descriptions, and pay checks, must clearly identify Franchisee, and not Franchisor, as the employer, and shall not contain any of the MARKS.

**13.11. 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 products, supplies, fixtures, equipment, furnishing, signs and other items for use in the Shop in accordance with the following provisions.

**13.12. FRANCHISOR PRODUCTS**

Franchisee acknowledges that the Franchisor Products used in, and offered and sold from the SHOP, as authorized by Franchisor from time to time, are manufactured using proprietary processes, and are an inseparable and essential element of the Franchise. In order to protect the interests of Franchisor, the owner of the Marks and their respective licensees, and to ensure the quality, uniformity, and distinctiveness of the Products, Franchisee agrees to purchase its entire requirements of Products, from Franchisor, or the supplier designated by Franchisor, at prices, determined by Franchisor or its designated supplier, and which may result in revenues and profits, directly or indirectly, Franchisor, the designated supplier, and the owner of the Marks, all of whom Franchisee agrees are entitled to receive such revenues and profits.

**13.13. SUPPLIES AND EQUIPMENT**

Franchisee shall only purchase paper goods, packaging, fixtures, equipment, signs, uniforms, and other supplies for use in the Shop that have been approved in advance by Franchisor, from sources that have been approved in advance by Franchisor. Franchisor will, when appropriate, as determined solely by Franchisor grant a manufacturer of certain approved items a license to print specified text and the IPR on those items, in the manner and format established periodically by Franchisor. Franchisee shall not use paper goods, packaging, fixtures, equipment, signs, uniforms, and other supplies at the Shop which do not bear the text and the (IPR) Marks required by Franchisor, in the manner and format required and approved in advance by Franchisor.

**13.14. VENDOR REBATES**

Franchisor 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 Franchisor on account of Franchisee's purchases. Franchisor will have the right to use rebates, and other monetary consideration received, for any purpose for which it may use for any other purpose Franchisor desires, without regard to whether such purpose is of any direct or indirect benefit to Franchisee.

**13.15. MANDATORY PARTICIPATION IN MARKETING PROGRAMS**

Franchisee acknowledges that Franchisee's participation in promotions and marketing programs established by Franchisor is important to enhance the value, recognition, and reputation of the IPR and the System. Franchisee covenants and agrees that Franchisee shall participate in those promotions and marketing programs established from time to time by Franchisor that are appropriate to the Shop, as determined by Franchisor, 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 Shop, would render Franchisee's participation unlawful.

**13.16. COMPLIANCE WITH LAWS AND LICENSE 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 Shop; in particular, Franchisee shall operate and maintain the Shop 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 Shop 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 Franchisor in writing, identifying the specific law and System Standards requirement, so that Franchisor may determine how to resolve the perceived conflict. Franchisee shall procure all required Licenses to run the Franchise at the Premises and adhere to Law and Compliance in true spirit

**13.17. SHOP INSPECTIONS**

In order to safeguard the IPR and determine compliance with the System Standards, Franchisor representatives shall have the absolute right to enter, remain in, and inspect the Shop whenever Franchisor deems it appropriate. Franchisor 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 products stored, sold or used at the Shop. Franchisor shall have the right to use all interviews, photographs, video, and other recordings for any reason Franchisor 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 Franchisor, its advertising agencies, or other System Franchisees.

**13.18. CORRECTING DEFICIENCIES**

Franchisee shall at its own expense promptly, and within any period reasonably specified by Franchisor, correct any violation of the System Standards. If, during an inspection, Franchisor identifies a violation of the System Standards that:

1. is a reoccurrence of a previously identified violation of the System Standards, occurring at the Shop within the preceding 12 months; or
2. is a continuation of a previously identified violation of the System Standards, which Franchisee failed to correct within the period specified by Franchisor; or

**13.19. REPAIR AND RENOVATION**

Franchisee shall repair, rehabilitate, refurbish, modernize, renovate and upgrade the Shop periodically to maintain it in a clean, attractive and orderly condition, to provide efficient, high-quality service to the public, and to conform to ongoing System Standards and specifications applicable generally to Shops, as periodically revised by Franchisor. Franchisee must obtain the prior written approval of Franchisor if any efforts to be taken under this Section

Repair and Renovation 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 Shop. Franchisee shall be solely responsible, irrespective of whether Franchisee has obtained any approval from Franchisor, to make certain that

the Shop is accessible to the fullest extent and conforms to all applicable laws and regulations. Without limiting the foregoing, Franchisee shall, unless required to do so more quickly by Franchisor in any particular instance, repair any improper condition of the Franchisor, or the equipment or furnishings in the Shop Premises, within 30 days after first being identified by Franchisee or Franchisor.

**13.20. EQUIPMENT AND TECHNOLOGY UPGRADES**

During the Term, Franchisee shall make any equipment upgrades and additions, including upgrades and additions reflecting new technologies adopted by Franchisor, within 90 days of Notice from Franchisor. The foregoing obligation is in addition to any requirements to upgrade the POS System

**13.21. SALES AND PRODUCT MIX REPORTING REQUIREMENTS**

Franchisee shall upon request periodically provide Franchisor with any and all requested information related to Franchisee's sales, costs, earnings and related items. Franchisee acknowledges that Franchisor 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.

**13.22. PROJECTING REQUIREMENTS OF PRODUCTS & OTHER PRODUCTS**

At the request of Franchisor, Franchisee shall periodically project sales, costs, and product requirements. Franchisee shall endeavor to project quantities of products needed, including quantity of each of the Products, and the anticipated timing of such need. Franchisee acknowledges that this information is important to Franchisor so that it or its designated supplier may project quantities of 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 be deemed to require Franchisor or its designated supplier to sell Franchisee the projected quantities of any particular Products.

**13.23. HOURS OF OPERATION**

Franchisee shall keep the Shop open and in normal operation during the days and hours Franchisor from time to time specifies in the Shop Operations Manual or otherwise approves in writing. Franchisee shall conspicuously post on or within the Shop Premises, at a location visible to consumers during the Shop's operational and non-operational hours, and acceptable to Franchisor, the Shop's normal hours of operation; and Franchisee shall keep the Shop open and in normal operation during the days and hours posted.

**13.24. POS SYSTEM**

To ensure the efficient management and operation of the Shop, and the reporting of data and information to Franchisor, 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 Franchisor), and other accessories and peripheral equipment, all of which must be approved by Franchisor in the SHOP OPERATIONS MANUAL or otherwise in writing. Unless Franchisor in writing permits otherwise, the equipment making-up the POS System shall be purchased only from a source designated by Franchisor; and initially programmed and from time to time reprogrammed only by someone designated by Franchisor, which requirements Franchisee agrees are reasonable in order to reasonably maintain POS System uniformity among various shops.

**13.25. 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 Franchisor prescribes in the SHOP OPERATIONS MANUAL or otherwise (the "POS INFORMATION").

**13.26. FRANCHISOR ACCESS TO POS INFORMATION**

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

**13.27. UPDATES, MODIFICATIONS, AND REPLACEMENTS**

Franchisee shall update or replace software used by the POS System, as directed by Franchisor. Franchisee shall make, or at Franchisor’s direction shall permit someone else to make, any programming changes required from time to time by Franchisor. Franchisor 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 Franchisor’s then current approved POS System. Franchisee will accomplish the required updates, replacements, changes and other modifications within the timeframes Franchisor specifies.

**13.28. FRANCHISOR’S OWNERSHIP AND USE OF POS INFORMATION**

Franchisee agrees that all POS Information provided to Franchisor, whether electronically retrieved or otherwise received, will become Franchisor’s property and may be used by Franchisor in any manner Franchisor considers appropriate, provided however that Franchisor 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 Shop.

**13.29. OTHER REQUIREMENTS**

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

**13.30. 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 Franchisor, and similar redemption devices specified by Franchisor, that enable purchases to be made without the physical exchange of currency; and Franchisee shall, it its own expense, subscribe to any related processing services designated by Franchisor.

**13.31. GIFT CARD PROGRAM**

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

**13.32. COUPONS AND DISCOUNT OFFERS**

Franchisee will not issue coupons except those that have been approved by Franchisor in accordance with provision of this agreement. Coupons issued by Franchisee will clearly identify the Shop, and any other Shop, if any, where they are redeemable, and will state that they are not redeemable at any other Shop. If Franchisee elects to accept any coupons issued by Franchisor, Which are redeemable at participating Shops, then Franchisee will honor the redemption policies established from time to time by Franchisor. 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 Franchisor, comply with applicable laws, including local dairy laws.

**13.33. PROMOTIONAL MATERIALS**

Franchisee acknowledges that Franchisee and other System Franchisees may benefit from the promotion of Franchisor Products, Shops and the System. Franchisee acknowledges that certain supplies used in the Shop (e.g. Ice cream cone wrappers; napkins; sundae and beverage cups; etc.) And point of sale communication materials displayed or used in the Shop (e.g. Brochures, posters; etc.), in addition to displaying the Marks, may, at the determination of Franchisor, display information about Franchisor Products, Franchisor Shops and the System that may be of interest to consumers, including information relating to Franchisor Shop franchise opportunities. If requested by Franchisor, then Franchisee will post, display, or make available to consumers, in a manner reasonably determined by Franchisor information relating to Franchisor Products, the System, including if requested by Franchisor, the addresses of other Franchisor Shops, and Franchisor Shop franchise opportunities.

**13.34. 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 Franchisor 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 Shop, Franchisee's home, or some other convenient location) with internet access and a reasonably current web browser, and:

1. Maintain an email address to which Franchisor may send electronic communications; keep Franchisor apprised of Franchisee's current email address; regularly check, at a frequency specified by Franchisor, which may be every day, for email communications from Franchisor;
2. Timely respond to email communications from Franchisor, which, unless a different time-period is specified, will mean within 72 hours from receipt;
3. In the event Franchisor 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 Franchisor, which may be every day, for information communicated by Franchisor.

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, 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 Franchisor for such purpose.

**13.35. 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 goodwill associated with the Marks; and Franchisee's ability to operate the Shop 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 connection with the FRANCHISE.

**13.36. SIGNIFICANT EVENT NOTIFICATIONS**

Franchisee will keep Franchisor informed of any fact, matter or circumstance that has a significant bearing on Franchisee's ability to continue to operate the Shop in accordance with this Agreement and the Franchisor 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 Shop, provide Notice to Franchisor of the circumstances, and provide Franchisor with copies of pertinent documents, and any other information Franchisor requires:

1. Any notice of default received with respect to the Shop Premises from the Landlord, a rental agent, mortgagee, or lender.
2. Any claims, lawsuits, or other legal proceedings, asserted or brought by any consumer, employee, governmental agency, or anyone else.
3. Any governmental inspections, notices, claims, reports, warnings, or citations.
4. Any fires, robberies, injuries, or similar events occurring on or at the SHOP PREMISES.
5. Any other matters, including those not related to the shop, that could impair the good will associated with the IPR or the Franchisor.

**14. REPRESENTATIONS AND WARRANTIES**

**14.1. FRANCHISORREPRESENTSANDWARRANTSTHAT:**

14.1.1. It has all necessary statutory and regulatory permissions, approvals and permits for the conduct of its business as provided for in this Agreement.

14.1.2. It has registered itself with all appropriate authorities established under Applicable Laws as well as under legislations pertaining to service tax etc. As applicable under due procedure of law.

14.1.3. The execution of this Agreement and the performance of its obligations under this Agreement and the implementations of the terms and conditions contemplated hereby does not violate any statute, Applicable Laws, regulation, rule, order, decree, injunction or other restriction of any governmental agency or Court or any regulatory authority to which it is subject to or any of the provisions of its’ constitutional documents or the Services provided herein.

**14.2. FRANCHISEE REPRESENTS AND WARRANTS THAT :**

14.2.1. It has all necessary statutory and regulatory permissions, approvals and permits for the conduct of its business. It has registered itself with all appropriate authorities established under Applicable Laws as well as under legislations pertaining to Labour Laws, Employee Compensation Act, 1923, Goods & Service Tax, etc. As applicable under due procedure of law.

14.2.2.The Franchisee warrants that the execution of this Agreement and the implementations of the terms and conditions contemplated hereby does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental agency or Court or any regulatory authority to which it is subject to or any of the provisions of its’ constitutional documents.

14.2.3.The Franchisee shall provide at all times the true facts and correct information and provide the services based on the facts and information provided

14.2.4. The Franchisee agrees to fulfil the object and purpose of the Agreement and not to carry out or aid in carrying out any activities that are adverse to the purposes and object of the Agreement.

**15. INDEMNIFICATION**

The Franchisee shall indemnify and hold harmless Franchisor and its officers, employees, agents, representatives, members and affiliates (each being an "Indemnified Party") from and against any and all losses, costs, expenses, claims, damages and liabilities (the "Liabilities") to which such Indemnified Party may become subject under any applicable law, or any claim made by any third party, or for non- compliance towards required Labour Compliances such as PF, ESIC, Shops and Establishment, Gratuity, etc whichever applicable to Franchisee hereto, or otherwise, to the extent they relate to or arise out of the performance of the Services contemplated by this Agreement or the engagement of Franchisor pursuant to, and the performance by Franchisor of the Services based on the representations of the Franchisee and contemplated by this Agreement.

**16. CONFIDENTIONAL AND PROPRIETARY RIGHTS**

16.1. Both the parties agree to not disclose Confidential Information to any third party except with the prior written consent of the other Party. Both the parties undertake not to divulge or communicate to any person (unless required by applicable law) or use or exploit for any purpose whatsoever, any Confidential Information which any party may receive or obtain as a result of entering into this Agreement.

16.2. The Franchisee shall ensure to the fullest extent possible under law, that Franchisor shall own any and all right, title and interest in and to, including trademarks, copyrights, trade secret, patent, discoveries, inventions, know-how, concepts, processes, products, methods and innovations and other intellectual property rights (IPR), with respect to any document, copy, photographs, advertisement, or any other work or things created by Franchisor or at its directions by any third party for the Franchisee, pursuant to this Agreement and utilized by Franchisee shall be deemed Franchisor's technical information and absolute property, and all the corresponding rights including intellectual property rights shall belong solely to Franchisor.

**17. NON-COMPETE AND NON-SOLICIT**

During the Term and two years thereafter the Franchisee hereto agrees and undertake that they shall not directly or indirectly:

17.1. Either alone or in association with others, for itself or for others

(i) Engage in any business or enterprise (whether as owner, partner, officer, director, Client, consultant, investor, lender or otherwise), that directly or indirectly competes with the Franchisor's business or the business of any of its subsidiaries in the geographical areas in India;

(ii) Solicit, induce, hire or engage for any private training, recruit or encourage any of the employees, agents, contractors, of the other or any of its subsidiaries to leave their employment/contractual obligations, or to do any private trainings or otherwise violate the policies of the Franchisor or any of its subsidiaries,

(iii) Solicit for employment, as an independent contractor, or permit any organization directly or indirectly controlled by the other to solicit for employment, hire or engage as an independent contractor, any person who was employed or engaged by Franchisor or any of its subsidiaries at any time;

17.2. Franchisee acknowledges that the restrictions contained in this Agreement are necessary for the protection of the business and goodwill and are considered by both the Parties to be reasonable for such purpose. The Franchisee agrees that breach of this Agreement is likely to cause the aggrieved Party substantial and irrevocable damage and monetary damages may not alone be a sufficient remedy. Therefore, in the event of any such breach, the Franchisee agrees that in addition to such other remedies which may be available, they shall be entitled to specific performance and other injunctive relief.

17.3. Franchisee agrees and undertakes that in case of a default/breach of the covenants hereto, apart from other legal remedies, the Franchisee shall compensate the Franchisor for the actual losses suffered or with a sum Rs. 5,00,000/- (Rs. Five Lacs Only) whichever is more.

**18. GENERAL**

18.1. No amendment or waiver of any provision of this Agreement, or consent to any departure by either party from any such provision, shall be effective unless the same shall be in writing and signed by the parties to this Agreement, and, in any case, such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

18.2. Nothing contained in this Agreement shall create a partnership, association of persons, joint venture, or employee relationship between the Parties. The Parties shall act as independent contractors hereunder, and Franchisee shall not have the authority to bind Franchisor with respect to any third party.

18.3. Notice: Any notice or communication required or allowed under this agreement, regardless of the communication method, shall take effect upon actual delivery. The "actual delivery" refers to the arrival of any notice at the legal domicile, residence or mailing address, email ids of the receiving Party as per Franchisor’s records.

18.4. If the Franchisee alters its notification address or mailing or emailing address, it shall notify Franchisor of its new address within three days after the alteration.

Otherwise, the Franchisee shall be held responsible for all consequent legal liabilities.

**Addresses:**

If to Franchisor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attention: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Designation: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

If to the Franchisee: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Attention: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Designation: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

18.5. This Agreement shall constitute the entire agreement along with the Annexures between the parties with respect to the subject matter hereof, and shall supersede all previous oral and written (and all contemporaneous oral) negotiations, commitments, agreements and understandings relating hereto.

18.6. Under unforeseen circumstances, on account of act of God, war, fire, riot, terrorism, earthquake, actions of state or local governmental authorities, natural calamity/technical difficulties/medical grounds/social-political situations and/or any other contingencies not under reasonable control shall not be deemed as breach of these Terms.

18.7. The Franchisee also hereby irrevocably, perpetually and unconditionally grant Franchisor, the unrestricted power, right and authority to use, publish or reprint, in whole or in part, Franchisee Shop name, photo, unsolicited testimonials, success story and feedbacks across various media with respect to the Franchisee services at the \_\_\_\_\_\_\_ premises contemplated herein.

**19. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY:**

19.1. Franchisor offers, these terms, and any other related services and products “as-is”

and, to the fullest extent permitted by applicable law, expressly disclaims any warranties of any kind, express or implied, including but not limited to, warranties of merchantability, fitness for a particular purpose, design, accuracy, capability, sufficiency, suitability, capacity, completeness or availability.

**20. GOVERNING LAW AND ARBITRATION**

20.1. This Agreement shall be governed and construed by the law of India and Courts situated at \_\_\_\_\_\_\_\_\_\_\_ shall have exclusive jurisdiction over any other Court.

20.2. In the event of any dispute or difference between the parties hereto arising out of or in connection with this Agreement of whatsoever nature the validity, interpretation, or breach thereof, including claims seeking redress or asserting rights under applicable law shall be resolved with mutual discussions. In case no settlement can be reached, the case may then be submitted for arbitration under The Arbitration and Conciliation Act, 1996 as amended from time to time, in accordance with the provisional Rules of Procedures promulgated by the said Arbitration Tribunal. The arbitration panel shall consist of three arbitrators of which each Party shall appoint one arbitrator and the two arbitrators appointed as such shall appoint the third arbitrator (“Arbitration Panel”). The arbitration shall be held in \_\_\_\_\_\_\_\_\_\_. The arbitral proceeding shall be conducted in English language and the arbitration award shall be final and binding upon both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their duly authorized officers or agents as set forth below on the day and year first above written.

**SIGNED AND DELIVERED by )**

For and on behalf of **Franchisor )**

Name: Mr. \_\_\_\_\_\_\_\_\_\_\_\_\_ )

Designation: \_\_\_\_\_\_\_\_\_\_ )

In presence of: - )

Name: )

**SIGNED AND DELIVERED by )**

For and on behalf of the **Franchisee )**

Name: Mr. \_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

Designation:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

In presence of: )

Name: )