

## **FRANCHISE AGREEMENT**

This **FRANCHISE AGREEMENT** is hereby made and entered into on 22<sup>nd</sup> Day of March of the year Two Thousand and Twenty Five of the Christian era.

### **BETWEEN**

**LAZZ PHARMA LTD** with a principle address of 64/3 Lake Circus, Kalabagan, Dhaka-1205 Bangladesh..... (hereinafter referred to as the "FRANCHISOR")

.....**First Party**

**FUTURE DESTINATION LIMITEDS:** Address: House-01, Road-08, Block-J, Baridhara.Moinul, NID: 4565465 (M.Director), Miky, NID: 4564555 (Director), Raju, NID: 345456 (Director), Kick2, NID: 3546545 (M.Director) and all other partners of partnership agreement of FUTURE DESTINATION LIMITEDS ..... (hereinafter referred to as the "FRANCHISOR")

.....**Second Party**

### **RECITALS**

**WHEREAS**, the FRANCHISOR has through the investment of considerable time and money developed a unique and distinctive system of high quality medicine shops (the "SYSTEM") operated in association with the name and trademarks, service marks, logos, trade dress, and other commercial symbols (the MARKS) prominently featuring the sale of LAZZ PHARMA ® PRODUCTS prepared with LAZZ PHARMA ® PRODUCTS. The SYSTEM includes proprietary

and distinctive products, product specifications, training methods, production methods, operating methods, designs and decor, uniform apparel, color schemes, furnishings, marketing materials, promotional strategies, and customer service requirements (the "SYSTEM STANDARDS"), all of which may be modified from time to time by the FRANCHISOR and which are directed toward promoting LAZZ PHARMA® PRODUCTS in manner that will enhance the good will associated with the MARKS and the SYSTEM

**AND**

**WHEREAS**, as between FRANCHISOR and FRANCHISEE, Franchisor is the sole and exclusive owner of all goodwill associated with and to become associated with the MARKS, the value of which FRANCHISEE acknowledges:

**AND**

**WHEREAS**, FRANCHISEE desires to be part of the SYSTEM and to establish, own and operate a LAZZ PHARMA ® SHOP at the SHOP PREMISES, subject to and in accordance with all of the terms and conditions of this AGREEMENT and the FRANCHISE HANDBOOK, and in adherence and conformity to the SYSTEM STANDARDS

**AND**

**WHEREAS**, The FRANCHISOR desires to grant FRANCHISEE a franchise to establish and operate a LAZZ PHARMA ® SHOP at the SHOP PREMISES, subject to the terms and conditions of this AGREEMENT and the FRANCHISE HANDBOOK, and conditioned upon FRANCHISEE'S continual adherence and conformity to the SYSTEM STANDARDS

**AND**

**WHEREAS**, FRANCHISEE understands the importance of FRANCHISOR'S high and uniform standards of quality, cleanliness, appearance and service to the value of the FRANCHISE and

the necessity of opening and conducting FRANCHISE and in accordance with FRANCHISOR'S SYSTEM STANDARDS and specification;

**AND**

**WHEREAS**, FRANCHISEE is aware of the risks, business and otherwise, associated with owning an upon any representations from FRANCHISOR or FRANCHISOR'S agents regarding revenues, profits or probability of success being affected primarily by factors beyond FRANCHISOR'S control, including FRANCHISEE'S skill, personality, diligence and dedication and general regional or local economic or demographic conditions;

**AND**

**WHEREAS**, FRANCHISOR, in reliance upon FRANCHISEE'S representations, is willing to provide certain training and other services and to grant a license, but only on the terms of this Agreement, which terms FRANCHISEE understands and accepts and both parties acknowledge to be reasonable and material;

**NOW**

**THEREFORE**, and in consideration of the mutual promises and covenants contained in this AGREEMENT and in the FRANCHISE HANDBOOK, the FRANCHISOR and FRANCHISEE agree to be bound by the terms of this AGREEMENT and the FRANCHISE HANDBOOK.

**NOW THIS DEED OF AGREEMENT BETWEEN THE PARTIES WITNESSETH THE FOLLOWINGS:**

### **1. Grant of FRANCHISE**

Subject to the provisions of this AGREEMENT and the FRANCHISE HANDBOOK, the FRANCHISOR hereby grants the FRANCHISEE the personnel, limited right and license (the "FRANCHISE") during the TERM to operate the SHOP at the SHOP PREMISES in association with the MARKS, and in compliance with the SYSTEM STANDARDS.

### **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 MARKS or the SYSTEM, 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, catalog 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 the 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 the FRANCHISOR'S requirements and policies pertaining to those sales away from the SHOP, which shall be deemed to be a part of the SYSTEM to which FRANCHISEE shall adhere.

### **3. SHOP Design and Construction**

FRANCHISEE will adhere to the FRANCHISOR'S procedures and requirements for the design and construction of the SHOP and a sign board of the shop

- a) In the case of a NEW LAZZ PHARMA ® SHOP, FRANCHISE will diligently construct the SHOP at the SHOP PREMISES, if and after the FRANCHISOR designates the SHOP PREMISES in accordance with the FRANCHISOR's criteria;

b) FRANCHISEE shall not commence (or recommence) operations at the SHOP unless and until the FRANCHISOR determines that the SHOP reasonably conforms to the plans and specifications approved by the FRANCHISOR.

**4. EXCLUSIVE TERRITORY**

The parties acknowledge and agree that the EXCLUSIVE TERRITORY, if any, will be determined by the FRANCHISOR.

In the case of a NEW LAZZ PHARMA ® SHOP, the FRANCHISOR will provide FRANCHISEE with written information sufficient to determine the exclusive territory, if any, using a form of written communication LAZZ PHARMA considers appropriate, when LAZZ PHARMA designates the SHOP PREMISES in accordance with LAZZ PHARMA's criteria.

**5. The TERM**

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

**6. EXPIRATION DATE**

The EXPIRATION DATE is the day immediately before the 04th March 2025 anniversary of the COMMENCEMENT DATE.

**7. RENEWAL of the TERM**

If FRANCHISEE desires to continue to operate the SHOP for the RENEWAL TERM, then FRANCHISEE must in writing, at least 180 days before the EXPIRATION DATE, but no more than 270 days before the EXPIRATION DATE, request that the FRANCHISOR issue its then

current standard form FRANCHISE AGREEMENT for renewal terms (a "RENEWAL AGREEMENT"), contemplating a

single 5-year FRANCHISE term for the SHOP, at the SHOP PREMISES. FRANCHISEE acknowledges and agrees that terms of a RENEWAL AGREEMENT, including the amount of the ROYALTY payable during the RENEWAL TERM, may be substantially different from the terms of this AGREEMENT, and may be substantially different from the terms of the standard form FRANCHISE AGREEMENT that the FRANCHISOR is then issuing in connection with a new LAZZ PHARMA ® SHOP.

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

**8. Early Termination of Agreement**

If FRANCHISEE breaches or violates any provision of this AGREEMENT or any provision of the FRANCHISE HANDBOOK, and fails to remedy the breach or violation within 90 (Ninety) days following notice by FRANCHISOR, FRANCHISOR may terminate this AGREEMENT at once and without any further notice to FRANCHISEE, after 3 continues notices.

**9. The FRANCHISOR'S Obligation**

Except as explicitly set forth under Article 6 of the FRANCHISE HANDBOOK or explicitly contemplated by a particular provision of this AGREEMENT, the FRANCHISOR has no obligations to FRANCHISEE under this AGREEMENT.

**10. FRANCHISE FEE**

Subject to the conditions under Article 7 of the FRANCHISE HANDBOOK, the FRANCHISEE shall pay an initial Franchise fee (the "FRANCHISE FEE") to the FRANCHISOR, for the right to enter into this AGREEMENT and in consideration of the FRANCHISE, in an amount as follows:

If this AGREEMENT grants the Franchise to a New FRANCHISEE for a New LAZZ PHARMA®SHOP, then the full amount of the FRANCHISE FEE is **Tk.50,000/-** (Fifty Thousand Taka Only) as Franchise fee for every 5 years (five years) period.

a) If this AGREEMENT grants the Franchise to an Existing FRANCHISEE for a LAZZ PHARMA®SHOP, then the full amount of the Franchise Fee shall be fixed and increased 20% per every 5(five) years.

b) As per the agreement, Franchisee Would have to pay the franchisor ( Lazz pharma ltd.) Royalty Fee if Daily sale 900000.00 (Amount in word) then There is no Royalty Fee. shall be paid. If daily sale reaches 2-3 Lac daily then royalty shall be TK: 20000.00(Amount in word), If daily sale reaches 3-4 Lac daily then royalty shall be TK:30000.00 (Amount in Word) Taka. If daily sale reaches 4-5 Lac daily then royalty shall be TK:400000.00 (Amount in word) Taka, Anything Above 5 (Five Lac) Taka daily Royalty is TK:500000.00 (Amount in word) taka Which is due and shall be paid upon the last day of every month for every 5 (five) Years period. With an increment of 20% in a cumulative basis. New Lazz Pharma Royalty Slub will come on effect from one year of opening.

c) If this AGREEMENT grants a Successive Term Franchise, then the full amount of the Franchise fee shall be **Tk.50,000/- (Fifty Thousand Taka Only)**. Franchise Fee must be paid Prior to open the new franchisee store. Above matters have been fixed with franchisee after a successive meeting and bargain, so no more bargain is possible regarding this financial matter between two parties. If franchisee does not pay the

royalty money and franchise fee on time then this franchise agreement will be dissolved by all means. Franchisee can not operate Lazz pharma brand shop if any dispute arises with first party . First party is the owner of the drug license and Trade license under the name of Lazz Pharma. Franchisee can not use thos licenses and Lazz pharma Ltd. deserve the right to cancel it.

**11. CONTINUING FEES (ROYALTY)**

Along with other conditions as explicitly set forth under Article 8 of the FRANCHISE HANDBOOK or explicitly contemplated by a particular provision of this AGREEMENT, the FRANCHISEE shall pay the FRANCHISOR a continuing fee ("ROYALTY") of ..... percent (.....%) of Franchisee's gross sales which shall be increased 20% per every 5 years. The royalty is payable monthly, no later than 7 (Seven) days following the end of each calendar months, and shall be accompanied by an accounting on the form furnished by Franchisor

**12. SHOP OPERATION MANUAL and Confidential Informatio**

Along with other conditions as explicitly set forth under Article 9 of theFRANCHISE HANDBOOK-

a) **SHOP OPERATIONS MANUAL:** The Shop Operations Manual shall at all times remain the property of the 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 the FRANCHISOR,



FRANCHISEE may not copy or disseminate the Shop Operations Manual, in whole or in part, and must implement reasonable security measures.

b) **Franchisee to Comply With FRANCHISOR'S SYSTEM STANDARDS:**

FRANCHISEE shall, at all times during the TERM, continuously and faithfully operate the SHOP in full compliance with the SYSTEM STANDARDS and other terms and conditions mentioned under Article 10 of the FRANCHISE HANDBOOK. The SYSTEM STANDARDS to which FRANCHISEE must conform in the sale and distribution of FRANCHISOR'S products are set out in FRANCHISE HANDBOOK. FRANCHISEE acknowledges receipt of a copy of the HANDBOOK and acknowledges that Franchisee has read it and is familiar with its provisions. FRANCHISOR reserves the right to amend or revise the HANDBOOK from time to time. Any amendment or revision shall be deemed a part of this Agreement upon a receipt of a copy of the amendment or revision by FRANCHISEE. FRANCHISEE acknowledges that adherence to the SYSTEM STANDARDS set out in the HANDBOOK is essential for the maintenance of FRANCHISOR'S SHOP and the MARKS, the demand for the Products, and the continued success of FRANCHISOR and all of FRANCHISOR'S FRANCHISEES. Therefore, any breach of any provision of this Article of the HANDBOOK can result in the early termination of this Agreement.

13. **Prohibited Use MARKS.**

FRANCHISOR'S MARKS will be used only in the manner provided in the Handbook. It will not be used by FRANCHISEE in any form of advertising unless FRANCHISEE has first obtained FRANCHISOR'S written consent to the specific use.

14. **15 FRANCHISEE'S Maintenance of Inventory and Service Facilities**

FRANCHISEE will maintain an inventory of FRANCHISOR'S products and one or more service facilities in the Territory sufficient to exploit properly the FRANCHISE.

FRANCHISOR'S determination of the sufficiency of FRANCHISEE'S inventory and service facilities shall be conclusive on FRANCHISEE.

**FRANCHISOR May Inspect FRANCHISEE'S Records and Premises**

FRANCHISOR or FRANCHISOR'S representatives may inspect FRANCHISEE'S books of account and business records during business hours and upon 7 (Seven) days' written notice to confirm the accuracy of the accountings furnished by FRANCHISEE and to determine whether FRANCHISOR is in compliance with the provisions of this Agreement and the FRANCHISE HANDBOOK. FRANCHISOR or FRANCHISOR'S representatives may visit and inspect any SHOP maintained by FRANCHISEE in connection with the FRANCHISE to determine whether FRANCHISEE is in compliance with the provisions of this Agreement and the HANDBOOK.

**c) Effect of Termination of Agreement**

Upon the termination of this Agreement for any reason, FRANCHISEE'S right and license to sell or distribute FRANCHISOR'S products and to use and exploit FRANCHISOR'S MARKS shall cease at once. Any such sale, distribution, use, or exploitation following the termination of this Agreement shall be deemed an infringement of FRANCHISOR'S MARKS for which FRANCHISOR may seek relief in equity and law.

**d) Restrictive Covenant**

For a period of 5 (Five) years from the date of termination of this Agreement, FRANCHISEE will not engage in same business in the territory similar to or competitive with Franchisor's MARKS directly or indirectly, either as principal, partner, agent, manager, employee, stockholder, director, officer, or in any other capacity, or the Franchisor shall not disclose any information to any person as the practice, dealing and affairs to any customers or competitors as to any other matters which may come within the knowledge of the

FRANCHISEE by reason of this FRANCHISE AGREEMENT. This Agreement shall inure to the benefit of FRANCHISOR, FRANCHISOR'S successors and assigns. The FRANCHISE granted by this Agreement is personal to FRANCHISEE and cannot be assigned or transferred by FRANCHISEE through FRANCHISEE'S act or by operation of law without FRANCHISOR'S written consent. Upon FRANCHISEE'S/ FRANCHISOR'S insolvency, or bankruptcy, this Agreement shall terminate. FRANCHISOR/FRANCHISEE either party is not responsible for any loan or debt issued against each party.

N: B: This agreement valid between two parties to operate Lazz Pharma brand shop only at **Block-D, House-29, Sector-1, Main Road Aftabnagar** Second party can always apply to First party for a new agreement to open up a Lazz Pharma brand shop at different location/address. All individual agreement for individual Lazz Pharma brand shop will be with different terms and condition reserved by Lazz Pharma Ltd. Second party does not reserve the right to sell Lazz Pharma brand name to another person or party or open up a new Lazz Pharma brand shop at different location.

**IN THE WITNESS** whereof the Parties hereto, having read and understood the impart and significance of this deed in letter and spirit, do hereby set their hand hereunder in execution of this deed on the day, month and year first written above.

**Witnesses (Name And Address):**

**Signature of the Parties**

1.

2.

\_\_\_\_\_  
(On behalf of the FRANCHISOR)

3.

\_\_\_\_\_  
(On behalf of the FRANCHISEE)