

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is entered at _____
on this ____ day of _____, 20 ____.

BY AND BETWEEN

Dreambiz Business Solutions Pvt.Ltd having its registered
office
.....,a private ltd. company incorporated under the Companies Act, 1956, having
its registered office at Kerala (pincode),India (hereinafter called the “Franchisor”)

AND

an individual/partnership/corporation/limited liability company incorporated under
the laws of India, holding TIN _____ and PAN
_____, having its registered office at _____ (hereinafter
called the “Franchisee”)

The “Franchisor” and the “Franchisee” are also referred to individually as
“Party” and collectively as “Parties”

RECITALS

A. WHEREAS, the Franchisor is into the business of providing consultation service regarding marketing, digital promotion and other business services etc. under the brand name “E Mitra Seva Kendra” (hereinafter referred to as the “Brand”).

B. WHEREAS, the Franchisor has developed its consultancy business under the Brand name “E Mitra Seva Kendra” and the Franchisee aims to develop a franchise model on the same (hereinafter referred to as the “Franchise Business”).

C. WHEREAS, the Franchisor is aiming to expand its Services under its Brand.

D. WHEREAS, the Franchisee desires to associate itself with the Brand by becoming a franchisee in the specified Territory. The Franchisee has approached the Franchisor for the same, on the following terms and conditions as elaborated in detail and constitute a vital part of this Agreement. The Franchisor has agreed in principal for giving the Franchise on relying upon the representations made by the Franchisee.

E. WHEREAS, notwithstanding the terms and conditions contained herein, the relation between the Franchisor and the Franchisee will be that of independent entities and not as principal and agent. Hence for any acts of omission or commission done by Franchisee, the Franchisor will not be responsible in any manner whatsoever.

DEFINITIONS AND INTERPRETATIONS

In this Agreement, unless the context otherwise requires, the following words shall have the meaning ascribed thereto when used in this Agreement:

(a) “Agreement” means this Franchise Agreement executed between Parties.

(b) “Applicable Law” means all local laws applicable to the Franchisee business or Centre, including Acts, statutes, by-laws, rules, regulations, orders and ordinances together with all codes, guidelines, policies, notices, direction, directives and standards of any governmental authority which are legally mandatory in nature affecting obligations of either of the Parties.

(c) “Approvals” means any approval, consent, permit, license, authorization, certificate, exemption, filing, registration, ordinance, guidelines, policies, notices, direction, directives and standards of any Governmental Authority which are legally mandatory in nature and/or other requirements, which are required under Applicable Law.

(d) “Centre” means and includes the centre identified and situated at _____ (‘Location’) admeasuring ____ sq. ft. and established exclusively for providing Sales under Brand name “E Mitra Seva Kendra” in terms of the present Agreement.

(e) “Confidential Information” means any documents, data, or information related to the Franchisor’s business that is not generally known to the public including, but not limited to, all tangible, intangible, visual, electronic, present, or future information such as (a) financial information; (b) technical information, including but not limited to research, development, procedures, data, designs, and Technical know-how; (c) business information, including but not limited to products, operations, planning, marketing interests, and products disclosed by Franchisor to the Franchisee; (d) Personal information of any customers (e) all information or data which Franchisee has access in connection with performance of the present agreement, whether before or after execution of the present agreement (f) all confidential or proprietary concepts, documentation, reports, lists, files, data, specifications, Software, source code, object code, flow charts, databases, data files, inventions, information, know-how and trade secrets, whether or not patentable or copyrightable.

(f) “Intellectual Property Rights” means all intellectual property rights owned at present or in the future to be owned by Franchisor including but not limited to name, marks, characters, artwork, designs, trade names, Intellectual Property, or Service marks, training material, marketing material that is in tangible or other electronic form or medium, copyright, technical know-how, all system and process specific information, domestic or foreign letter patent, patent, patent application, patent license, inventions, invention disclosures, software or software usage rights, formulae & processes, proprietary data and data bases; for all other similar items of intellectual property, whether registered or not, including any rights created by use thereof used or permitted to be used by Franchisor.

(g) “Operational Manual” or “Manual” or “Guidelines” means expression of procedure, specification or method of construction, selection, operation, administrative functions, modes, techniques, scheduling, evaluation, training, marketing, technical, teaching, and specifications in relation to provisioning or Services the conduct of the Centre, administration and operation of Centre or any other instruction as may be specified or adopted by Franchisor, from time to time in its sole discretion.

(h) “Software” means operational software provided to the Franchisee by the Franchisor under this Agreement by virtue of the franchising rights extended under this Agreement towards operation of the Franchise Business.

(i) “Territory” means the geographic area of minimum 2 Kms radius from one franchisee location to another.

TERMS AND CONDITION

1. The Franchisor hereby grants to the Franchisee, a Exclusive right to establish and to operate within the address mentioned above, the Franchise undergoes business under the Brand name under the specific conditions hereinafter set forth.

2. Any change in the address mentioned above should be intimated and prior sanction has to be obtained from the franchisor, to do business under the name of the brand.

3. It is specifically stipulated that the franchisee shall not transact any similar business outside the territory allocated to you during the period of Franchisee, within the territory also the franchisee shall not transact similar business in any other address or under the name and style of the brand.

4. The Franchisee shall conduct business under the brand name “E Mitra Seva Kendra” at the Centre as approved by the Franchisor and shall not utilize the premises to provide any other business under any other brand name without the prior approval of the Franchisor

5. In consideration of receipt of the consideration and subject to the terms and conditions of this Agreement, and Franchisor hereby grants Franchisee personal, Exclusive, non transferable, limited right and license to run and operate under Brand

name “E Mitra Seva Kendra” for provision of Services, with

(a) limited use of the Intellectual Property rights in accordance with the terms and conditions of the present Agreement for purposes of the Sales, publicity, marketing and the provision of Services under Brand name “E Mitra Seva Kendra”

(b) limited use of the Franchisor’s Software, technical know-how, Confidential Information, training material etc. in accordance with the terms and conditions of the present Agreement for purposes of Sale, publicity, marketing under Brand name

6. Franchisee disclaims all and any right, title or interest in the Rights, Software, technical know-how, Confidential Information, training material, or goodwill of Franchisor derived there from including pursuant to this Agreement apart from expressly granted above and Franchisee specifically agrees and undertakes that Franchisee shall not:

(a) assert any right in excess of those conferred under present Agreement, or

(b) question, dispute or otherwise assail the validity, right, title, interest of Franchisor in the Intellectual Property Rights owned thereto

7. The Franchisee acknowledges that the Brand name “E Mitra Seva Kendra” is a valid Intellectual Property lawfully used by the Franchisor, and that only the Franchisor or its designated franchisees have the right to use such Intellectual Property and such other Intellectual Property, Service marks and trade names as may exist or be acquired by the Franchisor. The Franchisee further acknowledges that valuable goodwill & reputation is attached to such Intellectual Property, service marks and trade names, and that the Franchisee will use the same only in the manner and to the extent specifically granted under this Agreement. The Franchisee shall not use any other mark/s unless approved by the Franchisor in writing.

8. The Franchisee understands and agrees that its right under said proprietary marks is non-exclusive and that the Franchisor, in its sole discretion, has the right itself to operate businesses under said marks and to grant other licenses in, and under such proprietary marks on any terms and conditions the Franchisor deems fit;

9. The Franchisee expressly covenants that during the term of this Agreement and after the expiration or termination thereof, the Franchisee shall not directly or indirectly contest or aid in contesting the validity or ownership of proprietary marks and Intellectual Property of the Franchisor.

10. Upon the signing of this Agreement and in return for having to use the Franchisor's name, logo, Intellectual Property and business system, the Franchisee agrees to pay franchisee fee of Rs.16000/- (Indian Rupees Sixteen Thousand Only) for plus applicable taxes, at the time of signing this Agreement.

11. The Franchisee have the responsibility to promote all the activities which are running by the franchisor other than Online Services.

12. The Franchisee acknowledges to pay the Franchisor a renewal charge of 5% of the franchisee amount annually, for the Services provided under the franchise business plus applicable taxes, wherein the renewal charge shall be paid to such bank account as the Franchisor may from time to time specify.

13. The Franchisee shall annually spend 10% - 20 % of its gross annual revenue towards local marketing and advertisement of the Franchise Business, all the local marketing and advertising shall be carried out by the Franchisee as per the Operational Manual of the Franchisor. The Franchisee shall keep the receipts of all the local marketing expenses and furnish them to the Franchisor as and when required by the Franchisor.

14. The initial setting up of the Franchise Business will be coordinated and assisted by the professional team of the Franchisor. The Franchisee shall recruit required number of qualified and experienced technical and administrative staff for the efficient operation of the Franchise Business.

15. The operational Software will be provided by the Franchisor at the cost of the Franchisee for maintaining the uniformity of data of customers.

16. The Franchisor may assist in monitoring and managing the Franchise Business to make sure that the best business practices get implemented at the Franchisee's end to run it on profit

17. The Franchisor may also provide regular advice on administrative issues as the

Franchisor may deem fit.

18. The Franchisee shall spend an amount of INR. Around one lakh rs only (Indian Rupees 100000/- Only) for launch and pre opening activities for the Franchise Business.

19. An initial extensive training program shall be provided by the Franchisor to the Franchisee and its designated staff for one week, about the operations of the Franchise Business, which include but not limited to Services and customers services, wherein such training shall be conducted at the place designated by the Franchisor. The Franchisee Shall bear all the training expanses along with boarding, lodging and travelling charges on actual basis and make sure that they are well equipped with the basic knowledge of the operation of the Franchise Business.

20. The Franchisee shall ensure that their designated staff and the respective employees appointed for the purpose of the Franchise Business go through final round of interview and approval from Franchisor and thereafter, adhere to the quality and Operational Manual of the Franchisor, while handling the franchise Services.

21. Sourcing of the manpower shall be entire responsibility of the Franchisee.

22. No employee shall be taken on the Franchisee's rolls unless he/she has completed the mandatory initial training of the Franchisor. Even after successful completion of training, the employee shall be taken on rolls only after the Franchisor's approval. However, the Franchisee shall confirm to periodically conduct such training in the Franchisee Centre to keep the employees updated of such operational and Services practices of the Franchise Business.

23. All the statutory provisions regarding statutory employment laws etc. must be followed by the Franchisee. In case any employee of the Franchise meets with any unfortunate circumstance like accident during his/her course of employment, the liability will only lie with the Franchisee and the Franchisor will always be free from any liability of any kind whatsoever.

24. All tax liabilities arising in connection with or arising out of the present Agreement pertaining to Franchisee shall be the sole responsibility of Franchisee. However, nothing contained herein shall prevent Franchisor from deducting tax at

source as required by law from the payments due to Franchisee.

25. The Franchisee shall bear all expenses incurred in lieu of setting up the Centre, its décor, designing etc., as per specification of the Franchisor encompassing the floor plan layout, Interior, design and material, color etc. in designing of the Centre and the infrastructure facilities/ material are installed as per the infrastructure specifications of the Franchisor.

26. The Franchisee shall bear all expenses relating to operational expenses, maintenance, emoluments of the employees, training expenses, and any other expenses related to the Franchise Business.

27. The Franchisor has the right to approve or disapprove a location of the Centre based on such factors as it deems appropriate, including the condition of the premises, demographics of the surrounding area, proximity to potential clients, lease requirements, proximity to major roads and overall suitability. Neither is the Franchisor's assistance nor approval is intended to indicate that the Franchise Business will be profitable or successful at the Centre. The Franchisee is solely responsible for finding and selecting the Centre.

28. Be responsible for the cost of consumables like water, electricity, telephone bills, or any other expense incurred in running the Centre under the scope the Franchise Business.

29. The Franchisee shall at all times maintain the Centre in the highest degree of sanitation, hygiene, repair and cleanliness. Any additions, alterations, repairs can be made by the franchisee with the prior consent of the Franchiser.

30. The Franchisee shall buy all the equipment's for the purpose of the Franchise Business as required by the Franchisor from the Franchisor or the authorized vendor for the Centre.

31. The Franchisee shall take prior approval through letter, email etc. of the Franchisor before doing any kind of marketing/advertisement/publicity or promotion for Franchise Business. The franchisor is entitled to conduct any kind of marketing/advertisement/publicity or promotion for Franchise Business in both outside and inside the above mentioned territory.

32. The Franchisee shall appoint associates for conducting and contributing for various advertising campaign through print media and electronic media for promotion in their respective city/zone, under the brand name “E Mitra Seva Kendra”.

33. The Franchisor shall provide the Franchisee with the brochures, pamphlets and flex banners for the advertisement purposes. The cost for the same shall be borne by the Franchisee.

34. In case of any complaints received regarding the quality of services of the Centre, the Franchisee shall offer a quick grievance redressal mechanism and in case of the customer approaching the court, the liability for any penalty imposed or any other action will solely rest with the Franchisee and there shall be no liability of the Franchisor.

35. The franchisee agrees that the Franchiser can franchise the brand to other franchisee outside the territory

36. At the end of the initial term, this Agreement may be renewed for a further period of __ years on such terms and conditions as may be mutually agreed between the parties to this Agreement

(a) The Franchisee shall give a written notice of his intention to either renew the Agreement or not, at least six (06) months prior to the expiry of the initial Term of this Agreement. The renewal shall only be effective provided that:-

i. The Franchisee has throughout the initial term properly observed and performed all its obligations under this Agreement and is not at the expiry date in default under any such obligations and hereby warrants the same to be done at renewal date;

ii. The Franchisee shall satisfy all the monetary obligations owed by it to the Franchisor;

iii. Prior to the expiry date, the Franchisee has undertaken, as the Franchisor may have requested, completed or agreed in writing to perform, at the Franchisee's sole expense, such maintenance, renovation, repairs and refurbishment of the Premises and the equipment, fixtures and fittings used in the Franchise Business as the Franchisor may require within the time prescribed by the Franchisor;

iv. Prior to the expiry date, the Franchisee has executed a Letter in such form as the Franchisor may reasonably require relinquishing any and all claims of whatsoever nature against the Franchisor, any holding, subsidiary or affiliate of the Franchisor or any shareholder, director, agent or employee of the Franchisor, or any other Franchisee of the Franchisor;

v. Prior to the expiry date, the Franchisee and any person employed by or concerned with the Franchisee in the operation of the business specified by the Franchisor (including without limitation any manager of the Business) shall have completed such re-training or refresher training (to the satisfaction of the Franchisor) at such time and at such place as the Franchisor may request;

37. In case of any terms and conditions mentioned above or any fraudulent attempts being made by the franchisee which is likely to cause financial loss to the brand or destroy the reputation enjoyed by us, the franchisor has the right to terminate the franchisee agreement with immediate effect by serving a notice in writing and your security deposit shall be forfeited. If for any reason stated above the franchisor is forced to rush their representative at your place, the entire travelling and other expenses incurred by the franchisor shall be redemed by the franchisee.

38. The franchisee shall be liable for all loss caused to the brand even after the termination of the agreement due to the acts and deeds committed by the franchisee

39. The Franchisor is at the liberty to amend/alter/add any of the clauses mentioned herein if franchisor finds necessary from time to time.

40. This Agreement and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with Indian Substantive and Procedural law, applicable to Agreements made and to be performed entirely therein.

41. Any and all disputes ("Disputes") arising out of or in relation to or in connection with this Agreement between the Parties or relating to the performance or non-performance of the rights and obligations set forth herein or the breach, termination, invalidity or interpretation thereof shall be referred for arbitration in Maalappuram, India in accordance with the terms of Indian Arbitration and Conciliation Act, 1996 or any amendments thereof. The language used in the arbitral proceedings shall be English. Arbitration shall be conducted by a sole Arbitrator,

who shall be appointed by the Franchisor only. The arbitral award shall be in writing and shall be final and binding on each party and shall be enforceable in any court of competent jurisdiction.

42. The Franchisee have the responsibility to start the center within a duration of 3 months from the date of agreement. If not done by the franchisee the franchisor have the right to cancel the agreement and 50% of the amount only will be refunded to the franchisee.

The effective date of this Agreement is ____ day of _____, 2020 ('Date') and the Term of this Agreement shall be for a period of (....) years (Term) from the date of its execution.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the day year first above written.

For: Franchisor

For: Franchisee

