This Franchise Agreement ("Agreement") is made and entered into as of this \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_, by and between ABS Company ("Franchisor"), a company incorporated under the laws of [Jurisdiction], and Sarah Patel ("Franchisee"), residing at [Address]. This Agreement establishes the terms and conditions under which the Franchisee is granted the right to operate a franchise business using the Franchisor’s trademarks, brand, and business model.

**1. Grant of Franchise Rights**

The Franchisor hereby grants to the Franchisee the non-exclusive right to own and operate a single ABS-branded franchise outlet at a location approved by the Franchisor. This grant includes the use of all trademarks, trade names, logos, proprietary systems, and marketing materials owned by the Franchisor, solely for the duration and within the territory authorized herein.

**2. Franchisee Responsibilities**

The Franchisee agrees to:

* Comply fully with the Franchisor’s operational standards, brand guidelines, and quality control measures, as set forth in the ABS Franchise Operations Manual.
* Obtain and maintain all necessary permits, licenses, and approvals for the lawful operation of the franchise.
* Employ qualified personnel and ensure staff undergo all required training programs provided or approved by the Franchisor.
* Maintain accurate financial and operational records and provide periodic reports to the Franchisor in accordance with reporting schedules.
* Conduct business hours as stipulated by the Franchisor and maintain premises consistent with ABS branding and customer experience expectations.

**3. Fees and Royalties**

The Franchisee shall pay the following fees to the Franchisor:

| **Fee Type** | **Amount** | **Payment Terms** |
| --- | --- | --- |
| **Initial Franchise Fee** | £25,000 (twenty-five thousand) | Payable within 30 days of Agreement execution. |
| **Royalty Fee** | 6% of gross monthly revenues | Payable monthly by the 10th of each following month. |
| **Marketing Contribution** | 2% of gross monthly revenues | Payable monthly alongside Royalty Fee. |

All fees are exclusive of VAT and subject to revision annually upon written notice.

**4. Brand Usage and Quality Control**

* The Franchisee shall use the ABS trademarks and branding strictly in accordance with the Franchisor’s guidelines and shall not alter any brand elements without prior written consent.
* The Franchisee must maintain quality control standards consistent with ABS policies, including product quality, customer service, and cleanliness.
* The Franchisor reserves the right to conduct periodic inspections of the franchise premises and operations, providing corrective instructions if standards are not met.
* Any deviation or breach of brand standards may lead to suspension or termination of the franchise rights under this Agreement.

**5. Term and Termination**

* This Agreement shall commence on the date above and shall continue for a fixed term of **five (5) years**, renewable upon mutual agreement.
* Either party may terminate this Agreement early upon material breach if such breach remains uncured after **30 days’** written notice.
* Upon termination or expiration, the Franchisee shall cease all use of ABS trademarks, return all confidential materials, and comply with de-branding requirements as instructed.

**6. Dispute Resolution**

* Any disputes arising under this Agreement shall first be addressed through good-faith negotiations between the parties.
* If unresolved within 30 days, disputes shall be submitted to mediation under the rules of the Centre for Effective Dispute Resolution (CEDR).
* Should mediation fail, parties agree to final and binding arbitration conducted in [Jurisdiction] according to recognized arbitration rules.
* Each party shall bear its own costs unless otherwise awarded by the arbitrator.

**IN WITNESS WHEREOF**, the parties hereto have executed this Franchise Agreement as of the date written above.

| **For ABS Company (Franchisor)** | **Franchisee** |
| --- | --- |
| Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Sarah Patel |
| Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |
| Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

*This Franchise Agreement formalizes the business relationship between ABS Company and the Franchisee, ensuring compliance with brand standards, financial obligations, and operational quality to protect the reputation and growth of the ABS franchise network.*

Picture of signature

Olivia Wilson

Manager