

FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is entered into on **14/1/2026** (**Date of Execution**) between:

1. THE PARTIES

FRANCHISOR:

Brand Name: Credit Dost

Legal Name: Optimystic Auxiliary Services Private Limited

CIN Number: U70200HR2025PTC130977

GST Number: 06AAECO6988J1ZS

PAN Number: AAECO6988J

Address: 4330, Sainik Colony, Faridabad 121001, Haryana, India (*Hereinafter referred to as "FRANCHISOR"*)

AND

FRANCHISEE:

Name: ABC

PAN: XXXXXXXX

Mobile: XXXXXXXX

Aadhar: XXXXXXXX

Address: XXXX Sector 1, Haryana 121001 (*Hereinafter referred to as "FRANCHISEE"*)

WHEREAS:

1. The FRANCHISOR is engaged in providing digital financial services and has developed a unique business system and brand.
2. The FRANCHISEE desires to operate a franchise under the brand and system of the FRANCHISOR.

NOW, THEREFORE, both parties agree as follows:

1. PURPOSE AND SCOPE

1.1 Grant of Franchise: The FRANCHISOR grants the FRANCHISEE a non-exclusive, non-transferable right to operate a digital franchise under the brand name "Credit Dost" using FRANCHISOR's business model and system, subject to all terms contained herein.

1.2 Scope of Business: FRANCHISEE shall provide digital financial services including credit counselling, loan facilitation, financial literacy, customer relationship management, and digital documentation.

1.3 Territory: FRANCHISEE is authorized to operate in the territory as mutually agreed and specified in writing by both parties.

1.4 Business Model: FRANCHISEE shall operate according to FRANCHISOR's standard procedures, processes, and quality standards.

1.5 Compliance: FRANCHISEE shall comply with all applicable laws including RBI guidelines, IRDA, SEBI, GST Act, Income Tax Act, Consumer Protection Act 2019, Information Technology Act 2000, and all regulatory requirements.

2. FEES & PAYMENT TERMS

2.1 Initial Franchise Fee: The FRANCHISEE shall pay an initial franchise fee of **Rs. 0** (Rupees).

2.2 Non-Refundable: This fee is completely non-refundable in all cases.

3. RIGHTS & OBLIGATIONS

3.1 Rights of FRANCHISOR:

- Use of brand name, trademark, and IP rights.
- Conduct regular audits and inspections.
- Approve or reject proposed changes.
- Modify business systems with 30 days' notice.
- Recover outstanding payments and damages.
- Terminate for breach of Agreement.

3.2 Obligations of FRANCHISOR:

- Provide comprehensive training and support.

- Supply regular updates on business operations and regulations.
- Maintain confidentiality of FRANCHISEE's information.
- Maintain digital infrastructure and technical support.
- Provide business support and mentorship.
- Respond to support queries promptly.

3.3 Rights of FRANCHISEE:

- Operate digital franchise under "**Credit Dost**" brand.
- Use business system and training materials.
- Access digital platform and tools.
- Build customer base within assigned territory.

3.4 Obligations of FRANCHISEE:

- Adhere to all Agreement terms.
- Maintain highest standards of conduct and service.
- Follow standard operating procedures.
- Maintain accurate records and timely reporting.
- Comply with all applicable laws and regulations.
- Maintain brand reputation.
- Pay all fees on time.
- Ensure staff compliance with Code of Conduct.
- Actively promote and grow the franchise business.

4. INTELLECTUAL PROPERTY (IP)

4.1 Ownership: All IP including trademarks, logos, "**Credit Dost**" brand, software, processes, methodologies, and training materials remain the exclusive property of FRANCHISOR.

4.2 License Grant: FRANCHISOR grants FRANCHISEE a limited, non-exclusive, non-transferable, revocable license to use IP Assets solely for franchise operations during the Agreement term.

4.3 Protection of IP: FRANCHISEE shall use IP Assets only as prescribed, shall not register IP Assets in its own name, shall immediately notify FRANCHISOR of unauthorized use, and shall support FRANCHISOR in protecting IP rights.

4.4 Restrictions: FRANCHISEE shall not:

- Modify or create derivative works.
- Grant sublicenses to third parties.
- Use IP for purposes beyond franchise business.
- Continue using IP after Agreement termination.

4.5 Return of IP Assets: Upon termination, FRANCHISEE shall immediately return or destroy all IP Assets and provide written confirmation.

5. DIGITAL & ONLINE RIGHTS

5.1 Digital Platform Access: FRANCHISOR provides access to proprietary digital platform including CRM system, digital documentation tools, payment gateway, reporting dashboard, and communication systems.

5.2 Data Ownership: All customer data, transaction records, and business data generated through the Platform belong to FRANCHISOR. FRANCHISEE has usage rights only during the Agreement term.

5.3 Digital Security: FRANCHISEE shall maintain robust cybersecurity measures, use strong/unique passwords (changed regularly), implement two-factor authentication, report security breaches immediately, comply with data protection regulations, and never share login credentials.

5.4 Data Protection: FRANCHISEE shall comply with the Information Technology Act 2000, Personal Data Protection Bill, RBI data security guidelines, and all applicable privacy laws.

5.5 Website, Social Media & Marketing:

- FRANCHISEE may create website/social media subject to prior written approval of content/design, use of approved brand guidelines, inclusion of required disclaimers, and compliance with regulations.
- FRANCHISEE must follow directions from FRANCHISOR to remove/modify content.
- Marketing campaigns (email, SMS, WhatsApp, social media) must adhere to brand guidelines and telecom/advertising regulations. Major campaigns require FRANCHISOR approval.

5.6 Terms of Service: All customer interactions shall comply with Platform Terms of Service and FRANCHISOR's policies.

6. TRAINING & SUPPORT

6.1 Initial Training: FRANCHISOR shall provide comprehensive training covering business operations, digital platform usage, customer acquisition/retention, compliance, product knowledge, sales techniques, and financial management.

- **Delivery:** Online or at FRANCHISOR's office in Faridabad, Haryana.

6.2 Ongoing Training: FRANCHISOR shall provide monthly webinars, quarterly refresher training, updates on new features/regulations, and access to tutorials/materials.

6.3 FRANCHISEE Responsibility: FRANCHISEE shall complete mandatory training, ensure staff is trained/certified, maintain training records, and allocate resources for development.

6.4 Support:

- **Technical:** 24/7 helpline, email support, remote troubleshooting, and software updates. (Response time: 24 hours general / 4 hours critical).
 - **Business:** Mentorship, market analysis, sales strategy, complaint resolution, and performance improvement plans.
 - **Channels:** Helpline (9821389400), Email (info@creditdost.co.in), WhatsApp, SMS, and online ticketing.
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7. REPORTING & AUDIT

7.1 Reporting Schedule:

- **Monthly (by 10th):** Performance reports, revenue, customer metrics, complaints, marketing activities, and financial statements.
- **Quarterly:** Detailed business analysis, competitive analysis, satisfaction, and strategic initiatives.
- **Annual:** Audited/unaudited financial statements, performance review, compliance certification, and strategic plans.

7.2 Audit Rights: FRANCHISOR reserves the right to conduct unannounced audits, verify financial records, inspect premises, review documentation, and conduct compliance audits.

- **Procedure:** Audits conducted at least twice annually by authorized representatives at FRANCHISEE's premises.
- **Costs:** FRANCHISOR bears costs unless significant discrepancies are found, in which case FRANCHISEE bears the cost.

7.3 Record Maintenance: FRANCHISEE shall maintain all records for a minimum of 7 years.

8. CONFIDENTIALITY & NON-DISCLOSURE

8.1 Confidential Information: Includes trade secrets, proprietary methods, software, customer lists, financial info, marketing strategies, and training materials.

8.2 Obligations: FRANCHISEE shall maintain strict confidentiality, use information solely for operations, not disclose to third parties without consent, implement security measures, and ensure employees sign confidentiality agreements.

8.3 Duration: Confidentiality obligations survive termination for 5 years.

9. RESTRICTIONS

9.1 Non-Compete: During the Agreement and for **2 years** after termination, FRANCHISEE shall not engage in competing business, use gained knowledge for competition, or solicit FRANCHISOR's customers.

9.2 Non-Solicitation: FRANCHISEE shall not solicit FRANCHISOR employees (during term + 1 year after) or encourage defection of team members.

9.3 Brand & Business Restrictions: FRANCHISEE shall not modify the brand, register the brand, transfer the agreement without consent, engage in illegal practices, collect unauthorized fees, or operate under multiple brands without disclosure.

9.4 Exclusivity: This franchise is non-exclusive. FRANCHISOR may appoint other franchisees in the same territory.

10. TERMINATION CLAUSES

10.1 Term: Valid for **1 year** from execution. Renewable for successive 1-year periods upon mutual consent and satisfactory performance.

10.2 Termination by FRANCHISOR:

- **For Cause (Immediate):** Default in payment (>30 days), material breach (uncured in 15 days), fraud, regulatory violation, unauthorized IP use, abandonment (30+ days), or insolvency.
- **For Convenience (90 days' notice):** Discontinuation of program, significant business changes, or market restructuring.

10.3 Termination by FRANCHISEE: May terminate with **60 days'** written notice for material breach by FRANCHISOR (uncured in 30 days), failure to provide training/support, or platform non-functionality (7+ days).

10.4 Consequences: Upon termination, FRANCHISEE must cease using the brand/IP, return materials, surrender platform access, settle obligations, and destroy confidential info. Outstanding payments become immediately due.

11. DISPUTE RESOLUTION

11.1 Governing Law & Jurisdiction: Laws of India, State of Haryana. Exclusive jurisdiction of courts in Faridabad, Haryana.

11.2 Mechanism:

1. **Informal Resolution (15 days):** Written notice and negotiation.
2. **Mediation (30 days):** Neutral mediator (expenses shared).
3. **Arbitration:** If mediation fails, arbitration under Arbitration and Conciliation Act 1996. Seat: Faridabad.

11.3 Injunctive Relief: FRANCHISOR may seek immediate injunctive relief for IP, confidentiality, and non-compete breaches.

12. LEGAL & COMPLIANCE

FRANCHISEE shall comply with:

- **Regulatory:** Companies Act, GST, Income Tax, Labor Laws, RBI guidelines, IRDA, and TRAI regulations.
- **Financial:** Maintain accounting records, file tax/GST returns, and prepare statements per Indian Accounting Standards.
- **Data/Privacy:** IT Act 2000, RBI data security, and consumer privacy protection.
- **Consumer Protection:** CPA 2019, transparent pricing, and grievance redressal.
- **KYC:** Implement KYC procedures and report suspicious transactions to FIU.
- **Labor/Social:** Minimum Wages Act, workplace safety, and environmental practices.
- **Insurance:** Maintain General Liability, Professional Indemnity, and Cyber Liability insurance.

13. GENERAL PROVISIONS

13.1 Entire Agreement: Supersedes all prior negotiations.

13.2 Notice: Notices must be in writing.

- **FRANCHISOR:** Optimystic Auxiliary Services Pvt Ltd, 4330, Sainik Colony, Faridabad 121001, Haryana. Email: info@creditdost.co.in.
- **FRANCHISEE:** [Name and Address 123, abc, def - 122456].
- **13.3 Relationship:** Independent contractor relationship.
- **13.4 Force Majeure:** Neither party liable for events beyond control (notice within 7 days).

SIGNATURES

FOR FRANCHISOR:

Optimystic Auxiliary Services Private Limited

Signature: _____

Name: _____

Designation: _____

Date: _____

Mobile: _____

Email: _____

FOR FRANCHISEE:

Name: ~~ABC~~ ~~Indep~~

Signature: _____

Date: ~~14/1/2026~~

Mobile: ~~XXXXXXXXXX~~

Address: ~~123, abc, def~~ ~~123, abc, def 1, Haryana 121001~~

PAN: ~~XXXXXXXXX~~ ~~9FLPS4114D~~

Aadhar: ~~XXXXXXXXXX~~ ~~123456789012XXXXX~~

ANNEXURE B: FRANCHISE FEE STRUCTURE

The initial franchise fee includes:

- Comprehensive training and orientation.
 - Digital platform access and setup.
 - Branded marketing materials and kit.
 - Initial technical infrastructure.
 - Business support and mentorship.
 - All support services for the first year.
 - *No additional hidden charges apply.*
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ANNEXURE D: CODE OF CONDUCT

1. Professional & Customer Conduct: Maintain professional demeanour, honesty, and respect. Never mislead customers.

2. Financial Integrity: Maintain transparent records, pay fees on time, and avoid conflicts of interest.

3. Confidentiality & Compliance: Protect trade secrets and follow all legal/tax obligations.

4. Digital Conduct: Represent brand positively, avoid controversial content/cyberbullying.

5. Consequences of Violations:

Violation Level	First Offense	Second Offense	Third Offense
Minor	Written warning	1-week suspension	Termination
Moderate	Fine + warning	1-month suspension	Termination
Serious	Immediate suspension	Termination	Legal action

Violation Level	First Offense	Second Offense	Third Offense
Fraud/Illegal	Immediate termination	Legal prosecution	-

ANNEXURE E: BRAND USAGE MANUAL

1. Brand Identity: Name: "**Credit Dost**". Values: Transparency, Integrity, Innovation.
2. Logo Usage: Use approved files only. Do not alter, distort, or change colours.
3. Digital Branding: Professional design, proper disclaimers, responsive design, and consistent social media presence.
4. Content: Accurate info, no misleading claims, professional tone.
5. Office: "**Credit Dost**" signage, professional appearance, and proper license display.
6. Prohibited: False claims, negative competitor comments, and aggressive selling.